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Form **990**

Department of the Treasury

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

2010

OMB No 1545-0047

Open to Public Inspection

IIIICIIIai								Thispection	
			lendar year, or tax year beg C Name of organization	inning 07-01-2010 and ending 06-30-20	011	D Emp	lover	identification number	
	eck ıf a Iress ch	pplicable	ST MARY'S MEDICAL CENTER O	f evansville inc			0869		
_		_	Doing Business As						
	me cha	_				E Telep	ohone	number	
_	ial retu		Number and street (or P O box 3700 WASHINGTON AVENUE	r if mail is not delivered to street address)	Room/suite	(812	2)48	5-4000	
Ter	mınate	ed	3700 WASHINGTON AVENUE			6.6		+ 457 606 014	
M Am	ended	return	City or town, state or country, EVANSVILLE, IN 47750	and ZIP + 4		- G Gross	s receip	ots \$ 457,686,014	
App	olication	n pending	EVANSVILLE, IN 47750						
			F Name and address of	principal officer	H(a) Is this	a group return	n for affil	ıates?	
			KIM HODGKINSON 3700 WASHINGTON AV	/ ENUE					
			EVANSVILLE, IN 4775		H(b) Are a				
								t (see instructions) umber 🕨 0928	
I Ta	x-exen	npt status	▼ 501(c)(3)	◀ (insert no)	H(c) Gro	up exemp		diliber F 0320	
J W	ebsit e	e: ► WW	W STMARYS ORG						
K Forr	n of or	manization	Corporation Trust Associ	cation Other •	L Year of f	ormation 19	941	M State of legal domicile IN	
	rt I		mary	addin't stier r	2 rear or r	omation 1	, , ,	From the or legal dofficile. In	
			<u> </u>	ssion or most significant activities					
	I		_	TERED CARE, WHICH IMPROVES THE	HEALTH OF I	NDIVIDU	JALS	AND COMMUNITIES	
Activities & Governance									
<u> </u>									
<u>ş</u>	2	———— Check th	ıs box 🕶 ıf the organizatıo	n discontinued its operations or disposed	d of more than	25% of its	neta	assets	
Š			,	verning body (Part VI, line 1a)			з	18	
නර ග				ers of the governing body (Part VI, line 1			4	16	
ě				in calendar year 2010 (Part V, line 2a)			5	3,974	
<u>₹</u>			nber of volunteers (estimate				6	468	
ĕ	7a	Total unr	elated business revenue fro	m Part VIII, column (C), line 12			7a	250,107	
	ь	Net unre	lated business taxable incor	ne from Form 990-T, line 34			7b	-179,014	
					Pri	or Year		Current Year	
	8	Contrib	outions and grants (Part VII	I, line 1h)		1,627,	517	2,585,816	
틢	9	Progra	m service revenue (Part VII	406,080,	106,080,301 41				
Revenuk	10	Invest	ment income (Part VIII, col	17,441,	,441,169 29,16				
立	11	Other	revenue (Part VIII, column	(A), lines 5, 6d, 8c, 9c, 10c, and 11e)		10,625,	814	9,482,897	
	12			11 (must equal Part VIII, column (A), l	ine	435,774,	801	457,144,170	
	13			Part IX, column (A), lines 1–3)		433,774,	0	2,075,000	
	14			art IX, column (A), line 4)			0	2,073,000	
	15		·	loyee benefits (Part IX, column (A), lines	5 5 -				
8		10)	on pomor componion, cmp	(are 1%, coramin (xx), mos		184,865,	,065	195,032,250	
Expenses	16a	Profes	sional fundraising fees (Part	IX, column (A), line 11e)			0		
ਡੌ	ь	Total fur	ndraising expenses (Part IX, colum	n (D), line 25) ▶ <u>961,533</u>					
_	17	Other	expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		221,869,	186	219,507,052	
	18	Total e	expenses Add lines 13-17	(must equal Part IX, column (A), line 25)		406,734,	$\overline{}$	416,614,302	
	19	Revent	ue less expenses Subtract I	ine 18 from line 12		29,040,	,550	40,529,868	
Net Assets or Fund Balances					_	ng of Curre Year	ent	End of Year	
sets stan	20	Totala	ssets (Part X line 16)			476,811,	981	539,725,133	
d B	21					225,475,	-	215,891,923	
e E	22			act line 21 from line 20		251,336,		323,833,210	
	t III	_	ature Block			_ / - 0 0 /	1		
Unde know	r pena	Ities of pe and belief	erjury, I declare that I have exa	nmined this return, including accompanying ete. Declaration of preparer (other than offi					
		L				2012-05-10			
Sign		Signa	ture of officer			Date			
Here	e		HODGKINSON CHIEF FINANCIAL OF	FFICER					
		<u> </u>	or print name and title			l		1	
		Print/Type preparer's		Preparer's signature	Date	Check if se employed		PTIN	
Paid	ŀ	<u> </u>	ne DELOITTE TAX LLP		<u> </u>	1,		Firm's EIN	
Prepa		Fırm's add							
Use (Only		INDIANAPOLIS, IN 462045					Phone no ▶ (317) 464- 8600	

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

	/					, ago
Par	Statement of Pr Check if Schedule O				II	
1	Briefly describe the organiz	atıon's mıssıon				
DED	ICATED TO SPIRITUALLY (CENTERED CAP	RE, WHICH IMP	PROVES THE HEAL	TH OF INDIVIDUALS AND	COMMUNITIES
2	Did the organization underta the prior Form 990 or 990-					┌ Yes ┌ No
	If "Yes," describe these nev	v services on Sc	hedule O			
3	Did the organization cease services?		nake significant	changes in how it o	conducts, any program	┌ Yes ┌ No
	If "Yes," describe these cha	inges on Schedi	ıle O			
4		(c)(4) organızat	ions and sectio	n 4947(a)(1) trusts	ee largest program services l are required to report the ai n service reported	
4a	(Code)	(Expenses \$	327,600,564	ıncludıng grants of \$	2,075,000) (Revenue \$	421,123,349)
	SERVICES WITHOUT REGARD TO 18,133 INPATIENTS IN THE COM) PATIENT RACE, CI MUNITY FOR A TOT URGERY PATIENTS,	REED, NATIONAL O TAL OF 88,616 PATI 54,097 EMERGEN	RIGIN, ECONOMIC STAT IENT DAYS OF SERVICE CY ROOM VISITS, 268,8	EVING VANDERBURGH AND CONTIG TUS, OR ABILITY TO PAY DURING F SMMC ALSO PROVIDED SERVICES 57 PHYSICIAN OFFICE VISITS, AND DESCRIPTIONS	ISCAL YEAR 2011, SMMC TREATE TO 694,714 OUTPATIENTS,
	(6-1-	(Expenses \$	42.156.650	including grants of \$) (Paulanua d	,
4b	ST MARY'S MEDICAL CENTER O UNDERINSURED AND HAS PROA DURING THE FISCAL YEAR ENDI INDIGENT UNDER STATE, COUN	F EVANSVILLE, INC CTIVELY TAKEN STE NG JUNE 30, 2011, TY, OR HOSPITAL G OF CARE FOR THOS	(SMMC) PROVIDE PS TO ADDRESS A THE UNREIMBURS UIDELINES WAS \$4 SE QUALIFYING FOR	S A SUBSTANTIAL PORTI CCESSIBILITY, AND THE IED COST OF FREE OR E 12,156,650, WHICH INC R MEDICAID OR OTHER) (Revenue \$ ION OF ITS CORE HEALTH SERVICE FINANCING, AND DELIVERY OF HE DISCOUNTED SERVICES PROVIDED LUDED \$19,195,151 OF TRADITION PUBLIC PROGRAMS FOR THE POOF	ALTHCARE TO THE UNDERSERVE TO PATIENTS WHO ARE DEEMED IAL FINANCIAL ASSISTANCE AND
	(Code)	(Expenses \$	1 296 507	including grants of \$) (Revenue \$	\
4 C	IN ADDITION TO CORE MEDICAL AND NEEDS AND WORK TOGETH FISCAL YEAR 2011, SMMC PROV OF FREE OR DISCOUNTED SERV	SERVICES, ST MA SER TO ADDRESS IS IDED \$1,386,507 IN ICES FOR THE POO TS COMMUNITY TH	RY'S MEDICAL CEN SUES IMPACTING H N UNBILLED SERVIC R LISTED IN LINE 4 ROUGH SUCH PRO	TER OF EVANSVILLE, IN- HEALTH AND QUALITY OF CES TO THE POOR AND THE HB, SMMC PROVIDED A GRAMS AS SUPPORT GR	C (SMMC) AND COMMUNITY PART F LIFE, WITH SPECIAL EMPHASIS O TO THE BROADER COMMUNITY (W TOTAL COMMUNITY BENEFIT OF \$4 ROUPS, PUBLIC HEALTH SCREENING	N THE POOR AND VULNERABLE IN HEN COMBINED WITH THE COSTS 3,543,157 IN FISCAL YEAR 2011)
4d	Other program services (I	Describe in Sch	edule O)			
	(Expenses \$	ıncl	uding grants of	\$) (Revenue \$)
4e	Total program service exp	enses)- \$	371,143,721	L		

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes,"</i> 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		Νo
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? <i>If "Yes," complete Schedule D, Part II</i>	7		Νο
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 2	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			
а	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	Yes	
С	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
	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X.	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If</i> "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
Ь	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	Yes	
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? <i>If</i> "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? <i>If</i> "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	

Par	t IV Checklist of Required Schedules (continued)			
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25	24a		No
Ь	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		Νο
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)			
а	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a		N o
Ь	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
С	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	Yes	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35	Yes	
а	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			
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	
		F	orm 99 0	(2010)

Ра	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 316			
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		.,	
2a	gaming (gambling) winnings to prize winners?	1c	Yes	
	Statements filed for the calendar year ending with or within the year covered by this return			
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
Ь	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			
	See instructions for ining requirements for Form FD 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
	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
С	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).			
а	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
	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
С	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			
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	7h		
8	Form 1098-C?	/n		
	the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		No No
9	Sponsoring organizations maintaining donor advised funds.			110
а	Did the organization make any taxable distributions under section 4966?	9a		
ь 10	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10 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			
	Section 501(c)(12) organizations. Enter Gross income from members or shareholders			
	Gross income from members or shareholders	1		
	against amounts due or received from them)	-		
	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? If "Yes," enter the amount of tax-exempt interest received or accrued during the	12a		
	year 12b	-		
	Section 501(c)(29) qualified nonprofit health insurance issuers. 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			
r	In which the organization is licensed to issue qualified health plans Enter the amount of reserves on hand	-		
	13c			
	Did the organization receive any payments for indoor tanning services during the tax year? If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14a		No
	in res, has it lieu a rotti / 20 to report these payments/ Ir Ivo, provide an explanation in Schedule O	14b	001	(2010

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.

Chack if Schadula O	contains a response to an	y question in this Part VI									J
Check if Schedule O	contains a response to an	y question in this Fait vi	-	-	•	•	-	•	•		. *

Se	ction 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			
b	Enter the number of voting members included in line 1a, above, who are			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any	,		N. o
3	other officer, director, trustee, or key employee?	3		No
4	supervision of officers, directors or trustees, or key employees to a management company or other person? Did the organization make any significant changes to its governing documents since the prior Form 990 was			No
5	filed? Did the organization become aware during the year of a significant diversion of the organization's assets? .	4 5		N o N o
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? \cdot \cdot	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
а	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
	ction B. Policies (This Section B requests information about policies not required by the Internal			
Re	venue Code.)		Yes	No
102	Does the organization have local chapters, branches, or affiliates?	10a	Yes	110
	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b	Yes	
115	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	100	163	
114	Thas the organization provided a copy of this Form 550 to an members of its governing body before mining 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	
С	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?			
а	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes	
Se	ction C. Disclosure	. –		
17	List the States with which a copy of this Form 990 is required to be filed►IN			
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
- State the name, physical address, and telephone number of the person who possesses the books and records of the organization KIM HODGKINSON

 3700 WASHINGTON AVENUE
 EVANSVILLE, IN 47750

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

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

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

- 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 organ	•	elated o	rganı	zatio	on co	ompen	sate	d any current office	r, director, or trust	ee
(A) Name and Title	(B) Average hours	Posi	(C) osition (check all that apply)					(D) Reportable compensation from the	(E) Reportable compensation	(F) Estimated amount of other
	per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations
See Additional Data Table										

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

		_											
	(A) Name and Title	(B) (C) (D) (E) A verage Position (check all Reportable compensation per from the from related					1 6	(F) Estimate amount of o compensat					
		per week (describe hours for related organizations in Schedule O)	Highest compensated employee Key employee Officei Institutional Trustee Individual trustee or director		Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)		from t organizati relati organiza	:he on and ed			
See A	dditional Data Table												
1b	Sub-Total				•	•	٠	>					
_ с	Total from continuation sheets						Þ		5 000 004				100.051
d	Total (add lines 1b and 1c) .						- 1)	6,880,994		0	1,4	180,264
2	Total number of individuals (incl \$100,000 in reportable compen						above) Wnc	received more tha	n			
												Yes	No
3	Did the organization list any for on line 1a? <i>If</i> "Yes," complete Sci							-	or highest compensa	ated employee	3		No
4	For any individual listed on line organization and related organiz										4	Yes	
5	Did any person listed on line 1a services rendered to the organiz		-				-		=		5		No
Se	ection B. Independent Con	tractors											

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
AMBULATORY CARE CENTER LLC 1125 PROFESSIONAL BLVD EVANSVILLE, IN 47714	MEDICAL SERVICES	25,891,495
OHIO VALLEY HEART CARE INC 901 ST MARYS DRIVE SUITE 300 EVANSVILLE, IN 47714	MEDICAL SERVICES	3,716,875
ANESTHESIOLOGY GROUP ASSOCIATES 21 S E FIRST STREET SUITE 500 EVANSVILLE, IN 47714	MEDICAL SERVICES	2,171,854
EVANSVILLE SURGICAL ASSOCIATES 520 MARY STREET SUITE 520 EVANSVILLE, IN 47710	MEDICAL SERVICES	1,827,300
ST MARY'S CATH LAB MGMT CO LLC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750	MEDICAL SERVICES MANAGEMENT	1,385,341
2 Total number of independent contractors (including but not limited to those listed above \$100,000 in compensation from the organization ►54) who received more than	

Form 9 Part \		·	10				Pag	e 9
			1e		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	1
Contributions, gifts, grants and other similar amounts	b c d	Federated campaigns Membership dues Fundraising events	. 1c . 1d 1e	1,603,754				
Contribu and othe	g	All other contributions, gifts, grants similar amounts not included above Noncash contributions included in li Total. Add lines 1a-1f	nes 1a-1f \$	459,228	2,585,816			
everiue	2a b	INPATIENT SERVICE REV		Business Code 621110	209,228,439	209,228,439		
Program Service Revenue	c d	OUTPATIENT SERVICE REV		621110	206,682,461	206,682,461		
Progra	g	All other program service re Total. Add lines 2a-2f Investment income (including			415,910,900			
	4 5	and other similar amounts) Income from investment of tax-ex Royalties	empt bond proceeds		29,115,927			29,115,92
	b c	Gross Rents Less rental expenses Rental income or (loss) Net rental income or (loss)	(i) Real 751,928 541,844 210,084	(II) Personal	210,084			210,08
	ь	Gross amount from sales of assets other than inventory Less cost or other basis and sales expenses Gain or (loss)	(I) Securities	(II) O ther 48,630 48,630				
Other Revenue		Net gain or (loss) Gross income from fundraising (not including) \$ of contributions reported on See Part IV, line 18	ng events line 1c)		48,630	48,630		
othe	С	Less direct expenses . Net income or (loss) from fur Gross income from gaming a						
	b c	Less direct expenses Net income or (loss) from ga Gross sales of inventory, les returns and allowances	ming activities	ь				
		Less cost of goods sold . Net income or (loss) from sa						
	ь	Miscellaneous Revenue CAFETERIA/MISC SERV LAB SERVICES		Business Code 722320 621500 561000	1,851,722 559,339 321,866		111,968	1,756,564 447,37
	d	MGMT/DIRECTOR FEES All other revenue Total. Add lines 11a-11d		331000	6,539,886 9,272,813	4,841,953		1,654,95
	12	Total revenue. See Instructi	ons		457,144,170	421,123,349	250,107 m 990 (20	33,184,898

	990 (2010)				Page 10
Par	t IX Statement of Functional Expenses		- 1		
А	Section $501(c)(3)$ and $501(c)(4)$ organizations must other organizations must complete column (A) but are not required to c			(D).	
Do no	ot include amounts reported on lines 6b, b, 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	2,075,000	2,075,000		<u> </u>
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	3,793,546		3,793,546	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	146,139,911	131,042,814	14,613,991	483,106
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	9,268,791	8,341,912	926,879	· · · · · ·
9	Other employee benefits	26,090,139	23,434,635		46,490
10	Payroll taxes	9,739,863	8,733,455		32,422
а	Fees for services (non-employees)	<u> </u>	, ,	,	·
_	Management	14,019,299		 	25
ь	Legal	550,288	495,259	55,029	
C	Accounting				
d	Lobbying				
е	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other	32,901,046	29,610,941		
12	Advertising and promotion	113,033	101,730	· ·	
13	Office expenses	581,924	503,893	· ·	19,839
14	Information technology	17,744,989	15,965,614	1,774,499	4,876
15	Royalties				
16	Occupancy	11,410,912	10,269,483	1,141,091	338
17	Travel	6,320			6,320
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	602,539	537,830	60,254	4,455
20	Interest	5,547,310	4,992,579	554,731	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	14,505,089	13,054,580	1,450,509	
23	Insurance	1,501,857	1,351,671	150,186	
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)				
а	SUPPLIES	65,464,254	58,917,829	6,546,425	
b	PURCHASED SERVICES	28,868,150	25,981,335	2,886,815	
c	COST OF GOODS SOLD	6,302,077	5,671,869	630,208	
d	BAD DEBTS AND COLLECTIO	5,072,503	4,565,253	507,250	
е	MAINTENANCE AND REPAIR	3,065,792	2,753,726	306,579	5,487
f	All other expenses	11,249,670	10,124,969	766,526	358,175
25	Total functional expenses. Add lines 1 through 24f	416,614,302	371,143,721	44,509,048	961,533
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				
	1 5 113 2 1 113 113 113			·	000 (2010)

Part X Balance Sheet (A) (B) Beginning of year End of year 7.019.864 13,995,795 1 2 2 Savings and temporary cash investments 3 3 64,811,065 57,839,011 4 5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of 5 Schedule L . . . 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) **A**ssets 6 1,307,836 1,256,556 8 5,088,688 4,666,428 2,996,456 3,024,625 Prepaid expenses and deferred charges 10a Land, buildings, and equipment cost or other basis Complete 333,681,000 10a Part VI of Schedule D 248,491,144 ь Less accumulated depreciation 10b 91.507.657 10c 85.189.856 11 11 282,463,801 12 351,462,787 12 Investments—other securities See Part IV, line 11 35,990 13 69,136 13 Investments—program-related See Part IV, line 11 . . 4,158,291 841,774 14 14 17,422,333 15 21,379,165 15 16 476,811,981 16 539,725,133 Total assets. Add lines 1 through 15 (must equal line 34) . . . 44,283,192 40.712.902 17 17 Accounts payable and accrued expenses . 18 18 19 19 20 20 Liabilities 21 21 Escrow or custodial account liability Complete Part IV of Schedule D . . 22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified 22 140.603.140 23 23 139.468.679 Secured mortgages and notes payable to unrelated third parties . . 24 24 Unsecured notes and loans payable to unrelated third parties 25 44.159.643 25 32.140.052 Other liabilities Complete Part X of Schedule D 26 225,475,685 26 215,891,923 **Total liabilities.** Add lines 17 through 25 Organizations that follow SFAS 117, check here ▶ 🔽 and complete lines 27 Balances through 29, and lines 33 and 34. 27 Unrestricted net assets 251,336,296 27 323,833,210 Temporarily restricted net assets 28 28 Fund 29 29 Permanently restricted net assets Organizations that do not follow SFAS 117, check here 🕨 🥅 and complete lines 30 through 34. 5 30 30 Capital stock or trust principal, or current funds Assets 31 Paid-in or capital surplus, or land, building or equipment fund 31 32 32 Retained earnings, endowment, accumulated income, or other funds ¥ 251,336,296 33 323,833,210 33 Total net assets or fund balances 34 Total liabilities and net assets/fund balances 476.811.981 539,725,133

Pa	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		457 1	L44,17
2	Total expenses (must equal Part IX, column (A), line 25)	2			514,30
3	Revenue less expenses Subtract line 2 from line 1	3		40,5	529,86
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4		251,3	336,29
5	Other changes in net assets or fund balances (explain in Schedule O)	5		31,9	967,04
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		323,8	333,210
Pai	rt XIII Financial Statements and Reporting				
	Check if Schedule O contains a response to any question in this Part XII		•	୮	
		_		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 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 its 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 on a separate basis, consolidated basis, or both	ssued			
	Separate basis Consolidated basis Both consolidated and separated basis				
3а	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?	e	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	required	3b		

OMB No 1545-0047

Employer identification number

SCHEDULE A

(Form 990 or 990EZ)

Name of the organization

ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

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.

