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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011

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

C Name of organization
Munster Medical Research Foundation Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 901 MacArthur Boulevard | Room/suite

City or town, state or country, and ZIP + 4
Munster, IN 46321

D Employer identification number
35-1107009

E Telephone number
(219) 836-1600

G Gross receipts $ 433,515,692

F Name and address of principal officer
DONALD P FESKO
901 MACARTHUR BLVD
MUNSTER,IN 46321

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

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

H(c) Group exemption number ▶

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

J Website: ▶ www comhs org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1964 | **M** State of legal domicile IN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
COMMUNITY HOSPITAL IS COMMITTED TO PROVIDE THE HIGHEST QUALITY CARE IN THE MOST COST-EFFICIENT MANNER, RESPECTING THE DIGNITY OF THE INDIVIDUAL, PROVIDING FOR THE (CONTINUED ON Part III, LINE 1)

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	22
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	10
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	**5**	3,597
6	Total number of volunteers (estimate if necessary)	**6**	180
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	1,891,593
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-221,689

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	287,024	524,273
	9 Program service revenue (Part VIII, line 2g)	401,321,058	425,281,675
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,077,855	167,777
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	7,620,866	7,057,015
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	410,306,803	433,030,740
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	80,000
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	190,094,637	207,968,439
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	191,760,852	203,707,827
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	381,855,489	411,756,266
	19 Revenue less expenses Subtract line 18 from line 12	28,451,314	21,274,474

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	250,460,388	246,359,812
	21 Total liabilities (Part X, line 26)	127,473,242	123,312,453
	22 Net assets or fund balances Subtract line 21 from line 20	122,987,146	123,047,359

Part II Signature Block

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

Sign Here

Signature of officer — Date: 2012-05-15

LUIS F MOLINA CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶☐	PTIN
Firm's name ▶ ERNST & YOUNG US LLP				Firm's EIN ▶
Firm's address ▶ 111 MONUMENT CIRCLE SUITE 2600 INDIANAPOLIS, IN 46204				Phone no ▶ (317) 681-7000

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

THE NEEDS OF ALL PEOPLE, INCLUDING THE POOR AND DISADVANTAGED

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a	(Code	) (Expenses $	55,419,877	including grants of $	) (Revenue $	71,614,021)	
	Nursing Patient Days 119,513						
4b	(Code	) (Expenses $	56,757,867	including grants of $	) (Revenue $	153,120,235)	
	Surgery Operations 16,606						
4c	(Code	) (Expenses $	39,217,054	including grants of $	) (Revenue $	141,952,543)	
	Outpatient Visits 256,804						
4d	Other program services (Describe in Schedule O) **See also Additional Data for Description**						
	(Expenses $	233,286,422	including grants of $	80,000) (Revenue $	63,928,434)		
4e	**Total program service expenses** ▶ $	384,681,220					

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	242		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	3,597		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			14b		

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	22		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	10		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . .	3			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5			No
6	Does the organization have members or stockholders?	6		Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . .	7b		Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			No

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

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

Section C. Disclosure

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

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

LUIS F MOLINA
901 MACARTHUR BLVD
Munster, IN 463212959
(219) 852-6432

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

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

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								4,833,063	2,208,681	409,753

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 138

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Rehabcare Group Inc PO Box 502096 ST LOUIS, MO 63150	Rehab Care Services	4,217,391
Siemens Medical Solutions 51 Valley Stream Parkway MALVERN, PA 19355	Medical Svcs/Repairs	1,428,801
Mayo collaborative services PO Box 9146 MINNEAPOLIS, MN 55480	laboratory services	1,039,284
St Margaret Mercy Healthcare 5454 Hohman Avenue HAMMOND, IN 46320	Laundry Services	1,202,874
Komyatte Casbon P C 9650 Gordon Drive HIGHLAND, IN 46322	Collections	1,203,804

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 44

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . .	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations . . .	1d	365,106			
	e Government grants (contributions)	1e	27,451			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	131,716			
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		524,273			
Program Service Revenue		Business Code				
	2a NET PATIENT SERVICE REVENUE	900099	425,281,675	425,281,675		
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f . . . . . ▶		425,281,675			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		322,975			322,975
	4 Income from investment of tax-exempt bond proceeds . . ▶		0			
	5 Royalties . . . . . ▶		0			
		(i) Real	(ii) Personal			
	6a Gross Rents	254,318				
	b Less rental expenses	200,890				
	c Rental income or (loss)	53,428				
	d Net rental income or (loss) . . . . . ▶		53,428			53,428
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory		128,864			
	b Less cost or other basis and sales expenses		284,062			
	c Gain or (loss)		-155,198			
	d Net gain or (loss) . . . . . ▶		-155,198			-155,198
Other Revenue	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a					
	b Less direct expenses . . . b					
	c Net income or (loss) from fundraising events . . ▶		0			
	9a Gross income from gaming activities See Part IV, line 19 . a					
	b Less direct expenses . . . . . b					
	c Net income or (loss) from gaming activities . . . ▶		0			
	10a Gross sales of inventory, less returns and allowances . a					
	b Less cost of goods sold . . b					
	c Net income or (loss) from sales of inventory . . ▶		0			
	Miscellaneous Revenue	Business Code				
	11a CAFETERIA SALES	722210	1,624,226			1,624,226
	b LABORATORY	621500	721,161		721,161	
	c PHARMACY SALES	446110	4,156,553	3,391,679	764,874	
	d All other revenue		501,647	50,286	405,558	45,803
	e **Total.** Add lines 11a–11d . . . . . ▶		7,003,587			
	12 **Total revenue.** See Instructions . . . ▶		433,030,740	428,723,640	1,891,593	1,891,234

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	80,000	80,000		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	2,405,688	2,262,501	143,187	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	105,009	105,009		
7	Other salaries and wages	158,289,860	148,873,516	9,416,344	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	19,063,651	17,928,810	1,134,841	
9	Other employee benefits	17,012,183	15,999,576	1,012,607	
10	Payroll taxes	11,092,048	10,431,849	660,199	
a	Fees for services (non-employees) Management	2,545,316	2,078,561	466,755	
b	Legal	493,574		493,574	
c	Accounting	24,000		24,000	
d	Lobbying	5,034		5,034	
e	Professional fundraising services *See Part IV, line 17*	0			
f	Investment management fees	0			
g	Other	19,986,526	15,541,489	4,445,037	
12	Advertising and promotion	634,280	423,074	211,206	
13	Office expenses	86,994,594	85,511,574	1,483,020	
14	Information technology	430,061	416,386	13,675	
15	Royalties	0			
16	Occupancy	5,034,587	4,832,878	201,709	
17	Travel	203,929	183,349	20,580	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	200,046	149,366	50,680	
20	Interest	725,559	688,599	36,960	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	20,224,462	19,098,584	1,125,878	
23	Insurance	3,190,056	3,053,827	136,229	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	MEDICAL FEES	1,681,126	1,643,446	37,680	
b	CORP SUPP SRVCS ALLOCATION	33,262,024	31,282,268	1,979,756	
c	OTHER EXPENSES	2,216,888	1,296,007	920,881	
d	REPAIRS & MAINTENANCE	3,044,723	1,193,113	1,851,610	
e	LEASE & RENTALS	7,174,504	6,822,915	351,589	
f	All other expenses	15,636,538	14,784,523	852,015	
25	**Total functional expenses.** Add lines 1 through 24f	411,756,266	384,681,220	27,075,046	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing			1	
	2	Savings and temporary cash investments		17,772,759	2	19,602,283
	3	Pledges and grants receivable, net		1,845	3	1,845
	4	Accounts receivable, net		48,364,985	4	54,443,125
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		7,352,088	8	8,454,200
	9	Prepaid expenses and deferred charges		4,343,590	9	2,439,208
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 417,864,012			
	b	Less accumulated depreciation	10b 256,444,861	171,174,859	10c	161,419,151
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		1,450,262	15	0
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		250,460,388	16	246,359,812
Liabilities	17	Accounts payable and accrued expenses		37,953,977	17	42,403,656
	18	Grants payable			18	
	19	Deferred revenue		110,823	19	91,824
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		89,408,442	25	80,816,973
	26	**Total liabilities.** Add lines 17 through 25		127,473,242	26	123,312,453
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		122,505,788	27	122,421,865
	28	Temporarily restricted net assets		379,012	28	523,148
	29	Permanently restricted net assets		102,346	29	102,346
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		122,987,146	33	123,047,359
	34	Total liabilities and net assets/fund balances		250,460,388	34	246,359,812

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	433,030,740
2	Total expenses (must equal Part IX, column (A), line 25)	2	411,756,266
3	Revenue less expenses Subtract line 2 from line 1	3	21,274,474
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	122,987,146
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-21,214,261
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	123,047,359

Part XII Financial Statements and Reporting

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

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
Munster Medical Research Foundation Inc

Employer identification number
35-1107009

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

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

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

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

_____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

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

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

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

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

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

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

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

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

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

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

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

16a **33 1/3% support test—2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2009.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2010.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2010

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
Munster Medical Research Foundation Inc	35-1107009

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

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

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

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?	Yes		5,034
i	Other activities? If "Yes," describe in Part IV		No	
j	Total lines 1c through 1i			5,034
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION		PT II-B LINE 1i LOBBYING RELATED TO WAGE INDEX

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
Munster Medical Research Foundation Inc

Employer identification number
35-1107009

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance	86,723	96,624	107,819		
b Contributions					
c Investment earnings or losses	9,757	-9,751	-11,045		
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses	150	150	150		
g End of year balance	96,330	86,723	96,624		

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶ 100 000 %
- c Term endowment ▶

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		2,393,212		2,393,212
b Buildings		285,030,630	165,441,971	119,588,659
c Leasehold improvements		1,116,869	715,272	401,597
d Equipment		118,806,066	83,770,701	35,035,366
e Other		10,517,235	6,516,917	4,000,317
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				161,419,151

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

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

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

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

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

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

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
CAPITAL LEASES	464,774
PENSION LIABILITY	67,739,106
EST 3RD PARTY SETTLEMENTS	3,894,505
ASSET RETIREMENT OBLIGATION	340,104
DUE TO AFFILIATES	8,378,484
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	80,816,973

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

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	433,030,740
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	411,756,266
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	21,274,474
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	21,274,474

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION		PT V LINE 4 ENDOWMENT FUNDS ARE TO BE USED TO SUPPORT THE NEEDS OF MMRF, INC PT X THE ADOPTION OF ASC 740 DID NOT MATERIALLY IMPACT THE FINANCIAL STATEMENTS

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
Munster Medical Research Foundation Inc

Employer identification number
35-1107009

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a .	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year			
	☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care	3a	Yes	
	☐ 100% ☐ 150% ☑ 200% ☐ Other ____ %			
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care	3b	Yes	
	☑ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other ____ %			
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Does the organization prepare a community benefit report during the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			10,310,913	3,339,457	6,971,456	1 760 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			35,055,597	14,101,120	20,954,477	5 290 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			45,366,510	17,440,577	27,925,933	7 050 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)		16,169	808,700	17,996	790,704	0 200 %
f Health professions education (from Worksheet 5)		19	402		402	
g Subsidized health services (from Worksheet 6)		1,360	6,379,397	5,241,862	1,137,535	0 290 %
h Research (from Worksheet 7)			1,140,685	116,443	1,024,241	0 260 %
i Cash and in-kind contributions to community groups (from Worksheet 8)			137,115	3,050	134,065	0 030 %
j **Total** Other Benefits		17,548	8,466,299	5,379,351	3,086,947	0 780 %
k **Total.** Add lines 7d and 7j		17,548	53,832,809	22,819,928	31,012,880	7 830 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support			80,531	4,662	75,869	0 020 %
4	Environmental improvements						
5	Leadership development and training for community members			16,501		16,501	
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**			97,032	4,662	92,370	0 020 %

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

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?	1	Yes		
2	Enter the amount of the organization's bad debt expense (at cost)	2	3,767,523		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy	3	37,675		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	161,275,422
6	Enter Medicare allowable costs of care relating to payments on line 5	6	193,112,547
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-31,837,125
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☑ Cost accounting system ☐ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV **Management Companies and Joint Ventures**

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

Part V Facility Information

Section A. Hospital Facilities

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

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

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	MUNSTER MEDICAL RESEARCH FOUNDATION INC 901 MACARTHUR BOULEVARD MUNSTER,IN 46321	X						X		

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

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

How many non-hospital facilities did the organization operate during the tax year? **15**

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

Part VI Supplemental Information

Complete this part to provide the following information

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

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

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

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

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

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

Identifier	ReturnReference	Explanation
PART I, LINE 3C		N/A

Identifier	ReturnReference	Explanation
PART I, LINE 6A		N/A

Identifier	ReturnReference	Explanation
PART I, LINE 7G		COMPLETED THE IRS WORKSHEETS AND USED COST ACCOUNTING FOR THE METHODOLOGY WE DID NOT INCLUDE ANY PHYSICIAN PRACTICE INFORMATION WHEN CALCULATING SUBSIDIZED SERVICES

Identifier	ReturnReference	Explanation
PART I, LINE 7, COLUMN F		BAD DEBT OF $15,636,538 IS EXCLUDED FROM THE CALCULATION

Identifier	ReturnReference	Explanation
PART I, LINE 7		THE METHODOLOGY USED WAS FROM THE COST ACCOUNTING SYSTEM WHICH USES A RELATIVE VALUE UNIT APPROACH TO COSTING IT IS FOR THE INPATIENTS ONLY AND EXCLUDES MEDICAID AND CHARITY

Identifier	ReturnReference	Explanation
PART II		COMMUNITY HOSPITAL PROVIDES SUPPORT FOR BIOTERRORISM READINESS THESE MEASURES HELP ENSURE THE SAFETY OF THE PATIENTS AND THE COMMUNITY IN THE EVENT OF A BIOTERRORISM EVENT

Identifier	ReturnReference	Explanation
PART III, LINE 4		COMMUNITY HOSPITAL EVALUATES THE COLLECTIBILITY OF ITS ACCOUNTS RECEIVABLE BASED ON THE LENGTH OF TIME THE RECEIVABLE IS OUTSTANDING AND THE ANTICIPATED FUTURE UNCOLLECTIBLE AMOUNTS BASED ON HISTORICAL EXPERIENCE ACCOUNTS RECEIVABLE ARE CHARGED TO THE ALLOWANCE FOR DOUBTFUL ACCOUNTS WHEN THEY ARE DEEMED UNCOLLECTIBLE COMMUNITY HOSPITAL DOES NOT REQUIRE COLLATERAL THE COST ACCOUNTING SYSTEM WAS USED TO CALCULATE THE ESTIMATED COST OF BAD DEBT ATTRIBUTABLE TO PATIENT ACCOUNTS THAT ARE REPORTED ON LINE 2 DISCOUNTS AND PAYMENTS ON PATIENT ACCOUNTS ARE RECORDED AS AN ADJUSTMENT TO REVENUE, NOT BAD DEBT EXPENSE AS A TAX-EXEMPT HOSPITAL, WE MUST PROVIDE NECESSARY SERVICES REGARDLESS OF THE PATIENT'S ABILITY TO PAY FOR THE SERVICE PROVIDED WE ESTIMATED A PERCENTAGE OF BAD DEBTS BASED UPON THE PORTION OF UNINSURED INDIVIDUALS THAT WOULD BE ELIGIBLE FOR THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY THIS AMOUNT ENTERED ON PART III, LINE 3 SHOULD BE COUNTED AS A COMMUNITY BENEFIT

Identifier	ReturnReference	Explanation
PART III, LINE 8		THE TOTAL REVENUE RECEIVED FROM MEDICARE WAS CALCULATED BY USING INFORMATION FROM THE COST ACCOUNTING SYSTEM WE PROVIDE NECESSARY SERVICES REGARDLESS OF THE PATIENT'S ABILITY TO PAY FOR THE SERVICE PROVIDED OR THE REIMBURSEMENT RECEIVED FROM MEDICARE, QUALIFYING THE $31,837,125 OF MEDICARE SHORTFALL AS A COMMUNITY BENEFIT

Identifier	ReturnReference	Explanation
PART III, LINE 9B		COLLECTION POLICIES ARE THE SAME FOR ALL PATIENTS PATIENTS ARE SCREENED FOR ELIGIBILITY FOR FINANCIAL ASSISTANCE BEFORE COLLECTION PROCEDURES BEGIN IF AT ANY POINT IN THE COLLECTION PROCESS, DOCUMENTATION IS RECEIVED THAT INDICATES THE PATIENT IS POTENTIALLY ELIGIBLE FOR FINANCIAL ASSISTANCE BUT HAS NOT APPLIED FOR IT, THE ACCOUNT IS REFERRED BACK FOR A FINANCIAL ASSISTANCE REVIEW

Identifier	ReturnReference	Explanation
PART V, LINE 1J		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 3		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 4		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 5C		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 6I		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 7		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 11H		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 13G		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 15E		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 16E		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 17E		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 18D		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 19D		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 20		N/A

Identifier	ReturnReference	Explanation
PART V, LINE 21		N/A

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT		COMMUNITY HOSPITAL USES A THIRD-PARTY CONSULTING FIRM TO ASSESS THE HEALTH CARE NEEDS OF THE COMMUNITY COMMUNITY HOSPITAL SERVES ONE OF THE LARGEST POPULATIONS IN NW INDIANA AND IS THE OLDEST POPULATION IN THE AREA WITH AN EXPECTED LOSS OF POPULATION IN THE NEXT FIVE YEARS COMMUNITY HAS DOMINANT MARKET POSITION IN ALL PRODUCT LINES AND CONTINUES TO SEE GROWTH IN AREAS SUCH AS ORTHOPEDICS, ONCOLOGY AND GENERAL SURGERY

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE		PATIENTS WHO ARE ADMITTED WITHOUT INSURANCE ARE REFERRED TO THE HOSPITAL'S FINANCIAL COUNSELORS THE FINANCIAL COUNSELORS PERFORM AN INTERVIEW WITH THE PATIENT TO EXPLAIN TO THEM THE PROCESS NECESSARY TO RECEIVE CHARITY CARE THIS PROCESS INCLUDES APPLYING FOR MEDICAID OR OTHER GOVERNMENT AID THE APPLICANT THEN MUST FILL OUT A FINANCIAL INFORMATION WORKSHEET AND SUBMIT VARIOUS INFORMATION TO DETERMINE IF THEY QUALIFY FOR CHARITY CARE IN ACCORDANCE WITH THE FINANCIAL ASSISTANCE POLICY THE CHARITY CARE POLICY IS POSTED AT EACH INPATIENT WAITING DESK

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION		THE COMMUNTIY SERVED INCLUDES NORTHWEST INDIANA AND ADJACENT COMMUNITIES IN ILLINOIS OUR MARKET SHARE FOR THE CORE AREA IS 72 2% THE POPULATION IS OLDER THAN MOST MARKETS BUT HAS A HIGHER MEDIAN HOUSEHOLD INCOME COMMUNITY'S POPULATION CONSISTS OF AN UNINSURED POPULATION OF 9 9% AND MEDICAID OF 11 3%

Identifier	ReturnReference	Explanation
PROMOTION OF COMMUNITY HEALTH		SEE COMMUNITY BENEFITS STATEMENT IN SCHEDULE O

Identifier	ReturnReference	Explanation
AFFILIATED HEALTH CARE SYSTEM		COMMUNITY HOSPITAL IS PART OF AN AFFILIATED SYSTEM EACH HOSPITAL IN THE SYSTEM PROVIDES MEDICAL SERVICES TO THEIR COMMUNITIES AND ADJOINING COMMUNITIES EACH ENTITY'S PURPOSE IS TO PROVIDE HEALTH CARE TO THOSE WHO NEED IT, INCLUDING THE UNINSURED OR UNDERINSURED

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	990 SCHEDULE H, PART VI	IN,

Additional Data

Software ID:
Software Version:
EIN: 35-1107009
Name: Munster Medical Research Foundation Inc

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

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility (list in order of size, measured by total revenue per facility, from largest to smallest) How many non-hospital facilities did the organization operate during the tax year? **15** Name and address	Type of Facility (Describe)
COMMUNITY SURGERY CENTER 801 MACARTHUR BLVD MUNSTER,IN 46321	OP SURGERY CENTER
COMMUNITY CARDIOLOGY CENTER 801 MACARTHUR BLVD MUNSTER,IN 46321	CARDIAC CATH LAB
COMMUNITY DIAGNOSTIC CENTER 10020 DONALD S POWERS DRIVE MUNSTER,IN 46321	OP ANCILLARY SERVICE
ST JOHN OUTPATIENT CENTER 9660 WICKER AVE ST JOHN,IN 46373	OP ANCILLARY SERVICES & PHYSICIAN PRACTICE
FITNESS POINTE 9550 CALUMET AVE MUNSTER,IN 46321	CARDIAC REHAB SERVICES
COMMUNITY SPINE & NEUROSURGERY INSTITUTE 801 MACARTHUR BLVD SUITE 405 MUNSTER,IN 46321	PHYSICIAN PRACTICE
HOEHN MEDICAL GROUP 505 W LINCOLN HWY SCHERERVILLE,IN 46375	PHYSICIAN PRACTICE
COMMUNITY CARE CENTER FOR WOMEN 9100 COLUMBIA AVE MUNSTER,IN 46321	PHYSICIAN PRACTICE
COMMUNITY CARE CENTER FOR WOMEN 929 RIDGE ROAD MUNSTER,IN 46321	PHYSICIAN PRACTICE
COMMUNITY CARE CENTER FOR WOMEN 800 MACARTHUR BLVD MUNSTER,IN 46321	PHYSICIAN PRACTICE
COMMUNITY CARE CENTER 13963 MORSE STREET CEDAR LAKE,IN 46303	PHYSICIAN PRACTICE
COMMUNITY CARE NETWORK INTERNISTS 9122 COLUMBIA AVE MUNSTER,IN 46321	PHYSICIAN PRACTICE
FAMILY CARE CENTER 8731 INDIANAPOLIS BLVD HIGHLAND,IN 46322	PHYSICIAN PRACTICE
COMMUNITY CARE CENTER 800 MACARTHUR BLVD MUNSTER,IN 46321	PHYSICIAN PRACTICE
COMMUNITY CARE NETWORK 1650 45TH STREET SUITE C MUNSTER,IN 46321	PHYSICIAN PRACTICE

