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CHANGE OF ACCOUNTING PERIOD

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning JAN 1, 2011 and ending JUN 30, 2011

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Termin-ated ☐ Amended return ☐ Applica-tion pending

C Name of organization
LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Doing Business As SIBLEY MEMORIAL HOSPITAL

Number and street (or P.O. box if mail is not delivered to street address) 5255 LOUGHBORO RD NW

Room/suite

City or town, state or country, and ZIP + 4
WASHINGTON, DC 20016

F Name and address of principal officer: ROBERT L. SLOAN
SAME AS C ABOVE

D Employer identification number
53-0196602

E Telephone number
(202)537-4000

G Gross receipts $ 396,436,877.

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW.SIBLEY.ORG

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1891 **M** State of legal domicile: DC

Part I Summary

1	Briefly describe the organization's mission or most significant activities: THE LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES AND MISSIONARIES PROVIDES ALL		
2	Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
3	Number of voting members of the governing body (Part VI, line 1a)	3	31
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	29
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	0
6	Total number of volunteers (estimate if necessary)	6	330
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	72,053.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-3,012.

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	122,366.	83,464.
9	Program service revenue (Part VIII, line 2g)	239,574,739.	123,975,332.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	26,336,835.	11,932,629.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,555,733.	2,080,340.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	269,589,673.	138,071,765.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	100,000.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	128,300,980.	64,005,732.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	99,455,168.	55,067,882.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	227,756,148.	119,173,614.
19	Revenue less expenses. Subtract line 18 from line 12	41,833,525.	18,898,151.

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	943,298,347.	972,401,974.
21	Total liabilities (Part X, line 26)	203,041,929.	203,029,737.
22	Net assets or fund balances. Subtract line 21 from line 20	740,256,418.	769,372,237.

SCANNED JUN 2 2 2012

RECEIVED
MAY 21 2012
IRS OGDEN UT

Part II Signature Block

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

Sign Here

Signature of officer — Date 5/8/12

ROBERT L. SLOAN, PRESIDENT AND CEO
Type or print name and title

Paid Preparer Use Only

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

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

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

Contain "H" 90-17

22

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . [X]

1 Briefly describe the organization's mission:
THE LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES AND MISSIONARIES CONDUCTING SIBLEY MEMORIAL HOSPITAL IS A GENERAL SHORT-TERM ACUTE CARE HOSPITAL LOCATED IN N.W. WASHINGTON,DC. THE HOSPITAL PROVIDES ALL SVCS WITHOUT REGARD TO RACE, CREED, SEX,

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [ ] Yes [X] No
If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [ ] Yes [X] No
If "Yes," describe these changes on Schedule O

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

4a (Code _____) (Expenses $ 107,359,155. including grants of $ 100,000.) (Revenue $ 127,698,816.)
PROVIDE ACUTE CARE HEALTHCARE SERVICES TO PATIENTS IN THE NORTHWEST WASHINGTON, DC AREA. TO PROVIDE QUALITY HEALTH SERVICES AND FACILITIES TO THIS COMMUNITY, PROMOTING WELLNESS, RELIEVE SUFFERING, AND RESTORE HEALTH AS SWIFTLY, SAFELY AND HUMANELY AS IT CAN BE DONE CONSISTENT WITH THE BEST SERVICE GIVEN AT THE HIGHEST VALUE.
SIBLEY HOSPITAL IS A GENERAL SHORT TERM ACUTE CARE FACILITY LOCATED IN NORTHWEST WASHINGTON, DC. THE HOSPITAL PROVIDES SERVICES TO THE GENERAL PUBLIC IN WASHINGTON, DC, NORTHERN VIRGINIA AND MONTGOMERY COUNTY. THE HOSPITAL PROVIDES ALL SERVICES WITHOUT REGARD TO RACE, CREED, SEX, SEXUAL PREFERENCE, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY. IN NOVEMBER 2010, THE HOSPITAL BECAME INTEGRATED WITH THE JOHNS HOPKINS HEALTH SYSTEM (JHHS). ONE OF THE REQUIREMENTS OF THE

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

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

4d Other program services (Describe in Schedule O)
(Expenses $ _____ including grants of $ _____) (Revenue $ _____)

4e **Total program service expenses** ▶ 107,359,155.

SEE SCHEDULE O FOR CONTINUATION(S)

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*?	2	X	
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		X
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		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which 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		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
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	X	
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
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	X	
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		X
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		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
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	X	
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		X
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	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
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 United States? *If "Yes," complete Schedule F, Parts II and IV*	15		X
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 United States? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
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		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	X	

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
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		X
23	Did the organization answer "Yes" to Part VII, Section A, line 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		X
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 through 24d and complete Schedule K If "No", go to line 25*	24a	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		X
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		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		X
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		X
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		X
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		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a	X	
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
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		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
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		X
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		X
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	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X	
b	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*	35b	X	
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		X
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		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V [X]

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	0		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b			
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		X	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter.				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?	13a			
	Note. See the instructions for additional information the organization must report on Schedule O				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*	14b			

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

Check if Schedule O contains a response to any question in this Part VI [X]

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a	31		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	29		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6			X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
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			X

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

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

Section C. Disclosure

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

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

[ ] Own website [ ] Another's website [X] Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

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

STEPHEN MCDONNELL - (202)537-4680

5255 LOUGHBORO RD NW, WASHINGTON, DC 20016

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

Check if Schedule O contains a response to any question in this Part VII [X]

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. 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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) REV DAVID A ARGO TRUSTEE	5.00	X						0.	0.	0.
(2) WILLIAM B BARTON, ESQ TRUSTEE, VP	5.00	X		X				0.	0.	0.
(3) GEOFFREY D BROWN TRUSTEE	5.00	X						0.	0.	0.
(4) RENE J CARTER TRUSTEE	5.00	X						0.	0.	0.
(5) CHARLES M COCHRAN, JR TRUSTEE	5.00	X						0.	0.	0.
(6) LINDA C DOUGLAS TRUSTEE	5.00	X						0.	0.	0.
(7) PAUL R ERICKSON TRUSTEE	5.00	X						0.	0.	0.
(8) MICHAEL K FARR TRUSTEE	5.00	X						0.	0.	0.
(9) SAMUAL P HARRINGTON, MD SECRETARY	5.00	X		X				0.	0.	0.
(10) BURKE F HAYES TRUSTEE	5.00	X						0.	0.	0.
(11) DALE H HOSCHEIT, ESQ TRUSTEE	5.00	X						0.	0.	0.
(12) JOHN O MAY TRUSTEE	5.00	X						0.	0.	0.
(13) REV DAVID MCALLISTER-WILSON TRUSTEE	5.00	X						0.	0.	0.
(14) EDWARD J MILLER, JR TRUSTEE, CHAIRMAN	5.00	X		X				0.	0.	0.
(15) A WALLACE MOORE, JR TRUSTEE	5.00	X						0.	0.	0.
(16) RICHARD E MORRIS TREASURER	5.00	X		X				0.	0.	0.
(17) PRISCILLA I PAGANO TRUSTEE	5.00	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) RAMIN OSKOUI, MD TRUSTEE	5.00	X						0.	0.	0.
(19) CHARLES H ROSS TRUSTEE	5.00	X						0.	0.	0.
(20) THOMAS J SCHAEFER TRUSTEE	5.00	X						0.	0.	0.
(21) BISHOP JOHN R SCHOL TRUSTEE	5.00	X						0.	0.	0.
(22) JACK P SEGAL, MD TRUSTEE	5.00	X						0.	0.	0.
(23) ROBERT L SLOAN PRESIDENT & CEO	40.00	X		X				0.	0.	0.
(24) RONALD R PETERSON TRUSTEE, EX-OFFICIO	5.00	X						0.	0.	0.
(25) THOMAS H SULLIVAN TRUSTEE	5.00	X						0.	0.	0.
(26) CARL L SYLVESTER JR, MD TRUSTEE	5.00	X						0.	0.	0.
1b Sub-total						▶		0.	0.	0.
c Total from continuation sheets to Part VII, Section A						▶		0.	0.	0.
d Total (add lines 1b and 1c)						▶		0.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 0

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 0

SEE PART VII, SECTION A CONTINUATION SHEETS

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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(27) KIMBERLY H WALTON, ESQ TRUSTEE	5.00	X						0.	0.	0.
(28) JOY B CHOPPIN TRUSTEE	5.00	X						0.	0.	0.
(29) NILOO HOWE TRUSTEE	5.00	X						0.	0.	0.
(30) THOMAS M MASTERSON, MD TRUSTEE, EX-OFFICIO	5.00	X						0.	0.	0.
(31) SHARON PERCY ROCKEFELLER TRUSTEE	5.00	X						0.	0.	0.
(32) STEPHEN C MCDONNELL SR VP, COO & CFO	40.00			X				0.	0.	0.
(33) JOAN VINCENT SR VP, PT. CARE SVCS & CNO	40.00			X				0.	0.	0.
(34) ALISON ARNOTT VP SUPPORT SERVICES	40.00			X				0.	0.	0.
(35) QUEENIE PLATER VP & CHIEF HUMAN RESOURCES OFFICER	40.00			X				0.	0.	0.
(36) KENDA TAVAKOLI VP INFO. RESOURCES & CIO	40.00			X				0.	0.	0.
(37) PETER PETRUCCI, M.D. VP PATIENT SAFETY, QUALITY, MEDICAL	40.00			X				0.	0.	0.
(38) CHRISTINE STUPPY VP BUS. DEVEL. & STRAT. PLANNING	40.00			X				0.	0.	0.
(39) JEFFERY JOYNER VP PROFESSIONAL SERVICES	40.00			X				0.	0.	0.
Total to Part VII, Section A, line 1c										

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	83,464.			
	g Noncash contributions included in lines 1a-1f $					
	h Total. Add lines 1a-1f	▶	83,464.			
Program Service Revenue		Business Code				
	2a PATIENT REVENUE	621990	110,809,925.	110,809,925.		
	b ASSISTED LIVING	623000	9597592.	9597592.		
	c PHYSICIAN BILLING	621990	3496697.	3496697.		
	d LAB REVENUE	621500	71,118.		71,118.	
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f	▶	123,975,332.			
	3 Investment income (including dividends, interest, and other similar amounts)	▶	8164882.		935.	8,163,947.
	4 Income from investment of tax-exempt bond proceeds	▶				
	5 Royalties	▶				
		(i) Real	(ii) Personal			
	6a Gross rents					
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)	▶				
	7a Gross amount from sales of assets other than inventory	(i) Securities 262,032,000.	(ii) Other			
	b Less: cost or other basis and sales expenses	257,782,316.	481937.			
	c Gain or (loss)	4,249,684.	-481,937.			
	d Net gain or (loss)	▶	3767747.	3767747.		
Other Revenue	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b Less direct expenses	b				
	c Net income or (loss) from fundraising events	▶				
	9a Gross income from gaming activities See Part IV, line 19	a				
	b Less direct expenses	b				
	c Net income or (loss) from gaming activities	▶				
	10a Gross sales of inventory, less returns and allowances	a 127714.				
	b Less cost of goods sold	b 100859.				
	c Net income or (loss) from sales of inventory	▶	26,855.	26,855.		
	Miscellaneous Revenue	Business Code				
	11a CAFETERIA/VENDING	900099	603,611.			603,611.
	b PARKING LOT	900099	567,252.			567,252.
	c OTHER INCOME	900099	539,968.			539,968.
	d All other revenue	900099	342,654.			342,654.
	e Total. Add lines 11a-11d	▶	2053485.			
	12 Total revenue. See instructions.	▶	138,071,765.	127,698,816.	72,053.	10,217,432.

