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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
ST JOSEPH HEALTH SYSTEM

Doing Business As

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

City or town, state or country, and ZIP + 4
TAWAS CITY, MI 48763

D Employer identification number
38-1443395

E Telephone number
(989) 362-0181

G Gross receipts $ 59,428,934

F Name and address of principal officer
ANN BALFOUR
200 HEMLOCK STREET
TAWAS CITY, MI 48763

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 SJHSYS ORG

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

L Year of formation 1953

M State of legal domicile MI

Part I Summary

1 Briefly describe the organization's mission or most significant activities
AS A CATHOLIC HEALTH MINISTRY OF THE CHURCH, ST JOSEPH HEALTH SYSTEM'S MISSION IS TO "PROVIDE SPIRITUALLY CENTERED, HOLISTIC CARE WHICH SUSTAINS AND IMPROVES THE HEALTH OF INDIVIDUALS AND COMMUNITIES " THIS INCLUDES ACTING AS ADVOCATES FOR A COMPASSIONATE AND JUST SOCIETY THROUGH OUR ACTIONS AND WORDS A UNIVERSAL TENET OF CATHOLIC HEALTH ORGANIZATIONS' MISSION STATEMENTS IS CARE FOR ALL PERSONS, ESPECIALLY THE POOR AND VULNERABLE THE CALL TO BRING GOD'S HEALING TO PERSONS IN NEED IS WHAT COMPELLED THE FOUNDERS OF VARIOUS ORGANIZATIONS TO VENTURE OUT INTO PARTS OF THIS NATION THAT, UNTIL THEIR ARRIVAL, HAD BEEN SORELY UNDERSERVED FOR MORE THAN 250 YEARS, (58 FOR ST JOSEPH HEALTH SYSTEM) CATHOLIC HEALTH CARE IN THE UNITED STATES HAS BEEN DRIVEN BY THAT SAME CALL AND HAS GROWN IN WAYS THAT COULD NOT HAVE BEEN IMAGINED

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	12
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	9
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	**5**	635
6	Total number of volunteers (estimate if necessary)	**6**	202
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	378,296
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	203,266	261,102
	9 Program service revenue (Part VIII, line 2g)	56,709,883	56,421,027
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,092,915	1,959,578
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	503,964	532,695
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	59,510,028	59,174,402
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	8,709	8,689
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	30,515,697	31,357,586
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶116,122		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	27,296,308	27,483,956
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	57,820,714	58,850,231
	19 Revenue less expenses Subtract line 18 from line 12	1,689,314	324,171

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	50,718,767	55,064,786
	21 Total liabilities (Part X, line 26)	28,690,451	27,970,627
	22 Net assets or fund balances Subtract line 21 from line 20	22,028,316	27,094,159

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 — 2012-04-27 Date

▶ ANN BALFOUR PRESIDENT
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶ ☐	PTIN
		2012-05-08		
Firm's name ▶				Firm's EIN ▶
Firm's address ▶				Phone no ▶

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

AS A CATHOLIC HEALTH MINISTRY OF THE CHURCH, ST JOSEPH HEALTH SYSTEM'S MISSION IS TO "PROVIDE SPIRITUALLY CENTERED, HOLISTIC CARE WHICH SUSTAINS AND IMPROVES THE HEALTH OF INDIVIDUALS AND COMMUNITIES " THIS INCLUDES ACTING AS ADVOCATES FOR A COMPASSIONATE AND JUST SOCIETY THROUGH OUR ACTIONS AND WORDS A UNIVERSAL TENET OF CATHOLIC HEALTH ORGANIZATIONS' MISSION STATEMENTS IS CARE FOR ALL PERSONS, ESPECIALLY THE POOR AND VULNERABLE THE CALL TO BRING GOD'S HEALING TO PERSONS IN NEED IS WHAT COMPELLED THE FOUNDERS OF VARIOUS ORGANIZATIONS TO VENTURE OUT INTO PARTS OF THIS NATION THAT, UNTIL THEIR ARRIVAL, HAD BEEN SORELY UNDERSERVED FOR MORE THAN 250 YEARS, (58 FOR ST JOSEPH HEALTH SYSTEM) CATHOLIC HEALTH CARE IN THE UNITED STATES HAS BEEN DRIVEN BY THAT SAME CALL AND HAS GROWN IN WAYS THAT COULD NOT HAVE BEEN IMAGINED

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 $ 43,412,964 including grants of $ 8,689) (Revenue $ 56,421,027)

ST JOSEPH HEALTH SYSTEM (SJHS) PROVIDES A SUBSTANTIAL PORTION OF ITS SERVICES TO THE ELDERLY AND POOR DURING THE FISCAL YEAR ENDING JUNE 30, 2011, APPROXIMATELY 54% OF THE VALUE OF SERVICES RENDERED WERE TO ELDERLY PATIENTS UNDER THE MEDICARE PROGRAM, AND APPROXIMATELY 16% OF THE SERVICES WERE PROVIDED TO PATIENTS WHO WERE DEEMED ELIGIBLE UNDER STATE, COUNTY, OR HEALTH SYSTEM FINANCIAL ASSISTANCE GUIDELINES ST JOSEPH HEALTH SYSTEM ACTIVELY PROVIDES FUNDING AND RESOURCES TO PROMOTE HEALTH SCREENINGS, WELLNESS ACTIVITIES, AND VARIOUS OTHER HEALTH EDUCATION PROGRAMS IN COMMUNITIES WE SERVE, TARGETING SCHOOLS, WOMEN'S HEALTH SEMINARS, HEALTH & WELLNESS SCREENS, AS WELL AS THE GENERAL PUBLIC

4b (Code) (Expenses $ including grants of $) (Revenue $)

COMMUNITY BENEFITS ARE PROGRAMS OR ACTIVITIES THAT PROVIDE TREATMENT AND/OR PROMOTE HEALTH AND HEALING AS A RESPONSE TO IDENTIFIED COMMUNITY NEEDS IN EFFORTS TO PROMOTE HEALTHY LIVING, ST JOSEPH HEALTH SYTEM HAS MADE AVAILABLE THE FOLLOWING PROGRAMS TO THE COMMUNITY SEE SCHEDULE H DURING THE FISCAL YEAR ENDING JUNE 30, 2011, OUR HOSPITAL TREATED 2,277 INPATIENT ADULTS AND CHILDREN IN THE COMMUNITY FOR A TOTAL OF 5,908 PATIENT DAYS OF SERVICE THE HOSPITAL ALSO PROVIDED SERVICES TO 213,965 OUTPATIENTS, INCLUDING 3,342 OUTPATIENT SURGERY PATIENTS, 15,701 EMERGENCY ROOM VISITS, 15,516 HOMEBOUND VISITS, AND 4,383 HOSPICE DAYS

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 43,412,964

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		No
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		No
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	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	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**		No
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	**35**	Yes	
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* ☑ **Yes** ☐ **No**			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	97		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	1		
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	635		
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	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	Yes	
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	12		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	9		
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 Yes	

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

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

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☑ Upon request

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

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

DONNA SANFORD
200 HEMLOCK STREET
TAWAS CITY, MI 48763
(989) 362-0181

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) PATRICK MURTHA CEO	60 00	X		X				996,530	0	17,181
(2) DONALD R ELLIS III MD TRUSTEE	60 00	X						227,517	0	13,776
(3) NEELIMADEVI RYALI MD CHIEF OF STA	60 00	X		X				182,317	0	12,866
(4) SCOTT CHAPLESKI VICE CHAIR	2 00	X						0	0	0
(5) MICHAEL BUSCH TRUSTEE	2 00	X						0	0	0
(6) JERRY SCHMIDT SECRETARY	2 00	X						0	0	0
(7) GERALD GRACIK CHAIR	2 00	X						0	0	0
(8) RYAN PARKINSON TREASURER	2 00	X						0	0	0
(9) BRENDA CHADWICK TRUSTEE	2 00	X						0	0	0
(10) MARIE HOGAN TRUSTEE	2 00	X						0	0	0
(11) RICK MICHAELS TRUSTEE	2 00	X						0	0	0
(12) ROBERT STALKER II TRUSTEE	2 00	X						0	0	0
(13) LINDA STANCILL CFO	60 00			X				226,047	0	40,297
(14) ANN BALFOUR VP RISK/PRES	60 00			X				152,033	0	32,024
(15) DEBRA FOX VP NURSING S	60 00			X				144,205	0	11,026
(16) JOHN BLOCKSOM DO PHYSICIAN	60 00					X		480,733	0	15,992

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			
(17) MARK GALLAGHER DO SURGEON	60 00					X		341,402	0	17,493
(18) RICHARD SCHULZ DO SURGEON	60 00					X		298,721	0	14,739
(19) CLARENCE WRIGHT III MD PHYSICIAN	60 00					X		251,816	0	14,974
(20) CHRISTOPHER LANDREY DO PHYSICIAN	60 00					X		224,999	0	11,622
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								3,526,320		201,990

