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DLN: 93493137007402

Department of the Treasury

Return of Organization Exempt From Income Tax

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

2010

OMB No 1545-0047

Inspection

·The organization may have to use a copy of this return to satisfy state reporting requirements Internal Revenue Service calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011 A For the 2010 D Employer identification number C Name of organization COLUMBIA ST MARY'S INC B Check if applicable Address change 39-1834639 Doing Business As Name change E Telephone number Initial return Number and street (or P O box if mail is not delivered to street address) Room/suite (414) 326-2230 4425 NORTH PORT WASHINGTON ROAD NO Terminated **G** Gross receipts \$ 163,962,443 City or town, state or country, and ZIP + 4 GLENDALE, WI 53212 Amended return Application pending Name and address of principal officer **H(a)** Is this a group return for affiliates? Yes MARK R TAYLOR 4425 NORTH PORT WASHINGTON ROAD NO H(b) Are all affiliates included? ☐ Yes ☐ No 301 GLENDALE, WI 53212 If "No," attach a list (see instructions) **H(c)** Group exemption number ► 0928 Tax-exempt status Website: ► COLUMBIA-STMARYS ORG K Form of organization
✓ Corporation
☐ Trust
☐ Association
☐ Other ► L Year of formation 2001 M State of legal domicile WI Summary Part I Briefly describe the organization's mission or most significant activities HEALTH CARE SYSTEM DEDICATED TO MAKING A POSITIVE DIFFERENCE IN INDIVIDUALS AND OUR COMMUNITY Activities & Governance 2 Check this box | if the organization discontinued its operations or disposed of more than 25% of its net assets Number of voting members of the governing body (Part VI, line 1a) . . Number of independent voting members of the governing body (Part VI, line 1b) . 4 12 5 645 Total number of individuals employed in calendar year 2010 (Part V, line 2a) 15 Total number of volunteers (estimate if necessary) 6 854,290 7a Total unrelated business revenue from Part VIII, column (C), line 12 7a **b** Net unrelated business taxable income from Form 990-T, line 34 7b 128,813 **Prior Year Current Year** Contributions and grants (Part VIII, line 1h) . 0 376,371 Rayenue Program service revenue (Part VIII, line 2g) . 13,846,832 119,610,361 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) . 1,332,905 3,320,818 11,830,452 40,555,376 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 11 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12 27,010,189 163,862,926 13 360,000 206,484 Grants and similar amounts paid (Part IX, column (A), lines 1-3). 0 0 14 Benefits paid to or for members (Part IX, column (A), line 4) . 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines Expenses 8,133,293 42,683,203 16a Professional fundraising fees (Part IX, column (A), line 11e) . . . 0 0 b Total fundraising expenses (Part IX, column (D), line 25) \blacktriangleright **17** Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) . 16,101,502 104,498,673 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 24,594,795 147,388,360 19 Revenue less expenses Subtract line 18 from line 12 . 2,415,394 16,474,566 Net Assets or Fund Balances **Beginning of Current End of Year** Year 20 292,829,491 276,339,021 Total assets (Part X, line 16) . 21 Total liabilities (Part X, line 26) . 224,000,083 217,760,006 22 68,829,408 58,579,015 Net assets or fund balances Subtract line 21 from line 20 Signature Block Part II 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. 2012-05-15 Signature of officer Sign Here RHONDA ANDERSON PRESIDENT / CFO Type or print name and title Print/Type preparer's name Check if self-Preparer's signature Date PTIN employed 🕨 🛭 Paid Firm's name | DELOITTE TAX LLP Fım's EIN **Preparer**

MILWAUKEE, WI 53202

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

Firm's address 🕨 555 E WELLS ST SUITE 1400

Use Only

Phone no 🕨 (414) 271-

Γ

▽ Yes

Par	ŧ 1111	Check if Schedule O contains				F
1. Bnefly describe the organization's mission COLUMBIA ST MARY'S, INC ("CSM") IS A HEALTH ACARE PROVIDER FOUNDED IN RESPONSE TO IDENTIFIED COMMUNITY NUMBER OF PROVIDER FOUNDED IN RESPONSE TO IDENTIFIED COMMUNITY HEALTH SYSTEM CAME A POSITIVE DIFFERENCE IN THE HEALTH SYSTEM CAME AND COLUMBIA HEALTH SYSTEM, AND COLUMBIA HEALTH SYSTEM, AND COLUMBIA HEALTH SYSTEM, AND COLUMBIA HEALTH SYSTEM, AND COLUMBIA HEALTH SYSTEM CAME AND COLUMBIA HEALTH SYSTEM, AND COLUMBIA SHAPE HEALTH SYSTEM, AND COLUMBIA HEALTH SYSTEM HEALTH	*					
WHI NON LIVE AFFI	CH IS S I-SECT S OF I LIATE:	SPONSORED BY ASCENSION ARIAN COMMUNITY HEALTH NDIVIDUALS AND OUR COM S ARE COMMITTED TO PROV	HEALTH, A CATHC SYSTEM CSM EXI MUNITY, WITH SPE IDING HIGH-QUAI	LIC NATIONAL HEAL STS TO MAKE A POSI CCIAL CONCERN FOR LITY, ACCESSIBLE, VA	TH SYSTEM, AND COLUMBIA TIVE DIFFERENCE IN THE H THOSE WHO ARE VULNERAE ALUES-DRIVEN PROGRAMS A	HEALTH SYSTEM, A EALTH STATUS AND LE CSM AND ITS
2						Yes ▼ No
	If "Ye	s," describe these new services	on Schedule O			
3	servic	es [?]				Yes 🗸 No
4	Section	on 501(c)(3) and 501(c)(4) org	anızatıons and secti	on 4947(a)(1) trusts a	re required to report the amour	
4a	CSM, MILW, COLLE SLEEP ESTIM COMM	INC EXISTS AS THE PARENT CORPORA AUKEE INC, COLUMBIA ST MARY'S HO GE OF NURSING, SETON CHILDREN'S WELLNESS INSTITUTE, AND FOUR UF ATED UNREIMBURSED COST OF SERV IUNITY BENEFIT INFORMATION IN SCI	NTION IN THE CSM SYSTI ISPITAL OZAUKEE INC, A SCHOOL, A PARTNERSHI GENT CARE CENTERS I ICES PROVIDED TO THE HEDULE H FOR DISCUSSI	EM, WHICH IS COMPRISED C ND SACRED HEART REHABILI IP WITH THE ORTHOPAEDIC OURING FISCAL 2011, CSM'S ELDERLY, UNINSURED AND U	OF THREE HOSPITALS, (COLUMBIA ST ITATION INSTITUTE INC), 65 COMMU HOSPITAL OF WISCONSIN, A NEW PAI HEALTH SYSTEM PROVIDED CARE TO JNDERINSURED TOTALED \$147,274,0	MARY'S HOSPITAL NITY CLINICS, THE COLUMBIA ITNERSHIP IN FY11 WITH THE 285,062 PATIENTS THE 30 REFER TO THE
4h	(Code) (Expenses	3	including grants of \$) (Revenue \$)
	,	, (, (,	,
4 c	(Code) (Expenses	3	ıncludıng grants of \$) (Revenue \$)
4d	Othe	r program services (Describe	ın Schedule O)			
		· •	•	of\$) (Revenue \$)
40	Tota	nrogram service expenses	124 211 53			

Part TV	Checklist of	Required	Schedules
	CHCCKHSCOL	IXC GGII CG	Scriculics

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)? 🕏	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		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,	_		No
	the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II	7		100
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi- endowments? If "Yes," complete Schedule D, Part V	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
а	Did the organization report an amount for land, buildings, and equipment in Part X, line10? If "Yes," complete Schedule D, Part VI.	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.	11b		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	Yes	
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X.	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If</i> " <i>Yes,"</i> 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? <i>If</i> "Yes," complete Schedule G, Part I (see instructions)	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If</i> "Yes," complete Schedule G, Part II	18		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. Some Form	20b	Yes	

Par	t IV Checklist of Required Schedules (continued)			
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II \blacksquare	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
а	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part			
	IV	28a		No
	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,	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	
а	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2			
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	20	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	•	• 1	
•	Enter the number reported in Box 3 of Form 1096 Enter -0 - if not applicable		Yes	No
.a	1a 120			
	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable 1b 0			
С	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
la l	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			
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)	20	165	
a	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	
a	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			
а	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		Νo
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		Νo
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
a	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
ь	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
а	Organizations that may receive deductible contributions under section 170(c). Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and	7a		No
L	services provided to the payor?	7b		
	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to			
d	file Form 8282?	7c		Νo
u	Ti res, indicate the number of Forms 8282 filed during the year			
е	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
	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		
	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		
	Sponsoring organizations maintaining donor advised funds.			
	Did the organization make any taxable distributions under section 4966?	9a		
	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
0 a	Section 501(c)(7) organizations. Enter Initiation fees and capital contributions included on Part VIII, line 12 10a			
	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
1	Section 501(c)(12) organizations. Enter			
а	Gross income from members or shareholders			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b			
3	Section 501(c)(29) qualified nonprofit health insurance issuers.			
а	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			
С	In which the organization is licensed to issue qualified health plans Enter the amount of reserves on hand 13b			
.4a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		110

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	a response to any question in this Part VI		 			. 攵

Se	ction A. Governing Body and Management			
			Yes	No
_				
1a	Enter the number of voting members of the governing body at the end of the tax year			
ь	Enter the number of voting members included in line 1a, above, who are			
	ındependent			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any	,		NI a
2	other officer, director, trustee, or key employee?	2		No
3	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		Νo
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?	7a 7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the	76	165	
0	year by the following			
а	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the			
	organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		Νo
	ection B. Policies (This Section B requests information about policies not required by the Internal venue Code.)			
	venue coue.)		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No.
	If "Yes," does the organization have written policies and procedures governing the activities of such chapters,			
_	affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	.	v	
	Describe on Cabadula O the agree of any weed by the agree of the superior to account the Fame 200	11a	Yes	
D	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?			
а	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its			
	participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the			
	organization's exempt status with respect to such arrangements?	16b	Yes	
	ction 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			

- 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 🕨 RHONDA ANDERSON

4425 N PORT WASHINGTON ROAD GLENDALE, WI 53212

(414) 326-2230

<u>Part VIII</u> Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

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

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

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

Check this box if neither the organi		elated o	rganı	zatio	on co	ompen	sate	d any current office	er, director, or trust	ee
(A) Name and Title	(B) A verage Positi hours th			C) (cheo apply		II		(D) Reportable compensation from the	(E) (F) Reportable Estimated compensation amount of othe	Estimated amount of other
	per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Ke) employee	Highest compensated employee	Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)	compensation from the organization and related organizations
See Additional Data Table										
				<u> </u>	<u> </u>					

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

									, ,				
	(A) Name and Title	(B) Average hours	1	(ition that a	•		II		(D) Reportable compensation	(E) Reportable compensation		(F) Estima imount o	ted f other
		per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	from the organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	0	compens from t rganizati relate organiza	he on and ed
See A	Additional Data Table												
				\vdash							+		
				\vdash							+		
				_	_						+		
											+		
				 							+		
				<u> </u>	_						+		
1b	Sub-Total							۲					
С	Total from continuation sheets	to Part VII, Sec	tion A		•		+						
d	Total (add lines 1b and 1c) .			•	•	•	•	<u> </u>	5,406,125	3,846,170	<u> </u>		366,660
2	Total number of individuals (incl \$100,000 in reportable compen						above) who	received more tha	n			
-												Yes	No
3	Did the organization list any for on line 1a? <i>If</i> "Yes," complete Sch					ey e	mploy •	ee, o	r highest compens	ated employee	3	Yes	
4	For any individual listed on line organization and related organiz										4	Yes	
5	Did any person listed on line 1a services rendered to the organiz									r individual for	5		No
	ection B. Independent Con	tractors											
1	Complete this table for your five \$100,000 of compensation from	hıghest compei		ındep	ende	ent o	ontra	ctors	that received more	than			
	+	/a)	•••						1	(D)		(6)	

(A) Name and business address	(B) Description of services	(C) Compensation
ACCRETIVE 401 NORTH MICHIGAN AVE CHICAGO, IL 60611	MANAGEMENT SERVICES	20,240,962
CG SCHMIDT BARTON MALOW 26500 AMERICAN DRIVE SOUTHFIELD, MI 48034	PROJECT MANAGEMENT	6,051,679
TRIMEDX LLC 6325 DIGITAL WAY INDIANAPOLIS, IN 46278	HEALTHCARE EQUIPMENT SERVICES	4,728,868
HOK GROUP PO BOX 200119 DALLAS, TX 753200119	ARCHITECTURAL DESIGN	911,872
KAHLER SLATER ARCHITECTS 611 E WISCONSIN AVE MILWAUKEE, WI 53202	ARCHITECTURAL DESIGN	656,448
2 Total number of independent contractors (including but not limited to those listed above) \$100,000 in compensation from the organization ►18	who received more than	

Form 9		(2010) Statement of Rever					Pag	e 9
Pail	VIII	Statement of Rever	iue		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	
40 cm	1a	Federated campaigns	. 1a					514
Contributions, gifts, grants and other similar amounts		Membership dues						
, gr mo		Fundraising events						
iřts ara				213,543				
s, g mil		Related organizations Government grants (contributions		162,828				
ion r si								
ibut The	-	All other contributions, gifts, grant similar amounts not included above	ve					
ntr Ido	g	Noncash contributions included in	lines 1a-1f \$					
လူ	h	Total. Add lines 1a-1f .			376,371			
le				Business Code				
Program Service Revenue	2a	MANAGEMENT FEE ALLOCAT		561000	119,242.622	119,242,622		
æ	ь	RENTAL INCOME-PHYSICIA		532000	367,739			
Ace	С							
Seri	d							
an	е							
illo.	f	All other program service re	evenue					
Δ	g	Total. Add lines 2a-2f .			119,610,361			
	3	Investment income (includi	ing dividends, interest					
		and other similar amounts)			3,174,062			3,174,062
	4	Income from investment of tax-e						
	5	Royalties	(ı) Real	(II) Personal				
	6a	Gross Rents	(i) Kedi	(ii) i cisoliai				
	ь	Less rental expenses						
	c	Rental income						
	d	or (loss) Net rental income or (loss)						
		<u> </u>	(ı) Securities	(II) O ther				
	7a	Gross amount from sales of		246,273				
		assets other than inventory						
	ь	Less cost or other basis and		99,517				
		sales expenses Gain or (loss)		146,756				
		Net gain or (loss)		140,730	146,756			146,756
۸.		Gross income from fundrais						
Other Revenue		(not including						
eve		\$ of contributions reported on	ı lıne 1c)					
Ģ.		See Part IV, line 18						
the	h	l and discontinuous	a L					
ō		Less direct expenses . Net income or (loss) from fu						
			activities See Part IV, line 19 .	a				
	ь	Less direct expenses .		b				
		Net income or (loss) from g						
	10a	Gross sales of inventory, le returns and allowances	SS					
			a					
		Less cost of goods sold .						
	С	Net income or (loss) from s		B				
	112	Miscellaneous Revenue		Business Code 561000	23.834.711	23,834,711		
		EXPENSE TRANSFERS		622110	10,265,421			
		JOINT VENTURE INCOME	<u>: </u>	900099	3,385,306			3,385,306
		GAIN/LOSS ON INVEST All other revenue		300033	3,069,938		854,290	1,012,506
		Total. Add lines 11a-11d			· ·	· ·	12.,250	,,,
			•		40,555,376			
	12	Total revenue. See Instruct	tions		163,862,926		854,290	7,718,630
					,,-20	155,771,549	,== 0	

Part IX Statement of Functional Expenses
Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

А	Section $501(c)(3)$ and $501(c)(4)$ organizations must omplete column (A) but are not required to c			D).	
Do no	ot include amounts reported on lines 6b, p, 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	206,484	206,484		· ·
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	5,201,169		5,201,169	
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	28,599,647	20,007,625	8,592,022	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,526,699	3,438,532	88,167	
9	Other employee benefits	3,213,455	3,133,119	80,336	
10	Payroll taxes	2,142,233	2,088,677	53,556	
а	Fees for services (non-employees) Management	23,644,475	22,028,668	1,615,807	
b	Legal	538,030		538,030	
C	Accounting	1,013,769		1,013,769	
d	Lobbying				
е	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other	48,749,522	48,749,522		
12	Advertising and promotion	353,117	353,117		
13	Office expenses	5,758,172	5,758,172		
14	Information technology				
15	Royalties				
16	Occupancy	6,310,025	6,310,025		
17	Travel	38,999	38,999		
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	175,963	129,631	46,332	
20	Interest	5,947,638		5,947,638	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	4,845,291	4,845,291		
23 24	Insurance	173,251	173,251		
а	ASCENSION FEES/DUES	4,109,246	4,109,246		
a b	AFFILIATION EXPENSE	1,235,666	1,235,666		
c	IMPAIRMENT WRITE-DOWNS	629,212	629,212		
d	SPECIAL PROGRAMS	245,589	245,589		
e	PATIENT CARE SUPPLIES	233,313	233,313		
f	All other expenses	497,395	497,395		
25	Total functional expenses. Add lines 1 through 24f	147,388,360	124,211,534	23,176,826	0
26	Joint costs. Check here ► ☐ If following	147,300,300	124,211,334	23,170,020	
	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				

Pa	rt X	Balance Sheet					<u> </u>
					(A) Beginning of year		(B) End of year
	1	Cash—non-interest-bearing			657,752	1	681,105
	2	Savings and temporary cash investments $\ . \ . \ . \ . \ .$			46,409,397	2	24,138,075
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			4,388,169	4	4,126,738
	5	Receivables from current and former officers, directors, trustees highest compensated employees Complete Part II of	s, key	employees, and			
		Schedule L				5	
	6	Receivables from other disqualified persons (as defined under s persons described in section $4958(c)(3)(B)$, and contributing e sponsoring organizations of section $501(c)(9)$ voluntary employ organizations (see instructions)	mploy	ers, and			
Ş		Schedule L				6	
Assets	7	Notes and loans receivable, net			617,320	7	35,483,443
₹	8	Inventories for sale or use			662,258	8	899,742
	9	Prepaid expenses and deferred charges			2,152,411	9	6,329,014
	10a	Land, buildings, and equipment cost or other basis <i>Complete Part VI of Schedule D</i>	10a	54,240,494			
	b	Less accumulated depreciation	10b	21,236,818	164,689,308	10c	33,003,676
	11	Investments—publicly traded securities				11	
	12	Investments—other securities See Part IV, line 11				12	
	13	Investments—program-related See Part IV, line 11			39,806,060	13	41,165,054
	14	Intangible assets			9,029,392	14	19,651,548
	15	Other assets See Part IV, line 11			24,417,424	15	110,860,626
	16	Total assets. Add lines 1 through 15 (must equal line 34) .			292,829,491	16	276,339,021
	17	Accounts payable and accrued expenses .			19,869,030	17	21,978,695
	18	Grants payable				18	
	19	Deferred revenue				19	_
	20	Tax-exempt bond liabilities				20	
8	21	Escrow or custodial account liability Complete Part IV of Schedu				21	-
bilities	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified					
Lial		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			204,131,053	25	195,781,311
	26	Total liabilities. Add lines 17 through 25			224,000,083	26	217,760,006
5		Organizations that follow SFAS 117, check here ▶ 🔽 and comp	olete l	ines 27			
ġ		through 29, and lines 33 and 34.					
Balance	27	Unrestricted net assets			46,835,982	27	37,574,016
Ba	28	Temporarily restricted net assets			15,571,920	28	15,201,690
Fund	29	Permanently restricted net assets			6,421,506	29	5,803,309
Ful		Organizations that do not follow SFAS 117, check here $ ightharpoonup$ and	nd con	nplete			
٥ř		lines 30 through 34.					
	30	Capital stock or trust principal, or current funds				30	
Assets	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other fu	ınds			32	
Net	33	Total net assets or fund balances			68,829,408	33	58,579,015
_	34	Total liabilities and net assets/fund balances			292,829,491	34	276,339,021

Ра	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		163,8	362,926
2	Total expenses (must equal Part IX, column (A), line 25)	2			 388,360
3	Revenue less expenses Subtract line 2 from line 1	3		16,4	174,566
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4		68,8	329,408
5	Other changes in net assets or fund balances (explain in Schedule O)	5		-26,7	724,959
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		58,5	579,01
Pai	rt XII Financial Statements and Reporting				
	Check if Schedule O contains a response to any question in this Part XII		•	৮	•
				Yes	No
1	Accounting method used to prepare the Form 990				
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 taudit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O		2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were is	ssued			
-	on a separate basis, consolidated basis, or both				
	Separate basis Consolidated basis Both consolidated and separated basis				
За	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	e	За		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the raudit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	equired	3b		

OMB No 1545-0047

Inspection

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

Name of the organization COLUMBIA ST MARY'S INC

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

Public Charity Status and Public Support

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

Employer identification number

					39-1834639		
Part I	Reason for Pu	blic Charity Stat	t us (All organızat	ons must complete th	ıs part.) See ınstr	uctions	
he organı	zatıon ıs not a prıvat	e foundation becaus	eıtıs (Forlines 1 t	hrough 11, check only on	e box)		
1	A church, conventi	on of churches, or as	sociation of church	es described in section 1 7	70(b)(1)(A)(i).		
2	A school described	I in section 170(b)(1)(A)(ii). (Attach Sc	hedule E)			
з Г	A hospital or a coo	perative hospital sei	vice organization de	escribed in section 170(b)	(1)(A)(iii).		
4	A medical research hospital's name, cit	_	ed in conjunction wi	th a hospital described in	section 170(b)(1)(/	A)(iii). Enter th	e
5	= *		-	ersity owned or operated	by a governmental u	nıt described ir	1
_		A)(iv). (Complete Pa	•				
6	•	-	=	lescribed in section 170(l			
7	described in	at normally receives A)(vi) (Complete Pa	·	f its support from a goveri	nmental unit or from	the general pub	olic
8	A community trust	described in section	170(b)(1)(A)(vi)	Complete Part II)			
9	An organization tha	at normally receives	(1) more than 331/	3% of its support from co	ntributions, member	ship fees, and g	ross
	receipts from activ	ities related to its ex	empt functions—su	bject to certain exception	s, and (2) no more t	han 331/3% of	
	its support from gro	oss investment incor	ne and unrelated bu	siness taxable income (le	ess section 511 tax)	from business	es
	acquired by the org	anızatıon after June	30, 1975 See sect	ion 509(a)(2). (Complete	Part III)		
lo 🗆	An organization org	janized and operated	exclusively to test	for public safety See sect	ion 509(a)(4).		
l1 F	one or more publicl	y supported organiza	ations described in s orting organization a	benefit of, to perform the section 509(a)(1) or sect and complete lines 11e the EIII - Functionally integr	ion 509(a)(2) See s rough 11h		3). Check
e 🔽		-	_	ontrolled directly or indir publicly supported organ			
f g	check this box			e IRS that it is a Type I, T gift or contribution from a		supporting orga	nization,
	• .	rectly or indirectly c	ontrols, either alone	or together with persons	described in (ii)	Ye	es No
	and (III) below, the	governing body of th	e the supported orga	anization?		11g(i)	No
		er of a person describ				11g(ii)	No
		led entity of a persor		(II) above?		11g(iii)	No
h		ng information about					
		(iii) Type of	(iv) Is the	(v)	(vi)		

(i) Name of supported organization	(ii) EIN	(III) Type of organization (described on lines 1- 9 above or IRC section (see	(iv) Is the organizati col (i) list your gove docume	on in ted in rning	(v) Did you notify the organization in col (i) of your support?		(vi) Is the organizati col (i) orga in the U	e Ion In anized	(vii) A mount of support
		instructions))	Yes	No	Yes No		Yes	No	
(A) COLUMBIA ST MARY'S HOSPITAL MILWAUKEE	390806315	3	Yes		Yes		Yes		84,205,713
(B) COLUMBIA ST MARY'S HOSPITAL OZAUKEE	390807063	3	Yes		Yes		Yes		30,771,839
(C) SACRED HEART REHABILITATION INSTITUTE	390902199	3	Yes		Yes		Yes		2,292,472
(D) SETON CHILDREN'S SCHOOL	391391245	9	Yes		Yes		Yes		0
(E) COLUMBIA COLLEGE OF NURSING INC	391596986	2	Yes		Yes		Yes		0
Total									117,270,024

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.)