Part IX Statement of Functional Expenses

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

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

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	100,000.	100,000.		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees				
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	53,357,677.	48,687,257.	4,670,420.	
8	Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	2,892,371.	2,226,351.	666,020.	
9	Other employee benefits	4,048,704.	3,444,288.	604,416.	
10	Payroll taxes	3,706,980.	3,158,347.	548,633.	
11	Fees for services (non-employees)				
a	Management				
b	Legal	486,702.	414,671.	72,031.	
c	Accounting				
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees	1,307,225.	1,113,756.	193,469.	
g	Other	11,190,886.	9,625,916.	1,564,970.	
12	Advertising and promotion	351,435.	301,717.	49,718.	
13	Office expenses	1,138,981.	668,326.	470,655.	
14	Information technology	1,739,093.	1,481,705.	257,388.	
15	Royalties				
16	Occupancy	2,314,037.	1,971,559.	342,478.	
17	Travel	23,598.	20,105.	3,493.	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	202,355.	172,407.	29,948.	
20	Interest	1,776,599.	1,513,663.	262,936.	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	7,077,700.	6,030,199.	1,047,501.	
23	Insurance	2,293,152.	1,953,766.	339,386.	
24	Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a	DIRECT PATIENT SUPPLIES	15,868,047.	15,868,047.		
b	OTHER SUPPLIES	4,818,560.	4,168,994.	649,566.	
c	BAD DEBTS	3,628,273.	3,628,273.		
d	PROVIDER TAX	688,997.	688,997.		
e	All other expenses	162,242.	120,811.	41,431.	
25	**Total functional expenses.** Add lines 1 through 24e	119173614.	107359155.	11,814,459.	0.
26	**Joint costs** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		-1.	1	
	2	Savings and temporary cash investments		23,159,499.	2	24,524,916.
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		27,210,867.	4	29,934,901.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		1,172,890.	8	1,215,706.
	9	Prepaid expenses and deferred charges		3,853,084.	9	4,343,951.
	10a	Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a 267,234,637.			
	b	Less: accumulated depreciation	10b 9,323,653.	252,179,541.	10c	257,910,984.
	11	Investments - publicly traded securities			11	
	12	Investments - other securities. See Part IV, line 11		595,313,330.	12	608,387,482.
	13	Investments - program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		40,409,137.	15	46,084,034.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		943,298,347.	16	972,401,974.
Liabilities	17	Accounts payable and accrued expenses		26,435,261.	17	29,460,553.
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		116,912,386.	20	115,406,276.
	21	Escrow or custodial account liability Complete Part IV of Schedule D		2,459,107.	21	2,374,605.
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		57,235,175.	25	55,788,303.
	26	**Total liabilities.** Add lines 17 through 25		203,041,929.	26	203,029,737.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		713,655,831.	27	740,886,058.
	28	Temporarily restricted net assets		14,235,970.	28	16,121,562.
	29	Permanently restricted net assets		12,364,617.	29	12,364,617.
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		740,256,418.	33	769,372,237.
	34	Total liabilities and net assets/fund balances		943,298,347.	34	972,401,974.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	138,071,765.
2	Total expenses (must equal Part IX, column (A), line 25)	2	119,173,614.
3	Revenue less expenses Subtract line 2 from line 1	3	18,898,151.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	740,256,418.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	10,217,668.
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	769,372,237.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII [ ]

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

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization	Employer identification number
LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES	53-0196602

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions) 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2010 Schedule A, Part II, line 14 15 %

16a **33 1/3% support test - 2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support test - 2010.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2011.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐

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

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II If the organization fails to qualify under the tests listed below, please complete Part II)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11, and 12)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2011** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2010** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

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

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization: LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Employer identification number: 53-0196602

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e g , recreation or education)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

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

		Held at the End of the Tax Year
a Total number of conservation easements	2a	
b Total acreage restricted by conservation easements	2b	
c Number of conservation easements on a certified historic structure included in (a)	2c	
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

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

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

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

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

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

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

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

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

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

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and 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 current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶ _____%
b Permanent endowment ▶ _____%
c Temporarily restricted endowment ▶ _____%

The percentages in lines 2a, 2b, and 2c should equal 100%

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		50,500,000.		50,500,000.
b Buildings		127926763.	4,530,732.	123396031.
c Leasehold improvements		137,398.	2,697.	134,701.
d Equipment		37,697,598.	4,764,303.	32,933,295.
e Other		50,972,878.	25,921.	50,946,957.
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)*			▶	257910984.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) JOINT VENTURES	3,337,103.	END-OF-YEAR MARKET VALUE
(B) OTHER SECURITIES	605,050,379.	END-OF-YEAR MARKET VALUE
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	608,387,482.	

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ALLOW FOR MALPRACTICE CLAIMS	19,265,250.
(3) ESTIMATED THIRD PARTY SETTLE	6,637,112.
(4) DEFERRED PENSION OBLIGATION	20,898,317.
(5) MISCELLANEOUS LIABILITIES	4,355,456.
(6) INTEREST PAYABLE	1,171,562.
(7) DEFERRED COMPENSATION	2,261,218.
(8) CONT RETENTION MOB GARAGE	1,174,453.
(9) DUE TO AFFILIATES	24,935.
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25.)* ▶	55,788,303.

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

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

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

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

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

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

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

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4; Part X, line 2, 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

PART IV, LINE 2B: THE HOSPITAL ACTS AS ADMINISTRATOR/TRUSTEE FOR A CHARITABLE GIFT ANNUITY (CGA) PROGRAM. THE ASSETS ARE CUSTODIED WITH THE FIDUCIARY TRUST COMPANY. DONORS MAKE ARRANGEMENTS WITH THE HOSPITAL AND THE CUSTODIAN TO MAKE A ONE-TIME CONTRIBUTION TO THE CGA. PERIODIC ANNUITY PAYMENTS ARE THEN MADE TO THE DONOR OVER THE LIFETIME OF THE DONOR. THE HOSPITAL INCLUDES ON ITS BALANCE SHEET THE MARKET VALUE OF THE ASSETS CONTRIBUTED BY ALL DONORS IN THE PROGRAM. THE HOSPITAL ALSO INCLUDES A LIABILITY FOR ESTIMATED PAYMENTS CALCULATED TO BE PAID TO ITS DONORS IN

Part XIV Supplemental Information *(continued)*

FUTURE YEARS. THE ASSETS ARE INVESTED IN FIXED INCOME AND EQUITY SECURITIES, MONITORED REGURARLY BY THE HOSPITAL'S INVESTMENT COMMITTEE. FOR FISCAL YEAR ENDING JUNE 30, 2011, THE MARKET VALUE OF THE ASSETS INCREASED BY $20,882.

PART X, LINE 2: FASB'S GUIDANCE ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES CLARIFIES THE ACCOUNTING FOR UNCERTAINTY OF INCOME TAX POSITIONS. THIS GUIDANCE DEFINES THE THRESHOLD FOR RECOGNIZING TAX RETURN POSITIONS IN THE FINANCIAL STATEMENTS AS "MORE LIKELY THAN NOT" THAT THE POSITION IS SUSTAINABLE, BASED ON ITS TECHNICAL MERITS. THIS GUIDANCE ALSO PROVIDES GUIDANCE ON THE MEASUREMENT, CLASSIFICATION AND DISCLOSURE OF TAX RETURN POSITIONS IN THE FINANCIAL STATEMENTS. THE ORGANIZATION HAS ADOPTED THIS GUIDANCE, AND THERE WAS NO IMPACT ON ITS FINANCIAL STATEMENTS DURING THE SIX MONTHS ENDED JUNE 30, 2011.

Change of Accounting Period

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization	Employer identification number
LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES	53-0196602

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	X	
b	If "Yes," was it a written policy?	1b	X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care [ ] 100% [ ] 150% [X] 200% [ ] Other _____ %	3a	X	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care [ ] 200% [ ] 250% [ ] 300% [ ] 350% [ ] 400% [X] Other 500 %	3b	X	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b		X
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		
6a	Did the organization prepare a community benefit report during the tax year?	6a	X	
b	If "Yes," did the organization make it available to the public?	6b	X	

Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			2,682,020.	0.	2,682,020.	2.32%
b Medicaid (from Worksheet 3, column a)			1,327,892.	1,039,579.	288,313.	.25%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			4,009,912.	1,039,579.	2,970,333.	2.57%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1,779,220.	910,173.	869,047.	.75%
f Health professions education (from Worksheet 5)			452,100.	267,639.	184,461.	.16%
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)			100,000.	0.	100,000.	.09%
i Cash and in-kind contributions for community benefit (from Worksheet 8)			12,100.	0.	12,100.	.01%
j **Total.** Other Benefits			2,343,420.	1,177,812.	1,165,608.	1.01%
k **Total.** Add lines 7d and 7j			6,353,332.	2,217,391.	4,135,941.	3.58%

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

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

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?		1	X	
2	Enter the amount of the organization's bad debt expense	2 1,646,301.			
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy	3 0.			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5 26,590,363.			
6	Enter Medicare allowable costs of care relating to payments on line 5	6 39,136,863.			
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7 -12546500.			
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used: ☐ Cost accounting system ☐ Cost to charge ratio ☒ Other				

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?		9a	X	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI		9b	X	

Part IV Management Companies and Joint Ventures (see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest)

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

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)
1 SIBLEY MEMORIAL HOSPITAL 5255 LOUGHBORO RD NW WASHINGTON, DC 20016	X	X					X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: SIBLEY MEMORIAL HOSPITAL

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 ____			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in its community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	9	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 500 %			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)* SIBLEY MEMORIAL HOSPITAL

			Yes	No
10	Used FPG to determine eligibility for providing *discounted* care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 500 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Explained the basis for calculating amounts charged to patients?	11		X
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a	☐ Income level			
b	☐ Asset level			
c	☐ Medical indigency			
d	☐ Insurance status			
e	☐ Uninsured discount			
f	☐ Medicaid/Medicare			
g	☐ State regulation			
h	☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	X	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a	☒ The policy was posted on the hospital facility's website			
b	☒ The policy was attached to billing invoices			
c	☒ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	☒ The policy was posted in the hospital facility's admissions offices			
e	☒ The policy was provided, in writing, to patients on admission to the hospital facility			
f	☒ The policy was available on request			
g	☐ Other (describe in Part VI)			
Billing and Collections				
14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	X	
15	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine patient's eligibility under the facility's FAP			
a	☒ Reporting to credit agency			
b	☒ Lawsuits			
c	☒ Liens on residences			
d	☒ Body attachments			
e	☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		X
	If "Yes," check all actions in which the hospital facility or a third party engaged			
a	☐ Reporting to credit agency			
b	☐ Lawsuits			
c	☐ Liens on residences			
d	☐ Body attachments			
e	☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply).			
a	☐ Notified patients of the financial assistance policy on admission			
b	☐ Notified patients of the financial assistance policy prior to discharge			
c	☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e	☐ Other (describe in Part VI)			

Part V Facility Information *(continued)* SIBLEY MEMORIAL HOSPITAL

Policy Relating to Emergency Medical Care

			Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	18	X	
	If "No," indicate why			
a	☐ The hospital facility did not provide care for any emergency medical conditions			
b	☐ The hospital facility's policy was not in writing			
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d	☐ Other (describe in Part VI)			

Individuals Eligible for Financial Assistance

19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.			
a	☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b	☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c	☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d	☒ Other (describe in Part VI)			
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.	20	X	
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient? If "Yes," explain in Part VI	21		X

Part V Facility Information *(continued)*

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 1

Name and address	Type of Facility (describe)
1 GRAND OAKS 5901 MACARTHUR BLVD, NW WASHINGTON, DC 20016	ASSISTED LIVING FACILITY

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

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

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

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

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

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

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

PART I, LINE 7: A COST-TO-CHARGE RATIO (FROM WORKSHEET 2) IS USED TO CALCULATE THE AMOUNTS ON LINE 7A-7B (FINANCIAL ASSISTANCE AND UNREIMBURSED MEDICAID). THE AMOUNTS FOR LINES 7E-7I WOULD COME FROM THE BOOKS AND RECORDS OF SPECIFIC SEGMENTS OF THE ORGANIZATION AND WOULD NOT BE BASED ON A COST-TO CHARGE RATIO.

PART I, LINE 7G: THERE ARE NO COSTS REPORTED THAT ARE ATTRIBUTABLE TO A PHYSICIANS CLINIC.

PART I, LN 7 COL(F): THE AMOUNT OF BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $3,628,273.

PART II: SIBLEY HOSPITAL DOES NOT PARTICIPATE IN COMMUNITY BUILDING ACTIVITIES NOR DO WE HAVE THE RESOURCES TO DO SO.

PART III, LINE 4: BAD DEBT EXPENSE AT COST IS DETERMINED USING THE SAME COST-TO-CHARGE RATIO THAT IS USED TO CALCULATE CHARITY CARE AND UNREIMBURSED MEDICAID.

Part VI Supplemental Information

DISCOUNTS AND ALLOWANCES ARE ACCOUNTED FOR SEPARATELY FROM BAD DEBT EXPENSE.

THE ORGANIZATIONS FINANCIAL STATEMENTS DO NOT INCLUDE A FOOTNOTE ON BAD DEBT EXPENSE. THE FINANCIAL STATEMENTS SHOW THE PROVISION FOR BAD DEBTS AS A SEPARATE LINE ITEM IN THE STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS UNDER OPERATING EXPENSES.