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
Munster Medical Research Foundation Inc

Employer identification number
35-1107009

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☑ Yes ☐ No

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

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed. . . . . ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Ridgewood Arts Foundation907 Ridge Road Munster,IN 46321	35-1939427	3	80,000				FINANCIAL ASSISTANCE

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

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

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

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

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

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION		PT I LINE 2 GRANT IS PROVIDED TO RELATED TAX-EXEMPT ORGANIZATION TO FINANCIALLY ASSIST IN IT'S EXEMPT PURPOSE

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
Munster Medical Research Foundation Inc

Employer identification number
35-1107009

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☑ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Donald S Powers	(i)	0	0	0	0	0	0	0
	(ii)	784,559	476,188	11,588	43,516	12,478	1,328,329	0
(2) Donald P Fesko	(i)	0	0	0	0	0	0	0
	(ii)	421,436	134,718	5,506	7,350	23,448	592,458	0
(3) Luis Molina	(i)	323,892	197,730	5,122	31,698	16,580	575,022	0
	(ii)	0	0	0	0	0	0	0
(4) Mark Levin MD	(i)	1,124,486		7,144	7,350	20,054	1,159,034	0
	(ii)	0	0	0	0	0	0	0
(5) Ronda McKay	(i)	189,196	80,940	552	7,350	2,564	280,602	0
	(ii)	0	0	0	0	0	0	0
(6) David Nellans	(i)	194,534	32,285	1,661	41,083	16,470	286,033	0
	(ii)	0	0	0	0	0	0	0
(7) Richard Berkowitz MD	(i)	548,631		1,294	43,516	26,001	619,442	0
	(ii)	0	0	0	0	0	0	0
(8) Krishnarao Pinnamaneni MD	(i)	447,174		5,700	43,516	13,620	510,010	0
	(ii)	0	0	0	0	0	0	0
(9) WAYEL KAAKAJI	(i)	550,000	50,000	158		123	600,281	0
	(ii)	0	0	0	0	0	0	0
(10) DOUGLAS DEDELOW	(i)	407,482	97,270	655	7,350	21,670	534,427	0
	(ii)	0	0	15,792	0	0	15,792	0
(11) JOHN HOEHN	(i)	256,002	219,480	1,075	7,350	16,666	500,573	0
	(ii)	0	0	0	0	0	0	0
(12)								
(13)								
(14)								
(15)								
(16)								

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION	PT 1 LINE 1A	THE ORGANIZATION PAYS HEALTH/SOCIAL CLUB DUES ON BEHALF OF THE INDIVIDUAL WHICH IS THEN TAXED AS A FRINGE BENEFIT TO THE INDIVIDUAL

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
Munster Medical Research Foundation Inc

Employer identification number
35-1107009

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV **Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) COMMUNITY CARDIOLOGY CENTER	SN MAKAM PRTNR MORE THAN	2,392,527	INDEPENDENT CONTRACTOR		No
(2) COMM CARD CTNR CON'T	5% OWNED				
(3) CARDIOLOGY ASSOCIATES OF NW IN	SN MAKAN, OFFICER	84,315	INDPENDENT CONTRACTOR		No
(4) STEVEN P CHOVANEC SON OF STEVEN G	CHOVANEC, BOARD MEMBER	45,528	EMPLOYMENT		No
(5) GARY MCKAY FAMILY MEMBER OF	RONDA MCKAY	59,481	EMPLOYMENT		No

Part V **Supplemental Information**

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

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
Munster Medical Research Foundation Inc

Employer identification number
35-1107009

Identifier	Return Reference	Explanation
FAMILY OR BUSINESS RELATIONSHIPS	PT VI-A, LINE 2	FRANKIE FESKO, FAMILY MEMBER OF DONALD POWERS AND DONALD FESKO PAULA NELLANS, FAMILY MEMBER OF DAVID NELLANS

Identifier	Return Reference	Explanation
DESCRIPTION OF THE CLASSES OF PERSONS AND THE NATURE OF THEIR RIGHTS	PT VI-A, LINE 7A	COMMUNITY FOUNDATION OF NORTHWEST INDIANA, INC IS THE PARENT COMPANY OF MUNSTER MEDICAL RESEARCH FOUNDATION, INC AND HAS CONTROL TO ELECT MEMBERS OF THEIR GOVERNING BODY

Identifier	Return Reference	Explanation
DESCR CLASSES OF PERSONS, DECISIONS REQUIRING APPR & TYPE OF VOTING RIGHTS	PT VI-A, LINE 7B	COMMUNITY FOUNDATION OF NORTHWEST INDIANA, INC IS THE PARENT COMPANY OF MUNSTER MEDICAL RESEARCH FOUNDATION, INC AND HAS RIGHTS TO APPROVE DECISIONS MADE BY MMRF

Identifier	Return Reference	Explanation
DESCRIBE THE PROCESS USED BY MANAGEMENT &/OR GOVERNING BODY TO REVIEW 990	PT VI-A, LINE 11A	THE 990 IS SUBMITTED TO THE SENIOR VP AND CFO FOR REVIEW ONCE THIS REVIEW IS COMPLETE THE RETURNS ARE THEN PRESENTED TO SENIOR LEADERSHIP TO REVIEW THE 990 IS ALSO REVIEWED BY AN INDEPENDENT PUBLIC ACCOUNTING FIRM BEFORE IT IS POSTED TO A SECURE WEBSITE TO ALLOW THE BOARD OF DIRECTORS TO REVIEW PRIOR TO FILING

Identifier	Return Reference	Explanation
DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST	PT VI-B, LINE 12C	AN OFFICER, DIRECTOR OR KEY EMPLOYEE THAT HAS A POTENTIAL CONFLICT OF INTEREST IS REQUIRED TO DISCLOSE THIS, AND THE BOARD OF DIRECTORS, ONE OF THEIR COMMITTEES, OR A DESIGNATED PERSON (SUCH AS THE CHIEF COMPLIANCE OFFICER) WILL REVIEW THE POTENTIAL CONFLICT OF INTEREST TO DETERMINE IF IT EXISTS IF IT DOES EXIST, THE INVOLVED DIRECTOR, OFFICER OR KEY EMPLOYEE IS ASKED TO LEAVE THE MEETING WITH NO VOTE ON THE TOPIC THE MEETING MINUTES WILL REFLECT THAT THE INVOLVED PERSON MADE THE DISCLOSURE, LEFT THE MEETING AND HAD NO VOTE AS PART OF THE ORGANIZATION'S ANNUAL MONITORING & ENFORCEMENT PROCEDURE RELATING TO ITS CONFLICT OF INTEREST POLICY, ALL CONFLICT OF INTEREST QUESTIONNAIRES ARE REVIEWED AND THOSE OFFICERS, DIRECTORS OR KEY EMPLOYEES WHO DO NOT RETURN OR FULLY COMPLETE THE QUESTIONNAIRE ARE CONTACTED TO RECONCILE THE OMISSION

Identifier	Return Reference	Explanation
OFFICES & POSITIONS FOR WHICH PROCESS WAS USED, & YEAR PROCESS WAS BEGUN	PT VI-B, LINE 15	THE SALARY AND BENEFIT COMMITTEE OF THE CFNI BOARD REQUESTS A REVIEW OF THE COMPENSATION AND BENEFITS TO ASSESS THE REASONABLENESS COMPARED TO MARKET DATA ASSEMBLED BY AN INDEPENDENT THIRD PARTY COMPENSATION CONSULTING FIRM THEIR PROCESS FOR COLLECTING AND ASSEMBLING MARKET DATA ARE CONSISTENT WITH THE REBUTTABLE PRESUMPTION CHECKLIST AND FAIR MARKET VALUE USED BY THE IRS IN CONDUCTING EXECUTIVE COMPENSATION REVIEWS AS WELL AS CONTEMPORARY COMPENSATION PRACTICES ALL MARKET DATA RE ASSEMBLED FORM REPUTABLE, COMMERCIALLY-AVAILABLE SURVEYS

Identifier	Return Reference	Explanation
AVAIL OF GOV DOCS, CONFLICT OF INTEREST POLICY, & FIN STMTS TO GEN PUBLIC	PT VI-C, LINE 19	MUNSTER MEDICAL RESEARCH FOUNDATION, INC DOES NOT MAKE ITS GOVERNING DOCUMENTS OR CONFLICT OF INTEREST POLICY AVAILABLE TO THE PUBLIC IN ACCORDANCE WITH BOND COVENANTS, MMRF THROUGH CFNI MAKES IT FINANCIAL STATEMENTS AND DISCLOSURES AVAILABLE TO THE PUBLIC THROUGH THE NRMSIR'S DATABASE.

Identifier	Return Reference	Explanation
SUPPLEMENTAL DISCL RE COMPENSATION AND HOURS WORKED	PT VII, SECTION A	MARC LEVIN M D IS COMPENSATED IN THE CAPACITY OF A NEUROSURGEON AND NOT AS A BOARD MEMBER THE AVERAGE HOURS PER WEEK INCLUDE ALL HOURS WORKED FOR THE FILING ORGANIZATION AND ALL RELATED ENTITIES

Identifier	Return Reference	Explanation
PROGRAM SERVICE ACCOMPLISHMENTS	PART III, LINE 4A	THE DESIGNATED POPULATION THAT THE COMMUNITY HOSPITAL IS FOCUSING ON INCLUDES THOSE INDIVI DUALS WHOSE LIFE-STYLE BEHAVIORS PUT THEM AT RISK FOR DISEASE AND ILLNESS OUR PRIMARY FOC US CONTINUES THIS YEAR ON TWO DISEASES THAT HAVE BEEN IDENTIFIED AS HEALTH DISCREPANCIES I N LAKE COUNTY, INDIANA - CANCER AND HEART DISEASE THE INCIDENCE OF THESE DISEASES IN OUR REGION SURPASSED STATE AND NATIONAL AVERAGES, AS WELL AS HEALTHY PEOPLE 2010 TARGETS AND T HEREFORE DEMANDED OUR PRIMARY FOCUS THE COMMUNITY HOSPITAL HAS INVESTED GREATLY IN RECENT YEARS IN THESE TREATMENT PROGRAMS AND IN OFFERING PATIENTS ACCESS TO TREATMENTS NOT AVAIL ABLE ELSEWHERE IN THE COUNTY THE FOCUS OF OUR COMMUNITY BENEFIT IS TO USE RESOURCES TO RE ACH BEYOND THE TREATMENT OF THESE DISEASES TO HELP EDUCATE, SUPPORT AND EMPOWER INDIVIDUAL S TO LOWER THEIR RISKS I 2010-2011 ANNUAL PROGRESS REPORT A THE COMMUNITY HOSPITAL FITN ESS POINTE THE GOAL OF FITNESS POINTE IS TO PROVIDE OPPORTUNITIES FOR PERSONS OF NORTHWEST INDIANA TO IMPROVE AND MAINTAIN THEIR HEALTHY LIFE-STYLE HABITS, LOWERING THEIR RISKS FOR HEART DISEASE, STROKES, AND DIABETES THE FACILITY WAS DEVELOPED TO ADDRESS FINDINGS OF O UR 1995 HEALTH ASSESSMENT THAT IDENTIFIED OPPORTUNITIES TO IMPROVE THE HEALTH STATUS OF OU R COMMUNITY THE COMMUNITY HOSPITAL OPENED FITNESS POINTE ON NOVEMBER 1, 1998 THE 73,191 SQ FT FACILITY HOUSES THE HOSPITAL'S OUTPATIENT PHYSICAL THERAPY AND OCCUPATIONAL THERAP Y, OUTPATIENT DIETARY COUNSELING, CARDIAC REHABILITATION PHASE III AND REHAB PLUS, AND THE FITNESS POINTE DEPARTMENTS FITNESS POINTE PROGRAMS ADDRESS HEALTH EDUCATION/WELLNESS, AN D FITNESS-RELATED CONTENT AREAS THE COMMUNITY EDUCATION OFFERINGS AND THE CONTRIBUTIONS O F THE HOSPITAL EMPLOYEES AND MEDICAL STAFF ARE VITAL PIECES IN ADDRESSING THE HEALTH DISPA RITIES IN LAKE COUNTY, SUPPORTING A VARIETY OF DISEASE PREVENTION GOALS MANY OF THE COMMU NITY EDUCATION CLASSES ORIGINALLY DEVELOPED AT FITNESS POINTE ARE NOW ALSO OFFERED AT THE COMMUNITY HOSPITAL OUTPATIENT CENTRE IN ST JOHN, FURTHER EXPANDING THE SCOPE OF SERVICES HEALTH EDUCATION/WELLNESS SERVICES THE COMMUNITY HEALTH ASSESSMENT INDICATED LAKE COUNTY RESIDENTS HAVE INCREASED RISK FOR HEART DISEASE AND CANCER COMPARED TO STATE AND NATIONAL STATISTICS A VARIETY OF HEALTH EDUCATION AND WELLNESS PROGRAMS ARE OFFERED TO THE COMMUNI TY AT LITTLE OR NO CHARGE TO IMPROVE KNOWLEDGE AND AWARENESS OF LIFE-STYLE RELATED RISKS F OR THESE DISEASES FITNESS POINTE PROVIDES A SUPPORTIVE ENVIRONMENT FOR AREA RESIDENTS TO MAINTAIN HEALTHY HABITS RESEARCH INDICATES CERTAIN INDIVIDUALS ARE AT GREATER RISK FOR LI FE-STYLE RELATED DISEASES SUCH AS HEART DISEASE AND DIABETES BASED ON PHYSICAL MEASURES F ITNESS POINTE SCREENINGS FOR THESE RISKS DURING MANDATORY FITNESS PROFILES ARE PERFORMED O N ALL NEW PROGRAM PARTICIPANTS IN A STUDY IN CONJUNCTION WITH VALPARAISO UNIVERSITY AND T HE HEART CENTER AT COMMUNITY, FITNESS POINTE IDENTIFIED 1,321 INDIVIDUALS AT A SIGNIFICANT LY INCREASED RISK FOR DIABETES AND HEART DISEASE OF THESE INDIVIDUALS, 700 OF THEM AT THE HIGHEST RISK LEVELS FOR HEART DISEASE AND DIABETES WERE INVITED TO UNDERGO ADDITIONAL SCR EENING FOR BLOOD CHOLESTEROL, BODY MASS INDEX AND BLOOD PRESSURE SOME OTHERS AT MODERATE TO HIGH RISK WERE TARGETED, THROUGH ADDITIONAL SCREENING AND LIFE-STYLE MODIFICATION, FOR INTERVENTION TO REDUCE THEIR RISK OF DISEASE WITH 25% OF WHITE CHILDREN AND 33% OF AFRICA N AMERICAN AND HISPANIC CHILDREN BEING OVERWEIGHT ACCORDING TO 2001 STATISTICS, FITNESS PO INTE HAS DEVELOPED PROGRAMS TO HELP ADDRESS THIS ISSUE TEENS GET FIT IS AN EXERCISE AND N UTRITION INFORMATION PROGRAM THAT TARGETS 12-15 YEAR OLDS, PROVIDING A SETTING TO HELP MOD IFY POOR HEALTH HABITS "FIT TRIP" IS A PROGRAM THAT BRINGS 1ST-3RD GRADE STUDENTS TO FITN ESS POINTE FOR A 90 MINUTE INTRODUCTION AND EXPERIENCE WITH DIFFERENT TYPES OF EXERCISE CO MBINED WITH BASIC NUTRITION TIPS "TAKE 5 FOR LIFE" IS A PROGRAM DEVELOPED FOR 5TH GRADERS TO TEACH GOOD HEALTH, NUTRITION AND FITNESS HABITS WITHIN THE SCHOOL SETTING, AS WELL AS TO ENCOURAGE ACTIVITY BASED ON THE HEALTH NEEDS AND INTERESTS OF THOSE PROGRAM ATTENDEES, PROGRAMS WERE DEVELOPED IN THE AREAS OF WOMEN'S HEALTH, NUTRITION AND HEALTHY COOKING, R ELAXATION, WEIGHT MANAGEMENT, SENIOR HEALTH, BACK AND OTHER ORTHOPEDIC HEALTH ISSUES, DIAB ETES MANAGEMENT, CANCER AWARENESS AND PREVENTION, HEART DISEASE RISK FACTOR AWARENESS AND SCREENING, MENTAL HEALTH, AND SMOKING CESSATION A SPECIALIZED FITNESS AND NUTRITION PROGR AM CALLED TEENS GET FIT GEARED TOWARD NUTRITIONALLY CHALLENGED OR OVERWEIGHT 12-15 YEAR-OL DS HAS BEEN DEVELOPED, AS HAS A WELLNESS RESOURCE CENTER THAT INCLUDES INTERNET ACCESS, BO OKS, MAGAZINES AND OTHER INFORMATIVE RESOURCES THROUGH THE COLLABORATIVE EFFORTS OF THE C OMMUNITY HOSPITAL'S WELLNESS SERVICES, PUBLIC RELATIONS, DIETARY SERVICES THERAPY, REHABIL ITATION, EDUCATION DEPARTMENT, NURSING SERVICES AND OTHERS, A QUARTERLY COMMUNITY EDUCATIO N CALENDAR CALLED "TAKE CARE" IS CREATED THE CAL

Identifier	Return Reference	Explanation
PROGRAM SERVICE ACCOMPLISHMENTS	PART III, LINE 4A	ENDAR IS DISTRIBUTED TO MORE THAN 75,000 HOUSEHOLDS IN THE HOSPITAL'S SERVICE AREA, AND TO COMMUNITY CENTERS, PHYSICIAN OFFICERS, LIBRARIES AND OTHER PUBLIC LOCATIONS IT FEATURES EDUCATIONAL AND SUPPORT PROGRAMS DESIGNED TO IMPROVE THE PHYSICAL, MENTAL, SAFETY, NUTRITI ONAL AND SOCIAL WELL-BEING OF THE COMMUNITY WELLNESS EDUCATION PROGRAM AREAS 1 HEART DIS EASE-RELATED PROGRAMMING INCLUDES ONGOING DAILY BLOOD PRESSURE SCREENING BY THE EXERCISE S TAFF, BLOOD PRESSURE SCREENING OFFERED DURING PERIODIC EVENTS, A COMPREHENSIVE SERIES ABOU T CHOLESTEROL THAT INCLUDES A SCREENING AND EDUCATION ON CHOLESTEROL MANAGEMENT, SMOKING C ESSATION CLASS, A STROKE AWARENESS LECTURE, A PRESENTATION ON NEW ADVANCED GENETIC TESTING FOR HEART DISEASE, PERIPHERAL ARTERIAL DISEASE SCREENINGS, AND A CLASS THAT HELPS INDIVID UALS MAINTAIN THEIR HEALTH WHILE ON HEART MEDICATIONS HEART DISEASE-RELATED SUPPORT GROUP S INCLUDE A HEART FAILURE SUPPORT GROUP, A GROUP FOR WOMEN WITH HEART DISEASE, AND MENDED HEARTS - A NATIONAL ORGANIZATION THAT WHEREBY SEASONED HEART DISEASE PATIENTS VISIT NEWLY DIAGNOSED PATIENTS IN THE HOSPITAL AFTER SURGERY OR A PROCEDURE. OTHER COMMUNITY PROGRAMS RELATED TO THE HEART INCLUDED HOW TO RAISE A HEART-SMART CHILD, PROPER NUTRITION FOR LOWER ING CHOLESTEROL, INFANT-CHILD CPR, DIABETES AS IT RELATES TO THE HEART, AND A SERIES OF PR OGRAMS AND WOMEN AND HEART DISEASE. 2 CANCER AWARENESS AND PREVENTION PROGRAMS INCLUDE. A DAY OF CANCER AWARENESS WITH SKIN CANCER SCREENINGS, AND A VAST PUBLIC AWARENESS CAMPAIGN ABOUT THE LATEST ADVANCES IN PROSTATE CANCER DETECTION AND TREATMENT, INCLUDING THE VALUE OF EARLY DETECTION AND FREE SCREENING SESSIONS THE COMMUNITY HOSPITAL CANCER RESEARCH FO UNDATION LAUNCHED THE CANCER RESOURCE CENTRE, WHICH HOSTS A VARIETY OF FREE PROGRAMS, CLAS SES AND SUPPORT GROUPS ABOUT LIVING WITH CANCER A SPECIAL SEGMENT OF CLASSES WAS BORN WIT H THE OPENING OF THE CANCER RESOURCE CENTRE - A SUPPORT PROGRAM OF THE COMMUNITY HOSPITAL CANCER RESEARCH FOUNDATION HERE, THOSE FACING CANCER ATTEND FREE CLASSES SUCH AS YOGA, BR EATHING THROUGH PAIN, LEARNING ABOUT COMPLEMENTARY THERAPIES, AND A VARIETY OF SUPPORT GRO UPS