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 ▶ 24

			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**		No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
EPMG OF MICHIGAN PC 2000 GREEN ROAD SUITE 300 ANN ARBOR, MI 48105	ER PHYSICIANS	2,108,848
MEDSERV PLUS INC PO BOX 45 E PALESTINE, OH 44413	BIOMEDICAL MAIN	392,250
GENTIVA HEALTH SERV PO BOX 277950 ATLANTA, GA 30384	BILLING SERVICE	329,265
AHSA LLC PO BOX 945 TRAVERSE CITY, MI 48685	SURGICAL STAFF	315,709
ARUP LABORATORIES PO BOX 27964 SALT LAKE CITY, UT 84127	LAB SERVICES	236,916

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 ▶ 10

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				
	e Government grants (contributions)	1e	18,322			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	242,780			
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		261,102			
Program Service Revenue		Business Code				
	2a PATIENT SERVICES		56,285,271	56,285,271		
	b LAB SUPPORT SERVICES TO EXTER	621990	135,756		135,756	
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f . . . . . ▶		56,421,027			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		1,904,894			1,904,894
	4 Income from investment of tax-exempt bond proceeds . . ▶					
	5 Royalties . . . . . ▶					
		(i) Real	(ii) Personal			
	6a Gross Rents	15,491				
	b Less rental expenses	39,747				
	c Rental income or (loss)	-24,256				
	d Net rental income or (loss) . . . . . ▶		-24,256			-24,256
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory		269,469			
	b Less cost or other basis and sales expenses		214,785			
	c Gain or (loss)		54,684			
	d Net gain or (loss) . . . . . ▶		54,684			54,684
Other Revenue	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a					
	b Less direct expenses . . . b					
	c Net income or (loss) from fundraising events . . ▶					
	9a Gross income from gaming activities See Part IV, line 19 . a					
	b Less direct expenses . . . . . b					
	c Net income or (loss) from gaming activities . . ▶					
	10a Gross sales of inventory, less returns and allowances . a					
	b Less cost of goods sold . . b					
	c Net income or (loss) from sales of inventory . . ▶					
	Miscellaneous Revenue	Business Code				
	11a MIS REV - CONVEN OF PATIENTS	621990	314,411			314,411
	b OCC HEALTH SUPPORT SERVICES	621990	242,540		242,540	
	c					
	d All other revenue					
	e **Total.** Add lines 11a–11d . . . . . ▶		556,951			
	12 **Total revenue.** See Instructions . . . ▶		59,174,402	56,285,271	378,296	2,249,733

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				
2 Grants and other assistance to individuals in the U S See Part IV, line 22	8,689	8,689		
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	2,055,818	436,475	1,619,343	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	24,263,060	19,483,620	4,698,580	80,860
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	933,852	466,659	462,494	4,699
9 Other employee benefits	2,413,293	1,934,118	474,356	4,819
10 Payroll taxes	1,691,563	1,355,692	332,493	3,378
a Fees for services (non-employees) Management	174,041		174,041	
b Legal	160,744	6,180	153,659	905
c Accounting	46,834		45,634	1,200
d Lobbying	12,246		12,246	
e Professional fundraising services *See Part IV, line 17*				
f Investment management fees				
g Other	4,773,390	3,768,849	1,003,885	656
12 Advertising and promotion	161,504	21,853	139,651	
13 Office expenses	1,415,252	778,449	627,809	8,994
14 Information technology	2,064,556	98,239	1,965,445	872
15 Royalties				
16 Occupancy	1,556,097	1,030,610	522,048	3,439
17 Travel	177,667	177,601	66	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	147,410	58,095	87,548	1,767
20 Interest	784,885	25,047	759,838	
21 Payments to affiliates	826,559		826,559	
22 Depreciation, depletion, and amortization	2,777,854	1,836,267	941,307	280
23 Insurance	30,928		30,928	
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 SUPPLIES	7,627,909	7,615,690	12,219	
b BAD DEBT	3,416,865	3,416,865		
c MAINTENANCE & REPAIRS	934,513	756,225	178,244	44
d OTHER EXPENSE	313,891	74,679	235,003	4,209
e RECRUITMENT	80,811	63,062	17,749	
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	58,850,231	43,412,964	15,321,145	116,122
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		745,599	1	1,516,331
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net		18,963	3	8,164
	4	Accounts receivable, net		3,822,321	4	3,786,912
	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		79,378	7	79,378
	8	Inventories for sale or use		1,420,622	8	1,393,904
	9	Prepaid expenses and deferred charges		1,554,861	9	4,860,427
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 54,902,480			
	b	Less accumulated depreciation	10b 34,775,756	20,848,003	10c	20,126,724
	11	Investments—publicly traded securities		19,033,040	11	20,631,536
	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		3,195,980	15	2,661,410
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		50,718,767	16	55,064,786
Liabilities	17	Accounts payable and accrued expenses		8,440,876	17	8,240,851
	18	Grants payable			18	
	19	Deferred revenue			19	
	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		20,249,575	25	19,729,776
	26	**Total liabilities.** Add lines 17 through 25		28,690,451	26	27,970,627
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		20,799,572	27	26,755,193
	28	Temporarily restricted net assets		1,228,744	28	338,966
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		22,028,316	33	27,094,159
	34	Total liabilities and net assets/fund balances		50,718,767	34	55,064,786

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	59,174,402
2	Total expenses (must equal Part IX, column (A), line 25)	2	58,850,231
3	Revenue less expenses Subtract line 2 from line 1	3	324,171
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	22,028,316
5	Other changes in net assets or fund balances (explain in Schedule O)	5	4,741,672
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	27,094,159

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		
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
ST JOSEPH HEALTH SYSTEM

Employer identification number
38-1443395

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).

Facts And Circumstances Test

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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
ST JOSEPH HEALTH SYSTEM	38-1443395

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?	Yes		7,632
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		4,614
j	Total lines 1c through 1i			12,246
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?		No	

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		No
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		No
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		No

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
	SCHEDULE C, PART II-B, LINE 1I	LOBBYING EXPENSES REPRESENT THE PORTION OF DUES PAID TO NATIONAL AND STATE HOSPITAL ASSOCIATIONS THAT IS SPECIFICALLY ALLOCABLE TO LOBBYING

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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
ST JOSEPH HEALTH SYSTEM

Employer identification number
38-1443395

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	138,169				
b Contributions	65,979	139,537			
c Investment earnings or losses	25,972	-1,368			
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	230,120	138,169			

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

- a Board designated or quasi-endowment ▶ 4 000 %
- b Permanent endowment ▶ 96 000 %
- 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)	Yes	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	Yes	

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		1,492,993		1,492,993
b Buildings		23,259,811	13,563,287	9,696,524
c Leasehold improvements		181,158	176,721	4,437
d Equipment		24,898,394	17,708,179	7,190,215
e Other		5,070,124	3,327,569	1,742,555
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				20,126,724

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	
INTERCOMPANY DEBT TO ASCENSION HEALT	18,966,169
GENERAL RESERVES	550,670
SELF INSURANCE LIABILITY	212,937
OBLIGATION UNDER CAPTIAL LEASE - AH	
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	19,729,776

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

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
INTENDED USES FOR ENDOWMENT FUNDS	SCHEDULE D, PAGE 2, PART V, LINE 4	THE USE OF ALL ENDOWED FUNDS SUPPORTS CAPITAL EQUIPMENT PURCHASES AND NEW SERVICE LINE EXPANSION AT ST JOSEPH HEALTH SYSTEM
LIABILITY UNDER FIN 48 FOOTNOTE	SCHEDULE D, PAGE 3, PART X	PER THE FINANCIAL STATEMENTS OF ASCENSION HEALTH (WHICH INCLUDES THE ACTIVITY OF ST JOSEPH HEALTH SYSTEM), THERE IS NO ASC 740 FOOTNOTE FOR THE CURRENT YEAR

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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
ST JOSEPH HEALTH SYSTEM

Employer identification number
38-1443395

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			283,569		283,569	0 510 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			8,390,198	7,533,201	856,997	1 550 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			8,673,767	7,533,201	1,140,566	2 060 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			381,550		381,550	0 690 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)			160,913	163,434	-2,521	
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			15,976		15,976	0 030 %
j **Total** Other Benefits			558,439	163,434	395,005	0 720 %
k **Total.** Add lines 7d and 7j			9,232,206	7,696,635	1,535,571	2 780 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building	1		6,560		6,560	0 010 %
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**	1		6,560		6,560	0 010 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1			No
2	Enter the amount of the organization's bad debt expense (at cost)	2	1,761,893		
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	746,930		
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	20,443,279
6	Enter Medicare allowable costs of care relating to payments on line 5	6	18,117,833
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	2,325,446
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	ST JOSEPH HEALTH SYSTEM 200 HEMLOCK STREET TAWAS CITY, MI 48763	X	X					X		