PART III, LINE 8: SIBLEY MEMORIAL HOSPITAL TREATS PATIENTS WITH MANY INSURANCE CARRIERS. HOWEVER, THE MEDICARE INPATIENT VOLUME IS 36% OF TOTAL PATIENT VOLUME, AMONG THE HIGHEST RATIO AMONG DISTRICT OF COLUMBIA HOSPITALS. ALTHOUGH PROVIDING THE BEST POSSIBLE CARE TO OUR MEDICARE PATIENTS CREATES A FINANCIAL LOSS, WE RELIEVE THE GOVERNMENT AND SURROUNDING OTHER HOSPITALS OF THE FINANCIAL BURDEN OF TREATING THESE PATIENTS INSURED BY THE MEDICARE PROGRAM. PART OF THE MISSION OF OUR HOSPITAL IS TO SERVE ITS ELDERLY PATIENTS WITHIN THE COMMUNITY THROUGH VARIOUS PROGRAMS THAT ARE DESIGNED TO EDUCATE AND IMPROVE THEIR HEALTH STATUS. THE HOSPITAL FEELS THAT PROVIDING THESE PROGRAMS HAS CONTRIBUTED TO THE IMPROVEMENT OF HEALTH OVERALL WITHIN THE COMMUNITY.

IN ADDITION TO PROVIDING EDUCATIONAL AND OTHER SELF IMPROVEMENT SEMINARS AND CLINICS FOR OUR MEDICARE PATIENT POPULATION, THE HOSPITAL INCURS COST FOR BEING IN A CONSTANT STATE OF READINESS FOR ANY EMERGENCIES, SUCH AS NATURAL DISASTERS, EPIDEMICS, CHEMICAL SPILLS OR TECHNICAL DISASTERS THAT MAY ARISE. THE HOSPITALS DISASTER TREATMENT TEAM WORKS ROUTINELY WITH THE DISTRICT OF COLUMBIA EMERGENCY HEALTHCARE COALITION, DC HOMELAND SECURITY ORGANIZATION, DC DEPARTMENT OF HEALTH AND OTHER SIMILAR ORGANIZATIONS IN PLANNING AND TRAINING FOR TREATMENT OF PATIENTS DURING ANY POTENTIAL DISASTERS. THE HOSPITAL MAKES AVAILABLE A 24/7 EMERGENCY CARE FACILITY, PROVIDES STATE-OF-THE-ART EQUIPMENT TO TREAT PATIENTS EFFICIENTLY AND

Part VI Supplemental Information

QUICKLY, AND INCURS COSTS OF EDUCATING HOSPITAL STAFF TO ADMINISTER BETTER QUALITY CARE TO THE COMMUNITY.

PART III, LINE 9B: WHEN A PATIENT ASKS FOR CHARITY CARE OR FINANCIAL ASSISTANCE, THE PATIENT MUST COMPLETE AN APPLICATION AND PROVIDE FINANCIAL INFORMATION THAT WOULD DEMONSTRATE FINANCIAL NEED. THE APPLICATION IS REVIEWED BY FINANCIAL COUNSELORS FOR ELIGIBILITY.

SIBLEY MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 19D: ALL PATIENTS ARE CHARGED THE SAME REGARDLESS OF PAYOR TYPE; HOWEVER DISCOUNTS VARY BASED ON THE CONTRACTUAL ARRANGEMENT BETWEEN THE HOSPITAL AND INSURANCE CARRIER.

SIBLEY MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 20: ALL PATIENTS ARE CHARGED THE SAME FOR ALL TESTS OR PROCEDURES REGARDLESS OF INSURANCE COVERAGE OR ABILITY TO PAY. HOWEVER, DUE TO REGULATORY REQUIREMENTS WITH THE MEDICARE OR MEDICAID PROGRAMS, OR CONTRACTUAL ARRANGEMENTS WITH VARIOUS INSURANCE CARRIERS, THE FACILITY BILLED LESS TO PATIENTS HAVING INSURANCE COVERAGE THAN TO THOSE PATIENTS THAT WERE RECEIVING FINANCIAL ASSISTANCE.

PART VI, LINE 2: SIBLEY MEMORIAL HOSPITAL AND OTHER HOSPITALS IN THE DISTRICT OF COLUMBIA ARE UNDERTAKING AN EFFORT TO CONVENE STRATEGIC LEADERS TO WORK TOGETHER COLLABORATIVELY TO BETTER UNDERSTAND, MEASURE AND IMPACT THE HEALTH OF THE COMMUNITY WE JOINTLY SERVE. TO THAT END, STARTING IN 2011, WE BEGAN MEETING TO GATHER INFORMATION AND OPINIONS FROM

Part VI | Supplemental Information

PERSONS WHO REPRESENT BROADER INTERESTS OF THE COMMUNITY SERVED BY OUR HOSPITALS.

SECONDARY DATA WERE COLLECTED FROM A VARIETY OF LOCAL, COUNTY, AND STATE SOURCES TO PRESENT A COMMUNITY PROFILE, ACCESS TO HEALTH CARE, CHRONIC DISEASES, SOCIAL ISSUES, AND OTHER HEALTH INDICATORS.

IN ADDITION TO THE EFFORTS TO ESTABLISH A DC HEALTH COLLABORATIVE, SIBLEY MEMORIAL HOSPITAL CONSULTS WITH LOCAL AND RESPECTED SENIOR SERVING AGENCIES SUCH AS IONA SENIOR SERVICES, SEABURY RESOURCES FOR AGING, MARYS CENTER FOR MATERNAL AND CHILD CARE, THE COMMUNITY OF HOPE, COLUMBIA ROAD CLINIC, UNITY HEALTHCARE (FORMERLY HEALTHCARE FOR THE HOMELESS), BREAD FOR THE CITY, CATHOLIC CHARITIES, WHICH INCLUDE THEIR SIGNIFICANT NETWORK OF CLINICS AND PHYSICIANS, AND SOMOS AMIGOS MEDICAL MISSION. SIBLEY HAS ALSO WORKED SIDE-BY-SIDE WITH NON-PROFIT AGENCIES LIKE AMERICAN LUNG ASSOCIATION.

PART VI, LINE 3: WHEN A PATIENT IS FIRST REGISTERED, HE/SHE MUST READ THE POSTED NOTICE ABOUT COMMUNITY/FINANCIAL ASSISTANCE. THE NOTICE IS POSTED NOTICEABLY IN THE ADMISSIONS DEPARTMENT, THE BUSINESS OFFICE, AND THE EMERGENCY DEPARTMENT. WHEN A PATIENT INQUIRES ABOUT COMMUNITY/FINANCIAL ASSISTANCE, HE/SHE IS GIVEN AN APPLICATION TO DETERMINE IF, IN FACT, HE/SHE IS ELIGIBLE FOR SUCH ASSISTANCE UNDER THE GUIDELINES ESTABLISHED BY THE DC MUNICIPAL REGULATION TITLE 22. PATIENT FINANCIAL COUNSELORS ARE ON STAFF TO ASSIST THE PATIENT WITH ANY QUESTIONS AND ULTIMATELY RECEIVE THE COMPLETED APPLICATION FOR FURTHER REVIEW. BEFORE THE BEGINNING OF ITS FISCAL YEAR, SIBLEY WILL PUBLISH A NOTICE OF AVAILABILITY OF ITS UNCOMPENSATED CARE OBLIGATION IN A NEWSPAPER OF GENERAL CIRCULATION IN THE DISTRICT OF COLUMBIA. SIBLEY WILL ALSO SUBMIT A COPY OF SUCH NOTICE TO SHPDA. THE NOTICE IS POSTED IN ENGLISH AND

Part VI | Supplemental Information

SPANISH AND ANY OTHER LANGUAGE WHICH IS THE USUAL LANGUAGE OF HOUSEHOLDS OF TEN PERCENT OR MORE OF THE POPULATION OF THE DISTRICT OF COLUMBIA. SIBLEY WILL COMMUNICATE THE CONTENTS OF THE POSTED NOTICE TO ANY PERSON WHO SIBLEY HAS REASON TO BELIEVE CANNOT READ THE NOTICE.

PART VI, LINE 4: SMH GEOGRAPHIC SERVICE AREA IS URBAN.
THE HOSPITAL CONSIDERS ITS COMMUNITY BENEFIT SERVICE AREA (CBSA) AS SPECIFIC POPULATIONS OR COMMUNITIES OF NEED TO WHICH THE HOSPITAL ALLOCATES RESOURCES THROUGH ITS COMMUNITY BENEFIT PLAN. THE CBSA IS DEFINED BY THE GEOGRAPHIC AREA CONTAINED WITHIN THE FOLLOWING ZIP CODES: 20016, 20815, 20008, 20015, 20816, 20007, 20009, 20817, 20002, 20854, 20011, 20814, 20003, 20852, 20001, 20010, 20910, 22101, 22207, AND 20895. THE GENERAL DATA FOR THIS COMMUNITY BENEFIT SERVICE AREA ARE AS FOLLOWS: TOTAL POPULATION WAS 668,420 OF WHICH 47.9% WERE MALES AND 52.1% WERE FEMALES, AVERAGE HOUSEHOLD INCOME WAS $60,903, 7.7% OF RESIDENTS ARE UNINSURED, 13.1% OF RESIDENTS ARE COVERED BY MEDICAID/MEDICARE, 8.7% OF HOUSEHOLDS WITH INCOMES AT 116% OR BELOW THE FEDERAL POVERTY GUIDELINES. NUMBER OF OTHER HOSPITALS SERVING THE COMMUNITY OR COMMUNITIES: 1 FEDERALLY-DESIGNATED MEDICALLY UNDERSERVED AREAS OR POPULATIONS ARE PRESENT IN THE COMMUNITY.

PART VI, LINE 5: SIBLEY HOSPITAL ENSURES THAT ITS BOARD MEMBERS ARE LEADERS WITHIN THE LOCAL BUSINESS COMMUNITY AND HAVE EXPERTISE IN MANY DIFFERENT AREAS. THE SKILLS, DEDICATION AND LEADERSHIP OF THE BOARD OF TRUSTEES FORM THE FOUNDATION OF THE HOSPITALS ABILITY TO PROVIDE NEEDED SERVICES TO THE COMMUNITY. BEFORE BEING APPOINTED TO THE BOARD, POTENTIAL MEMBERS EXPERIENCE A RIGOROUS SCREENING PROCESS, ENSURING THAT THEY ARE NEITHER FAMILY MEMBERS OF CURRENT BOARD MEMBERS NOR CONTRACTORS OF SIBLEY.

Part VI Supplemental Information

TO FURTHER BENEFIT THE COMMUNITY, THE HOSPITAL PROVIDES, THROUGH ITS EXCESS FUNDS, MANY PROGRAMS FOR THE CITIZENS OF THE COMMUNITY THAT ARE OF LITTLE OR NO COST TO ATTENDEES. THESE PROGRAMS ARE DESIGNED TO EDUCATE, COMFORT, IMPROVE HEALTH AND PROVIDE SUPPORT TO THOSE WHO ATTEND. A NUMBER OF FREE HEALTH AND WELLNESS SEMINARS ARE PROVIDED REGULARLY TO MEMBERS OF THE COMMUNITY, SUCH AS DIABETES EDUCATION, HEART HEALTHY EATING AND ARTHRITIS. PHYSICIANS AND STAFF DONATE THEIR TIME TO EDUCATE ATTENDEES ON WAYS TO MAINTAIN OR IMPROVE INDIVIDUAL HEALTH. CHILDBIRTH AND NEW PARENTING CLASSES ARE CONDUCTED REGULARLY, PREPARING NEW PATIENTS (AND GRANDPARENTS) ON VARIOUS ASPECTS OF CHILD REARING AND BABY CARE. THERE ARE SEVERAL ONGOING SUPPORT GROUPS THAT MEET REGULARLY. EXISTING AND NEW MEMBERS ARE STRONGLY ENCOURAGED TO ATTEND. INDIVIDUALS EXPERIENCING ALZHEIMERS, ARTHRITIS, LYME DISEASE, MACULAR DEGENERATION, OR PARKINSONS DISEASE ARE SPECIFICALLY ENCOURAGED TO ATTEND. IN ADDITION TO HAVING A NATIONALLY-KNOWN BREAST CANCER TREATMENT CENTER, AT LEAST FIVE CANCER SUPPORT GROUPS MEET ON A REGULAR BASIS. MEMBERS OF THE HOSPITAL STAFF AND PHYSICIANS ALSO TRAVEL OFF CAMPUS TO CONDUCT OR BE PART OF COMMUNITY HEALTH EVENTS HELD AT LOCAL CHURCHES OR COMMUNITY SOCIAL GATHERINGS. AND FINALLY, THE HOSPITAL PROVIDES ADDITIONAL FREE BENEFITS TO MEMBERS OF ITS SIBLEY SENIOR ASSOCIATION, CURRENTLY HAVING MORE THAN 7,000 ACTIVE MEMBERS. BENEFITS INCLUDE FREE HEALTH SCREENING, EDUCATIONAL PROGRAMS, A WIDOWED PERSONS SERVICE, AND SEMINARS ON HEALTH RELATED SUBJECTS.
IN THE SPRING OF 2011, THE HOSPITAL BROKE GROUND TO CONSTRUCT A NEW RADIATION ONCOLOGY FACILITY AS PART THE NEXT PHASE OF OUR CAMPUS REDEVELOPMENT. SCHEDULED TO BE COMPLETED IN THE SUMMER OF 2012, THIS FACILITY WILL OFFER ADVANCED MODALITIES FOR RADIATION THERAPY AND OTHER TREATMENT SERVICES. THE NATIONAL CAPITAL REGIONAL PLANNING COMMITTEE WAS FORMED, COORDINATING ACUTE CARE AND OUTPATIENT SERVICES BETWEEN THE

