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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 07-01-2010 and ending 06-30-2011

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

C Name of organization
MERCY HOSPITAL JOPLIN
F/K/A MERCY HEALTH OF JOPLIN INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 2817 ST JOHNS BLVD
Room/suite

City or town, state or country, and ZIP + 4
Joplin, MO 64804

D Employer identification number
27-0814858

E Telephone number
(314)628-3557

G Gross receipts $ 232,848,340

F Name and address of principal officer
Gary Pulsipher CEO
2817 ST JOHNS BLVD
Joplin,MO 64804

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

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

H(c) Group exemption number ▶ 0928

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

J **Website: ▶** www mercy net

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

L Year of formation 2009

M State of legal domicile MO

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
As the Sisters of Mercy before us, we bring to life the healing ministry of Jesus through our compassionate care and exceptional service

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	9
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	6
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	2,250
6	Total number of volunteers (estimate if necessary)	6	300
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	860,445
b	Net unrelated business taxable income from Form 990-T, line 34	7b	112,437

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	162,342	1,034,427
	9	Program service revenue (Part VIII, line 2g)	162,227,475	201,160,744
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	379,476	91,913
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,753,410	30,561,256
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	166,522,703	232,848,340
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	246,394	812,590
	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)	61,310,527	90,662,461
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	86,987,433	122,738,183
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	148,544,354	214,213,234
	19	Revenue less expenses Subtract line 18 from line 12	17,978,349	18,635,106

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	65,808,820	100,991,741
	21	Total liabilities (Part X, line 26)	37,328,173	53,648,139
	22	Net assets or fund balances Subtract line 21 from line 20	28,480,647	47,343,602

Part II Signature Block

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

Sign Here

Signature of officer — Date 2012-05-07

SHELLY HUNTER CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶ ☐	PTIN
Firm's name ▶ ERNST & YOUNG US LLP				Firm's EIN ▶
Firm's address ▶ 190 CARONDELET PLAZA SUITE 1300 CLAYTON, MO 63105				Phone no ▶ (314) 290-1000

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

As the Sisters of Mercy before us, we bring to life the healing ministry of Jesus through our compassionate care and exceptional 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 $ 14,007,632 including grants of $ 0) (Revenue $ 102,919,608)

From the Mercy sisters who founded our hospital in 1896 as a 10-bed hospital to the 367-bed regional care facility and post disaster 60 bed temporary hospital, Mercy Hospital Joplin continues its mission of providing healthcare to the four-state region with compassion and a deep desire to help the people in our community We serve all persons in the community on a non-discriminatory basis and operate a 24-hour emergency room 365 days per year that is open to all persons regardless of ability to pay Mercy Hospital Joplin participates in Medicare and Medicaid and has an active charity care program From diagnostics and treatment to rehabilitation and prevention, we offer the most experienced and sophisticated cardiovascular services in this region Heart care at Mercy Hospital Joplin begins with a focus on healthy living strategies and specialized programs, and extends to the most advanced technologies and treatments Our cardiologists and cardiovascular surgeons work together as a team to identify the best possible treatment for every patient As we celebrate the 30th anniversary of Mercy Hospital Joplin's Cardiovascular Program, we remember the pioneering physicians who established the program - the first of its kind in the four-state area But we also celebrate all of the patients whose hearts and lives have been restored through the work of our dedicated cardiology team

4b (Code) (Expenses $ 874,231 including grants of $ 0) (Revenue $ 6,494,033)

Mercy Hospital Joplin's Center for Cancer Care offers you and your family the most extensive cancer program in the 19-county area surrounding Joplin We realized the importance of complete cancer care back in 1979 Since that time, we have continued to invest in the latest technology, used by our experienced team of medical and radiation oncologists, pathologists, radiologists, nurses, therapists and allied health professionals Though the May 22, 2011 tornado destroyed access to many of our services and on-campus facilities, we still offer the extensive services you need We direct your care as needed through our partnerships with other facilities Technology is just one tool in your fight against cancer Your prognosis improves dramatically when your treatment includes support for your body, mind and spirit That's why we offer the best nursing care, nutritional counseling and support groups We also understand how the impact of cancer extends beyond the patient That's why our entire staff remains sensitive to the needs of family and friends

4c (Code) (Expenses $ 4,841,107 including grants of $ 0) (Revenue $ 35,509,855)

Mercy Hospital Joplin treats severe traumas around the clock in one of the state's most advanced, and most active, trauma centers Our trauma center is currently serving as a Level III trauma center, and will move to a Level II in Spring 2012 with the opening of our new component hospital During FY2011 the emergency department saw 36,955 patients Mercy Hospital Joplin is committed to providing access to rapid critical care throughout the community With two MedFlight helicopter bases strategically located across the region, we're able to quickly reach patients over the four-state area within 19 counties The crew of 25 members proudly operates this valuable service while maintaining an impeccable safety record and logging 627 flights during the year

4d Other program services (Describe in Schedule O)
(Expenses $ 120,195,052 including grants of $ 812,590) (Revenue $ 85,721,714)

4e **Total program service expenses**▶$ 139,918,022

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	Yes	
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	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e		No
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		No
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	Yes	

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
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	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *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		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	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	7			
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	2,250			
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	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		No
b	If "Yes," enter the name of the foreign country ▶ See 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: 9			
b	Enter the number of voting members included in line 1a, above, who are independent	1b: 6			
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	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9		No

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
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		No
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▶

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 ▶

Gary Pulsipher CEO
2817 ST JOHNS BLVD
JOPLIN, MO 64804
(417) 625-2200

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			
(1) Joseph Graham Trustee	1 0	X						0	0	0
(2) Dr Stephen Bazzano Trustee	1 0	X						0	0	0
(3) Sr Annerene Brau RSM Trustee	1 0	X						0	0	0
(4) Rick Brown Treasurer & trustee	1 0	X						0	0	0
(5) Dr Brian Curtis Trustee	60 0	X						0	1,194,147	16,714
(6) Sr Victoria Incrivaglia RSM Trustee	1 0	X						0	0	0
(7) Danny Thomas Chairman & trustee	1 0	X						0	0	0
(8) Shelly Hunter CFO-Joplin	60 0	X		X				0	235,210	19,975
(9) Gary W Pulsipher President-Joplin	60 0	X		X				0	477,648	42,839
(10) Theresa Wachter Key employee/VP-Mission	60 0				X			173,093	0	19,976
(11) Robert S Watson Key employee	60 0				X			197,683	0	11,432
(12) Dottie Bringle Key employee/COO	60 0				X			252,512	0	26,343
(13) James E Privitera Highest compensated	40 0					X		201,660	0	461
(14) Carole E Eastman Dir -Operations	40 0					X		171,566	65,162	10,902
(15) Paul S Kern Highest compensated	40 0					X		165,632	0	16,946
(16) Sarah A Boyd Highest compensated	40 0					X		136,123	0	4,679

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) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(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
(17) Dennis G Manley Dir -Risk Mgmt/Quality	40 0					X		133,719	0	19,477
(18) Gary Jordan Former Director	60 0						X	0	321,330	32,785
1b Sub-Total . . . ▶										
c Total from continuation sheets to Part VII, Section A . . . ▶										
d Total (add lines 1b and 1c) . . . ▶								1,431,988	2,293,497	222,529

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 ▶36

		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
APOGEE MEDICAL MANAGEMENT 2525 E CAMELBACK RD STE 1100 PHOENIX, AZ 85016	HOSPITALIST SVCS	904,750
RENAL CARE GROUP JOPLIN ACUTE PO BOX 49478 WICHITA, KS 67201	DIALYSIS SVCS	794,809
SODEXO INC AND AFFILIATES 4880 PAYSPHERE CIR CHICAGO, IL 60674	FOOD/ENVIRO SVCS	785,666
ORTHOPAEDIC SPECIALISTS OF 4 STATES 444 FOUR STATES STE 1 GALENA, KS 66739	ORTHOPAEDIC SUPPORT	771,009
MAYO MED LAB PO BOX 9146 MINNEAPOLIS, MN 55480	LABORATORY SVCS	743,311

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 ▶41

Part VIII Statement of Revenue

Section	Line	Description	Sub-amount / Business Code	(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	602,913				
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	431,514				
	g	Noncash contributions included in lines 1a-1f $	17,363				
	h	**Total.** Add lines 1a-1f . . . . ▶		1,034,427			
Program Service Revenue			Business Code				
	2a	Patient Services	621400	111,404,429	111,404,429		
	b	DME	900099	1,870,576	1,656,786	213,790	
	c	Lab Services	621500	87,426,756	87,211,374	215,382	
	d	Mercy Discovery Daycare	624410	458,983	27,710	431,273	
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . ▶		201,160,744			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) . . . . . ▶		71,500			71,500
	4	Income from investment of tax-exempt bond proceeds . . ▶		0			
	5	Royalties . . . . ▶		0			
			(i) Real / (ii) Personal				
	6a	Gross Rents	(i) 1,076,790				
	b	Less rental expenses					
	c	Rental income or (loss)	(i) 1,076,790				
	d	Net rental income or (loss) . . . . ▶		1,076,790			1,076,790
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	(ii) 20,413				
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)	(ii) 20,413				
	d	Net gain or (loss) . . . . ▶		20,413			20,413
	8a	Gross income from fundraising events (not including $ ______ of contributions reported on line 1c) See Part IV, line 18 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from fundraising events . . ▶		0			
	9a	Gross income from gaming activities See Part IV, line 19 . a					
	b	Less direct expenses . . . . b					
	c	Net income or (loss) from gaming activities . . . ▶		0			
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶		0			
		Miscellaneous Revenue	Business Code				
	11a	ARCH AIR REIMBURSE OF OPERATING EXPENSES	611710	513,416	513,416		
	b	Cafeteria	722210	906,479	906,479		
	c	Insurance Proceeds	541700	27,897,663	27,897,663		
	d	All other revenue		166,908	166,908		
	e	**Total.** Add lines 11a–11d . . . . ▶		29,484,466			
	12	**Total revenue.** See Instructions . . . ▶		232,848,340	229,784,765	860,445	1,168,703

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	92,164	92,164		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	720,426	720,426		
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	745,836	574,543	171,293	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	71,069,796	54,747,529	16,322,267	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,569,801	2,749,815	819,986	
9	Other employee benefits	9,940,386	344,631	9,595,755	
10	Payroll taxes	5,336,642	4,110,815	1,225,827	
a	Fees for services (non-employees) Management	0			
b	Legal	43,418		43,418	
c	Accounting	99,642		99,642	
d	Lobbying	0			
e	Professional fundraising services *See Part IV, line 17*	0			
f	Investment management fees	0			
g	Other	9,471,835	6,152,801	3,319,034	
12	Advertising and promotion	378,708	10,787	367,921	
13	Office expenses	52,553,976	48,494,316	4,059,660	
14	Information technology	13,850,716	163,026	13,687,690	
15	Royalties	0			
16	Occupancy	6,836,278	888,432	5,947,846	
17	Travel	463,612	301,182	162,430	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	23,183	17,700	5,483	
20	Interest	0			
21	Payments to affiliates	10,871		10,871	
22	Depreciation, depletion, and amortization	1,892,093	1,248,323	643,770	
23	Insurance	822,507		822,507	
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	BAD DEBT	15,456,461	15,456,461		
b	SYSTEM FEES	15,496,943	35,000	15,461,943	
c	PHYSICIAN PURCHASED SERVICES	4,521,125	3,007,669	1,513,456	
d	All other expenses	816,815	802,402	14,413	
e					
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	214,213,234	139,918,022	74,295,212	0
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			1	
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		35,594,363	4	12,758,120
	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		306,907	7	347,731
	8	Inventories for sale or use		4,873,875	8	332,870
	9	Prepaid expenses and deferred charges		0	9	95,060
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 4,380,847			
	b	Less accumulated depreciation	10b 139,781	11,035,460	10c	4,241,066
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		1,014,320	12	1,201,004
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		12,983,895	15	82,015,890
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		65,808,820	16	100,991,741
Liabilities	17	Accounts payable and accrued expenses		36,116,713	17	53,536,611
	18	Grants payable			18	
	19	Deferred revenue		174,297	19	111,528
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		1,037,163	25	0
	26	**Total liabilities.** Add lines 17 through 25		37,328,173	26	53,648,139
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		28,442,906	27	47,401,007
	28	Temporarily restricted net assets		37,741	28	-57,405
	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		28,480,647	33	47,343,602
	34	Total liabilities and net assets/fund balances		65,808,820	34	100,991,741

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	232,848,340
2	Total expenses (must equal Part IX, column (A), line 25)	2	214,213,234
3	Revenue less expenses Subtract line 2 from line 1	3	18,635,106
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	28,480,647
5	Other changes in net assets or fund balances (explain in Schedule O)	5	227,849
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	47,343,602

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		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

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
MERCY HOSPITAL JOPLIN
F/K/A MERCY HEALTH OF JOPLIN INC

Employer identification number
27-0814858

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 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

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

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

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

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

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

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

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

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

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

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2010

Open to Public Inspection

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

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

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

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

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then

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

Name of the organization	Employer identification number
MERCY HOSPITAL JOPLIN F/K/A MERCY HEALTH OF JOPLIN INC	27-0814858

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

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

2 Political expenditures ▶ $

3 Volunteer hours

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

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

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

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

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

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

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

A Check ☐ if the filing organization belongs to an affiliated group
B Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		**(a)** Filing Organization's Totals	**(b)** Affiliated Group Totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b	Total lobbying expenditures to influence a legislative body (direct lobbying)		
c	Total lobbying expenditures (add lines 1a and 1b)		
d	Other exempt purpose expenditures		
e	Total exempt purpose expenditures (add lines 1c and 1d)		
f	Lobbying nontaxable amount Enter the amount from the following table in both columns		

If the amount on line 1e, column (a) or (b) is:	**The lobbying nontaxable amount is:**
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

		(a)	(b)
g	Grassroots nontaxable amount (enter 25% of line 1f)		
h	Subtract line 1g from line 1a If zero or less, enter -0-		
i	Subtract line 1f from line 1c If zero or less, enter -0-		

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

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

Lobbying Expenditures During 4-Year Averaging Period

	Calendar year (or fiscal year beginning in)	**(a)** 2007	**(b)** 2008	**(c)** 2009	**(d)** 2010	**(e)** Total
2a	Lobbying non-taxable amount					
b	Lobbying ceiling amount (150% of line 2a, column(e))					
c	Total lobbying expenditures					
d	Grassroots non-taxable amount					
e	Grassroots ceiling amount (150% of line 2d, column (e))					
f	Grassroots lobbying expenditures					

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

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		12,228
j	Total lines 1c through 1i			12,228
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION	FORM 990, SCHEDULE C, PART II-B	THE FILING ORGANIZATION IS A MEMBER OF AND PAYS DUES TO THE FOLLOWING HOSPITAL ASSOCIATIONS AMERICAN HOSPITAL ASSOCIATION AND MISSOURI HOSPITAL ASSOCIATION FOR THE YEAR ENDED JUNE 30, 2011, DUES WERE $24,365, AND $50,651 99 , RESPECTIVELY APPROXIMATELY 16 3% OF AMERICAN HOSPITAL ASSOCIATION DUES, AND 16 3% OF MISSOURI HOSPITAL ASSOCIATION DUES WERE ATTRIBUTABLE TO LOBBYING ACTIVITIES PERFORMED BY THESE ASSOCIATIONS

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
MERCY HOSPITAL JOPLIN
F/K/A MERCY HEALTH OF JOPLIN INC

Employer identification number
27-0814858

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		2,295,597		2,295,597
b Buildings		365,178	54,731	310,447
c Leasehold improvements		7,711	3,493	4,218
d Equipment		184,568	39,104	145,464
e Other		1,527,793	42,453	1,485,340
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ►				4,241,066

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
(1) DUE FROM AFFILIATES	81,852,421
(2) MISC RECEIVABLES	163,469
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	82,015,890

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
UNCERTAIN TAX POSITIONS UNDER ASC 740	FORM 990, SCHEDULE D, PART X	THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF MERCY HEALTH AND SUBSIDIARIES DO NOT INCLUDE A FOOTNOTE TO REPORT THE ORGANIZATION'S LIABILITY FOR UNCERTAIN TAX POSITIONS UNDER ASC 740, AS THEY ARE DEEMED IMMATERIAL FOR DISCLOSURE

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
MERCY HOSPITAL JOPLIN
F/K/A MERCY HEALTH OF JOPLIN INC

Employer identification number
27-0814858

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a finnancial 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 ☐ 100% ☐ 150% ☑ 200% ☐ Other ______ %	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other ______ %	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	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		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Does the organization prepare 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)			4,992,969	0	4,992,969	2 510 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			22,920,349	6,106,030	16,814,319	8 460 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			0	0	0	0 %
d **Total** Financial Assistance and Means-Tested Government Programs			27,913,318	6,106,030	21,807,288	10 970 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1,717,159	58,189	1,658,970	0 830 %
f Health professions education (from Worksheet 5)			394,398	0	394,394	0 200 %
g Subsidized health services (from Worksheet 6)			814,285	513,419	300,866	0 150 %
h Research (from Worksheet 7)			252,731	23,046	229,685	0 120 %
i Cash and in-kind contributions to community groups (from Worksheet 8)			2,644,662	0	2,644,662	1 330 %
j **Total** Other Benefits			5,823,235	594,654	5,228,577	2 630 %
k **Total.** Add lines 7d and 7j			33,736,553	6,700,684	27,035,865	13 600 %

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			104	0	104	0 %
3	Community support	9	14,595	272,497	200,323	72,174	0 040 %
4	Environmental improvements	2	15,210	40,422	0	40,422	0 020 %
5	Leadership development and training for community members						
6	Coalition building	2	3	11,850	0	11,850	0 010 %
7	Community health improvement advocacy	3	22,610	142,016	0	142,016	0 070 %
8	Workforce development	1		46,672	0	46,672	0 020 %
9	Other						
10	**Total**	17	52,418	513,561	200,323	313,238	0 160 %