<u> </u>	ection A. Public Support		and to quanty t							
	endar year (or fiscal year beginning									
Care	in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total			
1	Gifts, grants, contributions, and									
	membership fees received (Do not									
	ınclude any "unusual									
	grants ")									
2	Tax revenues levied for the									
	organization's benefit and either									
	paid to or expended on its									
_	behalf									
3	The value of services or facilities									
	furnished by a governmental unit to									
_	the organization without charge									
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									
Ū	line 4									
S	ection B. Total Support		<u> </u>	I I.						
	endar year (or fiscal year beginning									
	ın) >	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total			
7	A mounts from line 4									
8	Gross income from interest,									
Ū	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)					<u> </u>				
12	Gross receipts from related activiti	es, etc (See inst	ructions)			12				
13	First Five Years If the Form 990 is t	for the organizati	on's first, second	, thırd, fourth, or	fifth tax year as a	501(c)(3) organı				
	check this box and stop here						►			
	-tiC Ct-ti	L'a Carana at B								
<u> </u>	ection C. Computation of Pub Public Support Percentage for 2010			11 column (f))						
	· ·		•	II Column (1))		14				
15	Public Support Percentage for 2009	Schedule A, Pa	rt II, line 14			15				
16a	33 1/3% support test—2010. If the				line 14 is 33 1/3%	or more, check				
_	and stop here. The organization qua						▶ □			
b	33 1/3% support test—2009. If the				5a, and line 15 is 3	33 1/3% or more,	- -			
	box and stop here. The organization				45.46		►			
1/a	1 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									
							rt a d			
	in Part IV how the organization mee	ts the "racts and	circumstances"	test ine organiz	ration qualifies as	a publicly suppo				
L	organization	_2000 If+ba a	anization did not	chack a hay an l	no 12 165 166 -	r 17a and line	► □			
D	10%-facts-and-circumstances test- 15 is 10% or more, and if the organ									
	Explain in Part IV how the organization						v			
	supported organization	aon meets the 10	acts and circuilis	tances test fill	z organizacion qual	mes as a publici	y ▶[¯			
18	Private Foundation If the organizati	on did not check	a box on line 13	. 16a. 16b. 17a o	r 17b, check this	box and see	- 1			
	instructions	on ala not check	a box on fine 15	, 100, 100, 1700	I by check tills	SON GING SCC	▶ □			

organization

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.) Section A. Public Support Calendar year (or fiscal year beginning (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (e) 2010 (f) Total ın) 🟲 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose Gross receipts from activities that are not an unrelated trade or business under section 513 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf The value of services or facilities furnished by a governmental unit to the organization without charge Total. Add lines 1 through 5 7a Amounts included on lines 1, 2, and 3 received from disqualified 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 Public Support (Subtract line 7c from line 6) Section B. Total Support Calendar year (or fiscal year beginning (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (e) 2010 (f) Total in) 9 Amounts from line 6 Gross income from interest, 10a dividends, payments received on securities loans, rents, royalties and income from similar sources Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 Add lines 10a and 10b C Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on Other income Do not include 12 gain or loss from the sale of capital assets (Explain in Part IV) Total support (Add lines 9, 10c, 11 and 12) First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here Section C. Computation of Public Support Percentage 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 Investment income percentage for **2010** (line 10c column (f) divided by line 13 column (f)) 17 **17** Investment income percentage from 2009 Schedule A, Part III, line 17 18 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

33 1/3% support tests-2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line

18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions

▶□

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).

Schedule A (Form 990 or 990-EZ) 2010

Software ID: Software Version:

EIN: 39-1834639

Name: COLUMBIA ST MARY'S INC

Form 990, Schedule A, Part I, Line 11h - Provide the following information about the organizations the organization supports.

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section)	Is organız (ı) lısteo gove	the ation in d in your rning ment?	(v) Did you notify the organization in (i) of your support? Yes No		Is organız (ı) orga	the ation in nized in J S ?	(vii) A mount of support?
(A) COLUMBIA ST MARY'S HOSPITAL MILWAUKEE	390806315	3	Yes	NO	Yes	NO	Yes	140	84205713
(B) COLUMBIA ST MARY'S HOSPITAL OZAUKEE	390807063	3	Yes		Yes		Yes		30771839
(C) SACRED HEART REHABILITATION INSTITUTE	390902199	3	Yes		Yes		Yes		2292472
(D) SETON CHILDREN'S SCHOOL	391391245	9	Yes		Yes		Yes		0
(E) COLUMBIA COLLEGE OF NURSING INC	391596986	2	Yes		Yes		Yes		0

Software ID: Software Version:

EIN: 39-1834639

Name: COLUMBIA ST MARY'S INC

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

Compensated Employees, and Ir	ndepende	nt Co	ntra	cto	rs					
(A) Name and Title	(B) Average hours per		tion that a					(D) Reportable compensation from the	(E) Reportable compensation from related	(F) Estimated amount of other compensation
	week	individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)	from the organization and related organizations
DAVID HOOGERLAND MD BOARD MEMBER AND CSM PHYSI	5 00	Х						0	537,518	47,468
GEORGE H HOFF VICE CHAIR	1 00	Х						0	0	0
KEVIN GONIU MD BOARD MEMBER AND CSM PHYSI	5 00	Х						0	581,431	55,819
LEO P BRIDEAU PRESIDENT/CEO 7/10-2/11	1 00	Х		х				1,836,612	0	78,942
MARK R TAYLOR PRESIDENT/CEO 2/11-6/11	1 00	Х		х				0	0	0
MASON G ROSS BOARD MEMBER	1 00	Х						0	0	0
MICHAEL GREBE BOARD MEMBER	1 00	Х						0	0	0
R BRUCE MCDONALD CHAIR	1 00	Х						0	0	0
RANDALL PERRY SECRETARY/TREASURER	1 00	Х						0	0	0
ROBERT LYON MD BOARD MEMBER	1 00	Х						0	0	0
ROBERT VENABLE BOARD MEMBER	1 00	Х						0	0	0
SISTER THERESA SULLIVAN DC BOARD MEMBER	1 00	Х						0	0	0
TINA CHANG BOARD MEMBER	1 00	Х						0	0	0
CHRISTINE NUERNBERG BOARD MEMBER	1 00	Х						0	0	0
PATRICIA J DOLHUN MD BOARD MEMBER	1 00	Х						0	0	0
MICHELLE S NETTLES BOARD MEMBER	1 00	Х						0	0	0
RHONDA ANDERSON PRESIDENT / CFO	5 00			х				467,315	0	44,961
AMY MARQUARDT VP LEGAL SERVICES	5 00				х			333,816	0	36,621
CHERYL HILL VP/CHRO	5 00				х			313,013	0	35,052
DAVID H SHAPIRO MD CHIEF MEDICAL OFFICER	5 00				х			386,542	0	19,935
GERRI LIETZ-STAFFILENO VP HOSP OPERATIONS	5 00				х			0	312,928	30,724
KAROL MARCIANO EXEC VP BUSINESS DEVELOPME	5 00				х			361,072	0	26,841
MARY PAUL VP/CIO	5 00				х			0	661,504	49,257
SUE SANICOLA VP PHYSICIAN DIVISION	5 00				х			231,123	0	34,778
WILLIAM HART VP/COO	5 00				Х			0	356,106	20,055

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

Compensated Employees, and independent Contractors											
(A) Name and Title	(B) Average hours	Posi t	tion (that a	(che		II		(D) Reportable compensation	(E) Reportable compensation	(F) Estimated amount of other	
	per week	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	from the organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations	
DEBORAH FRIBERG PRESIDENT HOSPITAL DIVISION	5 00				х			0	634,473	41,593	
BRUCE MCCARTHY MD PRESIDENT PHYSICIAN DIVISION	5 00				х			386,167	0	29,766	
CONSTANCE J BRADLEY VP HOSP OPERATIONS	5 00				х			0	248,016	22,826	
DAVID OLSON EXEC VP/PRESIDENT CSM HOSP	5 00				х			0	514,194	39,710	
PAUL WESTRICK VP MISSION INTEGRATION	5 00					Х		228,135	0	46,031	
MITCH QUADE DIRECTOR REVENUE CYCLE	5 00					Х		168,055	0	53,277	
CHRISTOPHER MEYER MANAGED CARE OFFICER	5 00					Х		163,267	0	55,869	
KIM HODGKINSON DIRECTOR FINANCIAL PLANNING	5 00					Х		194,904	0	41,796	
JILL WINTERS DEAN OF COLLEGE	5 00					Х		181,384	0	28,141	
CHARLES J DREHER FORMER CFO/PROJECT MNGR	1 00						х	154,720	0	27,198	

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DLN: 93493137007402

OMB No 1545-0047

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.

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), ◆ 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 COLUMBIA ST MARY'S INC 39-1834639 Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization. Provide a description of the organization's direct and indirect political campaign activities in Part IV 2 Political expenditures Volunteer hours Part I-B Complete if the organization is exempt under section 501(c)(3). Enter the amount of any excise tax incurred by the organization under section 4955 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 Yes Was a correction made? If "Yes," describe in Part IV Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3). Enter the amount directly expended by the filing organization for section 527 exempt function activities 1 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b Did the filing organization file Form 1120-POL for this year? 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 (e) A mount of political (a) Name (b) Address (c) EIN (d) A mount paid from contributions received filing organization's and promptly and funds If none, enter -0directly delivered to a separate political organization If none, enter-0-

Р	art II-A Complete if the organization under section 501(h)).	is exempt under section 501(c)(3)	and filed Form 5768	(election
	Check If the filing organization belongs to a Check If the filing organization checked bo	n affiliated group x A and "limited control" provisions apply		
	Limits on Lobbying E (The term "expenditures" means ar		(a) Filing O rganization's Totals	(b) Affiliated Group Totals
1a	Total lobbying expenditures to influence public o	pınıon (grass roots lobbyıng)		
b	Total lobbying expenditures to influence a legisl	ative body (direct lobbying)		
C	Total lobbying expenditures (add lines 1a and 1	o)		
d	O ther exempt purpose expenditures			
е	Total exempt purpose expenditures (add lines 1	c and 1d)		
f	Lobbying nontaxable amount Enter the amount to columns	rom the following table in both		
	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		
	Grassroots nontaxable amount (enter 25% of lir	e 1f)		
h	Subtract line 1g from line 1a If zero or less, ent	er -0 -		
i	Subtract line 1f from line 1c If zero or less, ente	r-0-		
j	If there is an amount other than zero on either lii section 4911 tax for this year?	ne 1h or line 1i, did the organization file Form	4720 reporting	┌ 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 Expendit	ures During 4	4-Year Avera	ging 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					

	rt II-B Complete if the organization is exempt under section 501(c)(3) and has (election under section 501(h)).	NOT f	iled Fo	rm 5		age 3 3
	(orosion unusi sociali	(a)		(b)	
		Yes	No	Ar	noun	ıt
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of					
а	Volunteers?		No			
Ь	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes				
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			2	3,814
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No			
i	Other activities? If "Yes," describe in Part IV	Yes				8,969
j	Total lines 1c through 1:				3	32,783
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?					
Par	t III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(6).	501(c)(5), o	rse	ctio	n
	Wars substantially all (000/ or more) dues recoved pendeductible by members?				Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?		<u> </u>	1		
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		\vdash	3		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	F04/-	\ <u>\</u>	_		
Pal	t III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part I answered "Yes".				CTIO	n
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).					
а	Current year	2a				

P

b Carryover from last year

3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues

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?

Taxable amount of lobbying and political expenditures (see instructions)

	2a	
	2b	
	2c	
	3	
5		
	4	
	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 1 Also, complete this part for any additional information

EXPLANATION OF OTHER LOBBYING ACTIVITIES PART	A KEY EMPLOYEE SPENDS 10% OF TIME (AMOUNT REPORTED ON LINE G) RESEARCHING ISSUES AND PREPARING FOR MEETINGS AND PRESENTATIONS FOR COUNTY OFFICIALS - FUNDING AND OPERATIONAL ISSUES RELATED TO THE GENERAL ASSISTANCE MEDICAL PROGRAM STATE LEGISLATORS, OTHER ELECTED OFFICIALS AND STAFF - LOBBYING ON MEDICAL ASSISTANCE FUNDING, PUBLIC HEALTH INITIATIVES, AND PROVIDER REGULATIONS, FEDERAL ELECTED OFFICIALS AND STAFF - LOBBYING AND MEDICARE AND MEDICARE AND MEDICALE AND STAFF - LOBBYING AND MEDICARE AND MEDICALE AND FOOVIDER REGULATIONS OTHER ACTIVITIES AMOUNT PAID TO GOVERNMENT AFFAIRS CONSULTING FIRM PROVIDING LEGISLATIVE, REGULATORY, AND COMMUNICATIONS SERVICES

DLN: 93493137007402

OMB No 1545-0047

Open to Public

SCHEDULE D

(Form 990)

Department of the Treasury Internal Revenue Service

Name of the organization

COLUMBIA ST MARY'S INC

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.

Inspection **Employer identification number**

			1834639		
	g Donor Advised Funds or Other Similar to Form 990, Part IV, line 6.	r Funds	or Account	s. Complete	ıf th
organization answered res	(a) Donor advised funds		(b) Funds and	other account	
Total number at end of year			-		
Aggregate contributions to (during year))				
Aggregate grants from (during year)					
Aggregate value at end of year					
-	nd donor advisors in writing that the assets held in ubject to the organization's exclusive legal control		sed	┌ Yes │	┌ No
	, donors, and donor advisors in writing that grant fu ot for the benefit of the donor or donor advisor, or fo :			┌ Yes │	∏ Nα
t III Conservation Easements.	. Complete if the organization answered "Yes	s" to Forn	n 990, Part I	V, line 7.	
Preservation of land for public use (Protection of natural habitat Preservation of open space Complete lines 2a-2d if the organization	held by the organization (check all that apply) (e g , recreation or pleasure)	of a certifie	d historic stru		
easement on the last day of the tax yea	r		Uald at th	e End of the Y	
Total number of conservation easement	· s	2a	neid at th	e End of the Y	еаг
Total acreage restricted by conservatio		2b			
	a certified historic structure included in (a)	2c			
Number of conservation easements incl	` '	2d			
	dified, transferred, released, extinguished, or termii			a during	
	et to conservation easement is located ►				
Does the organization have a written po enforcement of the conservation easem	licy regarding the periodic monitoring, inspection, lents it holds?	handling of	violations, an	rd ┌ Yes	┌ No
Staff and volunteer hours devoted to mo	onitoring, inspecting and enforcing conservation ea	sements d	uring the year	<u> </u>	
Amount of expenses incurred in monitor	ring, inspecting, and enforcing conservation easem	nents during	g the year 🟲 \$		
Does each conservation easement repo $170(h)(4)(B)(I)$ and $170(h)(4)(B)(II)$?	rted on line 2(d) above satisfy the requirements of	fsection		┌ Yes │	┌ N
balance sheet, and include, if applicable the organization's accounting for conse		ncıal stater	nents that des	scribes	
	g Collections of Art, Historical Treasure answered "Yes" to Form 990, Part IV, line 8		her Similar	Assets.	
art, historical treasures, or other similar	d under SFAS 116, not to report in its revenue state r assets held for public exhibition, education or res mote to its financial statements that describes thes	search in fu			
	d under SFAS 116, to report in its revenue stateme sets held for public exhibition, education, or researd o these items			•	
(i) Revenues included in Form 990, Par	t VIII, line 1		► \$		
(ii) Assets included in Form 990, Part >	(► \$		
If the organization received or held work	ks of art, historical treasures, or other similar asset ed under SFAS 116 relating to these items	ts for finan	· ·		
Revenues included in Form 990, Part V	III, line 1		► \$		
Assets included in Form 990, Part X					
			· +		

Part	Organizations Maintaining Co	llections of Art	t, His	tori	<u>cal T</u>	reası	ures, or O	<u>the</u>	<u>r Similar Ass</u>	ets (c	ontinued)
3	Using the organization's accession and othe items (check all that apply)	r records, check an	y of th	he fol	owing	that a	re a significa	nt u	se of its collectio	n	
а	Public exhibition		d	Γ	Loan	orexo	hange progr	ams			
b	Scholarly research		е	Γ	Othe	r					
c	Preservation for future generations										
4	Provide a description of the organization's co	ollections and expla	ain hov	w the	y furth	er the	organızatıon	's ex	empt purpose in		
5	During the year, did the organization solicit of assets to be sold to raise funds rather than t									Yes	┌ No
Par	Escrow and Custodial Arrang Part IV, line 9, or reported an an						n answered	Y" b	es" to Form 99	0,	
1a	Is the organization an agent, trustee, custod included on Form 990, Part X?	ıan or other ınterm	edıary	for c	ontribi	utions	or other ass	ets ı		Yes	┌ No
b	If "Yes," explain the arrangement in Part XIV	/ and complete the	follow	ving t	able		Г		Amo	unt	
С	Beginning balance							1c	7110	<u> </u>	
d	Additions during the year						-	1d			
e	Distributions during the year						-	1e			
f	Ending balance						-	1f			
2a	Did the organization include an amount on Fo	orm 990 Part X lin	e 212	,						Yes	□ No
	If "Yes," explain the arrangement in Part XIV								,	. 03	, 110
	t V Endowment Funds. Complete		n ans	.wer	od "Ye	s" to	Form 990	Par	t IV line 10		
	Endownient i andsi complete	(a)Current Year)Prior			wo Years Back			e) Four Y	ears Back
1a	Beginning of year balance										
b	Contributions										
c	Investment earnings or losses										
d	Grants or scholarships										
e	Other expenditures for facilities and programs										
f	Administrative expenses										
g	End of year balance										
2	Provide the estimated percentage of the yea	r end balance held	as			•			•		
а	Board designated or quasi-endowment 🕨										
b	Permanent endowment 🕨										
С	Term endowment ▶										
За	Are there endowment funds not in the posses organization by	ssion of the organiz	atıon	that	re hel	d and	admınıstered	l for	the	Yes	No
	(i) unrelated organizations					•			3a(i)		
	(ii) related organizations								3a(ii)		
b	If "Yes" to $3a(II)$, are the related organizatio	•				•			3b		
4	Describe in Part XIV the intended uses of th										
Par	t VI Investments—Land, Buildings	s, and Equipme	nt. S	see F	orm 9	990, P	Part X, line	10.	Г		
	Description of investment				Cost or s (inves		(b) Cost or ot basis (other		(c) Accumulated depreciation	(d) Bo	ok value
1 a l	and						890,	000			890,000
b i	Buildings		-				24,767,	661	3,628,456	2	1,139,205
c l	_easehold improvements						2,048,	468	546,085		1,502,383
d E	Equipment						24,559,	921	16,704,392		7,855,529
	Other	<u> </u>					1,974,	444	357,885		1,616,559
Tota	. Add lines 1a-1e <i>(Column (d) should equal Fo</i>	orm 990, Part X, colu	mn (B,), line	10(c).)				3	3,003,676
		rm 990, Part X, colu	mn (B _i), line	10(c).)				3	33,003,67

(a) Description of security or category	(b)Book value	(c) Metho	od of valuation
(including name of security)		Cost or end-o	f-year market value
(1)Financial derivatives			
(2)Closely-held equity interests Other			
o thei			
Total (Secani (2) Shear Squar term 350) rately set (2) since 12 y	•		
Part VIII Investments—Program Related. Se	e Form 990, Part X, line		1.6.1.
(a) Description of investment type	(b) Book value		od of valuation f-year market value
(1) ORTHOPAEDIC HOSPITAL OF WISC LLC	15,525,000	Cost of the o	C
(2) HOME CARE MEDICAL	967,055		C
(3) CSM STRATEGIC ALLIANCE	42,000		C
(4) HORIZON HOMECARE	2,819,000		C
(5) WI MEDICAL CYCLOTRON LLC	40,000		С
(6) CSM FOUNDATION (RESTRICTED FUNDS)	21,004,999		C
(7) SLEEP SERVICES	717,000		C
(8) ACCOUNTABLE CARE SOLUTIONS	50,000		C
(4)	30,000		<u>-</u>
Total (column (b) should equal roll 350) rately col (b) line 15)	41,165,054		
Part IX Other Assets. See Form 990, Part X, II			(1) 5 1 1
(a) Descri	ption		(b) Book value
(1) DEFERRED COMPENSATION			473,072
(2) ASSETS HELD FOR SALE			4,876,837
(3) PENSION PREFUNDING			26,721,622
(4) DUE FROM AFFILIATES			78,789,095
Total. (Column (b) should equal Form 990, Part X, col.(B) line	15.)		110,860,626
Part X Other Liabilities. See Form 990, Part X			1 110,000,020
1 (a) Description of Liability	(b) A mount		
Federal Income Taxes	.,		
INTERCOMPANY DEBT TO ASCENSION HEALTH	164,503,054		
ACCRUED PENSION	24,315,751		
DEFERRED COMPENSATION	473,434		
MISC NONCURRENT LIABILITIES	2,572,609		
MISC CURRENT LIABILITIES	3,916,463		
THIS COUNTRY LIMBILITIES	3,910,403		
Total (Column (b) chould agual Form 000. Part V1/0) (25)			
Total. (Column (b) should equal Form 990, Part X, col (B) line 25) ▶	195,781,311		