Part VI | Supplemental Information

SUBURBAN HOSPITAL AND THE JOHNS HOPKINS HEALTH SYSTEM (JHHS). THE NEWLY CONSTRUCTED SIBLEY MEDICAL BUILDING WILL BE FULLY OPERATIONAL BY JULY, 2011, AND OFFER THE LATEST BREAKTHROUGHS IN OUTPATIENT SURGERY, IMAGING TECHNOLOGY, A COMMUNITY PHARMACY AND PHYSICIAN OFFICES. A NEW GIFT SHOP WILL OFFER COMFORT-CARE PRODUCTS FOR MATERNITY AND FEMALE ONCOLOGY PATIENTS. OUR EMERGENCY ROOM HAS CONTINUALLY STRIVED TO PROVIDE QUALITY TREATMENT QUICKLY AND EFFICIENTLY, ACHIEVING A 99TH PERCENTILE PRESS GANEY RANKING IN PATIENT SATISFACTION, WHILE RECEIVING TREATMENT IN 30 MINUTES OR LESS. THE HOSPITAL ALSO BEGAN ACTIVE PARTICIPATION IN THE GYNECOLOGICAL ONCOLOGY GROUP, A COOPERATIVE GROUP SPONSORED BY THE NATIONAL CANCER INSTITUTE TO SUPPORT RESEARCH STUDIES OF NEW CANCER TREATMENTS IN GYNECOLOGICAL CANCERS. IN CONJUNCTION WITH JHHS, THE HOSPITAL INCREASED COMPLIANCE WITH QUALITY SAFETY MEASURES, WHICH WILL RESULT IN MEASURABLE BENEFITS TO THE COMMUNITY.

IN MAY OF 2011, THE HOSPITAL ESTABLISHED THE INSTITUTE OF BONE AND JOINT HEALTH. SIBLEY IS RANKED AMONG THE TOP 100 HOSPITAL PROGRAMS IN THE COUNTRY FOR HIP REPLACEMENT AND IS A BENCHMARK HOSPITAL FOR SUCCESSFUL HIP REPLACEMENT SURGERIES ACCORDING TO HCIA.

PART VI, LINE 6: THE JOHNS HOPKINS HEALTH SYSTEM CORPORATION (JHHSC) IS INCORPORATED IN THE STATE OF MARYLAND TO, AMONG OTHER THINGS, FORMULATE POLICY AMONG AND PROVIDE CENTRALIZED MANAGEMENT FOR JHHSC AND AFFILIATES (JHHS). JHHS IS ORGANIZED AND OPERATED FOR THE PURPOSE OF PROMOTING HEALTH BY FUNCTIONING AS A PARENT HOLDING COMPANY OF AFFILIATES WHOSE COMBINED MISSION IS TO PROVIDE PATIENT CARE IN THE TREATMENT AND PREVENTION OF HUMAN ILLNESS WHICH COMPARES FAVORABLY WITH THAT RENDERED BY ANY OTHER INSTITUTION IN THIS COUNTRY OR ABROAD.

JHHSC IS THE SOLE MEMBER OF THE JOHNS HOPKINS HOSPITAL (JHH), AN ACADEMIC

Part VI | Supplemental Information

MEDICAL CENTER, JOHNS HOPKINS BAYVIEW MEDICAL CENTER, INC. (JHBMC), A COMMUNITY BASED TEACHING HOSPITAL AND LONG-TERM CARE FACILITY, HOWARD COUNTY GENERAL HOSPITAL, INC. (HCGH), A COMMUNITY BASED HOSPITAL, SUBURBAN HOSPITAL, INC. (SHI), A COMMUNITY BASED HOSPITAL, SIBLEY MEMORIAL HOSPITAL (SMH), A D.C. COMMUNITY BASED HOSPITAL, AND ALL CHILDRENS HOSPITAL, INC (ACH), A FL ACADEMIC CHILDRENS HOSPITAL.

PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

DC

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Employer identification number 53-0196602

Part I General Information on Grants and Assistance

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

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed ▶ [ ]

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY - 3601 SPRUCE STREET - PHILADELPHIA, PA 19104	23-6434390	501(C)(3)	100,000.	0.			RESEARCH

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 1.

3 Enter total number of other organizations listed in the line 1 table ▶

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. Part III can be duplicated if additional space is needed.

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

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

SCHEDULE I, PART I, LINE 2: THE PROCEDURES IN PLACE TO MONITOR THE USE OF GRANT FUNDS GIVEN TO THE ORGANIZATIONS LISTED CONSIST OF ANNUAL STATUS REPORTS. THESE REPORTS WILL CONTAIN A) PROGRESS ON THE RESEARCH CONDUCTED, B) FULL ACCOUNTING OF FUNDS SPENT, C) ACHIEVEMENT OF MEASURABLE OUTCOMES AND ANY CHANGES FROM THE ORIGINAL PROPOSAL, D) DATA GATHERING AND THE METHODS OR STRATEGIES USED, AND E) FINDINGS AND CONCLUSIONS. IN ADDITION, THE GRANTEES ARE REQUIRED TO MAINTAIN ACCOUNTING RECORDS WITH PRUDENT RECORD-KEEPING PROCEDURES AS REQUIRED BY ANY APPLICABLE FEDERAL, STATE, OR LOCAL LAWS, RULES OR REGULATIONS. THE GRANTOR (SIBLEY HOSPITAL) RESERVES

Part IV Supplemental Information

THE RIGHT TO HAVE ACCESS TO AND EXAMINE ALL BOOKS AND RECORDS TO ASCERTAIN IF GRANT FUNDS ARE BEING DISBURSED PURSUANT TO THE TERMS OF THE AGREEMENTS.

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization: LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Employer identification number: 53-0196602

Part I Bond Issues SEE PART VI FOR COLUMN (F) CONTINUATIONS

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No	(i) Pooled financing Yes	(i) Pooled financing No
A	DISTRICT OF COLUMBIA	53-6001131	254764HX4	07/15/09	62,798,209.	CONSTRUCTION OF MEDICAL BLDG FOR		X		X		X
B	DISTRICT OF COLUMBIA	53-6001131	NONE	12/29/10	30,000,000.	REISSUE PRIOR ISSUE 7/24/02		X		X		X
C												
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired		382,125.		
2	Amount of bonds legally defeased				
3	Total proceeds of issue	62,798,209.	30,000,000.		
4	Gross proceeds in reserve funds	4,941,954.			
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	315,000.			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	57,542,090.			
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2011	2005		

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
14	Were the bonds issued as part of a current refunding issue?		X	X					
15	Were the bonds issued as part of an advance refunding issue?		X		X				
16	Has the final allocation of proceeds been made?		X	X					
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X				
2	Are there any lease arrangements that may result in private business use of bond-financed property?	X		X					

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?	X		X					
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X					
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X				
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		.00 %		%		%		%
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		.00 %		%		%		%
6	Total of lines 4 and 5		.00 %		%		%		%
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X					

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X				
2	Is the bond issue a variable rate issue?		X		X				
3a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X				
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintergrated?								
e	Was the hedge terminated?								
4a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X				
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		X		X				
6	Did the bond issue qualify for an exception to rebate?		X		X				

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations ☐ Yes ☒ No

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K

SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME: DISTRICT OF COLUMBIA

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

(F) DESCRIPTION OF PURPOSE:

CONSTRUCTION OF MEDICAL BLDG FOR OUTPATIENT SVCS AND OFFICES

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

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

OMB No 1545-0047

2011

Open To Public Inspection

Name of the organization: LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Employer identification number: 53-0196602

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefiting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
CARL L SYLVESTER JR, MD	BOARD MEMBER	128,200.	ANESTHESIA		X

Part V Supplemental Information

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

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: CARL L SYLVESTER JR, MD

(D) DESCRIPTION OF TRANSACTION: ANESTHESIA SERVICES

SCHEDULE O (Form 990 or 990-EZ)	Supplemental Information to Form 990 or 990-EZ	OMB No 1545-0047
Department of the Treasury Internal Revenue Service	Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information. ▶ Attach to Form 990 or 990-EZ.	2011 Open to Public Inspection

Name of the organization	Employer identification number
LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES	53-0196602

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

SERVICES WITHOUT REGARD TO RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY. ITS MISSION IS TO PROVIDE QUALITY HEALTH SVCS AND FACILITIES FOR THE COMMUNITY, TO PROMOTE WELLNESS, RELIEVE SUFFERING, AND RESTORE HEALTH AS SWIFTLY, SAFELY AND HUMANELY AS IT CAN BE DONE CONSISTENT WITH BEST SVC POSSIBLE AT THE HIGHEST VALUE FOR ALL CONCERNED. ITS VISION IS TO MAKE AVAILABLE SUPERIOR HEALTHCARE SVC AND VALUE, WITH THE GOAL OF IMPROVING HEALTH AND WELL-BEING OF THE COMMUNITY. THE HOSPITAL PLANS TO CONTINUE TO IMPROVE THAT SVC BY USING SCIENTIFIC METHODS, TEAMWORK, AND KNOWLEDGE OF BEST PRACTICES AND CUSTOMER EXPECTATIONS. THE HOSPITAL HAS VALUES WHICH PROVIDE GUIDELINES AND PARAMETERS FOR DECISIONS NECESSARY TO IMPROVE PROCESSES AND RESPOND TO NEEDS OF ITS PATIENTS .

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

INTEGRATION WAS TO ADOPT THE FISCAL YEAR ACCOUNTING PERIOD OF JULY 1-JUNE 30. CONSEQUENTLY, THIS RETURN IS FOR THE 6 MONTH ACCOUNTING PERIOD OF JANUARY 1 TO JUNE 30, 2011. THE PREVIOUS RETURN WAS FOR THE 12 MONTH PERIOD ENDED DECEMBER 31, 2010.

INHERENT IN THE PURPOSE IS THE HOSPITALS WILLINGNESS TO PROVIDE HEALTHCARE SERVICES TO MEMBERS OF THE COMMUNITY WHO ARE NOT ABLE TO PAY FOR SERVICES. FOR FISCAL YEAR 2011, THE HOSPITAL PROVIDED CHARITY CARE TO MORE THAN 700 PATIENTS, INCURRING COSTS OVER $1.7 MILLION. TOTAL

Name of the organization LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Employer identification number 53-0196602

BENEFITS AND UNCOMPENSATED COST OF CARE PROVIDED TO THE COMMUNITY EXCEEDED $ 4.5 MILLION. SIBLEY PROVIDES CHARITY CARE TO THE CLIENTS OF THE CATHOLIC HEALTH CARE NETWORK, MARYS CENTER FOR MATERNAL AND CHILD HEALTH, THE COMMUNITY OF HOPE, COLUMBIA ROAD CLINIC, UNITY HEALTHCARE, AND BREAD FOR THE CITY. THE HOSPITAL ADMITTED OVER 6,200 PATIENTS IN 2011, AND PROVIDED OVER 30,000 DAYS OF INPATIENT CARE. ALMOST 1,800 NEW BABIES WERE DELIVERED AS WELL. OVER 16,000 PATIENTS WERE TREATED IN OUR 24/7 EMERGENCY ROOM, AND OVER 60,000 PATIENTS RECEIVED SURGICAL, ENDOSCOPIC OR OTHER ANCILLIARY OUTPATIENT TREATMENTS OR PROCEDURES.

FORM 990, PART V, LINES 1A & 2A

CHANGE IN ACCOUNTING PERIOD

IN NOVEMBER 2010, THE LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONAIRES BECAME INTERGRATED WITH THE JOHNS HOPKINS HEALTH SYSTEM (JHHS). ONE OF THE REQUIREMENTS OF THE INTEGRATION WAS TO ADOPT THE FISCAL YEAR ACCOUNTING PERIOD OF JULY 1 - JUNE 30. CONSEQUENTLY, THESE RETURNS ARE FOR THE 6 MONTH ACCOUNTING PERIOD OF JANUARY 1 TO JUNE 30, 2011. THE PREVIOUS RETURN WAS FOR THE 12 MONTH PERIOD ENDED DECEMBER 31, 2010. WE REPORTED THE 2010 CALENDAR INFORMATION ON THE 2010 TAX RETURN; THEREFORE, THERE IS NO INFORMATION TO REPORT FOR THE SHORT YEAR 6 MONTH RETURN.