Inspection

									35-08690		
	rt I			blic Charity Sta						structions	
The	organız	zation is	not a privat	e foundation becaus	eitis (Forl	ınes 1 throu	gh 11, check	only one bo	x)		
1	Г	A churc	:h, conventi	on of churches, or as	ssociation of	churches de	escribed in se	ection 170(b))(1)(A)(i).		
2	Г	A scho	ol described	I in section 170(b)(1	.)(A)(ii). (A t	tach Schedu	ıle E)				
3	<u> </u>	A hosp	tal or a coo	perative hospital sei	rvice organiz	atıon descrı	bed in sectio i	n 170(b)(1)(A)(iii).		
4	Γ			n organization operat ty, and state	ted in conjun	ction with a	hospital desc	ribed in sect	ion 170(b)(1)(A)(iii). E	nter the
5	\sqcap	An orga	nization op	erated for the benefit	t of a college	or universit	y owned or o	perated by a	government	al unit desc	rıbed ın
				A)(iv). (Complete P							
6	Γ	A feder	al, state, or	local government or	government	al unit desc	rıbed ın secti o	on 170(b)(1)	(A)(v).		
7	Γ	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	Г			described in section	•	A)(vi) (Com	nplete Part II)			
9	Ė			at normally receives					utions. mem	bership fees	and gross
-	•	-		ities related to its ex	• •				•	•	
		-		oss investment inco	-	=					
			_	janization after June				•		,	
10	Γ			, janized and operated							
11	Γ	An orga one or r the box	nızatıon orç nore publicl	ganized and operated y supported organized bes the type of supp b Type I	d exclusively ations descri orting organi	for the bene bed in secti zation and c	efit of, to perfo on 509(a)(1)	orm the funct or section 5 s 11e throug	tions of, or t 09(a)(2) So h 11h	ee section 5	•
e	Γ	other th	nan foundatı 509(a)(2)	ox, I certify that the on managers and oth	her than one	or more pub	licly supporte	ed organizati	ons describe	ed in section	1 509(a)(1) or
f g		checkt	hıs box	received a written de 2006, has the organi						II supportir	ng organization,
		(i) a pe		rectly or indirectly c	•		-	persons desc	rıbed ın (ıı)		Yes No
			•	governing body of th		_	ition?			11g	
			•	er of a person descri			h 2			11g(
				led entity of a person						11g(···)
h		Provide	tne followir	ng information about	tne supporte	d organizati	on(s)		I		
(i) Name suppo organiz		e of (ii) (described on column tree of lines 1-9 above you		(iv) Is the organizati col (i) list your gove docume	e on in ced in rning	(v) Did you not organizati col (i) of suppor	on in your	(vi) Is the organization in col (i) organized in the US?		(vii) A mount of support	
				instructions))	Yes	No	Yes	No	Yes	No	
Tota	1										

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.)

	dider rate III. If the	organización i	ans to quanty t	maci the tests	iisted below, pie	case complet	c raic III.
S	ection A. Public Support		_				
Cale	endar 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						
	ınclude 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						
	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						
Ü	line 4						
S	ection B. Total Support	1				I	
	endar year (or fiscal year beginning						
Cur	in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7	A mounts from line 4						
8	Gross income from interest,						
0	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	es, etc (See inst	ructions)			12	
13	First Five Years If the Form 990 is f	or the organization	on's first, second	, third, fourth, or	fifth tax year as a	501(c)(3) orga	nızatıon,
	check this box and stop here	_	r		•	. , . , .	▶ ┌॔
S	ection C. Computation of Pub	lic Support P	ercentage				
14	Public Support Percentage for 2010	(lıne 6 column (f) divided by line	11 column (f))		14	
15	Public Support Percentage for 2009	Schedule A Par	rt II line 14			15	
							
16a	33 1/3% support test—2010. If the				line 14 is 33 1/3%	or more, chec	
	and stop here. The organization qua	•				2.2.4.204	▶ [
b	33 1/3% support test—2009. If the				oa, and line 15 is :	1/3% or mor کد	. -
17-	box and stop here. The organization				12 16 1C	handler - 4.4	▶
r/a	10%-facts-and-circumstances test-						ın.
	is 10% or more, and if the organization made			•			
	in Part IV how the organization mee	is the facts and	circumstances"	test ine organiz	acion quanifies as	a publicly supp	orted F
L	organization 10%-facts-and-circumstances test-	_2000 Ifthe era	anization did not	chack a hay an lu	no 13 165 166 5	or 17a and line	F1
ט	15 is 10% or more, and if the organ						
	Explain in Part IV how the organizat			•		<u>-</u>	clv
	supported organization	aon meets the 16	aces and circuitis	tances test life	. organization qual	iiiies as a publi	LIY ▶
18	Private Foundation If the organizati	on did not check	a box on line 13	. 16a. 16b. 17a o	r 17b. check this	box and see	- 1
	instructions	a.a not eneck		, , 0 0 , 7 0 0	. 2. 2, 511558 61115		▶ □

Schedule A (Form 990 or 990-EZ) 2010 Page 3 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 (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (e) 2010 (f) Total ın) 🟲 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") 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 Gross receipts from activities that are not an unrelated trade or business under section 513 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf The value of services or facilities furnished by a governmental unit to the organization without charge Total. Add lines 1 through 5 7a Amounts included on lines 1, 2, and 3 received from disqualified **b** A mounts 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 Public Support (Subtract line 7c from line 6) Section B. Total Support Calendar year (or fiscal year beginning **(e)** 2010 (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (f) Total ın) 9 Amounts from line 6 Gross income from interest, 10a dividends, payments received on securities loans, rents, royalties and income from similar sources Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 Add lines 10a and 10b c Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on Other income Do not include 12 gain or loss from the sale of capital assets (Explain in Part Total support (Add lines 9, 10c, 11 and 12) First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(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		
S	ection 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

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

Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions

Schedule A (Fo	orm 990 or 990-EZ) 2010	Pag
Part IV	Supplemental Information. Supplemental Information. Complete this required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. additional information. (See instructions).	•

Facts And	Circumstances	Test

Schedule A (Form 990 or 990-EZ) 2010

Software ID: Software Version:

EIN: 35-0869065

Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

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

Compensated Employees, and Independent Contractors											
(A) Name and Title	(B) Average hours	Posi t	tion (hat a	che)			(D) Reportable compensation	(E) Reportable compensation	(F) Estimated amount of other	
	per week	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	from the organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations	
SISTER XAVIER BALANCE DC CHAIR	10 00	Х						0	0	0	
RITA EYKAMP VICE CHAIR	2 00	Х						0	0	0	
MICHAEL HERRELL MD SECRETARY	2 00	Х						0	0	0	
RONALD D ROMAIN TREASURER	2 00	Х						0	0	0	
GREG C DONALDSON BOARD MEMBER	2 00	Х						0	0	0	
PRASAD V GADE MD BOARD MEMBER	2 00	Х						0	0	0	
TERRENCE J KEATING BOARD MEMBER	2 00	Х						0	0	0	
MARK LEMOND BOARD MEMBER	2 00	Х						0	0	0	
DANIEL SCHENK PHD BOARD MEMBER	2 00	Х						0	0	0	
MARIE BUSSING-BURKS BOARD MEMBER	2 00	Х						0	0	0	
MICHAEL R HINTON VICE CHAIR	2 00	Х						0	0	0	
PHIL DUNCAN BOARD MEMBER	2 00	X						0	0	0	
JOSEPH O MURDOCK BOARD MEMBER	2 00	X						0	0	0	
SUSAN HARDWICK BOARD MEMBER	2 00	Х						0	0	0	
LAWRENCE J KREMER BOARD MEMBER	2 00	Х						0	0	0	
PHILLIP L STIVER MD BOARD MEMBER	2 00	Х						0	0	0	
TIMOTHY FLESCH PRESIDENT/CEO	65 00	Х		х				1,249,460	0	401,291	
JOHN E POLIN JR MD PHYSICIAN/BOARD MEMBER	60 00	Х						196,393	0	68,345	
DARCY ELLISON SR VP/CNO	65 00				х			273,123	0	12,743	
JOHN GALLAGHER SR VP/CMO	60 00				х			430,941	0	202,311	
GWEN SANDEFUR SR VP/SYSTEM DEVELOPMENT	65 00				Х			373,803	0	101,917	
ROBERT SPEAR MD SR VP/CORPORATE QUALITY	55 00				Х			348,480	0	7,886	
MICHAEL S KLUEH CRO	55 00				х			203,496	0	155,870	
BARBARA K CLAYTON VP MANAGED CARE	55 00				Х			255,740	0	10,768	
GERALD F VOZEL VP REG OP SERVICES	60 00				Х			284,304	0	187,663	

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

(A) Name and Title	(B) Average hours	Posi t	((tion (hat a	(che		II		(D) Reportable compensation	(E) Reportable compensation	(F) Estimated amount of other	
	per week	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	from the organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations	
MICHAEL P BROWNING FORMER- SR VP/CFO	60 00				х			385,206	0	49,658	
MUREENA TURNQUEST-WELLS MD PHYSICIAN	40 00					х		626,693	0	65,829	
JOSE SALGADO MD PHYSICIAN	65 00					х		544,090	0	81,728	
KARL W SASH MD PHYSICIAN	40 00					×		535,614	0	64,764	
HEATHER L SCHROEDER MD PHYSICIAN	40 00					х		641,513	0	30,751	
VIJAY K BHASIN MD PHYSICIAN	40 00					х		532,138	0	38,740	

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DLN: 93493121001362

OMB No 1545-0047

Political Campaign and Lobbying Activities

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

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.

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

	me of the organization MARY'S MEDICAL CENTER OF EVANSVI	LLE INC		Employer ide 35-086906!	ntification number
ar	t I-A Complete if the or	ganization is exempt und	ler section 501(c) or is a section 52	7 organization.
1	Provide a description of the oi	ganızatıon's dırect and ındırect p	olitical campaign ac	tivities in Part IV	
2	Political expenditures			▶	\$
3	V olunteer hours				
aı	TOB Complete if the or	ganization is exempt und	ler section 501(c)(3).	
1		e tax incurred by the organization			 \$
2	·	e tax incurred by organization ma			\$
3	•	section 4955 tax, did it file Form	_		⊤ Yes
4a	Was a correction made?	·	,		☐ Yes ☐ No
ь	If "Yes," describe in Part IV				,
Pai		ganization is exempt und	ler section 501(c) except section 50)1(c)(3).
1	Enter the amount directly exp	ended by the filing organization fo	r section 527 exem	pt function activities 🕨	\$
2	Enter the amount of the filing exempt funtion activities	organization's funds contributed t	o other organization	s for section 527	\$
3	Total exempt function expend	itures Add lines 1 and 2 Enter h	111	20-POI line 17h	
		itules Aud lilles I alia 2 Elitel li	ere and on Form 112	LO-I O L, IIII E I / D	<i>φ</i>
	Did the filing organization file Enter the names, addresses a		r (EIN) of all section	n 527 political organizatioi	
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio	Form 1120-POL for this year? nd employer identification numbe	r (EIN) of all section or the amount paid fr nd directly delivered	n 527 political organization om the filing organization's to a separate political org	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
4 5 -	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,
	Did the filing organization file Enter the names, addresses a organization made payments amount of political contributio separate segregated fund or a	Form 1120-POL for this year? nd employer identification numbe For each organization listed, ente ns received that were promptly a political action committee (PAC	er (EIN) of all section or the amount paid fr nd directly delivered) If additional space	n 527 political organization om the filing organization's to a separate political organis needed, provide inform (d) A mount paid from filing organization's	(e) A mount of politica contributions received and promptly and directly delivered to a separate political organization If none,

Sc	hedule C (Form 990 or 990-EZ) 2010						Page 2
P	art II-A Complete if the organization under section 501(h)).	is ex	cempt under	section 501(c)(3) and fi	led Form 5768	
A B	Check If the filing organization belongs to a Check If the filing organization checked bo			" provisions apply	/		
	Limits on Lobbying E (The term "expenditures" means a)		(a) Filing Organization's Totals	(b) Affiliated Group Totals
<u>1</u> a	Total lobbying expenditures to influence public o						
b	Total lobbying expenditures to influence a legisl						
c	Total lobbying expenditures (add lines 1a and 1	b)					
d	Other exempt purpose expenditures						
е	Total exempt purpose expenditures (add lines 1	c and :	Ld)				
f	Lobbying nontaxable amount Enter the amount columns	from th	e following table	ın both			
	If the amount on line 1e, column (a) or (b) is:	The	lobbying nontaxa	ble amount is:			
	Not over \$500,000	20%	of the amount on lin	e 1e			
	Over \$500,000 but not over \$1,000,000	\$100	,000 plus 15% of the	excess over \$500,00	0		
	Over \$1,000,000 but not over \$1,500,000	\$175	,000 plus 10% of the	excess over \$1,000,0	000		
	Over \$1,500,000 but not over \$17,000,000	\$225	,000 plus 5% of the	excess over \$1,500,00	00		
	Over \$17,000,000	\$1,00	00,000				
	Grassroots nontaxable amount (enter 25% of lir	ne 1 f)					
_	Subtract line 1g from line 1a If zero or less, ent	-					
i	Subtract line 1f from line 1c If zero or less, ente	er - 0 -					
j	If there is an amount other than zero on either li section 4911 tax for this year?	ne 1h d	or line 11, did the	organization file F	orm 4720 rep	orting	┌ Yes ┌ No
	4-Year Av (Some organizations that made a columns below. See t	secti	on 501(h) ele		havè to co		ne five
	Lobbying Exp	endit	ures During 4	l-Year Averag	jing Period		
	Calendar year (or fiscal year						

	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))							
С	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)).

	(ciccion ander section 501(n)).		1)	(b)	
		Yes	No	A mount	
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				
а	Volunteers?		No		
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		Νo		
c	Media advertisements?		Νο		
d	Mailings to members, legislators, or the public?		Νo		
е	Publications, or published or broadcast statements?		No		
f	Grants to other organizations for lobbying purposes?		Νο		
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		Νο		
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No		
i	Other activities? If "Yes," describe in Part IV	Yes		3,16	
j	Total lines 1c through 1i			3,16	
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No		
ь	If "Yes," enter the amount of any tax incurred under section 4912				
С	If "Yes," enter the amount of any tax incurred by organization managers under section 4912		ľ		
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
L	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".

	,		
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).		
а	Current year	2a	
ь	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

Dues, assessments and similar amounts from members

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 1, Also, complete this part for any additional information

Ident if ier	Return Reference	Explanat ion
EXPLANATION OF OTHER LOBBYING ACTIVITIES		LOBBYING EXPENSES REPRESENT THE PORTION OF DUES PAID TO NATIONAL AND STATE HOSPITAL ASSOCIATIONS THAT IS SPECIFICALLY ALLOCABLE TO LOBBYING

1

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DLN: 93493121001362

OMB No 1545-0047

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.

Open to Public Inspection

	of the organization RY'S MEDICAL CENTER OF EVANSVILLE INC		Emp	loyer identific	ation numbe	er
אויו וכ	AL 2 HEDICAL CLIVILA OF EVANSVILLE INC		35-	0869065		
Part	Organizations Maintaining Donor Acorganization answered "Yes" to Form 99		unds	or Account	s. Comple	te if the
		(a) Donor advised funds	((b) Funds and	other accou	nts
Т	otal number at end of year					
Α	ggregate contributions to (during year)					
Α	ggregate grants from (during year)					
Α	ggregate value at end of year					
	eld the organization inform all donors and donor advi unds are the organization's property, subject to the		nor advi	sed	☐ Yes	┌ No
u	ed the organization inform all grantees, donors, and sed only for charitable purposes and not for the ben onferring impermissible private benefit		•		☐ Yes	□ No
art		if the organization answered "Yes" t	n Forn	n 990 Part I	,	
Г Г С	urpose(s) of conservation easements held by the or Preservation of land for public use (e g , recreating Protection of natural habitat Preservation of open space omplete lines 2a-2d if the organization held a qualication the last day of the tax year	on or pleasure) Preservation of ar Preservation of a	certifie	d historic stru		a
Ū				Held at the	e End of the	Year
a T	otal number of conservation easements		2a			
ь Т	otal acreage restricted by conservation easements		2b			
c N	umber of conservation easements on a certified his	toric structure included in (a)	2c			
d N	umber of conservation easements included in (c) a	courred after 8/17/06	2d			
N	ne taxable year F umber of states where property subject to conserva oes the organization have a written policy regarding		—— dlına of	· violations, an	d	
е	nforcement of the conservation easements it holds?	,			┌ Yes	┌ No
		-			_	
	mount of expenses incurred in monitoring, inspecti			g the year 🕶 \$		
1	oes each conservation easement reported on line 2 70(h)(4)(B)(i) and 170(h)(4)(B)(ii)?				☐ Yes	┌ No
b tl	n Part XIV, describe how the organization reports co alance sheet, and include, if applicable, the text of t ne organization's accounting for conservation easen	the footnote to the organization's financia nents	Istater	nents that des	cribes	
art 1	Organizations Maintaining Collection Complete if the organization answered '		or Ot	her Similar	Assets.	
- а	f the organization elected, as permitted under SFAS rt, historical treasures, or other similar assets held rovide, in Part XIV, the text of the footnote to its fin	for public exhibition, education or resear	ch ın fu			e,
h	f the organization elected, as permitted under SFAS istorical treasures, or other similar assets held for provide the following amounts relating to these items	public exhibition, education, or research i				
(i) Revenues included in Form 990, Part VIII, line 1			► \$		
(ii) Assets included in Form 990, Part X			► \$		
	the organization received or held works of art, histological between the control of the control	•	or finan	cıal gaın, prov	ıde the	
a _R	evenues included in Form 990, Part VIII, line 1			► \$		
ь д	ssets included in Form 990, Part X			► \$		

Par	Organizations Maintaining Co	illections of Art	t, His	tori	cal Tre	easu	res, or C)the	r Simila	r Asse	ets (co	ntınued)
3	Using the organization's accession and othe items (check all that apply)	r records, check an	y of th	e foll	owing th	at are	a signific	ant u	se of its co	ollection	า	
а	Public exhibition		d	Γ	Loan or	rexch	nange prog	rams				
b	Scholarly research		e	Γ	Other							
С	Preservation for future generations											
4	Provide a description of the organization's co Part XIV	ollections and expla	aın hov	vthey	/ further	the o	rganızatıoı	ı's ex	empt purp	ose in		
5	During the year, did the organization solicit of assets to be sold to raise funds rather than t								ılar	Г	Yes	┌ No
Pai	t IV Escrow and Custodial Arrang						answere	d "Y	es" to Foi	rm 990),	
	Part IV, line 9, or reported an ar		•									
1a	Is the organization an agent, trustee, custoo included on Form 990, Part X?	lian or other interm	ediary	tor c	ontributi	ions c	rotherass	sets r	iot	Γ	Yes	┌ No
b	If "Yes," explain the arrangement in Part XI	V and complete the	follow	ing ta	able							
	•	·		_			[A mou	ınt	
c	Beginning balance							1c				
d	Additions during the year							1d				
e	Distributions during the year							1e				
f	Ending balance						Ī	1f				
2a	Did the organization include an amount on Fe	orm 990, Part X, lın	e 21?				_	•		Г	Yes	┌ No
b	If "Yes," explain the arrangement in Part XI\	/										
Pa	rt V Endowment Funds. Complete		n ans	were								
		(a)Current Year	(b)	Prior \	ear/	(c) Tw	years Back	(d)	Three Years I	Back (e	Four Ye	ears Back
la	Beginning of year balance							-				
Ь	Contributions							+				
с	Investment earnings or losses							-				
d	Grants or scholarships							+				
е	Other expenditures for facilities and programs											
f	Administrative expenses											
g	End of year balance											
2	Provide the estimated percentage of the yea	r end balance held	as									
а	Board designated or quasi-endowment 🕨											
ь	Permanent endowment 🕨											
c	Term endowment ▶											
За	Are there endowment funds not in the posse	ssion of the organiz	ation t	that a	re held a	and a	dmınıstere	d for	the			
	organization by									- (:)	Yes	No
	(i) unrelated organizations			•				•		3a(i) 3a(ii)		
b	(ii) related organizations							٠. ٠		3b		
1	Describe in Part XIV the intended uses of th	•						-				
Par	t VI Investments—Land, Buildings	s, and Equipme	nt. S	ee F	orm 99	0, Pa	rt X, line	10.				
	Description of investment				Cost or ot s (investm		(b) Cost or o		(c) Accum deprecia		(d) Bo	ok value
la	Land						9,94	8,022				9,948,022
b	Buildings						155,66	4,593	114,2	79,974	4	1,384,619
с	Leasehold improvements						5,79	5,439	3,8	07,650		1,987,789
d	Equipment		•				153,23	1,743	123,5	41,640	2	9,690,103
e	Other						9,04	1,203	6,8	61,880		2,179,323

85,189,856

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 val Cost or end-of-year n	
(1)Financial derivatives		Cost of end-of-year in	idiket valde
(2)Closely-held equity interests			
(3)Other			
(A) INVESTMENTS IN HEALTH SYSTEM DEPOSITORY	351,462,787		F
Total. (Column (b) should equal Form 990, Part X, col (B) line 12) ▶	351,462,787		
Part VIII Investments—Program Related. See	Form 990, Part X, line	13.	
(a) Description of investment type	(b) Book value	(c) Method of val	
(-,	(-,	Cost or end-of-year n	narket value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)			
Part IX Other Assets. See Form 990, Part X, lin (a) Descrip		(b)	Book value
(a) Bescrip		(5	BOOK VAIGE
Total (Column (h) should equal Form 990, Part Y, col (R) line 1	5.)		
Total. (Column (b) should equal Form 990, Part X, col.(B) line 1.			
Part X Other Liabilities. See Form 990, Part X	, line 25.		
Part X Other Liabilities. See Form 990, Part X 1 (a) Description of Liability			
Part X Other Liabilities. See Form 990, Part X	, line 25.		
Part X Other Liabilities. See Form 990, Part X 1 (a) Description of Liability	, line 25.		
Part X Other Liabilities. See Form 990, Part X 1 (a) Description of Liability	, line 25.		
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Part X Other Liabilities. See Form 990, Part X 1 (a) Description of Liability	, line 25.	.	
Part X Other Liabilities. See Form 990, Part X 1 (a) Description of Liability	, line 25.		
Part X Other Liabilities. See Form 990, Part X 1 (a) Description of Liability	, line 25.		
Part X Other Liabilities. See Form 990, Part X 1 (a) Description of Liability	, line 25.	.	
Part X Other Liabilities. See Form 990, Part X 1 (a) Description of Liability	, line 25.		
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Part X Other Liabilities. See Form 990, Part X 1 (a) Description of Liability	, line 25.		
Part X Other Liabilities. See Form 990, Part X (a) Description of Liability	, line 25.		