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 Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	3,517,541		
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	0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	90,474,276
6	Enter Medicare allowable costs of care relating to payments on line 5	6	110,254,396
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-19,780,120

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

			Yes	No
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	METS	AMBULANCE SERVICES	50 000 %		
2	LANDMARK HOSPITAL	LONG-TERM ACUTE CARE FACILITY			
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	Mercy Hospital Joplin 2727 McClelland Blvd Joplin, MO 64804	X	X					X		

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?______________________________

	Name and address	Type of Facility (Describe)
1		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

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 3C		THE FEDERAL POVERTY GUIDELINES FOR INCOME ARE THE BASIS FOR DETERMINING ELIGIBILITY FOR CH ARITY CARE DISCOUNTS FOR EXAMPLE, INDIVIDUALS WITH INCOMES BELOW 100% OF THE FEDERAL POVE RTY GUIDELINES WILL BE ELIGIBLE FOR FREE CARE INDIVIDUALS WITH INCOMES GREATER THAN 100% OF THE FEDERAL POVERTY GUIDELINES MAY BE ELIGIBLE FOR CARE AT DISCOUNTED RATES DEPENDING O N THEIR INCOME LEVEL AND/OR THE AMOUNT DUE TO THE HOSPITAL CHARITY/MEDICAL INDIGENCE PARA METERS CHARITY/MEDICAL INDIGENCE PARAMETERS ARE BASED ON FEDERAL INCOME POVERTY (FPL) GUID ELINES WHICH ARE UPDATED ANNUALLY GENERALLY, NO PATIENT'S FINANCIAL RESPONSIBILITY SHALL BE GREATER THAN 10% OF THE HOUSEHOLD ADJUSTED GROSS INCOME, SUBJECT TO AN ASSET TEST THIS DETERMINATION SHALL BE MADE PER EPISODE OF CARE WHERE INCOME EXCEEDS 300% OF THE FPL, AND , WHEN WARRANTED, IN AGGREGATE FOR MULTIPLE EPISODES THE PARAMETERS WILL BE REVIEWED ANNU ALLY WITH THE FPL UPDATES THE REVIEW WILL INCLUDE ASSESSMENT OF THE SLIDING SCALE RANGES, MAXIMUM OUT OF POCKETS, AND OVERALL IMPACT TO THE FACILITIES AND SYSTEM REVISIONS WILL B E COMPLETED AS WARRANTED PART I, LINE 6A N/A PART I, LINE 7G N/A PART I, LINE 7, COLUMN F OUR TOTAL EXPENSE FROM FORM 990, PART IX, LINE 25, COLUMN (A) WAS $214,213,234 THE BAD D EBT EXPENSE INCLUDED IN THIS AMOUNT WAS $15,456,461 THIS LEFT A TOTAL EXPENSE OF $198,756 ,773 FOR PURPOSES OF CALCULATING LINE 7, COLUMN (F) PART I, LINE 7 N/A PART III, LINE 4 THE TEXT OF THE FOOTNOTE THAT IS INCLUDED IN MERCY HEALTH AND SUBSIDIARIES AUDITED FINANCI AL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSE IS AS FOLLOWS "PATIENT ACCOUNTS THAT ARE UN COLLECTED, INCLUDING THOSE PLACED WITH COLLECTION AGENCIES, ARE INITIALLY CHARGED AGAINST THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS IN ACCORDANCE WITH COLLECTIONS POLICIES OF THE HE ALTH SYSTEMS AND, IN CERTAIN CASES, ARE RECLASSIFIED TO CHARITY CARE IF DEEMED TO OTHERWIS E MEET THE HEALTH SYSTEM'S CHARITY CARE POLICY THE PROVISION FOR UNCOLLECTIBLE RECEIVABLE S IS BASED ON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERI NG BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN HEALTHCARE COVERAGE, AND OTHER COLLECTION I NDICATORS PERIODICALLY THROUGHOUT THE YEAR, MANAGEMENT ASSESS THE ADEQUACY OF THE ALLOWAN CE FOR UNCOLLECTIBLE RECEIVABLES BASED UPON THE PAYOR COMPOSITION AND AGING OF RECEIVABLES AS OF THE REPORTING DATE WITH CONSIDERATION OF THE HISTORICAL PAYMENT AND WRITE-OFF EXPER IENCE BY PAYOR CATEGORY THE RESULTS OF THESE REVIEWS ARE THEN USED TO MAKE ANY MODIFICATI ONS TO THE PROVISION FOR UNCOLLECTIBLE RECEIVABLES TO ESTABLISH AN APPROPRIATE ALLOWANCE F OR UNCOLLECTIBLE RECEIVABLES AFTER SATISFACTION OF AMOUNTS DUE FROM INSURANCE, THE HEALTH SYSTEM FOLLOWS ESTABLISHED GUIDELINES FOR PLACING PAST-DUE BALANCES WITH COLLECTION AGENC IES " TO DETERMINE THE AMOUNT OF BAD DEBT EXPENSE, AT COST, BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENT ACCOUNTS WAS MULTIPLIED BY A RATIO OF COST TO CHARGES THE RATIO OF COST TO CHA RGES USED WAS BASED ON DETAILED COST ACCOUNTING, WHERE AVAILABLE WHERE COST ACCOUNTING IS NOT AVAILABLE, COST REPORT COST TO CHARGE RATIOS WERE UTILIZED THE FILING ORGANIZATION D ETERMINED THAT THE ESTIMATED AMOUNT OF BAD DEBT EXPENSE (AT COST) ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY IS $0 ALTHOUGH THE CHARITY CARE PO LICY REQUIRES THE PARTICIPATION OF THE PATIENT REQUESTING ASSISTANCE, WE HAVE A PROCESS UN DER PRESUMPTIVE CHARITY (REFER TO DISCLOSURE FOR PART III, #9B) TO ADDRESS ACCOUNTS FOR PA TIENTS WHO DO NOT PROVIDE THE INFORMATION WE BELIEVE THAT OUR CHARITY POLICY IS COMPREHEN SIVE ENOUGH TO CAPTURE ALMOST ALL PATIENTS WHO QUALIFY FOR CHARITY CARE PART III, LINE 8 IT IS THE POSITION OF MERCY HOSPITAL JOPLIN THAT 100% OF ANY SHORTFALL SHOULD BE TREATED AS COMMUNITY BENEFIT THIS AMOUNT REPRESENTS COST OF PROVIDING SERVICES THAT REMAIN UNCOMP ENSATED TO THE PROVIDER THE UNREIMBURSED COSTS OF MEDICARE IS CALCULATED BY THE GROSS CHA RGES NET OF THE COST TO CHARGE RATIO LESS ANY PAYMENTS, DEDUCTIONS OR REIMBURSEMENTS USING THE ANNUAL MEDICARE COST REPORT (CMS FORM 2552-96) PART III, LINE 9B MERCY HOSPITAL JOP LIN'S ("MERCY") DEBT COLLECTION POLICY PROVIDES THAT MERCY WILL PERFORM A REASONABLE REVIE W OF EACH INPATIENT ACCOUNT BEFORE TURNING AN ACCOUNT OVER TO A THIRD-PARTY COLLECTION AGE NT AND PRIOR TO INSTITUTING ANY LEGAL ACTION FOR NON-PAYMENT, TO ASSURE THAT THE PATIENT A ND PATIENT GUARANTOR ARE NOT ELIGIBLE FOR ANY ASSISTANCE PROGRAM (E G , MEDICAID) AND DO N OT QUALIFY FOR COVERAGE THROUGH MERCY'S COMMUNITY ASSISTANCE POLICY AFTER HAVING BEEN TUR NED OVER TO A THIRD-PARTY COLLECTION AGENT, ANY PATIENT ACCOUNT THAT IS SUBSEQUENTLY DETER MINED TO HAVE MET THE MERCY HOSPITAL COMMUNITY ASSISTANCE POLICY IS REQUIRED TO BE RETURNE D IMMEDIATELY BY THE THIRD-PARTY COLLECTION AGENT TO MERCY FOR APPROPRIATE FOLLOW-UP MERC Y REQUIRES ITS THIRD-PARTY COLLECTION AGENTS TO INCLUDE A MESSAGE ON ALL STATEMENTS INDICA TING THAT IF A PATIENT OR PATIENT GUARANTOR MEETS

Identifier	ReturnReference	Explanation
PART I, LINE 3C		CERTAIN STIPULATED INCOME REQUIREMENTS, THE PATIENT OR PATIENT GUARANTOR MAY BE ELIGIBLE F OR FINANCIAL ASSISTANCE MERCY UTILIZES THE "SEARCH AMERICA" TOOL TO ENHANCE THE ABILITY T O DETERMINE CHARITY QUALIFICATION PRESUMPTIVE CHARITY WILL BE GRANTED IN SITUATIONS WHERE MERCY HAS BEEN UNABLE TO OBTAIN INFORMATION FROM PATIENTS OR THE INFORMATION PROVIDED IS NOT COMPLETE ENOUGH TO MAKE A CHARITY DETERMINATION MERCY UTILIZES PRESUMPTIVE CHARITY PR IOR TO BAD DEBT PLACEMENT FOR CHARITY ADJUSTMENTS IN EXCESS OF $10,000 IN THESE CASES, ME RCY UTILIZES THE SEARCH AMERICA REPORT STATUS OF "PROBABLE CHARITY" AS THE BASIS FOR ASSIG NING THE CHARITY LEVEL MERCY WILL PURSUE APPROPRIATE MEANS IN THE COLLECTION OF DELINQUEN T ACCOUNTS FROM PATIENTS WITH AN ESTABLISHED ABILITY TO PAY OR AN UNWILLINGNESS TO COOPERA TE IN VALIDATING ELIGIBILITY FOR FINANCIAL ASSISTANCE THESE APPROPRIATE MEANS MAY INCLUDE LEGAL ACTION CONSISTENT WITH MERCY MISSION AND VALUES ADDITIONALLY THEY MAY INCLUDE LIEN S UPON REAL PROPERTY AND REASONABLE WAGE GARNISHMENTS LEGAL ACTIONS WILL GENERALLY NOT IN CLUDE BANK GARNISHMENT, REPOSSESSION OF ASSETS OR FORECLOSURES TO ENFORCE SATISFACTION OF A LIEN MERCY HAS POLICIES AND PROCEDURES ESTABLISHED TO ADDRESS THE INITIATION OF LEGAL A CTION AND ANNUALLY REVIEWS COMPLIANCE WITH ALL POLICIES ANNUALLY REVIEWS COMPLIANCE WITH ALL POLICIES NEEDS ASSESSMENT MERCY HOSPITAL JOPLIN'S COMMUNITY BENEFIT PLAN IS BASED ON OUR UNDERSTANDING OF UNIQUE COMMUNITIES' NEEDS DERIVED FROM COLLABORATIVE NEEDS ASSESSMENT S, FOCUS GROUPS, AND SURVEYS CONDUCTED WITH OUR COMMUNITY PARTNERS THE JASPER AND NEWTON COUNTIES COMMUNITY HEALTH COLLABORATIVE (CHC) WAS FORMED IN 1999 AS A COLLABORATIVE ENTITY OF HEALTH AND HUMAN SERVICE PROVIDERS WITH A GENERAL DESIRE TO REDUCE DUPLICATION OF EFFO RTS, THEREBY PROVIDING A MORE EFFICIENT USE OF LIMITED RESOURCES ADDITIONALLY, IT WAS GEN ERALLY RECOGNIZED THAT THE HEALTH OF THE COMMUNITY WAS NOT THE RESPONSIBILITY OF ANY ONE E NTITY, BUT RATHER REQUIRED THE COORDINATED EFFORTS OF MANY ENTITIES - PUBLIC AND PRIVATE - TO REALIZE AN IMPROVED HEALTH STATUS OF A COMMUNITY THE CHC HAS BEEN WORKING FOR SEVERAL YEARS TO MEASURE AND IMPROVE THE HEALTH STATUS OF THE COMMUNITY THE JASPER AND NEWTON CO UNTIES COMMUNITY HEALTH COLLABORATIVE COMPLETED AN IN-DEPTH COMMUNITY HEALTH STATUS REPORT IN JANUARY 2006 AND A NEW COMMUNITY ASSESSMENT IS NEARLY COMPLETED THE REPORT REFLECTS T HE COMPILATION AND ANALYSIS OF EXTENSIVE DATA SOURCES TO IDENTIFY ISSUES HAVING A SIGNIFIC ANT IMPACT ON THE HEALTH AND GENERAL WELL BEING OF AREA RESIDENTS SUMMARY OF ASSESSMENT F INDINGS THE TEN ISSUES WERE THEN PRIORITIZED THROUGH A GROUP PRIORITIZATION PROCESS COMMU NITY STAKEHOLDERS WERE INVITED TO PRIORITIZE THE ISSUES OF MOST IMPORTANCE TO THEM, KEEPIN G IN MIND HOW AWARE THE COMMUNITY WAS OF EACH ISSUE AND HOW DIFFICULT THE ISSUE WAS TO CHA NGE AS A RESULT, THE ISSUES FELL INTO THE FOLLOWING ORDER OF PRIORITY 1 HEALTHY BEHAVIO RS 2 CHILD AND MATERNAL HEALTH 3 SMOKING AND TOBACCO 4 ACCESS TO HEALTH CARE SERVICES 5 DISEASE AND MORTALITY 6 UNINTENTIONAL INJURIES 7 ENVIRONMENT 8 PERSONAL AND FAMILY SA FETY 9 INCOME, EMPLOYMENT, AND EDUCATION 10 ALCOHOL AND DRUGS PATIENT ELIGIBILITY FOR AS SISTANCE THE FILING ORGANIZATION HAS PRINTED MATERIAL AVAILABLE AT EACH POINT OF REGISTRAT ION IN OUR FACILITY, IN ADDITION TO ELECTRONICALLY AVAILABILITY AT OUR WEB SITE SPECIFIC INFORMATION PROVIDED FINANCIAL ASSISTANCE INFORMATION AS A PART OF OUR HEALING MINISTRY, THE FILING ORGANIZATION IS COMMITTED TO PROVIDING QUALITY HEALTHCARE SERVICES TO PATIENTS REGARDLESS OF THEIR FINANCIAL SITUATION WE OFFER PAYMENT ASSISTANCE FOR THOSE WHO DO NOT HAVE INSURANCE OR WHO ARE IN FINANCIAL NEED UNINSURED PATIENT DISCOUNTS A DISCOUNT FROM T HE HOSPITAL'S REGULAR BILLED CHARGES WILL BE PROVIDED TO PATIENTS WHO DO NOT HAVE INSURANC E THIS INCLUDES PATIENTS WHOSE FINANCIAL SITUATION NORMALLY WOULD NOT OTHERWISE QUALIFY T HEM FOR CHARITY CARE DISCOUNTS PATIENTS

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
MERCY HOSPITAL JOPLIN
F/K/A MERCY HEALTH OF JOPLIN INC

Employer identification number
27-0814858

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) Rotary District 5110 11616 S Fulton Ave Tulsa, OK 74130	73-1507085			43,903	book	expired medical supp	MED SUPPLIES THIRD WORLD COUNTRIES
(2) Community Health Clinic of Joplin701 S Joplin Joplin, MO 64801	43-1643962			5,816	book	FLU MIST	FLU MIST FOR CLINIC
(3) Community Health Clinic of Joplin701 S Joplin Joplin, MO 64801	43-1643962		28,000			clinic support	GENERAL SUPPORT

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

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

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

(a) Type of grant or assistance	**(b)** Number of recipients	**(c)** Amount of cash grant	**(d)** Amount of non-cash assistance	**(e)** Method of valuation (book, FMV, appraisal, other)	**(f)** Description of non-cash assistance
(1) DISASTER RELIEF	251	585,550			
(2) INDIGENT SERVICES	1352		134,876	cost	MEDICAL SVCS

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

Identifier	**Return Reference**	**Explanation**
Description of Organization's Procedures for Monitoring the Use of Grants	Form 990, Schedule I, PART I, LINE 2	THE GRANT MANAGER OVERSEES THE GRANT INCOME AND EXPENSES MONITORING THEM MONTHLY THE GRANT MANAGER ALSO PREPARED AND SUBMITS ALL REQUIRED DOCUMENTS TO THE GRANTING ORGANIZATIONS The use of grant funds is not monitored after grants are given

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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
MERCY HOSPITAL JOPLIN
F/K/A MERCY HEALTH OF JOPLIN INC

Employer identification number
27-0814858

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☑ First-class or charter travel ☑ Housing allowance or residence for personal use ☑ Travel for companions ☐ Payments for business use of personal residence ☑ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	**4a**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	**4c**		No
	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? If "Yes," to line 5a or 5b, describe in Part III	**5b**		No
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization? If "Yes," to line 6a or 6b, describe in Part III	**6b**		No
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
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) Gary Jordan	(i)	0	0	0	0	0	0	0
	(ii)	181,037	65,035	75,258	21,154	11,631	354,115	0
(2) Dr Brian Curtis	(i)	0	0	0	0	0	0	0
	(ii)	1,161,560	9,857	22,730	6,340	10,374	1,210,861	0
(3) Shelly Hunter	(i)	0	0	0	0	0	0	0
	(ii)	174,946	42,844	17,420	8,215	11,760	255,185	0
(4) Gary W Pulsipher	(i)	0	0	0	0	0	0	0
	(ii)	339,518	131,876	6,254	31,063	11,776	520,487	0
(5) Theresa Wachter	(i)	142,279	26,927	3,887	13,713	6,263	193,069	0
	(ii)	0	0	0	0	0	0	0
(6) Robert S Watson	(i)	156,403	31,135	10,145	4,972	6,460	209,115	0
	(ii)	0	0	0	0	0	0	0
(7) Dottie Bringle	(i)	186,651	39,553	26,308	17,183	9,160	278,855	0
	(ii)	0	0	0	0	0	0	0
(8) James E Privitera	(i)	9,877	10,526	181,257	0	461	202,121	0
	(ii)	0	0	0	0	0	0	0
(9) Carole E Eastman	(i)	23,569	14,740	133,257	8,441	2,407	182,414	0
	(ii)	19,968	0	45,194	0	54	65,216	0
(10) Paul S Kern	(i)	70,897	0	94,735	9,604	7,342	182,578	0
	(ii)	0	0	0	0	0	0	0
(11) Dennis G Manley	(i)	115,713	8,224	9,782	13,425	6,052	153,196	0
	(ii)	0	0	0	0	0	0	0
(12)								
(13)								
(14)								
(15)								
(16)								