Par	XII Reconciliation of Change in Net Assets from Form 990 to Financial Statemen	its
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 p	er 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	
а	Net unrealized gains on investments	
b	Donated services and use of facilities	
c	Recoveries of prior year grants	
d	Other (Describe in Part XIV)	
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	3
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	
а	Investment expenses not included on Form 990, Part VIII, line 7b . 4a	
b	Other (Describe in Part XIV) 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	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	
а	Donated services and use of facilities	
b	Prior year adjustments	
C	Other losses	
d	Other (Describe in Part XIV)	
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	3
4	A mounts included on Form 990, Part IX, line 25, but not on line 1:	
а	Investment expenses not included on Form 990, Part VIII, line 7b 4a	
b	Other (Describe in Part XIV)	
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
Par	t XIV Supplemental Information	
<u> </u>		and the form of the court of the

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
		PART X ASC 740 FOOTNOTE REGARDING UNCERTAIN TAX POSITIONS IN AUDITED FINANCIALS NOT APPLICABLE

Additional Data

Software ID: Software Version:

EIN: 39-1834639

Name: COLUMBIA ST MARY'S INC

Form 990, Schedule D, Part VIII - Investments— Program Related

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
ORTHOPAEDIC HOSPITAL OF WISC LLC	15,525,000	С
HOME CARE MEDICAL	967,055	С
CSM STRATEGIC ALLIANCE	42,000	С
HORIZON HOMECARE	2,819,000	С
WI MEDICAL CYCLOTRON LLC	40,000	С
CSM FOUNDATION (RESTRICTED FUNDS)	21,004,999	С
SLEEP SERVICES	717,000	С
ACCOUNTABLE CARE SOLUTIONS	50,000	С

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DLN: 93493137007402

OMB No 1545-0047

Inspection

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

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

Hospitals

Name of the organization COLUMBIA ST MARY'S INC

Employer identification number

					39-	1834639			
Pá	art I Financial Assista	nce and C	ertain Oth	er Community Be	nefits at Cost				
						r		Yes	No
1a	Did the organization have a fi	nnancial assi	stance polic	y during the tax year? I	f "No," skip to questic	n6a.	1a	Yes	
b	If "Yes," is it a written policy	?					1b	Yes	
2	If the organization has multip assistance policy to its vario				describes application	of the financial			
	Applied uniformly to all ho	ospitals		Applied uniformly	to most hospitals				
	Γ Generally tailored to indiv	ıdual hospita	ls						
3	Answer the following based o organization's patients during			nce eligibility criteria t	hat applied to the large	est number of the			
а	Does the organization use Fe income individuals? If "Yes,"						3a	Yes	
	Г _{100%} Г _{150%}	. ≥ 0	no% –	Other	%	·	Ju	163	
						duuduala 2 TE			
b	"Yes," indicate which of the fo		= -	-		dividuais / If			
		_	_		_		3b	Yes	-
	200% 250%	✓ 30	00%	350% Г 40	0% Cher_	<u>%</u>			
С	If the organization does not u determining eligibility for free test or other threshold, regar	or discounte	d care Inclu	de in the description w	hether the organizatio				
4	Did the organization's financi	al assistance	policy that a	applied to the largest n	umber of its patients d	uring the tax year	4	Yes	<u> </u>
_	provide for free or discounted			_				1 !	İ
5a							5a	Yes	-
b	If "Yes," did the organization				_		5b		No
С	If "Yes" to line 5b, as a resul care to a patient who was elig						5c		
6a	Does the organization prepar			ort during the tax			6a	Yes	
e L	year?			uhli a 2		Ī			
OD	If "Yes," did the organization		•				6b	Yes	-
	Complete the following table worksheets with the Schedule		ksneets prov	idea iii tile Schedule A	ilistructions Do not s	ubiliit tilese			
7	Financial Assistance and C	ertain Other	Community	Benefits at Cost		l			
	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 be expense	enefit	(f) Pero total ex	
а	Financial Assistance at cost (from Worksheets 1 and 2)	, , ,		228,844	0	221	3,844	n	160 %
b	Unreimbursed Medicaid (from Worksheet 3, column a)			4,243,543	778,871		1,672		360 %
c	Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			1,213,343	770,071	3,40	.,5.2		220 70
d	Total Financial Assistance and Means-Tested Government Programs			4,472,387	778,871	3 69	3,516		520 %
e	Other Benefits Community health improvement services and community benefit operations (from (Worksheet 4)			.,2,307	,	3,03.	,,,,,,		
	Health professions education (from Worksheet 5)								
g	Subsidized health services (from Worksheet 6)								
h	Research (from Worksheet 7)								
	Cash and in-kind contributions to community groups (from Worksheet 8) Total Other Benefits								
-	Total Add lines 7d and 71			4 472 387	778 871	3 60	3 516		520 %

of the communities										ealth
	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense		rect offse revenue	etting	(e) Net communit building expense		(f) Perd total ex	
Physical improvements and housing										
Economic development										
Community support										
Environmental improvements										
Leadership development and training										
for community members Coalition building				-						
Community health improvement										
advocacy										
Workforce development Other										
Total										
art IIII Bad Debt, Medica	re, & Collec	tion Practic	es	•						
ation & Rad Daht Frances										
ction A. Bad Debt Expense Did the organization report ba	d deht expens	e in accordance	with Heathcare Fi	nancial M	anaden	nent Δ (ssociation (Yes	No
Statement No 15?			· · · · ·		·	•		1		Νo
Enter the amount of the organ			•		2		137,325			
Enter the estimated amount of attributable to patients eligible				olicy .	з					
accribacable to patients engis	ie under the ory	gamzacion 5 mie	aneiar assistance p	•					!	
Provide in Part VI the text of										
In addition, describe the cost rationale for including a portion				s reporte	a on nn	es Z ai	na 3, ana			
ction B. Medicare										
Enter total revenue received	from Medicare	(ıncludıng DSH	and IME)		5		3,482,357			
Enter Medicare allowable cos	ts of care relat	ing to payments	s on line 5		6		11,906,248			
Subtract line 6 from line 5 Th	nis is the surpli	us or (shortfall)			7		-8,423,891			
Describe in Part VI the exten Also describe in Part VI the of Check the box that describes	osting method	ology or source					•			
Cost accounting system	r c∘	st to charge ra	tio Г	O ther						
ction C. Collection Practices										
Does the organization have a	written debt co	ollection policy?						9a	Yes	
b If "Yes," does the organization								9b	Yes	
patients who are known to qua art IV Management Com				cribe iii P	aitvi				1 1 0 3	
(a) Name of entity	1	b) Description of pi activity of entit	rımary	(c) Organı profit % o ownersh	r stock	e) Officers, directors, trustees, or key mployees' profit % r stock ownership%	pro	Physic fit % or wnershi	stock
1 ORTHOPAEDIC HOSPITAL OF	ORTHOPEDIC S	URGERIES		į	50 000 %	- 	·		50 (000 %
SCONSIN LLC										
	+					-		+		
								1		
								1		
	+					+		+		
	1					-		+		
								1		
								\perp		
	1							1		

Part	V Facility Information									
(list in	on A. Hospital Facilities order of size, measured by total revenue per facility, from t to smallest)	Licensed hospital	General medical	Children's h	Teaching hospital	Critical acc	Research facility	ER-24 hours	ER-other	
	nany hospital facilities did the organization operate during x year? 1	ospital	dical & surgical	hospital	ospital	Ortical access hospital	acility	φ ·		
Name	and address									Other (Describe)
1	ORTHOPAEDIC HOSPITAL OF WISCONSIN LLC 475 WEST RIVER WOODS PARKWAY GLENDALE,WI 53212	х								
		-			-			ļ		
		_				_		-		

ow many non-nospital facilities did the organization	on operate during the tax year?
ame and address	Type of Facility (Describe)
-	
0	Schedule H (Form 99

Part V Facility Information (continued)

Schedule H (Form 990) 2010 Page 8

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, 6j, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)
- Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		PART I, LINE 3C THE HOSPITALS OF CSM PROVIDE MEDICALLY NECESSARY CARE TO ALL PATIENTS, REGARDLESS OF RACE, COLOR, CREED, ETHNIC ORIGIN, GENDER, DISABILITY OR ECONOMIC STATUS OHOW'S
		SPECIFIC POLICY 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

Identifier	ReturnReference	Explanation
		PART I, LINE 6A OHOW FILES AN ANNUAL COMMUNITY BENEFIT REPORT WITH THE WISCONSIN HOSPITAL ASSOCIATION ("WHA") CSM DOES NOT FILE A COMMUNITY BENEFIT REPORT WITH THE WHA SINCE CSM DOES NOT HAVE ANY PATIENT CARE REVENUE HOWEVER, CSM IS THE PARENT ENTITY OF 3 HOSPITALS, COLUMBIA ST MARY'S HOSPITAL MILWAUKEE, INC, COLUMBIA ST MARY'S HOSPITAL OZAUKEE, SACRED HEART REHABILITATION, INC, EACH OF WHICH FILE COMMUNITY BENEFIT REPORTS WITH WHA CSM DOES, HOWEVER, DESCRIBE THE BENEFITS THAT THE CSM ORGANIZATION PROVIDES TO THE COMMUNITY ON ITS WEBSITE

Identifier	ReturnReference	Explanation
		PART I, LINE 7 THE COST OF PROVIDING CHARITY CARE, MEANS TESTED GOVERNMENT PROGRAMS, AND COMMUNITY BENEFIT PROGRAMS IS ESTIMATED USING INTERNAL COST DATA, AND IS CALCULATED IN COMPLIANCE WITH CATHOLIC HEALTH ASSOCIATION ("CHA") GUIDELINES THE ORGANIZATION USES A COST ACCOUNTING SYSTEM THAT ADDRESSES ALL PATIENT SEGMENTS (FOR EXAMPLE, INPATIENT, OUTPATIENT, EMERGENCY ROOM, PRIVATE INSURANCE, MEDICAID, MEDICARE, UNINSURED, OR SELF PAY) THE BEST AVAILABLE DATA WAS USED TO CALCULATE THE AMOUNTS REPORTED IN THE TABLE FOR CERTAIN CATEGORIES IN THE TABLE, THIS WAS A COST ACCOUNTING SYSTEM, IN OTHER CATEGORIES, A SPECIFIC COST-TO-CHARGE RATIO WAS APPLIED PART I, LINE 7G THE ORGANIZATION HAS NOT INCLUDED COSTS ATTRIBUTABLE TO A PHYSICIAN CLINIC AS PART OF SUBSIDIZED HEALTH SERVICES

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) CSM'S SHARE OF THE AMOUNT OF BAD DEBT EXPENSE REPORTED BY OHOW IN 2010 BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGES IN PART I, LINE 7, COLUMN (F) IS \$460,525

Identifier	ReturnReference	Explanation				
Identifier		PART II NO COMMUNITY BUILDING ACTIVITIES HAVE BEEN REPORTED BASED ON THE OHOW JOINT VENTURE, HO WEVER, IN ORDER TO ACCOMPLISH THE COLLABORATIVE WORK IN THE COMMUNITY AND TO OVERSEE ACCESS CLINICS AND OUTREACH PROGRAMS, CSM HAS A COMMUNITY SERVICES DEPARTMENT WHICH OVERSEES THE CSM COMMUNITY BENEFIT PROCESS PROGRAMS TO PROMOTE THE HEALTH OF THE COMMUNITIES WHICH THE CSM ORGANIZATIONS ARE AFFILIATED WITH INCLUDE - THE INROADS PROGRAM THIS PROGRAM IS A COLLABORATION BETWEEN CSM AND THE MILWAUKEE INROADS COOPERATIVE TO PROVIDE CULTURALLY DIVERSE COLLEGE STUDENTS AN OPPORTUNITY TO EXPERIENCE THE HEALTHCARE				
		WORKPLACE CSM HAS A STRONG RECORD OF HIRING INROADS GRADUATES AFTER THEIR INTERNSHIP EXPERIENCE - MILWAUKEE HEALTH CARE PARTNERSHIP (MHCP) CSM IS A FOUNDING MEMBER OF THE MILWAUKEE HEALTH CARE PARTNERSHIP (MHCP), WHICH IS A COLLABORATION BETWEEN THE FIVE MILWAUKEE HEALTH SYSTEMS AND FEDERALLY QUALIFIED HEALTH CENTERS TO IMPROVE ACCESS TO HEALTH CARE IN THE COMMUNITY THE PARTNERSHIP HAS WORKED WITH COUNTY HEALTH OFFICIALS TO IMPROVE BEHAVIORAL				
		ACCESS AND PARTNERSHIP FUNDING SUPPORTS MENTAL HEALTH RESPITE BEDS IN THE COMMUNITY CSM'S CEO AND MISSION ACCESS VICE PRESIDENT EACH SPEND SIGNIFICANT TIME IN MHCP COLLABORATIVE WORK - COLLABORATION WITH COMMUNITY CHURCHES ACCESS TO HEALTH EDUCATION AND SCREENING IN MANY AREAS OF THE CITY IS BEST ACCOMPLISHED THROUGH CHURCH COLLABORATION CSM EMPLOYS THREE NURSES TO WORK IN COLLABORATION WITH				
		CHURCHES AND COMMUNITY ORGANIZATIONS TO OFFER HEALTH EDUCATION, HEALTH SCREENING, AND CARE MANAGEMENT SUPPORT TO PARISHIONERS AND COMMUNITY MEMBERS IN A VARIETY OF OUTREACH PROGRAMS AFFILIATED WITH CHURCHES CSM DEVELOPED THE BEGINNING STAGES OF A COLLABORATION WITH 44 CHURCH OF GOD IN CHRIST CHURCHES IN MILWAUKEE TO ACCOMPLISH BETTER HEALTH AWARENESS AND IMPROVE SCREENING RATES				

NG FOOTNOTE RELATED TO ACCOUNTS BLES "THE MAJORITY OF THE HOSPITAL'S				
STATEMENTS SEPARATE FROM CSM, INCLUDES THE FOLLOWING FOOTNOTE RELATED TO ACCOUNTS RECEIVABLES "THE MAJORITY OF THE HOSPITAL'S ACCOUNTS RECEIVABLES ARE DUE FROM THIRD-PARTY PAYORS UNDER REIMBURSEMENT AGREEMENTS AND FROM PATIENTS FOR SERVICES PROVIDED ACCOUNTS RECEIVABLE ARE DUE UPON RECEIPT OF INVOICE RECEIVABLES ARE STATED NET OF ANY ALLOWANCE FOR CONTRACTUAL DISCOUNTS AND UNCOLLECTIBLE ACCOUNTS BY CONSIDERING THE NUMBER OF DAYS PAST DUE, COLLECTION HISTORY, AND THE GENERAL ECONOMY AND INDUSTRY AS A WHOLE CONTRACTUAL ADJUSTMENTS ARE BASED ON EXPECTED PAYMENT RATES IN ACCORDANCE WITH THIRD-PARTY PAYOR AGREEMENTS THE HOSPITAL WRITES OFF ACCOUNTS RECEIVABLE WHEN THEY ARE DETERMINED TO BE UNCOLLECTIBLE PAYMENTS SUBSEQUENTLY RECEIVED ARE CREDITED TO THE ALLOWANCE FOR DOUBTFUL ACCOUNTS "CSM'S SHARE OF OHOW BAD DEBT EXPENSE IN 2010 WAS \$460,525 AT GROSS CHARGES (\$137,325 AT COST)				
NIE Y E V N N N N N Y Y				

Identifier	Identifier ReturnReference Explanation			
		PART III, LINE 8 OHOW FOLLOWS 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
		PART III, LINE 9B OHOW 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
		CSM DOES NOT FILE A COMMUNITY BENEFIT REPORT SINCE IT DOES NOT HAVE ANY PATIENT CARE REVENUE HOWEVER, CSM'S THREE HOSPITAL ORGANIZATIONS, COLUMBIA ST MARY'S HOSPITAL MILWAUKEE, INC, COLUMBIA ST MARY'S HOSPITAL OZAUKEE, AND SACRED HEART REHABILITATION, INC EACH FILE COMMUNITY BENEFIT REPORTS WITH THE WISCONSIN HOSPITAL ASSOCIATION

	COLUMBIA ST MARY'S, INC AND ITS AFFILIATED
	HOSPITALS SPONSORS ENVIRONMENTAL INITIATIVES AS
	PART OF THE NATIONAL PRACTICE GREENHEALTH
	ENVIRONMENTAL PROGRAM A CSM GREEN TEAM MEETS
	MONTHLY TO DEVELOP AND ACCOMPLISH GOALS
	ACROSS THE INSTITUTIONS THE TEAM SERVES THE CSM
	HOSPITALS AND REPORTS THE FOLLOWING
	ACHIEVEMENTS IN THE PAST YEAR UNDER THE THEMES
	OF REDUCE, REUSE, AND RECYCLE REDUCE AS A HEALTH
	SYSTEM, CSM WAS AN AWARD RECIPIENT OF THE 2011
	PRACTICE GREENHEALTH ENVIRONMENTAL EXCELLENCE
	AWARD-PARTNER FOR CHANGE WITH DISTINCTION THIS
	AWARD DESIGNATION REQUIRES A RECYCLING RATE
	THROUGH ALL WASTE STREAMS OF GREATER THAN
	25% IN EARLY 2011, CSM HOSPITAL OZAUKEE EARNED
	AN ENERGY STAR DESIGNATION FROM THE EPA FOR
	USING 35% LESS ENERGY THAN THE AVERAGE
	HOSPITAL REUSE CSM'S REPROCESSING PRACTICE WITH
	STERILMED DIVERTED 24,355 UNITS FROM LANDFILLS OR
	14,306 POUNDS RECYCLE SINGLE SOURCE RECYCLING
	377 TONS RECYCLABLES-EACH TON SAVES 24 GALLONS
	OF GAS, 4100 KWH OF ELECTRICITY, AND 7,000 GALLONS
	OF WATER ADDITIONALLY, CSM HOSPITAL MILWAUKEE,
	AN AFFILIATED HOSPITAL, IMPLEMENTED A DESIGN OF
	THE PATIENT CARE TOWER WITH A TOTAL OF 18,800
	SQUARE FEET OF GREEN ROOF THE ROOF REMOVES THE
	EQUIVALENT OF 282 PASSENGER CARS OF GREENHOUSE
	GASES ANNUALLY, HOLDS ROUGHLY 25,000 GALLONS OF
	RAINWATER OUT OF THE SEWAGE SYSTEM, AND REDUCES
	INDOOR SOUND BY AS MUCH AS 40 DECIBELS LEADING
	TO A QUIETER PATIENT EXPERIENCE
	I O A QUIETER I ATTENT EXTERIENCE

Explanation

ReturnReference

Identifier

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 THE HEALTH NEEDS OF THE
		COMMUNITIES WHICH CSM SERVE ARE ASSESSED
		THROUGH THE WORK OF THE CSM COMMUNITY BENEFIT
		COMMITTEES ("CBC") THE CBCS ARE GUIDED BY THE
		MISSION STATEMENT OF CSM, AND ARE COMPRISED OF ADMINISTRATIVE LEVEL LEADERSHIP, MANAGERS, AND
		STAFF INVOLVED IN DIRECT SERVICE TO VULNERABLE
		PEOPLE ADDITIONALLY, THE CBCS INCLUDE A
		REPRESENTATIVE OF THE PATIENT FAMILY ADVISORY
		COMMITTEE OF CSM AS A STRUCTURED METHOD FOR
		RECEIVING COMMUNITY INPUT THE CBC ROLES INCLUDE THE FOLLOWING - DEVELOP COMMUNITY ASSESSMENT
		TO DETERMINE NEEDS OVER A TWO YEAR PERIOD TO
		ADDRESS THROUGH CSM RESOURCES - CREATE A
		COMMUNITY BENEFIT PLAN TO DRIVE CSM ACTIVITIES
		OVER SEVERAL YEARS - REVIEW AND PROVIDE INPUT TO
		COMMUNITY BENEFIT REPORTS TO ASCENSION HEALTH,
		WISCONSIN HEALTH ASSOCIATION AND CHA - DEVELOP
		ANNUAL COMMUNITY BENEFIT GOALS TO INCLUDE WITHIN CSM INTEGRATED, STRATEGIC, OPERATIONAL
		AND FINANCIAL PLAN - PROVIDE INPUT TO AND
		ADVOCATE FOR CSM ORGANIZATIONAL POLICIES
		FOCUSED ON VULNERABLE POPULATIONS (E G
		OUTREACH SCREENING GUIDELINES, TRANSPORTATION,
		COLLECTION POLICIES) - DEVELOP AND IMPLEMENT COMMUNICATION STRATEGIES TO INFORM MULTIPLE
		COMMUNITIES ABOUT COMMUNITY BENEFIT
		ACHIEVEMENTS - DEVELOP A STRATEGY TO MEASURE
		AND INCREASE THE IMPACT OF COMMUNITY BENEFIT
		PROGRAMS IN FISCAL 2011, THE CBCS PREPARED NEEDS
		ASSESSMENTS FOR EACH OF THE HOSPITALS TO GUIDE
		ITS PLANNING THE ASSESSMENTS WERE DEVELOPED BY GATHERING KEY PUBLIC HEALTH AND DISEASE SPECIFIC
		ASSESSMENTS FOR EACH COMMUNITY AND
		SYNTHESIZING THE ASSESSMENTS INTO ONE DOCUMENT
		FOR MILWAUKEE AND OZAUKEE COUNTIES FROM PUBLIC
		SOURCES SUCH AS HRSA COMMUNITY HEALTH STATUS
		REPORT FOR OZAUKEE COUNTY, THE OZAUKEE HEALTH INITIATIVE 2002-2007, CHILDREN'S HEALTH IN
		WISCONSIN (CENTER FOR HEALTH STATISTICS), START
		SMART MILWAUKEE STATE OF MILWAUKEE'S CHILDREN
		HEALTH REPORT, HEALTHIEST WISCONSIN 2010, CITY OF
		MILWAUKEE HEALTH DEPT REPORT, CITY OF MILWAUKEE
		COMMUNITY HEALTH SURVEY, HRSA COMMUNITY HEALTH
		STATUS REPORT FOR MILWAUKEE COUNTY, WISCONSIN DHFS FAMILY HEALTH SURVEY, WISCONSIN DHFS HEALTH
		INSURANCE COVERAGE REPORT, RIVERWEST HEALTH
		INITIATIVES SURVEY REPORT, MILWAUKEE'S
		COMMITMENT TO ACTION REPORT FROM THE 2003
		URBAN HEALTH FORUM, MILWAUKEE PUBLIC HEALTH
		REPORT BY ALDERMANIC DISTRICT, WISCONSIN COUNTY HEALTH RANKINGS 2006 AND WISCONSIN NUTRITION
		AND PHYSICAL ACTIVITY STATE PLAN SEVERAL OF
		THESE SURVEYS INCLUDE DIRECT CITIZEN INPUT
		REGARDING THE STATE OF THEIR HEALTH THE NEEDS
		ASSESSMENTS WERE DISCUSSED IN DETAIL BY THE CBC
		TO GAIN THE INSIGHT OF THOSE AT CSM INVOLVED IN
		ALL AREAS OF HEALTH AND COMMUNITY HEALTH THE
		PLAN THAT WAS SUBSEQUENTLY DEVELOPED FOCUSED ON CARE FOR VULNERABLE PEOPLE CONSISTENT WITH
		THE CSM MISSION STATEMENT