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PROGRAM SERVICE ACCOMPLISHMENTS (CONT)	PART III, LINE 4A	3 DIABETES EDUCATION EFFORTS HAVE EXPANDED TO INCLUDE DIABETES MANAGEMENT CLASSES IN CONJ UNCTION WITH EXERCISE. THIS IS IN ADDITION TO A BASIC DIABETES EDUCATION CLASS AND A DIABE TES MANAGEMENT CLASS CERTIFIED BY THE AMERICAN DIABETES ASSOCIATION 4 SENIOR TOPICS OFFE RED AT FITNESS POINTE INCLUDE FALL PREVENTION, UNDERSTANDING MANAGED CARE, UNDERSTANDING A DVANCED DIRECTIVES, UNDERSTANDING HOSPICE AND MEDICARE BENEFITS, HELP WITH DIZZINESS, MAKI NG SENSE OF MEDICAL TECHNOLOGY, MEDICATION SAFETY, URINARY INCONTINENCE PRESENTATION, A GR ANDPARENT CLASS, AND A PROGRAM ON OSTEOPOROSIS 5 ORTHOPEDIC PROGRAMS INCLUDE ARTHRITIS, TENDONITIS AND BURSITIS RECOGNITION AND MANAGEMENT, PREVENTION OF NECK AND LOW BACK PAIN, ATHLETIC FOOT AND ANKLE PROBLEMS, THE CARE AND TREATMENT OF KNEE, HIP, FOOT AND SHOULDER P ROBLEMS, CERVICAL AND LUMBAR DISK PROBLEMS, A FALL PREVENTION AND BALANCE SCREENING PROGRA M, AND SPORTS INJURY PREVENTION 6 NUTRITION PROGRAMS INCLUDE INDIVIDUAL NUTRITIONAL COUN SELING WITH A REGISTERED DIETITIAN, GROUP WEIGHT MANAGEMENT PROGRAMS, LUNCH & LEARN COOKIN G DEMONSTRATIONS, A CLASS ABOUT EMOTIONAL EATING, AND A CLASS ABOUT FAD DIETS AND PROPER N UTRITION 7 MENTAL HEALTH RELATED PROGRAMS INCLUDE RELAXATION, STRESS MANAGEMENT, BREATHI NG EXERCISES, PROGRAMS ON COMPLEMENTARY THERAPIES, RECOGNIZING AND UNDERSTANDING DEPRESSIO N, AND LIFE MAPPING 8 WOMEN'S WELLNESS PROGRAMS INCLUDE PRE-AND POST-NATAL EXERCISE, A S ERIES ABOUT NUTRITION, SCREENING AND TREATMENT RELATED TO OSTEOPOROSIS, A COMPLETE HEALTH RETREAT FOR WOMEN, FIBROMY ALGIA, GENETIC LINKS AND TESTING FOR CANCER, HORMONE REPLACEMENT THERAPY, STRENGTH TRAINING FOR WOMEN, AND HEADACHES IN WOMEN 9 FAMILY HEALTH PROGRAMS I NCLUDE A PRENATAL CLASS, SIBLING CLASS, TAKING CARE OF BABY, KEEPING BABY SAFE AND HEALTHY , INFANT GROWTH AND DEVELOPMENT, FAMILY AND FRIENDS CPR, BREAST FEEDING CLASSES AND LACTAT ION CONSULTATIONS, LAMAZE, TEEN CHILDBIRTH EDUCATION, GRANDPARENT EDUCATION, FILMS ABOUT C ESAREAN SECTIONS, POISON PREVENTION AND TREATMENT, ASK THE PEDIATRICIAN AND HOW TO RAISE A HEART-SMART CHILD, AND A PARENT SUPPORT GROUP PARTICIPATION IN HEALTH EDUCATION/WELLNESS PROGRAMS RANGES FROM AN AVERAGE OF 300-350 ATTENDEES A MONTH APPROXIMATELY 20-30% OF THE SE ATTENDEES ARE MEMBERS OF THE FITNESS POINTE FACILITY WHILE 70-80% ARE NON-MEMBERS FROM THE GENERAL COMMUNITY FITNESS PROGRAM AREAS THE AMERICAN HEART ASSOCIATION RECOGNIZES THE LACK OF REGULAR PHY SICAL EXERCISE AS A MAJOR RISK FACTOR FOR HEART DISEASE. REGULAR EXERC ISE IS ASSOCIATED WITH BETTER HEART HEALTH, MENTAL WELL-BEING, WEIGHT MANAGEMENT, CANCER P REVENTION, DIABETES CONTROL, LOW BACK PAIN PREVENTION/RELIEF AND OTHER LIFESTYLE-RELATED D ISEASES FITNESS POINTE'S GENERAL FITNESS MEMBERSHIP PROGRAM OFFERS A VARIETY OF EXERCISE PROGRAM OPTIONS DESIGNED TO MEET THE INDIVIDUAL NEEDS INDIVIDUALS FROM THE COMMUNITY WHO TAKE ADVANTAGE OF THE GENERAL FACILITY MEMBERSHIP PROGRAM INCLUDE TRANSFERS FROM CARDIAC R EHABILITATION AND PHY SICAL THERAPY, AND THOSE REFERRED BY THEIR PERSONAL PHY SICIAN IN ADD ITION, MANY ARE CORPORATE CUSTOMERS INTERESTED IN ENCOURAGING HEALTHIER EMPLOY EES, OR INDI VIDUALS LOOKING FOR AN OPPORTUNITY TO IMPROVE THEIR HEALTH ON THEIR OWN OR WITH A FRIEND O R FAMILY MEMBER PRIOR TO USE OF THE FACILITY, INDIVIDUALS ARE SCREENED BY AN EXERCISE SPE CIALIST TO DETERMINE MEDICAL OR PHY SICAL LIMITATIONS AND PRECAUTIONS MEASUREMENTS COLLECT ED ON PARTICIPANTS INCLUDE ENDURANCE, BODY COMPOSITION, RESTING BLOOD PRESSURE, FLEXIBILIT Y AND A HISTORY OF MEDICAL INFORMATION AND LIFESTYLE HABITS AN INDIVIDUALIZED PROGRAM OF CARDIOVASCULAR CONDITIONING, MUSCULAR TRAINING AND FLEXIBILITY EXERCISES IS DEVELOPED BASE D ON THE INDIVIDUAL INTERESTS AND NEEDS GROUP EXERCISE CLASSES ARE CONDUCTED ON A WEEKLY BASIS AT FITNESS POINTE. CLASSES INCLUDE TRADITIONAL LOW IMPACT, REGULAR AND STEP AEROBICS , WATER AEROBICS, YOGA, REIKI, PILATES, ROWING, CYCLING, RELAXATION/STRETCHING, ETC ALL C LASSES ARE AVAILABLE TO MEMBERS CLASSES ALSO ARE OFFERED ON HOW TO EXERCISE AT HOME, INCL UDING FITNESS AT HOME, PILATES AT HOME, AWESOME ABS, AND YOGA AT HOME. MANY CLASSES ARE AL SO OPEN TO NON-MEMBERS FROM THE COMMUNITY THESE INCLUDE A) AWESOME ABS B) FITNESS AT HOM E C) FITNESS INSTRUCTOR TRAINING D) TEENS GET FIT E) WOMEN'S FITNESS EXPRESS F) INTRODUCTI ON TO BASIC SELF DEFENSE AND SELF DEFENSE II G) PILATES AT HOME H) YOGA & DAILY LIFE IN A COOPERATIVE PROGRAM WITH THE TOWN OF MUNSTER PARKS AND RECREATION DEPARTMENT, GROUP EXERCI SE CLASSES WERE OFFERED JOINTLY THE MUNSTER POLICE DEPARTMENT OFFERS BASIC AND ADVANCED S ELF DEFENSE CLASSES FOR FREE SEVERAL TIMES A YEAR COMMUNITY HEALTH/FITNESS EVENTS FITNESS POINTE CELEBRATED NATIONAL GREAT AMERICAN SMOKE-OUT WITH FREE PROGRAMMING & INCENTIVES FO R PEOPLE TO STOP SMOKING FITNESS POINTE CONTINUES ITS PARTNERSHIPS WITH AREA UNIVERSITIES , OFFERING STAFF AND FACILITIES TO EDUCATE FOR COLLEGE CREDIT NUTRITION AND FITNESS STUDEN TS OF PURDUE UNIVERSITY CALUMET AND INDIANA UNIVER

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PROGRAM SERVICE ACCOMPLISHMENTS (CONT)	PART III, LINE 4A	SITY, AS WELL AS CLINICAL ROTATIONS FOR POST GRADUATE PHYSICAL THERAPISTS, BACCALAUREATE AND GRADUATE NURSES AND EXERCISE SCIENCE/PHYSIOLOGY STUDENTS FROM OTHER STATE UNIVERSITIES

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PROGRAM SERVICE ACCOMPLISHMENTS (CONT)		CARDIAC REHABILITATION OUR OWN ASSESSMENT FOUND THAT DESPITE SIGNIFICANT BENEFITS OF CARDI AC REHABILITATION, ONLY ABOUT 45 PERCENT OF OUR INPATIENT HEART SURGERY POPULATION IS REFE RRED TO CARDIAC REHABILITATION, PHASE 2 IN RESPONSE TO THE FACT THAT THOSE WHO CONTINUE C ARDIAC REHAB THROUGH PHASE 3 ARE LIKELY TO MAINTAIN THEIR LIFESTYLE, FITNESS POINTE NOW OF FERS REHAB PLUS IN PLACE OF PHASE IV CARDIAC REHAB SINCE FITNESS POINTE HAS OPENED, MORE THAN 575 CARDIAC REHABILITATION GRADUATES AND AN AVERAGE OF 10 PHYSICAL THERAPY GRADUATES PER MONTH HAVE TRANSITIONED TO GENERAL MEMBERS A DISCOUNT RATE IS OFFERED TO ENCOURAGE AN D SUPPORT THEIR CONTINUED REHAB IN A GENERAL FITNESS SETTING FITNESS POINTE PROGRAM STATI STICS FITNESS POINTE PROGRAMS AND SERVICES ARE OFFERED TO THE PUBLIC THE AVERAGE AGE OF P ROGRAM ATTENDEES IS 49 YEARS OF AGE, WHILE 52% OF PARTICIPANTS WERE 50+ YEARS OF AGE SINC E FITNESS POINTE IS INTERESTED IN MEETING NEEDS NOT ALREADY BEING MET IN THE COMMUNITY, IT IS IMPORTANT TO NOTE THAT MORE THAN 70% OF PARTICIPANTS REPORT THEY HAVE NEVER PREVIOUSLY BEEN A MEMBER OF A FITNESS FACILITY FITNESS POINTE SERVICES RECORD MORE THAN 30,000 VISI TS PER MONTH APPROXIMATELY 1,600 INDIVIDUALS HAVE TRANSFERRED TO THE FACILITY MEMBERSHIP PROGRAM FROM CARDIAC REHAB AND PHYSICAL THERAPY TO CONTINUE THEIR REHABILITATIVE MAINTENAN CE. SHORT TERM GOALS OFFER SERVICES THAT MEET THE INTERESTS AND HEALTH NEEDS OF THE COMMUN ITY PROVIDE ONGOING STAFF DEVELOPMENT AND TRAINING TO PROVIDE THE HIGHEST QUALITY CUSTOME R SERVICE. PROVIDE THE BEST SERVICES AT THE LOWEST POSSIBLE PRICE. CONTINUE DATABASE DOCUM ENTATION TO DETERMINE SHORT AND LONG TERM EFFECTS OF PROGRAMS CONTINUE INTEGRATION OF FIT NESS POINTE SERVICES WITH OTHER HOSPITAL SERVICES TO BECOME A SIGNIFICANT PART OF THE COMM UNITY HOSPITAL CONTINUUM OF CARE. IDENTIFY APPROPRIATE PARTNERSHIPS TO STRENGTHEN THE QUAL ITY AND SCOPE OF SERVICES OFFERED IDENTIFY RESEARCH OPPORTUNITIES IN THE AREAS OF HEALTH PROMOTION AND DISEASE PREVENTION B PREVENTION/WELLNESS AT COMMUNITY COMMUNITY'S PREVENTI ON/WELLNESS PROGRAM FOCUSES ON PROMOTING AWARENESS OF CARDIOVASCULAR DISEASE, REDUCING THE INCIDENCE OF HEART DISEASE AND IMPROVING THE QUALITY OF LIFE THROUGH AN INTEGRATED CARDIO VASCULAR HEALTH SERVICES DELIVERY SYSTEM CARDIAC AND VASCULAR SCREENINGS DURING THE 2010- 2011 FISCAL YEAR, COMMUNITY CONTINUED TO OFFER VARIOUS LEVELS OF CARDIAC AND VASCULAR SCRE ENINGS AT A SUBSTANTIAL DISCOUNT ALL LEVELS OF SCREENING PUT AN EMPHASIS ON DIRECTING THE SCREENING PARTICIPANTS TO A VARIETY OF WELLNESS PROGRAMS OFFERED THROUGH THE HOSPITAL AND FITNESS POINTE. FITNESS POINTE CONTINUES TO SUPPORT THE WELLNESS PROGRAMS CREATED TO BETT ER SERVE THE HEALTH NEEDS OF OUR COMMUNITY AND SUPPORT THE IMPORTANCE OF RISK FACTOR MODIF ICATION THROUGH LIFE-STYLE AND BEHAVIOR CHANGES THE CORONARY HEALTH APPRAISAL IS OFFERED THROUGHOUT THE COMMUNITY HEALTHCARE SYSTEM THIS SCREENING NOT ONLY MEASURES CHOLESTEROL L EVELS, GLUCOSE, AND BLOOD PRESSURE, BUT ALSO EVALUATES INDIVIDUALS WHO MEET THE CRITERIA F OR METABOLIC SYNDROME. A TOTAL OF 109 PEOPLE WERE SCREENED BETWEEN COMMUNITY HOSPITAL AND COMMUNITY HOSPITAL OUTPATIENT CENTER-ST JOHN NINETEEN PERCENT OF PARTICIPANTS WERE FOUND TO MEET THE CRITERIA FOR METABOLIC SYNDROME. DURING THE 2010-2011 FISCAL YEAR, COMMUNITY HOSPITAL CONTINUED TO OFFER THE FAST CT HEART SCAN THIS PROCEDURE HELPS TO DETECT HEART D ISEASE IN ITS EARLIEST STAGES DURING THE YEAR, 51 INDIVIDUALS PARTICIPATED IN THE SCREENI NG COMMUNITY HEALTHCARE SYSTEM ADDED THE CT HEART SCAN AT ST MARY MEDICAL CENTER ONCE A MONTH, THE CARDIAC REHABILITATION STAFF CONDUCTS A SCREENING FOR PERIPHERAL VASCULAR DISE ASE, OR PAD INDIVIDUALS AT RISK FOR PAD ARE SMOKERS, DIABETICS AND CARDIAC PATIENTS THE SCREENING TARGETS INDIVIDUALS WHO WOULD NEED FURTHER TESTING AND POSSIBLY INTERVENTION TO TREAT THE DISEASE. FOLLOWING THE PUBLIC SCREENING, PARTICIPANTS ARE EDUCATED ON THE DISEAS E AND HOW TO PREVENT OR MANAGE IT THE SCREENING COSTS $8 FOR CARDIAC REHAB PATIENTS AND F ITNESS POINTE MEMBERS, AND $10 FOR NON-MEMBERS AND THE GENERAL PUBLIC FOLLOW-UP EDUCATION LECTURES ARE CONDUCTED PERIODICALLY AT NO CHARGE. THIS PAST FISCAL YEAR, 98 INDIVIDUALS W ERE SCREENED IN ADDITION, EACH SEPTEMBER, COMMUNITY HOSPITAL PARTICIPATES IN THE NATIONAL LEGS FOR LIFE PERIPHERAL ARTERIAL DISEASE SCREENING CAMPAIGN THIS FREE PAD SCREENING OFF ERED TO THE PUBLIC IS ONE MORE WAY WE REACH OUT TO THE COMMUNITY AND PROVIDE A NEEDED SERV ICE TO OUR POPULATION THE SCREENING DRAWS ABOUT 150 PARTICIPANTS FROM AROUND THE AREA CA RDIAC REHAB PHASE 3 OFFERS A MONTHLY BLOOD PRESSURE SCREENING AT FITNESS POINTE. THE CARDI AC REHAB STAFF IS OFTEN ASKED TO TAKE BLOOD PRESSURES OR PARTICIPATE IN OTHER WAYS WHEN OT HER HOSPITAL DEPARTMENTS SPONSOR HEALTH FAIRS AS AN ADDED SERVICE, FREE OF CHARGE, THE CA RDIAC REHAB STAFF OFFERS ITS FORMER MEMBERS THE OPPORTUNITY TO GET A BLOOD PRESSURE, OXIME TER READING, OR HEART RHYTHM QUICK LOOK WHILE THEY

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PROGRAM SERVICE ACCOMPLISHMENTS (CONT)		ARE EXERCISING AT FITNESS POINTE. TWO DIABETES SCREENINGS WERE CONDUCTED DURING THE YEAR. FORTY-SIX INDIVIDUALS HAD THEIR BLOOD SUGAR TESTED. A FEW INDIVIDUALS MET THE CRITERIA FO R DIABETES, WHILE SEVERAL MORE WERE FOUND TO BE PRE-DIABETIC. BASIC INFORMATION REGARDING PRE-DIABETES WAS GIVEN AND PARTICIPANTS THAT MET THE CRITERIA FOR DIABETES WERE INTRUCTED TO FOLLOW-UP WITH THEIR PHYSISAN FOR FURTHER TESTING. WE CONTINUE TO TRACK INDIVIDUALS IN OUR DATABASE WHO GO THROUGH OUR SCREENING PROGRAMS TO DETERMINE TO WHAT DEGREE THIS EARLY INTERVENTION WILL HELP LOWER THE RISK FOR DEVELOPING HEART DISEASE. IN ADDITION TO THE DAT ABASE, OUR RISK FACTOR ANALYSIS SOFTWARE PROGRAM ALLOWS US TO HAVE THE MOST UP-TO-DATE DAT A AVAILABLE. THIS SOFTWARE ENABLES US TO PREPARE REPORTS THAT EDUCATE INDIVIDUALS ABOUT HO W THEIR HEALTH STATUS PLACES THEM AT RISK FOR DEVELOPING HEART DISEASE, AND PROVIDES RECOM MENDATIONS AND SUPPORT IN MAKING HEALTHY LIFE-STYLES CHOICES THAT CAN LOWER THEIR RISK. TH EREFORE, WE CAN ASSIST THEM IN PARTICIPATING IN ONE OF OUR WELLNESS EDUCATION PROGRAMS BES T SUITED TO THEIR INDIVIDUAL NEEDS. OUR DATABASE INCLUDES PATIENTS FROM OUR VARIOUS CARDIO VASCULAR OUTPATIENT CLINICS SUCH AS THE HEART FAILURE TREATMENT CLINIC, LIPID CLINIC AND C ARDIAC REHABILITATION. THIS ALLOWS US TO TRACK OUR CARDIOVASCULAR PATIENTS AND BETTER MANA GE THEIR OUTCOMES AND TREATMENT OPTIONS THROUGH THIS DATABASE, WE HAVE BEEN ABLE TO PERFO RM INTERNAL RESEARCH ACTIVITIES THAT MEASURE THE OUTCOMES OF PATIENTS WITH HEART DISEASE A ND HEART FAILURE SO WE CAN BETTER MANAGE THESE CONDITIONS AND PREVENT RECURRENT EVENTS. TO CONTINUE TO BETTER SERVE OUR PATIENT POPULATION, OUR CARDIOVASCULAR RESEARCH DEPARTMENT F OCUSES ON REDUCING CARDIOVASCULAR MORBIDITY AND MORTALITY IN OUR COMMUNITIES BY PARTICIPAT ING IN CLINICAL RESEARCH INITIATIVES DESIGNED TO PROMOTE EARLY DETECTION, DIAGNOSIS AND TR EATMENT OF CARDIOVASCULAR AND PERIPHERAL VASCULAR DISEASE. FINALLY, PREVENTION/WELLNESS SE RVICES DONATES GIFT CERTIFICATES FOR BOTH THE HEART SCAN AND CORONARY HEALTH APPRAISAL. TH E CERTIFICATES ARE MADE AVAILABLE TO CHARITABLE ORGANIZATIONS AND CERTAIN COMMUNITY HOSPIT AL SPONSORED EVENTS. FOR THE FIRST TIME, CORONARY HEALTH APPRAISAL PARTICIPANTS WERE SELET ED TO PARTICIPATE AS SUBJECTS IN A RESEARCH STUDY. THE STUDY WAS CONDUCTED BY A NURSE WHO IS PURSUING HER DOCTORATE IN NURSING. HER AREA OF STUDY RELEATED TO HOW PEOPLE PERCEIVE TH EIR RISK OF HEART DISEASE. OVER 100 SUBJECTS WERE RECRUITED