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

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

How many non-hospital facilities did the organization operate during the tax year? **14**

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
OTHER TESTING METHODS FOR FREE OR DISCOUNTED CARE	PART I LINE 3C	THE ORGANIZATION PROVIDES MEDICALLY NECESSARY CARE TO ALL PATIENTS REGARDLESS OF RACE COLOR CREED ETHNIC ORIGIN GENDER DISABILITY OR ECONOMIC STATUS THE ORGANIZATION USES A PERCENTAGE OF FEDERAL POVERTY LEVEL FPL TO DETERMINE FREE AND DISCOUNTED CARE AT A MINIMUM PATIENTS WITH INCOME LESS THAN OR EQUAL TO 200 OF THE FPL WHICH MAY BE ADJUSTED FOR COST OF LIVING UTILIZING THE LOCAL WAGE INDEX COMPARED TO NATIONAL WAGE INDEX WILL BE ELIGIBLE FOR 100 CHARITY CARE WRITE OFF OF CHARGES FOR SERVICES THAT HAVE BEEN PROVIDED TO THEM ALSO AT A MINIMUM PATIENTS WITH INCOMES ABOVE 200 OF THE FPL BUT NOT EXCEEDING 300 OF THE FPL SUBJECT TO ADJUSTMENTS FOR COST OF LIVING UTILIZING THE LOCAL WAGE INDEX COMPARED TO NATIONAL WAGE INDEX WILL RECEIVE A DISCOUNT ON THE SERVICES PROVIDED TO THEM

Identifier	ReturnReference	Explanation
EXCLUSIONS FROM PERCENT OF TOTAL EXPENSE	PART I LINE 7 COLUMN F	THE AMOUNT OF BAD DEBT EXPENSE REPORTED ON FORM 990 PART IX LINE 25 COLUMN A BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGES IN PART I LINE 7 COLUMN F IS 34 MILLION

Identifier	ReturnReference	Explanation
COSTING METHODOLOGY EXPLANATION	PART I LINE 7	FOR THE INFORMATION IN THE TABLE A COSTTOCHARGE RATIO WAS CALCULATED AND APPLIED

Identifier	ReturnReference	Explanation
COMMUNITY BUILDING ACTIVITIES	PART II	IOSCO COUNTY SART AS A CATHOLIC HEALTH MINISTRY ST JOSEPH HEALTH SYSTEM IS DEDICATED TO SPIRITUALLY CENTERED HOLISTIC CARE WHICH SUSTAINS AND IMPROVES THE HEALTH OF INDIVIDUALS AND COMMUNITIES AFTER A CRIME VICTIM SERVICE COMMISSION SEXUAL ASSAULT RESPONSE ASSESSMENT SARA PROJECT IDENTIFIED NORTHEAST MICHIGAN AS ONE REGION IN THE STATE THAT HAS ZERO DOLLARS DESIGNATED FOR SEXUAL ASSAULT SERVICES AND A REQUEST FROM ASCENSION HEALTH MINISTRIES TO CONSIDER COMPASSIONATE CARE OF SEXUAL ASSAULT PATIENTS IN THE EMERGENCY DEPARTMENT SETTING SJHS INITIATED A TASK FORCE TO INVESTIGATE THE FEASIBILITY OF A SEXUAL ASSAULT NURSE EXAMINER SANE PROGRAM IN OUR AREA THAT DREAM CONTINUED MOVING TOWARD REALITY WHEN SR RITA ANN TEICHMAN VICE PRESIDENT OF MISSION INTEGRATION AT SJHS TOOK A LEADERSHIP ROLE IN BRINGING TOGETHER COMMUNITY PARTNERS IN TAKING ACTIONS TO IMPLEMENT SANE SERVICES AND A VITAL FUNCTIONING SEXUAL ASSAULT RESPONSE TEAM SART SERVING IOSCO COUNTY ALL ABSENT OF A FORMAL FUNDING STREAM TO DATE A TREMENDOUS AMOUNT OF EFFORT HAS GONE INTO COMMUNITY WIDE EVALUATION OF SURVIVOR NEEDS RESOURCES COMMUNITY PERCEPTIONS IDENTIFICATION OF BARRIERS AND SUBSEQUENT COORDINATED RESPONSE TO ADDRESSING RURAL SURVIVOR NEEDS IN ADDITION IOSCO COUNTY SART HAS PROVIDED TRAINING FOR FOUR SEXUAL ASSAULT NURSE EXAMINERS AND MOST RECENTLY CELEBRATED THE RIBBON CUTTING AND GRAND OPENING OF THE SEXUAL ASSAULT RESPONSE AND WELCOME CENTER AT OUR OSCODA HEALTH PARK CLINIC LOCATION IN PARTNERSHIP WITH SHELTER INC A DUAL DOMESTIC VIOLENCESEXUAL ASSAULT COMPREHENSIVE SERVICE AGENCY THE RESPONSE CENTER PROMOTES A COMPREHENSIVE COMMUNITY RESPONSE TO SEXUAL ASSAULT THROUGH EDUCATION SYSTEM CHANGE CRISIS AND PRIMARY AND SECONDARY VICTIM SERVICES MEMBERS OF THE SART TEAM CONSIST OF 8 ST JOSEPH HEALTH SYSTEM ASSOCIATES AND KEY COMMUNITY STAKEHOLDERS INCLUDING MICHIGAN STATE POLICE IOSCO COUNTY SHERRIFF TAWAS POLICE AUTHORITY SHELTER INC HUMAN SERVICE AGENCIES COUNTY COURTS MENTAL HEALTH PROFESSIONALS AND CLERGY THE COMMITMENT OF SJHS AND THE LOCAL COMMUNITY TO PROVIDING SEXUAL ASSAULT SERVICES SPECIFIC TO RURAL COMMUNITY ISSUES HAS BEEN AND CONTINUES TO BE CLEAR ESTABLISHED AND ONGOING STRIVING TO BUILD AND SUSTAIN SURVIVOR CENTERED EMPOWERMENT BASED SEXUAL ASSAULT SERVICES REMAINS THE GOAL AND FOCUS OF OUR COMMUNITY COORDINATED RESPONSE TO SEXUAL ASSAULT

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE EXPLANATION	PART III LINE 4	THE ORGANIZATION IS A PART OF THE ASCENSION HEALTH SYSTEM CONSOLIDATED AUDIT THE FOOTNOTE THAT REFERENCES BAD DEBT EXPENSE IN THE 2011 CONSOLIDATED AUDIT IS AS FOLLOWS THE PROVISION FOR BAD DEBTS IS BASED UPON MANAGEMENTS ASSESSMENT OF EXPECTED NET COLLECTIONS CONSIDERING ECONOMIC CONDITIONS HISTORICAL EXPERIENCE TRENDS IN HEALTH CARE COVERAGE AND OTHER COLLECTION INDICATORS PERIODICALLY THROUGHOUT THE YEAR MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON HISTORICAL WRITEOFF EXPERIENCE BY PAYOR CATEGORY INCLUDING THOSE AMOUNTS NOT COVERED BY INSURANCE THE RESULTS OF THIS REVIEW ARE THEN USED TO MAKE ANY MODIFICATIONS TO THE PROVISION FOR BAD DEBTS TO ESTABLISH AN APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AFTER SATISFACTION OF AMOUNTS DUE FROM INSURANCE AND REASONABLE EFFORTS TO COLLECT FROM THE PATIENT HAVE BEEN EXHAUSTED ASCENSION HEALTH FOLLOWS ESTABLISHED GUIDELINES FOR PLACING CERTAIN PASTDUE PATIENT BALANCES WITH COLLECTION AGENCIES SUBJECT TO THE TERMS OF CERTAIN RESTRICTIONS ON COLLECTION EFFORTS AS DETERMINED BY ASCENSION HEALTH ACCOUNTS RECEIVABLE ARE WRITTEN OFF AFTER COLLECTION EFFORTS HAVE BEEN FOLLOWED IN ACCORDANCE WITH ASCENSION HEALTHS POLICIES

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

Identifier	ReturnReference	Explanation
COLLECTION PRACTICES EXPLANATION	PART III LINE 9B	THE ORGANIZATION HAS A WRITTEN DEBT COLLECTION POLICY THAT ALSO INCLUDES A PROVISION ON THE COLLECTION PRACTICES TO BE FOLLOWED FOR PATIENTS WHO ARE KNOWN TO QUALIFY FOR CHARITY CARE OR FINANCIAL ASSISTANCE IF A PATIENT QUALIFIES FOR CHARITY OR FINANCIAL ASSISTANCE CERTAIN COLLECTION PRACTICES DO NOT APPLY