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
Supplemental Compensation Information		FORM 990, SCHEDULE J, PART I, QUESTION 1A CHARTER TRAVEL IS PROVIDED TO ALL EMPLOYEES AS DEEMED NECESSARY FOR BUSINESS TRAVEL AND PURSUANT TO THE APPROVAL BY THE FINANCE DEPARTMENT AFTER CHARTER TRAVEL APPROVAL HAS BEEN GRANTED, IN ACCORDANCE WITH THE FINANCIAL JUSTIFICATION PROCESS, THE APPROVED CHARTER TRAVEL FOR BUSINESS IS A REIMBURSABLE EXPENSE WHICH IS NOT TAXABLE TO THE EMPLOYEES TRAVEL FOR COMPANIONS IS PROVIDED UNDER LIMITED CIRCUMSTANCES IN ACCORDANCE WITH THE CO-WORKER TRAVEL AND OTHER EXPENSE POLICY AND PROCEDURES WHERE COMPANION TRAVEL HAS RESULTED IN A TAXABLE EVENT, THE EMPLOYEES ARE TAXED FOR SUCH TRAVEL LIMITED INSTANCES OF TAX GROSS-UPS MAY HAVE OCCURRED WITH RESPECT TO EXECUTIVES HOUSING BENEFITS ARE PROVIDED THROUGH A RELOCATION PROGRAM IN ACCORDANCE WITH COMPANY POLICY SUCH BENEFITS ARE SUBJECT TO TAX TO THE EMPLOYEE PAYMENT BY THE COMPANY OF COSTS FOR TEMPORARY HOUSING BY EMPLOYEES FOR THE CONVENIENCE OF THE COMPANY IS MADE IN ACCORDANCE WITH THE CO-WORKER TRAVEL AND OTHER EXPENSE POLICY AND PROCEDURES AS A REIMBURSABLE EXPENSE, THIS TYPE OF LODGING IS NOT TAXABLE TO THE EMPLOYEE FORM 990, SCHEDULE J, PART I, QUESTION 3 MERCY HEALTH OF JOPLIN RELIES ON A RELATED ORGANIZATION, REFER TO SCHEDULE O, PART VI, QUESTION 15A AND 15B FOR THE PROCESS THE RELATED ORGANZATION FOLLOWS FORM 990, SCHEDULE J, PART I, QUESTION 4A THE FOLLOWING INDIVIDUALs RECEIVED A SEVERANCE PAYMENT DURING CALENDAR 2010 GARY JORDAN $26,067, CAROLE EASTMAN $132,260, PAUL KERN $59,412, AND JAMES PRIVITERA $170,311 FORM 990, SCHEDULE J, PART I, QUESTION 4B MERCY HEALTH OF JOPLIN OFFERS SUPPLEMENTAL RETIREMENT PLANS TO CERTAIN EXECUTIVES WHICH PROVIDE BENEFITS UPON RETIREMENT BASED ON COMPENSATION, AGE AT THE TIME OF BENEFIT COMMENCEMENT, LENGTH OF SERVICE WITH THE COMPANY AND/OR ITS AFFILIATES, AND LENGTH OF TENURE IN THE PLAN THE INDIVIDUALS REPORTABLE ON THIS RETURN WHO PARTICIPATE IN THE SUPPLEMENTAL RETIREMENT PLANS INCLUDE SHELLY HUNTER, DOTTIE BRINGLE, BRADLEY DAY, AND GARY PULSIPHER THE AMOUNT OF ALL ACCRUED BENEFITS IS INCLUDED IN COMPENSATION AMOUNTS PROVIDED IN SCHEDULE J, PART II, COLUMN (C) FORM 990, SCHEDULE J, PART I, QUESTION 7 MERCY HOSPITAL JOPLIN PROVIDES A NON-FIXED BONUS PLAN FOR WHICH CERTAIN TIERS OF ITS EMPLOYEES ARE ELIGIBLE FOR FISCAL YEAR 2011 (JULY 1, 2010 - JUNE 30, 2011) PAYMENT OF ALL OR PART OF THE BONUS IS CONTINGENT UPON ATTAINMENT OF CERTAIN FINACIAL TARGETS PAYMENTS ARE MADE ANNUALLY IN OCTOBER FOLLOWING (I) THE CONCLUSION OF THE FISCAL YEAR AND (II) DETERMINATION OF GOAL ACHIEVEMENT BONUS OPPORTUNITIES ARE TIERED PERCENTAGES AND ARE DEPENDENT UPON THE LEADERSHIP LEVEL AND ATTAINMENT PERCENTAGE MERCY'S ATTAINMENT OF FINANCIAL GOALS ARE REVIEWED BY THE EXECUTIVE COMPENSATION COMMITTEE OF MERCY HEALTH AND ARE THEN TAKEN INTO ACCOUNT WHEN ANALYZING EXECUTIVE COMPENSATION FOR REASONABLENESS

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
MERCY HOSPITAL JOPLIN
F/K/A MERCY HEALTH OF JOPLIN INC

Employer identification number
27-0814858

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
Total . . . . ► $										

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV **Business Transactions Involving Interested Persons.**
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	**(b)** Relationship between interested person and the organization	**(c)** Amount of transaction	**(d)** Description of transaction	**(e)** Sharing of organization's revenues?	
				Yes	**No**
(1) SHAWN DODSON	FAMILY MBR OF KEY EMPL	14,491	EMPLOYMENT		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

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493135050102

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	Employer identification number
MERCY HOSPITAL JOPLIN F/K/A MERCY HEALTH OF JOPLIN INC	27-0814858

Identifier	Return Reference	Explanation
NAME CHANGES DUE TO MERCY HEALTH REBRANDING	FORM 990, HEADING, BOX B	DURING THE TAX YEAR ENDED JUNE 30, 2012, SISTERS OF MERCY HEALTH SYSTEM ("MERCY HEALTH") B EGAN A SYSTEM-WIDE REBRANDING INITIATIVE TO HELP PATIENTS, PHYSICIANS, CO-WORKERS, AND THE PUBLIC BETTER UNDERSTAND THE FULL SCOPE AND LOCATIONS OF MERCY HEALTH'S SERVICES SEVERAL OF THE MERCY HEALTH AFFILIATES HAVE CHANGED OR ARE IN THE PROCESS OF CHANGING LEGAL NAMES PRIOR TO FILING THE 2010 FORMS 990 (DUE MAY 15, 2012), MERCY HEALTH NOTIFIED THE IRS OF THESE NAME CHANGES, THEREFORE BOX B "NAME CHANGE" HAS NOT BEEN CHECKED ON THIS FORM 990 R EFER TO SCHEDULE R, PART VII FOR A LIST OF THE NAME CHANGES DESCRIPTION OF CLASSES OF MEM BERS OR STOCKHOLDERS FORM 990, PART VI, QUESTION 6, 7A & 7B THE FILING ORGANIZATION HAS A SOLE CORPORATE MEMBER, Mercy Health Southw est Missouri/Kansas Communities THE FOLLOWING CO RPORATE POWERS AND RESPONSIBILITIES SHALL BE RESERVED SOLELY TO THE CORPORATE MEMBER -TO APPROVE THE MISSION AND ESTABLISH THE PHILOSOPHY ACCORDING TO WHICH THE CORPORATION, AND A LL ORGANIZATIONS CONTROLLED BY THE CORPORATION, SHALL OPERATE, -TO ADOPT OR AMEND THE ARTI CLES OF INCORPORATION AND BYLAWS OF THE CORPORATION, AND TO AMEND THE ORGANIZATIONAL AND G OVERNANCE DOCUMENTS OF EACH ORGANIZATION CONTROLLED BY THE CORPORATION, -TO APPOINT AND RE MOVE, WITH OR WITHOUT CAUSE, MEMBERS OF THE BOARD, -TO APPOINT AND REMOVE, WITH OR WITHOUT CAUSE, THE CHIEF EXECUTIVE OFFICER OF THE SSU WHO SHALL SERVE AS THE PRESIDENT OF THE COR PORATION, -TO APPROVE OR AMEND THE STRATEGIC, LONG RANGE, AND HEALTH MANPOWER DEVELOPMENT PLANS, GOALS, AND OBJECTIVES OF THE CORPORATION OR ANY ORGANIZATION CONTROLLED BY THE CORP ORATION, -TO APPROVE OR AMEND THE OPERATING, CAPITAL, AND ALL OTHER BUDGETS FOR THE CORPOR ATION OR ANY ORGANIZATION CONTROLLED BY THE CORPORATION, -TO ASSIGN, TRANSFER, LEASE OR SE LL ANY OF THE ASSETS OF THE CORPORATION OR ANY ORGANIZATION CONTROLLED BY THE CORPORATION IN EXCESS OF AN AMOUNT ESTABLISHED FROM TIME TO TIME BY THE CORPORATE MEMBER, -TO ENCUMBER ANY OR ALL OF THE ASSETS OF THE CORPORATION OR ANY ORGANIZATION CONTROLLED BY THE CORPORA TION, -TO AUTHORIZE AND APPROVE THE INCURRENCE OF DEBT BY THE CORPORATION OR ANY ORGANIZAT ION CONTROLLED BY THE CORPORATION (OTHER THAN DEBT INCURRED FOR THE ACQUISITION OF GOODS T HAT ARE ACQUIRED IN THE ORDINARY COURSE OF BUSINESS) AND TO GRANT ANY SECURITY INTERESTS, PLACE ANY ENCUMBRANCES, ENTER INTO ANY COVENANTS, AND EXECUTE ANY DOCUMENTS AND TAKE ANY A CTIONS NECESSARY OR APPROPRIATE IN CONNECTION WITH THE INCURRENCE OF SUCH DEBT, -TO MERGE, DISSOLVE, OR ABANDON THE CORPORATION OR ANY ORGANIZATION CONTROLLED BY THE CORPORATION, A ND -TO APPROVE THE CREATION, OWNERSHIP OR ACQUISITION OF, OR AFFILIATION WITH, ANY OTHER O RGANIZATION CONTROLLED BY THE CORPORATION DESCRIBE THE PROCESS USED BY MANAGEMENT &/OR GO VERNING BODY TO REVIEW 990 FORM 990, PART VI, QUESTION 11B THE FORM 990 IS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM, USING INFORMATION PROVIDED BY THE FILING ORGANIZATION A DRAF T FORM 990 IS REVIEWED BY THE FILING ORGANIZATION'S FINANCE TEAM, INCLUDING THE DIRECTOR O F ACCOUNTING AND THE VICE-PRESIDENT OF FINANCE. THE DRAFT FORM 990 IS ALSO REVIEWED BY MER CY HEALTH'S TAX DEPARTMENT, TO ENSURE ACCURACY AND CONSISTENCY WITH OTHER RELATED ORGANIZA TION'S FORM 990S AFTER QUESTIONS ARISING FROM THE VARIOUS REVIEWS ARE ADDRESSED AND INCOR PORATED INTO THE FORM 990, A REVISED DRAFT IS PROVIDED TO THE FILING ORGANIZATION'S LEADER SHIP TEAM, INCLUDING THE CEO AND CFO, FOR REVIEW ONCE REVIEWED AND APPROVED BY THE FILING ORGANIZATION'S LEADERSHIP TEAM, THE FORM 990 IS PROVIDED TO THE BOARD OF DIRECTORS FOR RE VIEW, IT IS THEN SIGNED AND FILED WITH THE IRS DESCRIPTION OF PROCESS TO MONITOR TRANSACT IONS FOR CONFLICTS OF INTEREST FORM 990, PART VI, QUESTION 12C ALL BOARD MEMBERS ANNUALLY COMPLETE THE CONFLICT OF INTEREST (COI) STATEMENT THE COI IS REVIEWED BY THE CRO AND ANY DISCREPANCY IS DISCUSSED WITH THE BOARD MEMBER AND RECTIFIED BEFORE EACH BOARD MEETING, T HE BOARD MEMBERS ARE ASKED IF THEY HAVE ANY CONFLICTS WITH RESPECT TO ANY TOPICS TO BE DIS CUSSED IF THERE IS A CONFLICT, THAT BOARD MEMBER WILL NOT PARTICIPATE IN THAT PART OF THE MEETING MANAGERS, DIRECTORS AND ABOVE ARE REQUIRED TO DISCLOSE ANY CONFLICTS OF INTEREST AND DISCLOSE ANY SITUTATIONS THAT COULD BECOME A CONFLICT OF INTEREST ANNUALLY THE ORGAN IZATION HAS A MONTHLY COMPLIANCE MEETING WHERE POTENTIAL CONFLICTS ARE ADDRESSED OFFICES & POSITIONS FOR WHICH PROCESS WAS USED, & YEAR PROCESS WAS BEGUN FORM 990, PART VI, QUESTI ONS 15A & 15B FOR THOSE CLASSIFED AS OFFICERS (AND THUS DISQUALIFIED PERSONS), THE ORGANIZ ATION RELIES UPON MERCY HEALTH, WHICH USES THE FOLLOWING TO ESTABLISH THE COMPENSATION EX TERNAL MARKET SALARY SURVEYS, EXTERNAL MARKET SALARY STUDIES, ENGAGEMENT OF AN INDEPENDENT COMPENSATION CONSULTANT, AND REVIEW/APPROVAL OF COMPENSATION BY THE EXECUTIVE COMPENSATIO N COMMITTEE OF THE BOARD OF THE MERCY HEALTH FOR THOSE CLASSIFIED AS KEY EMPLOYEES, THE O RGANIZATION USES THE FOLLOWING TO ESTABLISH THE CO

Identifier	Return Reference	Explanation
NAME CHANGES DUE TO MERCY HEALTH REBRANDING	FORM 990, HEADING, BOX B	MPENSATION EXTERNAL MARKET SALARY SURVEYS, EXTERNAL MARKET SALARY STUDIES, AND REVIEW/APP ROVAL OF EXECUTIVE MANAGEMENT COMPENSATION REVIEWS ARE COMPLETED ON AN ANNUAL BASIS AND A REVIEW WAS COMPLETED DURING THE REPORTING YEAR AVAIL OF GOV DOCS, CONFLICT OF INTEREST P OLICY, & FIN STMTS TO GEN PUBLIC FORM 990, PART VI, QUESTION 19 GOVERNING DOCUMENTS, CONFL ICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS HAVE BEEN MADE AVAILABLE UPON REQUEST BUT ARE NOT PUBLISHED PUBLICLY AVERAGE HOURS PER WEEK FORM 990, PART VII, SECTION A, COLUMN B SEVERAL INDIVIDUALS LISTED IN PART VII ARE DISCLOSED AS TRUSTEES, DIRECTORS, OFFICERS, A ND KEY EMPLOYEES ON MULTIPLE FORM 990S OF ENTITIES INCLUDED WITHIN MERCY HEALTH THE AVERA GE HOURS PER WEEK DISCLOSED IN PART VII IS AN ESTIMATE OF THE HOURS PER WEEK THAT THE LIST ED INDIVIDUAL SPENDS ON BOTH THE FILING ORGANIZATION AND ALL RELATED ORGANIZATIONS OTHER CHANGES IN NET ASSETS OR FUND BALANCES FORM 990, PART XI, LINE 5 Transfers to affiliates $ (29,503) TRANSFERS TO MCS ($194,000) changes in prior year unallocated net income $497,894 RELEASE OF TEMP-RESTRICTED NET ASSETS ($95,146) AUDITED FINANCIAL STATEMENTS FORM 990, PA RT XII, LINE 2B THE FILING ORGANIZATION'S FINANCIAL STATEMENTS WERE INCLUDED IN MERCY HEAL TH'S ANNUAL FINANCIAL STATEMENT AUDIT MERCY HEALTH AND SUBSIDIARIES RECEIVED AN UNQUALIFI ED OPINION FROM THE EXTERNAL AUDITORS FOR FISCAL 2010 (THE TAX YEAR CURRENTLY BEING REPORT ED) HOWEVER, NO SEPARATE AUDIT OPINION IS ISSUED ON THE FINANCIAL STATEMENTS OF THE FILIN G ORGANIZATION THE ULTIMATE RESPONSIBILITY FOR OVERSIGHT OF THE FINANCIAL STATEMENT AUDIT AND SELECTION OF THE EXTERNAL AUDITOR LIES WITH THE FINANCE, AUDIT, AND COMPLIANCE COMMIT TEE OF THE MERCY HEALTH BOARD OF DIRECTORS AUDIT RESULTS ARE COMMUNICATED TO THIS COMMITT EE

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
MERCY HOSPITAL JOPLIN
F/K/A MERCY HEALTH OF JOPLIN INC

Employer identification number
27-0814858

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
See Additional Data Table							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? 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
(1) Merc Ambu Surg CTR 7301 Rogers Av Fort Smith, AR72903 71-0827721	AMBUL SURG CENTER	AR	NA									
(2) RES OPT & INNOV 645 Maryville Centre Dr 200 St Louis, MO63141 46-0468368	CENTRAL DIST	MO	NA									
(3) SO OK DIAG CTR 1011 14TH Ave NW Ardmore, OK73401 43-1971232	MRI Services	OK	NA									
(4) Fort Smith EMS 1701 S Greenwood Fort Smith, AR72901 71-0416615	Emergency Med	AR	NA									
(5) St Ed Mer Med MOB 7301 Rogers Ave Fort Smith, AR72903 71-0554050	Office Building	AR	NA									