FORM 990, PART VI, SECTION A, LINE 7A: DURING THE TRANSITION PERIOD JOHNS HOPKINS HEALTH SYSTEM CORPORTION, AN IRC 501C(3) TAX EXEMPT PARENT ORGANIZATION OF SIBLEY MEMORIAL HOSPITAL MAY ELECT ONE TRUSTEE. AFTER THE STATED TRANSITION PERIOD, JOHNS HOPKINS HEALTH SYSTEM CORPORATION ELECTS THE BOARD OF TRUSTEES.

Name of the organization LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Employer identification number 53-0196602

FORM 990, PART VI, SECTION A, LINE 7B: THE GOVERNING BODY OF SIBLEY MEMORIAL HOSPITAL IS EMPOWERED BY ITS BY-LAWS TO MAKE CERTAIN DECISIONS; ALL OTHER DECISIONS ARE SUBJECT TO APPROVAL OF THE PARENT ORGANIZATION JOHNS HOPKINS HEALTH SYSTEM CORPORATION.

FORM 990, PART VI, SECTION B, LINE 11: A COPY OF THE FORM 990 WAS PROVIDED TO THE EXECUTIVE COMMITTEE BEFORE IT WAS FILED.

FORM 990, PART VI, SECTION B, LINE 12C: THE HOSPITAL HAS AN EXISTING POLICY (#02-25-09) WHICH SPECIFICALLY ADDRESSES POTENTIAL CONFLICT(S) OF INTEREST FOR DECISION MAKERS AT ALL LEVELS WITHIN ITS BORDERS. THIS COVERAGE INCLUDES MEMBERS OF THE GOVERNING BOARD, ADMINISTRATION, MEDICAL STAFF, AND ALL OTHER EMPLOYEES. DISCLOSURE FORMS ASKING FOR POTENTIAL CONFLICTS OF INTEREST ARE DISTRIBUTED AT LEAST ANNUALLY SO THAT APPROPRIATE ACTION MAY BE TAKEN TO ENSURE THAT SUCH POTENTIAL CONFLICTS DO NOT INFLUENCE IMPORTANT DECISIONS. THE HOSPITAL'S BOARD MEMBERS ARE ASKED TO SUBMIT DISCLOSURE FORMS SEMI-ANNUALLY AND ON A CASE-BY-CASE BASIS. THE GOVERNING BOARD, SENIOR MANAGEMENT, AND THE EXECUTIVE COMMITTEE OF THE MEDCAL STAFF (AS APPROPRATE) BEAR RESPONSIBILITY FOR ADDRESSING AND REVIEWING ALL POTENTIAL CONFLICTS AND TAKING APPROPRIATE ACTION. WHEN CONFLICTS DO ARISE, THE MATTER IS BROUGHT BEFORE THE APPROPRIATE GOVERNING BODY AND DISCUSSED, AND THE CONFLICT IS ELIMINATED.

FORM 990, PART VI, SECTION B, LINE 15: THE ORGANIZATION USES AN INDEPENDENT COMPENSATION COMMITTEE, AN INDEPENDENT COMPENSATION CONSULTANT, A WRITTEN EMPLOYMENT CONTRACT, A COMPENSATION SURVEY OR STUDY, APPROVAL BY THE BOARD AND CONTEMPORANEOUS WRITTEN SUBSTANTIATION OF THE DECISION-MAKING

Name of the organization LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Employer identification number 53-0196602

PROCESS WHEN DETERMINING COMPENSATION FOR THE CEO AND OTHER OFFICERS OF THE ORGANIZATION.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990, PART VII, SECTION A & B

CHANGE IN ACCOUNTING PERIOD

IN NOVEMBER 2010, THE LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONAIRES BECAME INTERGRATED WITH THE JOHNS HOPKINS HEALTH SYSTEM (JHHS). ONE OF THE REQUIREMENTS OF THE INTEGRATION WAS TO ADOPT THE FISCAL YEAR ACCOUNTING PERIOD OF JULY 1 - JUNE 30. CONSEQUENTLY, THESE RETURNS ARE FOR THE 6 MONTH ACCOUNTING PERIOD OF JANUARY 1 TO JUNE 30, 2011. THE PREVIOUS RETURN WAS FOR THE 12 MONTH PERIOD ENDED DECEMBER 31, 2010. WE REPORTED THE 2010 CALENDAR INFORMATION ON THE 2010 TAX RETURN; THEREFORE, THERE IS NO INFORMATION TO REPORT FOR THE SHORT YEAR 6 MONTH RETURN.

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED GAINS ON INVESTMENTS:	8,573,681.
CHANGE IN BENEFICIAL INTEREST IN FOUNDATION	2,702,916.
PREMIER PURCHASING PARTNERS K-1	-473,168.
COLONIAL REGIONAL ALLIANCE K-1	24,425.
ROCKVILLE IMAGING K-1	21,592.
CHEVY CHASE IMAGING K-1	55,598.
CHANGE IN MINIMUM PENSION LIABILITY	-968,211.

Name of the organization LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Employer identification number 53-0196602

NET ASSETS RELEASED	278,071.
ROUNDING	2,764.
TOTAL TO FORM 990, PART XI, LINE 5	10,217,668.

SCHEDULE R (Form 990)
Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

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2011
Open to Public Inspection

Name of the organization: LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

Employer identification number: 53-0196602

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
JOHNS HOPKINS HEALTH SYSTEM CORPORATION - 52-1465301, 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A, BALTIMORE, MD 21211 -	SUPPORTING ORGANIZATION	MARYLAND	501(C)(3)	LINE 11C, III-FI	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X
JOHNS HOPKINS BAYVIEW MEDICAL CENTER, INC, - 52-1341890, 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A, BALTIMORE, MD 21211	HOSPITAL	MARYLAND	501(C)(3)	LINE 3	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X
JOHNS HOPKINS COMMUNITY PHYSICIANS, INC, - 52-1467441, 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A, BALTIMORE, MD 21211	HEALTHCARE SERVICES	MARYLAND	501(C)(3)	LINE 11C, III-FI	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X
JOHNS HOPKINS MEDICAL SERVICES CORPORATION - 52-1232569, 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A, BALTIMORE, MD 21211	HEALTHCARE SERVICES	MARYLAND	501(C)(3)	LINE 3	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X

SEE PART VII FOR CONTINUATIONS

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	(g) No
THE JOHNS HOPKINS HOSPITAL - 52-0591656 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 430 BALTIMORE, MD 21211	HOSPITAL	MARYLAND	501(C)(3)	LINE 3	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X
SUBURBAN HOSPITAL HEALTHCARE SYSTEM, INC - 52-2052354, 8600 OLD GEORGETOWN ROAD, BETHESDA, MD 20814	HEALTHCARE SERVICES	MARYLAND	501(C)(3)	LINE 11C, III-FI	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X
HOWARD COUNTY LIQUIDATION CORPORATION - 52-0892284, 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A, BALTIMORE, MD 21211	INACTIVE TAX-EXEMPT ORGANIZATION	MARYLAND	501(C)(3)	LINE 3	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X
SUBURBAN HOSPITAL, INC - 52-0610545 8600 OLD GEORGETOWN ROAD BETHESDA, MD 20814	HOSPITAL	MARYLAND	501(C)(3)	LINE 3	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X
HOWARD COUNTY GENERAL HOSPITAL, INC - 52-2093120, 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A, BALTIMORE, MD 21211	HOSPITAL	MARYLAND	501(C)(3)	LINE 3	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X
THE STACY MARK REED FOUNDATION - 27-3818765 5255 LOUGHBORO ROAD, NW WASHINGTON, DC 20016	FINANCIAL SUPPORT	DISTRICT OF COLUMBIA	501(C)(3)	LINE 11A, I	LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR	X	
SIBLEY MEMORIAL HOSPITAL FOUNDATION - 45-0562642, 5255 LOUGHBORO ROAD, NW, WASHINGTON, DC 20016	FINANCIAL SUPPORT	DISTRICT OF COLUMBIA	501(C)(3)	LINE 7	LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR	X	
THE JANE BANCROFT ROBINSON FOUNDATION - 27-3818431, 5255 LOUGHBORO ROAD, NW, WASHINGTON, DC 20016	FINANCIAL SUPPORT	DISTRICT OF COLUMBIA	501(C)(3)	LINE 11C, III-FI	LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR	X	
POTOMAC HOME SUPPORT INC - 52-1750383 6001 MONTROSE ROAD NO 1020 ROCKVILLE, MD 20852	HOME HEALTH CARE	MARYLAND	501(C)(3)	LINE 9	N/A		X
SIBLEY SUBURBAN HOME HEALTH AGENCY - 52-1450142, 6001 MONTROSE ROAD NO 307, ROCKVILLE, MD 20852	HOME HEALTH CARE	MARYLAND	501(C)(3)	LINE 9	N/A		X
PEDIATRIC PHYSICIAN SERVICES, INC - 59-3425191, 501 SIXTH AVENUE SOUTH, ST, PETERSBURG, FL 33701	PEDIATRIC MEDICAL SERVICES	FLORIDA	501(C)(3)	LINE 9	ALL CHILDREN'S HEALTH SYSTEM, INC		X
ALL CHILDREN'S HOSPITAL FOUNDATION, INC - 59-2481738, 501 SIXTH AVENUE SOUTH, ST, PETERSBURG, FL 33701	FOUNDATION	FLORIDA	501(C)(3)	LINE 7	ALL CHILDREN'S HEALTH SYSTEM, INC		X

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	(g) No
ALL CHILDREN'S HOSPITAL, INC, - 59-0683252 501 SIXTH AVENUE SOUTH ST, PETERSBURG, FL 33701	HOSPITAL	FLORIDA	501(C)(3)	LINE 3	JOHNS HOPKINS HEALTH SYSTEM CORPORATION		X
ALL CHILDREN'S RESEARCH INSTITUTE, INC, - 59-2481742, 501 SIXTH AVENUE SOUTH, ST, PETERSBURG, FL 33701	RESEARCH	FLORIDA	501(C)(3)	LINE 4	ALL CHILDREN'S HEALTH SYSTEM, INC		X
SURGIKID OF FLORIDA, INC - 59-3441883 501 SIXTH AVENUE SOUTH ST, PETERSBURG, FL 33701	MEDICAL SERVICES	FLORIDA	501(C)(3)	LINE 9	ALL CHILDREN'S HEALTH SYSTEM, INC		X
KIDS HOME CARE, INC - 59-3476049 501 SIXTH AVENUE SOUTH ST, PETERSBURG, FL 33701	HOME HEALTH CARE	FLORIDA	501(C)(3)	LINE 9	ALL CHILDREN'S HEALTH SYSTEM, INC		X
WEST COAST NEONATOLOGY, INC - 59-3398308 501 SIXTH AVENUE SOUTH ST, PETERSBURG, FL 33701	HEALTHCARE SERVICES	FLORIDA	501(C)(3)	LINE 11C, III-FI	ALL CHILDREN'S HEALTH SYSTEM, INC		X

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
SIBLEY HEALTH NETWORK, LLC - 52-1932344, 5255 LOUGHBORO ROAD, NW, WASHINGTON, DC 20016	HEALTHCARE SERVICES	DC	SIBLEY HEALTHCARE AFFILIATES	INVESTMENT				X	N/A		X	1.00%
OPHTHALMOLOGY ASSOCIATES, LLC - 52-1890957, 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A, BALTIMORE, MD 21211	OPHTHALMOLOGY SERVICES	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
SUBURBAN WELLNESS CENTER, LLC - 56-2296930, 20500 GOLDENROD LANE, GERMANTOWN, MD 20874	REAL ESTATE	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
GCM SURBURBAN IMAGING, LLC - 52-2326237, 1201 SEVEN LOCKS ROAD, STE 200, ROCKVILLE, MD 20854	OUTPATIENT RADIOLOGY	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to 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
SIBLEY HEALTHCARE AFFILIATES - 52-1928494 5255 LOUGHBORO RD, NW WASHINGTON, DC 20016	HEALTHCARE SERVICES	DC	LUCY WEBB HAYES NATIONAL TRAINING	C CORP			100.00%
HCP VENTURE ONE CORPORATION - 52-1558858 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A BALTIMORE, MD 21211	MEDICAL SERVICES	MD	N/A	C CORP	N/A	N/A	N/A
HSI MEDICAL SERVICES CORPORATION - 52-1847705 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A BALTIMORE, MD 21211	HEALTHCARE-SLEEP DIAGNOSTICS	MD	N/A	C CORP	N/A	N/A	N/A
HOWARD COUNTY HEALTH SERVICES, INC - 52-1434783 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A BALTIMORE, MD 21211	HEALTHCARE MANAGEMENT	MD	N/A	C CORP	N/A	N/A	N/A
JOHNS HOPKINS MEDICAL MANAGEMENT CORPORATION - 52-1250028, 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A, BALTIMORE, MD 21211	NURSING SERVICES	MD	N/A	C CORP	N/A	N/A	N/A