Identifier	Return Reference	Explanation
PROGRAM SERVICE ACCOMPLISHMENTS (CONT)		C CANCER PROGRAM COMMUNITY HOSPITAL CANCER PROGRAM IS APPROVED BY THE AMERICAN COLLEGE OF SURGEONS COMMISSION ON CANCER IN THEIR "COMMUNITY HOSPITAL COMPREHENSIVE CANCER PROGRAM" CATEGORY APPROVAL OF OUR CANCER PROGRAM QUALIFIES COMMUNITY HOSPITAL TO PARTNER WITH THE COMMISSION ON CANCER IN THE AMERICAN CANCER SOCIETY'S NATIONAL CANCER INFORMATION AND REFE RRAL PROJECT, SHARING INFORMATION ON RESOURCES AND CANCER EXPERIENCE FOR THE AMERICAN CANC ER SOCIETY'S NATIONAL CALL CENTER AND WEB SITE, KEY SOURCES OF CANCER INFORMATION AND GUID ANCE FOR THE PUBLIC THIS INDICATES THAT COMMUNITY HOSPITAL MEETS THE STANDARDS OF THE COM MISSION ON CANCER IN ORGANIZATION AND MANAGEMENT OF OUR PROGRAM ENSURING MULTIDISCIPLINARY , INTEGRATED AND COMPREHENSIVE ONCOLOGY SERVICES IN ADDITION, COMMUNITY HOSPITAL MEETS TH EIR PERFORMANCE MEASURES FOR HIGH-QUALITY CANCER CARE AN APPROVED PROGRAM ENSURES OUR PAT IENTS RECEIVE QUALITY CARE CLOSE TO HOME AND ACCESS TO A MULTI-SPECIALTY TEAM APPROACH TO COORDINATE THE BEST TREATMENT OPTIONS THE PROGRAM ALSO PROVIDES THE COMMUNITY WITH ACCESS TO CANCER-RELATED INFORMATION, EDUCATION AND SUPPORT, AND OFFERS LIFELONG PATIENT FOLLOW- UP, ONGOING MONITORING AND IMPROVEMENT OF CARE AND INFORMATION ABOUT ONGOING CANCER CLINIC AL TRIALS AND NEW TREATMENT OPTIONS A REGISTRY COLLECTS DATA ON TYPE AND STAGE OF CANCERS AND TREATMENT RESULTS CANCER PROGRAM LEADERSHIP USES CANCER REGISTRATION DATA INCLUDING LIFELONG FOLLOW UP TO EVALUATE CLINICAL OUTCOMES COMPARED TO THOSE IN OTHER PROGRAMS THEY ALSO USE THE DATA TO TRACK PATTERNS OF ACCESS, CARE AND REFERRAL, ALLOCATE AND PRIORITIZE RESOURCES, AND TARGET SERVICES AND PROGRAMS TO ADDRESS THE HEALTH CARE NEEDS OF OUR SERVI CE AREA AMERICAN COLLEGE OF SURGEONS ACCREDITED CANCER PROGRAM PROVIDING A WIDE RANGE OF SERVICES TO OUR PATIENTS WITH CANCER IS THE MULTIDISCIPLINARY CANCER COMMITTEE THIS COMMI TTEE COMPOSED OF PATHOLOGISTS, SURGEONS, ONCOLOGISTS, RADIATION ONCOLOGISTS, CLINICAL AND NURSING STAFF, AND CANCER REGISTRY PERSONNEL, HOSTS WEEKLY TUMOR CONFERENCES TO REVIEW CLI NICAL FINDINGS, PAST HISTORY AND RADIOLOGIC AND PATHOLOGIC TREATMENT OPTIONS CANCER EDUCA TION CANCER EDUCATION PROGRAMS HELD OVER THE PAST YEAR INCLUDE THOSE DIRECTED AT COLON CAN CER PREVENTION, BREAST SELF-EXAMINATION, THE IMPORTANCE OF PAP SMEARS, SMOKING CESSATION, AND THE IMPORTANCE OF EARLY DETECTION OF PROSTATE CANCER IN ADDITION, SEVERAL NEW COMMUNI TY EDUCATION PROGRAMS WERE INTRODUCED TO RAISE PUBLIC AWARENESS OF ISSUES AFFECTING THE PR EVENTION AND EARLY DETECTION OF CANCER SOME OF THESE NEW PROGRAMS ALSO HELPED MEMBERS OF THE COMMUNITY BETTER MANAGE SIDE EFFECTS FROM CANCER TREATMENTS, WHILE OTHER EFFORTS WERE DIRECTED AT HELPING PATIENTS MAKE COMPLEX TREATMENT DECISIONS THE COMMUNITY HOSPITAL CANC ER RESEARCH FOUNDATION OPENED THE CANCER RESOURCE CENTRE IN MUNSTER - A NON-MEDICAL RESOUR CE HAVEN FOR THOSE SEEKING INFORMATION ABOUT CANCER THE CENTRE HOLDS FREE COMMUNITY PROGR AMS AND SUPPORT/NETWORKING GROUPS, AND HAS AN EXTENSIVE LIBRARY WITH TWO COMPUTER TERMINAL S FOR INTERNET ACCESS THE CENTRE OPENED IN JUNE OF 2003, AND ALL SERVICES AND PROGRAMS AR E FREE CLINICAL TRIALS/RESEARCH IN LOOKING TO EXPAND ON RESEARCH INITIATIVES AND TO BROAD EN PATIENT ACCESS TO CLINICAL TRIALS, THE HOSPITAL HAS FORMED THE COMMUNITY HOSPITAL CANCE R RESEARCH FOUNDATION, A SEPARATE NOT-FOR-PROFIT CORPORATION TO RAISE OUTSIDE SUPPORT THE PURPOSE OF THIS FOUNDATION IS TO REDUCE CANCER MORBIDITY AND MORTALITY IN THE COMMUNITY B Y SUPPORTING AND ADVANCING CANCER DETECTION, DIAGNOSIS, TREATMENT AND EDUCATION/PREVENTION AND BY PROMOTING THE ACQUISITION OF KNOWLEDGE THROUGH CLINICAL RESEARCH CLINICAL TRIALS OFFERED INCLUDED THOSE FOR ALL STAGES OF BREAST AND COLON CANCER, LY MPHOMA, LEUKEMIA, MULT IPLE MY ELOMA AND PANCREATIC CANCER IN THE EFFORT TO IMPROVE PATIENT AND PHY SICIAN ACCESS TO CANCER RESEARCH TRIALS, THE HOSPITAL MAINTAINS ASSOCIATION IN A GOVERNMENT PROGRAM TO I MPROVE PATIENT AND PHY SICIAN ACCESS TO CANCER RESEARCH TRIALS SPONSORED BY THE NATIONAL C ANCER INSTITUTE (NCI), THE PROGRAM IS KNOWN AS THE CANCER TRIALS SUPPORT UNIT IT IS SUPPO RTING THE DEVELOPMENT OF A NATIONAL NETWORK OF PATIENTS AND PHY SICIANS TO PARTICIPATE IN N CI-SPONSORED PHASE III CANCER TREATMENT TRIALS NCI HAS TAKEN STEPS THROUGH THIS PROGRAM T O BRING TOGETHER RESEARCH COOPERATIVES FROM AROUND THE U S AND CANADA THE EFFORT RECOGNI ZES THAT MORE PATIENTS AND PHY SICIANS COULD BECOME INVOLVED IN CANCER RESEARCH TRIALS WITH ADDED SUPPORT TY PICALLY NCI RESEARCH COOPERATIVES OPEN TRIALS ONLY TO INDIVIDUAL MEMBERS , WHICH ARE OFTEN ACADEMIC INSTITUTIONS THAT CAN ACQUIRE LARGE NUMBERS OF PATIENTS AND HAV E THE FINANCIAL BACKING TO FACILITATE THE WORK THROUGH THE CLINICAL TRIALS SUPPORT UNIT, COMMUNITY HOSPITAL GAINS ACCESS TO CLINICAL RESEARCH TRIALS FROM EIGHT DIFFERENT RESEARCH COOPERATIVES THE PILOT PROGRAM ALSO IS PROVIDING FINANCIAL ASSISTANCE AND IS WORKING TO R EDUCE REGULATORY AND ADMINISTRATIVE BURDENS, AND T

Identifier	Return Reference	Explanation
PROGRAM SERVICE ACCOMPLISHMENTS (CONT)		O STREAMLINE AND STANDARDIZE DATA COLLECTION AND REPORTING BREAST CANCER AN ON-GOING COMM UNITY-BASED EDUCATION INITIATIVE CONTINUES TO IDENTIFY WOMEN WHO ARE AT HIGH RISK FOR DEVE LOPING BREAST CANCER A COMPUTERIZED MODEL DEVELOPED BY THE NATIONAL CANCER INSTITUTE WAS USED AS A BASIS FOR IDENTIFY ING WOMEN AND EDUCATING THE PUBLIC ON FACTORS THAT MOST DIRECT LY INCREASE THE RISK OF DEVELOPING BREAST CANCER IN OCTOBER 1999, COMMUNITY HOSPITAL BEGA N CONDUCTING A FREE BREAST CANCER RISK ASSESSMENT ON ALL MAMMOGRAPHY PATIENTS OVER THE AGE OF 35 TO IDENTIFY PATIENTS WHO MAY BE AT HIGH RISK FOR BREAST CANCER A BREAST CANCER RIS K ASSESSMENT REPORT WAS DEVELOPED BY THE HOSPITAL TO COMMUNICATE TEST RESULTS TO PATIENTS, EDUCATING THEM ABOUT THE RISK FACTORS FOR BREAST CANCER AND VARIOUS TREATMENT OPTIONS THE Y MAY DISCUSS WITH THEIR PHY SICIAN THE HOSPITAL ALSO OFFERS FREE CONSULTATION SERVICES OF OUR NURSE PRACTITIONER/BREAST HEALTH NAVIGATOR AT THE WOMEN'S DIAGNOSTIC CENTER IN CONJUN CTION WITH THESE TEST RESULTS MORE THAN 14,000 WOMEN COMPLETED THE BREAST CANCER RISK ASS ESSMENT THROUGH THE FISCAL YEAR ENDING JUNE 30, 2010 ABOUT 1 3% OF THE WOMEN WHO COMPLETE D THE BREAST RISK ASSESSMENT AT COMMUNITY HOSPITAL WERE IDENTIFIED TO HAVE A LIFETIME RISK ASSESSMENT OF GREATER THAN 20% THE INTENT OF THESE EFFORTS IS TO BETTER INFORM WOMEN OF THE RISK FACTORS THAT INCREASE THEIR CHANCES OF DEVELOPING BREAST CANCER AND TO PROVIDE ED UCATION ABOUT ADDITIONAL TREATMENT OPTIONS IF THEY ARE AT ELEVATED RISK THE AMERICAN CANC ER SOCIETY RECOMMENDS ANNUAL BREAST MRI IN ADDITION TO Y EARLY MAMMOGRAPHY FOR WOMEN WHO HA VE A LIFETIME RISK ASSESSMENT FOR BREAST CANCER OF 20% OR GREATER, AND THIS RECOMMENDATION IS COMMUNICATED IN EACH HIGH RISK PATIENT'S REPORT IN ADDITION TO A BREAST MRI, PATIENTS WITH AN ELEVATED LIFETIME RISK FOR BREAST CANCER MAY ALSO BENEFIT FROM CONSULTATION WITH A MEDICAL GENETICIST PROSTATE CANCER A FREE PROSTATE CANCER SCREENING FOR THE PUBLIC WAS HELD IN SEPTEMBER OF 2009 WITH 113 PARTICIPANTS TAKING ADVANTAGE OF THE DIGITAL RECTAL EXA M AND PSA THE SCREENING WAS MADE POSSIBLE THROUGH A JOINT EFFORT ON BEHALF OF THE HOSPITA L AND THE PHY SICIANS WHO DONATED THEIR TIME OF THOSE TAKING PART IN THE SCREENING 11% HAD ABNORMAL DIGITAL RECTAL EXAMS, 7% HAD ABNORMAL PSA RESULTS AND 2% HAD BOTH AN ABNORMAL EX AM AND ABNORMAL PSA RESULTS THESE RESULTS ARE FORWARDED FOR EVALUATION AND TREATMENT SKI N CANCER A FREE SKIN CANCER SCREENING WAS HELD IN NOVEMBER 2009 PHY SICIANS SCREENED SUSPI CIOUS SPOTS ON 51 PARTICIPANTS OF THOSE, ONE PARTICIPANT HAD SUSPECTED BASAL CELL CANCINO MA, ONE PRESUMED SQUAMOUS CELL CARCINOMA, AND ONE PRESUMED MELANOMA (2% EACH)

Identifier	Return Reference	Explanation
PART XI, LINE 5		OTHER CHANGES IN NET ASSETS INCLUDE THE FOLLOWING MINIMUM PENSION LIABILITY 21,192,370 TRANSFERS TO CFNI, INC (42,421,018) CHANGES IN TEMP RESTRICTED FUNDS 144,136 NET ASSETS RELEASED FROM RESTRICTION 381,985 CONTRIBUTIONS TO TEMP RESTRICTED FUNDS (146,628) INDIRECT PUBLIC SUPPORT FROM COMMUNITY CANCER RESEARCH FOUNDATION, INC (365,106) TOTAL CHANGES IN NET ASSETS (21,214,261)

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
Munster Medical Research Foundation Inc

Employer identification number
35-1107009

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) COMMUNITY FD OF NW INDIANA INC 10010 DONALD POWERS DRIVE MUNSTER, IN 46321 31-1128781	SUPPORTNG ORG	IN	501(c)(3)	11(c)	NA		
(2) ST CATHERINE HOSPITAL 4321 FIR STREET EAST CHICAGO, IN 46312 35-1738708	HOSPITAL	IN	501(c)(3)	3	CFNI		
(3) ST MARY MEDICAL CENTER 1500 S LAKE PARK AVE HOBART, IN 46342 35-2007327	HOSPITAL	IN	501(c)(3)	3	CFNI		
(4) COMMUNITY CANCER RESEARCH FDINC 901 MACARTHUR BLVD MUNSTER, IN 46321 35-2146374	CANCER FUNDRA	IN	501(c)(3)	7	NA		
(5) COMMUNITY VILLAGE INC 10000 COLUMBIA AVE MUNSTER, IN 46321 35-1956395	RETRMT HOME	IN	501(c)(3)	9	CFNI		
(6) CVPA HOLDING COMPANY 905 RIDGE ROAD MUNSTER, IN 46321 35-1938136	SUPPORT ORG	IN	501(c)(2)	N/A	CFNI		
(7) RIDGEWOOD ARTS FD 905 RIDGE ROAD MUNSTER, IN 46321 35-1939427	PLAYS & ARTS	IN	501(c)(3)	9	CFNI		

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) COMMUNITY RESOURCES INC 907 RIDGE ROAD MUNSTER, IN46321 35-1727711	BLDG DEVELOPMENT	IN	NA	C CORP			

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

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

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

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) See Additional Data Table			
(2)			
(3)			
(4)			
(5)			
(6)			

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

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

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

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

Additional Data Return to Form

Software ID:
Software Version:
EIN: 35-1107009
Name: Munster Medical Research Foundation Inc

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
COMMUNITY FD OF NW INDIANA INC 10010 DONALD POWERS DRIVE MUNSTER, IN46321 31-1128781	SUPPORTNG ORG	IN	501(c)(3)	11(c)	NA		
ST CATHERINE HOSPITAL 4321 FIR STREET EAST CHICAGO, IN46312 35-1738708	HOSPITAL	IN	501(c)(3)	3	CFNI		
ST MARY MEDICAL CENTER 1500 S LAKE PARK AVE HOBART, IN46342 35-2007327	HOSPITAL	IN	501(c)(3)	3	CFNI		
COMMUNITY CANCER RESEARCH FDINC 901 MACARTHUR BLVD MUNSTER, IN46321 35-2146374	CANCER FUNDRA	IN	501(c)(3)	7	NA		
COMMUNITY VILLAGE INC 10000 COLUMBIA AVE MUNSTER, IN46321 35-1956395	RETRMT HOME	IN	501(c)(3)	9	CFNI		
CVPA HOLDING COMPANY 905 RIDGE ROAD MUNSTER, IN46321 35-1938136	SUPPORT ORG	IN	501(c)(2)	N/A	CFNI		
RIDGEWOOD ARTS FD 905 RIDGE ROAD MUNSTER, IN46321 35-1939427	PLAYS & ARTS	IN	501(c)(3)	9	CFNI		

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	ST CATHERINE HOSPITAL	n	876,690	
(2)	ST CATHERINE HOSPITAL	o	1,306,432	
(3)	ST CATHERINE HOSPITAL	p	745,564	
(4)	ST MARY MEDICAL CENTER	n	1,330,626	
(5)	ST MARY MEDICAL CENTER	o	1,433,723	
(6)	ST MARY MEDICAL CENTER	p	920,122	
(7)	RIDGEWOOD ARTS FOUNDATION INC	b	80,000	
(8)	COMMUNITY CANCER RESEARCH FOUNDATION INC	q	107,924	
(9)	COMMUNITY CANCER RESEARCH FOUNDATION INC	o	372,164	
(10)	COMMUNITY CANCER RESEARCH FOUNDATION INC	p	259,409	

CONSOLIDATED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

Community Foundation of Northwest Indiana, Inc and Subsidiaries
Years Ended June 30, 2011 and 2010
With Report of Independent Auditors

Ernst & Young LLP

ERNST & YOUNG

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Consolidated Financial Statements
and Other Financial Information

Years Ended June 30, 2011 and 2010

Contents

Ernst & Young LLP
155 North Wacker Drive
Chicago, IL 60606-1787
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www ey com

Report of Independent Auditors

The Board of Directors
Community Foundation of Northwest Indiana, Inc

We have audited the accompanying consolidated balance sheets of Community Foundation of Northwest Indiana, Inc and Subsidiaries (CFNI) 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 CFNI'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 CFNI'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 CFNI's internal control over financial reporting Accordingly, we express no such opinion An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion

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

Ernst & Young LLP

October 19, 2011

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Consolidated Balance Sheets

(In Thousands)

	June 30, 2011	2010
Assets		
Current assets		
Cash and cash equivalents	**$ 40,895**	$ 39,308
Patient accounts receivable, net of allowance for uncollectible accounts of $15,697 in 2011 and $15,335 in 2010	**96,933**	86,618
Estimated settlements due from third-party payors	**702**	12,643
Inventories	**17,555**	16,217
Prepaid expenses and other current assets	**11,008**	11,368
Total current assets	**167,093**	166,154
Assets limited as to use		
Internally designated investments	**269,812**	248,953
Externally designated investments	**29,817**	37,043
Land, buildings and improvements, equipment, and construction-in-progress, net of accumulated depreciation and amortization	**402,414**	381,747
Other assets	**19,934**	20,386
Total assets	**$ 889,070**	$ 854,283
Liabilities and net assets		
Current liabilities		
Accounts payable	**$ 27,892**	$ 26,274
Accrued salaries, wages, and benefits	**46,557**	42,749
Accrued expenses and other	**24,692**	25,449
Estimated settlements due to third-party payors	**4,461**	3,484
Current portion of long-term debt, notes payable, and capital leases	**11,816**	7,348
Total current liabilities	**115,418**	105,304
Noncurrent liabilities		
Long-term debt, notes payable, and capital leases, less current portion	**323,238**	336,885
Interest rate swap	**716**	1,173
Deferred revenue from advance fees	**14,978**	15,439
Pension liability	**67,739**	82,631
Other long-term liabilities	**1,081**	1,074
Total noncurrent liabilities	**407,752**	437,202
Total liabilities	**523,170**	542,506
Net assets		
Unrestricted	**364,366**	310,460
Temporarily restricted	**1,432**	1,215
Permanently restricted	**102**	102
Total net assets	**365,900**	311,777
Total liabilities and net assets	**$ 889,070**	$ 854,283

See accompanying notes

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets

(In Thousands)

	Year Ended June 30, 2011	2010
Revenue		
Net patient and resident service revenue	**$ 755,184**	$ 727,811
Capitation program revenue	**31,156**	38,716
Other revenue	**20,246**	19,992
Total operating revenue	**806,586**	786,519
Expense		
Salaries and wages	**312,262**	290,182
Employee benefits	**82,956**	75,856
Medical fees	**5,089**	5,959
Medical and other supplies	**157,504**	159,164
Outside services	**74,203**	61,321
Interest expense	**15,936**	16,964
Provision for uncollectible accounts	**33,422**	31,306
Depreciation and amortization	**45,829**	44,502
Other expense	**67,736**	68,056
Total operating expense	**794,937**	753,310
Net operating income	**11,649**	33,209
Nonoperating		
Investment income and other	**12,197**	12,157
Gain on early extinguishment of debt	**1,649**	–
Net change in unrealized gains/losses on investments	**8,024**	7,591
Net loss on interest rate swaps	**(230)**	(673)
Total nonoperating	**21,640**	19,075
Revenue in excess of expenses before adjustment for minority members' interest in net income of subsidiaries	**33,289**	52,284
Adjustment for minority members' interest in net income of subsidiaries	**–**	(2,034)
Revenue in excess of expense	**33,289**	50,250

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

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

(In Thousands)

	Year Ended June 30, 2011	2010
Unrestricted net assets		
Revenue in excess of expense	**$ 33,289**	$ 50,250
Pension-related changes other than net periodic pension cost	**21,192**	(40,203)
Net assets released from restriction used for capital purposes	**157**	286
Other	**(732)**	–
Increase in unrestricted net assets	**53,906**	10,333
Temporarily restricted net assets		
Restricted contributions	**1,267**	388
Net assets released from restriction used for operating and capital purposes	**(1,050)**	(249)
Increase in temporarily restricted net assets	**217**	139
Increase in net assets	**54,123**	10,472
Net assets at beginning of year	**311,777**	301,305
Net assets at end of year	**$ 365,900**	$ 311,777

See accompanying notes.