Identifier	ReturnReference	Explanation		
		PART VI, LINE 3 CSM ATTEMPTS TO IDENTIFY PATIENTS WHO MAY BE ELIGIBLE FOR CHARITY OR DISCOUNTED CARE AS OUTLINED IN THE CHARITY CARE POLICY DURING THE PRE-REGISTRATION, REGISTRATION, ADMISSIONS AND DISCHARGE PROCESSES A COPY OF THE CHARITY CARE POLICY IS POSTED IN THE EMERGENCY ROOM, AND A SUMMARY OF THE POLICY IS PROVIDED TO PATIENTS WITH ADMISSION AND DISCHARGE PAPERWORK CSM HAS TRAINED FINANCIAL COUNSELORS AVAILABLE TO DISCUSS PAYMENT OPTIONS TO THE PATIENTS UPON MAKING AN APPOINTMENT, THE FINANCIAL COUNSELORS WILL MEET WITH THE PATIENT TO DETERMINE WHAT OTHER FINANCIAL ASSISTANCE PROGRAMS THE PATIENT MAY QUALIFY FOR		

Identifier	ReturnReference	Explanation			
		PART VI, LINE 4 CSM PRIMARILY SERVES THE			
		MILWAUKEE AND OZAUKEE COUNTIES IN SOUTHEASTERN			
		WISCONSIN OHOW IS LOCATED IN AN URBAN			
		COMMUNITY WITHIN MILWAUKEE COUNTY THE			
		POPULATION OF MILWAUKEE COUNTY IS			
		APPROXIMATELY 950,000, WITH OVER 19% OF THE			
		HOUSEHOLDS LIVING AT OR BELOW FEDERAL POVERTY			
		GUIDELINES THE MEDIAN INCOME IS APPROXIMATELY			
		\$46,000, OVER 44% OF THE POPULATION IS A MINORITY,			
		AND APPROXIMATELY 15% OF THE POPULATION SPEAK A			
		LANGUAGE OTHER THAN ENGLISH DISCOUNTS FOR THE			
		UNINSURED AND UNDERINSURED ARE NOT INCLUDED IN			
		PARTS I OR II OF SCHEDULE H			

Identifier	ReturnReference	Explanation				
		PART VI, LINE 6 COMMUNITY BENEFIT ACTIVITIES OFTEN FOCUS ON ACCESS TO PRIMARY CARE THROUGH				
		FREE OR REDUCED COST CLINICS SPONSORED BY HOSPITAL CSM MILWAUKEE FOLLOWING ARE SEVERAL				
		EXAMPLES IN WHICH THE HOSPITALS OF CSM FOCUS ON THE CONNECTION BETWEEN COMMUNITY NEEDS AND				
		COMMUNITY BENEFIT PLAN ACTIVITIES INFANT MORTALITY, PARTICULARLY AMONG THE AFRICAN				
		AMERICAN COMMUNITY IN MILWAUKEE, IS A PARTICULAR HEALTH ISSUE NEEDING IMPROVEMENT CSM HAS BEEN				
		AN IMPORTANT COLLABORATOR IN CITY AND STATE EFFORTS TO IMPROVE BIRTH OUTCOMES AND REDUCE				
		INFANT MORTALITY RATES IN MILWAUKEE CSM HAS SUPPORTED THE LIFECOURSE INITIATIVE FOR HEALTHY				
		FAMILIES AS A COMMUNITY/ACADEMIC PARTNERSHIP FOR INITIATION OF A FIVE YEAR FUNDED PLAN FOR				
		MORTALITY IMPROVEMENT CSM HAS AN INTERNAL COMMITTEE, CSM HEALTHY FAMILIES, THAT MEETS TO				
		PLAN IMPROVEMENTS IN SUPPORT TO FAMILIES A PARTICULAR FOCUS HAS BEEN THAT OF SAFE SLEEP				
		INITIATIVES TO ASSURE THAT INFANTS HAVE A SAFE PLACE TO SLEEP BY PROVIDING PACK AND PLAY CRIBS				
		FOR MOTHERS WITHOUT A DEDICATED INFANT SLEEP SPACE ADDITIONALLY, PARENTS ARE EDUCATED ABOUT				
		THE IMPORTANCE OF AN INFANT SLEEPING ON HIS BACK THROUGH A "BACK TO SLEEP" CAMPAIGN OF INFANT				
		APPAREL WITH THAT MESSAGE IMPRINTED CSM'S COMMUNITY NEEDS ASSESSMENTS HAVE IDENTIFIED				
		THAT ACCESS TO PRIMARY CARE HAS BEEN A COMMUNITY PROBLEM IN MILWAUKEE CSM HAS				
		RESPONDED TO THAT NEED BY SPONSORING ST BEN'S CLINIC, THE COMMUNITY-BASED CHRONIC DISEASE				
		MANAGEMENT CLINIC WHICH IS A HYPERTENSION TREATMENT CENTER HOUSED IN A FOOD PANTRY, THE				
		SETON DENTAL CLINIC AND THE SATURDAY CLINIC FOR THE UNINSURED CSM SPONSORS MEDICAL RESIDENCY				
		EDUCATION PROGRAMS THROUGH THE CSM FAMILY HEALTH CENTER AND THE OB/GYN CLINIC EACH CENTER				
		OFFERS SLIDING FEE SCALES TO UNINSURED AND UNDERINSURED PATIENTS LACK OF ACCESS TO ORAL				
		HEALTH CARE HAS ALSO BEEN IDENTIFIED IN THE NEEDS ASSESSMENT CSM MILWAUKEE SPONSORED THE SMART				
		SMILES PROGRAM OF SCHOOL-BASED ORAL HEALTH CARE TO SERVE CHILDREN DENTAL ASSESSMENT, ORAL				
		HYGIENE CARE, DENTAL SEALANTS AND FLUORIDE				
		TREATMENTS ARE PROVIDED IN MORE THAN 30 SCHOOLS TO MEET THESE NEEDS THE ST ELIZABETH ANN SETON				
		DENTAL CLINIC SERVES AS THE URGENT DENTAL CARE PROVIDER FOR UNINSURED PEOPLE IN MILWAUKEE				
		DISPARITIES EXIST IN CANCER DIAGNOSIS AND TREATMENT IN THE COMMUNITIES CSM MILWAUKEE				
		SERVES CSM MILWAUKEE RESPONDED BY PROVIDING A BREAST HEALTH ADVOCATE TO LINK AFRICAN AMERICAN				
		AND HISPANIC WOMEN INTO MAMMOGRAPHY AND FURTHER DIAGNOSTIC TESTING TO FIND DISEASE				
		EARLIER AND TO PROVIDE MORE EFFECTIVE TREATMENT COLUMBIA COLLEGE OF NURSING STUDENTS AND				
		FACULTY STAFF EL CENTRO DE SALUD NURSING CENTER AT THE UNITED COMMUNITY CENTER, WHICH PROVIDES IMMUNIZATIONS, PHYSICALS, HEALTH EDUCATION,				
		HEALTH PROMOTION, SCREENING AND SUPPORT TO				
		STUDENTS OF UNITED COMMUNITY CENTER PRESCHOOL, ELEMENTARY AND MIDDLE SCHOOLS, AS WELL AS TO				
		ADULTS IN FAMILY PROGRAMS AND OLDER ADULT SERVICES CSM COLLABORATES WITH THE MEDICAL				
		COLLEGE OF WISCONSIN IN SPONSORING THE FOLLOWING -THE FAMILY HEALTH CENTER, A RESIDENCY-				
		BASED FAMILY MEDICINE CLINIC THAT PROVIDES PRIMARY CARE TO MORE THAN 9,000 INDIVIDUALS IN				
		THE COMMUNITY - THE OB/GYN CLINIC, A RESIDENCY-BASED PROGRAM THAT SERVES OVER 150 PATIENTS, 250 OB APPOINTMENTS PER MONTH, AND 325 DELIVERIES				
		PER YEAR - THE CHRONIC DISEASE MANAGEMENT CLINIC, WHICH SCREENS AND MANAGES HYPERTENSION,				
		DIABETES, OBESITY, AND SMOKING FOR LOW INCOME ADULTS THROUGH A CLINIC BASED IN A FOOD PANTRY -				
		THE SATURDAY CLINIC FOR THE UNINSURED, WHICH USES MEDICAL STUDENTS AND VOLUNTEER PHYSICIANS				
		TO SERVE HUNDREDS OF UNINSURED PATIENTS EACH YEAR HOUSECALLS FOR THE HOMEBOUND PROVIDES				
		HIGH-QUALITY PRIMARY CARE TO APPROXIMATELY 90 ELDERLY PATIENTS IN THEIR HOMES WHO ARE TOO FRAIL				
		TO TRAVEL TO PHYSICIANS' OFFICES ADDITIONAL AREAS OF COMMUNITY SUPPORT INCLUDE CSM'S				
		PARTNERSHIP WITH SIXTEENTH STREET COMMUNITY				
		HEALTH CENTER (SSCHC), A FEDERALLY QUALIFIED HEALTH CENTER (FQHC) THAT SERVES PRIMARILY				
		HISPANIC AND ASIAN PEOPLE IN MILWAUKEE CSM IS THE PRIMARY HOSPITAL TO ACCEPT ADMISSIONS AND				
		WORK CLOSELY WITH SSCHC TO IMPROVE THE HEALTH OF ITS PATIENTS MANY OF ITS PATIENTS ARE UNINSURED				
		AND INELIGIBLE FOR COVERAGE THIS HAS IMPACT ON CSM'S CHARITY CARE FUNDING CSM ALSO EMPLOYS A				
		CADRE OF SKILLED INTERPRETERS TO ASSURE THAT COMMUNICATION IS EXCELLENT FOR SPANISH-SPEAKING				
	<u> </u>	PATIENTS				

Identifier	ReturnReference	Explanation
		PART VI, LINE 7 THE CSM HEALTH SYSTEM FOCUSES ON
		CONTRIBUTING TO THE POSITIVE HEALTH STATUS OF
		THE COMMUNITIES IT SERVES CSM IS AN
		ORGANIZATION COMPRISED OF THREE HOSPITALS, 65 COMMUNITY CLINICS, THE COLUMBIA COLLEGE OF
		NURSING, SETON CHILDREN'S SCHOOL, A PARTNERSHIP
		WITH THE ORTHOPAEDIC HOSPITAL OF WISCONSIN, A
		PARTNERSHIP WITH SLEEP SERVICES OF WISCONSIN,
		AND FOUR URGENT CARE CENTERS CSM PROVIDES CARE
		FOR INDIVIDUALS AND FAMILIES THROUGHOUT
		MILWAUKEE, OZAUKEE, WASHINGTON, AND SHEBOYGAN
		COUNTIES - WITH MORE THAN 160 YEARS OF SERVICE TO
		INDIVIDUALS AND FAMILIES IN THESE
		COMMUNITIES OHOW ITSELF IS A SPECIALTY HOSPITAL
		WHICH PERFORMS MORE THAN 5,000 SURGICAL
		PROCEDURES EACH YEAR AND OFFERS THE COMPLETE RANGE OF ORTHOPAEDIC SERVICES, INCLUDING JOINT
		REPLACEMENTS AND SPINE PROCEDURES,
		REHABILITATION, DIAGNOSTIC TESTING AND PAIN
		MANAGEMENT SERVICES AS A MEMBER OF ASCENSION
		HEALTH, THE NATION'S LARGEST CATHOLIC
		HEALTHCARE SYSTEM, CSM CONTINUES TO BUILD AND
		STRENGTHEN SUSTAINABLE COLLABORATIVE EFFORTS
		THAT BENEFIT THE HEALTH OF INDIVIDUALS, FAMILIES,
		AND SOCIETY AS A WHOLE THE GOAL OF CSM IS TO
		PERPETUATE THE HEALTH MISSION OF THE CHURCH CSM
		FURTHERS THIS GOAL THROUGH DELIVERY OF PATIENT SERVICES, CARE TO THE ELDERLY AND INDIGENT,
		PATIENT EDUCATION AND HEALTH AWARENESS
		PROGRAMS FOR THE COMMUNITY, AND MEDICAL
		RESEARCH OUR CONCERN FOR ALL HUMAN LIFE AND
		DIGNITY OF EACH PERSON LEADS THE ORGANIZATION
		TO PROVIDE MEDICAL SERVICES TO ALL PEOPLE IN THE
		COMMUNITY WITHOUT REGARD TO THE PATIENT'S RACE,
		CREED, NATIONAL ORIGIN, ECONOMIC STATUS, OR
		ABILITY TO PAY CSM EMPLOYS A COMMUNITY BENEFIT PHILOSOPHY IN PROGRAM PLANNING AND
		IMPLEMENTATION CSM PROVIDES FOR THE HEALTH OF
		THE COMMUNITY THROUGH FINANCIAL SUPPORT
		PROVIDED TO PATIENTS BY FINANCIAL DISCOUNTS AND
		CONTRACTS, BY DEVELOPING CLINICS AND SERVICES
		FOR SPECIFIC VULNERABLE GROUPS, BY SPONSORING
		COMMUNITY EDUCATION AND TRAINING AND BY
		COLLABORATING WITH GOVERNMENT PROGRAMS DURING
		FISCAL 2011, THE CSM SYSTEM PROVIDED MORE THAN \$71,859,000 IN UNREIMBURSED SERVICES, INCLUDING
		\$11,270,000 IN TRADITIONAL CHARITY CARE, \$7,765,000
		IN DISCOUNTS TO THE UNINSURED, \$16,078,000 IN
		COMMUNITY BENEFIT PROGRAMS, AND \$36,745,000 IN
		OTHER UNPAID PUBLIC PROGRAMS, INCLUDING
		SUBSIDIZED HEALTH CARE, PROFESSIONAL EDUCATION,
		FINANCIAL CONTRIBUTIONS AND COMMUNITY BUILDING
		ACTIVITIES IN ADDITION, THE ORGANIZATION'S
		GOVERNING BODY IS COMPRISED OF LOCAL COMMUNITY LEADERS AND PHYSICIANS, THE MAJORITY OF WHOM
		RESIDE WITHIN THE COMMUNITIES CSM SERVES AND ARE
		NEITHER EMPLOYEES NOR CONTRACTORS OF THE
		ORGANIZATION, NOR FAMILY MEMBERS THEREOF THE
		HOSPITAL EXTENDS MEDICAL STAFF PRIVILEGES TO ALL
		QUALIFIED PHYSICIANS IN ITS COMMUNITY, HOWEVER,
		THE CLINICS WITHIN THE ORGANIZATION ARE SERVED
	<u> </u>	BY PHYSICIANS AFFILIATED WITH CSM
		Schedule H (Form 990) 2010

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Schedule I (Form 990)

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

OMB No 1545-0047

2010

DLN: 93493137007402

Open to Public

Department of the Treasury Internal Revenue Service Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22. ► Attach to Form 990

Name of the organization				Employer identification number			
COLUMBIA ST MARY'S INC				39-1834639			
Part I General Inform	nation on Grants	and Assistance				'	
 Does the organization mainstrain the selection criteria used Describe in Part IV the organization 	I to award the grants o ganızatıon's procedur	es for monitoring the us	e of grant funds in the	United States			
Form 990, Part I	V, line 21 for any re	Governments and ecipient that received ded	d more than \$5,000	. Check this box if n	no one recipient rec	eived more than \$5,	
1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) A mount of non- cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) WISCONSIN PRIMARY HEALTH CARE ASSOCIATION4600 AMERICAN PARKWAY SUITE 204 MADISON,WI 53718	39-1407034	501(C)(3)	133,334				CONTRIBUTION TO MILWAUKEE HEALTH CENTERS
(2) MILWAUKEE DEVELOPMENT CORP756 N MILWAUKEE ST 4TH FLOOR MILWAUKEE,WI 53202	93-0828687	501(C)(3)	15,000				REGIONAL ECONOMIC DEVELOPMENT CAMPAIGN
(3) SAINT THOMAS FOUNDATION4220 HARDING ROAD NASHVILLE,TN 37205	58-1716804	501(C)(3)	10,000				DONATION FOR NASHVILLE FLOOD RELIEF
(4) CEDARBURG CULTURAL CENTERW62 N546 WASHINGTON AVE CEDARBURG,WI 53012	39-1558200	501(C)(3)	20,000				CULTURAL CENTER SPONSORSHIP
(5) UNITED WAY225 W VINE STREET MILWAUKEE, WI 53212	39-0806190	501(C)(3)	14,500				2010 UNITED WAY CAMPAIGN CONTRIBUTIONS

Enter total number of section 501(c)(3) and government 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)A mount of cash grant	(d)A mount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	,	SCHEDULE I, PART I, LINE 2 CONTRIBUTIONS TO GOVERNMENTS AND ORGANIZATIONS IN THE UNITED STATES ARE APPROVED BY THE BOARD OF DIRECTORS AND/OR THE PRESIDENT & CEO ALL RECORDS OF OUTGOING CONTRIBUTIONS ARE RETAINED FOR A PERIOD OF 10 YEARS, PLUS THE CURRENT FISCAL YEAR, AND CAN BE LOCATED AT THE OFFICE CENTER AT 4425 NORTH PORT WASHINGTON RD, GLENDALE, WI 53212

DLN: 93493137007402

OMB No 1545-0047

Compensation Information

Schedule J

(Form 990)

Department of the Treasury Internal Revenue Service

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

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

► Attach to Form 990. ► See separate instructions.

Open to Public Inspection

Normal Florestate Control	F Attach to Form 990. F See Separate instructions.	
Name of the organization		Employer identification number
COLUMBIA ST MARY'S INC		
		39-1834639

Pa	rt I Questions Regarding Compensation					
					Yes	Νo
1a	Check the appropriate box(es) if the organization provides 990, Part VII, Section A, line 1a Complete Part III to					
	First-class or charter travel	굣	Housing allowance or residence for personal use			
	▼ Travel for companions	\sqcap	Payments for business use of personal residence			
	▼ Tax idemnification and gross-up payments	Γ	Health or social club dues or initiation fees			
	Discretionary spending account	Γ	Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the orga reimbursement orprovision of all the expenses describ			1b	Yes	
2	Did the organization require substantiation prior to rein officers, directors, trustees, and the CEO/Executive D			2	Yes	
3	Indicate which, if any, of the following the organization organization's CEO/Executive Director Check all that Compensation committee Independent compensation consultant	appl マ マ	y Written employment contract Compensation survey or study			
	Form 990 of other organizations	<u> </u>	Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Pa or a related organization	rt VI	I, Section A, line 1a with respect to the filing organization			
а	Receive a severance payment or change-of-control pa	ymer	nt from the organization or a related organization?	4a		Νo
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?				4b	Yes	
c	c Participate in, or receive payment from, an equity-based compensation arrangement?					No
	If "Yes" to any of lines 4a-c, list the persons and prov	ıde th	ne applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must	com	plete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, lin compensation contingent on the revenues of					
а	The organization?			5a		No
b	Any related organization?			5b		No
	If "Yes," to line 5a or 5b, describe in Part III					
6	For persons listed in form 990, Part VII, Section A, lin compensation contingent on the net earnings of	e 1a	, did the organization pay or accrue any			
а	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, lii payments not described in lines 5 and 6? If "Yes," des			7	Yes	
8	Were any amounts reported in Form 990, Part VII, paisubject to the initial contract exception described in R in Part III			8		No
9	If "Yes" to line 8, did the organization also follow the resection 53 $4958-6(c)$?	ebutt	able presumption procedure described in Regulations	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 o	f W-2 and/or 1099-MI	SC compensation	(C) Retirement and	(D) Nontaxable	(E) Total of columns	(F) Compensation
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	other deferred compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
See Additional Data Table							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(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
		CEO RECEIVED SPOUSAL TRAVEL ALLOWANCE OF \$1,421 DURING FY11 TAX INDEMNIFICATION PAYMENTS ARE MADE ON THE PERSONAL USE OF EMPLOYER-PROVIDED CELL PHONES THIS POLICY EXISTS FOR ALL EMPLOYEES ISSUED EMPLOYER-PROVIDED CELL PHONES GROSS UP PAYMENTS TO COVER TAXES FOR NON-QUALIFIED RELOCATION AND TEMPORARY HOUSING EXPENSES FOR EXECUTIVES WERE PAID IN FY11
	4B	PART I, LINE 4B ELIGIBLE 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 BENEFIT UNDER THE PROGRAM ANY AMOUNT ULTIMATELY PAID UNDER THE PROGRAM TO THE EXECUTIVE IS REPORTED AS COMPENSATION ON FORM 990, SCHEDULE J, PART II, COLUMN B IN THE YEAR PAID THE FILING ORGANIZATION CONTRIBUTED TO THE SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN IN THE AMOUNT AS NOTED BELOW - A MARQUARDT \$10,400 - P WESTRICK \$6,500
	7	BOARD MEMBERS, OFFICERS, KEY EMPLOYEES AND HIGHEST COMPENSATED EMPLOYEES WHO ARE EMPLOYED BY THE CSM ORGANIZATIONS AND ARE MEDICAL DOCTORS ARE ELIGIBLE TO RECEIVE A PERCENTAGE OF THE REVENUE GENERATED FROM PATIENTS THEY SERVE, BASED ON ESTABLISHED GUIDELINES OFFICERS AND KEY EMPLOYEES PARTICIPATE IN A MANAGEMENT INCENTIVE PLAN, WHEREBY CERTAIN FINANCIAL TRIGGERS OF THE CSM SYSTEM AS APPROVED BY THE BOARD MUST BE MET BEFORE ANY ELIGIBLE EMPLOYEE MAY RECEIVE PAYMENT OF THE INCENTIVE ONCE THE TRIGGER IS MET, THE INCENTIVE IS MEASURED BASED ON VARIOUS ESTABLISHED GOALS, INCLUDING OPERATING MARGIN, PATIENT SATISFACTION, QUALITY, AND PRODUCTIVITY

Schedule J (Form 990) 2010

Software ID: Software Version:

EIN: 39-1834639

Name: COLUMBIA ST MARY'S INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees								
(A) Name		(B) Breakdown o	f W-2 and/or 1099-MI	SC compensation	(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation	compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
DAVID HOOGERLAND MD	(I) (II)	0 414,900	0 101,000	0 21,618	0 4,900	0 42,568	0 584,986	0
KEVIN GONIU MD	(1)		101,000	21,010	7,900	72,300	304,300	0
	(ii)	522,609	40,000	18,822	4,900	50,919	637,250	ő
LEO P BRIDEAU	(I) (II)	804,390 0	857,565 0	174,657 0	4,900 0	74,042 0	1,915,554 0	0
RHONDA ANDERSON	(I) (II)	353,962 0	109,478 0	3,875 0	3,323 0	41,638 0	512,276 0	0
AMY MARQUARDT	(I) (II)	234,247 0	74,208 0	25,361 0	19,951 0	16,670 0	370,437 0	0
CHERYL HILL	(ı) (ıı)	228,137 0	61,396 0	23,480 0	4,834 0	30,218	348,065 0	0
DAVID H SHAPIRO MD	(I) (II)	288,246 0	53,235 0	45,061 0	4,900 0	15,035 0	406,477 0	0
GERRI LIETZ- STAFFILENO	(I) (II)	0 216,241	0 58,443	0 38,244	0 2,141	0 28,583	0 343,652	0
KAROL MARCIANO	(I) (II)	246,422 0	81,198 0	33,452 0	4,900	21,941	387,913	0
MARY PAUL	(I) (II)	0 364,297	0 220,605	0 76,602	0 33,825	0 15,432	0 710,761	0
SUE SANICOLA	(I) (II)	165,577 0	45,781 0	19,765 0	3,825		265,901	0
WILLIAM HART	(ı) (ıı)	0 280,195	0 72,496	0 3,415	0	0 20,055	0 376,161	0
DEBORAH FRIBERG	(I) (II)	0 432,541	0 115,466	0 86,466	0 361	0 41,232	0 676,066	0
BRUCE MCCARTHY MD	(I) (II)	344,948 0	0	41,219 0	0	29,766 0	415,933 0	0
CONSTANCE J BRADLEY	(I) (II)	0 196,027	0 48,703	0 3,286	0 4,740	0 18,086	0 270,842	0 0
DAVID OLSON	(I) (II)	0 348,362	0 58,277	0 107,555	0	0 39,710	0 553,904	0 0
PAUL WESTRICK	(I) (II)	174,808 0	42,690 0	10,637 0	12,953 0	33,078 0	274,166 0	0 0
MITCH QUADE	(I) (II)	145,440 0	22,071 0	544 0	22,000	31,277 0	221,332 0	0
CHRISTOPHER MEYER	(I) (II)	140,384 0	22,616 0	267 0	38,500 0	17,369 0	219,136 0	0
KIM HODGKINSON	(I) (II)	169,950 0	24,954 0	0	16,423 0	25,373 0	236,700 0	0
JILL WINTERS	(I) (II)	141,952 0	38,937 0	495 0	5,623 0	22,518 0	209,525	0
CHARLES J DREHER	(I) (II)	126,732 0	10,696 0	17,292 0		23,984 0	181,918 0	0

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2010

OMB No 1545-0047

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SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.