SEE PART VII FOR CONTINUATIONS

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
ROCKVILLE IMAGING, LLC - 14-1944128, 1201 SEVEN LOCKS ROAD, STE 200, ROCKVILLE, MD 20854	OUTPATIENT RADIOLOGY	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
CHEVY CHASE IMAGING, LLC - 14-1944126, 1201 SEVEN LOCKS ROAD, STE 200, ROCKVILLE, MD 20854	RADIOLOGY SERVICES	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

Part IV Continuation of Identification of Related Organizations Taxable as a Corporation or Trust

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
JOHNS HOPKINS EMPLOYER HEALTH PROGRAM - 52-1947678 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A BALTIMORE, MD 21211	BENEFIT PLANS	MD	N/A	C CORP	N/A	N/A	N/A
TCAS, INC - 52-1979344 3910 KESWICK RD, SOUTH BLDG, 4TH FL, STE 4300A BALTIMORE, MD 21211	NURSING SERVICES	MD	N/A	C CORP	N/A	N/A	N/A
SUBURBAN CONTRACTING CORP, INC - 52-2188022 8600 OLD GEORGETOWN ROAD BETHESDA, MD 20814	MEDICARE CONTRACTING	MD	N/A	C CORP	N/A	N/A	N/A
SUBURBAN HEALTH ENTERPRISES, INC - 52-2052352 8600 OLD GEORGETOWN ROAD BETHESDA, MD 20814	MEDICAL OFFICE LEASING AND RELEASING	MD	N/A	C CORP	N/A	N/A	N/A
SUBURBAN SPECIALTY CARE PHYSICIANS, PC - 52-2116011 8600 OLD GEORGETOWN ROAD BETHESDA, MD 20814	MULTI SPECIALTY MEDICAL PRACTICE	MD	N/A	C CORP	N/A	N/A	N/A
ACHPOB, INC - 59-2427749 501 SIXTH AVENUE SOUTH ST. PETERSBURG, FL 33701	MEDICAL OFFICE BUILDING MANAGEMENT	FL	N/A	C CORP	N/A	N/A	N/A

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

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

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

(a) Name of other organization	(b) Transaction type (a r)	(c) Amount involved	(d) Method of determining amount involved
(1) SIBLEY MEMORIAL HOSPITAL FOUNDATION	P	621,659.	FMV
(2) SIBLEY MEMORIAL HOSPITAL FOUNDATION	O	664,119.	FMV
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to 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) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners sec 501(c)(3) orgs ? Yes	(e) No	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part VII Supplemental Information

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

PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:

NAME OF RELATED ORGANIZATION:

THE STACY MARK REED FOUNDATION

DIRECT CONTROLLING ENTITY: LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

NAME OF RELATED ORGANIZATION:

SIBLEY MEMORIAL HOSPITAL FOUNDATION

DIRECT CONTROLLING ENTITY: LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

NAME OF RELATED ORGANIZATION:

THE JANE BANCROFT ROBINSON FOUNDATION

DIRECT CONTROLLING ENTITY: LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

PART III, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS PARTNERSHIP:

NAME OF RELATED ORGANIZATION:

SUBURBAN WELLNESS CENTER, LLC

DIRECT CONTROLLING ENTITY: SUBURBAN HEALTH ENTERPRISES, INC

NAME OF RELATED ORGANIZATION:

GCM SURBURBAN IMAGING, LLC

DIRECT CONTROLLING ENTITY: SUBURBAN HEALTH ENTERPRISES, INC

PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:

Part VII Supplemental Information

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

NAME OF RELATED ORGANIZATION:

SIBLEY HEALTHCARE AFFILIATES

DIRECT CONTROLLING ENTITY: LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES & MISSIONARIES

NAME OF RELATED ORGANIZATION:

TCAS, INC

DIRECT CONTROLLING ENTITY: JOHNS HOPKINS MEDICAL MANAGEMENT CORPORATION

NAME OF RELATED ORGANIZATION:

SUBURBAN CONTRACTING CORP, INC

DIRECT CONTROLLING ENTITY: SUBURBAN HOSPITAL HEALTHCARE SYSTEM, INC

NAME OF RELATED ORGANIZATION:

SUBURBAN HEALTH ENTERPRISES, INC

DIRECT CONTROLLING ENTITY: SUBURBAN HOSPITAL HEALTHCARE SYSTEM, INC

NAME OF RELATED ORGANIZATION:

SUBURBAN SPECIALTY CARE PHYSICIANS, PC

DIRECT CONTROLLING ENTITY: SUBURBAN HEALTH ENTERPRISES, INC

Sibley Memorial Hospital and Subsidiaries

Combined Financial Statements and Supplementary Combining Information
June 30, 2011

Sibley Memorial Hospital and Subsidiaries
Combined Financial Statements and Supplementary Combining Information
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REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees of
Sibley Memorial Hospital and Subsidiaries:

In our opinion, the accompanying combined balance sheet and the related combined statements of operations and changes in net assets and cash flows present fairly, in all material respects, the financial position of Sibley Memorial Hospital and Subsidiaries (the "Organization") at June 30, 2011, and the results of their operations and their cash flows for the six months ended June 30, 2011 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Organization's management Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement An audit 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 audit provides a reasonable basis for our opinion

PricewaterhouseCoopers LLP

September 29, 2011

PricewaterhouseCoopers LLP, 100 East Pratt Street, Suite 1900, Baltimore, MD 21202-1096
T: (410) 783 7600, F: (410) 783 7680, www.pwc.com/us

Sibley Memorial Hospital and Subsidiaries
Combined Balance Sheet
as of June 30, 2011
(in thousands)

ASSETS		
Current assets:		
Cash and cash equivalents	$	18,277
Short-term investments		8,914
Patient accounts receivable, net of $35,618 estimated uncollectibles		29,935
Other receivables		1,984
Inventories		1,216
Prepaid expenses		4,363
Interest receivable		1,643
Current portion of assets whose use is limited for malpractice and workers' compensation fund and long-term debt payments		7,742
Total current assets		74,074
Assets whose use is limited:		
By long-term agreement for:		
Debt service reserve funds		4,953
Future campus development		1,713
By donors or grantors for:		
Pledges receivable		5,325
Other		29,664
By Board of Trustees		111,893
Malpractice and workers' compensation fund		20,891
Total assets whose use is limited		174,439
Investments		
Marketable securities		460,265
Joint ventures		3,062
Total investments		463,327
Property, plant, and equipment		
Cost basis		267,243
Less: Allowance for depreciation and amortization		(9,307)
Total property, plant, and equipment, net		257,936
Other assets		2,727
Total assets	$	972,503

See notes to the combined financial statements.

Sibley Memorial Hospital and Subsidiaries
Combined Balance Sheet, continued
as of June 30, 2011
(in thousands)

LIABILITIES AND NET ASSETS		
Current liabilities:		
Current portion of long-term debt	$	2,407
Accounts payable		10,381
Interest payable		1,172
Accrued payroll		10,200
Other current liabilities		8,173
Accrued vacation		8,772
Current portion of estimated contractual settlements		2,658
Current portion of malpractice and workers' compensation		4,704
Due to affiliates		38
Total current liabilities		48,505
Long-term liabilities:		
Long-term debt, net of current portion		112,999
Estimated contractual settlements, net of current portion		3,979
Estimated malpractice and workers' compensation, net of current portion		14,561
Net pension liability		15,033
Other long-term liabilities		8,054
Total liabilities		203,131
Net assets:		
Unrestricted:		
General		628,993
Board designated		106,856
Funds functioning as endowment		5,037
Total unrestricted		740,886
Temporarily restricted		16,122
Permanently restricted		12,364
Total net assets		769,372
Total liabilities and net assets	$	972,503

See notes to the combined financial statements

Sibley Memorial Hospital and Subsidiaries
Combined Statements of Operations and Changes in Net Assets
for the six months ended June 30, 2011
(in thousands)

Operating revenues:		
Net patient service revenue	$	110,882
Resident revenue		9,598
Other revenue		6,410
Investment income		7,154
Net assets released from restriction used for operations		807
Total operating revenues		134,851
Operating expenses:		
Salaries, wages, and benefits		64,418
Purchased services		21,071
Supplies and other		21,811
Interest		1,777
Provision for bad debts		3,627
Depreciation and amortization		7,078
Total operating expenses		119,782
Income from operations		15,069
Net realized and changes in net unrealized gains on investments		13,119
Excess of revenues over expenses		28,188
Other changes in unrestricted net assets.		
Net assets released from restriction used for property, plant, and equipment		11
Change in funded status of defined benefit pension plan		(969)
Increase in unrestricted net assets		27,230
Changes in temporarily restricted net assets		
Gifts, grants, and bequests		2,693
Net assets released from restriction used for property, plant, and equipment		(11)
Net assets released from restriction used for operations		(807)
Investment income		11
Increase in temporarily restricted net assets		1,886
Total increase in net assets		29,116
Net assets at beginning of period		740,256
Net assets at end of period	$	769,372

See notes to the combined financial statements.

Sibley Memorial Hospital and Subsidiaries
Combined Statement of Cash Flows
for the six months ended June 30, 2011
(in thousands)

Operating activities:		
Increase in net assets	$	29,116
Adjustments to reconcile increase in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation and amortization		7,078
Loss on disposal of fixed assets		482
Provision for bad debts		3,627
Net realized and changes in net unrealized gains on investments		(13,119)
Change in funded status of defined benefit pension plan other than net period pension cost		969
Restricted contributions		(2,693)
Losses (gains) from equity method investments		(927)
Changes in assets and liabilities		
Patient accounts receivable		(6,351)
Inventories of supplies, prepaid expenses, and other current assets		(683)
Pledges receivable		(765)
Other noncurrent assets		(2,578)
Accounts payable, accrued liabilities, and accrued vacation		3,414
Due to from affiliates, net		38
Estimated contractual settlements		(99)
Estimated malpractice and workers' compensation		(768)
Accrued pension benefit costs		(1,313)
Other long-term liabilities		(114)
Net cash and cash equivalents provided by operating activities		15,314
Investing activities:		
Purchases of property, plant, and equipment		(14,223)
Returns of equity method investments		250
Purchases of investment securities		(268,918)
Sales of investment securities		266,154
Net cash and cash equivalents used in investing activities		(16,737)
Financing activities.		
Proceeds from restricted contributions		2,693
Repayment of long-term debt		(1,202)
Net cash and cash equivalents provided by financing activities		1,491
Increase in cash and cash equivalents		68
Cash and cash equivalents at beginning of period		18,209
Cash and cash equivalents at end of period	$	18,277

See notes to the combined financial statements.

1. Organization and Summary of Significant Accounting Policies

Organization. Sibley Memorial Hospital ("the Hospital") was originally formed under the name The Lucy Webb Hayes National Training School for Deaconesses and Missionaries conducting business as Sibley Memorial Hospital. The Hospital is a not-for-profit general acute care hospital located in Northwest Washington, D.C. Its mission is to provide quality health services and facilities for the community, to promote wellness, to relieve suffering, and restore health as swiftly, safely, and humanely as it can be done, consistent with the best service it can give at the highest value for all concerned.

Beginning in September 2000, the Hospital began operations of an assisted living facility ("Grand Oaks") on its Washington, D.C. campus. This facility serves the housing, health care, social and other needs of a broad segment of the elderly population. Assisted living services include providing to seniors a residence, meals, and personal assistance for a monthly fee The assisted living facility is accounted for as a separate division within the Hospital.

Management has substantially completed construction of a new medical office building ("Medical Office Building") on the Hospital's campus Management intends to place this facility into service in fiscal year 2012 and has begun accounting for this facility as a separate division within the Hospital

The Sibley Memorial Hospital Foundation ("SMHF") was incorporated on May 7, 2007 as a non-stock, non-profit organization to receive, administer, and expend funds for charitable and educational purposes benefiting the Hospital. SMHF is a wholly controlled subsidiary of the Hospital by virtue of their common mission and the Hospital's ability to appoint the SMHF's Board of Trustees. SMHF began operations during January 2009.

The Stacy Mark Reed Foundation, Inc. ("SMRF") was incorporated on November 1, 2010 as a non-stock, non-profit organization to receive, administer and expend funds for charitable, scientific, and educational purposes of the Hospital. SMRF is a wholly controlled subsidiary of the Hospital by virtue of the fact that all of the members of the Board of Trustees are also members of the Board of Trustees of the Hospital. The Hospital is also the sole corporate member of SMRF. As of June 30, 2011, SMRF had not begun operations. Management of the Hospital intends to transfer $250 0 million to SMRF during fiscal year 2012, which will appear as assets whose use is limited by the Board of Trustees in the combined balance sheet

The Jane Bancroft Robinson Foundation, Inc. ("JBRF") was incorporated on November 1, 2010 as a non-stock, non-profit organization to engage in activities that directly further the exempt purposes of the Hospital JBRF is a wholly controlled subsidiary of the Hospital by virtue of the fact that one half of its Board of Trustees is composed of members of management and the Board of Trustees of the Hospital. The Hospital is also the sole corporate member of JBRF. As of June 30, 2011, JBRF had not begun operations. Management of the Hospital intends to transfer $10 0 million to JBRF during fiscal year 2012, which will appear as assets whose use is limited in the combined balance sheet. Management of the Hospital also intends to establish a board designed endowment in the amount of $65.0 million for the benefit of JBRF.