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	PART VI	ST JOSEPH HEALTH SYSTEM RELIES ON INFORMATION FROM ST JOSEPH HEALTH SYSTEM EMERGENCY DEPARTMENT PATIENTS MICHIGAN STATISTICS WWWAECFORGKIDSCOUNT WWWMICHIGANGOVMDCH HTTPWWWCENSUSGOV WWWMICHIGANGOVMDCH WWWAECFORGKIDSCOUNT HTTPWWWDIABETERSORG WWWMICHIGANGOVMDCH COMMUNITY HEALTH ASSESSMENT ALCONA IOSCO OGEMAW AND OSCODA COUNTIES FEBRUARY 1996 DEMOGRAPHICS PP1122 KEY FINDINGS POPULATION EDUCATIONAL ATTAINMENT EMPLOYMENT AND INCOME POVERTY HOUSING AND PUBLIC ASSISTANCE CONCLUSION MARKET SHARE DATATHEIDSONLINECOM COMMUNITY NEEDS ASSESSMENT ALCONA 2009

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	PART VI	UPON ADMISSION TO ST JOSEPH HEALTH SYSTEM ALL SELFPAY PATIENTS SPEAK WITH AN ASSOCIATE REGARDING FINANCIAL ASSISTANCE THAT IS AVAILABLE TO THEM ASSOCIATES HELP THE PATIENTS DETERMINE ELIGIBILITY FOR VARIOUS GOVERNMENT BENEFITS AS WELL AS ST JOSEPHS INTERNAL FINANCIAL ASSISTANCE PROGRAM SHOULD THE PATIENTS NOT BE CONSULTED UPON ADMISSION A LETTER IS SENT WITH THEIR FIRST ITEMIZED BILLING DETAILING THE AVAILABLE FINANCIAL ASSISTANCE PROGRAMS

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION	PART VI	IV COMMUNITY INFORMATION COMMUNITY SERVICE AREA DESCRIPTION ST JOSEPH HEALTH SYSTEM SERVES FIVE RURAL COUNTY AREAS COMPRISED OF 80000 RESIDENTS 2010 CENSUS AMONG THESE FIVE COUNTIES OUR FULL SERVICE MARKET AREA CONSISTS OF FIFTEEN ZIP CODES WITH A POPULATION OF APPROXIMATELY 40000 RESIDENTS AND THREE ZIP CODES MAKE UP THE PRIMARY SERVICE AREA WITH APPROXIMATELY 18000 RESIDENTS ST JOSEPH HEALTH SYSTEM IS LOCATED IN TAWAS CITY REMAINS THE LARGEST EMPLOYER WITHIN IOSCO COUNTY SEVERAL AUTOMOTIVE PARTS SUPPLIERS AND AIRCRAFT MAINTENANCE AND REFURBISHING FACILITIES ARE PROMINENT EMPLOYEES WITHIN IOSCO COUNTY WITHIN THE PRIMARY SERVICE AREA 96 OF RESIDENTS ARE CAUCASIAN WITH 2 HISPANIC 1 AFRICAN AMERICAN 1 INDIAN AND ASIAN OF THE APPROXIMATELY 18000 RESIDENTS IN THE PRIMARY SERVICE AREA APPROXIMATELY 81 ARE 45 YEARS OF AGE OR OLDER NO SIGNIFICANT CHANGE IN THE FIVE COUNTY SERVICE AREA IS PREDICTED FOR THE NEXT FIVE YEARS PAYER MIX WITHIN PRIMARY SERVICE AREA MEDICARE 53 BLUE CROSS 17 MEDICAID 14 COMMERCIAL 6 SELF PAY 4 OTHER 4 ST JOSEPH HEALTH SYSTEM PROVIDES 54 OF BOTH INPATIENT AND OUTPATIENT HOSPITAL BASED HEALTHCARE SERVICES FOR RESIDENTS WITHIN OUR PRIMARY SERVICE AREA CALENDAR 2011 ST JOSEPH HEALTH SYSTEM OWNS SEVEN PROVIDER BASED RURAL HEALTH PRIMARY CARE PRACTICES LOCATED IN TWO COUNTIES OUR FEDERALLY QUALIFIED HEALTH CARE CENTER FQHC IS LOCATED WITHIN THE PRIMARY SERVICE AREA AND THE ADDITIONAL FQHC IS LOCATED WITHIN THE FIVECOUNTY SERVICE AREA TWO PUBLICALLY OWNED HOSPITALS ARE LOCATED APPROXIMATELY ONE HOUR TRAVEL TIME NORTH AND WEST OF ST JOSEPH HEALTH SYSTEM IOSCO COUNTY WAS REPORTED AMONG THE NATIONS TWENTY 20 MOST ECONOMICALLY STRESSED COUNTIES IN 2011

Identifier	ReturnReference	Explanation
HEALTH OF COMMUNITY IN RELATION TO EXEMPT PURPOSE	PART VI	IN THE PAST YEAR ST JOSEPH HEALTH SYSTEM PROVIDED MORE THAN 16 MILLION IN UNCOMPENSATED CARE THROUGH DELIVERY OF SERVICES TO THE POOR AND VULNERABLE UNPAID COSTS OF PUBLIC PROGRAMS FINANCIAL ASSISTANCE TO THE UNINSURED AND OUTREACH SERVICES TO THE COMMUNITY HEALTHKEY A DEPARTMENT OF ST JOSEPH HEALTH SYSTEM WHOSE ROLE IS SERVING AS THE RESOURCE AND SUPPORT CENTER FOR THE UNINSURED AND UNDERINSURED FAMILIES IN OUR COMMUNITY HEALTHKEY STAFF INCLUDES A FULL TIME DIRECTOR RN CASE MANAGER INTAKE AND PRESCRIPTION ASSISTANCE COORDINATOR AND A PART TIME OUTREACH WORKER OUTREACH SERVICES INCLUDE MEDICAID APPLICATION ASSISTANCE FINANCIAL ASSISTANCE APPLICATIONS REFERRALS TO MEDICAL HOMES PRESCRIPTION ASSISTANCE AND CARE MANAGEMENT FOR DIABETES HYPERTENSION AND APPROPRIATE EMERGENCY ROOM USE CARING FOR THE CLIENTS MIND PHYSICAL AND SPIRITUAL NEEDS HEALTHKEY STAFF NAVIGATES THROUGH VARIOUS COMMUNITY AND SOCIAL SERVICE AGENCIES AND ADVOCATES ON THEIR BEHALF FOR ACCESS TO NECESSARY HEALTHCARE RELATED AND SOCIAL SERVICES THE MISSION VISION AND VALUES OF ST JOSEPH HEALTH SYSTEM ARE AT THE CENTER OF HEALTHKEYS WORK TO SERVE THE POOR AND VULNERABLE IN OUR COMMUNITY AS OUR RURAL ECONOMY CONTINUES TO STRUGGLE AND SMALL BUSINESSES ARE NOT ABLE TO OFFER EMPLOYERSPONSORED INSURANCE COVERAGE A VALUABLE SERVICE OFFERED IS THE PRESCRIPTION ASSISTANCE PROGRAM IN FISCAL YEAR 20102011 HEALTHKEY SERVED 564 CLIENTS WITH A WIDE RANGE OF MEDICATION REQUESTS THIS EFFORT YIELDED A RETAIL DOLLAR SAVINGS VALUE OF 447152 WITH ONLY A SMALL TEAM OF ASSOCIATES COLLABORATION HAS PROVEN SUCCESSFUL IN OUR HEALTHCARE ACCESS WORK CLIENTS WHO PRESENT TO US HAVE A WIDE VARIETY OF HURDLES TO OVERCOME IMPROVING RELATIONSHIPS EMPLOYMENT SKILLS EDUCATIONAL OPPORTUNITIES WILL ALL PROVIDE A POSITIVE IMPACT ON THE CLIENTS HEALTH AND ABILITY TO CARE FOR THEMSELVES AND THEIR FAMILIES PARTNERSHIPS WITH THE IOSCO COUNTY POVERTY COALITION IOSCO READS LITERACY GROUP AND MICHIGAN WORKS HAVE GREATLY ASSISTED US IN BRIDGING GAPS EXPERIENCED BY OUR CLIENTS A TRUE COMMUNITY BENEFIT THE SUCCESS OF HEALTHKEY IS ONLY POSSIBLE BY THE STRONG SUPPORT RECEIVED FROM OUR BOARD PHYSICIANS LEADERSHIP ASSOCIATES AND VOLUNTEERS WHO ALLOW US TO RECOGNIZE AND RESPOND TO THE NEEDS OF OUR POOR AND VULNERABLE NEIGHBORS AND CARE FOR OUR COMMUNITY ST JOSEPH HEALTH SYSTEM PROVIDED THE FOLLOWING COMMUNITY BUILDING ACTIVITIES IN 2011 1IOSCO COUNTY SEXUAL ASSAULT RESPONSE TEAM SART IS A MULTIDISCIPLINARY INTERAGENCY COLLABORATION THAT UNITES ITS MEMBERS IN A COORDINATED SURVIVORCENTERED APPROACH TO THE INTERVENTION AND CARE FOR SEXUAL ASSAULT VICTIMS THE MISSION OF THE IOSCO COUNTY SART IS TO FACILITATE THE CLINICAL LEGAL AND EMOTIONAL RESOURCES TO CARE FOR SURVIVORS OF SEXUAL ASSAULT AND TO CREATE A COMMUNITY WHERE SURVIVORS OF SEXUAL ASSAULT ARE SUPPORTED AND TREATED WITH DIGNITY AND RESPECT 2DIABETIC CLUB A PROGRAM THAT IS OPEN TO THE COMMUNITY AT NO CHARGE THAT INCLUDES A SHORT LECTURE ABOUT GENERAL HEALTH ISSUES SPECIFICALLY ELATED TO THE COMPLICATIONS AND LIFESTYLE OF DIABETES OTHER HIGHLIGHTS INCLUDE A SAMPLING OF THE RECIPE OF THE MONTH DISCUSSIONS TO ANSWER QUESTIONS AND PROVIDE SUPPORT 3SPEAKERS BUREAU A FREE COMMUNITY PROGRAM THAT OFFERS HEALTH RELATED PRESENTATIONS PROVIDED BY HEALTH SYSTEM PROFESSIONALS WHICH IS DESIGNED TO EDUCATE THE COMMUNITY ON A VARIETY OF HEALTH AND HUMAN SERVICE TOPICS SUCH AS WOMENS HEALTH AGING WITH DIGNITY DEPRESSION AND HEALTH CARE REFORM TO NAME JUST A FEW 4FAMILY FUN FAIR AN EVENT HELD IN COOPERATION WITH TWO LOCAL COLLABORATIVE THE IOSCO COUNTY FAMILY COALITION AND THE GREAT START COLLABORATIVE WITH THE PURPOSE TO EDUCATE THE COMMUNITY ABOUT LOCAL AGENCIES AND SERVICES AVAILABLE T CHILDREN AND FAMILIES OTHER ACTIVITIES INCLUDE A FREE LUNCH PROVIDED TO AN AVERAGE OF 1000 CHILDREN AND ADULTS DOOR PRIZES CAR SEAT CHECKS AND BOOTHS FEATURING FAMILY CRAFT PROJECTS EDUCATIONAL ACTIVITIES AND PARENTING INFORMATION 5HEALTHKEY A PROGRAM THAT PROVIDES ACCESS TO HEALTHCARE FOR THE UNINSURED AND UNDERINSURED EXAMPLES INCLUDE ASSISTANCE IN COMPLETING PAPERWORK PRESCRIPTION ASSISTANCE DIABETIC EDUCATION AND REFERRALS TO OTHER COMMUNITY SERVICES INCLUDING HEALTH CARE PROVIDERS HOUSING TRANSPORTATION FOOD BANKS AND DAY CARE HEALTHKEY ALSO ADVOCATES ON BEHALF OF COMMUNITY MEMBERS FOR ACCESS TO NECESSARY HEALTHCARE RELATED SERVICES