Supplemental Information to Form 990 or 990-EZ

► Attach to Form 990 or 990-EZ.

Name of the organization COLUMBIA ST MARY'S INC

Employer identification number

39-1834639

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		CSM HAS TWO CORPORATE MEMBERS ASCENSION HEALTH AND COLUMBIA HEALTH SYSTEM

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		ONE OF CSM'S CORPORATE MEMBERS, ASCENSION HEALTH, HAS THE ABILITY TO ELECT MEMBERS TO THE GOVERNING BODY OF CSM

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, 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 COLUMBIA HEALTH SYSTEM HAS THE AUTHORITY TO APPROVE ANY CHANGES TO THE GOVERNING DOCUMENTS WHICH WOULD AFFECT ITS INTEREST OR RIGHTS IN CSM, THE MISSION AND VISION STATEMENTS OF CSM, AND ANY MAJOR CORPORATE STRUCTURAL TRANSACTIONS OF CSM

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		MANAGEMENT, INCLUDING CERTAIN OFFICERS, WORKS DILIGENTLY TO COMPLETE THE FORM 990 AND ATTACHED SCHEDULES IN A THOROUGH MANNER MANAGEMENT PRESENTS THE FORM TO THE BOARD, OR A DESIGNATED COMMITTEE, TO REVIEW AND ANSWER ANY QUESTIONS PRIOR TO FILING THE RETURN, ALL BOARD MEMBERS ARE PROVIDED THE FORM 990 AND MANAGEMENT TEAM MEMBERS ARE AVAILABLE TO ANSWER ANY BOARD MEMBERS QUESTIONS

	Return ference	Explanation
PAR ⁻ SECT	RT VI, CTION B, E 12C	CSM HAS A WRITTEN CONFLICT OF INTEREST POLICY THE ORGANIZATION REGULARLY AND CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH THE 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 Retui Refere	
FORM 99 PART VI SECTION LINE 15	OFFICIAL, THE PROCESS INCLUDED A REVIEW AND APPROVAL BY INDEPENDENT PERSONS, COMPARABILITY

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

Identifier	Return Reference	Explanation
EMPLOYEE HOURS	FORM 990, PART VII, COL (B)	THE KEY EMPLOYEES AND OFFICERS LISTED ON FORM 990, PART VII, PROVIDE SERVICES TO THIS ORGANIZATION AS WELL AS OTHER RELATED CSM ORGANIZATIONS. THE HOURS REPORTED IN COLUMN (B) REPRESENT THE ESTIMATED PERCENTAGE OF TIME THESE INDIVIDUALS DEVOTE TO THE REPORTING ORGANIZATION BASED ON AN AVERAGE WEEK THE TOTAL AVERAGE HOURS PER WEEK THESE INDIVIDUALS SPEND ON ALL CSM ORGANIZATIONS, INCLUDING THIS ORGANIZATION, EXCEED 40 HOURS

ldentifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	DEFERRED PENSION COSTS -7,622,675 CUMULATIVE EFFECT CHANGE IN ACCOUNTING PRINCIPLE -9,029,392 EQUITY TRANSFERS -10,072,892 TOTAL TO FORM 990, PART XI, LINE 5 -26,724,959

ldentifier	Return Reference	Explanation			
	FORM 990, PART XII, LINE 2C	NO CHANGES SINCE THE PRIOR YEAR			

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DLN: 93493137007402

SCHEDULE R (Form 990)

Name of the organization

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

Employer identification number

Open to Public Inspection

COLUMBIA ST MARY'S INC				39-1834639			
Part I Identification of Disregarded Entities (Cor	mplete if the organization	on answered "Yes"	on Form 990, Pa				
(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 during	anizations (Complete	ıf the organization	answered "Yes"	on Form 990, Part	IV, line 34 becau	se it had	one
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity		g) 512(b)(1 crolled nization
						Yes	No
See Additional Data Table						+	
						1	
						1	
For Poisson, And and Possesson, d. Posteration, And Making and Market		C-t N- F0	1257		Calcadada D. (

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	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
		country)		under sections 512- 514)			Yes	No	(, 3,,,, 1993)	Yes	No	
(1) ORTHOPAEDIC HOSPITAL OF WISCONSIN LLC 575 RIVERWOODS PKWY GLENDALE, WI53212 39-2015655	HEALTH CARE		COLUMBIA ST MARY'S INC	RELATED	10,732,000	15,525,000	1.05	No		Yes		50 000 %
(2) SLEEP SERVICES OF WISCONSIN LLC 111 E KILBOURN AVE STE 1300 MILWAUKEE, WI53202 27-3148310	SLEEP SERVICES		COLUMBIA ST MARY'S INC	RELATED	267,000	450,000		No		Yes		50 000 %
Part IV Identif	ication of Pelat	ed Oro	ianizations Tay	able as a Corno	ration or Trust (Complete if the o	raani	zation	answered "Ves"	on Fo	rm Q	On Dart IV

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) CSM STRATEGIC ALLIANCE 4425 NORTH PORT WASHINGTON RD GLENDALE, WI53212 39-1871856	HEALTHCARE	WI	COLUMBIA ST MARY'S INC	С	-1,000	42,000	50 000 %
(2) MADISON MEDICAL AFFILIATES INC 4425 NORTH PORT WASHINGTON RD GLENDALE, WI53212 39-1855720	HEALTHCARE	WI	COLUMBIA ST MARY'S HOSPITAL MILWAUKEE INC	С	-7,669,593	6,643,705	100 000 %
(3) PROSPECT MEDICAL COMMONS CONDO ASSOCIATION 4425 NORTH PORT WASHINGTON RD GLENDALE, WI53212 20-8042108	CONDO ASSOC	WI	COLUMBIA ST MARY'S INC	С			70 000 %

(6)

Pa	irt V	Transactions With Related Organizations (Complete if the organization answered "Yes	" on Form 990, Par	t IV, line 34, 35, 3	5A, or 36.)			
	Note.	Complete line 1 if any entity is listed in Parts II, III or IV				Yes	No	
1 D	urıng t	e tax year, did the orgranization engage in any of the following transactions with one or more related organ	ızatıons lısted ın Parts	s II-IV?				
а	Rece	pt 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)								
c Gift, grant, or capital contribution from other organization(s)								
d	Loans	or loan guarantees to or for other organization(s)			1d		No	
е	Loans	or loan guarantees by other organization(s)			1e	Yes		
f	Sale	fassets to other organization(s)			1f		No	
g	Purch	ase of assets from other organization(s)			1 g		No	
h	Exch	inge of assets			1h		No	
i	Lease	of facilities, equipment, or other assets to other organization(s)			1i		No	
j	Lease	of facilities, equipment, or other assets from other organization(s)			1j		No	
k Performance of services or membership or fundraising solicitations for other organization(s)								
l Performance of services or membership or fundraising solicitations by other organization(s)								
m Sharing of facilities, equipment, mailing lists, or other assets								
n	n Sharing of paid employees							
o	Reim	oursement paid to other organization for expenses			10	Yes		
р	Reim	oursement paid by other organization for expenses			1 p	Yes		
q	O the	transfer of cash or property to other organization(s)			1 q	Yes		
r	O the	transfer of cash or property from other organization(s)			1r		No	
2	Ifthe	answer to any of the above is "Yes," see the instructions for information on who must complete this line, in	cluding covered relati	onships and transact	ıon thresholds			
		(a)	(b) Transaction	(c)	(d) Method of determin	ning ame	ount	
		Name of other organization	type(a-r)	Amount involved	involved			
(1)								
	dditional	Data Table						
(2)								
(3)								
(-,								
(4)								
(5)								

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d Are parti sect 501(d organiz	ners :ion :)(3) :ations?	(e) Share of end-of-year assets		r) ortionate tions?	(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	mana part	h) eral or laging tner?
			Yes	No		Yes	No		Yes	No
			+						+	-
			-				\vdash		+	╁
									+	-
										+
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			+							
			<u> </u>							

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation
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Schedule R (Form 990) 2010

Software ID: **Software Version:**

EIN: 39-1834639

Name: COLUMBIA ST MARY'S INC

Form 990, Schedule R, Part II - Identification of	Related Tax-Exempt Or	ganizations					
(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
COLUMBIA ST MARY'S HOSPITAL MILWAUKEE INC 4425 NORTH PORT WASHINGTON ROAD MILWAUKEE, WI53212 39-0806315	HOSPITAL	WI	501(C)(3)	3	COLUMBIA ST MARY'S INC	Yes	
COLUMBIA ST MARY'S HOSPITAL OZAUKEE INC 4425 NORTH PORT WASHINGTON ROAD MILWAUKEE, WI53212 39-0807063	HOSPITAL	WI	501(C)(3)	3	COLUMBIA ST MARY'S INC	Yes	
SACRED HEART REHABILITATION INSTITUTE INC 4425 NORTH PORT WASHINGTON ROAD MILWAUKEE, WI53212 39-0902199	REHAB FACILITY	WI	501(C)(3)	3	COLUMBIA ST MARY'S HOSPITAL MILWAUKEE INC	Yes	
COLUMBIA COLLEGE OF NURSING INC 4425 NORTH PORT WASHINGTON ROAD MILWAUKEE, WI53212 39-1596986	COLLEGE	WI	501(C)(3)	2	COLUMBIA ST MARY'S HOSPITAL MILWAUKEE INC	Yes	
SETON CHILDREN'S SCHOOL INC 4425 NORTH PORT WASHINGTON ROAD MILWAUKEE, WI53212 39-1391245	SCHOOL	WI	501(C)(3)	9	COLUMBIA ST MARY'S HOSPITAL MILWAUKEE INC	Yes	
ASCENSION HEALTH 4600 EDMUNDSON ROAD ST LOUIS, MO63136 31-1662309	HEALTH SYSTEM	МО	501(C)(3)	11	N/A		No
HORIZON HOME CARE & HOSPICE INC 8949 N DEERBROOK TRL MILWAUKEE, WI53223 39-1171298	HOME CARE/HOSPICE	WI	501(C)(3)	3	COLUMBIA ST MARY'S INC		No
COLUMBIA HEALTH SYSTEM 4425 NORTH PORT WASHINGTON ROAD MILWAUKEE, WI53212 39-1494977	HEALTH SYSTEM	WI	501(C)(3)	11	N/A		No

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) A mount Involved (\$)	(d) Method of determining amount involved
(1)	ORTHOPAEDIC HOSPITAL OF WISCONSIN	0	535,778	
(2)	ASCENSION HEALTH	E	164,503,054	
(3)	COLUMBIA ST MARY'S HOSPITAL MILWAUKEE	К	84,205,713	
(4)	COLUMBIA ST MARY'S HOSPITAL OZAUKEE	К	30,771,839	
(5)	SACRED HEART REHABILITATION INSTITUTE	К	2,292,472	
(6)	ORTHOPAEDIC HOSPITAL OF WISCONSIN	Р	24,009,000	
(7)	COLUMBIA COLLEGE OF NURSING	Р	2,749,000	
(8)	SETON CHILDREN'S SCHOOL	Р	1,647,000	
(9)	COLUMBIA ST MARY'S HOSPITAL MILWAUKEE	Р	519,688,000	
(10)	COLUMBIA ST MARY'S HOSPITAL OZAUKEE	Р	82,761,000	
(11)	ASCENSION HEALTH	Q	11,969,480	
(12)	ASCENSION HEALTH	Q	4,109,246	
(13)	SLEEP SERVICES OF WISCONSIN	В	450,000	
(14)	ORTHOPAEDIC HOSPITAL OF WISCONSIN	К	1,669,996	

CONSOLIDATED FINANCIAL STATEMENTS

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

Ascension Health

Consolidated Financial Statements

Years Ended June 30, 2011 and 2010

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Ernst & Young LLP The Plaza in Craylon Suite 1300 190 Carendelet Plaza Stilloms, MO 63105-3404

Tel 1 314 290 1000 Fax +1 314 290 1582 vww ey John

Report of Independent Auditors

The Board of Trustees Ascension Health

We have audited the accompanying consolidated balance sheets of Ascension Health (as identified in Note 1) as of June 30, 2011 and 2010, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended These financial statements are the responsibility of Ascension Health's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

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

September 8, 2011

1105-1254593

Ernst + Young LLP

Consolidated Balance Sheets

(Dollars in Thousands)

		June 30,		
	-	2011		2010
Assets				
Current assets				
Cash and cash equivalents	\$	1,117,574	\$	1,168.278
Short-term investments		91,146		81,650
Accounts receivable, less allowances for uncollectible accounts				
(\$1,091,291 and \$1,018,364 in 2011 and 2010, respectively)		1,700,917		1,590,084
Assets limited as to use		161,300		158,676
Inventories		192,057		201,353
Estimated third-party payor settlements		90,365		115,798
Other		297,549		313,698
Total current assets		3,650,908		3,629,537
Board-designated and other investments		8,251,466		6,701,328
Property and equipment, net		6,013,874		6,093,288
Other assets				
Investment in unconsolidated entities		889,077		809,488
Capitalized software costs, net		486,916		388,701
Other	-	660,818		487,782
Total other assets		2,036,811		1,685,971
Total assets	\$	19,953,059	\$	18,110,124

	June 30,			,
		2011		2010
Liabilities and net assets				
Current liabilities				
Current portion of long-term debt	\$	29,563	\$	31.221
Long-term debt subject to short-term remarketing arrangements*		1,662,950		1,228.115
Accounts payable and accrued liabilities		1,831,710		1,734,533
Estimated third-party payor settlements		281,007		254,232
Current portion of self-insurance liabilities		191,551		188.114
Other		75,963		67,955
Total current habilities		4,072,744		3,504,170
Noncurrent liabilities				
Long-term debt (senior and subordinated)		2,546,785		3,007,210
Self-insurance liabilities		448,624		461,907
Pension and other postretirement liabilities		396,903		1,022,488
Other		681,626		659,390
Total noncurrent liabilities		4,073,938		5,150,995
Total liabilities		8,146,682		8,655,165
Net assets				
Unrestricted		11,332,631		9,013,920
Temporarily restricted		331,563		310,032
Permanently restricted		99,444		89,871
Total net assets excluding noncontrolling interests		11,763,638		9,413,823
Noncontrolling interests		42,739		41,136
Total net assets		11,806,377		9,454,959
Total liabilities and net assets	\$	19,953,059	\$	18,110,124

The accompanying notes are an integral part of the consolidated financial statements

^{*}Consists of variable rate demand bonds with put options that may be exercised at the option of the bondholders, with stated repayment installments through 2047, as well as certain serial mode bonds with scheduled remarketing/mandatory-tender dates occurring prior to June 30, 2012. In the event that bonds are not remarketed upon the exercise of put options or the scheduled mandatory tenders, management would utilize other sources to access the necessary liquidity. Potential sources include liquidating investments, drawing upon the \$500,000 line of credit, and issuing commercial paper. The \$250,000 commercial paper program is supported by lines of credit totaling \$250,000, as discussed in the Long-Term Dobt note.

Consolidated Statements of Operations and Changes in Net Assets

(Dollars in Thousands)

	Year Ended June 30,			ine 30,
		2011		2010
Operating revenue				
Net patient service revenue	\$	14,719,615	\$	13,967,469
Other revenue	-	844,747	-	788.842
Total operating revenue		15,564,362		14,756,311
Operating expenses				
Salaries and wages		6,264,651		5,762,470
Employee benefits		1,462,380		1.358,256
Purchased services		781,392		837,171
Professional fees		895,074		747,007
Supplies		2,279,657		2,253,201
Insurance		92,610		120,350
Bad debts		1,001,893		973,767
Interest		130,725		114,323
Depreciation and amortization		659,673		666,933
Other		1,570,018		1,397,185
Total operating expenses before self-insurance trust fund investment return				
and impairment, restructuring, and nonrecurring expenses		15,138,073		14,230,663
Income from operations before self-insurance trust fund investment return				
and impairment, restructuring, and nonrecurring expenses		426,289		525,648
Self-insurance trust fund investment return		90,402		73,976
Income from operations before impairment, restructuring, and nonrecurring				
expenses		516,691		599,624
Impairment, restructuring, and nonrecurring expenses		92,458		31,111
Income from operations		424,233		568.513
Nonoperating gains (losses)				
Investment return		1,140,325		722,870
Loss on extinguishment of debt		(1,007)		(7,515)
Gain on interest rate swaps		30,941		3,119
Income from unconsolidated entities		11,915		10,147
Donations		(25,968)		(9.864)
Other		(43,077)		(33,762)
Total nonoperating gains, net		1,113,129		684,995
Excess of revenues and gains over expenses and losses		1,537,362		1,253,508
Less excess of revenues and gains over expenses and losses				
attributable to noncontrolling interests		27,484		23,423
Excess of revenues and gains over expenses and losses				
attributable to controlling interest		1,509,878		1,230,085

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

(Dollars in Thousands)

		Year Ended J			
Unrestricted net assets, controlling interest	Personal	2011	2010		
Excess of revenues and gains over expenses and losses	\$	1,509,878 \$	1 220 005		
Contributed net assets	J)	1,509,878 \$ (374)	1,230.085 64		
Transfers to sponsors and other affiliates, net		(16,959)	(86,940)		
Net assets released from restrictions for property acquisitions		70,829	92,351		
Pension and other postretirement liability adjustments		793,938	(4,361)		
Change in unconsolidated entities' net assets		1,175	(20,113)		
Deferred gain on interest rate swaps		(303)	(14,123)		
Other		(96)	(224)		
Increase in unrestricted net assets, controlling interest, before	-	(70)	(224)		
gain (loss) from discontinued operations and cumulative effect of					
change in accounting principle		2,358,088	1,196,739		
Gain (loss) from discontinued operations		6,616	(48,911)		
Cumulative effect of change in accounting principle		(45,993)	(40,711)		
Increase in unrestricted net assets, controlling interest	***************************************	2,318,711	1,147,828		
more and an estimated the discourse of the original more and the discourse of the original more and the discourse of the original more and the original mo		2,010,711	1,147,020		
Unrestricted net assets, noncontrolling interest.					
Excess of revenues and gains over expenses and losses		27,484	23,423		
Distributions and other		(25,881)	(38,046)		
Increase (decrease) in unrestricted net assets, noncontrolling interest		1,603	(14,623)		
Temporarily restricted net assets					
Contributions and grants		100,884	109.068		
Net change in unrealized gains/losses on investments		15,714	13,618		
Investment return		8,295	2,602		
Net assets released from restrictions		(103,972)	(128,604)		
Other		610	(5.410)		
Increase (decrease) in temporarily restricted net assets		21,531	(8,726)		
Permanently restricted net assets.					
Contributions		8,030	2,607		
Net change in unrealized gains/losses on investments		1,692	(151)		
Investment return		(62)	(252)		
Other		(87)	(2,225)		
Increase (decrease) in permanently restricted net assets	torres areas	9,573	(21)		
Increase in net assets		2,351,418	1,124,458		
Net assets, beginning of year		9,454,959	8,330,501		
Net assets, end of year	\$	11,806,377 \$	9,454,959		
			The second secon		

The accompanying notes are an integral part of the consolidated financial statements

Consolidated Statements of Cash Flows

(Dollars in Thousands)