Use of estimates. The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates

Basis of presentation. The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Principles of combination. The combined financial statements include the accounts of the Hospital and the Foundation (collectively, the "Organization") after elimination of all significant intercompany accounts and transactions.

Cash and cash equivalents. Cash and cash equivalents include amounts invested in accounts with depository institutions which are readily convertible to cash, with original maturities of three months or less. Total deposits maintained at these institutions at times exceed the amount insured by federal agencies and therefore, bear a risk of loss. The Organization has not experienced such losses on these funds.

Through an arrangement with a bank, excess operating cash is invested daily. This investment is considered a cash equivalent in the accompanying combined balance sheet The Hospital earns interest on these funds at a rate that is based upon the overnight treasury security rate. This interest income is recorded in the accompanying combined statements of operations as other operating revenue. As of June 30, 2011, substantially all excess cash was invested in accordance with this arrangement.

Inventories. Inventories of supplies are composed of medical supplies, drugs, linen, and parts inventory for repairs. Inventories of supplies are recorded at lower of cost or market using a first in, first out method

Assets whose use is limited. Assets whose use is limited or restricted by the donor are recorded at fair value at the date of donation, which is then considered cost Investment income or losses on investments of temporarily or permanently restricted assets is recorded as an increase or decrease in temporarily or permanently restricted net assets to the extent restricted by the donor or law The cost of securities sold is based on the specific identification method.

Assets whose use is limited include assets set aside for future campus development, assets held by trustees under debt agreements, assets restricted by the board of trustees, assets restricted by donors for healthcare service, pledges receivable, and assets held for malpractice funding. These assets consist primarily of cash and long-term investments. The carrying amounts reported in the Combined Balance Sheet approximate fair value.

Investments and investment income. Investments in equity securities with readily determinable fair values and all investments in debt securities are recorded at fair value in the Combined Balance Sheets. Debt and equity securities traded on a national securities and international exchange are valued as of the last reported sales price on the last business day of the fiscal year

The Organization classifies its investment portfolio as trading Investment income earned (interest and dividends) is reported in the operating income section of the Combined Statements of Operations and Changes in Net Assets under 'Investment income' Realized gains or losses related to the sale of investments, and changes in unrealized gains or losses are included in the non-operating section of the Combined Statements of Operations and Changes in Net Assets and is included in excess of revenues over expenses unless the income or loss is restricted by donor or law.

Investments in companies in which the Organization does not have control, but has the ability to exercise significant influence over operating and financial policies are accounted for using the equity method of accounting, and operating results flow through other revenue on the Combined Statements of Operations and Changes in Net Assets. Dividends paid are recorded as a reduction of the carrying amount of the investment.

Investments in companies in which the Organization does not have control, nor has the ability to exercise significant influence over operating and financial policies are accounted for using the cost method of accounting Investments are originally recorded at cost, with dividends received being recorded as other revenue.

Property, Plant, and Equipment. Property, plant and equipment acquisitions are recorded at cost Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Estimated useful lives range from 5 to 25 years for land improvements, 20 to 25 years for buildings and improvements, and 3 to 25 years for fixed and movable equipment Interest costs incurred on borrowed funds, net of income earned, during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets Repair and maintenance costs are expensed as incurred. When property, plant and equipment are retired, sold or otherwise disposed of, the asset's carrying amount and related accumulated depreciation are removed from the accounts and any gain or loss is included in other revenue in the combined statements of operations and changes in net assets

The cost of software is capitalized provided the cost of the project is at least $30 thousand and the expected life is at least two years Costs include payment to vendors for the purchase of software and assistance in its installation, payroll costs of employees directly involved in the software installation, and the interest costs of the software project. Preliminary costs to document system requirements, vendor selection, and certain costs incurred before the software purchase are expensed. Capitalization of costs ends when the project is completed and is ready to be used. Where implementation of the project is in phases, only those costs incurred which further the development of the project will be capitalized Costs incurred to maintain the system are expensed.

Gifts of long-lived assets such as land, buildings or equipment are reported as unrestricted support, and are excluded from the excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support Absent explicit donor stipulations about how long those long-lived assets must be maintained, expiration of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Impairment of long-lived assets. Long-lived assets are reviewed for impairment when events and circumstances indicate that the carrying amount of an asset may not be recoverable. The Organization's policy is to record an impairment loss when it is determined that the carrying amount of the asset exceeds the sum of the expected undiscounted future cash flows resulting from use of the asset and its eventual disposition Impairment losses are measured as the amount by which the carrying amount of the asset exceeds its fair value and are reported in the non-operating section of the Statements of Operations and Changes in Net Assets. Long-lived assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell No impairment charges were recorded for the six months ended June 30, 2011.

Accrued vacation. The Organization records a liability for amounts due to employees for future absences which are attributable to services performed in the current and prior periods

Estimated Malpractice and Workers' Compensation Costs. The provision for estimated self-insured medical malpractice and workers' compensation claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

Asset retirement obligations. The Financial Accounting Standards Board's ("FASB") guidance on accounting for asset retirement obligations provides for the recognition of an estimated liability for legal obligations associated with the retirement of tangible long-lived assets, including obligations that are conditional upon a future event. The Organization measures asset retirement obligations at fair value when incurred and capitalizes a corresponding amount as part of the book value of the related long-lived assets The increase in the capitalized cost is included in determining depreciation expense over the estimated useful life of these assets. Since the fair value of the asset retirement obligation is determined using a present value approach, accretion of the obligation due to the passage of time until its settlement is recognized each year as part of interest expense in the Combined Statements of Operations and Changes in Net Assets

Temporarily and permanently restricted net assets. Temporarily restricted net assets are those whose use has been limited by donors or law to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. Income generated from these assets is available as restricted by the donor or for general program support

Donor restricted gifts. Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Unconditional promises to give cash to the Organization greater than one year are discounted using a rate of return that a market participant would expect to receive at the date the pledge is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose for the restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the Combined Statements of Operations and Changes in Net Assets as net assets released from restrictions Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying combined financial statements

Grants. The Organization receives various grants from individuals, corporations, and government agencies for the purpose of furthering its mission of providing patient care Grants are recognized as support and the related project costs are recorded as expenses when services related to grants are incurred. There were no grant receivables as of June 30, 2011.

Donated services. The Organization receives donated services from various community volunteers. Donated services are not reflected in the accompanying combined financial statements because they do not meet the criteria for revenue recognition under accounting principles generally accepted in the United States of America.

Funds functioning as endowment. The board of trustees of SMHF has earmarked a portion of SMHF's unrestricted net assets to be set aside for various programs. Income earned on these funds is deposited into the operating account. Approval by the board of trustees is required before these funds may be used by management.

Excess of revenues over expenses. The Combined Statements of Operations and Changes in Net Assets include excess of revenues over expenses. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include, among other items, change in funded status of defined benefit plans, permanent transfers of assets to and from affiliates for other than goods or services, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets).

Income taxes. Pursuant to their initial exemption application, management has received a tax determination letter from the Internal Revenue Service (IRS) indicating that the Hospital is initially exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) as a public charity. Management has also received a tax determination letter from the IRS dated March 20, 2008 indicating that SMHF is initially exempt from federal income taxes under sections 501(c)(3) and 170 of the IRC and is not a private foundation. During 2010, management received a tax determination letter from the IRS dated December 3, 2010 indicating that SMRF is also initially exempt from federal income tax under section 501(c)(3) of the IRS. Federal tax law requires that these entities be operated in a manner consistent with their initial exemption application in order to maintain their exempt status.

Washington D.C. also recognizes the Organization's exemptions for state income tax purposes Accordingly, no provision for income taxes has been made in the accompanying combined financial statements. Organizations otherwise exempt from federal and state income taxation are nonetheless subject to taxation at corporate tax rates at both the federal and state levels on their unrelated business income. Exemption from other state taxes, such as real and personal property tax, is separately determined.

The Organization had no unrecognized tax benefits As a 501(c)(3) organization, the Organization is required to file annual information returns on IRS Form 990. The Organization is also required to file annual income tax returns on IRS Form 990-T for tax periods with respect to which unrelated business income was recognized. Tax returns remain open and potentially subject to IRS examination for three (3) years from the date they are filed. As such, the tax periods corresponding to the 2007 fiscal year to the present remain open.

FASB's guidance on accounting for uncertainty in income taxes clarifies the accounting for uncertainty of income tax positions. This guidance defines the threshold for recognizing tax return positions in the financial statements as "more likely than not" that the position is sustainable, based on its technical merits This guidance also provides guidance on the measurement, classification and disclosure of tax return positions in the financial statements The Organization has adopted this guidance, and there was no impact on its financial statements during the six months ended June 30, 2011.

Change in fiscal year. Effective June 30, 2011, management changed the organization's fiscal year from December 31st to June 30th as presently used by the Johns Hopkins Health System Corporation. As such, the financial statements reflect the results of operations, changes in net assets, and cash flow, for the six month period ended June 30, 2011.

2. Net Patient Service Revenue and Resident Revenue

The Hospital has agreements with third-party payers that provide for payments to the Hospital at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges and per diem payments Net patient service revenue is reported at the estimated net realizable amounts from patients, third-

party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered, and adjusted through net patient service revenue in future periods, as final settlements are determined Contractual adjustments to gross patient service revenue were approximately $129.4 million for the six months ended June 30, 2011.

Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, demographic, diagnostic, and other factors.

Outpatient hospital services rendered to Medicare beneficiaries are paid at prospectively determined rates based upon procedures performed. Inpatient psychiatric services are paid based on prospectively determined rates. The Hospital continues to be reimbursed for medical education on a cost based methodology. The Hospital is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a quality improvement organization under contract with the Hospital. The Hospital's Medicare cost reports have been final settled by the Medicare fiscal intermediary through December 31, 2008.

Inpatient services rendered to Medicaid program beneficiaries are reimbursed based on diagnosis related groupings at a predetermined specified rate for each discharge, based on a patient's diagnosis. Outpatient services are reimbursed based upon a fee schedule maintained by the Medical Assistance Administration

Inpatient services provided to Blue Cross subscribers are paid at prospectively determined rates per discharge according to a patient classification system that is based on clinical, demographic, diagnostic, and other factors. Outpatient services are reimbursed based upon a negotiated discount. Final settlements for inpatient and outpatient services are in accordance with an agreement entered into with Blue Cross requiring the Hospital to provide services to Blue Cross members at the lowest contracted rate between the Hospital and any other significant commercial insurance carriers, health maintenance organizations and/or preferred provider organizations.

The Hospital has also entered into payment agreements with certain commercial insurance carriers The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges, prospectively determined daily rates, rates per visit and per procedure, and prospectively determined daily rates

Resident service revenue is recognized by the assisted living facility when services are rendered or community fees are earned. Prospective residents are charged community fees, which are refundable on a pro-rated basis within the resident's first ninety days After ninety days, fees are nonrefundable and revenue is recognized

The Hospital provides charity care to persons unable to pay according to the Hospital's established policies. Amounts determined to qualify as charity care are not pursued for collection, and are not reported as a component of net patient service revenue or patient accounts receivable The Hospital maintains records to identify and monitor the level of charity care it provides Of the Hospital's $112,346 million of total operating expenses, an estimated $1.7 million arose from providing services to charity patients. The estimated costs of providing charity services are based on a calculation which applies a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients. The ratio of cost to charges is calculated based

on the Hospital's total expenses divided by gross patient service revenue During the six months ended June 30, 2011, Hospital received approximately $4 thousand through charitable contributions to help defray the costs of indigent care.

In assessing a patient's ability to pay, the Hospital grants full assistance to individuals with a family income at or below 200% of the poverty level established by the Federal government. In 2006, the Hospital began providing additional discounts on a sliding scale for patients who submitted charity care applications, demonstrate financial need, but have a family income of greater than twice the poverty line. The additional sliding scale discounts extended were approximately $390 thousand for the six months ended June 30, 2011. These discounts are classified as administrative adjustments, and not included in charges written-off for charity care

The Hospital grants credit without collateral to its patients, most of whom are local residents insured under third-party payer agreements. The mix of accounts receivable from patients and third-party payers is as follows at June 30, 2011:

Accounts receivable.