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
See Additional Data Table							

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III or IV			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	**1a**		No
b Gift, grant, or capital contribution to other organization(s)	**1b**		No
c Gift, grant, or capital contribution from other organization(s)	**1c**		No
d Loans or loan guarantees to or for other organization(s)	**1d**		No
e Loans or loan guarantees by other organization(s)	**1e**		No
f Sale of assets to other organization(s)	**1f**		No
g Purchase of assets from other organization(s)	**1g**		No
h Exchange of assets	**1h**		No
i Lease of facilities, equipment, or other assets to other organization(s)	**1i**		No
j Lease of facilities, equipment, or other assets from other organization(s)	**1j**		No
k Performance of services or membership or fundraising solicitations for other organization(s)	**1k**		No
l Performance of services or membership or fundraising solicitations by other organization(s)	**1l**		No
m Sharing of facilities, equipment, mailing lists, or other assets	**1m**		No
n Sharing of paid employees	**1n**		No
o Reimbursement paid to other organization for expenses	**1o**		No
p Reimbursement paid by other organization for expenses	**1p**	Yes	
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) Mercy Hospital Joplin	p	1,127,768	
(2)			
(3)			
(4)			
(5)			
(6)			

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

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

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

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation
FORM 990, SCHEDULE R, PART II	NAME CHANGES DUE TO MERCY HEALTH REBRANDING	*MERCY MEDICAL GROUP IS NOW MERCY CLINIC EAST COMMUNITIES *ST EDWARD MERCY CLINIC, INC IS NOW MERCY CLINIC FORT SMITH COMMUNITIES *ST JOSEPH'S MERCY CLINIC, INC IS NOW MERCY CLINIC HOT SPRINGS COMMUNITIES *MERCY PHYSICIANS OF OKLAHOMA, INC IS NOW MERCY CLINIC OKLAHOMA COMMUNITIES *ST JOHN'S CLINIC, INC IS NOW MERCY CLINIC SPRINGFIELD COMMUNITIES *SISTERS OF MERCY HEALTH SYSTEM IS NOW MERCY HEALTH *ST JOHN'S MERCY HEALTH CARE IS NOW MERCY HEALTH EAST COMMUNITIES *ST EDWARD MERCY HEALTH SYSTEM, INC IS NOW MERCY HEALTH FORT SMITH COMMUNITIES *MERCY MEMORIAL HEALTH CENTER FOUNDATION IS NOW MERCY HEALTH FOUNDATION ARDMORE *CARROLL HEALTH FOUNDATION IS NOW MERCY HEALTH FOUNDATION BERRYVILLE *MERCY HEALTH CENTER FOUNDATION IS NOW MERCY HEALTH FOUNDATION FORT SCOTT *ST JOSEPH'S MERCY HEALTH FOUNDATION IS NOW MERCY HEALTH FOUNDATION HOT SPRINGS *MERCY HOSPITAL FOUNDATION OF INDEPENDENCE, INC IS NOW MERCY HEALTH FOUNDATION INDEPENDENCE *MERCY HEALTH OF JOPLIN FOUNDATION IS NOW MERCY HEALTH FOUNDATION JOPLIN *ST MARY'S HOSPITAL FOUNDATION IS NOW MERCY HEALTH FOUNDATION NORTHWEST ARKANSAS *MERCY HEALTH CENTER FOUNDATION, INC IS NOW MERCY HEALTH FOUNDATION OKLAHOMA CITY *ST JOHN'S FOUNDATION FOR COMMUNITY HEALTH INC IS NOW MERCY HEALTH FOUNDATION SPRINGFIELD *ST JOHN'S MERCY FOUNDATION IS NOW MERCY HEALTH FOUNDATION ST LOUIS *ST JOHN'S MERCY HOSPITAL FOUNDATION IS NOW MERCY HEALTH FOUNDATION WASHINGTON *ST JOSEPH'S MERCY HEALTH SYSTEM, INC IS NOW MERCY HEALTH HOT SPRINGS COMMUNITIES *MERCY HEALTH SYSTEM OF NORTHWEST ARKANSAS, INC IS NOW MERCY HEALTH NORTHWEST ARKANSAS COMMUNITIES *MERCY HEALTH SYSTEM, INC IS NOW MERCY HEALTH OKLAHOMA COMMUNITIES *MERCY HEALTH SYSTEM-JOPLIN, INC IS NOW MERCY HEALTH SOUTHWEST MISSOURI/KANSAS COMMUNITIES *ST JOHN'S HEALTH SYSTEM, INC IS NOW MERCY HEALTH SPRINGFIELD COMMUNITIES *ST JOHN'S HOME CARE OF BERRYVILLE, INC IS NOW MERCY HOME HEALTH BERRYVILLE *MERCY MEMORIAL HEALTH CENTER, INC IS NOW MERCY HOSPITAL ARDMORE *ST JOHN'S AURORA, INC IS NOW MERCY HOSPITAL AURORA *OZARKS REGIONS HEALTH SYSTEM, INC IS NOW MERCY HOSPITAL BERRYVILLE *ST JOHN'S CASSVILLE, INC IS NOW MERCY HOSPITAL CASSVILLE *MERCY HEALTH MHMCH, INC IS NOW MERCY HOSPITAL COLUMBUS *MERCY EL RENO HOSPITAL CORPORATION IS NOW MERCY HOSPITAL EL RENO *ST EDWARD MERCY MEDICAL CENTER IS NOW MERCY HOSPITAL FORT SMITH *HEALDTON MERCY HOSPITAL CORPORATION IS NOW MERCY HOSPITAL HEALDTON *ST JOSEPH'S MERCY HEALTH CENTER IS NOW MERCY HOSPITAL HOT SPRINGS *MERCY HEALTH OF JOPLIN, INC IS NOW MERCY HOSPITAL JOPLIN *BREECH REGIONAL MEDICAL CENTER IS NOW MERCY HOSPITAL LEBANON *MERCY HEALTH CENTER, INC IS NOW MERCY HOSPITAL OKLAHOMA CITY *ST EDWARD HEALTH FACILITIES OF FRANKLIN COUNTY IS NOW MERCY HOSPITAL OZARK *ST EDWARD HEALTH FACILITIES OF LOGAN COUNTY IS NOW MERCY HOSPITAL PARIS *ST EDWARD HEALTH FACILITIES OF SCOTT COUNTY IS NOW MERCY HOSPITAL WALDRON *ST MARY-ROGERS MEMORIAL HOSPITAL, INC IS NOW MERCY HOSPITAL ROGERS *ST JOHN'S REGIONAL HEALTH CENTER IS NOW MERCY HOSPITAL SPRINGFIELD *MERCY TISHOMINGO HOSPITAL CORPORATION IS NOW MERCY HOSPITAL TISHOMINGO *ST JOHN'S MERCY HEALTH SYSTEM IS NOW MERCY HOSPITALS EAST COMMUNITIES *ST JOHN'S MERCY MEDICAL CENTER IS NOW MERCY HOSPITAL ST LOUIS *ST JOHN'S MERCY HOSPITAL IS NOW MERCY HOSPITAL SPRINGFIELD *MERCY HEALTH SYSTEM OF KANSAS, INC IS NOW MERCY KANSAS COMMUNITIES *MERCY HEALTH CENTER, INC IS NOW MERCY HOSPITAL FORT SCOTT *MERCY HOSPITAL IS NOW MERCY HOSPITAL INDEPENDENCE *ST JOHN'S MEDICAL RESEARCH INSTITUTE, INC IS NOW MERCY MEDICAL RESEARCH INSTITUTE *ST FRANCIS HOSPITAL, MOUNTAIN VIEW, MISSOURI IS NOW MERCY ST FRANCIS HOSPITAL *ST JOHN'S MERCY SUPPORT SERVICES IS NOW MERCY SUPPORT SERVICES FORM 990, SCHEDULE R, PART V LAWSON ERP SOFTWARE IS THE PRIMARY ACCOUNTING SOFTWARE USED BY MERCY HEALTH AND SUBSIDIARIES THE MAJORITY OF THE INTERCOMPANY/RELATED ORGANIZATION TRANSACTIONS ARE PROCESSED THROUGH LAWSON VIA INTERCOMPANY JOURNAL ENTRIES WITH THE CURRENT DESIGN OF THE ERP SYSTEM, THERE ARE VARIOUS LIMITATIONS ON THE RELATED ORGANIZATION INFORMATION THAT CAN BE EXTRACTED FROM LAWSON DUE TO THESE LIMITATIONS, MOST OF THE RELATED ORGANIZATION ACTIVITY FOR THE FILING ORGANIZATION HAS BEEN CLASSIFIED ON SCHEDULE R, PART VII, IN LINES O AND P

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 27-0814858
Name: MERCY HOSPITAL JOPLIN
F/K/A MERCY HEALTH OF JOPLIN INC

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization Yes	No
Advance Care Hospital 300 Werner St 3rd Floor Hot Springs, AR71913 71-0816634	Hospital	AR	501(C)(3)	3	Mercy Health		
Mercy Hospital Lebanon 100 Hospital Drive Lebanon, MO65536 43-1767432	Hospital	MO	501(C)(3)	3	MHSC		
Mercy Health Foundation Berryville 214 Carter Street Berryville, AR72616 71-0759301	Foundation	AR	501(C)(3)	11a	MH Berryvill		
Casa de Misericordia 1000 Mier Street Laredo, TX780404653 74-2912461	Shelter	TX	501(C)(3)	7	MM Laredo		
Mercy Hospital Healdton 918 South Street Healdton, OK73438 26-3173902	Hospital	OK	501(C)(3)	3	MH Ardmore		
Laredo Medical Group 14528 S Outer Forty Ste 100 Chesterfield, MO63017 74-2764726	Inactive	TX	501(C)(3)	9	MHS-TX		
McAuley Portfolio Management Company 14528 S Outer Forty Ste 100 Chesterfield, MO63017 26-1708048	Port Mgmt	MO	501(C)(3)	11b	Mercy Health		
Mercy Hospital El Reno 2115 Parkview Drive El Reno, OK73036 73-6617948	Hospital	OK	501(C)(3)	3	Mercy Health		
Mercy Emergency Medical Services Inc 4300 W Memorial Road Oklahoma City, OK73120 81-0627035	Inactive	OK	501(C)(3)	9	MHOC		
Mercy Foundation for Health Innovation 14528 S Outer Forty Ste 100 Chesterfield, MO63017 20-0901499	Foundation	MO	501(C)(3)	11b	Mercy Health		
Mercy Health Foundation Fort Scott 401 Woodland Hills Blvd Fort Scott, KS66701 48-1077073	Foundation	KS	501(C)(3)	11c	Mercy KS Com		
Mercy Health Foundation OK City 4300 W Memorial Road Oklahoma City, OK73120 73-1593024	Foundation	OK	501(C)(3)	11a	MHOC		

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization Yes	No
Mercy Hospital Oklahoma City 4300 W Memorial Road Oklahoma City, OK73120 73-0579285	Hospital	OK	501(C)(3)	3	MHOC		
Mercy Hospital Columbus 220 Pennsylvania Avenue Columbus, KS66725 27-0842031	Hospital	MO	501(C)(3)	3	MHSMKC		
Mercy Health Foundation Joplin 2727 McClelland Blvd Joplin, MO64804 27-0906136	Foundation	MO	501(C)(3)	11a	MHSMKC		
Mercy Health SW MOKS Communitites 2727 McClelland Blvd Joplin, MO64804 30-0584463	Hlth System	MO	501(C)(3)	11b	Mercy Health		
Mercy Kansas Communities Inc 401 Woodland Hills Blvd Ft Scott, KS66701 48-0956045	Hospital	KS	501(C)(3)	3	MHSMKC		
Mercy Health NW Arkansas Communities 2710 Rife Medical Drive Rogers, AR72758 62-1684203	Phys Group	AR	501(C)(3)	11b	Mercy Health		
Mercy Health System of Texas Inc 14528 S Outer Forty Ste 100 Chesterfield, MO63017 74-2764727	Inactive	TX	501(C)(3)	11b	Mercy Health		
Mercy Health Oklahoma Communities 4300 W Memorial Road Oklahoma City, OK73120 73-1453048	Holding co	OK	501(C)(3)	11b	Mercy Health		
Mercy Health Foundation Independence 800 W Myrtle Independence, KS67301 48-1079981	Foundation	KS	501(C)(3)	11a	Mercy KS Com		
Mercy Hospital of Laredo 14528 S Outer Forty Ste 100 Chesterfield, MO63017 74-1189682	Inactive	TX	501(C)(3)	3	MHS-TX		
Mercy Clinic East Communites 645 Maryville Centre Dr St 100 St Louis, MO63141 43-1771217	Phys Group	MO	501(C)(3)	9	MHEC		
Mercy Health Foundation Ardmore 1011 14th Avenue NW Ardmore, OK73401 71-0962525	Foundation	OK	501(C)(3)	11a	MH Ardmore		

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization Yes	No
Mercy Hospital Ardmore 1011 14th Avenue NW Ardmore, OK73401 73-1500629	Hospital	OK	501(C)(3)	3	MHOC		
Mercy Clinic Oklahoma Communities 4300 W Memorial Road Oklahoma City, OK73120 27-0473057	Phys Group	OK	501(C)(3)	9	MHOC		
MHM Support Services 14528 S Outer Forty Ste 100 Chesterfield, MO63017 20-2553101	Sup Hlth Sys	MO	501(C)(3)	11b	Mercy Health		
Mission Clinical Services 300 Werner Street Hot Springs, AR71913 13-4239691	nursing home	AR	501(C)(3)	9	MHHSC		
Mercy Hospital Berryville 214 Carter Street Berryville, AR72616 71-0759299	Hospital	AR	501(C)(3)	3	MHSC		
Mercy Health 14528 S Outer Forty Ste 100 Chesterfield, MO63017 43-1423050	Sup Hlth Sys	MO	501(C)(3)	1	NA		
Mercy Family Center 14528 S Outer Forty Ste 100 Chesterfield, MO63017 72-1069468	counseling	MO	501(C)(3)	7	Mercy Health		
Mercy Hospital Ozark 801 W River Street Ozark, AR72949 71-0689680	Hospital	AR	501(C)(3)	3	MHFS		
Mercy Hospital Paris 500 E Academy Paris, AR72855 71-0655753	Hospital	AR	501(C)(3)	3	MHFS		
Mercy Hospital Waldron 1341 W 6th Street Waldron, AR72958 71-0557895	Hospital	AR	501(C)(3)	3	MHFS		
Mercy Clinic Fort Smith Communitites 7301 Rogers Avenue Fort Smith, AR72917 26-1318597	Phys Clinic	AR	501(C)(3)	9	MHFSC		
St Edward Mercy Foundation PO Box 17000 Fort Smith, AR72917 23-7330425	Foundation	AR	501(C)(3)	7	MHFS		

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization Yes	No
Mercy Health Fort Smith Communities 7301 Rogers Avenue Fort Smith, AR72917 26-1318515	Holding Co	AR	501(C)(3)	11b	Mercy Health		
Mercy Hospital Fort Smith 7301 Rogers Avenue Fort Smith, AR72917 71-0240352	Hospital	AR	501(C)(3)	3	MHFSC		
Mercy St Francis Hospital 100 W Highway 60 Mountain View, MO65548 44-0607149	Hospital	MO	501(C)(3)	3	MHSC		
Mercy Hospital Aurora 500 Porter Avenue Aurora, MO65605 43-1936696	Hospital	MO	501(C)(3)	3	MHSC		
Mercy Hospital Cassville 94 Main Street Cassville, MO65625 43-1936699	Hospital	MO	501(C)(3)	3	MHSC		
St John's Children's Hospital Inc 1235 E Cherokee Street Springfield, MO65804 43-1423050	Inactive	MO	501(C)(3)	3	MHSC		
Mercy Clinic Springfield Communities 1965 Fremont Street Ste 2950 Springfield, MO65804 43-1560263	Phys Group	MO	501(C)(3)	9	MHSC		
Mercy Health Foundation Springfield 1235 E Cherokee Street Springfield, MO65804 32-0195818	Foundation	MO	501(C)(3)	11b	MHSC		
Mercy Health Springfield Communitites 1235 E Cherokee Street Springfield, MO65804 43-1856028	Holding Co	MO	501(C)(3)	11b	Mercy Health		
Mercy Home Health Berryville 214 Carter Street Berryville, AR72616 87-0781247	Home Health	AR	501(C)(3)	11c	MH Sprngfld		
Mercy Medical Research Institute 1235 E Cherokee Street Springfield, MO65804 87-0796305	Research	MO	501(C)(3)	4	MHSC		
Mercy Health Foundation St Louis 14528 S Outer Forty Ste 100 Chesterfield, MO63017 56-2410020	Foundation	MO	501(C)(3)	11b	MHEC		

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization Yes	No
Mercy Health East Communities 14528 S Outer Forty Ste 100 Chesterfield, MO63017 43-1718408	Hlth System	MO	501(C)(3)	11b	Mercy Health		
Mercy Hospitals East Communities 14528 S Outer Forty Ste 100 Chesterfield, MO63017 43-0653493	Hospital	MO	501(C)(3)	3	MHEC		
Mercy Health Foundation Washington 901 E Fifth Street Washington, MO63090 56-2410022	Foundation	MO	501(C)(3)	11b	MHEC		
Mercy Support Services 615 S New Ballas Road St Louis, MO63141 43-1677952	Inactive	MO	501(C)(3)	11c	MHEC		
Mercy Hospital Springfield 1235 E Cherokee Street Springfield, MO65804 44-0552485	Hospital	MO	501(C)(3)	3	MHSC		
Mercy Clinic Hot Springs Communitites 1 Mercy Lane Hot Springs, AR71913 26-1125131	Phys Clinic	AR	501(C)(3)	9	MHHSC		
Mercy Hospital Hot Springs 300 Werner Street Hot Springs, AR71913 71-0236913	Hospital	AR	501(C)(3)	3	MHHSC		
Mercy Health Foundation Hot Springs 300 Werner Street Hot Springs, AR71913 71-0804718	Foundation	AR	501(C)(3)	11b	MHHS		
Mercy Health Hot Springs Communities 300 Werner Street Hot Springs, AR71913 26-1125064	Holding Co	AR	501(C)(3)	11b	Mercy Health		
Mercy Hospital Rogers 2710 Rife Medical Lane Rogers, AR72758 71-0294390	Hospital	AR	501(C)(3)	3	MHNWAC		
Mercy Health Foundation NW Arkansas 2710 Rife Medical Lane Rogers, AR72758 71-0601687	Foundation	AR	501(C)(3)	11c	MH Rogers		
St Mary's Hospital of Enid Oklahoma 14528 S Outer Forty Ste 100 Chesterfield, MO63017 73-0614655	Inactive	OK	501(C)(3)	3	MHOC		