Operating activities 2011 2010 Increase in net assets \$ 2,351,418 \$ 1,124,458 Adjustments to reconcile increase in net assets to net cash provided by operating activities \$ 59,673 666,933 Depreciation and amortization 659,673 666,933 Amortization of bond premiums (9,951) (9,390) Loss on extinguishment of debt 1,007 7,515 Provision for bad debts 1,001,893 973,767 Pension and other postretulement liability adjustments (793,938) 4,361
Increase in net assets Adjustments to reconcile increase in net assets to net cash provided by operating activities Depreciation and amortization Amortization of bond premiums Loss on extinguishment of debt Provision for bad debts Pension and other postreturement liability adjustments \$ 2,351,418 \$ 1,124,458 \$ 1,124,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$ 1,024,458 \$
Adjustments to reconcile increase in net assets to net cash provided by operating activities Depreciation and amortization Amortization of bond premiums Loss on extinguishment of debt Provision for bad debts Pension and other postretulement liability adjustments 7,515 1,001,893 973,767 973,938) 4,361
provided by operating activities Depreciation and amortization Amortization of bond premiums Loss on extinguishment of debt Provision for bad debts Pension and other postretirement hability adjustments provided by operating activities (9,330) (9,391) (9,390) 1,007 7,515 1,001,893 973.767 4,361
Depreciation and amortization659,673666,933Amortization of bond premiums(9,951)(9,390)Loss on extinguishment of debt1,0077,515Provision for bad debts1,001,893973,767Pension and other postretuement hability adjustments(793,938)4,361
Amortization of bond premiums(9,951)(9,390)Loss on extinguishment of debt1,0077,515Provision for bad debts1,001,893973,767Pension and other postretilement liability adjustments(793,938)4,361
Loss on extinguishment of debt 1,007 7,515 Provision for bad debts 1,001,893 973,767 Pension and other postretirement liability adjustments (793,938) 4,361
Provision for bad debts 1,001,893 973,767 Pension and other postretirement liability adjustments (793,938) 4,361
Pension and other postretilement liability adjustments (793,938) 4,361
Control wat agents
Contributed net assets 374 (64)
Interest, dividends, and net gains on investments (1,256.366) (812,663)
Change in market value of interest rate swaps (25,257) 18,641
Deferred gain on interest rate swaps (303) (14,123)
Gain on sale of assets, net (21,290) (9,555)
Cumulative effect of change in accounting principle 45,993
Impairment and nonrecurring expenses 35,384 14,670
Transfers to sponsor and other affiliates, net 16,959 86,940
Restricted contributions, investment return, and other (117,670) (106,390)
Other restricted activity (1,394) 20,524
Nonoperating depreciation expense 311 303
(Increase) decrease in:
Short-term investments (9,496) (8,286)
Accounts receivable (1,112,960) (903,747)
Inventories and other current assets 18,489 11,699
Investments classified as trading (295,223) (478,803)
Other assets (218,766) (163,877)
Increase (decrease) in.
Accounts payable and accrued habilities 105,101 198,666
Estimated third-party payor settlements payable, net 52,208 (21,818)
Other current liabilities 36,358 (15,522)
Self-insurance habilities (9,846) 13.259
Other noncurrent liabilities 235,244 139,038
Net cash provided by continuing operating activities 687,952 736,536
Net cash used in discontinued operations (2,098) (27.738)
Net cash provided by operating activities 685,854 708,798

Consolidated Statements of Cash Flows (continued) (Dollars in Thousands)

	Year Ended June 30,			
		2011	2010	
Investing activities				
Property, equipment, and capitalized software additions, net	\$	(730,404)	(622,308)	
Proceeds from sale of property and equipment		25,714	3,001	
Net cash used in investing activities		(704,690)	(619.307)	
Financing activities				
Issuance of long-term debt		691,240	2,854.053	
Repayment of long-term debt		(804,536)	(2,839,341)	
Decrease in assets under bond indenture agreements		467	1,197	
Transfers to sponsors and other affiliates, net		(36,709)	(13,930)	
Restricted contributions, investment return, and other		117,670	106,390	
Net cash (used in) provided by financing activities		(31,868)	108,369	
Net (decrease) increase in cash and cash equivalents		(50,704)	197,860	
Cash and cash equivalents at beginning of year		1,168,278	970,418	
Cash and cash equivalents at end of year	\$	1,117,574 \$	1,168,278	

The accompanying notes are an integral part of the consolidated financial statements

Notes to Consolidated Financial Statements (Dollars in Thousands)

June 30, 2011

1. Organization and Mission

Organizational Structure

Ascension Health is a Catholic, national health system consisting primarily of nonprofit corporations that own and operate local health care facilities, or Health Ministries, located in 20 of the United States and the District of Columbia. Ascension Health is sponsored by the Northeast, Southeast, East Central, and West Central Provinces of the Daughters of Charity of St. Vincent de Paul, the Congregation of St. Joseph, and the Congregation of the Sisters of St. Joseph of Carondelet. All of the Health Ministries are related through common control. Substantially all expenses of Ascension Health are related to providing health care services

Mission

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

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

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

1. Organization and Mission (continued)

• Community benefit consists of the unreimbursed costs of community benefit programs and services for the general community, not solely for the persons living in poverty, including health promotion and education, health clinics and screenings, and medical research.

Discounts are provided to all uninsured patients, including those with the means to pay. Discounts provided to those patients who did not qualify for assistance under charity care guidelines are not included in the cost of providing care of persons living in poverty and community benefit programs. The cost of providing care to persons living in poverty and community benefit programs is estimated using each facility's internal cost data and is calculated in compliance with guidelines established by both the Catholic Health Association (CHA) and the Internal Revenue Service. The amount of traditional charity care provided, determined on the basis of cost, was \$408.894 and \$375,039 for the years ended June 30, 2011 and 2010, respectively The amount of unpaid cost of public programs, cost of other programs for persons living in poverty and other vulnerable persons, and community benefit cost are reported in the accompanying other financial information.

2. Significant Accounting Policies

Principles of Consolidation

All corporations and other entities for which operating control is exercised by Ascension Health or one of its member corporations are consolidated, and all significant inter-entity transactions have been eliminated in consolidation. Investments in entities where Ascension Health does not have operating control are recorded under the equity or cost method of accounting. Income from unconsolidated entities is included in consolidated excess of revenues and gains over expenses and losses in the consolidated statements of operations and changes in net assets as follows:

	Year Ended June 30,			
	 2011		2010	
Other revenue Nonoperating gains, net	\$ 138,469 11,915	\$	131,680 10,147	

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Significant Accounting Policies (continued)

Use of Estimates

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

Fair Value of Financial Instruments

Carrying values of financial instruments classified as current assets and current liabilities approximate fair value. The fair values of other financial instruments are disclosed in the Fair Value Measurements note.

Cash and Cash Equivalents

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

Investments and Investment Return

Ascension Health holds investments through the Health System Depository (HSD), an investment pool of funds in which a limited number of nonprofit health care providers participate for purposes of establishing investment goals and monitoring performance under agreed-upon socially responsible investment guidelines. Investments are managed primarily by external investment managers within established investment guidelines. Ascension Health does not consolidate the entire investment pool of funds as a portion of the investment pool represents the interests of other entities. Accordingly, as related to the HSD, Ascension Health's investments recorded in the accompanying consolidated financial statements consist only of Ascension Health's pro rata share of the HSD's investments held for participants.

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

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Significant Accounting Policies (continued)

Investment returns are comprised of dividends, interest, and gains and losses. The cost of substantially all securities sold is based on the average cost method. Investment return on self-insurance trust funds is reported as a separate component of income from operations in the consolidated statements of operations and changes in net assets. Investment return from all other investments is reported as nonoperating gains (losses) in the consolidated statements of operations and changes in net assets unless the return is restricted by donor or law.

Inventories

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

Intangible Assets

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

		June 30,			
		2011		2010	
Goodwill	\$	118,871	\$	93,324	
Capitalized computer software costs, net		486,916		388,701	
Other, net		29,404		5,624	
Total intangible assets	<u>s</u>	635,191	\$	487,649	

Intangible assets whose lives are indefinite, primarily goodwill, are not amortized and are evaluated for impairment at least annually, while intangible assets with definite lives, primarily capitalized computer software costs, are amortized over their expected useful lives. Amortization expense for these intangible assets in 2011 and 2010 was \$86,741 and \$87,440, respectively.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Significant Accounting Policies (continued)

During the year ended June 30, 2010, Ascension Health began a significant multi-year, System-wide enterprise resource planning initiative including information technology and process standardization project (Symphony), which is expected to continue through December 2014. The project is anticipated to result in a transition to a common software product for various finance, information technology, procurement, and human resources management processes, including standardization of those processes throughout Ascension Health. Capitalized costs of Symphony were approximately \$162,000 and \$49,000 at June 30, 2011 and 2010, respectively. Certain costs of this project were also expensed. See the Impairment, Restructuring, and Nonrecurring Expenses discussion for additional information about costs associated with Symphony

Property and Equipment

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

		June 30,			
		2011		2010	
Land and improvements	\$	621,874	\$	606,425	
Building and equipment		12,405,114		11,904,661	
Construction in progress		150,376		861.463	
		13,177,364		13,372,549	
Less accumulated depreciation		7,163,490		7,279,261	
Total property and equipment, net	\$	6,013,874	\$	6,093,288	

Depreciation is determined on a straight-line basis over the estimated useful lives of the related assets. Depreciation expense in 2011 and 2010 was \$569,633 and \$574,609, respectively.

Several capital projects have remaining construction and related equipment purchase commitments of approximately \$114.000.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Significant Accounting Policies (continued)

Temporarily and Permanently Restricted Net Assets

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

Performance Indicator

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

Operating and Nonoperating Activities

Ascension Health's primary mission is to meet the health care needs in its market areas through a broad range of general and specialized health care services, including inpatient acute care, outpatient services, long-term care, and other health care services. Activities directly associated with the furtherance of this purpose are considered to be operating activities. Other activities that result in gains or losses peripheral to Ascension Health's primary mission are considered to be nonoperating. Several primary care clinics that are not associated with an acute care hospital and that rely significantly on contributions from foundations are also considered nonoperating.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Significant Accounting Policies (continued)

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

Net patient service revenue is reported at the estimated realizable amounts from patients, third-party payors, and others for services provided excluding the provision for bad debt expense and includes estimated retroactive adjustments under reimbursement agreements with third-party payors. Revenue under certain third-party payor agreements is subject to audit, retroactive adjustments, and significant regulatory actions. Provisions for third-party payor settlements and adjustments are estimated in the period the related services are provided and adjusted in future periods as additional information becomes available and as final settlements are determined.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a possibility that recorded estimates will change by a material amount in the near term. Adjustments to revenue related to prior periods increased net patient service revenue by approximately \$83,416 and \$69,091 for the years ended June 30, 2011 and 2010, respectively.

During 2011, approximately 36% of net patient service revenue was earned under the Medicare program and 11% under various state Medicaid programs. During 2010, approximately 36% of net patient service revenue was earned under the Medicare program and 10% under various state Medicaid programs. Ascension Health grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor arrangements. Significant concentrations of accounts receivable at June 30, 2011, include Medicare (20%) and various states' Medicaid programs (10%). Significant concentrations of accounts receivable at June 30, 2010, include Medicare (21%) and various states' Medicaid programs (10%).

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Significant Accounting Policies (continued)

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

Impairment, Restructuring, and Nonrecurring Expenses

During the years ended June 30, 2011 and 2010. Ascension Health recorded total impairment, restructuring, and nonrecurring expenses of \$92,458 and \$31,111. respectively. For the year ended June 30, 2011, this amount was comprised of long-lived asset impairments of approximately \$21,834 and restructuring and nonrecurring expenses of approximately \$70,624. The restructuring and nonrecurring expenses for the year ended June 30, 2011, included approximately \$44,355 of nonrecurring expenses associated with Symphony. Symphony nonrecurring expenses include project management and process reengineering costs, as well as costs to establish a shared service center and develop a business intelligence data warehouse.

For the year ended June 30, 2010, total impairment, restructuring, and nonrecurring expenses of \$31,111 were comprised of approximately \$7,629 of restructuring and nonrecurring expenses related to changes in business operations, including reorganization and severance charges, as well as approximately \$14.670 of long-lived asset impairments. Restructuring and nonrecurring expenses for the year ended June 30, 2010, also include \$8,812 associated with Symphony.

Amortization

Bond issuance costs, discounts, and premiums are amortized over the term of the bonds using a method approximating the effective interest method

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Significant Accounting Policies (continued)

Income Taxes

The member health care entities of Ascension Health are primarily tax-exempt organizations under Internal Revenue Code Section 501(c)(3) or Section 501(c)(2), and their related income is exempt from federal income tax under Section 501(a).

Regulatory Compliance

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

Reclassifications

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

Subsequent Events

Ascension Health evaluates the impact of subsequent events, which are events that occur after the balance sheet date but before the financial statements are issued, for potential recognition in the financial statements as of the balance sheet date. For the year ended June 30, 2011, Ascension Health evaluated subsequent events through September 8, 2011, representing the date on which the accompanying audited consolidated financial statements were issued.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Significant Accounting Policies (continued)

Adoption of New Accounting Standards

In January 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-07, Not-for-Profit Entities Mergers and Acquisitions, which establishes accounting and disclosure requirements for how a not-for-profit entity determines whether a combination is a merger or an acquisition, how to account for each, and the required disclosures. In addition, ASU 2010-07 includes amendments to FASB's Accounting Standards Codification (the Codification, or ASC) Topic 350, Intangibles – Goodwill and Other, and ASC Topic 810, Consolidation, to make both applicable to not-for-profit entities. ASC Topic 350 clarifies the accounting for goodwill and indefinite-lived identifiable intangible assets recognized in a not-for-profit entity's acquisition of a business or nonprofit activity. Such assets are not amortized and are tested for impairment at least annually. ASC Topic 810 clarifies the accounting for noncontrolling interests and establishes accounting and reporting standards for the noncontrolling interest in a subsidiary, including classification as a component of net assets. Ascension Health adopted the guidance relative to ASU 2010-07 as of July 1, 2010. The adoption of this guidance resulted in goodwill impairment of \$45,993 recorded as a cumulative effect of change in accounting principle on the consolidated statements of operations and changes in net assets for the year ended June 30, 2011.

3. Organizational Changes

On April 20, 2011, Ascension Health signed a non-binding Letter of Intent with Alexian Brothers Health System (Alexian Brothers) to assess a potential transaction whereby Ascension Health would become the sole corporate member of Alexian Brothers. Alexian Brothers is a Catholic health care organization which oversees the operations of four hospitals, ambulatory care clinics, physician practices, and senior living facilities.

On April 29, 2011, the Federal Trade Commission completed its review of a proposed affiliation between Seton Health System, Inc. (Seton Health) in Troy, New York, Northeast Health, Inc. and St. Peter's Health Care Services. Under the terms of the related agreements, it is anticipated that Ascension Health will retain certain limited rights as an ongoing member of Seton Health in Troy, New York. With this clearance received, the organizations will move forward to create an affiliated health system which is anticipated to result in Seton Health no longer being under the control of Ascension Health.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

3. Organizational Changes (continued)

Discontinued Operations

Effective July 1, 2009. Catholic Health Partners (CHP) and Saint Anthony Hospital (SAH) separated from Ascension Health and Missionary Sisters of the Sacred Heart of Jesus-Provincial Council of the Stella Maris Province (MS-SMP) as agreed upon in the Separation Agreement dated May 28, 2009, to allow SAH to operate as a freestanding, community-based, Catholic hospital serving its community in Chicago, Illinois. The operating results of CHP and SAH are classified in Ascension Health's accompanying consolidated financial statements as discontinued operations.

Ascension Health reported an increase in net assets from discontinued operations of \$6,616 for the year ended June 30, 2011, representing the excess of revenues over expenses for previously discontinued lines of business in Michigan and Tennessee, as well as the fair value of net assets relinquished under the Separation Agreement for the CHP and SAH operations. These entities had recorded operating revenues totaling \$29,066 during the period that they were operational during the year ended June 30, 2011.

Ascension Health reported a decrease in net assets from discontinued operations of \$48.911 for the year ended June 30, 2010, representing the deficit of revenues over expenses for previously discontinued lines of business in Michigan and Tennessee, as well as the fair value of net assets relinquished under the Separation Agreement for the CHP and SAH operations. These entities had recorded operating revenues totaling \$34.898 during the period that they were operational during the year ended June 30, 2010.

The accompanying consolidated balance sheets include assets held for sale and liabilities related to assets held for sale associated with the above transactions. At June 30, 2011 and 2010, assets held for sale consist primarily of accounts receivable and property and equipment while liabilities related to assets held for sale consist primarily of accounts payable, other liabilities, and self-insurance liabilities

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

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

Ascension Health's investments are comprised of its pro rata share of the HSD's funds held for participants and certain other investments such as those investments held and managed by foundations. Board-designated investments represent investments designated by resolution of the Board of Trustees to put amounts aside primarily for future capital expansion and improvements Assets limited as to use include investments placed in trust for payment of self-insured claims and investments restricted by donors. Ascension Health's investments are reported in the accompanying consolidated balance sheets as presented in the following table:

	June 30,			
	2011	2010		
Cash and cash equivalents	\$ 1,117,574	\$ 1,168,278		
Short-term investments	91,146	81,650		
Assets limited as to use	161,300	158,676		
Board-designated and other investments:				
Board-designated investments	623,129	3,804,898		
Other investments	6,713,801	1,994.816		
Assets limited as to use.	,			
Under bond indenture agreement	439	906		
Self-insurance trust funds, less current portion	495,232	517,302		
Temporarily or permanently restricted	418,865	383,406		
Total assets limited as to use	914,536	901,614		
Total Board-designated and other investments	8,251,466	6,701,328		
Total	\$ 9,621,486	\$ 8,109,932		

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

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

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

	June 30,			
	2011		2010	
Cash and cash equivalents	\$ 459,55	50 \$	459,198	
Short-term investments	60,5	59	73,440	
U.S. government obligations	49,95	58	59,058	
Corporate and foreign fixed income investments	50,83	13	62,421	
Asset-backed securities	60,28	30	52,194	
Equity securities	316,33	38	260,569	
Private equity and other investments	164,89	94	132,666	
Other assets limited as to use	78,34	40	79,571	
Subtotal, included in cash and cash equivalents, short-term investments, and Board-designated and other	# 3 40 #		1 170 117	
investments	1,240,73	32	1,179,117	
Ascension Health's pro rata share of HSD funds held for participants	8,380,75	54	6,930,815	
Cash and cash equivalents, short-term investments, and Board-designated and other investments	\$ 9,621,48	36 \$	8,109,932	

Ascension Health's pro rata share of the HSD's funds held for participants was \$8,380,754 and \$6,930,815 at June 30, 2011 and 2010, respectively, representing 77 2% and 76.1% of the funds held for participants in the HSD at those respective dates.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

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

As disclosed in the Significant Accounting Policies note, Ascension Health holds investments through the HSD. The following is a condensed balance sheet of the entire HSD, including the interests of Ascension Health and all other participating entities, at June 30, 2011 and 2010:

	June 30,				
		2011		2010	
Assets					
Cash	\$	26,757	\$	24,023	
Loans, interest, and other receivables		88,180		96,575	
Due from brokers		799,869		1,411,218	
Securities lending collateral		378,877		364,608	
Derivative asset		33,208		21.281	
Investments, at fair value:					
Short-term investments		747,955		502,600	
U.S. government obligations		3,056,988		2,375,313	
Corporate and foreign fixed income investments		1,260,685		1,605,176	
Asset-backed securities		1,764,404		1,037,000	
Equity, private equity, and other investments		2,287,580		2,216,625	
Equity method investments		2,026,142		1,390,415	
Total assets	\$	12,470,645	\$	11,044,834	
Liabilities and funds held for participants					
Due to brokers	\$	1,032,350	\$	1,471,668	
Derivative liability	_	34,768	Ť	49,711	
Investments sold, not yet settled		166,663		36,963	
Other payables		6,743		5.191	
Payable under securities lending program		380,684		368,282	
Total liabilities	-	1,621,208		1,931,815	
Funds held for participants		10,849,437		9,113,019	
Total liabilities and funds held for participants	\$	12,470,645	\$	11,044.834	

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

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

Ascension Health's investment strategy includes investing in alternative investments, such as private equity and real estate funds, a portion of which are valued up to 90 days in arrears. Ascension Health's investment in alternative investment funds include contractual commitments to portfolio venture funds and other funds to provide capital contributions during the investment period which is typically five years and can extend to the end of the fund term. During these contractual periods, investment managers may require Ascension Health to invest in accordance with the terms of the agreement. Commitments not funded during the investment period will expire and remain unfunded. As of June 30, 2011, investment periods expire between August 2011 and December 2016. The remaining unfunded capital commitments for all HSD participants and a joint venture consolidated for financial reporting purposes total approximately \$659,000 for 40 individual contracts as of June 30, 2011.

Due to the uncertainty surrounding whether the contractual commitments will require funding during the contractual period, future minimum payments to meet these commitments cannot be reasonably estimated. These committed amounts have not been reduced by the anticipated cash inflows from liquidating previous investments in alternative investment funds.

Investment return recognized by Ascension Health is summarized as follows:

	Year Ended June 30,					
	2011		2010			
Investment return in HSD	\$ 1,152,338	\$	756,437			
Interest and dividends	17,051		15,872			
Net gains on investments reported at fair value	80,814		38,760			
Restricted investment income	6,163		1,594			
Total investment return	\$ 1,256,366	\$	812,663			

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements

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

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

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

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

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

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

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

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

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

Cash and cash equivalents and short-term investments

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

Derivative assets and liabilities

The fair value of derivative contracts is primarily determined using techniques consistent with the market approach. Derivative contracts include interest rate, credit default, and total return swaps Significant observable inputs to valuation models include interest rates. Treasury yields, volatilities, credit spreads, maturity, and recovery rates

U.S. government obligations

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

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

Asset-backed securities

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

Corporate and foreign fixed income investments

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

Equity securities

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

Investments sold, not yet settled

The fair value of investments sold, not yet settled is primarily determined using techniques consistent with the income approach. Significant observable inputs to the income approach include data points for benchmark, constant maturity curves, and spreads.