'ali	Reconciliation of Change in Net Assets from Form 990 to Financial Statemen	nts
L	Total revenue (Form 990, Part VIII, column (A), line 12)	1
2	Total expenses (Form 990, Part IX, column (A), line 25)	2
	Excess or (deficit) for the year Subtract line 2 from line 1	3
	Net unrealized gains (losses) on investments	4
5	Donated services and use of facilities	5
,	Investment expenses	6
	Prior period adjustments	7
3		8
	Other (Describe in Part XIV)	
•	Total adjustments (net) Add lines 4 - 8	9
)	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10
	Reconciliation of Revenue per Audited Financial Statements With Revenue	
	Total revenue, gains, and other support per audited financial statements	1
	A mounts included on line 1 but not on Form 990, Part VIII, line 12	
а	Net unrealized gains on investments	
Ь	Donated services and use of facilities	-
C	Recoveries of prior year grants	
d	Other (Describe in Part XIV)	_
e	Add lines 2a through 2d	2e
	Subtract line 2e from line 1	3
	A mounts included on Form 990, Part VIII, line 12, but not on line 1	
а	Investment expenses not included on Form 990, Part VIII, line 7b . 4a	
b	Other (Describe in Part XIV)	
С	Add lines 4a and 4b	4c
	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5
	XIII Reconciliation of Expenses per Audited Financial Statements With Expenses	s per Return
	Total expenses and losses per audited financial statements	1 1
	Amounts included on line 1 but not on Form 990, Part IX, line 25	-
а	Donated services and use of facilities	
b b	Prior year adjustments	-
c	Other losses	-
d	Other (Describe in Part XIV)	1
e	Add lines 2a through 2d	_ 2e
	Subtract line 2e from line 1	3
	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
	Investment expenses not included on Form 990, Part VIII, line 7b 4a	
a L	· · · · · · · · · · · · · · · · · · ·	-
b	,	- I
С	Add lines 4a and 4b	4c
	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5

Identifier Return Reference Explanation

additional information

Additional Data

Software ID: Software Version:

EIN: 35-0869065

Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Form 990, Schedule D, Part X, - Other Liabilities (a) Description of Liability

1 (8	b Description of Liability	(b) A mount
PENSION LIABILIT	ГҮ	11,933,469
DEFERRED COMPE	6,430,238	
SELF INSURANCE	1,093,840	
ESTIMATED SETTL	EMENT LIABILITY	1,402,368
AH SAVINGS LIAB	ILITY	1,084,450
INTERCOMPANY P	AYABLES	900,687
OTHER CURRENT L	IABILITIES	152,691
VALUATION ALLO	WANCE	1,126,423
DEFERRED TAXES	PAYABLE	936,412
PHYSICIAN GUARA	ANTEE LIABILITY	7,079,474

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493121001362

OMB No 1545-0047

SCHEDULE F (Form 990)

Department of the Treasury

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16. ▶ Attach to Form 990. ▶ See separate instructions.

Open to Public **Inspection**

Internal Revenue Service Name of the organization ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number

35-0869065

Par	General Information on Activities Outside the United States. Complete if the organization answere	ed
	"Yes" to Form 990, Part IV, line 14b.	
1	For grantmakers. 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	

For grant makers. Describe in Part V the organization's procedures for monitoring the use of grant funds outside the

2	For grant makers. Describe in Pa United States	irt V the organiz	atıon's procedu	res for monitoring the us	e of grant funds outside th	ne
3	Activites per Region (Use Part	V ıf addıtıonal s	pace is needed)		
	(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region/investments in region
	NORTH AMERICA	0	0	PROGRAM SERVICES	MEDICAL SUPPLIES	3,411
	NORTH AMERICA	0	0	PROGRAM SERVICES	MAINTENANCE CONTRACTS	5,936
	NORTH AMERICA	0	0	PROGRAM SERVICES	LICENSES, PERMITS	2,133
	NORTH AMERICA	0	0	PROGRAM SERVICES	PATIENT-INSURANCE PROVIDER REFUND	100
	NORTH AMERICA	0	0	PROGRAM SERVICES	COMPUTER SOFTWARE	3,500
	NORTH AMERICA	0	0	PROGRAM SERVICES	INVENTORY- SURGERY	1,650
	NORTH AMERICA	0	0	PROGRAM SERVICES	MISC DUES	245
	NORTH AMERICA	0	0	PROGRAM SERVICES	OTHER PURCHASED SERVICES	20
3а	Sub-total	0	0			16,995
b	Total from continuation sheets to Part I	0	0			0
c	Totals (add lines 3a and 3b)	0	0			16,995
For P	rivacy Act and Paperwork Reduction	Act Notice, see	the Instructions	for Form 990. Cat	No 50082W Schedu	ıle F (Form 990) 2010

Par	Part IV, l	ine 15, for any					olete if the organiza received more than		
	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) A mount of cash grant	(f) Manner of cash disbursement	(g) A mount of of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
	,								
	_								
2	Enter total nun	nber of recipie	ent organizations lis	ted above that are i	recognized as chari	ties by the foreign (country, recognized letter	as 🕨	1
3	• •	·	_	•		. , , ,		. ▶	
								Schedule F	(Form 990) 2010

Part III	Grants and Ot	her Assistance to	Individuals	Outside the Unit	ed States. Complete i	if the organization a	nswered "Yes" to Form 9	990, Part IV, line 16.
	Use Part V if ad	ditional space is ne	eded.					

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) A mount of cash grant	(e) Manner of cash disbursement	(f) A mount of non-cash	(g) Description of non-cash	(h) Method of valuation
			!		assistance	assistance	(book, FMV, appraisal, other)
			<u>. </u>				
			<u> </u>				
			<u> </u>		!		
			<u> </u>		!		
			<u> </u>		!		
			<u> </u>		!		
			<u> </u>		!		
			1		1		

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? If "Yes," the organization may be required to file Form 926 (see instructions for Form 926)	Γ	Yes	<u> </u>	Νo
2	Did the organization have an interest in a foreign trust during the tax year? If "Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A)	Γ	Yes	<u> ~</u>	Νo
3	Did the organization have an ownership interest in a foreign corporation during the tax year? If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see instructions for Form 5471)	Г	Yes	굣	Νo
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621)	Г	Yes	<u> </u>	Νo
5	Did the organization have an ownership interest in a foreign partnership during the tax year? If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865)	Г	Yes	▼	Νo
6	Did the organization have any operations in or related to any boycotting countries during the tax year? If "Yes," the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713).	Г	Yes	~	Νo

Schedule F (Form 990) 2010

Additional Data

Software ID:

Software Version:

EIN: 35-0869065

Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Schedule F (Form 990) 2010

Page **5**

Part V Supplemental Information

Complete this part to provide the information (see instructions) required in Part I, line 2, and any additional information.

OMB No 1545-0047

Open to Public **Inspection**

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

Name of the organization

ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

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

Hospitals

Employer identification number

Dа	rt I Financial Assista	nce and C	ertain Oth	er Community Be		0869065			
ГG	Tillalicial Assista	ince and c	citain oth	ier community be	ments at cost			Yes	No
1a	Did the organization have a fi	nnancial ass	stance policy	y during the tax year?	If "No," skip to questio	n 6a .	1a	Yes	
ь	If "Yes," is it a written policy	?					1b	Yes	
2	If the organization has multip	le hospitals,	ındıcate whic	h of the following best	describes application (of the financial		1 00	
	assistance policy to its vario	us hospital fa	acılıtıes durın	g the tax year					
	Applied uniformly to all ho Generally tailored to indiv	ospitals ⁄idual hospita	ıls	Applied uniformly	to most hospitals				
3	Answer the following based or organization's patients during			nce eligibility criteria t	hat applied to the large	est number of the			
а	Does the organization use Fe income individuals? If "Yes,"						3a	Yes	
	Γ 100% Γ 150%	▽ 20	oo% Г	O ther	%		- Ju	103	
ь	Does the organization use FP	G to determi	ne eligibility f	•	d care to low income in	dıvıduals? If			
	"Yes," indicate which of the fo	ollowing is the	e family incor	ne limit for eligibility fo	or discounted care .		3b	Yes	
	□ 200% □ 250%	▽ 30	оо% Г	350%	00% Г Other_	<u>%</u>			
c	If the organization does not u determining eligibility for free test or other threshold, regard	or discounte	d care Inclu	de in the description w	hether the organization				
4	Did the organization's financi			• •	•	uring the tax year	4	Yes	
5a	provide for free or discounted Did the organization budget amount			-		x year?	5a	Yes	
ь	If "Yes," did the organization	's financial as	ssistance exp	enses exceed the bud	geted amount?		5b	Yes	
С	If "Yes" to line 5b, as a resulcare to a patient who was elig					or discounted	5c		No
6a	Does the organization prepare			ort during the tax			6a	Yes	
6b	If "Yes," did the organization			ublic?			6b	Yes	
	Complete the following table worksheets with the Schedule	_	ksheets prov	ıded ın the Schedule H	instructions Do not s	ubmit these			
7	Financial Assistance and C	ertain O ther	Community I	Benefits at Cost					
ľ	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 t expense	enefit	(f) Pero total ex	
а	Financial Assistance at cost (from Worksheets 1 and 2)			19,195,151		19.19	95,151	4	660 %
b	Unreimbursed Medicaid (from			43,163,721	20,202,222	,	51,499		580 %
c	Worksheet 3, column a) Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			43,103,721	20,202,222	22,30	31,499		300 70
d	Total Financial Assistance and Means-Tested Government Programs			62,358,872	20,202,222	42,15	56,650	10	240 %
e	Other Benefits Community health improvement services and community benefit operations (from (Worksheet 4)			549,182	264,704	28	34,478	0	070 %
f	Health professions education (from Worksheet 5)			5,100			5,100	_	0 %
g	Subsidized health services (from Worksheet 6)			2,200			-,		
h	Research (from Worksheet 7)								
i (Cash and ın-kınd contributions to community groups (from Worksheet 8)			1,038,929	0	1.03	38,929	0	250 %
jТ	otal Other Benefits			1,593,211	264,704	•	28,507		320 %
k 1	Total. Add lines 7d and 7j			63,952,083	20,466,926	43,48	35,157	10	560 %

Pa	rt II Community Building activities during the of the communities i	tax year, an								ldıng	ealth
	o, and communities.	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense		rect offse revenue	ttıng	(e) Net communit building expense		(f) Perototal ex	
1	Physical improvements and housing										
2	Economic development										
3	Community support			3,000				3	,000		0 %
4	Environmental improvements			,				,			
5	Leadership development and training										
6	for community members Coalition building						-		+		
7	Community health improvement										
8	advocacy Workforce development			55,000				55,	,000	0	010 %
9	Other										
LO	Total			58,000				58,	,000	0	010 %
Par	t IIII Bad Debt, Medicar	e, & Collec	tion Practic	es							
Sect	ion A. Bad Debt Expense									Yes	No
1	Did the organization report bac	d debt expense	e in accordance	with Heathcare Fina	ncıal M	anagem	ent Ass	sociation		163	140
	Statement No 15?								1		Νo
2 3	Enter the amount of the organi Enter the estimated amount of			•	•	2		1,622,225			
3	attributable to patients eligible	_			ісу .	3		162,223			
4	Provide in Part VI the text of t In addition, describe the costi rationale for including a portion	ng methodolog	gy used in deter	rmining the amounts							
ect	ion B. Medicare										
5	Enter total revenue received fr	rom Medicare	(ıncludıng DSH	and IME)		5		110,775,023			
6	Enter Medicare allowable cost		•			6		142,794,109			
7 8	Subtract line 6 from line 5 The	•				7		-32,019,086			
•	Describe in Part VI the extent Also describe in Part VI the co Check the box that describes	osting method	ology or source								
	Cost accounting system	r c∘	st to charge ra	tio Γ	Other						
ect	ion C. Collection Practices										
9a	Does the organization have a v								9a	Yes	
b	If "Yes," does the organization patients who are known to qua								9b	Yes	
Pa	rt IV Management Com				TDC III I	uit v I					
	(a) Name of entity	(b) Description of pr activity of entity		c) Organiz			Officers, directors,		Physicofit % or	
			activity of entity	, P	ownersh		em	rustees, or key ployees' profit % stock ownership%		wnershi	
	ST MARY'S PERIPHERAL VASCULAR ICES MANAGEMENT COMPANY LLC	MANAGEMENT			5	50 000 %		0 %		50 (000 %
2											
3											
4											
5											
5											
7											
3											
•											
LO									-		
11									_		
12											
13		1					1				

Part	Facility illiorilation									
(lıst ın	on A. Hospital Facilities order of size, measured by total revenue per facility, from to smallest)	Licensed hospital	General medical &	Children's ho	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	
	any hospital facilities did the organization operate during year? 1	spital	lical & surgical	hospital	epital	se hospital	ality			
Name a	and address									Other (Describe)
1	ST MARY'S MEDICAL CENTER 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750	x	Х	х	х			х		
		-								

erate during the tax year?
Type of Facility (Describe)
Data Table

Part V Facility Information (continued)

Schedule H (Form 990) 2010 Page 8

Part VI Supplemental Information

Complete this part to provide the following information

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
- 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
- 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.)
- 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 ORGANIZATION PROVIDES MEDICALLY NECESSARY CARE TO ALL PATIENTS, REGARDLESS OF RACE, COLOR, CREED, ETHNIC ORIGIN, GENDER, DISABILITY, OR ECONOMIC STATUS THE
		HOSPITAL USES A PERCENTAGE OF FEDERAL POVERTY LEVEL (FPL) TO DETERMINE FREE AND DISCOUNTED CARE AT A MINIMUM, PATIENTS WITH INCOME LESS
		THAN OR EQUAL TO 200% OF THE FPL, WILL BE ELIGIBLE FOR 100% CHARITY CARE WRITE OFF OF CHARGES FOR SERVICES THAT HAVE BEEN PROVIDED TO THEM ALSO, AT A MINUMUM, PATIENTS WITH INCOMES ABOVE 200%
		OF THE FPL BUT NOT EXCEEDING 300% OF THE FPL, ARE ELIGIBLE TO RECEIVE A DISCOUNT ON THE SERVICES PROVIDED TO THEM

Identifier	ReturnReference	Explanation
		PART I, LINE 7 THE COST OF PROVIDING CHARITY CARE, MEANS TESTED GOVERNMENT PROGRAMS, AND COMMUNITY BENEFIT PROGRAMS IS ESTIMATED USING INTERNAL COST DATA, AND IS CALCULATED IN COMPLIANCE WITH CATHOLIC HEALTH ASSOCIATION ("CHA") GUIDELINES THE ORGANIZATION USES A COST ACCOUNTING SYSTEM THAT ADDRESSES ALL PATIENT SEGMENTS (FOR EXAMPLE, INPATIENT, OUTPATIENT, EMERGENCY ROOM, PRIVATE INSURANCE, MEDICAID, MEDICARE, UNINSURED, OR SELF PAY) THE BEST AVAILABLE DATA WAS USED TO CALCULATE THE AMOUNTS REPORTED IN THE TABLE FOR THE INFORMATION IN THE TABLE, A COST-TO-CHARGE RATIO WAS CALCULATED AND APPLIED

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) THE AMOUNT OF BAD DEBT EXPENSE REPORT ON FORM 990, PART IX, LINE 25, COLUMN (A)IS SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGES IN PART I, LINE 7, COLUMN (F) IS \$5,072,503

Identifier	ReturnReference	Explanation
		PART II WHILE MOST OF ST MARY'S MEDICAL CENTER OF EVANSVILLE'S COMMUNITY BENEFIT ACTIVITIES DIRECTLY IMPACT THE HEALTH OF ITS COMMUNITIES, ST MARY'S ALSO INVESTS IN COMMUNITY BUILDING ACTIVITIES THAT INDIRECTLY IMPROVE HEALTH BY IMPROVING QUALITY OF LIFE WITHIN THE COMMUNITY RESEARCH HAS ESTABLISHED THAT FACTORS SUCH AS ECONOMIC STATUS, EMPLOYEMENT, HOUSING, EDUCATION LEVEL, AND BUILT ENVIRONMENT CAN ALL BE POWERFUL SOCIAL DETERMINANTS OF HEALTH ADDITIONALLY, HELPING TO CREATE GREATER CAPACITY WITHIN THE COMMUNITY TO ADDRESS A BROAD RANGE OF QUALITY OF LIFE ISSUES ALSO IMPACTS HEALTH IN FISCAL YEAR 2011, ST MARY'S COMMUNITY BUILDING ACTIVITIES INCLUDED UNITED
		WAY DAY OF CARING, GREAT EXPECTATIONS, BACK TO SCHOOL HEALTH BLITZ, LEADERSHIP EVANSVILLE, AND AREA 10 BOARD READINESS TASK FORCE

Identifier	ReturnReference	Explanation
Identifier		PART III, LINE 4 THE ORGANIZATION IS A PART OF THE ST MARY'S HEALTH SYSTEM OF AMERICA, INC CONSOLIDATED AUDIT THE PROVISION FOR BAD DEBT IS BASED UPON MANAGEMENT'S ASSESSMENT OF EXPECTED NET COLLECTIONS CONSIDERING ECONOMIC CONDITIONS, HISTORICAL EXPERIENCE, TRENDS IN HEALTH CARE COVERAGE, AND OTHER COLLECTION INDICATORS PERIODICALLY THROUGHOUT THE YEAR, MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON HISTORICAL WRITE-OFF EXPERIENCE BY PAYOR CATEGORY, INCLUDING THOSE AMOUNTS NOT COVERED BY INSURANCE THE RESULTS OF THIS REVIEW ARE THEN USED TO MAKE MODIFICATIONS TO THE PROVISION FOR BAD DEBTS TO ESTABLISH AN APPROPRIATE ALLOWANCE FOR UNCOLLECTIABLE ACCOUNTS AFTER SATISFACTION OF AMOUNTS DUE FROM INSURANCE AND REASONABLE EFFORTS TO COLLECT FROM THE PATIENT HAVE BEEN
		EFFORTS TO COLLECT FROM THE PATIENT HAVE BEEN EXHAUSTED, THE CORPORATION FOLLOWS ESTABLISHED GUIDELINES FOR PLACING CERTAIN PAST-DUE PATIENT BALANCES WITHIN COLLECTION AGENCIES, SUBJECT TO THE TERMS OF CERTAIN RESTRICTIONS ON COLLECTION EFFORTS AS DETERMINED BY ASCENSION HEALTH ACCOUNTS RECEIVABLE ARE WRITTEN OFF AFTER COLLECTION EFFORTS HAVE BEEN FOLLOWED IN ACCORDANCE WITH THE CORPORATION'S POLICIES THE SHARE OF THE BAD DEBT EXPENSE IN FISCAL YEAR 2010 WAS \$5,072,503 AT CHARGES (\$1,622,225 AT COST)