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization Yes	No
The Sister M Cornelia Blasko Foundation 100 W Highway 60 Mountain View, MO65548 43-1873914	Foundation	MO	501(C)(3)	11a	MSFH		
Unity Ambulatory Care 645 Maryville Centre Dr St 100 St Louis, MO63141 43-1861745	Inactive	MO	501(C)(3)	11c	MHEC		
Mercy Hospital Tishomingo 1000 South Byrd Tishomingo, OK73460 27-4433830	Hospital	OK	501(C)(3)	3	MH Ardmore		
Mercy Ministries of Laredo 2500 Zacatecas Laredo, TX780466814 20-0198462	outreach	TX	501(C)(3)	7	Mercy Health		

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income ($)	(g) Share of end-of-year assets ($)	(h) Percentage ownership
Frontenac Properties Inc 14528 S Outer Forty Suite 100 Chesterfield, MO 63017 52-1914421	HOLDING COMP	DE	NA	C-Corp			
Inveno Health Inc 1235 E Cherokee Street Springfield, MO 65804 26-4509571	RESEARCH	MO	NA	C-Corp			
Mercy Community Services Inc 401 Woodland Hills Blvd Fort SCOTT, KS 66701 48-1078101	CATERING	KS	NA	C-Corp			
Mercy Health Center Condominium Inc 4300 W Memorial Rd Oklahoma City, OK 73120 68-0640970	REAL ESTATE	OK	NA	C-Corp			
Mercy Health Network of the Southern Reg 1011 14th Avenue NW Ardmore, OK 73401 73-1580607	HEALTH CARE	OK	NA	C-Corp			
Mercy Health Network Inc 4300 W Memorial Road Oklahoma City, OK 73120 73-1381689	HEALTH CARE	OK	NA	C-Corp			
Mercy Managed Care Corporation 4300 W Memorial Road Oklahoma City, OK 73120 73-1441665	HOLDING COMP	OK	NA	C-Corp			
MHP Inc 14528 S Outer Forty Suite 300 Chesterfield, MO 63017 43-1697084	HOLDING COMP	DE	NA	C-Corp			
UHL Corp Inc 645 Maryville Centre Drive Suite 1 St Louis, MO 63141 74-2499535	HOLDING COMP	MO	NA	C-Corp			
Unity Support Services Inc 645 Maryville Centre Drive Suite 1 St Louis, MO 63141 43-1797042	INACTIVE	MO	NA	C-Corp			

Consolidated Financial Statements and Other Financial Information

Mercy Health
Years Ended June 30, 2011 and 2010
With Report of Independent Auditors

Ernst & Young LLP

Ernst & Young

Mercy Health

Consolidated Financial Statements and Other Financial Information

Years Ended June 30, 2011 and 2010

Contents

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Report of Independent Auditors

The Board of Directors
Mercy Health

We have audited the accompanying consolidated balance sheets of Mercy Health (the Health System) as of June 30, 2011 and 2010, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended These consolidated financial statements are the responsibility of the Health System's management Our responsibility is to express an opinion on these financial statements based on our audits

We conducted our audits in accordance with auditing standards generally accepted in the United States Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement We were not engaged to perform an audit of the Health System's internal control over financial reporting Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health System's internal control over financial reporting Accordingly, we express no such opinion An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Mercy Health at June 30, 2011 and 2010, and the consolidated results of its operations, changes in net assets, and cash flows for the years then ended, in conformity with U S generally accepted accounting principles

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole The Schedule of Charity Care and Unpaid Cost of Medicaid and the consolidating balance sheet, statement of operations, and statement of changes in net assets included on pages 45 through 51 are presented for the purpose of additional analysis and are not a required part of the 2011 basic consolidated financial statements Such information, except for that portion marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the 2011 basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2011 consolidated financial statements taken as a whole

Ernst + Young LLP

September 26, 2011

Mercy Health

Consolidated Balance Sheets

	June 30 2011	June 30 2010
	(In Thousands)	
Assets		
Current assets		
Cash and cash equivalents	**$ 195,419**	$ 128,837
Accounts receivable, net of allowance for uncollectible receivables of $205,435 in 2011 and $219,261 in 2010	**459,733**	453,760
Inventories	**69,389**	68,050
Current portion of assets limited as to use or restricted	**26,958**	27,353
Other current assets	**155,758**	70,964
Assets of discontinued operations held for sale	–	146,597
Total current assets	**907,257**	895,561
Assets limited as to use or restricted	**1,350,133**	1,198,595
Property and equipment, net	**2,080,125**	2,061,065
Notes receivable	**12,569**	14,718
Other assets	**280,924**	237,592
Total assets	**$ 4,631,008**	$ 4,407,531
Liabilities and net assets		
Current liabilities		
Current maturities of long-term obligations	**$ 19,380**	$ 17,864
Accounts payable	**110,135**	151,024
Accrued liabilities and other	**461,830**	431,186
Liabilities of discontinued operations held for sale	–	48,347
Total current liabilities	**591,345**	648,421
Insurance reserves and other liabilities	**638,632**	628,612
Long-term obligations, less current maturities	**796,560**	807,157
Total liabilities	**2,026,537**	2,084,190
Net assets		
Unrestricted	**2,534,232**	2,251,916
Restricted	**70,239**	71,425
Total net assets	**2,604,471**	2,323,341
Total liabilities and net assets	**$ 4,631,008**	$ 4,407,531

See accompanying notes.

Mercy Health

Consolidated Statements of Operations

	Year Ended June 30	
	2011	2010
	(In Thousands)	
Operating revenues		
Net patient service revenues	**$ 3,789,573**	$ 3,562,164
Capitation revenues	**235,928**	206,180
Other operating revenues	**255,682**	189,541
Total operating revenues	**4,281,183**	3,957,885
Operating expenses		
Salaries and benefits	**2,240,168**	2,071,450
Supplies and other	**1,326,084**	1,183,488
Medical claims expense	**105,734**	118,377
Interest	**6,183**	6,032
Provision for uncollectible receivables	**264,888**	269,614
Operating expenses before depreciation and amortization	**3,943,057**	3,648,961
Operating income before depreciation and amortization	**338,126**	308,924
Depreciation and amortization	**255,332**	237,783
Operating income	**82,794**	71,141
Nonoperating gains (losses)		
Investment returns, net	**171,761**	101,826
Realized and unrealized losses on interest rate swaps	**(259)**	(21,211)
Other, net	**(2,850)**	(2,477)
Total nonoperating gains, net	**168,652**	78,138
Excess of revenues over expenses	**251,446**	149,279
Other changes in unrestricted net assets		
Pension liability adjustments	**12,532**	65,014
Gain (loss) from discontinued operations	**2,447**	(33,734)
Net assets released from restrictions for property acquisitions	**10,139**	12,417
Other	**5,752**	10,347
Increase in unrestricted net assets	**$ 282,316**	$ 203,323

See accompanying notes.

Mercy Health

Consolidated Statements of Changes in Net Assets

	Year Ended June 30 2011	2010
	(In Thousands)	
Increase in unrestricted net assets	**$ 282,316**	$ 203,323
Restricted net assets		
Pledges, bequests, and gifts for specific purposes	**16,694**	15,684
Investment returns, net	**5,890**	4,546
Net assets released from restrictions	**(23,344)**	(21,126)
Other	**(426)**	2,876
(Decrease) increase in restricted net assets	**(1,186)**	1,980
Increase in net assets	**281,130**	205,303
Net assets at beginning of year	**2,323,341**	2,118,038
Net assets at end of year	**$ 2,604,471**	$ 2,323,341

See accompanying notes.

Mercy Health

Consolidated Statements of Cash Flows

	Year Ended June 30	
	2011	2010
	(In Thousands)	
Operating activities		
Change in net assets	$ **281,130**	$ 205,303
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net (gain) loss from discontinued operations	**(2,447)**	33,734
Pension liability adjustments	**(12,532)**	(65,014)
Pledges, bequests, and gifts for specific purposes	**(16,694)**	(15,684)
Transfer of sponsorship – St John's Regional Medical Center	**–**	(13,844)
Unrealized (gain) loss on interest rate swap	**(2,112)**	18,123
Depreciation and amortization	**238,332**	237,783
Provision for uncollectible receivables	**264,888**	269,614
Insurance recoveries in excess of non-cash impairment charges	**(26,000)**	–
Net loss on disposal of property	**318**	–
Gain from sale of Mercy CarePlus	**–**	(1,400)
Changes in assets and liabilities		
Accounts receivable	**(270,861)**	(304,114)
Assets limited as to use classified as trading	**78,547**	55,180
Inventories and other current assets	**(25,968)**	9,251
Accounts payable	**(40,889)**	25,202
Accrued liabilities and other	**(6,685)**	57,044
Insurance reserves and other liabilities	**24,560**	(5,166)
Net cash provided by operating activities	**483,587**	506,012
Investing activities		
Additions to property and equipment, net	**(203,697)**	(237,797)
Insurance recoveries	**50,000**	–
Proceeds from sale of property and equipment	**529**	1,099
Net change in notes receivable and other assets	**(34,305)**	(27,201)
Net increase in alternative investments	**(259,049)**	(242,720)
Business acquisitions	**(70,809)**	–
Proceeds from sale of Mercy CarePlus	**–**	1,400
Net cash used in investing activities	**(517,331)**	(505,219)

Mercy Health

Consolidated Statements of Cash Flows (continued)

	Year Ended June 30 2011	2010
	(In Thousands)	
Financing activities		
Proceeds from issuance of long-term debt, net of original issue discount and financing costs	$ –	$ 21,130
Principal payments on long-term obligations	**(17,065)**	(13,528)
Pledges, bequests, and gifts for specific purposes	**16,694**	15,684
Net cash (used in) provided by financing activities	**(371)**	23,286
Net (decrease) increase in cash and cash equivalents from continuing operations	**(34,115)**	24,079
Cash flows from discontinued operations		
Net cash provided (used) by assets of discontinued operations held for sale – operating activities	**12,785**	(21,752)
Net cash provided (used) by assets of discontinued operations held for sale – investing activities	**109,242**	(717)
Net cash used by assets of discontinued operations held for sale – financing activities	**(21,330)**	(11,053)
Net increase (decrease) in cash and cash equivalents from discontinued operations	**100,697**	(33,522)
Net increase (decrease) in cash and cash equivalents	**66,582**	(9,443)
Cash and cash equivalents at beginning of year	**128,837**	138,280
Cash and cash equivalents at end of year	**$ 195,419**	$ 128,837
Supplemental disclosures of cash flow information		
Cash paid for interest	**$ 11,371**	$ 14,546

See accompanying notes

1. Organization

Mercy Health (f/k/a Sisters of Mercy Health System, Inc) (Mercy) was incorporated in September 1986 and became the sole corporate member of various health care corporations sponsored by the Institute of the Sisters of Mercy of the Americas, Regional Community of St Louis, a religious order of the Roman Catholic Church (Sisters of Mercy) In fiscal 2008, the Sisters of Mercy applied to the Vatican for a change in Mercy's sponsorship model In June 2008, approval was granted, and Mercy's sponsorship was changed to a public juridic person The new Catholic sponsoring body, Mercy Health Ministry, is governed by members that include Sisters of Mercy and lay leaders

Mercy is incorporated as a not-for-profit corporation under the laws of the state of Missouri and is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code)

Mercy and Subsidiaries (the Health System) comprise the following corporations and their subsidiaries

- Mercy Health (f/k/a Sisters of Mercy Health System, Inc), St Louis, Missouri
- St Edward Mercy Health System, Inc , Fort Smith, Arkansas
- St Joseph's Mercy Health System, Inc , Hot Springs, Arkansas
- Mercy Health System of Northwest Arkansas, Inc , Rogers, Arkansas
- Mercy Health East Communities (f/k/a St John's Mercy Health Care), St Louis, Missouri
- St John's Health System, Inc , Springfield, Missouri
- Mercy Health System, Inc , Oklahoma City and Ardmore, Oklahoma
- Mercy Ministries of Laredo, Laredo, Texas
- Mercy Health System-Joplin, Inc , Joplin, Missouri, and Independence and Fort Scott, Kansas

Each subsidiary above is a separately incorporated not-for-profit corporation and is tax-exempt pursuant to Section 501(c)(3) of the Code All significant intercompany transactions and balances have been eliminated in consolidation

1. Organization (continued)

Significant Acquisitions and Divestitures

On June 30, 2010, Mercy committed to sell Mercy Health Plans, Inc (MHP) MHP, a for-profit corporation, is a health insurance organization that provides health maintenance organization (HMO) and preferred provider organization (PPO) insurance plans and health management services to subscribing employee groups and individuals in areas served by Mercy Effective October 1, 2010, Mercy sold MHP for $106 7 million (see Note 6), subject to working capital adjustments In May 2011, a working capital adjustment of $2 0 million was received, further consideration is not expected to be material

During fiscal 2011, effective July 28, 2010, and February 1, 2011, two of the Health System's subsidiaries entered into asset purchase agreements to acquire the sole corporate membership in a hospital, ambulatory surgery center, medical office buildings, ancillary equipment, and physician practices for approximately $70 8 million in cash and the assumption of a note payable of $8 0 million The transactions were accounted for as acquisitions in accordance with Accounting Standards Codification (ASC) Topic 958-805, *Business Combinations – Not-for-Profit Entities* (see Note 12)

2. Summary of Significant Accounting Policies

Cash and Cash Equivalents

Investments in highly liquid debt instruments with a maturity of three months or less when purchased, excluding amounts classified as assets limited as to use or restricted, are considered cash equivalents The Health System routinely invests in money market mutual funds These funds generally invest in highly liquid U S government and agency obligations Financial instruments that potentially subject the Health System to concentrations of credit risk include the Health System's cash and cash equivalents The Health System places its cash and cash equivalents with institutions with high credit quality However, at certain times, such cash and cash equivalents are in excess of government-provided insurance limits

2. Summary of Significant Accounting Policies (continued)

Accounts Receivable and Related Allowances

The Health System provides health care services through inpatient and outpatient care facilities located in several states The Health System grants credit to patients in return for health care services rendered to said patients, substantially all of whom are local residents of the communities served The Health System generally does not require collateral or other security in extending credit to patients, however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under their health insurance programs, plans, or policies (e g , Medicare, Medicaid, HMOs, and commercial insurance policies) At June 30, 2011 and 2010, approximately 30% and 34%, respectively, of net accounts receivable were collectible from governmental payors (including Medicare and Medicaid), with approximately 48% and 49%, respectively, of net accounts receivable collectible from commercial insurance and managed care payors

Patient accounts that are uncollected, including those placed with collection agencies, are initially charged against the allowance for uncollectible accounts in accordance with collection policies of the Health System and, in certain cases, are reclassified to charity care if deemed to otherwise meet the Health System's charity care policy The provision for uncollectible receivables is based upon management's assessment of historical and expected net collections considering business and economic conditions, trends in health care coverage, and other collection indicators Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible receivables based upon the payor composition and aging of receivables as of the reporting date with consideration of the historical payment and write-off experience by payor category The results of these reviews are then used to make any modifications to the provision for uncollectible receivables to establish an appropriate allowance for uncollectible receivables After satisfaction of amounts due from insurance, the Health System follows established guidelines for placing past-due patient balances with collection agencies

Inventories

Inventories, which consist principally of medical supplies and pharmaceuticals, are stated at the lower of cost or market Cost is determined principally using the average cost method

2. Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are stated at cost or, if donated, at fair value at the date of receipt

Depreciation is provided using the straight-line method over the estimated useful lives of land and leasehold improvements, buildings, and equipment The estimated useful lives are as follows land and leasehold improvements, 2 to 30 years, buildings, 3 to 40 years, and equipment, 2 to 20 years

Internal-use software costs are expensed or capitalized depending on whether they are incurred in the preliminary project stage, application development stage, or post-implementation stage Costs associated with business process re-engineering, which are expensed as incurred, were $40 8 million and $36 6 million, respectively, in 2011 and 2010 Amounts capitalized are being amortized over eight years beginning at the time of implementation at each subsidiary The total amount capitalized was $382 2 million and $338 3 million at June 30, 2011 and 2010, respectively Amortization expense was $43 5 million and $33 7 million for the years ended June 30, 2011 and 2010, respectively

Asset Impairment

The Health System periodically evaluates the carrying value of its long-lived assets for impairment when indicators of impairment are identified These evaluations are primarily based on the estimated recoverability of the assets' carrying value Impairment write-downs are recognized in operating income at the time the impairment is identified

Assets and Liabilities Held for Sale

A long-lived asset or disposal group of assets and liabilities that is expected to be sold, and for which it is probable that the sale will be completed within one year, is classified as held for sale For long-lived assets held for sale, an impairment charge is recorded if the carrying amount of the asset exceeds its fair value less costs to sell

2. Summary of Significant Accounting Policies (continued)

Other Assets

Other assets consist primarily of investment securities held under deferred compensation arrangements, land held for future development, fair value of interest rate swaps in asset positions, and investments in unconsolidated affiliates

Goodwill

The Health System records goodwill arising from a business combination as the excess of purchase price and related costs over the fair value of identifiable tangible and intangible assets acquired and liabilities assumed At June 30, 2011 and 2010, the Health System had goodwill of $31 5 million and $24 6 million, respectively Beginning in 2011, the Health System annually reviews, as of January 1, the carrying value of goodwill for impairment In addition, a goodwill impairment assessment is performed if an event occurs or circumstances change that would make it more likely than not that the fair value of a reporting unit is below its carrying amount Management has determined that the Health System has seven reporting units at which fair value is measured If such circumstances suggest that the recorded amounts of any of these assets cannot be recovered, the carrying values of such assets are reduced to fair value If the carrying value of any of these assets is impaired, a material charge may be incurred to results of operations