Securities lending collateral

The fair value of collateral received under HSD's securities lending program is determined using the calculated net asset value for the commingled fund in which the collateral is invested. The underlying investments are valued using techniques consistent with the market approach, which utilizes significant observable market inputs such as available trades, quotes, benchmark curves, sector groupings, and matrix pricing.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

Guaranteed pooled fund

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

Private equity investments

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

As discussed in the Significant Accounting Policies and the Cash and Cash Equivalents, Investments, and Other Assets Limited as to Use notes, Ascension Health holds investments through the HSD representing 77.2% and 76.1% of the net asset value of the HSD as of June 30, 2011 and 2010, respectively. The HSD's investments include equities, various fixed income securities, and alternative investments.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

The following table summarizes fair value measurements, by level, at June 30, 2011 and 2010, for all the HSD financial assets and liabilities measured at fair value on a recurring basis in the HSD's financial statements:

	Level 1		Level 2		Level 3		Total
June 30, 2011					The standing draw of age as		
Assets included in.							
Securities lending collateral	\$		\$ 378,877	\$	_	\$	378,877
Derivative asset		19,649	2,303		11,256		33,208
Short-term investments		689,742	58,213				747,955
U S government obligations Corporate and foreign fixed			3,046,822		10,166		3,056,988
income investments			1,144,643		116,042		1,260,685
Asset-backed securities		_	1,719,704		44,700		1,764,404
Equity, private equity, and other			, , ,, ,,		,		2,.01,101
investments		2,240,360	_		47,220		2,287,580
Liabilities included in							
Derivative liability		1,162	3,116		30,490		34,768
Investments sold, not yet settled			166,663		50,450		166,663
211. 44. 11. 44. 11. 44. 11. 44. 44. 44.			100,002				100,003
June 30, 2010							
Assets included in							
Securities lending collateral	\$		\$ 364,608	\$	_	\$	364,608
Derivative asset		7,256	8,569		5,456		21,281
Short-term investments		353,700	148,900		_		502,600
U S government obligations		_	2,367,973		7,340		2,375,313
Corporate and foreign fixed							
income investments		_	1,437,703		167,473		1,605,176
Asset-backed securities		_	1,010,931		26,069		1,037,000
Equity, private equity, and other							
investments		1,716.904	76,146		423,575		2,216,625
Liabilities included in							
Derivative liability		2,029	1,777		45,905		49,711
Investments sold, not yet settled		_	36,963		_		36,963

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

For the years ended June 30, 2011 and 2010, the changes in the fair value of the HSD assets measured using significant unobservable inputs (Level 3) were comprised of the following:

		U.S. vernment ligations	an	orporate d Foreign Fixed Income vestments		Asset- Backed ecurities	E	Equity, Private quity, and Other vestments	De	Net erivatives
June 30, 2011 Beginning balance	\$	7,340	\$	167,473	\$	26,069	\$	492 ETE	ď	(40, 140)
Total realized and unrealized gains included in nonoperating gains	J	202	J	8,209	3	1,514	3	423,575 99,730	\$	(40,449) 180,214
Purchases, issuances, and settlements		1,199		(42,171)		10.914		(474 NOE)		(159 000)
Transfers into (out of) Level 3		1,133		(42,171) $(17,469)$		19,814 (2,697)		(476,085)		(158,999)
Ending balance	<u>\$</u>	10,166	\$	116,042	\$	44,700	\$	47,220	\$	(19,234)
The amount of total gains or losses for the period included in nonoperating gains (losses) attributable to the change in unrealized gains or losses relating to assets still held at June 30, 2011	\$	107	\$	(1,948)	\$	781	\$	5,872	\$	(146,992)
1 20 2010										
June 30, 2010 Beginning balance Total realized and unrealized gains (losses) included in	\$	25,746	\$	244,131	\$	87,091	\$	80,437	\$	(23,159)
nonoperating gains (losses) Purchases, issuances, and		449		16,515		11.091		(38,308)		(20,928)
settlements		(13,179)		(43,078)		(12,967)		393,715		2,242
Transfers (out of) into Level 3 Ending balance	\$	(5,676) 7,340		(50,095) 167,473	\$	(59.146) 26.069		(12,269) 423,575	\$	1,396 (40,449)
Litering Salance		7,540	Ψ	107,475	Ψ	20.009	Ψ	423,373	Φ	(40,447)
The amount of total gains or losses for the period included in nonoperating gains (losses) attributable to the change in unrealized gains or losses relating to assets still held at June 30, 2010	\$		\$	3,937	\$	(704)	\$	31.635	\$	(9,236)

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

The basis for recognizing and valuing transfers into or out of Level 3, in the Level 3 rollforward, is as of the beginning of the period in which the transfers occur

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

		Level 1		Level 2		Level 3		Total
June 30, 2011							****	
Cash and cash equivalents	\$	86,946	\$	6,954	\$		\$	93,900
Short-term investments		15,592		44,768		_		60,360
U S government obligations		_		49,516		442		49,958
Corporate and foreign fixed								
income investments		_		45,789		5,024		50,813
Asset-backed securities		_		58,356		1,924		60,280
Equity, private equity, and other								
investments		286,961		17,878		101,681		406,520
Assets not at fair value								518,901
Subtotal, included in cash and cash								
equivalents, short-term								
investments, assets limited as to								
use, and Board-designated and								
other investments								1,240,732
Deferred compensation assets,								
included in other noncurrent								
assets, invested in								
Equity securities	\$	140,238	\$		\$		\$	140,238
Guaranteed pooled fund	Φ	140,236			Ф	32,116	Þ	32,116
Guaranteed poored fund		_		-		32,110		32,110
Interest rate swaps, included in								
other noncurrent assets		_		64,426				64,426
Interest rate swaps, included in								
other noncurrent liabilities				141,287				141,287

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

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

	Level 1	Level 2		Level 3		Total
June 30, 2010						
Cash and cash equivalents	\$ 77,740	\$ 7,845	\$		\$	85,585
Short-term investments	30,016	42,212		201		72,429
US government obligations	_	58,616		442		59,058
Corporate and foreign fixed						
income investments	_	57,576		4,845		62,421
Asset-backed securities	-	52,005		189		52,194
Equity, private equity, and other						
investments	241,052	10,337		74,335		325,724
Assets not at fair value						521,706
Subtotal, included in eash and eash						
equivalents, short-term						
investments, assets limited as to						
use, and Board-designated and						
other investments					_\$	1,179,117
					Triviana armini	
Deferred compensation assets,						
included in other noncurrent						
assets, invested in.						
Equity securities	\$ 107,239	\$ 	S		\$	107.239
Guaranteed pooled fund	_			28,694		28,694
Interest rate swaps, included in						
other noncurrent assets		66,929		_		66,929
Interest rate swaps, included in						
other noncurrent liabilities	_	169,047		-		169,047

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

During the years ended June 30, 2011 and 2010, the changes in the fair value of the foregoing assets measured using significant unobservable inputs (Level 3) were comprised of the following:

						rporate Foreign				Equity, Private		
	S	hort-	ι	J. S.		Fixed		Asset-		uity, and		
	Υ	erm		rnment		ncome		Backed		Other	Gu	aranteed
	Inve	stments	Obli	gations	Inv	estments	Se	curities	In	vestments	Poc	led Fund
June 30, 2011												
Beginning balance	\$	201	\$	4.12	\$	4,845	\$	189	\$	74,335	\$	28,694
Total realized and unrealized												
gains (losses)												
Included in income from						445						
operations						412		(16)		676		_
Included in nonoperating										(773)		
gains (losses)		_						_		(73)		_
Included in changes in net assets										315		
Purchases, issuances, and		4000								313		
settlements		_				(233)		1,463		27,493		2,609
Transfers (out of) into						(200)		1,100		213470		£,000
Level 3		(201)		_		-		288		(1,065)		813
Ending balance	\$	-	\$	442	\$	5,024	\$	1,924	\$	101,681	\$	32,116
_												
June 30, 2010												
Beginning balance	\$	_	\$	-	\$	4,474	\$	201	\$	43,135	\$	25,961
Total realized and unrealized												
gams (losses)												
Included in income from												
operations		-		-		938		2		531		remo
Included in nonoperating										(40.0)		
gains (losses)		Wales .						Takasur .		(425)		(59)
Included in changes in										1.206		
net assets Purchases, issuances, and		_		_				_		1.296		_
settlements		_		442		(567)		187		(4,704)		3,125
Transfers into (out of)				772		(307)		107		(4,704)		3,123
Level 3		201						(201)		34,502		(333)
Ending balance	\$	201	\$	442	\$	4,845	\$	189	\$	74,335	\$	28,694
	<u> </u>										<u> </u>	

The basis for recognizing and valuing transfers into or out of Level 3, in the Level 3 rollforward, is as of the beginning of the period in which the transfers occur.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

6. Significant Investments in Unconsolidated Entities

Ascension Health has a 50% membership interest in Via Christi Health, Inc. (VCH). Ascension Health accounts for this membership interest under the equity method of accounting. Ascension Health's investment in VCH is \$499,910 and \$452,781 at June 30, 2011 and 2010, respectively, and is reported in the consolidated balance sheets in investment in unconsolidated entities. Ascension Health's investment in VCH reflects the financial performance of VCH one month in arrears.

At June 30, 2011 and 2010, the difference between the amount at which Ascension Health's investment in VCH is carried in the accompanying consolidated balance sheets and its interest in the underlying net assets of VCH is \$30,568 and \$33,309, respectively. This difference relates primarily to the excess of the fair value of VCH property and equipment and long-term debt over their carrying values at the date Ascension Health received the interest in VCH. The difference is being amortized over the remaining life of the property and equipment and term of the long-term debt

Condensed financial information of VCH as of and for the years ended June 30, 2011 and 2010, is summarized below:

	June 30,				
	2011				
Current assets	\$	748,221	\$	694,549	
Noncurrent assets Total assets	\$	932,313 1,680,534	\$	859,460 1,554,009	
Current liabilities Noncurrent liabilities	\$	120,335 555,415	\$	99,460 556,460	
Total liabilities Net assets		675,750 1,004,784		655.920 898,089	
Total liabilities and net assets	\$	1,680,534	\$	1,554,009	
Total revenues Total expenses Total investment return	\$	1,094,925 (1,072,680) 97,573	\$	996,949 (942,838) 60,134	
Excess of revenues over expenses	\$	119,818	\$	114,245	

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

7. Long-Term Debt

Long-term debt consists of the following:

	Jun	e 30	,	
	2011		2010	
Tax-exempt hospital revenue bonds – secured Variable rate demand bonds, subject to a put provision which provides for a cumulative 7-month notice and remarketing period, payable through November 2047. Interest (0.18% at June 30, 2011) tied to a				_
market index plus a spread Variable rate demand bonds, subject to a 7-day put provision, payable	\$ 320,480	\$	320,480	
through November 2047, interest set at prevailing market rates Variable rate demand bonds, subject to a 7-day put provision, payable through November 2039, interest (0 06% at June 30, 2011) set at			274,070	
prevailing market rates Variable rate demand bonds, subject to a 7-day put provision, payable through November 2033, interest (0 06% at June 30, 2011) set at prevailing market rates, swapped to fixed rates of 5 544% through	246,730		_	
maturity Indexed put bonds subject to weekly rate resets based on a taxable index, payable through November 2046, interest (3 076% at June 30, 2011) swapped to a variable rate tied to a tax-exempt	150,325		150,325	
market index plus a spread through November 2016 Fixed rate put bonds (converted from an indexed put bond mode based on a taxable index in May 2009) payable through November 2046, interest (4 10% at June 30, 2011) swapped to a variable rate tied to a	153,800		153,800	
market index plus a spread through November 2016 Fixed rate serial and term bonds payable in installments through	153,690		153,690	
November 2040, interest at 4 125% to 5 75% Fixed rate serial and term bonds payable in installments through November 2039, interest at 5 00% swapped to variable rates over	984,635		1,004,530	
the life of the bonds Fixed rate serial mode bonds payable through 2047 with purchase dates ranging from August 2011 through June 2014, interest at	599,490		599,490	
0 45% to 3.75% through the purchase dates Fixed rate serial mode bonds payable through 2033 with purchase dates through May 2012, interest at 1 25%, swapped to fixed rates	823,560		549,490	
of 5 454% to 5 544% through maturity	156,975		403,705	

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

7. Long-Term Debt (continued)

	Jun	ie 30,
	2011	2010
Tax-exempt hospital revenue bonds – unsecured		
Variable rate demand bonds issued under the Subordinate Master Trust		
Indenture, subject to a 7-day put provision, payable through		
November 2027, interest (0 06% at June 30, 2011) set at prevailing		
market rates	\$ 57,815	\$ 57,815
Fixed rate serial mode bonds issued under the Subordinate Master		
Trust Indenture payable through 2027 with purchase dates through		
November 2012; interest at 5 00%, swapped to variable mode	4.40.470	
through the purchase dates	149,470	246,570
Fixed rate serial mode bonds issued under the Subordinate Master		
Trust Indenture payable through 2027 with purchase dates through June 2017, interest at 5 00%	202.250	216 215
	303,270	216,315
Total hospital revenue bonds Other debt.	4,100,240	4.130,280
Obligations under capital leases	34,865	38,196
Other	34,003 36,960	30,747
Other	4,172,065	4,199,223
Unamortized premium, net	67,233	67,323
Less current portion	(29,563)	(31,221)
Less long-term debt subject to short-term remarketing arrangements	(1,662,950)	(1,228.115)
Long-term debt, less current portion and long-term debt subject to short-	(1,002,730)	(1,220,115)
term remarketing arrangements	\$ 2,546,785	\$ 3,007,210
<i>G</i>		
Senior Master Trust Indenture long-term debt obligations, including		
unamortized premium, net	\$ 1,953,354	\$ 2,414,076
Subordinate Master Trust Indenture long-term debt obligations, including	5 1,755,05	Φ 2,,ο,ο
unamortized premium, net	528,917	535,270
Other	64,514	57,864
Long-term debt, less current portion, and long-term debt subject to short-		***************************************
term remarketing arrangements	\$ 2,546,785	\$ 3,007,210

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

7. Long-Term Debt (continued)

Scheduled principal repayments of long-term debt, considering obligations subject to short-term remarketing as due according to their long-term amortization schedule, as of June 30, 2011, are as follows:

Year ending June 30:	
2012	\$ 29,563
2013	28,502
2014	71,733
2015	66,526
2016	57,836
Thereafter	3,917,905
Total	\$ 4,172,065

The carrying amounts of variable rate bonds and other notes payable approximate fair value. The fair values of the unsecured fixed rate serial and term bonds are estimated based on discounted cash flow analyses that consider current incremental borrowing rates for similar types of borrowing arrangements. The fair value of fixed rate serial and term bonds, including the component of variable rate demand bonds subject to long-term fixed interest rates, approximates carrying value at June 30, 2011 and 2010. During the years ended June 30, 2011 and 2010, interest paid was approximately \$147,800 and \$136,500, respectively. Capitalized interest was approximately \$7,100 and \$12,800 for the years ended June 30, 2011 and 2010, respectively.

Certain members of Ascension Health formed the Ascension Health Credit Group (Senior Credit Group). Each Senior Credit Group member is identified as either a senior obligated group member, senior designated affiliate or senior limited designated affiliate Senior obligated group members are jointly and severally liable under a Senior Master Trust Indenture (Senior MTI) to make all payments required with respect to obligations under the Senior MTI and may be entities not controlled directly or indirectly by Ascension Health. Senior designated affiliates and senior limited designated affiliates are not obligated to make debt service payments on the obligations under the Senior MTI. Ascension Health may cause each senior designated affiliate to transfer such amounts as are necessary to enable the obligated group to comply with the terms of the Senior MTI, including payment of the outstanding obligations. Additionally, each senior limited designated affiliate has an independent limited designated affiliate agreement and promissory note with Ascension Health with stipulated repayment terms and conditions, each subject to the governing law of the senior limited designated affiliate's state of incorporation.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

7. Long-Term Debt (continued)

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

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

The unsecured variable rate demand bonds of both the Senior and Subordinate Credit Groups, while subject to long-term amortization periods, may be put to Ascension Health at the option of the bondholders in connection with certain remarketing dates. To the extent that bondholders may, under the terms of the debt, put their bonds within 12 months after June 30, 2011, the principal amount of such bonds has been classified as a current obligation in the accompanying consolidated balance sheets. Management believes the likelihood of a material amount of bonds being put to Ascension Health to be remote However, to address this possibility, management has taken steps to provide various sources of liquidity in the event any bonds would be put, including entering into certain bond repurchase agreements, assessing alternate sources of financing, including the line of credit and commercial paper program, and maintaining unrestricted assets as a source of self-liquidity.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

7. Long-Term Debt (continued)

In January 2010, Ascension Health issued \$157,000 of commercial paper for previous capital expenditures. In February and March 2010, Ascension Health used existing cash and investments to defease or redeem \$558,737 of bonds and commercial paper originally issued from 1999 through 2010. In March 2010, Ascension Health issued a total of \$1,326,870 of bonds (Series 2010A through 2010F) through five different issuing authorities in five states. The proceeds of the bonds, including original issue premium, were used to reimburse Ascension Health for previous capital expenditures, to refinance the outstanding commercial paper issued January 2010, and to refund \$742,550 of current bonds which were originally issued in 1999 and 2008. The Series 2010A through 2010E bonds bear interest at fixed interest rates with principal maturities through November 2040, while the Series 2010F bonds are variable rate bonds with weekly-resetting interest rates and principal maturities through 2047. Due to aggregate financing activity during the fiscal years ended June 30, 2011 and 2010, including the aforementioned activities as well as the scheduled remarketing of certain serial mode bonds with unamortized issuance costs, losses on extinguishment of debt of \$1,007 and \$7,515 were recorded, which are included as nonoperating gains (losses) in the accompanying consolidated statements of operations and changes in net assets.

Ascension Health is a party to multiple interest rate swap agreements that convert the variable or fixed rates of certain debt issues to fixed or variable rates, respectively. See the Derivative Instruments note for a discussion of these derivatives.

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

As of June 30, 2011, the Senior Credit Group has a line of credit of \$500,000 for general corporate purposes toward which bank commitments totaling \$500,000 extend to April 2, 2012. As of June 30, 2011 and 2010, there were no borrowings under the line of credit.

As of June 30, 2011, the Subordinate Credit Group has a \$50,000 revolving line of credit related to its letters of credit program toward which a bank commitment of \$50,000 extends to December 28, 2011. The revolving line of credit may be accessed solely in the form of Letters of Credit issued by the bank for the benefit of the members of the Credit Groups Of this \$50,000 revolving line of credit, letters of credit totaling \$37,162 have been issued as of June 30, 2011. No borrowings were outstanding under the letters of credit as of June 30, 2011 and 2010.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

8. Derivative Instruments

Ascension Health uses interest rate swap agreements to manage interest rate risk associated with its outstanding debt. These swaps effectively convert interest rates on variable rate bonds to fixed rates and rates on fixed rate bonds to variable rates. At June 30, 2011 and 2010, the notional values of outstanding interest rate swaps were \$2,310,187 and \$2,431,137, respectively.

Ascension Health recognizes the fair value of its interest rate swaps in the consolidated balance sheet as assets, recorded in other noncurrent assets, or liabilities, recorded in other noncurrent liabilities, as appropriate. At June 30, 2011 and 2010, the fair value of interest rate swaps in an asset position were \$64,426 and \$66,929, respectively, while the fair value of interest rate swaps in a liability position were \$141,287 and \$169,047, respectively.

Prior to July 1, 2006. Ascension Health designated certain of its interest rate swaps as cash flow hedges, for accounting purposes, and accordingly deferred gains or losses associated with those swaps in net assets. Net gains of \$303 and \$14,123 were recognized in other nonoperating gains (losses) for the years ended June 30, 2011 and 2010, respectively, representing the recognition of interest rate swap gains deferred prior to July 1, 2006, when these swaps were designated and accounted for as cash flow hedges. For the year ended June 30, 2010, \$13,033 of the gain represented the recognition of deferred gains that were previously designated to long-term debt that was redeemed or defeased during the year ended June 30, 2010. The remaining amount of deferred gain at June 30, 2011, that will be reclassified into nonoperating gains (losses) over the next 12 months is immaterial.

Beginning July 1, 2006, previously designated cash flow hedging relationships were dedesignated for accounting purposes. Accordingly, all changes in the fair value of interest rate swaps since that date have been recognized in nonoperating gains (losses) in the accompanying consolidated statements of operations and changes in net assets. A net nonoperating gain of \$25,257 was recognized for the year ended June 30, 2011, while a net nonoperating loss of \$18,641 was recognized for the year ended June 30, 2010.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

8. Derivative Instruments (continued)

Ascension Health's interest rate swap agreements include collateral requirements for each counterparty under such agreements, based upon specific contractual criteria. Ascension Health's collateral requirements are based upon Ascension Health's Senior Credit Group long-term debt credit ratings (Senior Debt Credit Ratings), as obtained from each of two major credit rating agencies, as well as the net liability position of total interest rate swap agreements outstanding with each counterparty. At June 30, 2011 and 2010, based upon Ascension Health's net liability positions and Senior Debt Credit Ratings, no collateral on interest rate swap agreements was required to be posted. The aggregate net fair value of interest rate swap agreements with credit-risk-related contingent features on June 30, 2011 and 2010, was a liability of \$76,861 and \$102,118, respectively.

9. Retirement Plans

Defined-Benefit Plans

Certain Ascension Health entities participate in the Ascension Health Pension Plan (the Ascension Plan), which is a noncontributory, defined-benefit pension plan covering all eligible employees of certain Ascension Health entities Benefits are based on each participant's years of service and compensation. Ascension Plan assets are invested in a master trust (the Trust) consisting of cash and cash equivalents, equity, fixed income funds, and alternative investments. Contributions to the Ascension Plan are based on actuarially determined amounts sufficient to meet the benefits to be paid to plan participants.

The assets of the Ascension Plan are available to pay the benefits of eligible employees and retirees of all participating entities. In the event entities participating in the Ascension Plan are unable to fulfill their financial obligations under the Ascension Plan, the other participating entities are obligated to do so.