Identifier	ReturnReference	Explanation
AFFILIATED HEALTH CARE INFORMATION	PART VI	ST JOSEPH HEALTH SYSTEM AND SUBSIDIARIES ARE MEMBERS OF ASCENSION HEALTH ASCENSION HEALTH IS THE PARENT ORGANIZATION OF A CATHOLIC NATIONAL MULTIUNIT TAXEXEMPT HEALTHCARE SYSTEM CONSISTING PRIMARILY OF NONPROFIT CORPORATIONS THAT OWN AND OPERATE LOCAL HEALTHCARE FACILITIES OR HEALTH MINISTRIES LOCATED PRIMARILY IN THE GREAT LAKES MIDATLANTIC WESTERN AND SOUTHERN REGIONS OF THE UNITED STATES ASCENSION HEALTH IS CURRENTLY SPONSORED BY THE NORTHEAST SOUTHEAST EAST CENTRAL AND WEST CENTRAL PROVINCES OF THE DAUGHTERS OF CHARITY OF ST VINCENT DE PAUL THE CONGREGATION OF THE SISTERS OF ST JOSEPH OF NAZARETH AND THE SISTERS OF ST JOSEPH OF CARONDELET THE 49BED HOSPITAL STAFFED BY MORE THAN 480 EMPLOYEES IS LOCATED IN TAWAS CITY MICHIGAN AND IS A NONPROFIT ACUTECARE HOSPITAL THE HOSPITAL MAINTAINS TWO WHOLLY OWNED SUBSIDIARIES ST JOSEPH HEALTH ENTERPRISES A HOME MEDICAL EQUIPMENT BUSINESS AND ST JOSEPH HEALTH SYSTEM FOUNDATION A CHARITABLE FOUNDATION CREATED TO RECEIVE AND ADMINISTER FUNDS FOR THE HOSPITAL FOR THE PURPOSE OF ACQUIRING OR IMPROVING HOSPITAL FACILITIES AND TECHNOLOGIES AND THE ESTABLISHMENT SUPPORT AND MAINTENANCE OF COMMUNITY HEALTH EDUCATION PROGRAMS THE HOSPITAL PROVIDES INPATIENT OUTPATIENT AND EMERGENCY CARE SERVICES FOR THE RESIDENTS OF IOSCO COUNTY AND THE SURROUNDING AREA ADMITTING PHYSICIANS ARE PRIMARILY PRACTITIONERS IN THE LOCAL AREA ST JOSEPH HEALTH SYSTEM OFFERS ACCESS TO A LARGE BOARDCERTIFIED MEDICAL STAFF WITH MORE THAN 17 PRIMARY CARE AND SPECIALTY PHYSICIANS THROUGH COMMUNITY HEALTH SERVICES PROFESSIONAL EDUCATION SUBSIDIZED HEALTH CARE FINANCIAL CONTRIBUTIONS COMMUNITYBUILDING ACTIVITIES AND OTHER COMMUNITY BENEFIT ACTIVITIES ST JOSEPH HEALTH SYSTEM CONTRIBUTED 16 MILLION TO THE COMMUNITY INCLUDED IN THIS FIGURE ARE PROGRAMS SUCH AS CHARITY CARE AND UNREIMBURSED MEDICAID COMMUNITY HEALTHEDUCATION LECTURES SCHOOL HEALTHEDUCATION PROGRAMS PROMOTING HEALTH CARE CAREERS WORKFORCE ENHANCEMENT FREE HEALTH SCREENINGS HEALTHKEY SART SEXUAL ASSAULT RESPONSE TEAM COMMUNITYBASED CHAPLAINCY AND SPIRITUAL CARE SPONSORSHIPS AND CONTRIBUTIONS TO VARIOUS COMMUNITY EVENTS

Identifier	ReturnReference	Explanation
LIST OF STATES WHERE COMMUNITY BENEFIT REPORT IS FILED	PART VI	MICHIGAN

Additional Data

Software ID:
Software Version:
EIN: 38-1443395
Name: ST JOSEPH HEALTH SYSTEM

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? **14** Name and address	Type of Facility (Describe)
HARBOR HEALTH CENTER 110 BEECH STREET TAWAS CITY,MI 48763	REHAB SERVICES, PHYSICIAN OFFICES
HURON PROFESSIONAL BUILDING 716 GERMAN STREET TAWAS CITY,MI 48763	HOME HEALTH & HOSPICE
OSCODA HEALTH PARK 5939 N HURON RD OSCODA,MI 48750	PHYSICIAN OFFICES
HURON FAMILY MEDICINE 700 GERMAN STREET TAWAS CITY,MI 48763	PHYSICIAN OFFICES
MEDICAL ARTS BUILDING 295 MAPLE STREET TAWAS CITY,MI 48763	PHYSICIAN OFFICES
ST JOSEPH WOMENS CLINIC 25 M-55 TAWAS CITY,MI 48763	PHYSICIAN OFFICES
ST JOSEPH PEDIATRIC CLINIC 325 M-55 TAWAS CITY,MI 48763	PHYSICIAN OFFICES
HALE ST JOSEPH MEDICAL CENTER 116 S CHURCH STREET HALE,MI 48739	PHYSICIAN OFFICES
WOMEN'S CLINIC - WEST BRANCH 621 COURT STREET SUITE 105 WEST BRANCH,MI 48661	PHYSICIAN OFFICES
ST JOSEPH UROLOGY CLINIC 110 E STATE STREET EAST TAWAS,MI 48730	PHYSICIAN OFFICES
HURON SHORES WALK-IN CLINIC 1691 E US-23 EAST TAWAS,MI 48730	PHYSICIAN OFFICES
GREAT LAKES FAMILY MEDICINE 106 DIVISION OSCODA,MI 48750	PHYSICIAN OFFICES
AUGRES FAMILY CLINIC 302 S MAIN AUGRES,MI 48703	PHYSICIAN OFFICES
AUSABLE VALLEY HEALTH CENTER 1392 MAPLE DRIVE FAIRVIEW,MI 48621	PHYSICIAN OFFICES