Net Assets

The Health System's net assets and activities are classified into two classes, restricted and unrestricted, based on the existence or absence of donor-imposed restrictions Restricted net assets comprise temporarily restricted net assets (70% and 72% of restricted net assets at June 30, 2011 and 2010, respectively), whose use by the Health System has been limited by donors to a specific time period or for a particular purpose, and permanently restricted net assets (30% and 28% of restricted net assets at June 30, 2011 and 2010, respectively), which must be maintained by the Health System in perpetuity with the related investment income expendable to support the donor-designated purpose The general nature of the donor restrictions is to support the Health System's indigent care mission and health education programs and to assist with capital projects

2. Summary of Significant Accounting Policies (continued)

Net Patient Service Revenues

Net patient service revenues are reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and include estimated retroactive revenue adjustments due to future audits, reviews, and investigations Retroactive third-party adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known Adjustments to revenue based on prior periods increased net patient service revenues by approximately $14 2 million and $14 3 million in 2011 and 2010, respectively, due to revised estimates consisting primarily of retroactive third-party adjustments for years that are subject to audits, reviews, and investigations

Revenue from the Medicare and Medicaid programs accounted for approximately 36% and 9%, respectively, of the Health System's net patient revenues for the year ended June 30, 2011 Revenue from the Medicare and Medicaid programs accounted for approximately 36% and 10%, respectively, of the Health System's net patient revenues for the year ended June 30, 2010 Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term Noncompliance with Medicare and Medicaid laws and regulations can make the Health System subject to significant regulatory action, including substantial fines and penalties, as well as exclusion from the Medicare and Medicaid programs

Capitation Revenues and Medical Claims Expense

Certain Health System acute care providers (the Providers) have entered into various risk-based contracts with certain HMOs Under these arrangements, the Providers receive capitated payments based on the demographic characteristics of covered members in exchange for providing certain medical services to those members The Providers recognize medical claims expense for services provided The medical claims expense represents claims paid, claims reported but not yet paid, and claims incurred but not reported (IBNR) The IBNR amount is estimated based upon prior experience modified for current trends The claims IBNR amount was $20 8 million and $19 6 million at June 30, 2011 and 2010, respectively, and was included in accrued liabilities and other on the consolidated balance sheets

2. Summary of Significant Accounting Policies (continued)

Services to the Community

In support of its mission, the Health System provides care to patients who personally bear a significant financial burden relative to their health care services and are deemed to be medically indigent The Health System does not report charity care as net patient service revenues The amount of charity care and services provided to the medically indigent, determined on the basis of charges, was 3 2% and 2 9% of gross patient service revenue for the years ended June 30, 2011 and 2010, respectively In addition, the Health System provides services to other medically indigent patients under various state Medicaid programs Such programs pay providers amounts that are less than the costs of the services provided to the recipients The Health System classifies the resources utilized for the care of patients bearing a significant health care financial burden as compared to their resources as traditional charity care and unpaid cost of Medicaid Traditional charity care includes the cost of services provided to persons who cannot afford health care because of the financial burden of the health care services and/or who are uninsured or underinsured Charity care includes accounts for which the patient may not participate in the charity care process but are otherwise deemed to meet the Health System's charity care policy Unpaid cost of Medicaid represents the unpaid cost of services provided to persons covered by Medicaid

In addition to uncompensated costs, the Health System maintains community benefit programs designed to positively impact the health status of the communities served These services include various clinics and outreach programs (designed to deliver health care services to underserved communities), medical education and research activities, and direct cash and in-kind charitable contributions

These community benefit programs also include the activities of Mercy Ministries of Laredo (MML), Mercy Caritas, Catherine's Fund, and Sister of Mercy Ministries that are administered by Mercy These programs finance charitable activities to help meet the needs of the poor, sick, and uneducated

2. Summary of Significant Accounting Policies (continued)

Assets Limited as to Use or Restricted

Assets limited as to use include assets set aside through resolution by the Board of Directors for future long-term purposes, including capital improvements and self insurance In addition, assets limited as to use include amounts contributed by donors with stipulated restrictions Investments in equity securities and debt securities are measured at fair value The cost of securities sold is based on the specific-identification method The Health System accounts for its ownership interest in alternative investments under the equity method For purposes of recognizing investment returns as a component of excess of revenues over expenses, substantially all investments, other than alternative investments, are considered to be trading securities Interest, dividends, realized gains (losses), and unrealized gains (losses) on assets held in the professional liability trust fund are reported as other operating revenues The professional liability trust fund was terminated as of June 30, 2011 (see Note 7) All other unrestricted investment returns, including alternative investments, are included in nonoperating gains (losses) in the consolidated statements of operations Investment returns arising from donor-restricted resources are reported as a direct increase in restricted net assets in the consolidated statements of changes in net assets, consistent with the donors' restrictions In addition, cash flows from the purchases and sales of marketable securities designated as trading are reported as a component of operating activities in the accompanying consolidated statements of cash flows

Derivative Financial Instruments

Derivative instruments are contracts between the Health System and a third party (counterparty) that provide for economic payments between the parties based on changes in some defined market security or index or combination thereof The Health System's derivative financial instruments are primarily interest rate swaps utilized as part of its debt management process The Health System recognizes all derivative instruments as either assets or liabilities in the consolidated balance sheets at fair value The Health System does not account for any of its interest rate swap agreements as hedges, and accordingly, realized and unrealized gains (losses) and net settlement payments are reflected as a component of nonoperating gains (losses) in the accompanying consolidated statements of operations

(Tables in Thousands)

2. Summary of Significant Accounting Policies (continued)

Pledges, Bequests, and Gifts for Specific Purposes

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received Gifts are recorded as an increase in restricted net assets if they are received with donor stipulations that limit the use of the assets Upon expenditure in accordance with a donor's restrictions and when the asset is placed in service, net assets restricted for capital acquisitions are reported as direct additions to unrestricted net assets, and assets restricted for operating purposes are reported as an increase in other operating revenues Donor-restricted contributions for operating purposes whose restrictions are met within the same year as received, and contributions received by donors without restrictions, are reflected as other operating revenues in the accompanying consolidated statements of operations

Unconditional promises to give, less an allowance for uncollectible amounts, are recorded as receivables in the year made Net pledges receivable of $3 3 million and $8 2 million were included in other current assets and other assets, respectively, at June 30, 2011 Pledges receivable of $7 4 million and $6 9 million were included in other current assets and other assets, respectively, at June 30, 2010 Management estimates that total contributions will be received as follows as of June 30, 2011

Within one year	$ 3,785
One to five years	8,374
	12,159
Less present value component	(64)
Less allowance for uncollectible amounts	(615)
Total pledges receivable	$ 11,480

Functional Classification of Expenses

The Health System provides general health care services to residents within communities served, including acute inpatient, subacute inpatient, outpatient, ambulatory, long-term, and home care, as well as related general and administrative services

2. Summary of Significant Accounting Policies (continued)

The Health System does not present expense information by functional classification because its resources and activities are primarily related to providing health care services Furthermore, since the Health System receives substantially all of its resources from providing health care services in a manner similar to a business enterprise, other indicators contained in these consolidated financial statements are considered important in evaluating how well management has discharged its stewardship responsibilities

Performance Indicator

The Health System's performance indicator (excess of revenues over expenses) includes all changes in unrestricted net assets other than pension liability adjustments, loss from discontinued operations, net assets released from restrictions for property acquisitions, and other

Operating and Nonoperating Gains (Losses)

The Health System's primary mission is to meet the health care needs in its market areas through a broad range of general and specialized health care services, including inpatient acute care, outpatient services, physician services, and other health care services Activities directly associated with the furtherance of this purpose are considered to be operating activities Other activities that result in gains or losses peripheral to the Health System's primary mission are considered to be nonoperating Nonoperating activities include investment returns, net, excluding the earnings from the investments held by the professional liability trust fund, and realized and unrealized gains (losses) on interest rate swaps

Use of Estimates

The preparation of financial statements in conformity with U S generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements Estimates also affect the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

2. Summary of Significant Accounting Policies (continued)

Accounting Pronouncements Adopted

In January 2010, the Financial Accounting Standards Board (FASB) released Accounting Standards Update (ASU) 2010-07, *Not-for-Profit Entities (Topic 958): Not-for-Profit Entities: Mergers and Acquisitions*, which amends FASB Statement No 164, *Not-for-Profit Entities: Mergers and Acquisitions*. The objective of ASU 2010-07 is to improve the comparability of the information that a not-for-profit entity provides in its financial reports about a combination with one or more other not-for-profit entities, businesses, or nonprofit activities The guidance applies the carryover (similar to pooling) method to accounting for a merger, and the purchase accounting method to accounting for an acquisition, and clarifies the valuation basis to be used in determining the values of the assets and liabilities acquired In addition, this guidance makes provisions related to goodwill fully applicable to not-for-profit entities Effective July 1, 2010, the Health System adopted this guidance and ceased amortization of goodwill and indefinite lived intangible assets at that date A transitional impairment test was performed as of July 1, 2010, and no impairment was indicated All business combinations that occurred during the year ended June 30, 2011, were deemed to be acquisitions and were accounted for in accordance with this guidance

Recent Accounting Guidance Not Yet Adopted

In August 2010, the FASB issued ASU 2010-23, *Health Care Entities (Topic 954): Measuring Charity Care for Disclosure* ASU 2010-23 is intended to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care ASU 2010-23 requires that cost be used as the measurement basis for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing the charity care, and requires disclosure of the method used to identify or determine such costs This ASU is effective for the Health System on July 1, 2011 Management is currently evaluating the impact the adoption of this pronouncement may have on the Health System's disclosures

(Tables in Thousands)

2. Summary of Significant Accounting Policies (continued)

In August 2010, the FASB issued ASU 2010-24, *Health Care Entities (Topic 954): Presentation of Insurance Claims and Related Insurance Recoveries* The amendments in this ASU clarify that a health care entity may not net insurance recoveries against related claim liabilities In addition, the amount of the claim liability must be determined without consideration of insurance recoveries This ASU is effective for the Health System on July 1, 2011 Management is currently evaluating the impact the adoption of this pronouncement may have on the Health System's financial position and results of operations

In July 2011, the FASB released ASU 2011-7, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Entities* ASU 2011-7 requires health care entities to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient services revenues (net of contractual allowances and discounts) In addition, enhanced disclosures will be required surrounding the entity's policies for recognizing revenue and assessing bad debts ASU 2011-7 is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011 Management is evaluating the effect of adopting ASU 2011-7

3. Assets Limited as to Use or Restricted

The following is a summary of assets limited as to use or restricted

	June 30	
	2011	**2010**
Board-designated	**$ 1,338,053**	$ 1,056,500
Professional liability trust fund	**–**	144,472
Restricted by donor or grantor	**39,038**	24,976
Total assets limited as to use or restricted	**1,377,091**	1,225,948
Less current portion of assets limited as to use or restricted	**(26,958)**	(27,353)
	$ 1,350,133	$ 1,198,595

(Tables in Thousands)

3. Assets Limited as to Use or Restricted (continued)

The following is a summary of assets limited as to use or restricted by investment classification

	June 30 2011	June 30 2010
Cash and cash equivalents	$ **48,556**	$ 201,352
Fixed income		
Corporate debt securities	**72,163**	131,166
Government agencies	**3,334**	38,480
Government obligations (U S and foreign)	**79,088**	101,307
Other debt securities	**19,173**	19,572
Commingled and mutual funds	**143,200**	–
Equity securities		
Domestic equities – common stock	**298,588**	225,012
International equities – common stock	**325,385**	230,390
Alternative investments		
Hedge funds	**273,579**	203,083
Private equity investments	**86,601**	35,713
Other	**27,424**	39,873
	1,377,091	1,225,948
Less current portion of assets limited as to use or restricted	**(26,958)**	(27,353)
Total assets limited as to use or restricted	$ **1,350,133**	$ 1,198,595

The following is a summary of investment returns

	June 30 2011	June 30 2010
Investment returns included in other operating revenues	$ **16,955**	$ 13,625
Assets limited as to use and other investments		
Interest and dividends	**21,490**	19,202
Realized gains (losses), net	**35,913**	5,527
Interest expense on Series 2001 bonds	**(2,514)**	(2,132)
Unrealized gains (losses), net	**116,872**	79,229
Investment returns included in nonoperating gains (losses), net	**171,761**	101,826
Investment returns included in restricted net assets	**5,890**	4,546
Total investment returns	$ **194,606**	$ 119,997

3. Assets Limited as to Use or Restricted (continued)

The Health System's investments are exposed to various kinds and levels of risk Fixed income securities expose the Health System to interest rate risk, credit risk, and liquidity risk As interest rates change, the value of many fixed income securities is affected, particularly those with fixed rates Credit risk is the risk that the obligor of the security will not fulfill its obligations Liquidity risk is affected by the willingness of market participants to buy and sell given securities Equity securities expose the Health System to market risk, performance risk, and liquidity risk Market risk is the risk associated with major movements of the equity markets, both foreign and domestic Performance risk is the risk associated with a company's operating performance Liquidity risk as previously defined tends to be higher for foreign equities and equities related to small capitalization companies

Certain of the Health System's investments are made through alternative investments, primarily limited partnership investments, including hedge funds, and private equity funds These investments provide the Health System with a proportionate share of the investment gains and losses and take their positions in part through derivative contracts They generally contract with a manager who has full discretionary authority over the investment decisions The hedge funds and private equity funds present risks similar to those of traditional investments, as well as some additional risks Due to the fact that these funds are invested through limited partnerships or other limited access-type vehicles, pricing is infrequent and liquidity may also be limited in some cases, up to 12 months These investments may also employ leverage, which may lead to additional risk of loss These investments are subject to market risk, default risk, interest rate risk, and credit risk as well as various other types of risks At June 30, 2011, the Health System has commitments to fund $35 1 million in these investments

At the balance sheet dates, receivables and payables for investment trades not settled are presented with other current assets and other current liabilities Unsettled sales resulted in receivables due from brokers of $85 6 million and $19 2 million at June 30, 2011 and 2010, respectively Unsettled buys resulted in payables of $60 3 million and $23 3 million at June 30, 2011 and 2010, respectively

4. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date The fair value measurements and disclosures topic of the FASB ASC establishes a fair value hierarchy that prioritizes the inputs used to measure fair value The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement)

The three levels of the fair value hierarchy and a description of the valuation methodologies used for instruments measured at fair value are as follows

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities as of the reporting date

Level 2 – Pricing inputs other than quoted prices included in Level 1, which are either directly observable or can be derived or supported from observable data as of the reporting date

Level 3 – Pricing inputs include those that are significant to the fair value of the financial asset or financial liability and are not observable from objective sources These inputs may be used with internally developed methodologies that result in management's best estimate of fair value

(Tables in Thousands)

4. Fair Value Measurements (continued)

The fair value of financial assets and financial liabilities measured at fair value on a recurring basis was determined using the following inputs at June 30, 2011

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	$ 485	$ 48,071	$ –	$ 48,556
Equity securities				
Domestic equities – common stock	297,704	884	–	298,588
International equities – common stock	146,720	178,665	–	325,385
Fixed Income				
Corporate debt securities	–	72,163	–	72,163
Government agencies	–	3,334	–	3,334
Government obligations (U S and foreign)	–	79,088	–	79,088
Other debt securities	455	18,718	–	19,173
Commingled and mutual funds	51,218	91,982	–	143,200
Other	–	12,586	–	12,586
Assets limited as to use	496,582	505,491	–	1,002,073
Cash and cash equivalents	373	–	–	373
Equities – mutual funds	102,307	–	–	102,307
Other	–	10,678	42,572	53,250
Deferred compensation plan assets	102,680	10,678	42,572	155,930
Interest rate swap agreements	–	9,215	–	9,215
Total assets	$ 599,262	$ 525,384	$ 42,572	$ 1,167,218
Liabilities				
Interest rate swap agreements	$ –	$ 48,544	$ –	$ 48,544
Total liabilities	$ –	$ 48,544	$ –	$ 48,544

The following table is a rollforward of the deferred compensation plan assets classified within Level 3 of the valuation hierarchy

	Other
Fair value at July 1, 2010	$ 37,337
Purchases, issuances, and settlements	2,409
Actual return on plan assets	2,826
Transfers in and/or out of Level 3	–
Fair value at June 30, 2011	$ 42,572

(Tables in Thousands)

4. Fair Value Measurements (continued)

The fair value of financial assets and financial liabilities measured at fair value on a recurring basis was determined using the following inputs at June 30, 2010

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	$ 201,352	$ –	$ –	$ 201,352
Equity securities				
Domestic equities – common stock	204,120	20,892	–	225,012
International equities – common stock	74,586	155,804	–	230,390
Fixed Income				
Corporate debt securities	–	131,166	–	131,166
Government agencies	–	38,480	–	38,480
Government obligations (U S and foreign)	–	101,307	–	101,307
Other debt securities	–	19,572	–	19,572
Other	–	16,030	–	16,030
Assets limited as to use	480,058	483,251	–	963,309
Cash and cash equivalents	10,173	–	–	10,173
Equities – mutual funds	74,691	–	–	74,691
Other	–	7,353	37,337	44,690
Deferred compensation plan assets	84,864	7,353	37,337	129,554
Interest rate swap agreements	–	7,678	–	7,678
Total assets	$ 564,922	$ 498,282	$ 37,337	$ 1,100,541
Liabilities				
Interest rate swap agreements	$ –	$ 49,118	$ –	$ 49,118
Total liabilities	$ –	$ 49,118	$ –	$ 49,118

The following table is a rollforward of the deferred compensation plan assets classified within Level 3 of the valuation hierarchy at June 30, 2010

	Other
Fair value at July 1, 2009	$ 26,982
Purchases, issuances, and settlements	8,690
Actual return on plan assets	1,665
Transfers in and/or out of Level 3	–
Fair value at June 30, 2010	$ 37,337