Identifier	ReturnReference	Explanation
		PART III, LINE 8 ASCENSION HEALTH AND RELATED HEALTH MINISTRIES FOLLOW THE CATHOLIC HEALTH ASSOCIATION ("CHA") GUIDELINES FOR DETERMINING COMMUNITY BENEFIT CHA COMMUNITY BENEFIT REPORTING GUIDELINES SUGGEST THAT MEDICARE SURPLUS (SHORTFALL) IS NOT TREATED AS COMMUNITY BENEFIT

Identifier	ReturnReference	Explanation
		PART III, LINE 9B THE ORGANIZATION HAS A WRITTEN
		DEBT COLLECTION POLICY THAT ALSO INCLUDES A
		PROVISION ON THE COLLECTION PRACTICES TO BE
		FOLLOWED FOR PATIENTS WHO ARE KNOWN TO QUALIFY
		FOR CHARITY CARE OR FINANCIAL ASSISTANCE IF A
		PATIENT QUALIFIES FOR CHARITY OR FINANCIAL
		ASSISTANCE CERTAIN COLLECTION PRACTICES DO NO
		APPLY AND THE FINANCIAL ASSISTANCE PROGRAM IS
		FO LLO WED

ReturnReference	Explanation
	ST MARY'S MEDICAL CENTER OPERATES A DEDICATED SENIOR HEALTH CLINIC THAT FOCUSES ON GERIATRIC CARE FOR THE MEDICARE POPULATION THIS CLINIC OPERATED AT A LOSS OF \$666,766 IN FY11 AND WAS ALMOST 100% MEDICARE ST MARY'S MEDICAL CENTER OPERATES A DEDICATED CENTER FOR CHILDREN AND RESOURCE CENTER THAT FOCUSES ON CHILDREN IN THE COMMUNITY AND PROVIDES SPECIALIZED SERVICES AND RESOURCES FOR THEIR FAMILIES THIS CENTER OPERATED AT A LOSS OF \$302,665 IN FY11 ST MARY'S MEDICAL CENTER OPERATES THE HOPE RESOURCE CENTER FOR THOSE DIAGNOSED OR RECOVERING FROM CANCER ALONG WITH CLASSES FOR THEIR LOVED ONES THE CENTER FOCUSES ON HEALING THE SPIRITUAL AND EMOTIONAL PART OF THE PATIENTS JOURNEY THROUGH CANCER AND THE RECOVERY THE CENTER OFFERS MASSAGE, YOGA, AND OTHER CLASSES IN A CALMING ATMOSPHERE THIS CENTER OPERATED AT A LOSS OF \$75,122 IN FY11

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 COMMUNITIES ARE DYNAMIC IN WHICH MULTIPLE FACTORS INTERACT TO IMPACT QUALITY OF LIFE AND HEALTH STATUS AS PART OF THE ST MARY'S HEALTH SYSTEM, THE GOAL OF ST MARY'S MEDICAL CENTER OF EVANSVILLE IS TO WORK WITH ITS COMMUNITY TO CONDUCT AN ASSESSMENT AT LEAST EVERY THREE YEARS ASSESSMENTS MAY INCLUDE PRIMARY SURVEY DATA, SECONDARY DATA, FOCUS GROUP INPUT, COMMUNITY LEADERS' SURVEY AND OTHER DATA RESULTS ARE MADE AVAILABLE TO ORGANIZATIONS AND INDIVIDUALS THROUGHOUT THE COMMUNITY THESE NEEDS ASSESSMENTS ARE ALSO UTILIZED IN CREATING THE HOSPITAL'S INTERGRATED STRATEGIC FINANCIAL AND OPERATIONAL PLAN TO THAT END, ST MARY'S MEDICAL CENTER HAS BROUGHT TO GETHER A COMMUNITY ROUNDTABLE WITH THE PURPOSE OF DETERMINING THE RESOURCES AND NEEDS, PRIORTIZING ACTION AND WORKING IN PARTNERSHIP TO ADDRESS IDENITIFIED CHALLENGES WITHIN A DESIGNATED AREA SURROUNDING THE HOSPITAL ST MARY'S MEDICAL CENTER ALSO IDENTIFIES COMMUNITY HEALTH NEED BY EMPLOYING OTHER PUBLIC AGENCY NEEDS ASSESSMENT SUCH AS WELBORN BAPTIST FOUNDATION AND THE UNITED WAY

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 ST MARY'S MEDICAL CENTER
		COMMUNICATES WITH PATIENTS IN MULTIPLE WAYS TO
		ENSURE THAT THOSE WHO ARE BILLED FOR SERVICES
		ARE AWARE OF THE HOSPITAL'S CHARITY CARE
		PROGRAM AS WELL AS THEIR POTENTIAL ELIGIBILITY
		FOR LOCAL, STATE OR FEDERAL PROGRAMS SIGNS ARE
		PROMINENTLY POSTED IN EACH SERVICE AREA IN
		ADDITION, THE HOSPITAL EMPLOYS FINANCIAL
		COUNSELORS, HEALTH ACCESS WORKERS, AND
		ENROLLMENT SPECIALISTS WHO CONSULT WITH
		PATIENTS ABOUT THEIR ELIGIBILITY FOR FINANCIAL
		ASSISTANCE PROGRAMS AND HELP PATIENTS IN
		APPLYING FOR ANY PUBLIC PROGRAMS FOR WHICH THEY
		MAY QUALIFY ALL SELF-PAY PATIENTS RECEIVE A 15%
		DISCOUNT OFF THE TOP ALL CHARGES BEFORE
		STATEMENTS ARE MAILED

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 ST MARY'S MEDICAL CENTER OF
		EVANSVILLE IS LOCATED IN EVANSVILLE, INDIANA AND
		SERVES VANDERBURGH AND CONTINGUOUS COUNTIES
		IN SOUTHERN INDIANA AND NORTH-CENTRAL KENTUCKY
		THE PRIMARY SERVICE AREA IS DEFINED AS
		VENDERBURGH, WARRICK AND POSEY COUNTIES THE
		POPULATION FOR THE PRIMARY SERVICE AREA WAS
		265,302 IN 2011 ALSO THE MEDIAN INCOME FOR THE
		PRIMARY SERVICE AREA WAS \$51,720 FOR 2011 WITH
		10 54% OF PERSONS BELOW POVERTY LEVEL

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 TO PROVIDE THE HIGHEST QUALITY
		HEALTHCARE TO ALL PERSON IN THE COMMUNITY, AND
		IN KEEPING WITH ITS NOT-FOR-PROFIT STATUS, ST MARY'S MEDICAL CENTER OF EVANSVILLE - DELIVERS
		PATIENT SERVICES, INCLUDING EMERGENCY
		DEPARTMENT SERVICES AND URGENT CARE SITES, TO
		ALL INDIVIDUALS REQUIRING HEALTHCARE, WITHOUT
		REGARD TO PATIENT RACE, ETHNICITY, ECONOMIC STATUS, INSURANCE STATUS OR ABILITY TO PAY -
		MAINTAINS AN OPEN MEDICAL STAFF THAT ALLOWS
		CREDENTIALED PHYSICIANS TO PRACTICE AT ITS
		FACILITIES - TRAINS AND EDUCATES HEALTH CARE
		PROFESSIONALS- PARTICIPATES IN GOVERNMENT- SPONSORED PROGRAMS SUCH AS MEDICAID AND
		MEDICARE TO PROVIDE TO THE POOR AND ELDERLY
		APPLICATION EVENTS ARE HELD AS WELL AS FOLLOW UP
		ASSISTANCE FOR INSURANCE -HEALTH ACCESS
		ADVOCATES ("HAA") ARE COMMUNITY BASED STAFF WHOSE PRIMARY ROLE IS TO SIGN CHILDREN UP FOR
		HOOSIER HEALTHCARE INSURANCE THEY CAN DO THIS
		BY ASSISTING FAMILIES IN APPLYING FOR HOOSIER
		HEALTHCARE INSURANCE HERE IN THE OFFICE, IN THE
		COMMUNITY, OR AT THE PATIENT'S HOME DURING THIS PROCESS, THEY CAN ALSO ASSIST FAMILIES WITH BASIC
		NEEDS SUCH AS FOOD, SHELTER AND CLOTHING THE
		ADVOCATES CAN ALSO ASSIST ADULTS WITH APPLYING
		FOR MEDICAID, HEALTHY INDIANA PLAN, AND OTHER RESOURCES SUCH AS PHARMACEUTICAL APPLICATIONS
		FOR THOSE WHO QUALIFY HAA WILL AT TIMES
		TRANSPORT PATIENTS TO NECESSARY APPOINTMENTS
		ADDITIONALLY, HAA PROVIDE ASSITANCE TO THE
		LATINO POPULATION BY PROVIDING A BI-LINGUAL ASSOCIATE THIS ASSOCIATE SPEARHEADS A CERTIFIED
		MEDICAL INTERPRETER TRAINING PROGRAM THROUGH
		THE BRIDGING THE GAP PROGRAM - IS GOVERNED BY A
		BOARD IN WHICH INDEPENDENT COMMUNITY MEMBERS
		COMPRISE A MAJORITY - CONDUCTS COMMUNITY HEALTH NEEDS ASSESSMENTS AND HOLDS MEMBERSHIP ON
		OTHER PUBLIC AGENCY BOARDS TO ENHANCE WELL
		BEING OF THE COMMUNITY IN PARTNERSHIP PROGRAMS-
		PROVIDES DENTAL SERVICES FOR PRIMARY SERVICE AREA WITH MOBILE DENTAL FOR KIDS CLINIC-
		NUTRITION COUNSELING IS PROVIDED TO THE
		COMMUNITY AND SPECIFICALLY AREA SCHOOLS AND
		YOUTH GROUPS, SUCH AS FOOD PYRAMID PROGRAMS,
		STAFF HEALTH FAIR, ETC-COMPLIMENTARY THERAPIES INCLUDING MASSAGES, YOGA CLASSES, STRESS
		REDUCTION CLASSES AT HOPE RESOURCE CENTER FOR
		CANCER PATIENTS AND SURVIVORS -MALL WALKING
		PROGRAMS AND MONTHLY BLOOD PRESSURE SCREENING AT LOCAL MALL-CHRISTMAS PROGRAMS FOR THE POOR
		GREAT EXPECTATIONS AREA FAMILIES ARE IDENITIFED
		FROM LOCAL GROUPS SUCH AS UNITED WAY, CHURCHES,
		AND THE SCHOOL SYSTEMS, AS NEEDING ASSISTANCE
		WITH CHRISTMAS ASSOCIATES OF ST MARY'S GIVE MONIES, FOOD, CLOTHING, TOYS, ETC TO FAMILIES IN
		NEED EACH YEAR -AUTISM VISIT WITH SANTA-WNIN
		KIDS DAY - MOBILE DENTAL KARE LAB-CPR CLASSES
		GIVEN AT LOCAL DAYCARES AND SCHOOLS-JOSLIN AND
		DIABETIC FOOT CLINIC - LECTURES, CLASSES, EXERCISE INSERVICES -SAFESITTERS EDUCATION FOR TEENAGERS
		PREPARING TO TAKE CARE OF YOUNG CHILDERN,
		TODDLERS, AND INFANTS-ST MARY'S NIGHTS AT
		CHILDERN'S MUSEUM OF EVANSVILLE -YOUTH FIRST
		RETREATS-AMERICAN RED CROSS BLOOD DRIVES- AMBULANCE, REHAB, AND MISC BILLINGS PAID FOR
		PATIENTS-PATIENT CARE FOR NON-PROFIT ECHO
		CLINIC-TRANSPORTATION SERVICES FOR PATIENTS AND
		FAMILIES - MEAL TICKETS FOR PATIENT FAMILIES

Identifier	ReturnReference	Explanation
		PART VI, LINE 7 AS A PART OF ST MARY'S HEALTH SYSTEM, ST MARY'S MEDICAL CENTER IS DEDICATED TO IMPROVING THE HEALTH STATUS AND QUALITY OF LIFE FOR THE COMMUNITIES IT SERVES WHILE DESIGNATED ASSOCIATES AT ST MARY'S MEDICAL CENTER DEVOTE ALL OR SIGNIFICANT PORTION OF THEIR TIME TO LEADING AND ADMINISTERING LOCAL COMMUNITY- BASED PROGRAMS AND PARTNERSHIPS, ASSOCIATES THROUGHOUT THE ORGANIZATION ARE ACTIVE PARTICIPANTS IN COMMUNITY OUTREACH THEY ARE ASSISTED AND SUPPORTED BY DESIGNATED ST MARY'S HEALTH COMMUNITY DEVELOPMENT AND SERVICE STAFF WHO WORK WITH EACH OF ITS HEALTHCARE FACILITIES TO ADVOCATE FOR AND PROVIDE TECHINCAL ASSISTANCE FOR COMMUNITY OUTREACH, NEEDS ASSESSMENTS AND PARTNERSHIPS AS WELLS AS TO SUPPORT REGIONAL AND STATE-WIDE PROGRAMS, COMMUNITY PROGRAMS SPONSORED BY ST MARY'S HEALTH IN WHICH ST MARY'S MEDICAL CENTER PARTICIPATES

Identifier	ReturnReference	Explanation
REPORTS FILED WITH STATES	PART VI, LINE 7	IN

Schedule H (Form 990) 2010

Software ID: Software Version:

EIN: 35-0869065

Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

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

Form 990 Schedule H, Part V Section C. Other Facilities That Recognized as a Hospital Facility	Are Not Licensed, Registered, or Similarly
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? 39	Type of Facility
Name and address ST MARY'S HOPE RESOURCE CENTER	(Describe) FAMILY CANCER COUNSELING
3801 BELLEMEADE AVE SUITE 120 EVANSVILLE, IN 47714 ST MARY'S FOR CHILDREN	CHILDREN'S HEALTH FACILITY
3900 WASHINGTON AVENUE EVANSVILLE, IN 47714	CHILDREN'S HEALTH FACILITY
ST MARY'S WEIGHT MANAGEMENT CENTER 950 S KENMORE EVANSVILLE,IN 47714	WEIGHT MANAGEMENT FACILITY
ST MARY'S SURGICARE 1125 PROFESSIONAL BLVD	GENERAL SURGICAL CENTER
EVANSVILLE, IN 47714 ST MARY'S SURGICARE 300 CIRCLE FRONT DRIVE	GENERAL SURGICAL CENTER
EVANSVILLE, IN 47715 ST MARY'S REHAB 3900 WASHINGTON AVENUE	INPATIENT REHAB CENTER
EVANSVILLE, IN 47714 ST MARY'S OUTPATIENT REHAB	OUTPATIENT REHAB CLINIC
1144 WASHINGTON SQUARE EVANSVILLE, IN 47715 ST MARY'S SENIOR SERVICES	SENIOR CITIZEN PRIMARY CARE FACILITY
1146 WASHINGTON SQUARE EVANSVILLE,IN 47715	
ST MARY'S IMAGING AND LAB 1138 WASHINGTON SQUARE EVANSVILLE,IN 47715	IMAGING SERVICES/RADIOLOGY
ST MARY'S OCCMED 2330 LYNCH ROAD EVANSVILLE, IN 47711	OCCUPATIONAL MEDICINE CLINIC
ST MARY'S SENIOR CONNECTION 951 S HEBRON	SENIOR CITIZEN MEDICARE/INSURANCE
EVANSVILLE, IN 47714 JOSLIN DIABETES CENTER 3801 BELLEMEADE AVENUE	DIABETES SERVICE CENTER
EVANSVILLE,IN 47714 ST MARY'S PHYSICIANS HEALTH GROUP 3801 BELLEMEADE AVENUE	PRIMARY CARE FACILITY
EVANSVILLE, IN 47714 ST MARY'S PHYSICIANS HEALTH GROUP 8077 ROSE HILL DRIVE	PRIMARY CARE FACILITY
NEWBURGH,IN 47630 ST MARY'S PHYSICIANS OFFICES	PRIMARY CARE FACILITY
801 ST MARYS DRIVE EVANSVILLE, IN 47714 ST MARY'S PHYSICIANS HEALTH GROUP	PRIMARY CARE FACILITY
304 E HWY 68 BO X 370 HAUBSTADT, IN 47639 ST MARY'S CONVENIENT CARE - EAST	PRIMARY CARE FACILITY
10444 SR 66 FRONTAGE ROAD NORTH NEWBRUGH,IN 47630	
ST MARY'S CONVENIENT CARE - WEST 5320 WESTON ROAD EVANSVILLE,IN 47712	PRIMARY CARE FACILITY
ST MARY'S PROFESSIONAL BUILDING 1400 PROFESSIONAL BUILDING EVANSVILLE,IN 47714	PRIMARY CARE FACILITY
ST MARY'S OBGYN 7839 S PROFESSIONAL DRIVE FORT BRANCH, IN 47648	OBSTETRICS/GYNECOLOGY
ST MARY'S OBGYN 908 S HEBRON DRIVE EVANSVILLE, IN 47714	OBSTETRICS/GYNECOLOGY
ST MARY'S INTEGRITY FAMILY PHYSICIANS 6221 E PHYSICIANS COURT	PRIMARY CARE FACILITY
EVANSVILE, IN 47715 ST MARY'S PHYSICIAN OFFICES 3700 BELLEMEADE AVENUE	PRIMARY CARE FACILITY
EVANSVILE, IN 47714 ST MARY'S PHYSICIAN OFFICES 8601 N KENTUCKY AVENUE SUITE J	PRIMARY CARE FACILITY
EVANSVILE, IN 47725 ST MARY'S ROCKPORT PHYSICIAN OFFICE 105 S SECOND STREET	PRIMARY CARE FACILITY
ROCKPORT, IN 47635 ST MARY'S IM OF DUBOIS COUNTY 751 W NINTH STREET	PRIMARY CARE FACILITY
JASPER,IN 47546 ST MARY'S PHYSICIAN OFFICES 1202 W BUENA VISTA ROAD	PRIMARY CARE FACILITY
EVANSVILE, IN 47710 ST MARY'S WEST SIDE CONNECTION	PRIMARY CARE FACILITY
2345 W FRANKLIN STREET EVANSVILLE, IN 47712 ST MARY'S LYNNVILLE PHYSICIAN OFFICE	PRIMARY CARE FACILITY
12067 SPURGEON ROAD LYNNVILLE,IN 47619 ST MARY'S HUNTINGBURG PHYSICIAN OFFICE	PRIMARY CARE FACILITY
7240 S US 231 HUNTINGBURG,IN 47542	
ST MARY'S BOONVILLE PHYSICIAN OFFICE 1116 MILLIS AVENUE BOONVILLE,IN 47601	PRIMARY CARE FACILITY
ST MARY'S ELBERFELD PHYSICIAN OFFICE 110 W SYCAMORE STREET ELBERFELD,IN 47613	PRIMARY CARE FACILITY
ST MARY'S HEBRON PEDIATRICS 7220 E VIRGINIA STREET EVANSVILLE,IN 47715	PEDIATRICS
ST MARY'S PHYSICIAN OFFICES 2522 WATERBRIDGE WAY EVANSVILE, IN 47710	PRIMARY CARE FACILITY
ST MARY'S CENTER FOR ADVANCED MEDICINE 901 ST MARYS DRIVE	IMAGING SERVICES/RADIOLOGY
ST MARY'S WEST SIDE X-RAY 2345 W FRANKLIN STREET	IMAGING SERVICES/RADIOLOGY
EVANSVILE, IN 47712 ST MARY'S PRE-PROCEDURE CLINIC 1140 WASHINGTON AVENUE	PRE SCREENING SERVICES
EVANSVILE, IN 47714 ST MARY'S FOR WOMEN 711 ST MARYS DRIVE	OBSTETRICS/GYNECOLOGY
EVANSVILE, IN 47714 MEDPEDS	PRIMARY CARE FACILITY
3524 FIRST AVENUE EVANSVILLE, IN 47710	

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Schedule I (Form 990)

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

OMB No 1545-0047

DLN: 93493121001362

Department of the Treasury Internal Revenue Service Name of the organization

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

Inspect ion Employer identification number

MARY'S MEDICAL CENTER				Part I General Information on Grants and Assistance						
Does the organization mai the selection criteria used Describe in Part IV the or	ntain records to sub to award the grants ganization's procedu	stantiate the amount of th or assistance? ires for monitoring the use	of grant funds in the L	Jnited States			√ Yes			
Form 990, Part I		o Governments and recipient that received eded.	l more than \$5,000.	Check this box if n		ived more than \$5,0				
(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) A mount of cash grant	(e) A mount of non- cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of gra or assistance			
ST MARY'S OHIO LLEY HEARTCARE LLC OO WASHINGTON 'ENUE 'ANSVILLE, IN 47750	27-3474697	3	1,375,000				OPERATING GRAN			
OHIO VALLEY CARTCARE LLC901 ST ARYS DRIVE SUITE 300 VANSVILLE, IN 47714	35-1487233		700,000				OPERATING GRAN			
Enter total number of sect	ion 501(c)(3) and co	Overnment organizations					<u> </u>			

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	2.
	Use Schedule I-1 (Form 990) if additional space is needed.	