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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
ST JOSEPH HEALTH SYSTEM

Employer identification number
38-1443395

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

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
See Additional Data Table					

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
PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS INSIDE THE UNITED STATES	SCHEDULE I, PAGE 1, PART I, LINE 2	ST JOSEPH HEALTH SYSTEM'S DIRECTOR OF COMMUNICATION & OUTREACH REVIEWS REQUESTS MADE BY INDIVIDUALS AND ORGANIZATIONS TO DETERMINE THE APPROPRIATENESS OF THE REQUEST TO ENSURE THAT IT FOCUSES ON BETTER SERVING THE HEALTHCARE NEEDS OF OUR COMMUNITY ST JOSEPH HEALTH SYSTEM ACTIVELY PROVIDES FUNDING AND RESOURCES TO PROMOTE HEALTH SCREENINGS, WELLNESS ACTIVITIES, AND VARIOUS OTHER HEALTH EDUCATION PROGRAMS IN COMMUNITIES WE SERVE, TARGETING SCHOOLS, WOMEN'S HEALTH SEMINARS, HEALTH & WELLNESS SCREENS, AS WELL AS THE GENERAL PUBLIC THE REQUESTING ORGANIZATION OR INDIVIDUAL IS TO PROVIDE THE HEALTH SYSTEM WITH AN APPROXIMATE NUMBER OF RECIPIENTS SERVED SO WE CAN TRACK THIS ON OUR COMMUNITY BENEFITS REPORT

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 38-1443395
Name: ST JOSEPH HEALTH SYSTEM

Form 990, Schedule I, Part III, Grants and Other Assistance to Individuals in the United States

(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
BALLOON FESTIVAL SPONSOR	1	2,000			
HOLY FAMILY FUNDRAISER	1	100			
WINE TASTING SPONSOR	200	550			
BLUES BY THE BAY SPONSOR	1	300			
IOSCO PRIDE SPONSOR	1	50			
FARM MARKET SPONSOR	1	100			
5K RUN SPONSOR	30	84			
CHILD SAFETY SPONSOR	1	90			
NE ACADEMY DANCE SPONSOR	1	70			
CORSAIR CONCERT SPONSOR	1	300			
PERCHVILLE SPONSOR	1	350			
HALE BALLOON FEST SPONSOR	1	2,000			
FAMILY FUN FAIR	1	1,000			
PURE MICHIGAN CAMPAIGN	1	300			
ALCONA CO FAIR SPONSOR	1	200			
BIRDING FESTIVAL SPONSOR	1	100			
CELEBRATION DAYS SPONSOR	1	100			
MCVI-WOMENS HLTH SPONSOR	1	500			
FIRE SAFETY ED SPONSOR	1	95			
3 DISC TRIATH SPONSOR	1	250			

Form 990, Schedule I, Part III, Grants and Other Assistance to Individuals in the United States

(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
YOUTH FOOTBALL SPONSOR	1	150			

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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
ST JOSEPH HEALTH SYSTEM

Employer identification number
38-1443395

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax idemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply			
	☑ Compensation committee	☑ Written employment contract		
	☐ Independent compensation consultant	☐ Compensation survey or study		
	☐ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	**4a**	Yes	
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**	Yes	
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) PATRICK MURTHA	(i) (ii)	184,176	234,008	578,346	3,951	13,230	1,013,711	
(2) DONALD R ELLIS III MD	(i) (ii)	135,851	91,666		4,595	9,181	241,293	
(3) NEELIMADEVI RYALI MD	(i) (ii)	168,317	14,000		3,696	9,170	195,183	
(4) LINDA STANCILL	(i) (ii)	137,444		88,603	30,563	9,734	266,344	
(5) ANN BALFOUR	(i) (ii)	119,263		32,770	22,626	9,398	184,057	
(6) DEBRA FOX	(i) (ii)	126,885		17,320	1,615	9,411	155,231	
(7) JOHN BLOCKSOM DO	(i) (ii)	480,733			4,900	11,092	496,725	
(8) MARK GALLAGHER DO	(i) (ii)	341,402			4,900	12,593	358,895	
(9) RICHARD SCHULZ DO	(i) (ii)	298,271		450	4,900	9,839	313,460	
(10) CLARENCE WRIGHT III MD	(i) (ii)	153,899	97,917		4,900	10,074	266,790	
(11) CHRISTOPHER LANDREY DO	(i) (ii)	224,999			2,273	9,349	236,621	
(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
SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS	SCHEDULE J, PAGE 1, PART I, LINE 4	PATRICK MURTHA 47,510 0 0 DEBRA FOX 2,550 0 0
COMPENSATION CONTINGENT UPON REVENUES OF ORGANIZATION	SCHEDULE J, PAGE 1, PART I, LINE 5A	ST JOSEPH HEALTH SYSTEM OFFERS TO ITS PHYSICIANS INCENTIVE COMPENSATION BASED UPON ANNUAL CASH COLLECTIONS PHYSICIANS SHALL BE ENTITLED TO AN ADDITIONAL INCENTIVE BONUS OF EIGHTY PERCENT OF CASH COLLECTIONS IN EXCESS OF THE ANNUAL TARGET SJHS WILL DEVELOP A MONTHLY COLLECTIONS BUDGET, BASED ON THE PRACTICE'S HISTORICAL PERFORMANCE (INCLUDING SEASONAL FLUCTUATIONS IN COLLECTIONS), WITH TOTAL ANNUAL BUDGETED COLLECTIONS EQUAL TO THE ANNUAL TARGET COLLECTIONS ARE DEFINED AS ALL SUMS THAT SJHS COLLECTS FOR SERVICES PERSONALLY PERFORMED BY THE PHYSICIAN IN ANY SETTING AND FOR SERVICES PERSONALLY PERFORMED BY A MIDLEVEL PROVIDER ACTING UNDER PHYSICIAN'S SUPERVISION COLLECTIONS DO NOT INCLUDE HOSPITAL FACILITY FEES OR THE NON-PROFESSIONAL COMPONENT OF TESTS OR INJECTIONS ORDERED BY THE PHYSICIAN FOR CALENDAR YEAR 2010 WAGES WERE PAID BASED UPON THESE CONTINGENCIES TO THE FOLLOWING DONALD R ELLIS III, M D NEELIMADEVI RYALI, M D CLARENCE D WRIGHT III, M D
OTHER ADDITIONAL INFORMATION	SCHEDULE J, PART III	PART I, LINE 3 - COMPENSATION OF THE ORGANIZATION'S CEO/EXECUTIVE DIRECTOR ST MARY'S OF MICHIGAN, A RELATED ORGANIZATION OF ST JOSEPH HEALTH SYSTEM, USES THE FOLLOWING TO ESTABLISH THE COMPENSATION OF THE ORGANIZATION'S CEO/EXECUTIVE DIRECTOR COMPENSATION COMMITTEE WRITTEN EMPLOYMENT CONTRACT APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE PART I, LINE 4 - SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS THE SEVERANCE PAYMENTS REPORTED TO PATRICK MURTHA AND DEBRA FOX WERE PAID BY ST JOSEPH HEALTH SYSTEM

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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
ST JOSEPH HEALTH SYSTEM

Employer identification number
38-1443395

Identifier	Return Reference	Explanation
ORGANIZATION'S MISSION	FORM 990 - ORGANIZATION'S MISSION	AS A CATHOLIC HEALTH MINISTRY OF THE CHURCH, ST JOSEPH HEALTH SYSTEM'S MISSION IS TO "PROVIDE SPIRITUALLY CENTERED, HOLISTIC CARE WHICH SUSTAINS AND IMPROVES THE HEALTH OF INDIVIDUALS AND COMMUNITIES " THIS INCLUDES ACTING AS ADVOCATES FOR A COMPASSIONATE AND JUST SOCIETY THROUGH OUR ACTIONS AND WORDS A UNIVERSAL TENET OF CATHOLIC HEALTH ORGANIZATIONS' MISSION STATEMENTS IS CARE FOR ALL PERSONS, ESPECIALLY THE POOR AND VULNERABLE THE CALL TO BRING GOD'S HEALING TO PERSONS IN NEED IS WHAT COMPELLED THE FOUNDERS OF VARIOUS ORGANIZATIONS TO VENTURE OUT INTO PARTS OF THIS NATION THAT, UNTIL THEIR ARRIVAL, HAD BEEN SORELY UNDERSERVED FOR MORE THAN 250 YEARS, (58 FOR ST JOSEPH HEALTH SYSTEM) CATHOLIC HEALTH CARE IN THE UNITED STATES HAS BEEN DRIVEN BY THAT SAME CALL AND HAS GROWN IN WAYS THAT COULD NOT HAVE BEEN IMAGINED