4. Fair Value Measurements (continued)

Assets limited as to use in the fair value tables above exclude alternative investments of $360 2 million, which are recorded under the equity method of accounting, land of $14 3 million, which is recorded at cost, and a note receivable of $0 5 million at June 30, 2011 Assets limited as to use in the fair value tables above exclude alternative investments of $262 6 million, which are recorded under the equity method of accounting, at June 30, 2010

Deferred compensation plan assets and interest rate swaps (assets) are reported in other assets, and interest rate swaps (liabilities) are reported in insurance reserves and other liabilities in the consolidated balance sheets

The following is a description of the Health System's valuation methodologies for assets and liabilities measured at fair value Fair value for Level 1 is based upon quoted market prices The fair value of certain Level 2 securities was determined through evaluated bid prices provided by third-party pricing services if quoted market prices were not available These Level 2 investments include cash equivalents, international equities, corporate debt securities, government agencies, government obligations, and commingled funds The fair values of the interest rate swap contracts, also Level 2 measurements, are determined based on the present value of expected future cash flows using discount rates appropriate with the risks involved The valuations reflect a credit spread adjustment to the London Interbank Offered Rate (LIBOR) discount curve in order to reflect nonperformance risk The credit spread adjustment is derived from other comparable rated entities' bonds priced in the market The fair values of other securities in the deferred compensation plan's assets are based on unobservable inputs and are recorded based on information provided by the trustee

The carrying values of cash and cash equivalents, accounts receivable, notes receivable, pledges receivable, and current liabilities are reasonable estimates of their fair values due to the short-term nature of these financial instruments The fair value of the Health System's fixed-rate bonds is based on quoted market prices for the same or similar issues and approximates $9 5 million and $11 6 million as of June 30, 2011 and 2010, respectively The carrying amount approximates fair value for all other long-term debt, and excludes the impact of third-party credit enhancements

Due to the volatility of the stock market, there is a reasonable possibility of changes in fair value and additional gains and losses in the near term subsequent to June 30, 2011

(Tables in Thousands)

5. Property and Equipment

The following is a summary of property and equipment

	June 30 2011	2010
Land and leasehold improvements	**$ 182,870**	$ 166,906
Buildings	**2,424,151**	2,112,655
Equipment	**1,864,288**	1,431,067
Construction-in-progress	**44,057**	539,837
	4,515,366	4,250,465
Less accumulated depreciation	**(2,435,241)**	(2,189,400)
Property and equipment, net	**$ 2,080,125**	$ 2,061,065

At June 30, 2011, construction and software-related contracts and commitments exist for capital improvements at certain of the Health System's facilities The remaining commitment on these contracts at June 30, 2011, was approximately $20 7 million During the years ended June 30, 2011 and 2010, interest of $3 0 million and $6 1 million, respectively, was capitalized

6. Discontinued and Held for Sale Operations

On June 30, 2010, Mercy committed to sell Mercy Health Plans, Inc (MHP) MHP, a for-profit corporation, is a health insurance organization that provides HMO and PPO insurance plans and health management services to subscribing employee groups and individuals in areas served by Mercy Effective October 1, 2010, Mercy sold MHP for $106 7 million, subject to working capital adjustments In May 2011, a working capital adjustment of $2 0 million was received Management does not expect that further adjustments will be material

The operations of MHP have been classified as discontinued operations in accordance with ASC 205, *Discontinued Operations*, because the associated operations and cash flows have been eliminated from ongoing operations, and the Health System does not have significant continuing involvement in the operations of MHP For all periods presented, the operating results for these operations have been removed from continuing operations and presented separately as discontinued operations in the consolidated statements of operations, and the assets and liabilities are presented as held for sale on the consolidated balance sheets The notes to the consolidated financial statements were adjusted to exclude discontinued operations

(Tables in Thousands)

6. Discontinued and Held for Sale Operations (continued)

The assets and liabilities held for sale at June 30, 2011 and 2010, are summarized below

	June 30 2011	2010
Total current assets	$ –	$ 93,316
Assets limited as to use or restricted	–	14,565
Property and equipment, net	–	38,176
Other assets	–	540
Total assets of discontinued operations held for sale	$ –	$ 146,597
Total current liabilities	$ –	$ 48,347
Total liabilities of discontinued operations held for sale	$ –	$ 48,347

No impairment was required to be recognized to present these held-for-sale operations at the lower of cost or fair value MHP's operating revenues were $156 5 million and $596 4 million for the years ended June 30, 2011 and 2010, respectively MHP's results from operations consisted of income of $0 8 million and a loss of $33 7 million for the years ended June 30, 2011 and 2010, respectively

For fiscal 2011, the Health System had certain managed care and other contracts with the acquiring entity related to the sale of MHP, which generated continuing cash flows of approximately 6% of the Health System's total operating revenues

7. Liability Programs

The Health System administers a liability program to provide for general and professional liability risks within certain limits The recorded liabilities are based upon actuarial estimates of reported claims and IBNR claims using historical claim experience and other relevant industry and hospital-specific factors and trends, discounted at an interest rate of 4 75% and 5 00% for 2011 and 2010, respectively Until June 30, 2011, the Health System maintained assets in a revocable trust fund to cover these risks On June 30, 2011, the trust was terminated, and the funds were merged into board-designated funds for investment purposes Management, however, continues to monitor and track these funds separately The discounted general and professional liability was $141 0 million and $145 9 million at June 30, 2011 and 2010, respectively, which is included in accrued liabilities and insurance reserves in the accompanying consolidated balance sheets

Health care professional liabilities in excess of self-insured limits are insured on a claims-made basis subject to an annual maximum of $20,000 over the self-insured retention of $10,000, after which the Health System would again be responsible

8. Employee Retirement Plans

The Sisters of Mercy created a single defined benefit retirement plan (the Plan) to provide coverage under a single plan for groups acquired in business combinations Sponsorship of the Plan and certain defined-contribution plans described below were transferred from Sisters of Mercy to the Health System during fiscal 2007 Pension benefits are provided to substantially all Health System employees through the Plan As new employee groups were transitioned to the Plan, the Plan was modified through plan amendments to provide credit for service with the acquired provider Plan benefits were calculated using a cash balance-type formula that is based on employee compensation and number of years of service All participants' plan balances are credited with a guaranteed annual rate of interest based on the 30-year U S Treasury bill rate, subject to a floor of 5 25% Amounts are contributed to the Plan consistent with actuarial funding requirements

Mercy also sponsors 401(k) and 403(b) plans that are provided to substantially all Health System employees and include an employer matching contribution In June 2010, the Health System's Board of Directors voted to transition future benefit accruals under the defined-benefit plan to the existing 401(k) plan by providing a non-matching service-based contribution and an enhanced employer matching contribution This change occurred in July 2011

(Tables in Thousands)

8. Employee Retirement Plans (continued)

The following table sets forth the Plan's and certain other of the Health System's pension plans' benefit obligations, fair value of plan assets, and funded status at the measurement date

	June 30 2011	June 30 2010
Accumulated benefit obligation	**$ 945,980**	$ 860,582
Changes in projected benefit obligation		
Projected benefit obligation at beginning of period	**$ 876,039**	$ 847,343
Service cost, benefits earned during the period	**61,090**	46,024
Interest cost on projected benefit obligation	**45,523**	54,258
Curtailment	**–**	(94,918)
Actuarial loss	**41,724**	77,505
Benefits paid	**(57,744)**	(54,173)
Projected benefit obligation at end of period	**$ 966,632**	$ 876,039
Changes in plan assets		
Fair value of plan assets at beginning of period	**$ 598,943**	$ 505,011
Actual return on plan assets	**99,678**	80,201
Employer contributions	**77,612**	67,904
Benefits paid	**(57,744)**	(54,173)
Fair value of plan assets at end of period	**$ 718,489**	$ 598,943
Funded status of the Plan	**$ (248,143)**	$ (277,096)

Amounts recognized in the accompanying consolidated balance sheets at June 30 consist of

	2011	2010
Accrued liabilities and other	**$ 2,973**	$ 2,931
Insurance reserves and other liabilities	**245,170**	274,165
	$ 248,143	$ 277,096

(Tables in Thousands)

8. Employee Retirement Plans (continued)

No plan assets are expected to be returned to the Health System during the fiscal year ended June 30, 2012

Included in unrestricted net assets are the following amounts that have not yet been recognized in net periodic pension cost

	Year Ended June 30	
	2011	**2010**
Unrecognized actuarial loss	**$ (300,404)**	$ (312,389)
Unrecognized prior service cost	**(4,105)**	(4,652)
	$ (304,509)	$ (317,041)

Changes in plan assets and benefit obligations recognized in unrestricted net assets include

	Year Ended June 30	
	2011	**2010**
Current year actuarial loss	**$ 5,606**	$ 44,280
Current year prior service cost	–	5,329
Amortization of actuarial loss	**6,379**	15,214
Amortization of prior service credit	**547**	191
	$ 12,532	$ 65,014

The estimated net actuarial loss and prior service cost included in unrestricted net assets and expected to be recognized in net periodic benefit cost during the year ended June 30, 2012, are $9 7 million and $0 5 million, respectively

(Tables in Thousands)

8. Employee Retirement Plans (continued)

The following is a summary of the components of net periodic pension cost

	Year Ended June 30 2011	2010
Service cost, benefits earned during the period	**$ 61,090**	$ 46,024
Interest cost on projected benefit obligation	**45,523**	54,259
Expected return on plan assets	**(52,350)**	(53,335)
Curtailment loss	**–**	5,329
Amortization of unrecognized		
Prior service credit	**547**	191
Actuarial loss	**6,379**	15,214
Net periodic pension cost	**$ 61,189**	$ 67,682

Weighted-average assumptions used to determine the Plan's projected benefit obligation and net periodic benefit costs are as follows

	Projected Benefit Obligation		Net Periodic Benefit Costs	
	2011	**2010**	**2011**	**2010**
Discount rates	**5.15%**	5 05%	**5.05%**	6 55%
Rates of salary increase	**5.00**	5 00	**5.00**	5 00
Expected long-term return on plan assets	**8.15**	8 15	**8.15**	8 30

(Tables in Thousands)

8. Employee Retirement Plans (continued)

The Plan's weighted-average asset allocations at June 30, 2011 and 2010, and target allocation by asset category are as follows

Asset Category	2011 Target Asset Allocation	Plan Assets at June 30 2011	Plan Assets at June 30 2010
Equity securities	**40%**	**47%**	55%
Debt securities	**28**	**26**	28
Alternative investments	**30**	**26**	14
Other	**2**	**1**	3
Total	**100%**	**100%**	100%

The fair value of the Plan's assets measured at fair value was determined using the following inputs at June 30, 2011

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	$ 2,399	$ 9,113	$ –	$ 11,512
Equity securities				
Domestic equities – common stock	159,531	476	–	160,007
International equities – common stock	77,734	94,706	–	172,440
Fixed income				
Corporate debt securities	–	38,356	–	38,356
Government agencies	–	1,774	–	1,774
Government obligations (U S and foreign)	–	42,161	–	42,161
Other debt securities	242	23,491	–	23,733
Commingled and mutual funds	27,245	48,929	–	76,174
Other	–	2,229	2,882	5,111
Hedge funds	–	–	143,862	143,862
Private equity	–	–	43,359	43,359
	$ 267,151	$ 261,235	$ 190,103	$ 718,489

(Tables in Thousands)

8. Employee Retirement Plans (continued)

The following table is a rollforward of the pension plan assets classified within Level 3 of the valuation hierarchy

	Hedge Funds	Private Equity	Other
Fair value at July 1, 2010	$ 78,155	$ 6,469	$ 2,925
Purchases, issuances, and settlements	57,520	35,456	–
Actual return on plan assets	8,187	1,434	(43)
Transfers in and/or out of Level 3	–	–	–
Fair value at June 30, 2011	$ 143,862	$ 43,359	$ 2,882

The fair value of the Plan's assets measured at fair value was determined using the following inputs at June 30, 2010

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	$ 22,857	$ –	$ –	$ 22,857
Equity securities				
Domestic equities – common stock	135,765	10,577	–	146,342
International equities – common stock	57,957	120,935	–	178,892
Fixed income				
Corporate debt securities	–	105,249	–	105,249
Government obligations (U S and foreign)	–	58,054	–	58,054
Other	–	–	2,925	2,925
Hedge funds	–	–	78,155	78,155
Private equity	–	–	6,469	6,469
	$ 216,579	$ 294,815	$ 87,549	$ 598,943

(Tables in Thousands)

8. Employee Retirement Plans (continued)

The following table is a rollforward of the pension plan assets classified within Level 3 of the valuation hierarchy at June 30, 2010

	Hedge Funds	Private Equity	Other
Fair value at July 1, 2009	$ 6,817	$ 6,534	$ 2,973
Purchases, issuances, and settlements	70,810	(991)	–
Actual return on plan assets	528	926	(48)
Transfers in and/or out of Level 3	–	–	–
Fair value at June 30, 2010	$ 78,155	$ 6,469	$ 2,925

Fair value methodologies for Level 1 and Level 2 assets are consistent with the inputs described in Note 4 Level 3 securities, which consist of alternative investments (principally limited partnership interests in hedge funds and private equity funds) and a guaranteed investment contract, represent the Plan's ownership interest in the net asset value (NAV) of the respective partnership

Management opted to use the NAV per share, or its equivalent, as a practical expedient for fair value of the Plan's interest in hedge funds and private equity funds Valuations provided by the respective fund's management consider variables such as the financial performance of underlying investments, recent sales prices of underlying investments, and other pertinent information In addition, actual market exchanges at period-end provide additional observable market inputs of the exit price The majority of these funds have restrictions on the timing of withdrawals, which may reduce liquidity, in some cases for up to 12 months At June 30, 2011, the Plan has commitments to fund $17 6 million in these investments

(Tables in Thousands)

8. Employee Retirement Plans (continued)

The Plan employs investment managers to invest fund balances in a structured portfolio of equity, fixed income, alternative investments, and real estate The Plan's current asset allocation policy was approved in fiscal 2009 by the Health System's Finance, Audit, and Compliance Committee The revised policy resulted in a reallocation of assets in order to meet the new target allocation The full reallocation was initiated in fiscal 2010 and was completed in fiscal 2011 All manager performance is reviewed to test that market performance has been calculated accurately, to monitor performance versus peers and benchmarking, and to evaluate portfolio structure considering current and future needs based on economic forecasts and actuarial projections The Plan's trustees believe that a diversified portfolio will limit the degree of risk to the Plan and stabilize the long-term results The Plan's diversified blend of marketable securities also takes into consideration the cash flow requirements of the Plan to help ensure the ability to meet the monthly payout of benefits required Projected rates of return for each asset category were selected after analyzing historical experience and future expectations of the returns and volatility for assets of that category

The Health System expects to contribute at least $80 0 million to the Plan during fiscal 2012

The following benefit payments, which reflect expected future service, are expected to be paid by the Plan

	Amount
Year Ending June 30	
2012	$ 62,100
2013	62,100
2014	62,200
2015	69,800
2016	66,000
2017 through 2021	361,900
	$ 684,100

(Tables in Thousands)

8. Employee Retirement Plans (continued)

The Health System has a defined-contribution 401(k) plan (the Contribution Plan) for the benefit of substantially all employees Contributions to the Contribution Plan consist of employee contributions subject to Internal Revenue Service (IRS) limitations and Health System matching contributions in an amount equal to 50% up to the first 1% of the participant's compensation and 25% of the next 3% of the participant's compensation Employees are eligible to participate upon employment and vest in the Health System's matching contributions over three years of service The Health System also has a defined-contribution 403(b) plan for the benefit of certain employees Contributions to the plan consist solely of employee contributions For the years ended June 30, 2011 and 2010, the total expenses incurred related to the 401(k) and 403(b) plans were $14 2 million and $14 4 million, respectively

9. Long-Term Obligations

The following is a summary of long-term obligations

	June 30	
	2011	**2010**
Revenue bonds, fixed interest rates ranging from 5 0% to 5 5% due through June 2019	**$ 8,745**	$ 10,655
Revenue bonds, variable interest rates with weighted-average interest rates of 0 9% and 0 5% in fiscal 2011 and 2010, respectively, due through June 2039	**754,725**	766,725
Other notes, mortgage notes, and capital lease obligations	**52,470**	47,641
	815,940	825,021
Less current maturities on long-term obligations	**(19,380)**	(17,864)
Long-term obligations, less current maturities	**$ 796,560**	$ 807,157

9. Long-Term Obligations (continued)

Mercy's not-for-profit subsidiaries have executed a commitment agreement governing certain borrowing arrangements under the Mercy Master Trust Indenture and related agreements (Financing Agreements) While only the revenues of Mercy collateralize the outstanding borrowings of the Health System, each of these subsidiaries has committed to transfer such assets to Mercy to pay the amounts due on borrowings when they come due The Financing Agreements contain certain restrictive covenants, including debt service coverage and liquidity ratios

Tax-exempt revenue bonds have been issued by various issuing authorities, the proceeds of which were used by Mercy primarily to finance capital projects and to refinance existing indebtedness of certain subsidiaries

Mercy's Series 2001 A-C bonds are auction-rate securities aggregating to $378 3 million The interest rate is set through a weekly auction process among bond investors Starting in fiscal 2008, due to the marketwide financial crisis, institutional buyers and investment banks opted not to participate in the market for securities of this type, causing a failure of the auction process and resulting in the bonds resetting to a rate predefined in the bond agreement based on the current LIBOR index

In May 2008, Mercy issued variable-rate tax-exempt health facility revenue bonds aggregating $110 0 million (the Series 2008 A-C Bonds) The Series 2008 A-C Bonds are subject to mandatory sinking fund redemption requirements beginning June 1, 2009, through June 1, 2019, with a current outstanding amount of $76 4 million The Series 2008 A-C Bonds are backed by a standby bond purchase agreement in the event of a failed remarketing If the bonds are not remarketed, the principal on the term loans would generally be payable beginning 366 days after a failed remarketing in 12 equal quarterly installments The standby bond purchase agreement expires May 18, 2012

(Tables in Thousands)