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

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

Ident if ier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	1	SCHEDULE I, PART I, LINE 2 ONE PERSON OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC , IS RESPONSIBLE FOR RESEARCHING AND COORDINATING GRANT PROPOSALS THIS PERSON IS ALSO RESPONSIBLE FOR ENSURING THAT TIMELY REPORTS ARE SENT TO THE GRANTOR THE CHIEF EXECUTIVE OF THE ENTITY
IN THE U.S		OPERATIONS REVIEWS AND APPROVES ALL THE EXPENDITURES FROM THE GRANT FUNDS, ENSURING THEY ARE WITHIN THE GUIDELINES OF THE GRANT

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DLN: 93493121001362

OMB No 1545-0047

Schedule J (Form 990)

Department of the Treasury

Internal Revenue Service

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

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

Compensation Information

► Attach to Form 990. ► See separate instructions.

Open to Public Inspection

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т	MARY'S	MEDICAL	CENTER OF	EVANSVILLE	INC

Employer identification number

35-0869065

Pa	rt I Questions Regarding Compensation			
			Yes	Νo
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			1
	☐ 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			
а	Receive a severance payment or change-of-control payment from the organization or a related organization?	4a		Νo
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		Νo
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
а	The organization?	5a		No
b	Any related organization?	5b		Νo
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
а	The organization?	6a		Νo
b	Any related organization?	6b		Νo
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was			
	subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe			1
	ın Part III	8		Νo
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	(D) Nontaxable	(E) Total of columns	
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	other deferred compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
1) TIMOTHY FLESCH	(1) (11)	452,462 0	766,921 0	30,077 0	392,409 0	8,882 0	1,650,751 0	
2) JOHN E POLIN JR 1D	(I) (II)	147,769 0	22,000 0	26,624 0	58,876 0	9,469 0	264,738 0	
3) DARCY ELLISON	(1) (11)	185,958 0	62,786 0	24,379 0	4,847 0	7,896 0	285,866 0	
4) JOHN GALLAGHER	(1) (11)	236,050 0	171,296 0	23,595 0	196,984 0	5,327 0	633,252	
5) GWEN SANDEFUR	(1) (11)	311,163 0	62,105 0	535 0	90,726 0	11,191 0	475,720 0	
6) ROBERT SPEAR MD	(1) (11)	283,154 0	63,261 0	2,065 0	4,150 0	3,736 0	356,366 0	
7) MICHAEL S KLUEH	(1) (11)	166,700 0	35,164 0	1,632 0	148,732 0	7,138 0	359,366 0	
8)BARBARA K CLAYTON	(1) (11)	144,877 0	86,152 0	24,711 0	4,526 0	6,242 0	266,508 0	
9) GERALD F VOZEL	(1) (11)	198,781 0	82,686 0	2,837 0	182,309 0	5,354 0	471,967 0	
10) MICHAEL P ROWNING	(1) (11)	202,823 0	161,900 0	20,483 0	42,341 0	7,317 0	434,864	
11) MUREENA TURNQUEST-WELLS 1D	(ı) (ıı)	522,986 0	80,0 4 2 0	23,665 0	55,643 0	10,186 0	692,522	
12) JO SE SALGADO 1D	(1) (11)	492,673 0	22,000 0	29,417 0	64,333 0	17,395 0	625,818	
13) KARL W SASH MD	(1) (11)	514,008 0	16,500 0	5,106 0		13,231	1	
14) HEATHER L CHROEDER MD	(ı) (ıı)	586,871 0	31,613 0	23,029	5,433 0	25,318 0	1	
15) VIJAY K BHASIN 1D	(I) (II)	491,983 0	16,500 0	23,655 0		6,125		
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

Ident if ier	Return	Explanation
Identifier	Reference	Explanation
	1 A	ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC PAID FOR TRAVEL FOR COMPANIONS FOR 5 OF THE OFFICERS/HIGHLY COMPENSATED EMPLOYEES LISTED IN FORM 990, PART VII ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC WILL ONLY REIMBURSE A BUSINESS TRAVEL EXPENSE WHEN ALL OF THE FOLLOWING IRS REQUIREMENTS ARE MET 1 EXPENSE MUST BE INCURRED IN CONNECTION WITH A BUSINESS PURPOSE 2 EXPENSE MUST BE SUBSTANTIATED WITH ALL REQUIRED DOCUMENTS 3 ALL EXPENSES INCURRED FOR SPOUSAL TRAVEL ARE TREATED AS TAXABLE INCOME TO THE EMPLOYEE WHOSE SPOUSE ACCOMPANIES HIM/HER ON THE TRIP ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC INCLUDED THE TRAVEL FOR COMPANIONS EXPENSE IN THE EMPLOYEE'S W-2 AS ADDITIONAL TAXABLE COMPENSATION ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC PAID FOR CHARTER TRAVEL SERVICES FOR 2 OF THE OFFICERS/HIGHLY COMPENSATED EMPLOYEES LISTED IN FORM 990, PART VII THE CHARTER SERVICES WERE OBTAINED IN ORDER TO ENABLE THE INDIVIDUALS TO TRAVEL OUT OF TOWN FOR BOARD MEETINGS AND ARE NOT TREATED AS TAXABLE COMPENSATION TO THE INDIVIDUALS RECEIVING SUCH BENEFIT
	4 B	PART I, LINE 4B TIMOTHY FLESCH \$16,500 MICHAEL BROWNING \$14,596 JOHN E POLIN, JR \$16,500 JOHN T GALLAGHER, MD \$16,500 BARBARA CLAYTON \$16,500 MUREENA TURNQUEST-WELLS \$16,500 HEATHER SCHROEDER \$16,500 VIJAY K BHASIN \$16,500 DARCY ELLISON \$16,500 JOSE SALGADO \$16,500 ALL EMPLOYEES AND AMOUNTS LISTED ARE VOLUNTARY DEFERRALS OR COMPANY CONTRIBUTIONS TO VARIOUS NON-QUALIFIED DEFERRED COMPENSATION PLANS ORGANIZED UNDER CODE SECTION 457(F) THE EXACT PURPOSE OF EACH PLAN VARIES BUT THEY INCLUDE COMPENSATION LIMITATION MAKE-UP PLANS, VOLUNTARY DEFERRAL PLANS, DEFERRAL OF A PORTION OF INCENTIVE BONUS TYPE PLANS, ETC

Schedule J (Form 990) 2010

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OMB No 1545-0047

2010

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SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on

Form 990 or to provide any additional information.

► Attach to Form 990 or 990-EZ.

Name of the organization ST MARY'S MEDICAL CENTER OF EVANSVILLE INC Employer identification number

35-0869065

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		CLASSES OF MEMBERS OR STOCKHOLDERS ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC HAS A SINGLE CORPORATE MEMBER, ST MARY'S HEALTH SYSTEM OF AMERICA, INC

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		ELECTION OF MEMBERS AND THEIR RIGHTS ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC HAS A SINGLE CORPORATE MEMBER, ST MARY'S HEALTH SYSTEM OF AMERICA, INC WHO HAS THE ABILITY TO ELECT MEMBERS TO THE GOVERNING BODY OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B		DECISIONS SUBJECT TO APPROVAL OF MEMBERS ALL DECISIONS THAT HAVE A MATERIAL IMPACT TO ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC FINANCIAL INFORMATION OR CORPORATION AS A WHOLE ARE SUBJECT TO APPROVAL BY ITS SOLE CORPORATE MEMBER, ST MARY'S HEALTH SYSTEM OF AMERICA, INC

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		ORGANIZATION'S PROCESS USED TO REVIEW FORM 990 ST MARY'S HEALTH SYSTEM, INC 'S FINANCE COMMITTEE REVIEWS THE FORM 990 IN MARCH UPON RECEIVING DIRECTION FROM ITS TAX PREPARER THE FORM 990 IS THEN SENT TO THE GOVERNING BODY IN APRIL TO ALLOW FOR A THOROUGH REVIEW BY THE GOVERNING BODY PRIOR TO THE FILING DATE OF MAY 15TH THE GOVERNING BODY WILL REVIEW THE FORM 990 VIA A SECURE WEB-BASED PORTAL AND ASK ANY QUESTIONS REGARDING THE FORM 990 ANY QUESTIONS AND RESPONSES WILL BE POSTED TO THE WEB-BASED PORTAL BEFORE THE RETURN IS FILED ALL QUESTIONS AND RESPONSES WILL BE REVIEWED AND DISCLOSED IN THE MEETING MINUTES OF THE NEXT BOARD MEETING FOLLOWING THE REVIEW OF THE FORM 990

	eturn erence	Explanation
FORM PART SECTI LINE 1	ΓVI, ΓΙΟΝ Β, 12C	ENFORCEMENT OF CONFLICTS POLICY THE ORGANIZATION REGULARLY AND CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY IN THAT ANY DIRECTOR, PRINCIPAL OFFICER, OR MEMBER OF A COMMITTEE WITH GOVERNING BOARD DELEGATED POWERS, WHO HAS A DIRECT OR INDIRECT FINANCIAL INTEREST, MUST DISCLOSE THE EXISTENCE OF THE FINANCIAL INTEREST AND BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS TO THE DIRECTORS AND MEMBERS OF THE COMMITTEES WITH GOVERNING BOARD DELEGATED POWERS CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT THE REMAINING INDIVIDUALS ON THE GOVERNING BOARD OR COMMITTEE MEETING WILL DECIDE IF CONFLICTS OF INTEREST EXIST EACH DIRECTOR, PRINCIPAL OFFICER AND MEMBER OF A COMMITTEE WITH GOVERNING BOARD DELEGATED POWERS ANNUALLY SIGNS A STATEMENT WHICH AFFIRMS SUCH PERSON HAS RECEIVED A COPY OF THE CONFLICTS OF INTEREST POLICY, HAS READ AND UNDERSTANDS THE POLICY, HAS A GREED TO COMPLY WITH THE POLICY, AND UNDERSTANDS THAT THE ORGANIZATION IS CHARTIABLE AND IN ORDER TO MAINTAIN ITS FEDERAL TAX EXEMPTION IT MUST ENGAGE PRIMARILY IN ACTIVITIES WHICH ACCOMPLISH ITS TAX-EXEMPT PURPOSE

Identifier Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	COMPENSATION PROCESS FOR TOP OFFICIAL IN DETERMING COMPENSATION OF THE ORGANIZATION'S CEO, EXECUTIVE DIRECTOR, OR TOP MANAGEMENT OFFICIAL, THE PROCESS INCLUDED A REVIEW AND APPROVAL BY INDEPENDENT PERSONS, COMPARABILITY DATA, AND CONTEMPORANEAOUS SUBSTANTIATION OF THE DELIBERATION AND DECISION THE EXECUTIVE COMMITTEE OF THE ST MARY'S HEALTH SYSTEM BOARD REVIEWED AND APPROVED THE COMPENSATION IN THE REVIEW OF THE COMPENSATION, THE CEO, EXECUTIVE DIRECTOR, AND TOP MANAGEMENT WERE COMPARED TO OTHER HOSPITALS IN THE AREA THAT HOLD THE SAME POSITION DURING THE REVIEW AND APPROVAL OF THE COMPENSATION, DOCUMENTATION OF THE DECISION WAS RECORDED IN THE BOARD MINUTES INDIVIDUALS WERE NOT PRESENT WHEN THEIR COMPENSATION WAS DECIDED COMPENSATION PROCESS FOR OFFICERS IN DETERMING COMPENSATION OF OTHER OFFICERS OR KEY EMPLOYEES OF THE ORGANIZATION, THE PROCESS INCLUDED A REVIEW AND APPROVAL BY INDEPENDENT PERSONS, COMPARABILITY DATA, AND CONTEMPORANEAOUS SUBSTANTIATION OF THE DELIBERATION AND DECISION THE EXECUTIVE COMMITTEE OF THE ST MARY'S HEALTH SYSTEM BOARD REVIEWED AND APPROVED THE COMPENSATION IN THE REVIEW OF THE COMPENSATION, THE OTHER OFFICERS OR KEY EMPLOYEES OF THE ORGANIZATION WERE COMPARED TO OTHER HOSPITALS' EMPLOYEES IN THE AREA THAT HOLD THE SAME POSITION DURING THE REVIEW AND APPROVAL OF THE COMPENSATION, DOCUMENTATION OF THE DECISION WAS RECORDED IN THE BOARD MINUTES

ldentifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	GOVERNING DOCUMENTS DISCLOSURE THE ORGANIZATION WILL PROVIDE ANY DOCUMENTS OPEN TO PUBLIC INSPECTION UPON REQUEST

ldentifier	Return Reference	Explanation
TRACKING OF HOURS BY ENTITIES	FORM 990, PART VII, LINE 1A, COLUMN B	OFFICERS, DIRECTORS, KEY EMPLOYEES OF ST MARY'S MEDICAL CENTER PROVIDE SERVICES TO ST MARY'S HEALTH SYSTEM OF AMERICA, INC. AND AFFILIATES HOURS WORKED ARE NOT TRACKED SEPARATELY FOR EACH ENTITY. THEREFORE, HOURS FOR ALL INDIVIDUALS REPORTED ON FORM 990, PART VII, COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES, KEY EMPLOYEES, HIGHEST COMPENSATED EMPLOYEES, AND INDEPENDENT CONTRACTORS REPRESENT AGGREGATE HOURS WORKED PER WEEK FOR ALL ENTITIES

ldentifier	Return Reference	Explanation
COMPENSATION PAID BY RELATED ENTITIES	FORM 990, PART VII, LINE 1A, COLUMNS D, E, AND F	OFFICERS OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC, INC PROVIDE SERVICES TO ST MARY'S HEALTH SYSTEM OF AMERICA, INC AND ITS AFFILIATES COMPENSATION IS NOT REPORTED SEPARATELY BY ENTITY THEREFORE, COMPENSATION AMOUNTS REPORTED ON FORM 990, PART VII, COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES REPRESENT COMPENSATION PAID FOR MANAGING ST MARY'S HEALTH SYSTEM OF AMERICA, INC AND ALL RELATED ENTITIES

ldentifier	Return Reference	Explanation
	FORM 990, PART XI, LINE 5	NET UNREALIZED GAINS ON INVESTMENTS 23,986,669 STRATEGIC RESERVE FUND -4,117,000 NY DEBT OBLIGATION -403,000 FAS 158 DEFERRED PENSION ADJUSTMENT 24,098,896 GOODWILL IMPAIRMENT WRITEDOWN -4,158,291 PROJECT SYMPHONY -7,440,228 TOTAL TO FORM 990, PART XI, LINE 5 31,967,046

ldentifier	Return Reference	Explanation
TOTAL NUMBER OF VOLUNTEERS	FORM 990, PART I, LINE 6	THE TOTAL NUMBER OF VOLUNTEERS FOR THIS ORGANIZATION IS 468 THIS CONSISTS OF VOLUNTEERS SERVING ON THE BOARD OF DIRECTORS, AS WELL AS OTHER VOLUNTEERS WHO ARE HIGHLY VISABLE THROUGHOUT THE HOSPITAL THEY GIVE THEIR TIME AND TALENT TO THE FOLLOWING DEPARTMENTS AND HOSPITAL NEEDS ST MARY'S GIFT SHOP, LIBRARY, SAME DAY SURGERY, PATIENT MAIL DELIVERY, PATIENT FLOWER DELIVERY, DIABETIC FOOT CLINIC, SECURITY-SHUTTLE SERVICE, ADMIT/ESCORT SERVICE, PEDIATRICS, RADIOLOGY, HEALTH MATTERS, EMERGENCY ROOM, PATIENT SURVEYS 5 CENTRAL, PATIENT SERVICES/AMBASSADORS, PASTORAL CARE, APOTHECARY, REHAB INSTITUTE, AND PET THERAPY THE VALUE OF VOLUNTEER SERVICES PROVIDED IN FISCAL YEAR 2011 TO ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC. WAS \$699,326

ldentifier Return Reference	Explanation
COMMUNITY BENEFIT REPORT LINE 4	AS A MEMBER OF ASCENSION HEALTH, THE NATION'S LARGEST CATHOLIC HEALTHCARE SYSTEM, ST MARY'S MEDICAL CENTER CONTINUES TO BUILD AND STRENGTHEN SUSTAINABLE COLLABORATIVE EFFORTS THAT BENEFIT THE HEALTH OF INDIVIDUALS, FAMILIES, AND SOCIETY AS A WHOLE THE GOAL OF ST MARY'S MEDICAL CENTER IS TO PERPETUATE THE HEALING MISSION OF THE CHURCH ST MARY'S MEDICAL CENTER FURTHERS THIS GOAL THROUGH DELIVERY OF PATIENT SERVICES, CARE TO THE ELDERLY AND INDIGENT, PATIENT EDUCATION AND HEALTH A WARENESS PROGRAMS FOR THE COMMUNITY, AND MEDICAL RESEARCH OUR CONCERN FOR ALL HUMAN LIFE AND DIGNITY OF EACH PERSON LEADS THE ORGANIZATION TO PROVIDE MEDICAL SERVICES TO ALL PEOPLE IN THE COMMUNITY WITHOUT REGARD TO THE PATIENT'S RACE, CREED, NATIONAL ORIGIN, ECONOMIC STATUS, OR ABILITY TO PAY IN ORDER TO PORTRAY THE FULL BREADTH OF OUR CONTRIBUTION, OUR COMMUNITY BENEFIT INFORMATION IS DESCRIBED BELOW ORGANIZATIONAL COMMITMENT TO PROVIDING COMMUNITY BENEFIT ST MARY'S MEDICAL CENTER IS A 494-BED ACUTE CARE HOSPITAL ST MARY'S MEDICAL CENTER SERVICES THE TRI-STATE AREA AROUND SOUTHERN INDIANA, INCLUDING SOUTHERSTERN KENTUCKY ST MARY'S MEDICAL CENTER SERVICES TO ALL INDIVIDUALS WHO REQUIRE MEDICAL ATTENTION, ST MARY'S MEDICAL CENTER HAS DEVELOPED THE FOLLOWING PROGRAMS TO HELP ACHIEVE ITS MISSION ST MARY'S MEDICAL CENTER HAS DEVELOPED THE FOLLOWING PROGRAMS TO HELP ACHIEVE ITS MISSION ST MARY'S PROVIDES SIGNIFICANT RESOURCE ONLINE FOR PUBLIC USE AND EDUCATION AT WWW STMARYS ORG SUCH ITEMS INCLUDE INFORMATION ON ALLERGIES, ASTHMA, BACK PAIN, CANCER, DIABETES, HEART DISEASE, KIDNEY DISEASE, MEN'S HEALTH, ORTHOPEDIC HEALTH, MENTAL HEALTH, PARENTING, PATIENT SAFETY, PREGNANCY, SENIOR HEALTH, STRESS, STROKE, WEIGHT MANAGEMENT AND WOMEN'S HEALTH PLEASE VISIT WWW STMARYS ORG FOR A FULL LIST OF SERVICES

ldentifier	Return Reference	Explanation
JOINT VENTURE OPERATING AGREEMENTS	FORM 990, PART VI, LINE 16B	ST MARY'S HEALTH SYSTEM OF AMERICA, INC AND SUBSIDIARES (ST MARY'S) JOINT VENTURE OPERATING AGREEMENTS ARE NEGOTIATED WITH OTHER MEMBERS OF THE JOINT VENTURE TO ENSURE THAT ADEQUATE SAFEGUARDS ARE IN PLACE TO PROTECT ST MARY'S EXEMPT STATUS EACH AGREEMENT CONTAINS SPECIFIC LANGUAGE RELATED TO THE PROVISION OF HEALTH CARE SERVICES WITH FOCUS ON COMMUNITY HEALTH BENEFIT AND MUST FOLLOW A FORMAL REVIEW PROCESS PRIOR TO CONTRACT EXECUTION ST MARY'S CONTINUALLY ENSURES THAT ITS EXEMPT STATUS IS PROTECTED BY ACTIVELY PARTICIPATING IN THE GOVERNANCE OF ALL ST MARY'S JOINT VENTURES

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -**SCHEDULE R**

DLN: 93493121001362

OMB No 1545-0047

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.