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	FORM 990	PART IV, LINE 20B - ST JOSEPH HEALTH SYSTEM DOES NOT HAVE AN EXTERNAL USE OF AUDITED FINANCIAL STATEMENTS SHOWING ST JOSEPH HEALTH SYSTEM STAND ALONE, THEREFORE WE ARE ATTACHING OUR INTERNAL FINANCIAL STATEMENTS PART IV, LINE 17 & 18 - ST JOSEPH HEALTH SYSTEM INCURS FUNDRAISING EXPENSES ASSOCIATED WITH FUNDRAISING EVENTS UNDERTAKEN BY ST JOSEPH HEALTH SYSTEM FOUNDATION, A RELATED TAX-EXEMPT ORGANIZATION

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	FORM 990, PART VI	LINE 2 - MANY OF THE PERSONS LISTED ON PART VII HAVE A "BUSINESS RELATIONSHIP" WITH EACH OTHER BY VIRTUE OF SITTING ON RELATED ST JOSEPH HEALTH SYSTEM ENTITY BOARDS

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PAGE 6, PART VI, LINE 6	ST JOSEPH HEALTH SYSTEM HAS A SINGLE CORPORATE MEMBER, ASCENSION HEALTH

Identifier	Return Reference	Explanation
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	THE ST JOSEPH HEALTH SYSTEM HAS A SINGLE CORPORATE MEMBER, ASCENSION HEALTH, WHO HAS THE ABILITY TO ELECT MEMBERS TO THE GOVERNING BODY OF THE ST JOSEPH HEALTH SYSTEM

Identifier	Return Reference	Explanation
DECISIONS SUBJECT TO APPROVAL OF MEMBERS	FORM 990, PAGE 6, PART VI, LINE 7B	ASCENSION HEALTH HAS DESIGNED A SYSTEM AUTHORITY MATRIX WHICH ASSIGNS AUTHORITY FOR KEY DECISIONS THAT ARE NECESSARY IN THE OPERATION OF THE SYSTEM SPECIFIC AREAS THAT ARE IDENTIFIED IN THE AUTHORITY MATRIX ARE NEW ORGANIZATIONS & MAJOR TRANSACTIONS, GOVERNING DOCUMENTS, APPOINTMENTS/REMOVALS, EVALUATION, DEBT LIMITS, STRATEGIC & FINANCIAL PLANS, ASSETS, SYSTEM POLICIES & PROCEDURES THESE AREAS ARE SUBJECT TO CERTAIN LEVELS OF APPROVAL BY ASCENSION PER THE SYSTEM AUTHORITY MATRIX

Identifier	Return Reference	Explanation
OFFICERS WHO CANNOT BE REACHED	FORM 990, PAGE 6, PART VI, LINE 9	DEBRA FOX 111 W WASHINGTON EAST TAWAS, MI 48730 PATRICK MURTHA 1520 NORTH HURON RD TAWAS CITY, MI 48763

Identifier	Return Reference	Explanation
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11B	MANAGEMENT, INCLUDING CERTAIN OFFICERS, WORKS DILIGENTLY TO COMPLETE THE FORM 990 AND ATTACHED SCHEDULES IN A THOROUGH MANNER PRIOR TO FILING THE RETURN, ALL BOARD MEMBERS ARE PROVIDED THE FORM 990 AND MANAGEMENT TEAM MEMBERS ARE AVAILABLE TO ANSWER ANY BOARD MEMBER QUESTIONS

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	THE ORGANIZATION REGULARLY AND CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY IN THAT ANY DIRECTOR, PRINCIPAL OFFICER, OR MEMBER OF A COMMITTEE WITH GOVERNING BOARD DELEGATED POWERS, WHO HAS A DIRECT OR INDIRECT FINANCIAL INTEREST, MUST DISCLOSE THE EXISTENCE OF THE FINANCIAL INTEREST AND BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS TO THE DIRECTORS AND MEMBERS OF THE COMMITTEES WITH GOVERNING BOARD DELEGATED POWERS CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT THE REMAINING INDIVIDUALS ON THE GOVERNING BOARD OR COMMITTEE MEETING WILL DECIDE IF CONFLICTS OF INTEREST EXIST EACH DIRECTOR, PRINCIPAL OFFICER AND MEMBER OF A COMMITTEE WITH GOVERNING BOARD DELEGATED POWERS ANNUALLY SIGNS A STATEMENT WHICH AFFIRMS SUCH PERSON HAS RECEIVED A COPY OF THE CONFLICTS OF INTEREST POLICY, HAS READ AND UNDERSTANDS THE POLICY, HAS AGREED TO COMPLY WITH THE POLICY, AND UNDERSTANDS THAT THE ORGANIZATION IS CHARITABLE AND IN ORDER TO MAINTAIN ITS FEDERAL TAX EXEMPTION IT MUST ENGAGE PRIMARILY IN ACTIVITIES WHICH ACCOMPLISH ITS TAX-EXEMPT PURPOSE

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	IN DETERMINING COMPENSATION OF THE ORGANIZATION'S CEO THE PROCESS INCLUDED A REVIEW AND APPROVAL BY INDEPENDENT PERSONS, COMPARABILITY DATA, AND CONTEMPORANEOUS SUBSTANTIATION OF THE DELIBERATION AND DECISION THE AUDIT COMMITTEE REVIEWED AND APPROVED THE COMPENSATION IN THE REVIEW OF THE COMPENSATION,THE CEO WAS COMPARED TO OTHER ORGANIZATIONS IN THE AREA THAT HOLD THE SAME TITLE DURING THE REVIEW AND APPROVAL OF THE COMPENSATION, DOCUMENTATION OF THE DECISION WAS RECORDED IN THE BOARD MINUTES THE INNDIVIDUAL WAS NOT PRESENT WHEN THEIR COMPENSATION WAS DECIDED

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	IN DETERMINING COMPENSATION OF OTHER OFFICERS OR KEY EMPLOYEES OF THE ORGANIZATION, THE PROCESS INCLUDED A REVIEW AND APPROVAL BY INDEPENDENT PERSONS, COMPARABILITY DATA, AND CONTEMPORANEOUS SUBSTANTIATION OF THE DELIBERATION AND DECISION THE AUDIT COMMITTEE REVIEWED AND APPROVED THE COMPENSATION IN THE REVIEW OF THE COMPENSATIONS, THE OTHER OFFICERS OR KEY EMPLOYEES OF THE ORGANIZATION WERE COMPARED TO OTHER ORGANIZATIONS' EMPLOYEES IN THE AREA THAT HOLD THE SAME TITLE DURING THE REVIEW AND APPROVAL OF THE COMPENSATION, DOCUMENTATION OF THE DECISION WAS RECORDED IN THE BOARD MINUTES

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	THE ORGANIZATION WILL PROVIDE ANY DOCUMENTS OPEN TO PUBLIC INSPECTION UPON REQUEST

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	FORM 990, PART VII	SEC A, LINE 1A - DONALD R ELLIS III, M D COMPENSATION REPORTED IS FOR SERVICES PROVIDED TO THE HOSPITAL IN HIS ROLE AS A PHYSICIAN NOT FOR HIS ROLE AS A TRUSTEE

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS EXPLANATION	FORM 990, PART XI, LINE 5	OTHER CHANGES IN NET ASSETS RELATES TO THE FOLLOWING UNREALIZED GAINS ON INVESTMENT (UNRESTRICTED) 1,594,923 DONATIONS FROM RESTRICTIONS 619,240 CA DEFERRED PENSION COSTS 2,942,863 RESTRICTED CONTRIBUTIONS USED FOR PROPERTY 717,204 TEMPORARY RESTRICTED GRANT 231,791 UNREALIZED TEMPORARY RESTRICTED 80,212 TOTAL INCREASES 6,186,233 NET ASSETS FROM FOUNDATION(REPORT AS REVENUE) (242,780) TRANSFER TO GENERAL FUND (1,108,601) TEMPORARY RESTRICTED DONATIONS (93,180) TOTAL DECREASES (1,444,561) TOTAL OTHER CHANGES 4,741,672

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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
ST JOSEPH HEALTH SYSTEM

Employer identification number
38-1443395

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) ASCENSION HEALTH PO BOX 45998 ST LOUIS, MO 63145 31-1662309	HEALTHSYST	MO	501(C)	11A	N/A		No
(2) ST JOSEPH HEALTH SYSTEM FOUNDATION 200 HEMLOCK ROAD TAWAS CITY, MI 48763 01-0790428	FUNDRAISIN	MI	501(C)	11A	N/A	Yes	

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) ST JOSEPH HEALTH ENTERPRISES 200 HEMLOCK ROAD TAWAS, MI48764 38-2686747	OTHERMEDIC	MI	NA	C CORP	680,656	877,268	100 000 %
(2) HEALTH PARTNERS OF NE MI 200 HEMLOCK ROAD TAWAS, MI48764 38-3378622	OTHERMEDIC	MI	NA	C CORP	34	62,286	50 000 %

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		No
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		No
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		No
r Other transfer of cash or property from other organization(s)	1r		No