9. Long-Term Obligations (continued)

In December 2008, Mercy issued variable-rate tax-exempt health facility revenue bonds aggregating $300 0 million (the Series 2008 D-H Bonds) The Series 2008 D-H Bonds are subject to mandatory sinking fund redemption requirements beginning June 1, 2025, through June 1, 2039 The Series 2008 D-H Bonds are backed by standby bond purchase agreements in the unlikely event of a failed remarketing If the bonds are not remarketed, the principal on the term loans would generally be payable beginning 366 days after a failed remarketing in 12 equal quarterly installments The Series 2008 D-H Bonds contain a series of the bonds totaling $150 0 million, which are backed by standby liquidity facilities with an expiration of March 14, 2012 The remaining $150 0 million of bonds are backed by standby liquidity facilities with an expiration of March 14, 2014

Other notes payable, mortgage notes payable, and capital lease obligations are secured by certain property and equipment of the specific borrowers

Aggregate maturities of long-term obligations as scheduled at June 30, 2011, are as follows

	Amount
Year Ending June 30	
2012	$ 19,380
2013	30,646
2014	18,709
2015	15,968
2016	13,523
Thereafter	717,714
	$ 815,940

Certain balances in the 2010 consolidated financial statements, including the amounts classified as long-term obligations subject to short-term remarketing arrangements, were reclassified to conform to the current year presentation The effect of such reclassification did not change total net assets or excess of revenues over expenses

10. Derivatives

The Health System has interest rate-related derivative instruments to manage its exposure on its variable-rate debt instruments and does not enter into derivative instruments for any purpose other than risk management Interest rate swap contracts between the Health System and a third party (counterparty) provide for the periodic exchange of payments between the parties based on changes in a defined index and a fixed rate and expose the Health System to market risk and credit risk Credit risk is the risk that contractual obligations of the counterparties will not be fulfilled Concentrations of credit risk relate to groups of counterparties that have similar economic or industry characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions Counterparty credit risk is managed by requiring high credit standards for the Health System's counterparties The counterparties to these contracts are financial institutions that carry investment-grade credit ratings The interest rate swap contracts contain collateral provisions applicable to both parties to mitigate credit risk The Health System does not anticipate nonperformance by its counterparties Market risk is the adverse effect on the value of a financial instrument that results from a change in interest rates The market risk associated with interest rate changes is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken Management also mitigates risk through periodic reviews of the Health System's derivative positions in the context of its blended cost of capital

(Tables in Thousands)

10. Derivatives (continued)

The following is a summary of the outstanding positions under these interest rate swap agreements at June 30, 2011

Interest Rate Swap Type	Related Bonds	Expiration Date	Health System Pays	Health System Receives	Notional Value June 30, 2011	Notional Value June 30, 2010
Fixed payor	Series 2001 bonds[1]	June 2, 2031	3.36% – 3.751%	70% of one-month LIBOR	$ **252,200**	$ 252,200
Fixed payor	Series 2001 bonds[1]	June 2, 2031	3.848% – 3.856%	70% of one-month LIBOR	**50,000**	50,000
Fixed payor	Series 2008 bonds[1]	June 1, 2016	3.94%	67% of one-month LIBOR	**36,650**	43,750
Constant maturity	Not applicable[2]	June 2, 2031	One-week SIFMA Index	89% of 10-year SIFMA Index	**125,000**	125,000
Constant maturity	Not applicable[2]	January 1, 2016	89% of 10-year SIFMA Index	USD-BMA Municipal Swap Index	**125,000**	–

[1] The objective of these interest rate swaps is to mitigate interest rate fluctuations and synthetically fix the interest rate of the related Bond Series

[2] The objective of these interest rate swaps is to take advantage of yield curve differences and mitigate risk on future bond offerings These interest rate swaps are not specifically associated with outstanding debt

(Tables in Thousands)

10. Derivatives (continued)

The fair value of derivative instruments at June 30, 2011 and 2010, is as follows

Derivatives Not Designated as Hedging Instruments	Balance Sheet Location	June 30 2011	June 30 2010
Interest rate swap agreements	Other assets	**$ 9,215**	$ 7,678
Interest rate swap agreements	Other liabilities	**48,544**	49,118

The effects of derivative instruments on the consolidated statements of operations and changes in net assets for the years ended June 30, 2011 and 2010, are reflected in realized and unrealized gains (losses) on interest rate swaps in the consolidated statements of operations

11. Operating Leases

Rent expense for the years ended June 30, 2011 and 2010, totaled $71 2 million and $44 4 million, respectively

Future minimum rental payments under noncancelable operating leases as of June 30, 2011, that have initial or remaining terms in excess of one year are as follows

Year Ending June 30	Amount
2012	$ 46,835
2013	38,884
2014	32,305
2015	25,942
2016	22,878
Thereafter	121,123
	$ 287,967

(Tables in Thousands)

12. Acquisitions

During fiscal 2011, effective July 28, 2010, and February 1, 2011, two of the Health System's subsidiaries entered into asset purchase agreements to acquire the sole corporate membership in a hospital, ambulatory surgery center, medical office buildings, ancillary equipment, and physician practices for approximately $70 8 million in cash and the assumption of a note payable of $8 0 million The transactions were accounted for as acquisitions in accordance with ASC Topic 958-805, *Business Combinations – Not-for-Profit Entities*

Acquisitions provided the Health System's patients with access to a greater number of specialists and enhanced the coordination of health services

Revenues of the acquired entities included in the consolidated statements of operations were $36 9 million for the year ended June 30, 2011 Acquisition-related costs were expensed as incurred

The following table summarizes the acquisition date fair values of the assets acquired and liabilities assumed

Inventory and prepaids	$ 759
PPE	71,437
Identifiable intangible	265
Goodwill	6,613
Accrued PTO	(283)
Note payable assumed	(7,984)
	$ 70,807

13. Joplin Tornado Damages

An EF-5 tornado hit the city of Joplin on May 22, 2011 St John's Regional Medical Center (SJRMC) suffered significant physical damage to the acute care hospital and certain medical office buildings as a result of the tornado The operations of SJRMC were expected to be approximately 5% of the Health System's consolidated net patient service revenues in fiscal 2011 The Health System continues to provide health care services in a temporary facility, but in a much diminished capacity

For the year ended June 30, 2011, management has recorded a $16 1 million impairment loss equal to the book value of the buildings and equipment impacted by the tornado This is reflected in depreciation expense on the accompanying consolidated statement of operations In addition, management has recorded a $6 0 million impairment loss for inventory destroyed This is reflected in supplies and other expense on the accompanying consolidated statement of operations

The Health System expects to incur additional costs related to cleanup and security of the premises and has made a commitment to pay employees for an extended period of time These expenses will be recorded as incurred It is anticipated these costs will ultimately be covered by insurance

The Health System maintains insurance coverage of $750 million, which covers property damage, business interruption, and related costs, subject to a deductible During fiscal 2011, the Health System received a $50 0 million initial payment from its insurance company related to this event Of the $50 0 million, $16 1 million is recorded as a reduction of depreciation expense to offset the impairment losses pertaining to buildings and equipment, and $6 0 million is recorded as a reduction of supplies and other expense to offset the impairment losses pertaining to inventory The remaining $27 9 million is included in other operating revenues in the accompanying consolidated statement of operations The Health System expects the ultimate settlement of the related insurance claim to take several years to finalize Future cash payments under the policy will be recorded when received in operating income

14. Commitments and Contingencies

Regulatory Compliance

The U S Department of Justice and other federal agencies are increasing resources dedicated to regulatory investigations and compliance audits of health care providers The Health System is not exempt from these regulatory efforts and has received correspondence from federal agencies with regard to such initiatives In consultation with legal counsel, management estimates these matters will be resolved without a material adverse effect on the Health System's consolidated financial position or results of operations

Litigation

The Health System is involved in litigation arising in the normal course of business After consultation with legal counsel, it is management's opinion that these matters will be resolved without a material adverse effect on the Health System's consolidated financial position or results of operations

15. Subsequent Events

The Health System evaluated events and transactions occurring subsequent to June 30, 2011, through September 26, 2011, the date the consolidated financial statements were issued During this period, there were no subsequent events that required recognition in the consolidated financial statements On September 1, 2011, the Health System received $188 0 million from its insurance company as a partial settlement for hospital and medical office building losses related to the tornado that impacted SJRMC

Other Financial Information

Mercy Health

Schedule of Charity Care and Unpaid Cost of Medicaid
(Unaudited)

June 30, 2011

Traditional charity care includes the cost of services provided to persons who cannot afford health care because of the financial burden of the health care services and/or who are uninsured or underinsured Unpaid cost of Medicaid represents the unpaid cost of services provided to persons covered by Medicaid The following is a summary of the uncompensated costs related to these services

	Year Ended June 30	
	2011	**2010**
	(In Thousands)	
Traditional charity care	**$ 114,011**	$ 95,737
Unpaid cost of Medicaid	**102,931**	71,950
	$ 216,942	$ 167,687

Mercy Health

Consolidating Balance Sheet

June 30, 2011

	Fort Smith	Hot Springs	Rogers	Joplin	Kansas	St. Louis
			(In Thousands)			
Assets						
Current assets						
Cash and cash equivalents	$ 39,084	$ (21,755)	$ (8,702)	$ (36,204)	$ 19,473	$ 29,399
Accounts receivable, net	36,949	28,977	23,708	13,696	4,134	122,770
Inventories	3,704	4,625	3,504	479	1,529	13,471
Current portion of assets limited as to use or restricted						
Other current assets	(21,828)	(53)	4,114	34,753	(554)	13,080
Total current assets	57,909	11,794	22,624	12,724	24,582	178,720
Assets limited as to use or restricted	1,994	2,086	–	220	1,335	38,676
Property and equipment, net	153,698	119,183	131,485	4,404	38,838	571,943
Notes receivable	10,913	309	–	348	232	28
Other assets	14,470	9,918	2,315	1,201	(726)	20,546
Total assets	$ 238,984	$ 143,290	$ 156,424	$ 18,897	$ 64,261	$ 809,913
Liabilities and net assets						
Current liabilities						
Current maturities of long-term obligations	$ 162	$ 403	$ 126	$ –	$ –	$ 2,903
Accounts payable	3,637	5,021	3,418	5,418	1,659	26,348
Accrued liabilities and other	15,694	11,841	11,650	9,094	4,943	85,165
Total current liabilities	19,493	17,265	15,194	14,512	6,602	114,416
Insurance reserves and other liabilities	3,000	2,167	1	1	390	21,834
Long-term obligations, less current maturities	7,943	8,012	440	–	–	33,404
Total liabilities	30,436	27,444	15,635	14,513	6,992	169,654
Net assets						
Unrestricted	207,164	113,801	134,789	2,136	56,758	618,274
Restricted	1,384	2,045	6,000	2,248	511	21,985
Total net assets	208,548	115,846	140,789	4,384	57,269	640,259
Total liabilities and net assets	$ 238,984	$ 143,290	$ 156,424	$ 18,897	$ 64,261	$ 809,913

Springfield	Oklahoma	MML	Mercy	Eliminations	Total
		(In Thousands)			
$ 28.244	$ 26.269	$ 767	$ 118.844	$ –	$ 195.419
148.673	80.657	–	169	–	459.733
23.115	8.387	–	10.575	–	69.389
–	–	–	26.958	–	26.958
10.408	1.072	609	137.102	(22.945)	155.758
210.440	116.385	1.376	293.648	(22.945)	907.257
25.100	8.538	24.146	1.263.538	(15.500)	1.350.133
453.872	199.223	2.837	404.642	–	2.080.125
647	92	–	–	–	12.569
102.698	33.389	–	97.324	(211)	280.924
$ 792.757	$ 357.627	$ 28.359	$ 2.059.152	$ (38.656)	$ 4.631.008
$ 163	$ 392	$ –	$ 15.369	$ (138)	$ 19.380
20.787	13.537	122	40.068	(9.880)	110.135
126.225	28.726	136	181.457	(13.101)	461.830
147.175	42.655	258	236.894	(23.119)	591.345
63.846	1.768	388	545.237	–	638.632
397	495	–	745.869	–	796.560
211.418	44.918	646	1.528.000	(23.119)	2.026.537
555.284	303.553	27.519	530.491	(15.537)	2.534.232
26.055	9.156	194	661	–	70.239
581.339	312.709	27.713	531.152	(15.537)	2.604.471
$ 792.757	$ 357.627	$ 28.359	$ 2.059.152	$ (38.656)	$ 4.631.008

Mercy Health

Consolidating Statement of Operations

Year Ended June 30, 2011

	Fort Smith	Hot Springs	Rogers	Joplin	Kansas	St. Louis
			(In Thousands)			
Operating revenues						
Net patient service revenues	$ 263,513	$ 246,642	$ 205,317	$ 203,965	$ 68,122	$ 1,053,346
Capitation revenues	–	224	–	–	–	6,725
Other operating revenues	13,317	7,869	3,170	33,930	5,842	43,203
Total operating revenues	276,830	254,735	208,487	237,895	73,964	1,103,274
Operating expenses						
Salaries and benefits	132,375	136,906	100,168	93,297	38,201	569,875
Supplies and other	104,839	95,576	78,231	137,691	26,929	420,446
Medical claims expense	–	–	–	–	–	139
Interest	212	663	5,692	–	–	2,628
Provision for uncollectible receivables	24,358	21,778	13,875	15,838	3,722	38,157
Operating expenses before depreciation and amortization	261,784	254,923	197,966	246,826	68,852	1,031,245
Operating income (loss) before depreciation and amortization	15,046	(188)	10,521	(8,931)	5,112	72,029
Depreciation and amortization	12,548	12,420	11,896	1,925	3,879	63,970
Operating income (loss)	2,498	(12,608)	(1,375)	(10,856)	1,233	8,059
Nonoperating gains (losses)						
Investment returns, net	1,318	228	408	144	114	1,485
Realized and unrealized losses on interest rate swaps	–	–	–	–	–	–
Other, net	(2,244)	177	(25)	(29)	115	(300)
Total nonoperating gains (losses), net	(926)	405	383	115	229	1,185
Excess (deficit) of revenues over expenses	1,572	(12,203)	(992)	(10,741)	1,462	9,244
Other changes in unrestricted net assets						
Transfers from (to) Mercy, net	86	67,424	95,126	(194)	(450)	4,896
Pension liability adjustments	–	–	–	–	–	–
Gain (Loss) from discontinued operations	–	–	–	–	–	–
Net assets released from restrictions for property acquisitions	–	–	–	–	–	2,225
Other	–	(594)	(1)	664	57	(3)
Increase (decrease) in unrestricted net assets	$ 1,658	$ 54,627	$ 94,133	$ (10,271)	$ 1,069	$ 16,362

Springfield	Oklahoma	MML	Mercy	Mercy Health Plans	Eliminations	Total
			(In Thousands)			
$ 1,282,006	$ 557,099	$ 272	$ 1,021	$ –	$ (91,730)	$ 3,789,573
228,810	169	–	–	–	–	235,928
95,740	34,583	2,818	476,775	–	(461,565)	255,682
1,606,556	591,851	3,090	477,796	–	(553,295)	4,281,183
755,597	275,520	2,237	227,722	–	(91,730)	2,240,168
516,915	237,432	1,544	159,580	–	(453,099)	1,326,084
105,841	–	–	–	–	(246)	105,734
26	57	–	2,601	–	(5,696)	6,183
94,646	52,458	1	55	–	–	264,888
1,473,025	565,467	3,782	389,958	–	(550,771)	3,943,057
133,531	26,384	(692)	87,838	–	(2,524)	338,126
51,975	21,292	188	77,763	–	(2,524)	255,332
81,556	5,092	(880)	10,075	–	–	82,794
144	738	3,565	163,617	–	–	171,761
–	–	–	(259)	–	–	(259)
(645)	145	–	(44)	–	–	(2,850)
(501)	883	3,565	163,314	–	–	168,652
81,055	5,975	2,685	173,389	–	–	251,446
(67,456)	24,608	–	(145,053)	21,013	–	–
–	–	–	12,532	–	–	12,532
–	–	–	2,447	–	–	2,447
141	7,568	205	–	–	–	10,139
(295)	2,221	17	100,457	(95,978)	(793)	5,752
$ 13,445	$ 40,372	$ 2,907	$ 143,772	$ (74,965)	$ (793)	$ 282,316

Mercy Health

Consolidating Statement of Changes in Net Assets

Year Ended June 30, 2011

	Fort Smith	Hot Springs	Rogers	Joplin	Kansas	St. Louis
			(In Thousands)			
Increase (decrease) in unrestricted net assets	$ 1,658	$ 54,627	$ 94,133	$ (10,271)	$ 1,069	$ 16,362
Restricted net assets						
Pledges, bequests, and gifts for specific purposes	546	813	1,583	227	–	7,770
Investment returns, net	11	–	–	–	–	2,703
Net assets released from restrictions	(557)	(565)	(711)	(227)	–	(8,098)
Other	–	(443)	–	–	–	652
(Decrease) increase in restricted net assets	–	(195)	872	–	–	3,027
Change in net assets	1,658	54,432	95,005	(10,271)	1,069	19,389
Net assets at beginning of year	206,890	61,414	45,784	14,655	56,200	620,870
Net assets at end of year	$ 208,548	$ 115,846	$ 140,789	$ 4,384	$ 57,269	$ 640,259

Springfield	Oklahoma	MML	Mercy	Mercy Health Plans	Eliminations	Total
			(In Thousands)			
$ 13,445	$ 40,372	$ 2,907	$ 143,772	$ (74,965)	$ (793)	$ 282,316
1,647	1,934	1,624	550	–	–	16,694
3,175	1	–	–	–	–	5,890
(2,253)	(9,306)	(1,566)	(61)	–	–	(23,344)
(145)	(490)	–	–	–	–	(426)
2,424	(7,861)	58	489	–	–	(1,186)
15,869	32,511	2,965	144,261	(74,965)	(793)	281,130
565,470	280,198	24,748	386,891	74,965	(14,744)	2,323,341
$ 581,339	$ 312,709	$ 27,713	$ 531,152	$ –	$ (15,537)	$ 2,604,471

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