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

(In Thousands)

	Year Ended June 30, 2011	2010
Operating activities		
Change in net assets	**$ 54,123**	$ 10,472
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Provision for uncollectible accounts	**33,422**	31,306
Depreciation and amortization	**45,829**	44,502
Pension-related changes other than net periodic pension cost	**(21,192)**	40,202
Change in fair value of interest rate swaps	**(457)**	(46)
Loss on early termination of leases	**1,830**	–
Unrealized gain on investments	**(8,024)**	(7,591)
Gain on sale of equity interest in subsidiaries	**–**	(2,676)
Restricted contributions and gains on investments	**(1,267)**	(139)
Amortization of admission fees	**(749)**	(614)
Advance fees and deposits refunded, net	**288**	(492)
Change in minority members' interest in subsidiaries	**–**	(7,860)
Changes in operating assets and liabilities		
Patient accounts receivable	**(43,737)**	(32,642)
Estimated settlements due from/to third-party payors	**12,918**	(11,323)
Inventories, prepaid expenses, and other assets	**(367)**	(4,816)
Assets limited as to use	**(5,609)**	(23,436)
Accounts payable, accrued expenses, contracts payable, and other current liabilities	**9,103**	2,292
Other long-term liabilities	**43**	41
Net cash provided by operating activities	**76,154**	37,180
Investing activities		
Purchases of land, buildings, equipment, and construction-in-progress	**(66,655)**	(44,493)
Net proceeds from purchases and sales of equity interests in subsidiaries	**–**	2,676
Net cash used in investing activities	**(66,655)**	(41,817)

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Consolidated Statement of Cash Flows (continued)

(In Thousands)

	Year Ended June 30, 2011	2010
Financing activities		
Repayment of long-term debt	**$ (6,611)**	$ (4,353)
Debt reduction due to purchase of 2007 revenue bonds	**(12,700)**	–
Borrowings on notes payable and capital lease obligations	**16,427**	–
Repayment of notes payable and capital lease obligations	**(6,295)**	(3,440)
Proceeds from restricted contributions and gains on investments	**1,267**	139
Net cash used in financing activities	**(7,912)**	(7,654)
Net increase (decrease) in cash and cash equivalents	**1,587**	(12,291)
Cash and cash equivalents at beginning of year	**39,308**	51,599
Cash and cash equivalents at end of year	**$ 40,895**	$ 39,308

See accompanying notes.

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
(In Thousands)

Years Ended June 30, 2011 and 2010

1. Organization

Community Foundation of Northwest Indiana, Inc (the Foundation) serves as the sole corporate member of Munster Medical Research Foundation, Inc (d/b/a The Community Hospital) (CH), St Catherine Hospital, Inc (SCH), St Mary Medical Center, Inc (SMMC), Community Cancer Research Foundation, Inc (CCRF), Community Village, Inc (CVI), Ridgewood Arts Foundation, Inc (RAF), and CVPA Holding Corporation (CVPA) (with the addition of Community Resources, Inc (CRI), these entities are collectively referred to as CFNI) The Foundation, Community Hospital, St Mary Medical Center, Inc , and St Catherine Hospital, Inc comprise the members of Community Foundation of Northwest Indiana Obligated Group (the Obligated Group) The Foundation and RAF, collectively, own 100% of the outstanding shares of capital stock issued by Community Resources, Inc , a for-profit taxable entity The Community Hospital, St Catherine Hospital, Inc , and St Mary Medical Center, Inc (collectively, the hospitals) provide inpatient, outpatient, and emergency care services to residents within their geographic regions of northwest Indiana

CFNI and its wholly owned subsidiaries, except CRI and CVPA, are tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code (the Code) and are, therefore, not subject to tax on income related to its tax-exempt purposes under Section 501(a) of the Code CVPA is tax-exempt under Section 501(c)(2) of the Code

Prior to October 1, 2009, CFNI held majority membership interests with physician investors in three joint ventures Each joint venture was organized as a limited liability company (LLC) to provide certain health care services delivered on an outpatient basis These ventures included CSC Surgical Management Group, LLC (formerly Community Surgery Center, LLC), providing nonemergency surgical procedures, Community Cardiology Center, LLC, providing cardiac catheterization and related diagnostic and interventional cardiovascular services, and St Catherine Hospital Cyberknife Group, LLC, providing stereotactic radiosurgery

Effective October 1, 2009, CFNI sold its equity interests in CSC Surgical Management Group, LLC and Community Cardiology Center, LLC and recognized a gain on the respective sales totaling $2,653 Also effective October 1, 2009, the Obligated Group acquired the minority equity interests in St Catherine Hospital Cyberknife Group, LLC from physician investors Upon acquisition, the operations of St Catherine Hospital Cyberknife Group, LLC were integrated into St Catherine Hospital, Inc The legal entity under which the venture previously operated was dissolved effective December 31, 2009

1. Organization (continued)

CFNI also held a minority membership interest through December 31, 2009, in Lake Park Surgicare, LLC, formed as a limited liability company to provide outpatient surgical procedures At December 31, 2009, St Mary Medical Center, Inc owned 20% of the outstanding membership units issued by Lake Park Surgicare, LLC while a nonaffiliated not-for-profit hospital together with physician investors owned the remaining 80% of the outstanding membership units issued by Lake Park Surgicare, LLC

Subsequent to December 31, 2009, through a step acquisition and related transaction, St Mary Medical Center, Inc acquired the outside equity interests in the operating activities of Lake Park Surgicare, LLC and sold its partial interest in certain tangible assets used in the operation of Lake Park Surgicare, LLC's business to its successor, which at the time owned the remaining interest in such tangible assets, prior to the dissolution of Lake Park Surgicare, LLC effective January 3, 2010 In connection with the acquisition of the remaining equity interests described above, St Mary Medical Center, Inc recognized goodwill totaling $2,403, representing the purchase price in excess of the fair value of the equity interests and working capital acquired

The accompanying consolidated financial statements include the accounts and transactions of the Community Foundation of Northwest Indiana, Inc and subsidiaries All significant intercompany accounts and transactions between the Community Foundation of Northwest Indiana, Inc and subsidiary members are eliminated in consolidation The majority of the Foundation's expenses are associated with the administration and delivery of health care services to patients residing in communities throughout northwest Indiana

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of the accompanying consolidated financial statements in conformity with U S generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the corresponding balance sheet dates and the reported amounts of revenue and expense for the reported periods Because such estimates are based upon information available at the time the estimates are made, subsequent changes in associated conditions and circumstances could cause actual results to differ from those estimates

2. Summary of Significant Accounting Policies (continued)

Cash Equivalents

Cash equivalents include highly liquid, short-term investments in securities, not limited as to use, with a maturity of three months or less from the purchase date

Patient Accounts Receivable

Patient accounts receivable (including resident accounts receivable from CVI) balances are stated at net realizable value based upon historical and expected collection patterns that consider the corresponding payor type, the length of time the receivable is outstanding, and other material factors impacting future collectability Patient accounts receivable balances are charged to the allowance for doubtful accounts as amounts are deemed uncollectible CFNI does not require collateral from patients in connection with provided health care services

Inventories

Inventories primarily consist of medical and other operating supplies and are stated at the lower of cost, based on the first-in, first-out method, or market

Assets Limited as to Use

Assets limited as to use consist primarily of investments internally designated by the Board of Directors for future capital replacement and expansion purposes, which the Board of Directors, at its sole discretion, may subsequently use for other purposes Investments limited as to use also include investments externally designated in connection with the terms of applicable debt agreements

Investments

CFNI's investments are designated as a trading portfolio This classification requires CFNI to recognize unrealized gains and losses on its investments in the consolidated statements of operations and changes in net assets Realized gains and losses on the sales of securities are included in investment income and other in the consolidated statements of operations and changes in net assets

2. Summary of Significant Accounting Policies (continued)

Investments in equity securities with readily determinable market values and all investments in debt securities are recorded at fair value based on quoted market prices Investment income from these investments is included in revenue in excess of expenses unless income or loss is restricted by donor or law

Land, Buildings, and Equipment

Land, buildings and related improvements, and equipment are stated at cost Depreciation and amortization expense is computed on the straight-line method based upon the estimated useful life of the corresponding asset The useful lives for land improvements range from 5 to 30 years Useful lives for buildings and related improvements range from 15 to 40 years or the term of the related lease, whichever is shorter The useful lives for equipment ranges from 3 to 20 years or the term of the equipment lease, whichever is shorter

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 Amounts capitalized are amortized over the useful life of the developed asset following substantial project completion and implementation During the year ended June 30, 2011, approximately $9,249 of costs incurred to develop internal-use computer software during the application development stage were capitalized related to a significant system-wide information technology and process standardization project, expected to be fully operational by October 1, 2011 The software was ready for its intended use at SMMC on February 1, 2011, and amortization expense related to the software project amounted to approximately $770 for the year ended June 30, 2011 Costs associated with this project were capitalized in accordance with Accounting Standards Codification (ASC) 350-40, *Internal-Use Software* This software is being acquired, internally developed, and modified to meet the entity's internal needs The project is anticipated to result in a transition to a common software product throughout the hospitals for various medical record, finance, and information technology processes In addition, certain costs of this project were and will continue to be expensed as incurred

Other Assets

Other assets consist of deferred costs, land held for future use, and goodwill recognized in connection with the transactions associated with Lake Park Surgicare, LLC Deferred costs principally consist of charges incurred in connection with the issuance of long-term debt

2. Summary of Significant Accounting Policies (continued)

Deferred issuance costs are amortized over the term to maturity of the associated financing using the straight-line method, which approximates the effective interest method Deferred costs at June 30, 2011 and 2010, amount to $5,889 and $6,331, respectively, and are reported net of accumulated amortization of $1,079 and $637 at June 30, 2011 and 2010, respectively

Goodwill

CFNI records goodwill arising from a business combination as the excess of purchase price and related costs over the fair value of identifiable tangible and intangible assets acquired and liabilities assumed Beginning in 2011, CFNI annually reviews, as of the first day of the fourth fiscal quarter, the carrying value of goodwill for impairment In addition, a goodwill impairment assessment is performed if an event occurs or circumstances change that would make it more likely than not that the fair value of a reporting unit is below its carrying amount Management has determined that each hospital is a reporting unit at which fair value is measured

Asset Impairment

CFNI periodically considers whether indicators of possible impairment are present and performs annual analyses to determine whether or not an impairment charge is warranted CFNI's impairment review is based on an estimate of the undiscounted cash flow at the lowest level for which identifiable cash flows exist Impairment occurs when the carrying value of the asset exceeds the estimated future undiscounted cash flows generated by the asset and the impairment is viewed as other than temporary When impairment is indicated, an impairment charge is recorded for the difference between the carrying value of the asset and its fair value at the time the impairment is identified Management has determined that there was no impairment of long-lived assets in either 2011 or 2010

2. Summary of Significant Accounting Policies (continued)

Employee Medical Claims Payable

CFNI provides its employees with medical benefits and self insures for any claims incurred through its health plans Medical claims payable represent the estimated liability for employee expenses associated with claims that were reported, but not paid, and claims that were incurred, but not reported, at the balance sheet dates Because the ultimate amounts paid in connection with medical claims are subject to the effects of trends in severity and frequency, considerable variability is inherent in determining the estimated liability for unpaid claims Accordingly, such estimates are continually analyzed and adjusted as additional experience develops or new information becomes known The effects of any adjustments made to the liability for unpaid claims are included in current operations The medical claims payable balances were $3,969 at June 30, 2011, and $4,056 at June 30, 2010, and are included in accrued expenses and other in the accompanying consolidated balance sheets Each health plan contains a maximum benefit payable for any individual within a lifetime The maximum benefit applies separately to each covered family member and terminates coverage when exhausted The Obligated Group is self-insured for employee health claims with a stop-loss limit of $350 per employee per occurrence and CVI is self-insured for employee health claims with a stop-loss limit of $75 per employee per occurrence

Interest Rate Swap

CVI has an interest rate-related derivative instrument, or interest rate swap agreement, to manage its exposure to fluctuations in interest rates associated with its variable rate long-term debt Management has determined that the interest rate swap agreement does not qualify for hedge accounting treatment, and as such, the change in fair value of the instrument is recognized as an unrealized gain or loss on the interest rate swap in the consolidated statements of operations and changes in net assets

2. Summary of Significant Accounting Policies (continued)

Deferred Revenue From Advance Fees

CVI offers a return of capital plan This plan provides for a refund of advance residency fees of 90% for double occupancy and 95% for single occupancy upon termination of the residency contract or death and reoccupancy of the vacated or a similar unit before amounts are required to be refunded CVI also offers reduced refundability of advance fee plans with alternative refund amounts of 70%, 50%, and 30% These plans offer a reduced refund of advance fee option with a lower monthly service fee CVI received $2,721 and $1,394 of deposits during 2011 and 2010, respectively CVI refunded residency fees of $2,432 and $1,922 during 2011 and 2010, respectively

The refundable amount of the residency fees paid in advance by residents of CVI under residency contracts is recorded as deferred revenue and is accreted to income using the straight-line method over the estimated life of the facility The balance of refundable residency fees at June 30, 2011 and 2010, is $17,889 and $18,063, respectively The related accretion at June 30, 2011 and 2010, is $4,364 and $3,959, respectively The nonrefundable portion of the residency fees paid in advance is recorded as deferred revenue and is accreted to income over the estimated life of the resident based on an actuarial valuation The balance of nonrefundable residency fees at June 30, 2011 and 2010, is $2,725 and $2,438, respectively The related accretion at June 30, 2011 and 2010, is $1,272 and $1,104, respectively

Obligation to Provide Future Services

CVI annually calculates the present value of the net cost of future services and the use of facilities to be provided to current residents and compares that amount with the balance of deferred revenue from admission fees If the present value of the net cost of future services and use of facilities to be provided to current residents exceeds the deferred revenue from admission fees, a liability (obligation to provide future services) is recorded with a corresponding charge to operations At June 30, 2011 and 2010, utilizing an annual discount rate of 4%, there was no such excess that required accrual

2. Summary of Significant Accounting Policies (continued)

Restricted Net Assets and Contributions

Temporarily and permanently restricted net asset classifications are used to differentiate resources, the use of which is restricted by donors or grantors to a specific time period or purpose, from resources on which no restrictions have been placed or that arise from the general operation of CFNI

Unconditional promises of others to contribute cash or other assets to CFNI are reported at fair value at the date the promises are made to the extent estimated to be collectible Contributions received with donor restrictions that limit the use of the contributed assets are reported as increases in temporarily or permanently restricted net assets When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose for which the contributed assets were restricted is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as net assets released from restriction used for operating purposes Net assets released from restriction that are used for the purchase of fixed assets or for capital purposes, in accordance with donor restrictions, are reported in the consolidated statements of operations and changes in net assets as net assets released from restriction used for capital purposes Net assets released from restrictions that are used for operating purposes are reported in the consolidated statements of operations and changes in net assets as other revenue

Resources restricted by donors or grantors for specific operating purposes are reported as other revenue to the extent they are expended within the same period Earnings on restricted resources, if also restricted by the donor, are reported as additions to temporarily restricted net assets until such amounts are expended as specified by the donor

Related-Party Transactions

CFNI purchases insurance, other professional and management services, and rents certain facilities and equipment, in the ordinary course of business, from companies owned by certain members of its Board of Directors and other related parties Expenses incurred related to these arrangements amounted to $20,686 in 2011 and $11,679 in 2010 No amounts were due from or to such parties at June 30, 2011 or 2010

2. Summary of Significant Accounting Policies (continued)

Net Patient and Resident Revenue

The hospitals and CVI have agreements with third-party payors that provide for payment in connection with services provided at amounts different from their established rates Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem amounts Net patient and resident revenue from patients, third-party payors, and others is reported at the estimated net realizable amounts for services rendered, including retroactive adjustments under reimbursement arrangements with third-party payors, which are subject to audit by administering agencies These adjustments are estimated and adjusted when final settlements are determined

Capitation Revenue

St Catherine Hospital, Inc provides services under a globally capitated managed Medicaid program Capitation program revenue represents amounts received from an Indiana Medicaid health maintenance organization (HMO) St Catherine Hospital, Inc provides certain medical care services to members of the HMO For these patients, this hospital recognizes prepaid capitation revenue each month during the period in which it is obligated to provide medical care services, which is typically one year Under the terms of these capitation agreements, St Catherine Hospital, Inc is obligated to provide specified medically necessary services to covered HMO members without regard to the underlying standard charges or actual costs of such services up to $100 per member Costs incurred in excess of this amount are reimbursed through reinsurance contracts at the rate of 80% of charges Under this capitation arrangement, this hospital assumes financial responsibility for the appropriate and effective utilization of hospital and other health care resources

Capitated program revenue reported under the program totaled $31,156 and $38,716 for the years ended June 30, 2011 and 2010, respectively At June 30, 2011 and 2010, this hospital recorded receivables under these arrangements amounting to $1,356 and $1,079, respectively, the amounts for which are included in prepaid expenses and other current assets Expenses incurred related to these arrangements amounted to $30,452 in 2011 and $37,427 in 2010 Liabilities estimated for associated incurred, but not reported claims, are actuarially determined based upon claims experience At June 30, 2011 and 2010, the recorded liabilities payable to third-parties were $3,402 and $4,387, respectively, and are included in accrued expenses and other in the accompanying consolidated balance sheets

2. Summary of Significant Accounting Policies (continued)

Rental Income

CFNI leases space to tenants in owned facilities Rental income is recorded when earned as a component of other income All leases are operating leases and do not contain upfront considerations

Revenue in Excess of Expenses

The consolidated statements of operations and changes in net assets include revenue in excess of expenses Changes in unrestricted net assets, which are excluded from revenue in excess of expenses, include pension-related changes other than net periodic pension cost, net assets released from restriction used for capital purposes, and other

Professional Liability

CFNI's medical malpractice coverage considers limitations in claims and damages prescribed by the Indiana Medical Malpractice Act, as amended (Act) The Act limits the amount of individual claims to $1,250 of which $1,000 would be paid by the State of Indiana Patient Compensation Fund (the Fund) and $250 by CFNI The Act also requires that health care providers meet certain requirements, including funding of the Fund and maintaining certain insurance levels CFNI has met these requirements and is a qualified provider under the Act, retaining risk of $250 per occurrence and up to $7,500 in the annual aggregate

CFNI maintains malpractice insurance coverage provided under a claims-made policy with coverage up to $250 per incident for primary professional liability for qualified self-insured hospitals with a $7,500 aggregate limit, and up to $250 per incident for primary professional liability for CFNI physicians and a $750 aggregate limit Should the claims-made policy be terminated, the hospitals have the option to purchase insurance for claims having occurred during its term, but reported subsequently

2. Summary of Significant Accounting Policies (continued)

Charity Care and Community Benefit

The hospitals provide health care services and other financial support to the communities they serve and focus on those individuals whose lifestyle behaviors put them at risk for disease and illness The hospitals provide services intended to benefit the poor, including persons who are uninsured or underinsured Charges foregone under the hospitals' policy were approximately $39,454 and $38,982 in 2011 and 2010, respectively Health care services to patients under government programs, such as Medicare and Medicaid, are also considered part of the benefit the hospitals provide to their community, since a significant portion of these services are reimbursed below cost

The hospitals also provide education for the community, including heart, cancer, maternal, child care, and health and wellness classes Most classes are provided free of charge in order to educate and enhance the quality of life for these individuals The Community Hospital also promotes physical education through its health and fitness facility, Fitness Pointe This facility houses the Community Hospital's outpatient physical therapy, occupational therapy, dietary counseling, cardiac rehabilitation, and other patient related programs

Reclassifications

Certain amounts in the 2010 consolidated financial statements have been reclassified to conform to the 2011 presentation The reclassifications had no effect on revenue in excess of expenses or on net assets previously reported

2. Summary of Significant Accounting Policies (continued)

Adoption of Accounting and Reporting Standards

In April 2009, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No 164, *Not for Profit Mergers and Acquisitions – including an amendment of FASB Statement No. 142.* This new guidance, which for CFNI became effective July 1, 2010, fundamentally changes accounting for mergers and acquisitions entered into by not-for-profit organizations Also, under the new guidance, goodwill and indefinite-lived intangible assets will no longer be amortized, but will continue to be evaluated for potential impairment The balance of goodwill, which was evaluated for impairment under the new guidance, at June 30, 2011, was $2,403