Certain other Ascension Health entities participate in separate noncontributory, defined-benefit plans (the Other Ascension Health Plans) in which substantially all employees are eligible to participate. The Other Ascension Health Plans' benefits are based on each participant's years of service and compensation. Substantially all of the Other Ascension Health Plans' assets are invested in the Trust.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Retirement Plans (continued)

The following table sets forth the combined benefit obligations, the assets of the Ascension Plan, and the Other Ascension Health Plans (collectively, the Ascension Health Pension Plans) at June 30, 2011 and 2010, components of net periodic benefit costs for the years then ended, and a reconciliation of the amounts recognized in the accompanying consolidated financial statements:

	Year Ended June 30,			
	2011	2010		
Change in projected benefit obligation				
Projected benefit obligation at beginning of year	\$ 5,618,553	\$ 4,755,922		
Service cost	208,253	176,920		
Interest cost	304,365	303,764		
Amendments	(476)	(636)		
Assumption change	(154,944)	558,866		
Actuarial (gain) loss	(29,136)	14,521		
Benefits paid	(212,166)	(190,804)		
Projected benefit obligation at end of year	5,734,449	5,618.553		
Accumulated benefit obligation at end of year	5,140,261	4,920,528		
Change in plan assets:				
Fair value of plan assets at beginning of year	4,624,393	3,808,540		
Actual return on plan assets	848,439	835,613		
Employer contributions	136,927	171,044		
Benefits paid	(212,166)	(190,804)		
Fair value of plan assets at end of year	5,397,593	4,624,393		
Net amount recognized at end of year and funded status	\$ (336,856)	\$ (994,160)		

The Ascension Health Pension Plans' funded status as a percentage of the projected benefit obligation at June 30, 2011 and 2010, was 94.1% and 82.3%, respectively. The Ascension Health Pension Plans' funded status as a percentage of the accumulated benefit obligation at June 30, 2011 and 2010, was 105.0% and 94.0%, respectively.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Retirement Plans (continued)

Included in unrestricted net assets at June 30, 2011 and 2010, respectively, are the following amounts that have not yet been recognized in net periodic pension cost:

	Year Ended June 30,					
	2011					
Unrecognized prior service credit Unrecognized actuarial loss	\$	(69,548) 33,874	\$	(80.927) 835,418		
	\$	(35,674)	\$	754,491		

Changes in plan assets and benefit obligations recognized in unrestricted net assets during 2011 and 2010, respectively, include:

	Year Ended June 30,			
	dirich siene	2011		2010
Current year actuarial (gain) loss Amortization of actuarial loss Current year prior service credit Amortization of prior service credit	\$	(671,223) (130,321) (476) 11,855	\$	66,144 (72,948) (636) 11,199
•	\$	(790,165)	\$	3,759
		Year Ende 2011	ed J	une 30, 2010
Components of net periodic benefit cost				
Service cost Interest cost Expected return on plan assets Amortization of prior service credit	\$	208,253 304,365 (361,295) (11,855)	\$	176,920 303.764 (328,370) (11,199)
Amortization of actuarial loss		130,321		72,948
Net periodic benefit cost		269,789	\$	214,063

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Retirement Plans (continued)

The prior service credit and actuarial loss included in unrestricted net assets and expected to be recognized in net periodic pension cost during the year ending June 30, 2012, are \$10,600 and \$27,700, respectively

The assumptions used to determine the benefit obligation and net periodic benefit cost for the Ascension Health Pension Plans are set forth below:

	June 30,		
	2011	2010	
Weighted-average discount rate	5.63%	5.49%	
Weighted-average rate of compensation increase	4.00%	4.00%	
Weighted-average expected long-term rate of			
return on plan assets	8.50%	8.50%	

The Ascension Health Pension Plans' assets are invested in a portfolio designated to protect principal and obtain competitive investment returns and long-term investment growth, consistent with actuarial assumptions, with a reasonable and prudent level of risk. Diversification is achieved by allocating to funds that correlate to three different economic regimes defined as growth, recession and inflation investment strategies. Growth strategies include long-only equity, long/short equity, private equity, and credit related instruments. Recession strategies include government bonds, investment grade bonds, hedge funds and cash Inflation strategies include inflation-linked bonds, commodities, and real assets. The Plan retains multiple investment managers with complementary styles, philosophies, and approaches. In accordance with the Ascension Health Pension Plans' objectives, derivatives may also be used to gain market exposure in an efficient and timely manner.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Retirement Plans (continued)

In accordance with the Ascension Health Pension Plans' asset diversification targets, as presented in the table that follows, the Ascension Health Pension Plans invest in certain portfolio investment funds, or alternative investments. These Ascension Health Pension Plans' investments, comprised of various hedge funds, real estate funds, private equity funds, commodity funds, and certain other unregistered mutual funds, do not have observable market values. As such, these investments are valued at the funds' net asset values as determined by each fund's investment manager, which approximates fair value. The fair value of the Ascension Health Pension Plans' alternative investments as of June 30, 2011, is reported in the fair value measurement table that follows. Collectively, these funds have liquidity terms ranging from weekly to annual with notice periods ranging from 1 to 93 days. Due to redemption restrictions, investments in real estate and private equity funds, whose fair value was approximately \$346,401 at June 30, 2011, cannot be redeemed. However, the potential for the Ascension Health Pension Plans to sell their interest in real estate and private equity funds in a secondary market prior to the end of the fund term does exist.

The investments in these alternative investment funds also include contractual commitments to portfolio funds and other funds to provide capital contributions during the investment period, which is typically five years, and may extend to the end of the fund term. During these contractual periods, investment managers may require the Ascension Health Pension Plans to invest in accordance with the terms of the agreement. Commitments not funded during the investment period will expire and remain unfunded. As of June 30, 2011, investment periods expire between July 2011 and December 2016. The remaining unfunded capital commitments of the Ascension Plan total approximately \$437.000 for 35 individual contracts as of June 30, 2011.

The weighted-average asset allocation for the Ascension Health Pension Plans at the end of fiscal 2011 and 2010 and the target allocation for fiscal 2012, by asset category, are as follows:

	Target Allocation	Percentage of Plan Assets at Year-End			
Asset Category	2012	2011	2010		
Growth	50%	52%	47%		
Recession/deflation	30	32	44		
Inflation	20	16	9		
Total	100%	100%	100%		

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Retirement Plans (continued)

Ascension Health adopted the FASB's authoritative disclosure guidance on reporting for assets of postretirement benefit plans for the fiscal year ended June 30, 2010. The following tables summarize fair value measurements at June 30, 2011 and 2010, by asset class and by level, for the Ascension Health Pension Plans' assets and liabilities in accordance with that guidance. As also discussed in the Fair Value Measurements note, Ascension Health follows the three-level fair value hierarchy to categorize plan assets and liabilities recognized at fair value, which prioritizes the inputs used to measure such fair values.

The inputs and valuation techniques discussed in the Fair Value Measurements note also apply to Plan assets and liabilities as presented in the following tables.

	Level 1	Level 2	Level 3	Total
June 30, 2011				
Short-term investments	\$ 433,526	\$ 12,682	\$ -	\$ 446,208
Derivative assets –				,
interest rate	717	3	65,727	66,447
Derivative assets – other	74	2,939	1,159	4,172
U.S. government obligations	_	1,734,828	2,129	1,736,957
Corporate and foreign fixed				
income investments		406,793	19,462	426,255
Asset-backed securities	_	265,277	4,427	269,704
Equity securities	1,186,520	_	1,701	1,188,221
Alternative investments	_		1,591,483	1,591,483
Assets not at fair value				221,405
Total				5,950,852
Derivative liabilities –				
interest rate	17	283	258,882	259,182
Derivative liabilities – other	307	1,067	16,371	17,745
Investments sold,				
not yet settled	*****	56,451		56,451
Liabilities not at fair value				219,881
Total				553,259
Fair value of plan assets				\$ 5,397,593

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Retirement Plans (continued)

	Level 1	Level 2	Level 3	Total
June 30, 2010				
Short-term investments	\$ 196,039	\$ 92,170	\$ -	\$ 288,209
Derivative assets –				
interest rate	171	285	90,505	90,961
Derivative assets – other	1,260	5,058	197	6,515
U.S. government obligations		1,344,660	2,241	1,346,901
Corporate and foreign fixed				
income investments	_	447,515	52,193	499,708
Asset-backed securities		221,140	4,790	225,930
Equity securities	1,266,949		122,447	1,389,396
Alternative investments	Prime		1,163,027	1,163,027
Assets not at fair value				238,607
Total				5,249,254
Derivative liabilities –				
interest rate	159	128	323,977	324,264
Derivative liabilities – other	584	376	24,774	25,734
Investments sold,				
not yet settled	_	52,018		52,018
Liabilities not at fair value				222,845
Total				624,861
Fair value of plan assets				\$ 4,624.393

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Retirement Plans (continued)

For the years ended June 30, 2011 and 2010, the changes in the fair value of the Ascension Health Pension Plans' assets measured using significant unobservable inputs (Level 3) were comprised of the following:

Corporate

				and	d Foreign						
			U.S.		Fixed		Asset-				
	Net	Go	vernment]	Income		Backed		Equity	Al	lternative
	Derivatives	0	bligations	Inv	vestments	S	ecurities		ecurities		vestments
June 30, 2011											
Beginning balance	\$ (258,049) \$	2,241	\$	52,193	\$	4,790	\$	122,447	\$1	1,163,027
Total actual return on		,			,		ŕ				, ,
plan assets	57,843		99		1,976		(8)		33,096		171,459
Purchases, issuances, and	·				,		` ,		,		,
settlements	(8,161)	(211)		(29,882)		376		(153,343)		256,997
Transfers (out of) into			•						, , ,		
Level 3					(4,825)		(731)		(499)		
Ending balance	\$ (208,367) \$	2,129	\$	19,462	\$	4,427	\$	1,701	\$ 1	1,591,483
								 -			
Actual return on plan assets											
relating to plan assets											
	\$ (25,056) \$	65	\$	(195)	©	195	S		\$	154,299
stiff field itt stiffe 50, 2011	\$ (23,030) 3			(175)	J.	1/3	9		Φ.	134,277
					orporate						
					d Foreign						
			U.S.	an	d Foreign Fixed		Asset-				
	Net		vernment	and	d Foreign Fixed Income		Backed		Equity		lternative
	Net Derivative			and	d Foreign Fixed Income				Equity ecurities		lternative vestments
June 30, 2010	Derivative	<u> </u>	vernment	and Inv	d Foreign Fixed Income vestments	S	Backed Securities		ecurities		vestments
Beginning balance		<u> </u>	vernment	and	d Foreign Fixed Income		Backed				
	\$ (515,560	6 O) \$	overnment bligations -	and Inv	d Foreign Fixed Income vestments	S	Backed Securities 6,626	S	ecurities	In	vestments
Beginning balance	Derivative	6 O) \$	vernment	and Inv	d Foreign Fixed Income vestments	S	Backed Securities	S	ecurities	In	vestments
Beginning balance Total actual return on	\$ (515,560 126,983) \$	overnment bligations -	and Inv	d Foreign Fixed Income vestments 93,599	S	Backed Securities 6,626	S	ecurities 407	In	585,210 86,161
Beginning balance Total actual return on plan assets	\$ (515,560) \$	overnment bligations -	and Inv	d Foreign Fixed Income vestments 93,599	S	Backed Securities 6,626	S	ecurities 407	In	585,210
Beginning balance Total actual return on plan assets Purchases, issuances, and	\$ (515,560 126,983) \$	overnment bligations - (2)	and Inv	d Foreign Fixed Income vestments 93,599 11,353	S	Backed Securities 6,626 3,585	S	407 (8,642)	In	585,210 86,161
Beginning balance Total actual return on plan assets Purchases, issuances, and settlements	\$ (515,560 126,983) \$	overnment bligations - (2)	and Inv	d Foreign Fixed Income vestments 93,599 11,353	S	Backed Securities 6,626 3,585	S	407 (8,642)	In	585,210 86,161
Beginning balance Total actual return on plan assets Purchases, issuances, and settlements Transfers into (out of)	\$ (515,560 126,983 130,373) \$	overnment bligations - (2)	and Inv	d Foreign Fixed Income vestments 93,599 11,353 (36,314)	S	Backed Securities 6,626 3,585	S	407 (8,642) 129,134	\$	585,210 86,161
Beginning balance Total actual return on plan assets Purchases, issuances, and settlements Transfers into (out of) Level 3	\$ (515,560 126,983 130,373) \$	vernment bligations (2) 2,243	Inv	d Foreign Fixed Income vestments 93,599 11,353 (36,314) (16,445)	\$ \$	6,626 3,585 (5,421)	\$ \$	407 (8,642) 129,134 1,548	\$	585,210 86,161 491,656
Beginning balance Total actual return on plan assets Purchases, issuances, and settlements Transfers into (out of) Level 3 Ending balance	\$ (515,560 126,983 130,373) \$	vernment bligations (2) 2,243	Inv	d Foreign Fixed Income vestments 93,599 11,353 (36,314) (16,445)	\$ \$	6,626 3,585 (5,421)	\$ \$	407 (8,642) 129,134 1,548	\$	585,210 86,161 491,656
Beginning balance Total actual return on plan assets Purchases, issuances, and settlements Transfers into (out of) Level 3 Ending balance Actual return on plan assets	\$ (515,560 126,983 130,373) \$	vernment bligations (2) 2,243	Inv	d Foreign Fixed Income vestments 93,599 11,353 (36,314) (16,445)	\$ \$	6,626 3,585 (5,421)	\$ \$	407 (8,642) 129,134 1,548	\$	585,210 86,161 491,656
Beginning balance Total actual return on plan assets Purchases, issuances, and settlements Transfers into (out of) Level 3 Ending balance	\$ (515,560 126,983 130,373 155 \$ (258,049) \$	vernment bligations (2) 2,243	and s	d Foreign Fixed Income vestments 93,599 11,353 (36,314) (16,445)	\$ \$	6,626 3,585 (5,421)	\$ \$	407 (8,642) 129,134 1,548	\$	585,210 86,161 491,656

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Retirement Plans (continued)

The Trust has entered into a series of interest rate swap agreements with a net notional amount of approximately \$2,539,000. The combined targeted duration of these swaps and the Trust's fixed income investments approximates the duration of the liabilities of the Trust. Currently, 75% of the dollar duration of the liability is subject to this economic hedge. The purpose of this strategy is to economically hedge the change in the net funded status for a significant portion of the liability that can occur due to changes in interest rates.

The expected long-term rate of return on plan assets is based on historical and projected rates of return for current and planned asset categories in the Ascension Health Pension Plans' investment portfolio. Assumed projected rates of return for each asset category were selected after analyzing historical experience and future expectations of the returns and volatility for assets of that category using benchmark rates. Based on the target asset allocation among the asset categories, the overall expected rate of return for the portfolio was developed and adjusted for historical and expected experience of active portfolio management results compared to benchmark returns and for the effect of expenses paid from plan assets.

Information about the expected cash flows for the Ascension Health Pension Plans follows:

Expected employer contributions 2012	\$	179,000
Expected benefit payments:		•
2012		309,000
2013		329,000
2014		353.000
2015		374,000
2016		394,000
2017 - 2021	2	2,301,000

The contribution amount above includes amounts paid to the Trust. The benefit payment amounts above reflect the total benefits expected to be paid from the Trust.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Retirement Plans (continued)

Other Postretirement Benefit Plans

In addition to the retirement plan described above, several Health Ministries sponsor postretirement benefit plans that provide health care benefits to qualified retirees who meet certain eligibility requirements. The total benefit obligation of these plans at June 30, 2011 and 2010, is \$44,446 and \$50,557, respectively. The net obligation included in pension and other postretirement liabilities in the accompanying consolidated balance sheets at June 30, 2011 and 2010, is \$10,086 and \$21,702, respectively. The change in the plans' assets and benefit obligations recognized in unrestricted net assets during the year ended June 30, 2011, was \$6,778.

Defined-Contribution Plans

Ascension Health entities participate in contributory and noncontributory, defined-contribution plans covering all eligible associates. There are three primary types of contributions to these plans: employer automatic contributions, employee contributions, and employer matching contributions. Benefits for employer automatic contributions are determined as a percentage of a participant's salary and, for certain entities, increases over specified periods of employee service. These benefits are funded annually and participants become fully vested over a period of time. Benefits for employer matching contributions are determined as a percentage of an eligible participant's contributions each payroll period. These benefits are funded each payroll period and participants become fully vested in these employer contributions immediately. Expenses for the defined-contribution plans were \$113,337 and \$107,198 during 2011 and 2010, respectively.

10. Self-Insurance Programs

Certain Ascension Health hospitals and other entities participate in pooled risk programs to insure professional and general liability risks and workers' compensation risks to the extent of certain self-insured limits. In addition, various umbrella insurance policies have been purchased to provide coverage in excess of the self-insured limits. Trust funds and a captive insurance company have been established for the self-insurance programs, and actuarially determined amounts, discounted at 6%, are contributed to the trusts and the captive insurance company to provide for the estimated cost of claims. The loss reserves recorded for estimated self-insured professional, general liability, and workers' compensation claims include estimates of the ultimate costs for both reported claims and claims incurred but not reported and are discounted at

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

10. Self-Insurance Programs (continued)

6% in 2011 and 2010. Those entities not participating in the self-insured programs are insured under separate policies

Professional and General Liability Programs

Professional and general liability coverage is provided on a claims-made basis through a wholly owned onshore trust and offshore captive insurance company, Ascension Health Insurance, Ltd. (AHIL), with a self-insured retention of \$10,000 per occurrence with no aggregate. Excess coverage is provided through AHIL with limits up to \$185,000. AHIL retains \$5,000 per occurrence and \$5,000 annual aggregate for professional liability. AHIL also retains a 20% quota share of the first \$25,000 of umbrella excess. The remaining excess coverage is reinsured by commercial carriers. Self-insured entities in the states of Indiana and Wisconsin are provided professional liability coverage on an occurrence basis with limits in compliance with participation in the Patient Compensation Funds The Patient Compensation Funds apply to claims in excess of the primary self-insured limit.

Included in operating expenses in the accompanying consolidated statements of operations and changes in net assets is professional and general liability expense of \$69,073 and \$106,274 for the years ended June 30, 2011 and 2010, respectively. Included in current and long-term self-insurance liabilities on the accompanying consolidated balance sheets are professional and general liability loss reserves of approximately \$522,489 and \$536,506 at June 30, 2011 and 2010, respectively.

AHIL also offers physician professional liability coverage through insurance or reinsurance arrangements to nonemployed physicians practicing at Ascension Health's various facilities, primarily in Michigan. Coverage is offered to physicians with limits ranging from \$100 per claim to \$1,000 per claim with various aggregate limits.

Workers' Compensation

Workers' compensation coverage is provided on an occurrence basis through a grantor trust. The self-insured trust provides coverage up to \$1,000 per occurrence with no aggregate. The trust provides a mechanism for funding the workers' compensation obligations of its members. Excess insurance against catastrophic loss is obtained through commercial insurers. Premium payments made to the trust are expensed and represent claims reported and claims incurred but not reported.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

10. Self-Insurance Programs (continued)

Included in operating expenses in the accompanying consolidated statements of operations and changes in net assets is workers' compensation expense of \$41,973 and \$40,538 for the years ended June 30, 2011 and 2010, respectively. Included in current and long-term self-insurance liabilities on the accompanying consolidated balance sheets are workers' compensation loss reserves of \$98,867 and \$94,922 at June 30, 2011 and 2010, respectively.

11. Lease Commitments

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

Year ending June 30:	
2012	\$ 180,960
2013	169,374
2014	137,302
2015	109,610
2016	90,862
Thereafter	278,052
Total	\$ 966,160

Ascension Health and several of its Health Ministries are lessees under operating lease agreements for the use of space in buildings owned by third parties, including medical office buildings (MOBs) and medical and information technology equipment. In addition, certain Health Ministries have subleased space within buildings where the Health Ministry has a current operating lease commitment. Certain Health Ministries also are lessors under operating lease agreements, primarily ground leases related to third-party-owned MOBs on land owned by the Health Ministries.

Ascension Health's future minimum noncancelable payments associated with operating leases where Ascension Health is the lessee, as well as future minimum noncancelable receipts associated with operating leases where Ascension Health is the sublessor or lessor, are presented in the table that follows. Future minimum payments and receipts relate to noncancelable leases with terms of one year or more.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

11. Lease Commitments (continued)

	Future Payments Where Ascension Health is Lessee	Future Receipts Where Ascension Health is Sublessor/Lessor	Net Future Payments (Receipts)
Year ending June 30:			
2012	\$ 180,960	\$ 29.839	\$ 151,121
2013	169.374	25,688	143,686
2014	137.302	20,743	116,559
2015	109,610	16,620	92,990
2016	90,862	13,041	77,821
Thereafter	278,052	291,477	(13,425)
Total	\$ 966,160	\$ 397,408	\$ 568,752

Rental expense under operating leases amounted to \$295,190 and \$275,149 in 2011 and 2010, respectively.

In previous fiscal years, certain Health Ministries sold MOBs to third parties and contemporaneously leased back certain space in those buildings to support ongoing ministry operations. These space leases are being accounted for as operating leases based on their terms, and future minimum lease payments under these leases are included in the future minimum payment amounts reported above. As of June 30, 2011 and 2010, net deferred gains of \$7,226 and \$10,206, respectively, were included in other noncurrent liabilities in the accompanying consolidated balance sheets. These gains are being recognized as operating income over the related leaseback terms.

Also in previous fiscal years, certain Health Ministries entered into agreements to lease space in MOBs under construction by external development companies. Based on relevant authoritative accounting guidance, the Health Ministries were considered the owner of the MOBs during construction In addition, because these transactions and the sales of other existing MOBs did not qualify for sale-leaseback accounting, they were treated as financing transactions. Accordingly, the associated financing obligations, along with their related construction in progress or building assets, of \$116.314 and \$116,449 at June 30, 2011 and 2010, respectively, are included in other noncurrent liabilities and construction in progress or building and equipment in the

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

11. Lease Commitments (continued)

accompanying consolidated balance sheets. The financing obligations associated with these transactions will not result in cash payments in excess of amounts paid under the related operating lease payments. All future cash obligations related to leased space within these MOBs are included in the future minimum payment amounts reported above.

12. Contingencies and Commitments

Ascension Health is involved in litigation and regulatory investigations arising in the ordinary course of business. Ascension Health is also involved in ongoing arbitration relative to a dispute regarding the termination of, and performance under, an information technology services contract. Regulatory investigations also occur from time to time. In the opinion of management, after consultation with legal counsel, these matters are expected to be resolved without material adverse effect on Ascension Health's consolidated balance sheets

In September 2010, Ascension Health received a letter from the U.S. Department of Justice (the DOJ) in connection with its nationwide review to determine whether, in certain cases, implantable cardioverter defibrillators (ICDs) were provided to certain Medicare beneficiaries in accordance with national coverage criteria. In connection with this nationwide review, identified Ascension Health hospitals will be reviewing applicable medical records and responding to the DOJ. The DOJ's investigation spans a time frame beginning in 2003 and extending through the present time. At June 30, 2011, and through September 8, 2011, the review remains in its early stages. As such, no estimates of liability have been or can be reached relative to the impact this investigation could have on Ascension Health. Through September 8, 2011, the DOJ has not asserted any claims against any Ascension Health hospitals. Ascension Health continues to fully cooperate with the DOJ in its investigation.

Ascension Health enters into agreements with nonemployed physicians that include minimum revenue guarantees. The terms of the guarantees vary. The carrying amounts of the liability for Ascension Health's obligation under these guarantees were \$15,395 and \$9,779 at June 30, 2011 and 2010, respectively, and are included in other current and noncurrent liabilities in the accompanying consolidated balance sheets. The maximum amount of future payments that Ascension Health could be required to make under these guarantees is approximately \$41,000 and is included in the table that follows.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

12. Contingencies and Commitments (continued)

Ascension Health entered into agreements with one of its sponsors for support through March 2016, which support is included in transfers to sponsor and other affiliates, net in the accompanying consolidated statements of changes in net assets for the year ended June 30, 2010. Ascension Health's obligation under these agreements totals \$53,259 at June 30, 2011, and is included in other current and noncurrent liabilities in the accompanying consolidated balance sheets.

Guarantees and other commitments represent contingent commitments issued by Ascension Health Senior and Subordinate Credit Groups, generally to guarantee the performance of an affiliate to a third party in borrowing arrangements such as commercial paper issuances, bond financing, and other transactions. The terms of guarantees are equal to the terms of the related debt, which can be as short as 30 days or as long as 29 years.

The following summary represents the maximum potential amount of future payments the Senior and Subordinate Credit Groups could be required to make under its guarantees and other commitments at June 30, 2011:

Hospital de la Concepción 2000 Series A debt guarantee	\$ 31,910
St. Vincent de Paul Series 2000A debt guarantee	28,300
Rehab Hospital of Indiana, Inc. guarantee	6.400
Mercy Care Plan guarantee	5,000
Physician revenue guarantees	41,000
Other	37,642
Total guarantees and other commitments	\$ 150,252