Department of the Treasury Internal Revenue Service

Name of the organization

ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

(Form 990)

Open to Public Inspection

Employer identification number

				35-0869065			
Part I Identification of Disregarded Entities (Compl	ete ıf the organızatı	on answered "Yes	" on Form 990, Pa	art IV, line 33.)			
(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (stat or foreign country)	(d) te Total income	(e) End-of-year assets	(f) Direct controlling entity		
See Additional Data Table							
Part II Identification of Related Tax-Exempt Organi or more related tax-exempt organizations during t		ıf the organizatioi	n answered "Yes"	on Form 990, Part	t IV, line 34 becau	ise it had	l one
(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)(controlled organization	
						Yes	No
See Additional Data Table							
For Privacy Act and Paperwork Reduction Act Notice, see the Instruction	ons for Form 990.	L Cat No 5	0135Y	ı	Schedule R (Form 990) 2010

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 Disprop allocat	rtionate	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j Gener mana parti	ral or iging	(k) Percentage ownership
							Yes	No		Yes	No	
(1) AMBULATORY CARE CENTER LLC 1125 PROFESSIONAL BLVD EVANSVILLE, IN47714 35-2006018	OP SURGERY	IN	SETON	RELATED	4,276,571	4,015,013		No			No	50 000 %
EVANSVILLE, IN47750 27-1346179	MANAGEMENT	IN	SETON	RELATED	336,226	158,226		No			No	50 000 %
EVANSVILLE, IN47750 27-0451316	EQUIP RENTAL	IN	SETON	RELATED	5,412	183,088		No			No	50 000 %
(4) ST MARY'S FREESTANDING CATH LAB LLC 3700 WASHINGTON AVE EVANSVILLE, IN47750 32-0086252	MANAGEMENT	IN	SMOVHC	RELATED	785,509	525,223		No		Yes		100 000 %
(5) ST MARY'S PERIPHERAL VASCULAR SERVICES MANAGEMENT COMPANY LLC 3700 WASHINGTON AVE EVANSVILLE, IN47750 20-5062635	MANAGEMENT	IN	SMOVHC	RELATED	86,547	201,352		No			No	50 000 %

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete of 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
(1) ST MARY'S MEDICAL GROUP INC 3700 WASHINGTON AVE EVANSVILLE, IN47750 35-2076827	INVESTMENT	IN	SMHS	С	-486,550	1,669,868	100 000 %
(2) OHIO VALLEY HEART CARE INC 901 ST MARYS DRIVE SUITE 300 EVANSVILLE, IN47714 35-1487233	CARDIOLOGY GROUP	IN	SMMG	С	-5,275,646		100 000 %

(5)

(6)

Part V	Transactions With Related Organizations (Complete if the organization answered "Ye	es" on Form 990, Par	t IV, line 34, 35, 3	5A, or 36.)			
Not	e. Complete line 1 if any entity is listed in Parts II, III or IV				Yes	No	
1 During	g the tax year, did the orgranization engage in any of the following transactions with one or more related orga	anızatıons lısted ın Part	s II-IV?				
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity							
b Gift, grant, or capital contribution to other organization(s)							
c Gift, grant, or capital contribution from other organization(s)							
d Loans or loan guarantees to or for other organization(s)							
e Loans or loan guarantees by other organization(s)							
f Sal	e of assets to other organization(s)			1f		No	
g Pui	rchase of assets from other organization(s)			1 g		No	
h Exchange of assets							
i Lea	se of facilities, equipment, or other assets to other organization(s)			1i	Yes		
j Lea	se of facilities, equipment, or other assets from other organization(s)			1 <u>j</u>		No	
k Pei	t in the control of t						
Performance of services or membership or fundraising solicitations by other organization(s) 1 Performance of services or membership or fundraising solicitations by other organization(s)							
m Sha	aring of facilities, equipment, mailing lists, or other assets			1n	1	No	
	aring of paid employees			1n		No	
				10	Yes		
• Reimbursement paid to other organization for expenses							
p Rei	mbursement paid by other organization for expenses			1p	Yes	 	
q Otl	her transfer of cash or property to other organization(s)			1q	Yes		
r Oth	r Other transfer of cash or property from other organization(s)						
	ne answer to any of the above is "Yes," see the instructions for information on who must complete this line,	ıncludıng covered relatı	onships and transact	ion thresholds			
	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determi involve		nount	
(1)							
	nal Data Table						
(2)							
(3)							
(4)							

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 parti sect 501(d organiz	ners ion :)(3) :ations?	(e) Share of end-of-year assets		rtionate cions?	(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(I Gene mana part	ag ing tner?
			Yes	No		Yes	No		Yes	No
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Part VII Supplemental Information

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

I Identifier I Keturn Keterence I	Identifier Return Reference Explanation	
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Schedule R (Form 990) 2010

Return to Form

Software ID:

Software Version:

EIN: 35-0869065

Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Form 990, Schedule R, Part I - Identification of Disregarded Entities

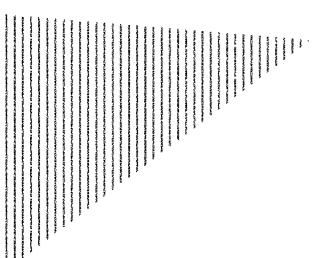
(a) Name, address, and EIN of disregarded entity	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Total income (\$)	(e) End-of-year assets (\$)	(f) Direct Controlling Entity
ST MARY'S BREAST CENTER LLC 3700 WASHINGTON AVE EVANSVILLE, IN 47750 35-1935526	MA M M O GRAPHY	IN	1,162,282	1,695,690	SETON
ST MARY'S PHYSICIAN NETWORK LLC 3700 WASHINGTON AVE EVANSVILLE, IN 47750 20-5023387	PHYSICIAN PRACTICE	IN	-7,494,653	5,936,148	SMMC
PRIMARY PHYSICIAN NETWORK LLC 3700 WASHINGTON AVE EVANSVILLE, IN 47750 20-8775914	PHYSICIAN PRACTICE	IN	-2,853,746	4,347,366	SMMC
PHYSICIANS' HEALTH GROUP LLC 3700 WASHINGTON AVE EVANSVILLE, IN 47750 04-3679294	DORMANT	IN	0	0	SMMC
ST MARY'S PHYSICIANS' HEALTH GROUP LLC 3700 WASHINGTON AVE EVANSVILLE, IN 47750 26-1356310	PHYSICIAN PRACTICE	IN	-2,809,959	2,965,196	SMMC
ST MARY'S AT WORK LLC 3700 WASHINGTON AVE EVANSVILLE, IN 47750 27-2085003	DORMANT	IN	0	0	SETON
ST MARY'S MEDICAL GROUP LLC 3700 WASHINGTON AVE EVANSVILLE, IN 47750 26-1356310	DORMANT	IN	0	0	SMMC

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

Form 990, Schedule R, Part II - Identification of Re							
(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	Section (b)(1 contro	on 512 (13)
						Yes	No
ST MARY'S AT HOME INC							
3700 WASHINGTON AVENUE EVANSVILLE, IN47750 35-1899560	DME/HOME CARE	IN	501(C)(3)	LINE 11A, I	SETON	Yes	
ST MARY'S BUILDING CORPORATION						'	
3700 WASHINGTON AVENUE EVANSVILLE, IN47750 23-7248362	REAL ESTATE	IN	501(C)(2)		SETON	Yes	
ST MARY'S WARRICK EMS INC						'	
3700 WASHINGTON AVENUE EVANSVILLE, IN47750 20-5342518	EMS	IN	501(C)(4)		SMHS	Yes	
MEDICAL MANAGEMENT INC		1					
3700 WASHINGTON AVENUE EVANSVILLE, IN47750 35-1831570	DORMANT	IN	501(C)(3)	LINE 11C, III-FI	SMHS	Yes	
ST MARY'S HEALTH SYSTEM OF AMERICA INC						'	
3700 WASHINGTON AVENUE EVANSVILLE, IN47750 35-2057801	HEALTH MINISTRY PARENT	IN	501(C)(3)	LINE 11C, III-FI	ASCENSION HEALTH		No
SETON HEALTH CORPORATION OF SOUTHERN INDIANA INC	THE STATE NET	TAL	501/03/33	LINE 11C, III-FI	SMHS	.,	
3700 WASHINGTON AVENUE EVANSVILLE, IN47750 35-1679526	INVESTMENT	IN	501(C)(3)	LINE 11C, 111-ri		Yes	
ST MARY'S HOME HEALTH CARE SERVICES INC							
3700 WASHINGTON AVENUE EVANSVILLE, IN47750 35-1899562	DORMANT	IN	501(C)(3)	LINE 11A, I	SETON	Yes	
ST MARY'S MEDICAL CENTER FOUNDATION INC		1				,	
3700 WASHINGTON AVENUE EVANSVILLE, IN47750 23-7045370	FUNDRAISING	IN	501(C)(3)	LINE 11A, I	SMMC	Yes	
ST MARY'S WARRICK HOSPITAL FOUNDATION INC						,	1
1116 MILLIS AVENUE BOONVILLE, IN47601 35-1961890	FUNDRAISING	IN	501(C)(3)	LINE 11A, I	SMW	Yes	
ST MARY'S WARRICK HOSPITAL INC							
1116 MILLIS AVENUE BOONVILLE, IN47601 35-1343019	HOSPITAL	IN	501(C)(3)	LINE 3	SMHS	Yes	
ST MARY'S OHIO VALLEY HEARTCARE LLC						!	
901 ST MARYS DRIVE EVANSVILLE, IN47714 27-3474697	CARDIOLO GIST SERVICES	IN	501(C)(3)	LINE 11A, I	SMMC	Yes	
ASCENSION HEALTH							
PO BOX 45998 ST LOUIS, MO63145 31-1662309	NATIONAL HEALTH SYSTEM	МО	501(C)(3)	LINE 11A, I	N/A	· '	No

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

Form 9	90, Schedule R, Part V - Transactions With Related Organizations			
	(a) Name of other organization	(b) Transaction type(a-r)	(c) A mount Involved (\$)	(d) Method of determining amount involved
(1)	ST MARY'S BUILDING CORPORATION LLC	L	657,070	FMV OF SERVICES OR CASH
(2)	ST MARY'S MEDICAL CENTER FOUNDATION INC	С	1,603,754	FMV OF SERVICES OR CASH
(3)	ASCENSION HEALTH	Е	6,481,486	FMV OF SERVICES OR CASH
(4)	ST MARY'S BUILDING CORPORATION LLC	I	1,180,786	FMV OF SERVICES OR CASH
(5)	ST MARY'S HEALTH SYSTEM OF AMERICA INC	I	110,198	FMV OF SERVICES OR CASH
(6)	AMBULATORY CARE CENTER LLC	К	26,019,600	FMV OF SERVICES OR CASH
(7)	OHIO VALLEY HEART CARE INC	К	3,668,928	FMV OF SERVICES OR CASH
(8)	ST MARY'S PERIPHERAL VASCULAR SERVICES MANAGEMENT COMPANY LLC	К	836,469	FMV OF SERVICES OR CASH
(9)	ST MARY'S FREESTANDING CATH LAB LLC	К	1,412,639	FMV OF SERVICES OR CASH
(10)	ASCENSION HEALTH	0	26,110,745	FMV OF SERVICES OR CASH
(11)	ST MARY'S WARRICK HOSPITAL INC	D	76,154	FMV OF SERVICES OR CASH
(12)	ST MARY'S AT HOME INC	Р	3,883,084	FMV OF SERVICES OR CASH
(13)	SETON HEALTH CORPORATION OF SOUTHERN INDIANA INC	Р	2,134,923	FMV OF SERVICES OR CASH
(14)	ST MARY'S BUILDING CORPORATION LLC	Р	550,553	FMV OF SERVICES OR CASH
(15)	ST MARY'S WARRICK EMS INC	Р	273,632	FMV OF SERVICES OR CASH
(16)	ST MARY'S PERIPHERAL VASCULAR SERVICES MANAGEMENT COMPANY LLC	Р	273,677	FMV OF SERVICES OR CASH
(17)	ASCENSION HEALTH	Q	11,960,228	FMV OF SERVICES OR CASH
(18)	ST MARY'S MEDICAL CENTER FOUNDATION INC	R	897,959	FMV OF SERVICES OR CASH
(19)	ST MARY'S HEALTH SYSTEM OF AMERICA INC	R	10,006,604	FMV OF SERVICES OR CASH
(20)	AMBULATORY CARE CENTER LLC	Р	6,056,843	FMV OF SERVICES OR CASH
(21)	ST MARY'S PERIPHERAL VASCULAR SERVICES MANAGEMENT COMPANY LLC	Е	175,756	FMV OF SERVICES OR CASH
(22)	ST MARY'S HEALTH SYSTEM OF AMERICA INC	0	11,494,743	FMV OF SERVICES OR CASH
(23)	ST MARY'S PERIPHERAL VASCULAR SERVICES MANAGEMENT COMPANY LLC	R	57,031	FMV OF SERVICES OR CASH
(24)	ST MARY'S HEALTH SYSTEM OF AMERICA INC	Р	71,413	FMV OF SERVICES OR CASH
(25)	ST MARY'S WARRICK HOSPITAL INC	Р	1,824,315	FMV OF SERVICES OR CASH
(26)	ST MARY'S OHIO VALLEY HEARTCARE LLC	В	1,375,000	FMV OF SERVICES OR CASH
(27)	OHIO VALLEY HEART CARE INC	В	700,000	FMV OF SERVICES OR CASH



CONSOLIDATED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

St. Mary's Health System of America, Inc. Member of Ascension Health Years Ended June 30, 2011 and 2010 With Report of Independent Auditors

Errier & Young LET



Consolidated Financial Statements and Other Financial Information

Years Ended June 30, 2011 and 2010

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Report of Independent Auditors	1
Consolidated Financial Statements	
Consolidated Balance Sheets	2
Consolidated Statements of Operations and Changes in Net Assets	∠
Consolidated Statements of Cash Flows	
Notes to Consolidated Financial Statements	
Other Financial Information	
Schedule of Net Cost of Providing Care of Persons Living in Poverty	
and Community Benefit Programs	35



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Report of Independent Auditors

The Board of Directors St. Mary's Health System of America, Inc.

We have audited the accompanying consolidated balance sheets of St. Mary's Health System of America, Inc. as of June 30, 2011 and 2010, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Company'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 Company'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 Company'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 financial statements referred to above present fairly, in all material respects, the consolidated financial position of St. Mary's Health System of America, Inc. at June 30, 2011 and 2010, and the consolidated results of its operations and its 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 net cost of providing care of persons living in poverty and community benefit programs is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in our audits of the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as whole.

As discussed in Note 2 to the consolidated financial statements, in 2011 the Health Ministry adopted a new accounting standard which resulted in the impairment of Goodwill.

Exact + Young LLP

September 12, 2011

Consolidated Balance Sheets

(Dollars in Thousands)

		2011		2010
Assets				
Current assets:				
Cash and cash equivalents	\$	31,193	\$	17,080
Accounts receivable, less allowances for uncollectible accounts (\$46,941 and \$40,600 in 2011				
and 2010, respectively)		62,961		69,644
Estimated third-party payor settlements		1,019		2,722
Pledges receivable		561		669
Inventories		5,917		6,452
Other receivables		4,373		5,406
Other		8,024		3,578
Total current assets		114,048		105,551
Investments, including board-designated		421,219		338,011
Property and equipment, net		103,500		110,564
Assets limited as to use		6,354		6,391
Other assets:				
Investment in unconsolidated entities		947		987
Goodwill		_		7,093
Deferred compensation		7,439		6,617
Other		6,751		5,170
Total other assets		15,137		19,867
Total assets		660,258	\$	580,384

		2011		2010
Liabilities and net assets				
Current liabilities:				
Current portion of long-term debt	\$	1,031	\$	1,166
Accounts payable and accrued liabilities		54,289		49,115
Estimated third-party payor settlements		2,097		1,067
Other		6,315		3,911
Total current liabilities		63,732		55,259
Noncurrent liabilities:				
Long-term debt		142,338		143,370
Pension and other postretirement liabilities		12,732		32,897
Deferred compensation liability		7,439		6,617
Other		6,321		3,353
Total noncurrent liabilities		168,830		186,237
Total liabilities		232,562		241,496
Net assets:				
Unrestricted		417,270		328,491
Temporarily restricted		6,746		6,889
Permanently restricted		170		170
Total net assets, excluding noncontrolling interest		424,186		335,550
Noncontrolling interest		3,510		3,338
Total net assets		427,696		338,888
	Φ.		φ	500 204
Total liabilities and net assets		660,258	\$	580,384

See accompanying notes

Consolidated Statements of Operations and Changes in Net Assets

(Dollars in Thousands)

	Year Ended Ju			ine 30		
		2011		2010		
Operating revenue:						
Net patient service revenue	\$	450,481	\$	439,372		
Other revenue		17,988		16,642		
Income from unconsolidated entities		1,362		1,244		
Net assets released from restrictions for operations		1,122		732		
Total operating revenue		470,953		457,990		
Operating expenses:						
Salaries and wages		186,289		178,473		
Employee benefits		53,365		50,050		
Purchased services		39,655		30,566		
Professional fees		16,106		16,360		
Supplies		74,969		74,217		
Insurance		2,039		3,188		
Bad debts		9,361		22,559		
Interest		5,705		4,425		
Depreciation and amortization		16,973		19,893		
Other		43,065		40,781		
Total operating expenses before impairment and						
nonrecurring expenses		447,527		440,512		
Income from operations before impairment and						
nonrecurring expenses		23,426		17,478		
Impairment and nonrecurring expenses		657		1,742		
Income from operations		22,769		15,736		
Nonoperating gains (losses):						
Investment return		64,402		41,098		
Income from unconsolidated entities		7		9		
Other		(381)		(77)		
Total nonoperating gains, net		64,028		41,030		
Excess of revenues and gains over expenses and losses		86,797		56,766		

Continued on next page

Consolidated Statements of Operations and Changes in Net Assets (continued)

(Dollars in Thousands)

	Year Ended Jun			ine 30
		2011		2010
Unrestricted net assets, controlling interest:				_
Excess of revenues and gains over expenses and losses	\$	82,289	\$	53,205
Pension and other postretirement liability adjustments		25,610		(2,218)
Transfers to sponsor and other affiliates, net		(12,652)		(8,460)
Net assets released from restrictions for property acquisitions		576		71
Other		49		(164)
Increase in unrestricted net assets, controlling interest, before				, , ,
cumulative effect of change in accounting principle		95,872		42,434
Cumulative effect of change in accounting principle		(7,093)		_
Increase in unrestricted net assets, controlling interest		88,779		42,434
Unrestricted net assets, noncontrolling interest:				
Excess of revenues and gains over expenses and losses		4,508		3,561
Distributions, net of other activity		(4,336)		(3,464)
Increase in unrestricted net assets, noncontrolling interest		172		97
Temporarily restricted net assets:				
Contributions and grants		1,664		502
Net change in unrealized gains/losses on investments		25		_
Investment return		12		23
Net assets released from restrictions		(1,698)		(803)
Other		(146)		907
(Decrease) increase in temporarily restricted net assets		(143)		629
(2 00.000)		(2.50)		
Increase in net assets		88,808		43,160
Net assets, beginning of year		338,888		295,728
Net assets, end of year	\$	427,696	\$	338,888

See accompanying notes

Consolidated Statements of Cash Flows

(Dollars in Thousands)

	 Year Ended J 2011	June 30 2010		
Operating activities				
Increase in net assets	\$ 88,808 \$	43,063		
Adjustments to reconcile changes in net assets to net cash				
from operating activities:				
Depreciation and amortization	16,973	19,893		
Provision for bad debts	9,361	22,559		
Deferred pension costs	(20,341)	4,398		
Interest, dividends, and net gains on investments	(29,631)	(19,996)		
Loss on sale of assets, net	381	111		
Impairment and nonrecurring expenses	657	999		
Cumulative effect of changes in accounting principle	7,093	_		
Transfers to sponsor and other affiliates, net	12,652	10,678		
Net assets released for property acquisitions	576	71		
Net changes in operating assets and liabilities:		, -		
Accounts receivable	(2,678)	(28,965)		
Inventories and other current assets	(2,770)	2,396		
Investments classified as trading	(53,540)	(42,468)		
Other assets	(2,363)	(3,767)		
Accounts payable and accrued liabilities	5,174	5,731		
Estimated third-party payor settlements, net	2,733	(695)		
Other current liabilities	2,733 2,404	930		
Other noncurrent liabilities	3,966	729		
	 	15,667		
Net cash provided by operating activities	39,455	15,007		
Investing activities Property and equipment additions, net	(11,064)	(4,734)		
Proceeds from sale of property and equipment	117	141		
Purchases of new operating assets	(576)	(71)		
Net cash used in investing activities	(11,523)	(4,664)		
Financing activities				
Repayment of long-term debt	(1,167)	(1,874)		
Transfers to sponsors and other affiliates, net	 (12,652)	(10,678)		
Net cash used in financing activities	(13,819)	(12,552)		
Net increase (decrease) in cash and cash equivalents	14,113	(1,549)		
Cash and cash equivalents at beginning of year	 17,080	18,629		
Cash and cash equivalents at end of year	\$ 31,193 \$	17,080		

Notes to Consolidated Financial Statements

(Dollars in Thousands)

Years Ended June 30, 2011 and 2010

1. Organization and Mission

Organizational Structure

St. Mary's Health System of America, Inc. (the Health Ministry) is a member of Ascension Health. Ascension Health is a Catholic, national health system consisting primarily of nonprofit corporations that own and operate local health care facilities, or Health Ministries, located in 20 of the United States and the District of Columbia. Ascension Health is sponsored by the Northeast, Southeast, East Central, and West Central Provinces of the Daughters of Charity of St. Vincent de Paul, the Congregation of St. Joseph, and the Congregation of the Sisters of St. Joseph of Carondelet.