In January 2010, the FASB issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements* ASU 2010-06 amends ASC 820, *Fair Value Measurements and Disclosures*, to require a number of additional disclosures regarding fair value measurements These disclosures include the amounts of significant transfers between Level 1 and Level 2 of the fair value hierarchy and the reasons for these transfers, the reasons for any transfer in or out of Level 3, and information in the reconciliation of recurring Level 3 measurements about purchases, sales, issuances, and settlements on a gross basis as well as clarification on previous reporting requirements This new guidance is effective for the first reporting period, including interim periods, beginning after December 15, 2009, for all disclosures except the requirement to separately disclose purchases, sales, issuances, and settlements of recurring Level 3 measurements, which will be effective for CFNI in fiscal year 2012 CFNI adopted this guidance with the exception of the additional Level 3 disclosures in the first quarter of fiscal year 2011 The additional Level 3 disclosures will be effective for interim periods of CFNI beginning July 1, 2011

2. Summary of Significant Accounting Policies (continued)

Accounting and Reporting Standards Pending Adoption

In August 2010, the FASB issued ASU 2010-23, *Measuring Charity Care for Disclosures* This guidance clarifies and defines the calculation of charity care disclosed by not-for-profit entities This guidance is effective for fiscal years ending after December 15, 2010 This guidance will become effective on July 1, 2011, for CFNI and is not expected to impact the consolidated financial statements

In August 2010, the FASB issued ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries* This guidance requires that health care entities present anticipated insurance recoveries separately on the balance sheet from estimated liabilities for medical malpractice claims or similar contingent liabilities This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010 CFNI will adopt the new guidance in its first quarter of fiscal year 2012 and is currently evaluating the impact, if any, that the new guidance will have on the consolidated financial statements

In December 2010, the FASB issued ASU 2010-29, *Disclosure of Supplementary Pro-Forma Information for Business Combinations* ASU 2010-29 clarifies the disclosure requirement for pro-forma revenue and earnings for comparative current and prior reporting periods Pro-forma information should be disclosed as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior fiscal year only ASU 2010-29 also expands the disclosures to include a description of the nature and amount of material, non-recurring pro-forma adjustments directly attributable to the business combination(s) This guidance is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010, with early adoption permitted This guidance will be effective for CFNI beginning July 1, 2011

In July 2011, the FASB issued ASU 2011-07, *Health Care Entities (Topic 954): Presentation and Disclosures of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities (a consensus of the FASB Emerging Issues Task Force)* The amendments in this update require certain health care entities to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts) Additionally, those health care

2. Summary of Significant Accounting Policies (continued)

entities are required to provide enhanced disclosures about their policies for recognizing revenue and assessing bad debts The amendments also require disclosures of patient service revenue (net of contractual allowances and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts The amendments in ASU 2011-07 are effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011, with early adoption permitted The amendments to the presentation of the provision for bad debts related to patient service revenue in the statement of operations should be applied retrospectively to all prior periods presented The disclosures required by the amendments in ASU 2011-07 should be provided for the period of adoption and subsequent reporting periods CFNI is required to adopt the new guidance on July 1, 2012, and is currently evaluating the impact this guidance will have on the consolidated financial statements

3. Contractual Arrangements With Third-Party Payors

The hospitals and CVI provide care to certain patients and residents under Medicare and Medicaid reimbursement arrangements Services provided under those arrangements are paid at predetermined rates and/or reimbursable costs, as defined Reported costs and/or services provided under certain of the arrangements are subject to audit by the administering agencies Changes in Medicare and Medicaid programs and reduction in funding levels could have an adverse effect on the future amounts recognized as net patient and resident service revenue

Provision has been made in the consolidated financial statements for estimated contractual adjustments, representing the difference between the hospitals' and CVI's standard charges for services and the estimated payments to be received from third-party payors

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to varying interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted when final settlements are determined Changes in estimates that relate to prior years' payment arrangements, which resulted in an increase in revenue in excess of expenses, amounted to $2,233 and $2,256 for the years ended June 30, 2011 and 2010, respectively The hospitals' concentration of credit risk related to accounts receivable is limited due to the diversity of patients and payors

(In Thousands)

3. Contractual Arrangements With Third-Party Payors (continued)

The percentages of net patient service revenue and receivable applicable to Medicare, Medicaid, and managed care contractual arrangements for the years ended June 30 are as follows

	2011	2010
Net patient service revenue		
Medicare	**40%**	40%
Medicaid	**6**	6
Blue Cross	**24**	24
Other Managed Care	**19**	20
Welfare/Hospital Care for the Indigent/Self Pay	**8**	7
Other	**3**	3
	100%	100%

	2011	2010
Net patient account receivable		
Medicare	**24%**	29%
Medicaid	**8**	6
Blue Cross	**19**	16
Other Managed Care	**22**	19
Welfare/Hospital Care for the Indigent/Self Pay	**21**	25
Other	**6**	5
	100%	100%

(In Thousands)

3. Contractual Arrangements With Third-Party Payors (continued)

Under Indiana law (IC 12-15-16 (1-3)), health care providers qualifying as State of Indiana Medicaid Acute Disproportionate Share and Medicaid Safety Net Hospitals (DSH Providers) are eligible to receive Indiana Medicaid Disproportionate Share (State DSH) payments SCH qualified for State DSH for the state fiscal years ended June 30, 2011 and 2010 The amount of the State DSH funds are dependent upon regulatory approval by applicable agencies of the federal and state governments and is determined by the level, extent, and cost of uncompensated care (as defined) and various other factors State DSH payments made by the state of Indiana are paid according to its fiscal year, which ends on June 30, and are based upon the cost of uncompensated care provided by DSH Providers as well as the provider's Medicaid shortfall experienced during its fiscal year ended during the state's fiscal year

The following summary presents the effect of State DSH payments, according to the state's fiscal year to which the payments relate, on SCH's operating results for the years ended June 30, based upon the amount of State DSH payments recognized as revenue for the periods

	2011	2010
Revenue less than expenses, excluding State DSH revenue	**$ (19,354)**	$ (13,941)
Less State DSH revenue recognized relating to the state's fiscal year ended June 30		
2011	**11,932**	–
2010	–	12,000
Revenue less than expenses, as reported	**$ (7,422)**	$ (1,941)

A State DSH payment receivable balance of $12,000 is included in estimated settlements due from third-party payors in the consolidated balance sheet at June 30, 2010 No amounts receivable were recorded from the State DSH as of June 30, 2011

(In Thousands)

4. Assets Limited as to Use

The composition of assets limited as of use at June 30 is summarized as follows

	2011	2010
Cash and short-term investments	**$ 22,316**	$ 40,956
Equity securities		
Equity securities – consumer discretionary	**3,105**	1,436
Equity securities – energy	**3,112**	1,398
Equity securities – financial	**3,366**	2,306
Equity securities – health care	**3,379**	2,109
Equity securities – information technology	**5,191**	3,240
Equity securities – other equity investments	**9,054**	4,660
Total equity securities	**27,207**	15,149
U S government and agency obligations	**65,490**	76,907
Corporate and foreign bonds	**71,215**	115,124
Mutual fund – U S and international equities	**23,948**	17,727
Mutual fund – fixed income	**87,471**	20,133
Other fixed income investments	**1,982**	–
Total assets limited as to use	**$ 299,629**	$ 285,996

The presentation of assets limited as to use at June 30 is summarized as follows

	2011	2010
Assets limited as to use		
Internally designated investments	**$ 269,812**	$ 248,953
Externally designated investments	**29,817**	37,043

The composition of investment income and other in the consolidated statements of operations and changes in net assets for the years ended June 30 is as follows

	2011	2010
Dividend and interest income	**$ 9,651**	$ 9,264
Net realized gain on the sale of investments	**2,546**	2,893
Net change in unrealized gains/losses on investments	**8,024**	7,591
	$ 20,221	$ 19,748

(In Thousands)

4. Assets Limited as to Use (continued)

The presentation of investment income for the years ended June 30 is as follows

	2011	2010
Nonoperating		
Investment income and other	**$ 12,197**	$ 12,157
Net change in unrealized gains/losses on investments	**8,024**	7,591
	$ 20,221	$ 19,748

5. Fair Value Measurements

The carrying values of cash and cash equivalents, accounts receivable, estimated settlements due from/to third-party payors, prepaid expenses and other assets, accounts payable, accrued salaries and wages, and accrued expenses and other are reasonable estimates of their fair values due to the short-term nature of those financial instruments The estimated fair value of long-term debt based on quoted market prices for the same or similar issues was approximately $282,000 and $345,000 at June 30, 2011 and 2010, respectively

The methodologies used to determine the fair value of assets and liabilities reflect market participant objectives and are based on the application of a three-level valuation hierarchy that prioritizes observable market inputs over unobservable inputs The three levels are defined as follows

Level 1 Inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identified assets or liabilities

Level 2 Inputs to the valuation methodology include other quoted prices for similar assets or liabilities in active markets and inputs that are observable either directly or indirectly

Level 3 Inputs into the valuation methodology are unobservable, but reflect the assumptions market participants would use in pricing the asset or liability

(In Thousands)

5. Fair Value Measurements (continued)

Financial instruments measured at fair value on a recurring basis at June 30 are summarized as follows

	2011			
Assets Measured at Fair Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments				
Cash and short-term investments	$ 22,316	$ –	$ –	$ 22,316
Equity securities				
Equity securities – consumer discretionary	3,105	–	–	3,105
Equity securities – energy	3,112	–	–	3,112
Equity securities – financial	3,366	–	–	3,366
Equity securities – health care	3,379	–	–	3,379
Equity securities – information technology	5,191	–	–	5,191
Equity securities – other equity investments	9,054	–	–	9,054
Total equity securities	27,207	–	–	27,207
U S government and agency obligations	–	65,490	–	65,490
Corporate and foreign bonds	–	71,215	–	71,215
Mutual fund – U S and international equities	23,948	–	–	23,948
Mutual fund – fixed income	–	87,471	–	87,471
Other fixed income investments	–	1,982	–	1,982
Total assets measured at fair value	$ 73,471	$ 226,158	$ –	$ 299,629
As reported				
Internally designated assets limited as to use				$ 269,812
Externally designated assets limited as to use				29,817
				$ 299,629

(In Thousands)

5. Fair Value Measurements (continued)

	2010			
Assets Measured at Fair Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments				
Cash and short-term investments	$ 22,125	$ 18,831	$ –	$ 40,956
Equity securities				
Equity securities – consumer discretionary	1,436	–	–	1,436
Equity securities – energy	1,398	–	–	1,398
Equity securities – financial	2,306	–	–	2,306
Equity securities – health care	2,109	–	–	2,109
Equity securities – information technology	3,240	–	–	3,240
Equity securities – other equity investments	4,660	–	–	4,660
Total equity securities	15,149	–	–	15,149
U S government and agency obligations	23,460	53,447	–	76,907
Corporate and foreign bonds	5,925	109,199	–	115,124
Mutual fund – U S and international equities	17,727	–	–	17,727
Mutual fund – fixed income	–	20,133	–	20,133
Total assets measured at fair value	$ 84,386	$ 201,610	$ –	$ 285,996
As reported				
Internally designated assets limited as to use				$ 248,953
Externally designated assets limited as to use				37,043
				$ 285,996

5. Fair Value Measurements (continued)

Liabilities Measured at Fair Value	2011			
	Level 1	**Level 2**	**Level 3**	**Total**
Liabilities				
Fair value of interest rate swaps	**$ –**	**$ 716**	**$ –**	**$ 716**

	2010			
	Level 1	**Level 2**	**Level 3**	**Total**
Liabilities				
Fair value of interest rate swaps	$ –	$ 1,173	$ –	$ 1,173

The fair value of Level 1 investments is based on quoted market prices and is valued on a daily basis The fair value of Level 2 investments is based on a combination of quoted market prices of identical or similar securities and matrix pricing provided by third-party pricing services of investment securities having similar quality and maturities The fair value of the interest rate swap is based upon discounted cash flows adjusted for nonperformance risk The adjustment is based on bond pricing for equivalent credit-rated entities CFNI pays a fixed rate of 2 17% and receives cash flows based on the Securities Industry and Financial Markets Association swap index

CFNI's investments are exposed to various kinds and levels of risk Equity securities and equity mutual funds expose CFNI to market risk, performance risk, and liquidity risk Fixed income securities and fixed income mutual funds expose CFNI to interest rate risk, credit risk, and liquidity risk Market risk is the risk associated with major movements of the equity markets Performance risk is that risk associated with the corresponding issuer's operating performance As market interest rates change, the value of fixed income securities, including those with fixed interest rates, are affected Credit risk is the risk that the issuer of the security will not fulfill its obligations Liquidity risk is affected by the willingness of market participants to buy and sell particular securities Liquidity risk tends to be higher for equity securities issued by companies having relatively small capital structures Due to the volatility in the capital markets, there is a reasonable possibility of subsequent changes in fair value resulting in additional gains and losses in the near term

(In Thousands)

6. Land, Buildings, and Equipment

Land and land improvements, buildings and improvements, and equipment consist of the following at June 30

	2011	2010
Land	**$ 33,456**	$ 32,339
Buildings and components	**498,248**	480,429
Leasehold improvements	**4,269**	3,777
Furniture and equipment	**285,704**	252,268
Construction-in-progress	**21,148**	15,108
	842,825	783,921
Less allowances for depreciation	**440,411**	402,174
	$ 402,414	$ 381,747

During 2011 and 2010, CFNI capitalized $885 and $0, respectively, of interest expense

(In Thousands)

7. Long-Term Debt

Long-term debt, notes payable, and capital leases consist of the following at June 30

	2011	2010
Indiana Health Facility Financing Authority Hospital Revenue Bonds, Series 2001A, maturing in varying installments through 2031, bearing interest at fixed annual rates ranging from 5 5% to 6 375%	**$ 49,255**	$ 51,475
Indiana Health Facility Financing Authority Taxable Adjustable Rate Hospital Revenue Bonds, Series 2001B, maturing in varying installments through 2025, interest rate varies weekly based upon prevailing market conditions (0 18% at June 30, 2011, and 0 35% at June 30, 2010)	**19,615**	20,580
Indiana Health Facility Financing Authority Hospital Revenue Bonds, Series 2004A, maturing in varying installments through 2034, bearing interest at fixed annual rates ranging from 3 5% to 6 25%	**56,825**	57,655
Indiana Health and Educational Facility Financing Authority Variable Rate Demand Refunding Revenue Bonds, Series 2006A, maturing in varying installments through 2036, annual interest rate varies based on prevailing market conditions (ranging from 0 06% to 0 30%)	**21,040**	21,420
Indiana Health and Educational Facility Financing Authority Variable Rate Demand Revenue Bonds, Series 2006B, maturing in varying installments through 2036, annual interest rate varies based on prevailing market conditions (ranging from 0 06% to 0 30%)	**10,385**	10,385
Indiana Health and Educational Facility Financing Authority Hospital Revenue Bonds, Series 2007, maturing in varying installments through 2037, bearing interest at fixed annual rates ranging from 5 0% to 5 5%	**137,675**	150,535
Indiana Finance Authority Adjustable Rate Hospital Revenue Bonds, Series 2008, maturing in varying installments through 2029, interest rate varies weekly based upon prevailing market conditions (0 06% at June 30, 2011, and 0 3% at June 30, 2010)	**26,385**	27,370
$4,941 commercial loan dated December 18, 2008, interest charged at one-month LIBOR plus 2% (2 19% at June 30, 2011, and 2 35% at June 30, 2010) payable in fixed quarterly payments, maturing on January 1, 2014	**2,720**	3,708
Capital leases	**11,543**	1,412
	335,443	344,540
Less current portion of long-term debt, notes payable, and capital leases	**11,816**	7,348
Less unamortized bond discounts and premium	**389**	307
	$ 323,238	$ 336,885

7. Long-Term Debt (continued)

Effective October 17, 2001, the Indiana Facility Financing Authority (the Authority), on behalf of the Obligated Group, issued Hospital Revenue Bonds, Series 2001A, and Taxable Adjustable Rate Hospital Revenue Bonds, Series 2001B, in the principal amounts of $120,885 and $25,075, respectively Proceeds from the issuance of the bonds were used to pay or reimburse the Foundation for the costs associated with the change in membership interest involving St Mary Medical Center, Inc and St Catherine Hospital, Inc , the costs related to certain capital improvements at the Obligated Group members' facilities, and the costs associated with the issuance of the bonds

CFNI maintains an irrevocable letter-of-credit agreement with a bank, under the terms of which the bank agrees to make liquidity loans to the Obligated Group in the amount necessary to purchase the Series 2001B Bonds in the event the bonds are not remarketed At June 30, 2011, the maximum amount of the liquidity loan is limited to the outstanding principal amount of $19,615 plus accrued interest To the extent such loan is required to be made to the Obligated Group to purchase the bonds, the amount payable under the agreement becomes due upon expiration of the letter-of-credit, August 9, 2013

Effective April 8, 2004, the Authority, on behalf of the Obligated Group, issued Hospital Revenue Bonds, Series 2004A, in the principal amount of $60,000 Proceeds from the issuance of the bonds were used to reimburse the Foundation for costs incurred in connection with certain capital improvements at the Obligated Group members' facilities and to pay or reimburse the Foundation for costs associated with the issuance of the bonds

Effective in May 2006, the Authority, on behalf of CVI, issued Variable Rate Demand Refunding Revenue Bonds, Series 2006A (Series 2006A Bonds), in the principal amount of $22,525 The 2006A Bonds were used to refund the previously outstanding bonds

The Series 2006A Bonds were issued initially in the Floating Rate Mode Subsequently, CVI entered into a Swap Agreement with a bank to effectively fix CVI's interest rate with respect to the Series 2006A Bonds Under the original terms of the Swap Agreement, CVI paid the Swap Provider a fixed annual rate of 4 02% on the outstanding principal amount of the Series 2006A Bonds On June 1, 2011, CVI extended the Swap Agreement through May 31, 2015, for a fixed annual rate of 2 17% on the outstanding principal amount of the Series 2006A Bonds

7. Long-Term Debt (continued)

CVI has a letter-of-credit agreement with a bank under the terms of which the bank agrees to make liquidity loans to CVI in the amount necessary to purchase the Series 2006A Variable Rate Demand Revenue Bonds if not remarketed CVI's letter of credit is guaranteed by the Foundation The maximum amount of the liquidity loan would be the principal of $21,040 at June 30, 2011, plus accrued interest No amounts were drawn in the letter-of-credit agreement as of June 30, 2011 The liquidity loans are payable quarterly, commencing on the earlier of (A) the first such date to occur at least 365 days after the date of the liquidity drawing or (B) the termination date, May 31, 2015

Effective October 2006, the Authority, on behalf of CVI, issued Variable Rate Demand Revenue Bonds, Series 2006B (Series 2006B Bonds), in the principal amount of $10,385 The Series 2006B Bonds were used to finance the construction of the assisted living and memory support expansion

The Series 2006B Bonds were issued in the Floating Rate Mode CVI has a letter-of-credit agreement with a bank under the terms of which the bank agrees to make liquidity loans to CVI in the amount necessary to purchase the Series 2006B Variable Rate Demand Revenue Bonds if not remarketed CVI's letter of credit is guaranteed by the Foundation The maximum amount of the liquidity loan would be the principal of $10,385 at June 30, 2011, plus accrued interest No amounts were drawn in the letter-of-credit agreement as of June 30, 2011 The liquidity loans are payable quarterly, commencing on the earlier of (A) the first such date to occur at least 365 days after the date of the liquidity drawing or (B) the termination date, May 31, 2015

Effective June 28, 2007, the Authority, on behalf of the Obligated Group, issued Hospital Revenue Bonds, Series 2007, in the principal amount of $150,835 A portion of the proceeds from the issuance of the bonds, once deposited in an escrow account, was used in connection with a partial defeasence of the Series 2001A Bonds The remaining proceeds were used to reimburse the Foundation for costs related to certain capital improvements and the purchase of operating equipment at the Obligated Group members' facilities, to pay or reimburse the Foundation for costs associated with the issuance of the bonds, and to finance the future construction of projects and the purchase of additional operating equipment at the Obligated Group members' facilities

7. Long-Term Debt (continued)

Effective October 22, 2008, the Authority, on behalf of the Obligated Group, issued Adjustable Rate Hospital Revenue Bonds, Series 2008 in the principal amount of $27,370 Proceeds from the issuance of the bonds were used to finance the future construction of projects and purchase certain operating equipment at the Obligated Group members' facilities and to pay down the balance then outstanding under a revolving line of credit agreement

The Obligated Group has an irrevocable letter-of-credit agreement with a bank under the terms of which the bank has agreed to make a liquidity loans to the Obligated Group in the amount necessary to purchase the Series 2008 Bonds in the event the bonds are not remarketed At June 30, 2011, the maximum amount of the liquidity loan is the outstanding principal amount of $26,385, plus accrued interest To the extent such loan is required to be made to the Obligated Group to purchase the bonds, the amount payable under the agreement becomes due upon expiration of the letter-of-credit, October 21, 2014