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) ST JOSEPH HEALTH ENTERPRISES	J	167,611	CASH
(2) ASCENSION HEALTH	O	2,665,954	CASH
(3) ST JOSEPH HEALTH ENTERPRISES	P	532,465	CASH
(4) ST JOSEPH HEALTH SYSTEM FOUNDATION	C	227,840	CASH
(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

St Joseph Health System
38-1443395
6/30/2011

Form 990, Part V II, Listing of Officers, Directors, Trustees, Key Employees, Highest Compensated and Independent Contractors

Column A Name and Title	Column B Average Hours Worked Per Week	Column C Position (Check all that apply)					Column D Compensation from the Organization	Column E Reportable Compensation from Related	Column F Estimated amount of other compensation
Donald R Ellis III, MD **Trustee**	**60**	****					**227,517 00**		**13,775 39**
Michael Busch **Trustee**	**2**	****							
Brenda Chadwick **Trustee**	**2**	****							
Scott Chapleski **Vice Chair**	**2**	****							
Jerry Gracik **Chair**	**2**	****							
Marie Hogan **Trustee**	**2**	****							
Rick Michaels **Trustee**	**2**	****							
Ryan Parkinson **Treasurer**	**2**	****							
Jerry Schmidt **Secretary**	**2**	****							
Robert Stalker II **Trustee**	**2**	****							
Patrick Murtha **CEO**	**60**	****		****			**996,529 96**		**17,180 81**
Neelima Ryali, MD **Chief of Staff**	**60**	****		****			**182,317 16**		**12,866 01**
Ann Balfour **Vice President**	*** **60**			****			**152,032 70**		**32,024 20**
Debra Fox **Vice President**	**60**			****			**144,204 84**		**11,025 74**
Linda Stancill **CFO**	*** **60**			****			**226,046 60**		**40,297 09**
John Blocksom **Surgeon**	**60**				****		**480,732 88**		**15,991 64**
Mark Gallagher **Surgeon**	**60**				****		**341,401 52**		**17,492 95**
Richard Schulz **Surgeon**	**60**				****		**298,720 60**		**14,739 01**
Clarence Wright III **Physician**	**60**				****		**251,815 32**		**14,974 15**
Christopher Landry **Physician**	**60**				****		**224,999 14**		**11,622 45**
Fiscal Year vs Calendar year & Cash vs Accrual Reporting Differences - Book Tax							**3,526,317 72** **3,728,307 16**	-	**201,989 44**

To Line 1b Part VII Form 990

***** These executives participate in a program that provides for supplemental retirement benefits The payment of benefits under the program, if any, is entirely dependent upon the facts and circumstances under which the executive terminates employment with the organization. Benefits under the program are unfunded and non-vested Due to the substantial risk of forfeiture provision, there is no guarantee that these executives will ever receive any benefits under the program Any amounts ultimately paid under the program to the executive is reported as compensation on Form 990, Part V II, Column D in the year paid**

Note The Compensation Data for Part VII, and Schedule J, Part II is presented on the 2010 calendar year basis pursuant to Reg Section 1 6033-2(a)(ii)(h)

St Joseph Health System
Consolidated Balance Sheet
As Of June 30, 2011

	St Joseph Health System		
ASSETS	Current Year	Prior Year	Increase (Decrease)
CURRENT ASSETS			
Cash			
Short-term investments			
Patient accounts receivable			
Allowance for contractuals			
Allowance for uncollectibles & charity			
Accounts Receivable, net	3,786,912	3,783,642	3,269
Estd settlements from 3rd party payors			
Inventory			
Intercompany Receivables			
Other Receivables			
Prepaid Expenses			
Other current assets	1,844,684	1,875,169	(30,484)
Total Current Assets	9,152,285	9,190,880	(38,595)
BOARD DESIGNATED INVESTMENTS			
Investments in the Health System Deposit			
Other investments - Board Designated			
Total Board Designated Investments	2,417,023	1,828,423	588,599
Under bond indenture agree less current			
Investment in AHIL			
Temporarily restricted			
Total Assets Limited as to Use	338,966	1,228,744	(889,778)
OTHER LONG TERM INVESTMENTS			
Long Term Investments - Pension Prefunding			
Long Term Investments - Funded Depreciation			
Total Other Long Term Investments	19,103,067	16,858,174	2,244,893
PROPERTY, PLANT & EQUIPMENT			
Land			
Land Improvements			
Buildings			
Equipment			
Construction in progress			
Less accumulated depreciation			
Total Property and Equipment	19,410,070	20,794,026	(1,383,957)
OTHER ASSETS			
Capitalized Computer Software			
Computer Software in Progress			
Less Accumulated Amortization			
Total Computer Software	716,654	53,977	662,676
Investment unconsolidated entities			
Notes Receivable			
Deferred compensation assets			
Prepaid Pension Assets			
Other miscellaneous assets			
Total Other Assets	4,643,375	617,461	4,025,914
Total Assets	$ 55,064,785	$ 50,517,708	$ 4,547,077

St Joseph Health System
Consolidated Balance Sheet
As Of June 30, 2011

	St Joseph Health System		
LIABILITIES AND NET ASSETS	Current Year	Prior Year	Increase (Decrease)
CURRENT LIABILITIES			
Current portion of LTD			
Accounts payable			
Accrued Liability - Salaries & Wages			
Accrued Liability - Other			
Total Accrued Liability			
Estd 3rd-party payor settlement			
S/T-Malpractice Accrual			
Total Current Liabilities	7,118,246	7,285,109	(166,864)
LONG-TERM DEBT			
Notes payable to Health System Deposit			
Commercial paper loans			
Loan Participation Program			
Hospital Revenue Bonds			
Obligations under capital lease			
Other long-term debt			
Subtotal Long-Term Debt, net Current Portio	18,966,169	19,303,590	(337,422)
Hosp rev bonds premium/discount			
Escrowed Funds for LTD			
Net long-term debt	18,966,169	19,303,590	(337,422)
OTHER NON-CURRENT LIABILITIES			
Self-insurance liability			
Deferred compensation liability			
Accrued pension liability			
Other noncurrent liabilities			
Total Other Non-Current Liabilities	1,886,212	1,900,693	(14,481)
Total Liabilities	27,970,626	28,489,393	(518,767)
NET ASSETS			
Unrestricted Assets-Beginning Balance			
Unrestricted Assets-Adjustments			
Current Net Income			
Unrestricted Net Assets	26,755,193	20,799,572	5,955,621
Temporary Restricted-Beginning Balance			
Temporary Restricted-Adjustments			
Temporarily Restricted Net Assets	338,966	1,228,743	(889,777)
Permanently Restricted-Beginning Balance			
Permanently Restricted-Adjustments			
Permanently Restricted Net Assets	-	-	-
Total Net Assets	27,094,159	22,028,315	5,065,844
Total Liabilities And Net Assets	$ 55,064,785	$ 50,517,708	$ 4,547,077

St. Joseph Health System
Consolidated Statement of Operations
July 1, 2010 through June 30, 2011 (YTD)

	St. Joseph Health System			
	Actual	Budget	$ Variance Favorable (Unfavorable)	Prior Year
PATIENT REVENUE				
Inpatient routine revenue				
Inpatient ancillary revenue				
Total Inpatient Revenue	16,309,746	18,872,452	(2,562,706)	18,404,310
Outpatient Revenue				
Medical Practices				
Home Health and Hospice				
Home Medical Equipment				
Outpatient revenue	86,440,448	86,761,131	(320,683)	83,230,392
Total Patient Revenue	102,750,194	105,633,583	(2,883,389)	101,634,702
LESS REVENUE DEDUCTIONS				
Contractual Allowances				
Charity & Other Adjustments				
Total Revenue Deductions	46,329,167	46,747,671	418,504	44,924,820
Net Patient Service Revenue	56,421,027	58,885,912	(2,464,885)	56,709,883
OTHER REVENUE				
Other Operating Revenue				
Income from unconsolidated subsidiaries				
Net assets released from restrictions				
Total Other Revenue	1,253,097	542,403	710,694	653,567
Net Operating Revenue	57,674,124	59,428,315	(1,754,191)	57,363,450
OPERATING EXPENSES				
Salary & Wages				
Employee Benefits				
Supplies				
Fees				
Purchased Services				
Utilities & Telephones				
Travel, Dues & Education				
Insurance				
Bad Debts				
Interest				
Depreciation				
Other Operating Expense				
Total Operating Expenses	57,277,483	58,935,244	1,657,761	57,372,091
Net Operating Income (Loss)	396,641	493,071	(96,430)	(8,641)
NONOPERATING GAINS/(LOSSES)				
Donations				
Investment income (Loss)				
Income from unconsolidated subsidiaries				
Other nonoperating activity				
Non-Recurring Restructuring Expense				
Total Nonoperating Gains (Losses)	2,725,472	918,625	1,806,847	2,009,601
Net Income (Loss)	$ 3,122,113	$ 1,411,696	$ 1,710,417	$ 2,000,960