The Health Ministry's primary market is an area extending in a 75-mile radius from Evansville, Indiana. The Health Ministry's primary operations consist of two acute care hospitals: St. Mary's Medical Center and St. Mary's Warrick, located in Evansville, Indiana, and Boonville, Indiana, respectively. The hospitals provide inpatient, outpatient, and emergency care services for the residents of Vandeburgh, Warrick, and surrounding counties. Admitting physicians are primarily practitioners in the local area. The Health Ministry also owns and operates a home health agency, four medical office buildings, offsite primary care centers, a breast center for women's health, and two outpatient surgery centers. The Health Ministry provides inpatient, outpatient, and emergency care services for the residents of southern Indiana, southeastern Illinois, and northern Kentucky. The Health Ministry is related to Ascension Health's other sponsored organizations through common control. Substantially all expenses of Ascension Health are related to providing health care services.

Mission

Ascension Health directs its governance and management activities toward strong, vibrant, Catholic Health Ministries united in service and healing and dedicates its resources to spiritually centered care that sustains and improves the health of the individuals and communities it serves. In accordance with Ascension Health's mission of service to those persons living in poverty and other vulnerable persons, each Health Ministry accepts patients regardless of their ability to pay.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

1. Organization and Mission (continued)

Ascension Health uses four categories to identify the resources utilized for the care of persons living in poverty and community benefit programs:

- Traditional charity care includes the cost of services provided to persons who cannot afford health care because of inadequate resources and/or who are uninsured or underinsured.
- Unpaid cost of public programs, excluding Medicare, represents the unpaid cost of services provided to persons covered by public programs for persons living in poverty and other vulnerable persons.
- Cost of other programs for persons living in poverty and other vulnerable persons includes unreimbursed costs of programs intentionally designed to serve the persons living in poverty and other vulnerable persons of the community, including substance abusers, the homeless, victims of child abuse, and persons with acquired immune deficiency syndrome.
- Community benefit consists of the unreimbursed costs of community benefit programs and services for the general community, not solely for the persons living in poverty, including health promotion and education, health clinics and screenings, and medical research.

Discounts are provided to all uninsured patients, including those with the means to pay. Discounts provided to those patients who did not qualify for assistance under charity care guidelines are not included in the cost of providing care of persons living in poverty and community benefit programs. The cost of providing care of persons living in poverty and community benefit programs is estimated using internal cost data and is calculated in compliance with guidelines established by both the Catholic Health Association (CHA) and the Internal Revenue Service (IRS).

The amount of traditional charity care provided, determined on the basis of cost, excluding the provision for bad debt expense, was approximately \$23,682 and \$16,096 for the years ended June 30, 2011 and 2010, respectively. The amount of unpaid cost of public programs, cost of other programs for persons living in poverty and other vulnerable persons, and community benefit cost are reported in the accompanying other financial information.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Significant Accounting Policies

Principles of Consolidation

All corporations and other entities for which operating control is exercised by the Health Ministry or one of its member corporations are consolidated, and all significant inter-entity transactions have been eliminated in consolidation. Investments in entities where the Health Ministry does not have operating control are recorded under the equity or cost method of accounting. For entities recorded under the equity method of accounting, the following reflects the Health Ministry's interest in unconsolidated entities in the consolidated balance sheets, as well as income or loss for such entities included in the consolidated excess of revenues and gains over expenses and losses in the consolidated statements of operations and changes in net assets:

	Investment Recorded in Consolidated Balance Sheets as of June 30				Effect on Consolidated Excess of Revenues and Gains Over Expenses and Losses for the Year Ended June 30				
		2011		2010		2011		2010	
Radiation Oncology Center of Southwest Indiana St. Mary's Acute Dialysis	\$	515	\$	486	\$	788	\$	872	
Services, LLC Other		320 112		326 175		546 35		314 67	
	\$	947	\$	987	\$	1,369	\$	1,253	

Use of Estimates

Management has made estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The carrying value of financial instruments classified as current assets and current liabilities approximates fair value. The fair values of financial instruments classified other than current assets and current liabilities are disclosed in Notes 4, 5, and 6.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and interest-bearing deposits with maturities of three months or less and certain highly liquid interest-bearing securities with maturities that may extend longer than three months but are convertible to cash within a one-month time period under the terms of the agreement with the investment manager.

Investments and Investment Return

The Health Ministry holds investments through the Health System Depository (HSD), an investment pool of funds in which a limited number of nonprofit health care providers participate for purposes of establishing investment goals and monitoring performance under agreed-upon socially responsible investment guidelines. Investments are managed primarily by external investment managers within established investment guidelines. The value of the Health Ministry's investment in the HSD represents the Health Ministry's pro rata share of the HSD's investments held for participants. At June 30, 2011 and 2010, the Health Ministry's investment in the HSD was \$439,951 and \$344,574, respectively.

The Health Ministry also invests in common stocks, government securities, and corporate obligations that are locally managed. All of these funds are held in locally managed foundations where the Health Ministry has significant beneficial interest in the foundation assets. The Health Ministry reports both its investment in the HSD and in locally managed investments in the accompanying consolidated balance sheets based upon the long- or short-term nature of its investment and whether such investments are restricted by law or donors or designated for specific purposes by a governing body of Ascension Health.

The HSD's assets required to be recorded at fair value are comprised of equity and various fixed income investments. The HSD also holds investments in hedge funds, private equity, and real estate funds, which are recorded under the equity method of accounting. In addition, the HSD participates in securities lending transactions whereby a portion of its investments is loaned to selected established brokerage firms in return for cash and securities from the brokers as collateral for the investments loaned.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Investment returns are comprised of dividends, interest, and gains and losses. The cost of substantially all securities sold is based on the average cost method. All of the Health Ministry's investments, including its investment in the HSD, are designated as trading investments. Accordingly, all investment returns, including unrealized gains and losses, are reported as non-operating gains (losses) in the consolidated statements of operations and changes in net assets unless the return is restricted by donor or law.

Inventories

Inventories, consisting primarily of medical supplies and pharmaceuticals, are stated at the lower of cost or market value utilizing the first-in, first-out (FIFO) method.

Intangible Assets

Intangible assets consist primarily of capitalized computer software costs, including software internally developed. Costs incurred in the development and installation of internal use software are expensed or capitalized depending on whether they are incurred in the preliminary project stage, application development stage, or post-implementation stage. Intangible assets are included in other noncurrent assets on the consolidated balance sheets and are comprised of the following:

	June 30					
		2010				
Capitalized computer software costs, net of accumulated amortization Other	\$	805 38	\$	1,792 41		
Total intangible assets	\$	843	\$	1,833		

Intangible assets with definite lives, primarily capitalized computer software costs, are amortized over their expected useful lives.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are stated at cost or, if donated, at fair market value at the date of the gift. A summary of property and equipment at June 30, 2011 and 2010, is as follows:

	June 30					
		2011		2010		
Land and improvements	\$	19,725	\$	19,793		
Building and equipment		367,007				
Construction in progress		1,483				
Assets held for sale		_		450		
		389,395		388,733		
Less accumulated depreciation		285,895		278,169		
Total property and equipment, net	\$	103,500	\$	110,564		

Depreciation is determined on a straight-line basis over the estimated useful lives of the related assets. Depreciation expense in 2011 and 2010 was \$15,982 and \$19,889, respectively.

Estimated useful lives by asset category are as follows: land improvements -20 to 25 years; buildings -30 to 40 years; and equipment -3 to 20 years.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those assets whose use by the Health Ministry has been limited by donors to a specific time period or purpose. Permanently restricted net assets consist of gifts with corpus values that have been restricted by donors to be maintained in perpetuity. Temporarily restricted net assets and earnings on permanently restricted net assets are used in accordance with the donor's wishes, primarily to purchase equipment and to provide charity care and other health and educational services. Contributions with donor-imposed restrictions that are met in the same reporting period are reported as unrestricted.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Performance Indicator

The performance indicator is excess of revenues and gains over expenses and losses. Changes in unrestricted net assets that are excluded from the performance indicator primarily include pension and other postretirement liability adjustments, transfers to or from sponsors and other affiliates, net assets released from restrictions for property acquisitions, and contributions of property and equipment.

Operating and Nonoperating Activities

The Health Ministry's primary mission is to meet the health care needs in its market area through a broad range of general and specialized health care services, including inpatient acute care, outpatient services, long-term care, 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 Ministry's primary mission are considered to be nonoperating.

Net Patient Service Revenue, Accounts Receivable, and Allowance for Uncollectible Accounts

Net patient service revenue is reported at the estimated realizable amounts from patients, third-party payors, and others for services provided, excluding the provision for bad debt expense, and includes estimated retroactive adjustments under reimbursement agreements with third-party payors. Revenue under certain third-party payor agreements is subject to audit, retroactive adjustments, and significant regulatory actions. Provisions for third-party payor settlements and adjustments are estimated in the period the related services are provided and adjusted in future periods as additional information becomes available and as final settlements are determined. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a possibility that recorded estimates will change by a material amount in the near term. Adjustments to revenue related to prior periods increased net patient service revenue by approximately \$931 and \$739 for the years ended June 30, 2011 and 2010, respectively.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

During 2011, approximately 30.7% of net patient service revenue was received under the Medicare program and 5.0% under various state Medicaid programs. During 2010, approximately 29.9% of net patient service revenue was received under the Medicare program and 4.1% under various state Medicaid programs. The Health Ministry grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor arrangements. Significant concentrations of accounts receivable at June 30, 2011, include Medicare (25.9%) and various states' Medicaid programs (17.6%). Significant concentrations of accounts receivable at June 30, 2010, include Medicare (26.9%) and various states' Medicaid programs (21.5%).

The provision for bad debt expense is based upon management's assessment of expected net collections considering economic conditions, historical experience, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category, including those amounts not covered by insurance. The results of this review are then used to make any modifications to the provision for bad debt expense to establish an appropriate allowance for uncollectible accounts. After satisfaction of amounts due from insurance and reasonable efforts to collect from the patient have been exhausted, the Health Ministry follows established guidelines for placing certain past-due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by Ascension Health. Accounts receivable are written off after collection efforts have been followed in accordance with the Health Ministry's policies. During 2011 and 2010, the Health Ministry recharacterized certain prior year bad debt write-offs to charity care totaling \$11,698 and \$18,853, respectively.

In 2011 and 2010, the Health Ministry executed an agreement to transfer certain patient accounts receivable with recourse to a third party in exchange for cash at a discounted rate. The Health Ministry is deemed to have retained the risk of ownership of receivables, which serves as collateral for the cash advanced to the Health Ministry, and continues to reflect the receivables and related liability to the third party in patient accounts receivable and accounts payable and accrued liabilities, respectively, in the accompanying consolidated balance sheets. As of June 30, 2011 and 2010, receivables subject to this arrangement totaled \$2,573 and \$1,583, respectively.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Nonrecurring Expenses

During the years ended June 30, 2011 and 2010, the Health Ministry recorded nonrecurring expenses of \$207 and \$743, respectively, relating to changes in business operations. In addition, long-lived asset impairment charges of \$450 and \$999 for 2011 and 2010, respectively, were recorded. The 2011 impairment was recorded on long-lived assets no longer in use. The 2010 impairment was recorded on equipment no longer in use and being held for sale. The fair value of the impaired assets were estimated using Level 3 inputs.

Regulatory Compliance

Various federal and state agencies have initiated investigations regarding reimbursement claimed by the Health Ministry. The investigations are in various stages of discovery, and the ultimate resolution of these matters, including the liabilities, if any, cannot be readily determined; however, in the opinion of management, the results of these investigations will not have a material adverse impact on the consolidated financial statements of the Health Ministry.

Health Ministry Income Taxes

The member health care entities of the Health Ministry are primarily tax-exempt organizations under Internal Revenue Code Section 501(c)(3) or 501(c)(2), and their related income is exempt from federal income tax under Section 501(a). The Health Ministry accounts for uncertainty in income tax positions by applying a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

The Health Ministry's for-profit subsidiaries have historically generated net operating losses (NOL's). Management does not expect to utilize such NOL's and, as a result, has recorded a full valuation allowance against the NOL's.

Reclassifications

Certain reclassifications were made to the 2010 consolidated financial statements to conform to the 2011 presentation.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Subsequent Events

The Health Ministry evaluates the impact of subsequent events, which are events that occur after the balance sheet date but before the financial statements are issued, for potential recognition in the consolidated financial statements as of the balance sheet date. For the year ended June 30, 2011, the Health Ministry evaluated subsequent events through September 12, 2011, representing the date on which the accompanying audited consolidated financial statements were available to be issued. During this period, there were no subsequent events that required recognition in the consolidated financial statements. Additionally, there were no unrecognized subsequent events that required disclosure.

Adoption of New Accounting Standards

In January 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-07, Not-for-Profit Entities: Mergers and Acquisitions (ASU 2010-07), which establishes accounting and disclosure requirements for how a not-for-profit entity determines whether a combination is a merger or an acquisition, how to account for each, and the required disclosures. In addition, ASU 2010-07 included amendments to the FASB's Accounting Standards Codification[™] (the Codification, or ASC) Topic 350, Intangibles – Goodwill and Other (ASC Topic 350), and ASC Topic 810, Consolidation (ASC Topic 810), to make both applicable to not-for-profit entities. ASC Topic 350 clarifies the accounting for goodwill and indefinite-lived identifiable intangible assets recognized in a not-for-profit entity's acquisition of a business or nonprofit activity. Such assets are not amortized and are tested for impairment at least annually. ASC Topic 810 clarifies the accounting for noncontrolling interests and establishes accounting and reporting standards for the noncontrolling interest in a subsidiary, including classification as a component of net assets The Health Ministry adopted the guidance relative to ASU 2010-07 as of July 1, 2010. The adoption of this guidance resulted in goodwill impairment of \$7,093 recorded as a cumulative effect of change in accounting principle on the consolidated statements of operations and changes in net assets for the year ended June 30, 2011.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

3. Cash and Cash Equivalents, Investments, and Assets Limited as to Use

The Health Ministry's investments are comprised of the Health Ministry's pro rata share of the HSD's funds held for participants and certain other investments, such as those investments held and managed by foundations. Board-designated investments represent investments designated by resolution of the Board of Trustees to put amounts aside primarily for future capital expansion and improvements. In June 2011, the Board of Trustees released the board designation on a majority of the funded depreciation accounts. Assets limited as to use primarily include investments restricted by donors. The Health Ministry's investments are reported in the accompanying consolidated balance sheets as presented in the following table:

	June 30					
		2011		2010		
Cash and cash equivalents Board-designated investments Other investments	\$	31,193 1,680 419,539	\$	17,080 223,250 104,761		
Assets limited as to use: Temporarily or permanently restricted	\$	6,354 458,766	\$	6,391 361,482		

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

3. Cash and Cash Equivalents, Investments, and Assets Limited as to Use (continued)

The composition of cash and investments classified as cash and cash equivalents, short-term investments, board-designated investments, assets limited as to use, and other investments is summarized as follows:

	June 30					
	2011			2010		
Cash and cash equivalents U.S. government obligations	\$	11,194 839	\$	11,169 981		
Corporate and foreign fixed income investments Equity securities		1,428 5,154		878 3,680		
Other assets limited as to use		200		200		
Subtotal, included in cash and cash equivalents, short-term investments, and board-designated investments and other		40.04=		16.000		
investments Pro rata share of HSD funds held for participants		18,815 439,951		16,908 344,574		
Cash and cash equivalents, short-term investments, and board-designated investments and other investments	\$	458,766	\$	361,482		

As of June 30, 2011 and 2010, the composition of total HSD investments is as follows:

	June 30			
	2011	2010		
Cash, cash equivalents, and short-term investments	6.9%	5.8%		
U.S. government obligations	27.4%	26.0%		
Asset-backed securities	15.8%	11.3%		
Corporate and foreign fixed income investments	11.3%	17.5%		
Equity, private equity, and other investments	38.6%	39.4%		
	100.0%	100.0%		

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

3. Cash and Cash Equivalents, Investments, and Assets Limited as to Use (continued)

Investment return recognized by the Health Ministry is summarized as follows:

	Year Ended June 30					
		2011		2010		
Investment return in HSD	\$	63,249	\$	40,442		
Interest and dividends		208		176		
Net gains on investments reported at fair value		957		503		
Total investment return	\$	64,414	\$	41,121		
Investment return included in nonoperating gains (losses)	\$	64,402	\$	41,098		
Increase in restricted net assets		12		23		
Total investment return	\$	64,414	\$	41,121		

4. Fair Value Measurements

The Health Ministry categorizes, for disclosure purposes, assets and liabilities measured at fair value in the consolidated financial statements based upon whether the inputs used to determine their fair values are observable or unobservable. Observable inputs are inputs which are based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about pricing the asset or liability, based on the best information available in the circumstances.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement of the asset or liability. The Health Ministry's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

4. Fair Value Measurements (continued)

The Health Ministry follows the three-level fair value hierarchy to categorize these assets and liabilities recognized at fair value at each reporting period, which prioritizes the inputs used to measure such fair values. Level inputs are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities on the reporting date. Investments classified in this level generally include exchange traded equity securities, futures, real estate investment trusts, pooled short-term investment funds, options, and exchange traded mutual funds.

Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Investments classified in this level generally include fixed income securities, including fixed income government obligations, asset-backed securities, certificates of deposit, and derivatives.

Level 3 – Inputs that are unobservable for the asset or liability. Investments classified in this level generally include alternative investments, private equity investments, limited partnerships, and certain fixed income securities, including fixed income government obligations and derivatives.

Assets and liabilities classified as Level 1 are valued using unadjusted quoted market prices for identical assets or liabilities in active markets. The Health Ministry uses techniques consistent with the market approach and income approach for measuring fair value of its Level 2 and Level 3 assets and liabilities. The market approach is a valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The income approach generally converts future amounts (cash flows or earnings) to a single present value amount (discounted).

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

4. Fair Value Measurements (continued)

As of June 30, 2011 and 2010, the Level 2 and Level 3 assets and liabilities listed in the fair value hierarchy tables on the following pages utilize the following valuation techniques and inputs.

Cash and Cash Equivalents and Short-Term Investments

Short-term investments designated as Level 2 investments are primarily comprised of commercial paper, whose fair value is based on amortized cost. Significant observable inputs include security cost, maturity, and credit rating. Cash and cash equivalents and additional short-term investments are primarily comprised of certificates of deposit, whose fair value is based on cost plus accrued interest. Significant observable inputs include security cost, maturity, and relevant short-term interest rates.

U.S. Government Obligations

The fair value of investments in U.S. government, state, and municipal obligations is primarily determined using techniques consistent with the income approach. Significant observable inputs to the income approach include data points for benchmark constant maturity curves and spreads.

Corporate and Foreign Fixed Income Investments

The fair value of investments in U.S. and international corporate bonds, including commingled funds that invest primarily in such bonds, and foreign government bonds is primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker/dealer quotes, issuer spreads, and security specific characteristics, such as early redemption options.

Equity Securities

The fair value of investments in U.S. and international equity securities is primarily determined using the calculated net asset value. The values for underlying investments are fair value estimates determined by external fund managers based on operating results, balance sheet stability, growth, and other business and market sector fundamentals.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

4. Fair Value Measurements (continued)

Asset-backed securities

The fair value of U.S. agency and corporate asset-backed securities is primarily determined using techniques consistent with the income approach, such as a discounted cash flow model. Significant observable inputs include prepayment speeds and spreads, benchmark yield curves, volatility measures, and quotes.

Guaranteed pooled fund

The fair value of guaranteed pooled fund investments is based on cost plus guaranteed, annuity contract-based interest rates. Significant unobservable inputs to the guaranteed rate include the fair value and average duration of the portfolio of investments underlying the annuity contract, the contract value, and the annualized weighted average yield to maturity of the underlying investment portfolio.