The Foundation maintains a $40,000 revolving line of credit expiring August 23, 2013 The revolving line of credit bears interest the greater of (i) the bank's prime commercial rate, (ii) the bank's average rate per annum Federal Fund, and (iii) LIBOR plus 1 00% No amount was outstanding under the revolving credit line at June 30, 2011 or 2010

In February 2011, the Foundation acquired $12,700 of its Hospital Revenue Bonds Series 2007 in the open market for a purchase price of $11,011 As a result, the Foundation reduced the amount of its long-term debt by $12,700 and recognized a gain on the transaction in the amount of $1,649, net of associated bond premiums and the write-off of associated closing costs These bonds remain outstanding with CFNI as the owner of record These bonds are available for remarketing

The terms of certain loan agreements require that various amounts be held on deposit, that certain financial ratios be maintained, and that compliance with debt covenants, including restrictions involving asset transfers, the incurrence of additional debt, and other transactions, as well as maintenance of specified levels of insurance coverage, is maintained The bonds are collateralized by certain assets of the Obligated Group, totaling approximately $827 million at June 30, 2011

(In Thousands)

7. Long-Term Debt (continued)

Annual principal maturities of long-term debt and notes payable for each of the next five years, assuming remarketing of the Series 2001B, 2006, and Series 2008 Bonds, are as follows

2012	$ 11,234
2013	10,833
2014	10,727
2015	7,928
2016	7,761

The amount of interest paid during 2011 and 2010, net of amounts capitalized during 2011, was $15,476 and $18,918, respectively

8. Capital Lease Obligations

CFNI leases certain medical and operating equipment under various capital lease arrangements expiring through December 2015 Certain lease agreements, having initial terms up to five years, provide renewable options for additional periods Future minimum lease payments for the remaining terms of the lease agreements at June 30, 2011, are as follows

2012	$ 4,056
2013	3,445
2014	3,363
2015	983
2016 and thereafter	486
Total minimum lease payments	12,333
Less amount representing interest	796
Present value of net minimum lease payments	$ 11,537

Included in equipment are assets capitalized under lease agreements totaling approximately $18,575 and $4,865 at June 30, 2011 and 2010, respectively, with accumulated depreciation of approximately $3,768 and $3,005 at June 30, 2011 and 2010, respectively

9. Derivatives

CVI has an interest rate-related derivative instrument to manage its exposure on its variable rate debt instruments and does not enter into derivative instruments for any purpose other than risk management By using derivative financial instruments to manage the risk of change in interest rates, CVI exposes itself to credit risk and market risk Credit risk is the failure of the counterparty to perform under the terms of the derivative contracts When the fair value of a derivative contract is positive, the counterparty owes CVI, which creates credit risk for CVI When the fair value of a derivative contract is negative, CVI owes the counterparty

Market risk is the adverse effect on the value of a financial instrument that results from a change in interest rates The market risk associated with interest rate changes is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken Management also mitigates risk through periodic reviews of its derivative positions in the context of its total blended cost of capital

CVI maintains an interest rate swap program on its Series 2006A Variable Rate Demand Revenue Bonds These bonds expose CVI to variability in interest payments due to changes in interest rates Management believes that it is prudent to limit the variability of its interest payments To meet this objective and to take advantage of low interest rates, CVI entered into an interest rate swap agreement to manage fluctuations in cash flows resulting from interest rate risk The swap limits the variable rate cash flow exposure on the Variable Rate Demand Revenue Bonds to synthetically fixed cash flows

The notional amount under the interest rate swap agreement is reduced over the term of the respective agreement to correspond with the reduction in the outstanding bond series The following is a summary of the outstanding position under the interest rate swap agreement at June 30, 2011

Bond Series	Notional Amount	Maturity Date	Rate Paid	Rate Received
2006A	$ 21,040	May 31, 2015	2 17%	SIFMA*

*Securities Industry and Financial Markets Association swap index

(In Thousands)

9. Derivatives (continued)

Management has determined that the interest rate swap agreement associated with the Series 2006A Bonds does not qualify for hedge accounting treatment, and as such, the change in the fair value of the instrument is recognized as nonoperating as an unrealized gain (loss) on interest rate swap on the consolidated statements of operations and changes in net assets

The fair value of derivative instruments at June 30 is as follows

	Liability Derivatives		
	Balance Sheet Location	**2011**	**2010**
Derivative not designated as a hedging instrument	Noncurrent liabilities – Interest rate swap	**$ 716**	$ 1,173

The effect of the derivative instrument on the consolidated statements of operations and changes in net assets for the years ended June 30, 2011 and 2010, is as follows

	Statements of Operations and Changes in Net Assets Location	**Amount of Loss**	
		2011	**2010**
Derivative not designated as a hedging instrument	Swap differential payment	**$ (686)**	$ (719)
	Unrealized gain on interest rate swap	**456**	46
	Net loss on interest rate swap	**$ (230)**	$ (673)

10. Employee Benefit Plans

Defined-Benefit Plan

The Community Hospital maintains a defined-benefit pension plan that is principally limited to certain current and former employees of the Foundation and Community Hospital who were employed prior to January 1, 2003 This defined-benefit pension plan has been curtailed, and no new participants are permitted Pension benefits are actuarially determined based upon years of service and compensation of participants (as defined) Where applicable, the funding policy is to annually contribute the amount required to comply with applicable regulations under the Employee Retirement Income Security Act of 1974 (ERISA)

(In Thousands)

10. Employee Benefit Plans (continued)

CFNI recognizes the funded status of the defined-benefit pension plan, which is the difference between the fair value of plan assets and the projected benefit obligation at June 30 in the accompanying consolidated balance sheets

A summary of changes in the projected benefit obligation of the defined-benefit pension plan for the years ended June 30 is as follows

	2011	2010
Change in projected benefit obligation		
Benefit obligation at beginning of year	**$ 195,832**	$ 136,178
Service cost	**9,504**	7,037
Interest cost	**10,324**	9,188
Actuarial (gains) losses	**(2,556)**	51,299
Benefits paid	**(8,128)**	(7,870)
Projected benefit obligation at end of year	**$ 204,976**	$ 195,832
Accumulated benefit obligation	**$ 159,364**	$ 148,946

A summary of the changes in plan assets and the resulting funded status of the defined-benefit pension plan for the years ended June 30 is as follows

	2011	2010
Change in plan assets		
Plan assets at fair value at beginning of year	**$ 113,201**	$ 94,485
Actual return on plan assets	**21,364**	15,786
Employer contributions	**10,800**	10,800
Benefits paid	**(8,128)**	(7,870)
Plan assets at fair value at end of year	**$ 137,237**	$ 113,201
Unfunded status at end of year	**$ 67,739**	$ 82,631

Employer contributions made to the defined-benefit pension plan were paid from employer assets All benefits paid under the defined-benefit pension plan were paid from the plan's assets

(In Thousands)

10. Employee Benefit Plans (continued)

Items not yet recognized as a component of net periodic benefit cost at June 30 include the following

	2011	2010
Net actuarial loss	**$ 60,464**	$ 81,561
Prior service cost	**299**	394
	$ 60,763	$ 81,955

The estimated prior service cost and net loss that will be amortized from unrestricted net assets into net periodic benefit cost during the year ending June 30, 2012, are $95 and $4,110, respectively

The components of net periodic benefit cost and other amounts recognized in unrestricted net assets for the years ended June 30 are summarized as follows

	2011	2010
Net periodic benefit cost		
Service cost	**$ 9,269**	$ 7,037
Interest cost	**10,324**	9,188
Expected return on plan assets	**(9,084)**	(7,646)
Amortization of prior service cost	**95**	97
Amortization of net loss	**6,261**	2,861
	$ 16,865	$ 11,537

CFNI anticipates that contributions of $10,800 to plan assets will be made during 2012 from Obligated Group assets Expected employer benefit payments for the next five years are $9,409 in 2012, $10,521 in 2013, $12,286 in 2014, $12,381 in 2015, $13,314 in 2016, and $91,847 for the years 2017 through 2020

(In Thousands)

10. Employee Benefit Plans (continued)

Assumptions for the defined-benefit pension plan benefit costs and obligations as of and for the years ended June 30 are as follows

	2011	2010
Benefit costs		
Weighted-average discount rate	**5.40%**	6 90%
Assumed rate of return on assets	**8.00**	8 00
Rate of increase in future compensation	**4.00**	4 50
Benefit obligations		
Weighted-average discount rate	**5.48%**	5 40%
Rate of increase in future compensation	**4.00**	4 00

Assumption changes in the weighted-average discount rate reduced the projected benefit obligation at June 30, 2011, by $1,798

CFNI evaluates its assumptions regarding the estimated long-term rate of return on plan assets based on historical experience and future expectations of investment returns

The defined-benefit pension plan's target allocation and corresponding actual asset allocation percentages by major asset category at June 30 are as follows

Major Asset Category	Target Allocation	Actual Asset Allocation Percentage at June 30 2011	2010
Equity securities	65 00%	**57.05%**	62 68%
Debt securities	35 00	**42.95**	34 00
Cash equivalents	–	–	3 32
	100 00%	**100.00%**	100 00%

(In Thousands)

10. Employee Benefit Plans (continued)

Assets of the defined-benefit pension plan are invested solely for the benefit of plan beneficiaries and participants Investment decisions are made after giving appropriate consideration to prevailing facts and circumstances that a prudent person acting in a like capacity would use in a similar situation and follow the guidelines of the investment policy statement for the plan The plan diversifies its investments among various asset classes in order to reduce risk and enhance returns Long-term weightings for the plan of 45% large cap equity, 10% small cap equity, 10% international equity, and 35% fixed income are within the target asset allocation ranges The target ranges specified in the investment policy statement are 36% to 54% for large cap equity, 5% to 15% for small cap equity, 5% to 15% for international equity, and 28% to 42% for fixed income investments All investment returns are reviewed on an ongoing basis and evaluated with considerations focusing on performance of the individual investments, the ability to exceed the return of the appropriate benchmark index, and the ability to meet or exceed the median performance of a peer group of managers with similar styles of investing

The fair value of the defined-benefit pension plan's assets, based upon the three-tier fair value hierarchy, which prioritizes the inputs in measuring fair value (see Note 5), consists of the following investments at June 30

	2011			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 1,037	$	$ –	$ 1,037
U S small/mid cap growth equity collective trust	–	6,099	–	6,099
U S small/mid cap value equity collective trust	–	5,790	–	5,790
Non-U S core equity collective trust	–	20,899	–	20,899
Long duration investment grade fixed income collective trust	–	31,726	–	31,726
U S large cap passive equity collective trust	–	44,912	–	44,912
U S passive fixed income collective trust	–	7,835	–	7,835
Long duration passive fixed income collective trust	–	18,939	–	18,939
Total defined-benefit plan assets	$ 1,037	$ 136,200	$ –	$ 137,237

(In Thousands)

10. Employee Benefit Plans (continued)

	2010			
	Level 1	Level 2	Level 3	Total
U S government and agencies securities	$ 3,762	$ –	$ –	$ 3,762
Corporate bonds and other fixed income securities	38,483	–	–	38,483
U S and international equity securities	67,366	3,590	–	70,956
Total defined-benefit plan assets	$ 109,611	$ 3,590	$ –	$ 113,201

Fair value methodologies for Level 1 and Level 2 are consistent with the inputs described in Note 5

In 2011, CFNI changed its plan investment advisors and investment composition

Other Post-Retirement Benefit Plans

CFNI sponsors a deferred compensation plan under Internal Revenue Code 457 whereby employees are allowed to defer income taxation on retirement savings into future years Participants are allowed to contribute income through salary reductions up to the allowed limit ($16 5 in both 2011 and 2010) Contributions to the plan and earnings on the retirement income are tax deferred As of June 30, 2011 and 2010, participant contributions amounted to $1,637 and $1,384, respectively, and are included in accrued expenses

Defined-Contribution Plans

CFNI sponsors a noncontributory, defined-contribution plan covering substantially all eligible employees of St Mary Medical Center, Inc and St Catherine Hospital, Inc hired prior to January 1, 2003 Total benefit plan expense recognized for this plan amounted to approximately $3,118 and $3,390 in 2011 and 2010, respectively

CFNI sponsors a defined-contribution plan covering substantially all eligible Obligated Group employees hired on or after January 1, 2003 There are three types of employer contributions under this plan fixed retirement, discretionary, and matching The contributions are described and provided to eligible employees as defined in the plan document Plan expenses were $4,941 and $3,459 in 2011 and 2010, respectively

(In Thousands)

11. Lease and Operating Commitments

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

Year ending June 30		
2012	$	6,887
2013		2,820
2014		1,324
2015		834
2016		563
Thereafter		1,048
Total	$	13,476

CFNI recorded a loss on early extinguishment of an operating lease in 2011 that amounted to $1,830

CFNI incurred rental expenses of $12,083 and $6,709 in 2011 and 2010, respectively

12. Litigation

CFNI is from time to time subject to claims and litigation arising in the ordinary course of business CFNI intends to vigorously defend any such litigation that may arise under all defenses that would be available to CFNI In the opinion of management, the ultimate outcome of proceedings of which management is aware will not have a material effect on the consolidated financial position or results of operations of CFNI

On or about July 23, 2010, CFNI was notified that the Civil Division of the Department of Justice (DOJ) was conducting a civil investigation regarding allegations made in a qui tam lawsuit filed under seal On September 30, 2011, the court lifted the seal on the lawsuit, which alleges that Community Hospital violated the Federal False Claims Act related to the use of certain types of cardiac pacemakers and automatic implantable cardioverter defibrillators The court lifted the seal to allow the DOJ to intervene with respect to certain limited allegations for the purposes of finalizing a settlement with Community Hospital on these limited matters The DOJ has declined to intervene or take any further action on any other allegations in the original lawsuit The relators may choose to pursue the other allegations in the lawsuit without the DOJ At this time, management cannot determine what impact, if any, this lawsuit will have on the consolidated financial statements of CFNI

12. Litigation (continued)

On or about August 24, 2011, Community Hospital was notified that the U S Attorney's Office for the Western District of New York is conducting a civil investigation regarding Community Hospital One of the investigators indicated that the investigation pertains to admission status and related matters pertaining to the performance of certain cardiology procedures At this time, management cannot determine what impact, if any, this investigation will have on the consolidated financial statements of CFNI

13. Subsequent Events

CFNI evaluated events and transactions occurring subsequent to June 30, 2011 through October 19, 2011, the issuance date of these consolidated financial statements During this period, it is management's determination that there were no subsequent events requiring recognition that have not been recorded in the accompanying consolidated financial statements, and no subsequent events requiring disclosure that have not been incorporated elsewhere within these consolidated financial statements

Other Financial Information

Report of Independent Auditors on Other Financial Information

The Board of Directors
Community Foundation of Northwest Indiana, Inc

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole The following other financial information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements of Community Foundation of Northwest Indiana, Inc and Subsidiaries Such information has been subjected to the auditing procedures applied in our audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole

Ernst & Young LLP

October 19, 2011

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Details of Consolidated Balance Sheet

(In Thousands)

June 30, 2011

	Consolidated	Eliminations	Community Foundation of Northwest Indiana Obligated Group	Community Cancer Research Foundation, Inc.	Community Resources, Inc.	Community Village, Inc.	Ridgewood Arts Foundation, Inc.	CVPA Holding Corporation
Assets								
Current assets								
Cash and cash equivalents	$ 40,895	$ –	$ 38,060	$ 270	$ 62	$ 2,065	$ 294	$ 144
Patient accounts receivable, net	96,933	–	96,316	–	–	617	–	–
Due from affiliates	–	(310)	20	–	–	–	4	286
Estimated settlements due from third-party payors	702	–	702	–	–	–	–	–
Inventories	17,555	–	17,543	–	12	–	–	–
Prepaid expenses and other current assets	11,008	–	9,472	555	456	426	90	9
Total current assets	167,093	(310)	162,113	825	530	3,108	388	439
Assets limited as to use								
Internally designated investments	269,812	–	256,888	–	–	12,924	–	–
Externally designated investments	29,817	–	29,115	–	–	702	–	–
Land, buildings and improvements, equipment, and construction-in-progress, net	402,414	–	359,678	16	173	36,379	–	6,168
Other assets	19,934	(3,771)	14,989	–	7,928	788	–	–
Investment in affiliates	–	(4,254)	4,104	–	–	–	150	–
Total assets	$ 889,070	$ (8,335)	$ 826,887	$ 841	$ 8,631	$ 53,901	$ 538	$ 6,607

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Details of Consolidated Balance Sheet (continued)

	Consolidated	Eliminations	Community Foundation of Northwest Indiana Obligated Group	Community Cancer Research Foundation, Inc.	Community Resources, Inc.	Community Village, Inc.	Ridgewood Arts Foundation, Inc.	CVPA Holding Corporation
Liabilities and net assets								
Current liabilities								
Accounts payable	$ 27,892	$ (3)	$ 26,267	$ 6	$ 1,094	$ 490	$ 21	$ 17
Accrued salaries, wages, and benefits	46,557	–	45,921	–	5	580	51	–
Accrued expenses and other	24,692	–	23,206	6	105	869	483	23
Estimated settlements due to third-party payors	4,461	–	4,461	–	–	–	–	–
Due to affiliates	–	(307)	–	12	295	–	–	–
Current portion of long-term debt and capital leases	11,816	–	10,228	–	988	600	–	–
Total current liabilities	115,418	(310)	110,083	24	2,487	2,539	555	40
Noncurrent liabilities								
Long-term debt and capital leases, less current portion	323,238	–	290,681	–	1,732	30,825	–	–
Interest rate swap	716	–	–	–	–	716	–	–
Deferred revenue from advance fees	14,978	–	–	–	–	14,978	–	–
Pension liability	67,739	–	67,739	–	–	–	–	–
Other long-term liabilities	1,081	–	1,081	–	–	–	–	–
Total noncurrent liabilities	407,752	–	359,501	–	1,732	46,519	–	–
Total liabilities	523,170	(310)	469,584	24	4,219	49,058	555	40
Net assets								
Unrestricted	364,366	(8,025)	355,902	762	4,412	4,843	(95)	6,567
Temporarily restricted	1,432	–	1,299	55	–	–	78	–
Permanently restricted	102	–	102	–	–	–	–	–
Total net assets	365,900	(8,025)	357,303	817	4,412	4,843	(17)	6,567
Total liabilities and net assets	$ 889,070	$ (8,335)	$ 826,887	$ 841	$ 8,631	$ 53,901	$ 538	$ 6,607

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets

(In Thousands)

Year Ended June 30, 2011

	Consolidated	Eliminations	Community Foundation of Northwest Indiana Obligated Group	Community Cancer Research Foundation, Inc	Community Resources, Inc	Community Village, Inc	Ridgewood Arts Foundation, Inc	CVPA Holding Corporation
Revenue								
Net patient and resident service revenue	$ 755 184	$ –	$ 737 348	$ –	$ –	$ 17 836	$ –	$ –
Capitation program revenue	31 156	–	31 156	–	–	–	–	–
Other revenue	20 246	(236)	16 902	1 230	374	116	1 485	375
Total operating revenue	806 586	(236)	785 406	1 230	374	17 952	1 485	375
Expense								
Salaries and wages	312 262	–	303 776	180	78	6 926	1 111	191
Employee benefits	82 956	–	80 867	41	14	1 659	265	110
Medical fees	5 089	–	5 089	–	–	–	–	–
Medical and other supplies	157 504	–	155 493	18	5	1 732	147	109
Outside services	74 203	–	72 154	174	78	1 500	208	89
Interest expense	15 936	–	15 394	–	7	499	36	–
Provision for uncollectible accounts	33 422	–	33 422	–	–	–	–	–
Depreciation and amortization	45 829	–	43 476	2	8	2 035	–	308
Loss on early termination of leases	1 830	–	1 830	–	–	–	–	–
Other expense	65 906	(236)	63 252	464	272	1 695	278	181
Total expense	794 937	(236)	774 753	879	462	16 046	2 045	988
Net operating income (loss)	11 649	–	10 653	351	(88)	1 906	(560)	(613)
Nonoperating								
Investment income and other	12 197	–	11 465	–	–	732	–	–
Gain on early extinguishment of debt	1 649	–	1 649	–	–	–	–	–
Net change in unrealized gains losses on investments	8 024	–	7 474	–	–	550	–	–
Net loss on interest rate swap	(230)	–	–	–	–	(230)	–	–
Total nonoperating	21 640	–	20 588	–	–	1 052	–	–
Revenue in excess of (less than) expenses before adjustment for minority members' interest in net income of subsidiaries	33 289	–	31 241	351	(88)	2 958	(560)	(613)
Adjustment for minority members' interest in net income of subsidiaries	–	–	–	–	–	–	–	–
Revenue in excess of (less than) expense	33 289	–	31 241	351	(88)	2 958	(560)	(613)

Community Foundation of Northwest Indiana, Inc. and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets (continued)

(In Thousands)