Private equity investments

The fair value of private equity investments is primarily determined using techniques consistent with both the market and income approaches, based on the Health Ministry's estimates and assumptions in absence of observable market data. The market approach considers comparable company, comparable transaction, and company-specific information, including but not limited to restrictions on disposition, subsequent purchases of the same or similar securities by other investors, pending mergers or acquisitions, and current financial position and operating results. The income approach considers the projected operating performance of the portfolio company.

As discussed in the Significant Accounting Policies and the Cash and Cash Equivalents, Investments, and Assets Limited as to Use notes, the Health Ministry has an investment in the HSD and certain other investments, such as those investments held and managed by foundations. As of June 30, 2011, 31%, 67%, and 2% of total HSD assets that are measured at fair value on a recurring basis were measured based on Level 1, Level 2, and Level 3 inputs, respectively, while 1%, 84%, and 15% of total HSD liabilities that are measured at fair value on a recurring basis were measured at such fair values based on Level 1, Level 2, and Level 3 inputs, respectively. As of June 30, 2010, 25%, 67%, and 8% of total HSD assets that are measured at fair value on a recurring basis were measured based on Level 1, Level 2, and Level 3 inputs, respectively, while 2%, 45% and 53% of total HSD liabilities that are measured at fair value on a recurring basis were measured based on Level 1, Level 2, and Level 3 inputs, respectively.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

4. Fair Value Measurements (continued)

The following table summarizes fair value measurements, by level, at June 30, 2011, for all other financial assets that are measured at fair value on a recurring basis in the consolidated financial statements:

	Level 1		Level 2		Level 3		Total
June 30, 2011							
Cash and cash equivalents	10,907	\$	-	\$	_	\$	10,907
Short-term investments	167		120		_		287
US government obligations	_		839		_		839
Corporate and foreign fixed income investments	_		1,428		_		1,428
Equity, private equity, and other investments	5,154		_		_		5,154
Other Investments			_		200		200
Subtotal, included in cash and cash equivalents, short-term investments, board-designated investments, assets limited as to							
use, and other investments	16,228	\$	2,387	\$	200	\$	18,815
Deferred compensation assets, included in other noncurrent assets, invested in mutual funds and guaranteed pooled funds	5 5 5	\$		\$	2,288	¢	7,439
and guaranteed pooled funds	5,151	Ф		Ф	۷,۷٥٥	Ф	/,439

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

4. Fair Value Measurements (continued)

The following table summarizes fair value measurements, by level, at June 30, 2010, for all other financial assets and liabilities that are measured at fair value on a recurring basis in the consolidated financial statements:

_		Level 1	Level 2	Level 3	Total
June 30, 2010					
Cash and cash equivalents	\$	10,880	\$ _	\$ _	\$ 10,880
Short-term investments		172	117	_	289
U S government obligations		_	981	_	981
Corporate and foreign fixed income					
investments		_	878	_	878
Equity, private equity, and other					
investments		3,680	_	_	3,680
Other investments		_	_	200	200
Subtotal, included in cash and cash equivalents, short-term investments, board-designated investments, assets limited as to					
use, and other investments	<u>\$</u>	14,732	\$ 1,976	\$ 200	\$ 16,908
Deferred compensation assets, included in other noncurrent assets, invested in mutual funds					
and guaranteed pooled funds	\$	4,781	\$ _	\$ 1,836	\$ 6,617

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

5. Long-Term Debt

Long-term debt consists of the following:

	June 30				
		2011		2010	
Intercompany debt with Ascension Health, payable in installments through November 2047; interest (3.9% at both June 30, 2011 and 2010) adjusted based on prevailing blended market interest rate of underlying debt obligations	_\$_	143,369	\$	144,536	
Less current portion		1,031		1,166	
Long-term debt, less current portion	\$	142,338	\$	143,370	

Scheduled principal repayments of long-term debt are as follows:

Year ending June 30:	
2012	\$ 1,031
2013	996
2014	2,159
2015	2,257
2016	2,010
Thereafter	134,916
	\$ 143,369

Certain members of Ascension Health formed the Ascension Health Credit Group (the Senior Credit Group). Each Senior Credit Group member is identified as either a senior obligated group member or senior limited designated affiliate. Senior obligated group members are jointly and severally liable under a Senior Master Trust Indenture (the Senior MTI) to make all payments required with respect to obligations under the Senior MTI and may be entities not controlled directly or indirectly by Ascension Health. Though senior limited designated affiliates are not obligated to make debt service payments on the obligations under the Senior MTI, each senior limited designated affiliate has an independent limited designated affiliate agreement and

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

5. Long-Term Debt (continued)

promissory note with Ascension Health with stipulated repayment terms and conditions, each subject to the governing law of the senior limited designated affiliate's state of incorporation. In addition, Ascension Health may cause each senior designated affiliate to transfer such amounts as are necessary to enable the senior obligated group members to comply with the terms of the Senior MTI, including payment of the outstanding obligations. The Health Ministry is a senior obligated group member under the terms of the Senior MTI.

Pursuant to a Supplemental Master Indenture dated February 1, 2005, senior obligated group members, which are operating entities, have pledged and assigned to the Master Trustee a security interest in all of their rights, title, and interest in their pledged revenues and proceeds thereof.

A Subordinate Credit Group, which is comprised of subordinate obligated group members and subordinate limited designated affiliates, was created under the Subordinate Master Trust Indenture (the Subordinate MTI). The subordinate obligated group members are jointly and severally liable under the Subordinate MTI to make all payments required with respect to obligations under the Subordinate MTI and may be entities not controlled directly or indirectly by Ascension Health. Though subordinate limited designated affiliates are not obligated to make debt service payments on the obligations under the Subordinate MTI, each subordinate limited designated affiliate has an independent limited designated affiliate agreement and promissory note with Ascension Health with stipulated repayment terms and conditions, each subject to the governing law of the limited designated affiliate's state of incorporation. The Health Ministry is a subordinate obligated group member under the terms of the Subordinate MTI.

The borrowing portfolio of the Senior and Subordinate Credit Group includes a combination of fixed and variable rate hospital revenue bonds, commercial paper and other obligations, the proceeds of which are in turn loaned to the Senior and Subordinate Credit Groups' members, subject to a long-term amortization schedule of 1 to 37 years.

Certain portions of Senior and Subordinate Credit Groups' borrowings may be periodically subject to interest rate swap arrangements to effectively convert borrowing rates on such obligations from a floating to a fixed interest rate or vice versa based on market conditions. Additionally, the Senior and Subordinate Credit Groups' borrowings may, from time to time, be refinanced or restructured in order to take advantage of favorable market interest rates or other financial opportunities. Any gain or loss on refinancing, as well as any bond premiums or

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

5. Long-Term Debt (continued)

discounts, is allocated to the Senior and Subordinate Credit Groups' members based on their pro rata share of the Senior and Subordinate Credit Groups' obligations. The Senior and Subordinate Credit Groups' refinancing transactions rarely have a significant impact on the outstanding borrowings or intercompany debt amortization schedule of any individual Senior or Subordinate Credit Groups' member. Members of Ascension Health may also periodically draw from the invested funds of other members of Ascension Health on a relatively short-term basis and subject to certain conditions.

The carrying amounts of intercompany debt with Ascension Health and other debt approximate fair value based on a portfolio market valuation provided by a third party.

The Senior and Subordinate Credit Groups' financing documents contain certain restrictive covenants, including a debt service coverage ratio.

As of June 30, 2011, the Senior Credit Group has a line of credit of \$250,000 related to its commercial paper program toward which bank commitments totaling \$250,000 extend to November 18, 2013. As of June 30, 2011 and 2010, there were no borrowings under the line of credit.

As of June 30, 2011, the Senior Credit Group has a line of credit of \$500,000 for general corporate purposes toward which bank commitments totaling \$500,000 extend to April 2, 2012. As of June 30, 2011, there were no borrowings under the line of credit.

As of June 30, 2011, the Subordinate Credit Group has a \$50,000 revolving line of credit related to its letters-of-credit program toward which a bank commitment of \$50,000 extends to December 28, 2011. As of June 30, 2011, \$37,162 of letters of credit had been extended under the revolving line of credit, although there were no borrowings under any of the letters of credit.

The outstanding principal amount of all hospital revenue bonds is \$4,100,240, which represents 38% of the combined unrestricted net assets of the Senior and Subordinate Credit Groups' members at June 30, 2011.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

5. Long-Term Debt (continued)

Guarantees are contingent commitments issued by the Senior and Subordinate Credit Groups, generally to guarantee the performance of a sponsored organization or an affiliate to a third party in borrowing arrangements such as commercial paper issuances, bond financing, and similar transactions. The term of the guarantee is equal to the term of the related debt, which can be as short as 30 days or as long as 29 years. The maximum potential amount of future payments the Senior and Subordinate Credit Groups could be required to make under their guarantees and other commitments at June 30, 2011, is approximately \$150,000.

During the years ended June 30, 2011 and 2010, interest paid was approximately \$5,347 and \$4,425, respectively.

6. Pension Plans

The Health Ministry participates in the Ascension Health Pension Plan and the Ascension Health Defined Contribution Plan. Details of these plans are as follows.

Ascension Health Pension Plan

The Health Ministry participates in the Ascension Health Pension Plan, (the Ascension Plan), a noncontributory, defined benefit pension plan sponsored by Ascension Health, which covers all eligible employees of certain Ascension Health entities. Benefits are based on each participant's years of service and compensation. The Ascension Plan's assets are invested in the Ascension Health Master Pension Trust (the Trust), a master trust consisting of cash and cash equivalents, equity, fixed income funds, and alternative investments. The Trust also invests in derivative instruments, the purpose of which is to economically hedge the change in the net funded status of the Ascension Plan for a significant portion of the total pension liability that can occur due to changes in interest rates. Contributions to the Ascension Plan are based on actuarially determined amounts sufficient to meet the benefits to be paid to plan participants. Net periodic pension cost of \$9,694 in 2011 and \$7,549 in 2010 was charged to the Health Ministry. The service cost component of net periodic pension cost charged to the Health Ministry is actuarially determined, while all other components are allocated based on the Health Ministry's pro rata share of Ascension Health's overall projected benefit obligation.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

6. Pension Plans (continued)

The assets of the Ascension Plan are available to pay the benefits of eligible employees of all participating entities. In the event participating entities are unable to fulfill their financial obligations under the Ascension Plan, the other participating entities are obligated to do so. As of June 30, 2011, the Ascension Plan had a net unfunded liability of \$226,223. The Health Ministry's allocated share of the Ascension Plan's net unfunded liability reflected in the accompanying consolidated balance sheets at June 30, 2011 and 2010, was \$12,732 and \$32,897, respectively. As a result of updating the funded status of the Ascension Plan, Ascension Health transferred an additional pension liability of \$2,217 to the Health Ministry in 2010. As a result of updating the funded status of the Ascension Plan, the Health Ministry's allocated share of the Ascension Plan's net funded liability was reduced by \$25,610 during 2011. These transfers are included in Pension and other postretirement liability adjustments in the accompanying consolidated statements of operations and changes in net assets.

As of June 30, 2011 and 2010, the fair value of the Ascension Plan's assets available for benefits was \$3,616 and \$3,089, respectively. As discussed in the Fair Value Measurements note, the Health Ministry, as well as Ascension Health, follows a three-level hierarchy to categorize assets and liabilities measured at fair value. In accordance with this hierarchy, as of June 30, 2011, 27%, 45%, and 28% of the Ascension Plan's assets that are measured at fair value on a recurring basis were categorized as Level 1, Level 2, and Level 3 investments, respectively. With respect to the Ascension Plan's liabilities that are measured at fair value on a recurring basis, 0%, 17%, and 83% were categorized as Level 1, Level 2, and Level 3, respectively, as of June 30, 2011. Additionally, as of June 30, 2010, 29%, 42%, and 29% of the Ascension Plan's assets which are measured at fair value on a recurring basis were categorized as Level 1, Level 2, and Level 3 investments, respectively. With respect to the Ascension Plan's liabilities measured at fair value on a recurring basis, 0%, 13%, and 87% were categorized as Level 1, Level 2, and Level 3, respectively, as of June 30, 2010.

Ascension Health Defined Contribution Plan

The Health Ministry participates in the Ascension Health Defined Contribution Plan (the Defined Contribution Plan), a contributory and noncontributory, defined contribution plan sponsored by Ascension Health that covers all eligible associates. There are three primary types of contributions to the Defined Contribution Plan: employer automatic contributions, employee contributions, and employer matching contributions. Benefits for employer automatic contributions are determined as a percentage of a participant's salary and increase over specified

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

6. Pension Plans (continued)

periods of employee service. These benefits are funded annually and participants become fully vested over a period of time. Benefits for employer matching contributions are determined as a percentage of an eligible participant's contributions each payroll period. These benefits are funded each payroll period and participants become fully vested in all employer contributions immediately. Defined contribution expense, representing both employer automatic contributions and employer matching contributions, was \$3,914 and \$3,894 for the years ended June 30, 2011 and 2010, respectively.

7. Self-Insurance Programs

The Health Ministry participates in pooled risk programs to insure professional and general liability risks and workers' compensation risks to the extent of certain self-insured limits. In addition, various umbrella insurance policies have been purchased to provide coverage in excess of the self-insured limits. Actuarially determined amounts, discounted at 6%, are contributed to the trusts and the captive insurance company to provide for the estimated cost of claims. The loss reserves recorded for estimated self-insured professional, general liability, and workers' compensation claims include estimates of the ultimate costs for both reported claims and claims incurred but not reported and are discounted at 6% in 2011 and 2010. In the event that sufficient funds are not available from the self-insurance programs, each participating entity may be assessed its pro rata share of the deficiency. If contributions exceed the losses paid, the excess may be returned to participating entities.

Professional and General Liability Programs

The Health Ministry participates in Ascension Health's professional and general liability self-insured program. Professional liability coverage is provided on an occurrence basis through a wholly owned onshore trust with a self-insured retention of \$250 per occurrence and \$7,500 in aggregate in compliance with participation in the Patient Compensation Fund. The Patient Compensation Fund applies to claims in excess of the primary self-insured limit. General liability coverage is provided on a claims-made basis through a wholly owned onshore trust and offshore captive insurance company, Ascension Health Insurance, Ltd. (AHIL), with a self-insured retention of \$10,000 per occurrence with no aggregate. Excess coverage is provided through AHIL with limits up to \$185,000. AHIL also retains a 20% quota share of the first \$25,000 of umbrella excess. The remaining excess coverage is reinsured by commercial carriers. The Health Ministry has a deductible of \$100 for both professional and general liability claims.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

7. Self-Insurance Programs (continued)

Included in operating expenses in the accompanying consolidated statements of operations and changes in net assets is professional and general liability expense of \$1,348 and \$2,371 for the years ended June 30, 2011 and 2010, respectively. Included in current and long-term other liabilities in the accompanying consolidated balance sheets are professional and general liability loss reserves of approximately \$1,094 and \$1,443 at June 30, 2011 and 2010, respectively.

Workers' Compensation

The Health Ministry participates in Ascension Health's workers' compensation program, which provides occurrence coverage through a grantor trust. The trust provides coverage up to \$1,000 per occurrence with no aggregate. The trust provides a mechanism for funding the workers' compensation obligations of its members. Excess insurance against catastrophic loss is obtained through commercial insurers. Premium payments made to the trust are expensed and reflect both claims reported and claims incurred but not reported.

Included in operating expenses in the accompanying consolidated statements of operations and changes in net assets is workers' compensation expense of \$987 and \$1,012 for the years ended June 30, 2011 and 2010, respectively.

Medical and Dental Claims

The Health Ministry is self-insured for medical and dental claims. The Health Ministry estimates its liability for covered medical and dental claims, including claims incurred but not reported, based upon historical costs incurred and payment processing experience. At June 30, 2011 and 2010, the liability for such covered medical and dental claims was \$3,485 and \$3,387, respectively, and is included in accounts payable and accrued liabilities in the accompanying consolidated balance sheets.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

8. Lease Commitments

Future minimum payments under noncancelable operating leases with terms of one year or more are as follows:

Year ending June 30:	
2012	\$ 7,590
2013	7,223
2014	5,871
2015	4,919
2016	3,972
Thereafter	15,007
	\$ 44,582

In addition, the Health Ministry is a lessor under certain operating lease agreements, primarily ground leases related to third-party owned medical office buildings on land owned by the Health Ministry. Future minimum rental receipts under all noncancelable operating leases with terms of one year or more are as follows:

Year ending June 30:	
2012	\$ 1,174
2013	612
2014	388
2015	339
2016	216
Thereafter	5,732
	\$ 8,461

Rental expense under operating leases amounted to \$9,478 and \$9,228 in 2011 and 2010, respectively.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

9. Related-Party Transactions

The Health Ministry utilized various centralized programs and overhead services of Ascension Health or its other sponsored organizations, including risk management, retirement services, treasury, debt management, executive management support, administrative services, and information technology services. The charges allocated to the Health Ministry for these services represent both allocations of common costs and specifically identified expenses that are incurred by Ascension Health on behalf of the Health Ministry. Allocations are based on relevant metrics such as the Health Ministry's pro rata share of revenues, certain costs, debt, or investments to the consolidated totals of Ascension Health. The amounts charged to the Health Ministry for these services may not necessarily result in the net costs that would be incurred by the Health Ministry on a stand-alone basis. The charges allocated to the Health Ministry were approximately \$2,846 and \$2,445 for the years ended June 30, 2011 and 2010, respectively.

In addition to the charges discussed above, the Health Ministry made payments to Ascension Health of \$7,440 for the year ended June 30, 2011, representing the Health Ministry's share of costs to fund an Ascension Health system-wide information technology and process standardization project that is expected to continue through December 2014. These payments are included in transfers to sponsor and other affiliates, net, in the accompanying consolidated statements of operations and changes in net assets. On July 26, 2011, the Health Ministry transferred cash and investments of \$4,117 in support of Ascension Health's strategic initiatives. Lastly, a payment of \$403 was made for the New York debt obligation.

The Health Ministry utilizes professional services from another Ascension Health ministry, St. Vincent's Indianapolis. This arrangement was initiated in January 2010 and resulted in expense for the years ended June 30, 2011 and 2010, of \$1,458 and \$1,207, respectively.

10. Contingencies and Commitments

In addition to professional liability claims, the Health Ministry is involved in litigation and regulatory investigations arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, these matters are expected to be resolved without material adverse effect on the Health Ministry's consolidated balance sheets.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

10. Contingencies and Commitments (continued)

In September 2010, Ascension Health received a letter from the U. S. Department of Justice (the DOJ) in connection with its nationwide review to determine whether, in certain cases, implantable cardioverter defibrillators (ICDs) were provided to certain Medicare beneficiaries in accordance with national coverage criteria. In connection with this nationwide review, the Health Ministry will be reviewing applicable medical records for response to the DOJ. The DOJ's investigation spans a time frame beginning in 2003 and extending through the present time. At June 30, 2011 and through September 12, 2011, the review remains in its early stages. As such, no estimates of liability have been or can be reached relative to the impact this investigation could have on the Health Ministry. Through September 12, 2011, the DOJ has not asserted any claims against the Health Ministry. Ascension Health and the Health Ministry continue to fully cooperate with the DOJ in its investigation.

The Health Ministry enters into agreements with non-employed physicians and other groups that include minimum revenue guarantees. These guarantees subsidize the Anesthesia and Emergency physician groups that provide services to the Health Ministry. The carrying amounts of the liability for the Health Ministry's obligation under these guarantees were \$7,079 and \$599 at June 30, 2011 and 2010, respectively, and are included in other current and noncurrent liabilities in the accompanying consolidated balance sheets. At June 30, 2011, the maximum exposure to the Health Ministry for the Anesthesia guarantee is \$18,965 and the exposure for the Emergency physician group guarantee is unlimited. The Health Ministry is entitled to proceeds of receivables collected to offset the guarantee amounts paid relative to the Emergency physician group, which reduces the total maximum guarantee amount.

The Health Ministry also has guaranteed, with its joint venture partner, lease payments for two pieces of equipment currently being utilized in the unconsolidated joint venture. The Health Ministry estimates that the fair market value of its portion is \$0 at June 30, 2011 and 2010. At June 30, 2011, the maximum exposure to the Health Ministry for this guarantee is \$613.

Other Financial Information

Schedule of Net Cost of Providing Care of Persons Living in Poverty and Community Benefit Programs

(Dollars in Thousands)

The net cost, excluding the provision for bad debt expense, of providing care of persons living in poverty and community benefit programs is as follows:

Year Ended June 30				
	2011		2010	
\$	23,682	\$	16,096	_
	26,016		22,469	
	664		635	
	1,116		1,932	
				_
\$	51,478	\$	41,132	_
	\$	2011 \$ 23,682 26,016 664 1,116	2011 \$ 23,682 \$ 26,016 664 1,116	2011 2010 \$ 23,682 \$ 16,096 26,016 22,469 664 635 1,116 1,932

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