	Consolidated	Eliminations	Community Foundation of Northwest Indiana Obligated Group	Community Cancer Research Foundation, Inc	Community Resources, Inc	Community Village, Inc	Ridgewood Arts Foundation, Inc	CVPA Holding Corporation
Unrestricted net assets								
Revenue in excess of (less than) expense	$ 33,289	$ –	$ 31,241	$ 351	$ (88)	$ 2,958	$ (560)	$ (613)
Pension-related changes other than periodic pension cost	21,192	–	21,192	–	–	–	–	–
Other changes in unrestricted net assets								
Net assets transferred (from) to affiliates	–	(475)	(728)	–	1,131	(1,000)	513	559
Net assets released from restriction used for capital purposes	157	–	157	–	–	–	–	–
Other	(732)	(732)	–	–	–	–	–	–
Increase (decrease) in unrestricted net assets	53,906	(1,207)	51,862	351	1,043	1,958	(47)	(54)
Temporarily restricted net assets								
Restricted contributions	1,267	–	974	248	–	–	45	–
Investment income	–	–	–	–	–	–	–	–
Net assets released from restriction used for capital and operating purposes	(1,050)	–	(807)	(232)	–	–	(11)	–
Increase in temporarily restricted net assets	217	–	167	16	–	–	34	–
Increase (decrease) in net assets	54,123	(1,207)	52,029	367	1,043	1,958	(13)	(54)
Net assets at the beginning of the period	311,777	(6,819)	305,276	449	3,369	2,885	(4)	6,621
Net assets at the end of the period	$ 365,900	$ (8,026)	$ 357,305	$ 816	$ 4,412	$ 4,843	$ (17)	$ 6,567

Community Foundation of Northwest Indiana Obligated Group

Details of Combined Balance Sheet

(In Thousands)

June 30, 2011

	Combined	Eliminations	Community Foundation of Northwest Indiana, Inc.	Munster Medical Research Foundation, Inc. – The Community Hospital	St. Catherine Hospital, Inc.	St. Mary Medical Center, Inc.
Assets						
Current assets						
Cash and cash equivalents	$ 38,060	$ –	$ 4,886	$ 19,004	$ 5,779	$ 8,391
Patient accounts receivable, net	96,316	(2,213)	–	54,443	15,811	28,275
Due from affiliates	20	(20,066)	20,086	–	–	–
Estimated settlements due from third-party payors	702	–	–	–	–	702
Inventories	17,543	–	–	8,454	4,321	4,768
Prepaid expenses and other current assets	9,472	–	2,790	2,442	2,857	1,383
Total current assets	162,113	(22,279)	27,762	84,343	28,768	43,519
Assets limited as to use						
Internally designated investments	256,888	–	256,290	598	–	–
Externally designated investments	29,115	–	29,115	–	–	–
Land, buildings, equipment, and construction-in-progress, net	359,678	–	82,162	161,419	26,100	89,997
Other assets	14,989	–	12,586	–	–	2,403
Investment in unconsolidated affiliates	4,104	–	4,038	–	–	66
Total assets	$ 826,887	$ (22,279)	$ 411,953	$ 246,360	$ 54,868	$ 135,985

Community Foundation of Northwest Indiana Obligated Group

Details of Combined Balance Sheet (continued)

	Combined	Eliminations	Community Foundation of Northwest Indiana, Inc.	Munster Medical Research Foundation, Inc. – The Community Hospital	St. Catherine Hospital, Inc.	St. Mary Medical Center, Inc.
Liabilities and net assets						
Current liabilities						
Accounts payable	$ 26,267	$ –	$ 6,994	$ 13,042	$ 2,093	$ 4,138
Accrued salaries, wages, and benefits	45,921	–	5,174	23,005	8,379	9,363
Accrued expenses	23,206	(2,213)	7,872	6,357	6,834	4,356
Estimated settlements due to third-party payors	4,461	–	–	3,895	566	–
Due to affiliates	–	(20,066)	–	8,378	3,769	7,919
Current portion of long-term debt	10,228	–	9,334	465	37	392
Total current liabilities	110,083	(22,279)	29,374	55,142	21,678	26,168
Noncurrent liabilities						
Long-term debt, less current portion	290,681	–	290,274	–	55	352
Pension liability	67,739	–	–	67,739	–	–
Other long-term liabilities	1,081	–	–	432	601	48
Total noncurrent liabilities	359,501	–	290,274	68,171	656	400
Total liabilities	469,584	(22,279)	319,648	123,313	22,334	26,568
Net assets						
Unrestricted	355,902	–	91,926	122,422	32,318	109,236
Temporarily restricted	1,299	–	379	523	216	181
Permanently restricted	102	–	–	102	–	–
Total net assets	357,303	–	92,305	123,047	32,534	109,417
Total liabilities and net assets	$ 826,887	$ (22,279)	$ 411,953	$ 246,360	$ 54,868	$ 135,985

Community Foundation of Northwest Indiana Obligated Group

Details of Combined Statement of Operations and Changes in Net Assets

(In Thousands)

Year Ended June 30, 2011

	Combined	Eliminations	Community Foundation of Northwest Indiana, Inc.	Munster Medical Research Foundation, Inc. – The Community Hospital	St. Catherine Hospital, Inc.	St. Mary Medical Center, Inc.
Revenue						
Net patient service revenue	$ 737,348	$ (6,193)	$ –	$ 421,633	$ 125,337	$ 196,571
Capitation program revenue	31,156	–	–	–	31,156	–
Other revenue	16,902	(2,188)	3,226	11,139	3,258	1,467
Total operating revenue	785,406	(8,381)	3,226	432,772	159,751	198,038
Expense						
Salaries and wages	303,776	–	22,149	160,696	57,422	63,509
Employee benefits	80,867	–	2,767	47,234	15,073	15,793
Medical fees	5,089	–	–	1,681	2,612	796
Medical and other supplies	155,493	–	1,276	86,592	21,874	45,751
Corporate allocations	–	–	–	–	–	–
Outside services	72,154	(19)	(37,191)	56,717	21,656	30,991
Interest expense	15,394	–	8,811	726	1,942	3,915
Provision for uncollectible accounts	33,422	–	–	15,637	8,953	8,832
Depreciation and amortization	43,476	–	9,297	20,300	5,389	8,490
Loss on early termination of leases	1,830	–	1,830	–	–	–
Other expense	63,252	(8,362)	6,011	22,297	32,333	10,973
Total expense	774,753	(8,381)	14,950	411,880	167,254	189,050
Net operating income (loss)	10,653	–	(11,724)	20,892	(7,503)	8,988
Nonoperating						
Investment income and other	11,465	–	10,877	346	81	161
Gain on early extinguishment of debt	1,649	–	1,649	–	–	–
Net change in unrealized gains losses on investments	7,474	–	7,487	(13)	–	–
Total nonoperating	20,588	–	20,013	333	81	161
Revenue in excess of (less than) expense	31,241	–	8,289	21,225	(7,422)	9,149

Community Foundation of Northwest Indiana Obligated Group

Details of Combined Statement of Operations and Changes in Net Assets (continued)

	Combined	Eliminations	Community Foundation of Northwest Indiana, Inc.	Munster Medical Research Foundation, Inc. – The Community Hospital	St. Catherine Hospital, Inc.	St. Mary Medical Center, Inc.
Unrestricted net assets						
Revenue in excess of (less than) expense	$ 31,241	$ –	$ 8,289	$ 21,225	$ (7,422)	$ 9,149
Other changes in unrestricted net assets						
Pension-related changes other than net periodic pension cost	21,192	–	–	21,192	–	–
Net assets transferred (to) from affiliates	(728)	–	37,978	(42,501)	3,663	132
Net assets released from restriction used for capital purposes	157	–	–	–	85	72
Other	–	–	–	–	–	–
Increase (decrease) in unrestricted net assets	51,862	–	46,267	(84)	(3,674)	9,353
Temporarily restricted net assets						
Restricted contributions	974	–	142	521	186	125
Investment income	–	–	–	–	–	–
Net assets released from restriction used for capital and operating purposes	(807)	–	(152)	(377)	(150)	(128)
Increase (decrease) in temporarily restricted net assets	167	–	(10)	144	36	(3)
Increase (decrease) in net assets	52,029	–	46,257	60	(3,638)	9,350
Net assets at the beginning of the period	305,276	–	46,048	122,987	36,174	100,067
Net assets at the end of the period	$ 357,305	$ –	$ 92,305	$ 123,047	$ 32,536	$ 109,417

Ridgewood Arts Foundation, Inc.

Balance Sheets
(In Thousands)

	June 30, 2011	June 30, 2010
Assets		
Current assets		
Cash and cash equivalents	**$ 294**	$ 147
Due from affiliates	**4**	5
Prepaid expenses and other current assets	**90**	199
Total current assets	**388**	351
Investment in unconsolidated affiliates	**150**	150
Total assets	**$ 538**	$ 501
Liabilities and deficiency in net assets		
Current liabilities		
Accounts payable	**$ 21**	$ 11
Accrued salaries, wages, and benefits	**51**	59
Accrued expenses	**483**	434
Due to affiliate	**–**	1
Total current liabilities	**555**	505
Deficiency in net assets		
Deficiency in unrestricted net assets	**(95)**	(51)
Temporarily restricted	**78**	47
Total deficiency in net assets	**(17)**	(4)
Total liabilities and deficiency in net assets	**$ 538**	$ 501

Ridgewood Arts Foundation, Inc.

Statements of Operations and
Changes in Net Assets
(In Thousands)

	Year Ended June 30, 2011	2010
Revenue		
Ticket sales	**$ 1,317**	$ 1,405
Other revenue	**168**	266
Total operating revenue	**1,485**	1,671
Expense		
Salaries and wages	**1,111**	1,052
Employee benefits	**265**	274
Supplies	**147**	181
Outside services	**208**	208
Interest expense	**36**	42
Other expense	**278**	418
Total operating expense	**2,045**	2,175
Net operating loss	**(560)**	(504)
Nonoperating		
Investment income and other	–	1
Total nonoperating	–	1
Revenue less than expense	**(560)**	(503)
Net assets transferred from affiliates	**513**	510
(Decrease) increase in unrestricted net assets	**(47)**	7
Temporarily restricted net assets		
Restricted contributions	**45**	22
Net assets released from restriction used for operating purposes	**(11)**	(7)
Increase in temporarily restricted net assets	**34**	15
(Decrease) increase in net assets	**(13)**	22
Deficiency in net assets at beginning of year	**(4)**	(24)
Deficiency in net assets at end of year	**$ (17)**	$ (2)

See accompanying notes.

Ridgewood Arts Foundation, Inc.

Statements of Cash Flows
(In Thousands)

	Year Ended June 30, 2011	2010
Operating activities		
Change in net assets	**$ (14)**	$ 20
Adjustments to reconcile change in net assets to net cash used in operating activities		
Transfers from affiliates	**(513)**	(510)
Restricted contributions and gains on investments, net of assets released from restriction	**(31)**	(15)
Changes in operating assets and liabilities		
Prepaid expenses and other assets	**111**	(41)
Accounts payable, accrued salaries and wages, accrued expenses, and other current liabilities	**50**	(51)
Net cash used in operating activities	**(397)**	(597)
Financing activities		
Transfers from affiliates	**513**	510
Proceeds from restricted contributions and gains on investments, net of assets released from restriction	**31**	15
Net cash provided by financing activities	**544**	525
Net increase (decrease) in cash and cash equivalents	**147**	(72)
Cash and cash equivalents at beginning of year	**147**	219
Cash and cash equivalents at end of year	**$ 294**	$ 147

See accompanying notes.

Ridgewood Arts Foundation, Inc.

Supplemental Note to Financial Statements

Years Ended June 30, 2011 and 2010

Organization and Description of Business

Community Foundation of Northwest Indiana, Inc (CFNI) is the sole member of Ridgewood Arts Foundation, Inc (RAF) CFNI and RAF own the outstanding shares of capital stock issued by Community Resources, Inc (CRI), a for-profit taxable entity RAF accounts for its investment in CRI under the cost method CFNI and RAF are tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code

RAF is organized to support the Center for Visual and Performing Arts (the Arts Center) and to promote the cultural, educational, and charitable community of Northwest Indiana The Arts Center consists of banquet facilities, a theater, an art gallery, and meeting rooms

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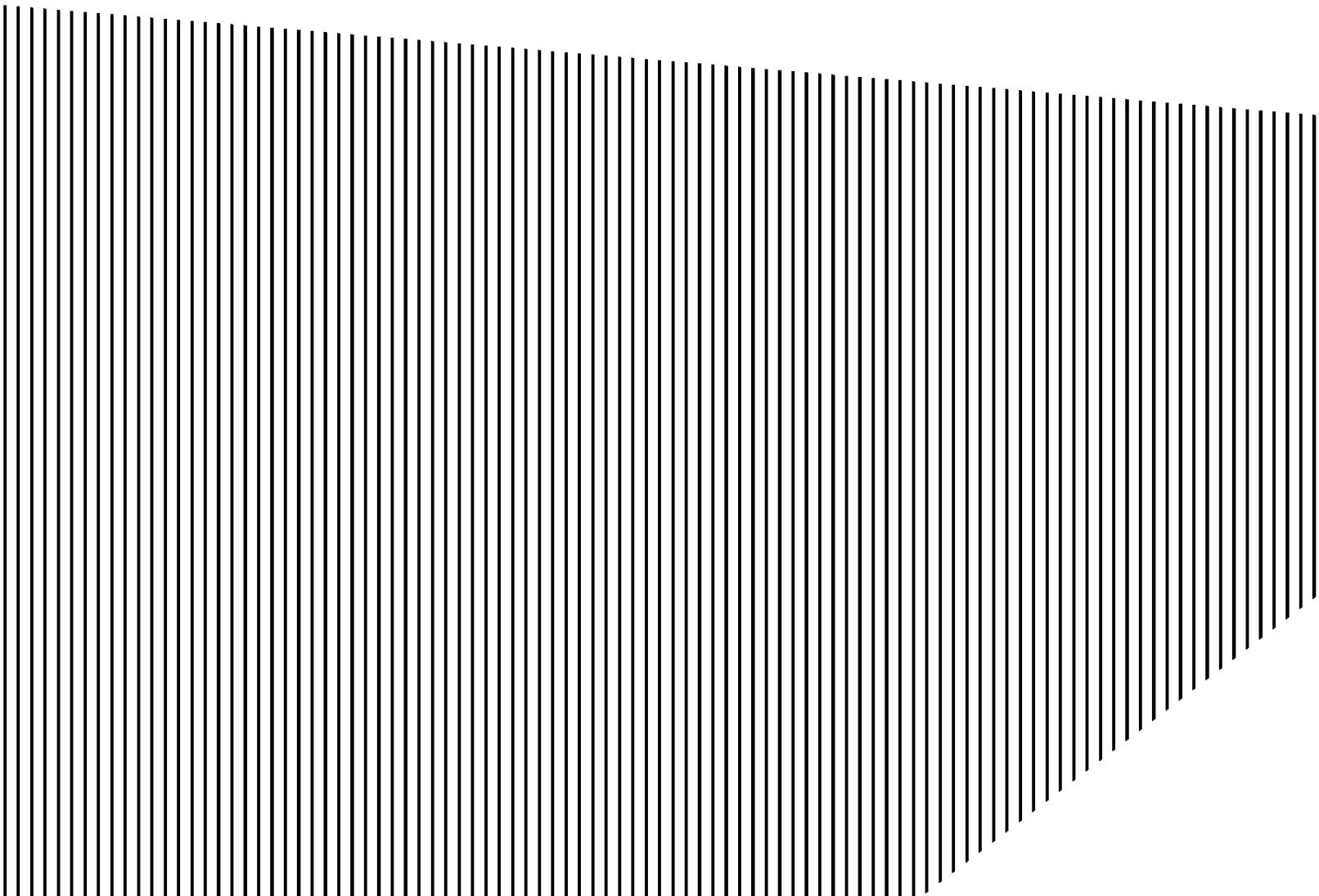

Additional Data

Software ID:
Software Version:
EIN: 35-1107009
Name: Munster Medical Research Foundation Inc

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
David W Wickland President	1 0	X		X				30,000	46,333	0
Joseph T Morrow Vice President, Director	1 0	X		X				0	11,200	0
Richard S McClaughry Secretary	1 0	X		X				0	59,333	0
David A Bochnowski Treasurer	1 0	X		X				0	16,200	0
Thomas A Brubaker MD Director	1 0	X						0	0	0
Steven G Chovanec Director	1 0	X						0	0	0
Eric Compton DDS Director	1 0	X						0	0	0
Frankie L Fesko Director	1 0	X						30,000	76,731	0
William A Hasse III Director	1 0	X						0	6,000	0
Robert L Lichtfield DO Director	1 0	X						0	0	0
Donna Panich Director	1 0	X						0	0	0
Donald S Powers Director	1 0	X						0	1,272,335	55,994
Hon James J Richards Director	1 0	X						30,000	46,333	0
SN Makam MD Director	1 0	X						0	0	0
William K Schenck Director	1 0	X						0	31,733	0
M Nabil Shabeeb MD Director	1 0	X						0	22,000	0
Jay L Zandstra Director	1 0	X						0	6,000	0
Nitin S Sardesai MD Director	1 0	X						600	0	0
Donald P Fesko Hospital Administrator	40 0	X		X				0	561,660	30,798
Mark Levin MD Director	40 0	X						1,131,630	0	27,404
Gayle Parr Director	1 0	X						0	0	0
Donald Torrenga Director	1 0	X						0	37,031	0
Luis Molina Chief Financial Officer	40 0			X				526,744	0	48,278
Ronda McKay Chief Nursing Officer	40 0				X			270,688	0	9,914
David Nellans VP Engineering	40 0				X			228,480	0	57,553

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Richard Berkowitz MD Anesthesiologist	40.0					X		549,925	0	69,517
Krishnarao Pinnamaneni MD PHYSICIAN	40.0					X		452,874	0	57,136
WAYEL KAAKAJI PHYSICIAN	40.0					X		600,158	0	123
DOUGLAS DEDELOW PHYSICIAN	40.0					X		505,407	15,792	29,020
JOHN HOEHN PHYSICIAN	40.0					X		476,557	0	24,016

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services

(Code Audiology	) (Expenses $	428,868	including grants of $	) (Revenue $	)
(Code Central Sterilization	) (Expenses $	5,254,566	including grants of $	) (Revenue $	)
(Code Central Supply	) (Expenses $	2,821,437	including grants of $	) (Revenue $	)
(Code CVU	) (Expenses $	3,063,623	including grants of $	) (Revenue $	)
(Code Dietary	) (Expenses $	9,414,126	including grants of $	) (Revenue $	)
(Code EEG	) (Expenses $	411,118	including grants of $	) (Revenue $	)
(Code Emergency Room	) (Expenses $	11,362,687	including grants of $	) (Revenue $	)
(Code Medically Based Fitness Center	) (Expenses $	696,348	including grants of $	) (Revenue $	)
(Code Health Information Management	) (Expenses $	8,050,730	including grants of $	) (Revenue $	)
(Code Home Health	) (Expenses $	4,646,627	including grants of $	) (Revenue $	)
(Code ICU/CCU	) (Expenses $	5,968,325	including grants of $	) (Revenue $	)
(Code IMCU	) (Expenses $	14,796,855	including grants of $	) (Revenue $	)
(Code Laboratory	) (Expenses $	20,478,712	including grants of $	) (Revenue $	)
(Code Medical Staff	) (Expenses $	1,509,410	including grants of $	) (Revenue $	)
(Code Neonatology	) (Expenses $	4,957,401	including grants of $	) (Revenue $	)

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services

(Code)	(Expenses $	3,093,083	including grants of $	) (Revenue $	)
Noninvasive Cardiology					
(Code)	(Expenses $	2,769,527	including grants of $	) (Revenue $	)
Nuclear Medicine					
(Code)	(Expenses $	11,461	including grants of $	) (Revenue $	)
Occupational Health					
(Code)	(Expenses $	2,694,415	including grants of $	) (Revenue $	)
Occupational Therapy					
(Code)	(Expenses $	6,539,881	including grants of $	) (Revenue $	)
Oncology					
(Code)	(Expenses $	7,082,434	including grants of $	) (Revenue $	)
Patient Financial and Registration Services					
(Code)	(Expenses $	9,737,735	including grants of $	) (Revenue $	)
Physical Therapy					
(Code)	(Expenses $	24,732,169	including grants of $	) (Revenue $	)
Physician Offices					
(Code)	(Expenses $	14,197,516	including grants of $	) (Revenue $	)
Radiology					
(Code)	(Expenses $	5,462,452	including grants of $	) (Revenue $	)
Respiratory Therapy					
(Code)	(Expenses $	987,289	including grants of $	) (Revenue $	)
Social Services					
(Code)	(Expenses $	901,688	including grants of $	) (Revenue $	)
Speech Therapy					
(Code)	(Expenses $	614,302	including grants of $	) (Revenue $	)
Cancer					
(Code)	(Expenses $	28,794,039	including grants of $	) (Revenue $	)
Pharmacy					
(Code)	(Expenses $	528,813	including grants of $	) (Revenue $	)
Public Relations					

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services

(Code Security	) (Expenses $	2,298,005	including grants of $		) (Revenue $	)
(Code Cardiology	) (Expenses $	28,900,780	including grants of $		) (Revenue $	)
(Code Grants & Allocations	) (Expenses $	80,000	including grants of $	80,000	) (Revenue $	)