Medicare	23.3%
Medicaid	4.2%
Blue Cross	25.2%
Other third-party payers	31.2%
Self-pay	16.1%
	100.0%

The mix of gross patient service revenue is as follows at June 30, 2011·

Gross Charges:

Medicare	38 6%
Medicaid	1 3%
Blue Cross	28.7%
Other third-party payers	26.4%
Self-pay	5.0%
	100 0%

3. Pledges Receivable

At June 30, 2011, pledges receivable were $5,325,260, net of an allowance for uncollectible pledges of $50,000 and a discount of $409,006 Such amounts have been discounted at a rate commensurate with the risk involved. The payment terms of the pledges receivable less the uncollectible pledges and discount at June 30, 2011, are as follows·

	1 Year	2-5 Years	Totals
Purchase of property, plant, and equipment	$ 1,142	$ 2,989	$ 4,131
Health care services	73	41	114
Health, education, and counseling	306	778	1,080
	$ 1,521	$ 3,808	$ 5,325

4. Fair Value Measurements

The Organization adopted FASB's guidance on fair value measurements, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements. This guidance applies to other accounting pronouncements that require or permit fair value measurements and, accordingly, this guidance does not require any new fair value measurements. Adopting this guidance did not have a material impact on the Organization's financial position and results of operations.

The FASB's guidance establishes a three-tier level hierarchy for fair value measurements based upon the transparency of inputs used to value an asset or liability as of the measurement date. The three-tier hierarchy prioritizes the inputs used in measuring fair value as follows.

- Level 1 – Observable inputs such as quoted market prices for identical assets or liabilities in active markets;
- Level 2 – Observable inputs for similar assets or liabilities in an active market, or other than quoted prices in an active market that are observable either directly or indirectly; and
- Level 3 – Unobservable inputs for which there is little or no market data that require the reporting entity to develop its own assumptions.

The financial instrument's categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Each of the financial instruments below was valued utilizing the market approach.

The following table presents the financial instruments carried at fair value as of June 30, 2011 grouped by hierarchy level:

	Level 1	Level 2	Total
Cash equivalents (1)	$ 13,810	$ -	$ 13,810
U S Treasury notes (2)	-	96,780	96,780
Corporate bonds (2)	-	58,104	58,104
Mortgage backed securities (2)	-	59,415	59,415
Equities (3)	419,569	-	419,569
	$ 433,379	$ 214,299	$ 647,678

(1) Cash equivalents include investments with original maturities of three months or less, overnight investments, and certificates of deposit. Certificates of deposit are carried at amortized cost, which approximates fair value. Certificates of deposit have original maturities greater than three months and are considered short-term investments Computed prices and frequent evaluation versus market value render these investments level 1.

(2) For investments in U.S. treasury notes and bonds, corporate bonds, and mortgage backed securities, fair value is based upon quotes for similar securities, therefore these investments are rendered level 2. These investments fluctuate in value based upon changes in interest rates.

(3) Equities are investments in individual stocks. Equities are valued based on the last sales price for identical securities traded on a primary exchange rendering them level 1.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value as of the reporting date

The estimated total fair value of long-term debt, classified a level 2 based on quoted market prices for the same or similar issues, was approximately $112.2 million as of June 30, 2011

5. Investments and Assets Whose Use is Limited

Investments (short and long-term) as of June 30, 2011 consisted of the following (in thousands):

	Cost	Market
Cash equivalents	$ 9,139	$ 9,139
U S Treasury notes	69,833	69,515
Corporate bonds	41,390	40,596
Mortgage backed securities	43,119	42,976
Equity funds	286,851	306,953
	$ 450,332	$ 469,179

As of June 30, 2011, approximately $572.5 million of the Organization's investments are held in a pooled investment fund (the pooled fund) Each participant in the pooled fund has an undivided interest in all assets and liabilities of the pooled fund. Income and expenses of the pooled fund, other than additional investments and withdrawals, are allocated among the participants on a monthly basis in relation to the market value of each of the participant's interest in the pooled fund at the beginning of the month. Additional investments and withdrawals are credited or charged directly to the participant.

Assets whose use is limited as of June 30, 2011 consisted of the following (in thousands):

	Cost	Market
Cash equivalents	$ 4,671	$ 4,671
U S Treasury notes	34,121	27,265
Corporate bonds	16,011	15,865
Mortgage backed securities	16,424	16,439
Equity funds	103,236	112,616
Pledges	5,325	5,325
	$ 179,788	$ 182,181

Investment income and gains and losses related to assets whose use is limited, cash equivalents, and other investments, are comprised of the following for the six months ended June 30, 2011 (in thousands):

Realized gains and losses	$	4,818
Unrealized gains and losses		8,301
		13,119
Interest and dividends		7,165
Investment manager fees		(1,355)
		18,929
Income from equity and cost method investments		927
	$	19,856

Investments recorded under the cost and equity methods as of June 30, 2011 consisted of the following (in thousands):

Entity	Cost/Equity	%	Amount
Potomac Home Health Agency, Inc.	Equity	50%	$ 1,265
Potomac Home Support, Inc.	Equity	50%	1,107
Rockville Imaging, LLC	Equity	27%	96
Chevy Chase Imaging, LLC	Equity	40%	358
Premier Corporation	Cost	<1%	236
			$ 3,062

6. Property, Plant, and Equipment

Property, plant, and equipment and accumulated depreciation and amortization consisted of the following as of June 30, 2011 (in thousands):

		Cost		Accumulated depreciation and amortization
Land and land improvements	$	52,202	$	121
Buildings and improvements		124,022		4,349
Fixed and movable equipment		40,130		4,837
Construction in progress		50,889		-
	$	267,243	$	9,307

Depreciation and amortization expense was approximately $7.0 million for the six months ended June 30, 2011.

7. Long-Term Debt

Long-term debt as of June 30, 2011 is summarized as follows (in thousands)

	Current Portion	Long-term Portion	Unamortized portion of adjustment to fair value	Total
On October 1, 1996, the Hospital obtained a loan in the amount of $30.0 million representing proceeds of tax-exempt revenue bonds issued by the District of Columbia, maturing November 1, 2016. The Hospital is required to make monthly principal payments of $125 thousand plus accrued interest at a rate of 6 22% per annum.	$ 1,500	$ 6,625	$ (80)	$ 8,045
On July 24, 2002, the Hospital obtained a loan in the amount of $40.0 million representing proceeds of tax-exempt revenue bonds issued through a private placement offering by the District of Columbia, maturing August 1, 2032 The loan requires monthly payments of $277 thousand including principal and accrued interest at an effective interest rate of 5.19% per annum	907	34,048	758	35,713
On July 15, 2009, the Hospital obtained a loan in the amount of $63.0 million representing proceeds of tax-exempt revenue bonds issued through a public offering by the District of Columbia, with stated interest rates ranging from 4 0% to 6.5%, maturing October 1, 2039. The loan requires semi-annual interest payments until October 1, 2013 at which time the Hospital will begin making annual principal payments ranging from $1.0 million to $4 6 million until maturity	-	63,000	8,648	71,648
	$ 2,407	$ 103,673	$ 9,326	$ 115,406

The Sibley Memorial Hospital Obligated Group (the "Obligated Group") consists of the Hospital, the Medical Office Building, and Grand Oaks. The 1996, 2002, and 2009 Series Revenue Bonds are parity debt, and as such are collateralized equally and ratably by a claim on and a security interest in all of the Obligated Group's gross receipts. The Obligated Group is required to achieve a defined minimum debt service coverage ratio each year, maintain adequate insurance coverage, and comply with certain restrictions on their ability to incur additional debt. As of June 30, 2011, the Obligated Group was in compliance with these requirements.

Scheduled principal repayments on the revenue bonds are as follows at June 30, 2011 (in thousands):

2012	$ 2,407
2013	2,482
2014	3,544
2015	3,639
2016	3,747
Thereafter	90,261
	$ 106,080

Total interest expense for the six months ended June 30, 2011 is summarized as follows (in thousands):

Interest expense	$ 1,777
Amount capitalized	1,012
Total interest	$ 2,789

8. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at June 30, 2011 (in thousands):

Purchase of property, plant, and equipment	$ 5,799
Health care services	9,277
Indigent care	87
Health education and counseling	959
	$ 16,122

Permanently restricted net assets of approximately $12 3 million at June 30, 2011 are restricted to investment in perpetuity. Income generated by these funds is reported as an increase in unrestricted and temporarily restricted net assets in the year earned.

The Organization has adopted the applicable provisions of FASB guidance related to endowments of not-for-profit organizations, which, among other things, provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that are subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and additional disclosures about an organization's endowment funds.

The Organization's endowments include both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions

The Board of Trustees has interpreted the District of Columbia Uniform Prudent Management of Institutional Funds Act (DC UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts donated to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by DC UPMIFA. In accordance with DC UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization.

The Organization has adopted an investment policy for endowment assets that attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity

Changes in endowment net assets for the six months ended June 30, 2011, were as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at the beginning of the period	$ 4,755	$ 162	$ 12,364	$ 17,281
Investment return	130	-	-	130
Balance at the end of the period	$ 4,885	$ 162	$ 12,364	$ 17,411

At June 30, 2011, the endowment net asset composition by type of fund consisted of the following

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Board designated funds	$ 5,037	$ -	$ -	$ 5,037
Donor restricted funds	(152)	162	12,364	12,374
Total funds	$ 4,885	$ 162	$ 12,364	$ 17,411

9. Pension Plans

The Hospital sponsors a noncontributory defined benefit pension plan (the Plan) that covers all eligible employees with at least one year of service of one thousand hours or more who have attained the age of twenty-one. The Plan also covers any contracted or leased employees who meet the above criteria and who are not covered by any other pension plan. The Plan provides for benefits to be paid to eligible employees at retirement based primarily upon years of service with the Hospital and compensation rates near retirement. Contributions to the Plan reflect benefits attributed to employees' services to date, as well as services expected to be earned in the future During 2002, the board of trustees decided to take the actions necessary to "freeze" the accrual of additional benefits under the Plan, and effective April 2003, benefits under the Plan were frozen The Hospital's funding policy is to provide adequate funds to the Plan to cover benefits when paid and in amounts to exceed the actuarially calculated minimum funding requirements

The change in the benefit obligation, plan assets and funded status of the Plan for the six months ended June 30, 2011 is shown below (in thousands):

Change in benefit obligation	
Benefit obligation at beginning of period	$ 81,712
Interest cost	2,102
Actuarial loss	54
Benefits paid	(1,804)
Benefit obligation at end of period	$ 82,064
Change in plan assets	
Fair value of plan assets at beginning of period	$ 66,335
Actual return on plan assets	1,500
Employer contributions	1,000
Benefits paid	(1,804)
Fair value of plan assets at end of period	$ 67,031
Funded status	
Fair value of plan assets	$ 67,031
Projected benefit obligation	(82,064)
Funded status at end of period	$ (15,033)

Amounts not yet recognized in net periodic pension cost and included in unrestricted net assets consist of an actuarial net loss in the amount of approximately $922 thousand. The accumulated benefit obligation as of June 30, 2011 was approximately $82.0 million.

Net Periodic Pension Cost and Changes in Unrestricted Net Assets

Components of net periodic pension cost and other changes in the funded status for the six months ended June 30, 2011 are as follows (in thousands):

Interest cost	$	2,102
Expected return on plan assets		(2,414)
Net periodic benefit cost		(312)
Net loss recognized in unrestricted net assets		969
Total recognized in net periodic benefit cost and unrestricted net assets	$	657

The amount of actuarial loss expected to be amortized to net periodic benefit cost during 2012 is $0.

The assumptions used in determining the benefit obligation as of June 30, 2011 for the Plan are as follows:

Discount rate	5.29%
Rate of compensation increase	n/a

Assumptions used in determining net periodic pension cost for the Plan during the six months ended June 30, 2011 are as follows:

Discount rate	5 25%
Expected return on plan assets	7.50%
Rate of compensation increase	n/a

The rate of compensation increase is not applicable to the Plan because the Plan was frozen in 2002.

The expected long-term rate of return for the Plan's total assets is based on the expected return of each of the asset categories below, weighted based on the median of the target allocation for each class. Equity securities are expected to return 8% to 12% over the long-term, while cash and fixed income are expected to return between 4% and 6%. Based on historical experience, the Sibley Memorial Hospital Pension Committee (the Committee) expects that the Plan's asset managers will provide a modest (0.5% - 1.0% per annum) premium to their respective market benchmark indices

The policy as established by the Committee is to provide sufficient funding to meet the Plan's actuarial liability projection, on or before 2012, at which point the Committee may determine that Plan is sufficiently funded and move to terminate the Plan. The Plan's funding status is monitored and reviewed to determine the most appropriate asset allocation per the above target allocation to help the Plan achieve its objective without compromising its funding status

The Committee expects that the Plan will gradually increase the investment allocation to fixed income to help manage interest rate risk by "immunizing" a greater portion of the Plan as its funding status improves. The investment objectives are to provide the Plan with income to meet its current needs and provide reasonable opportunities for long-term growth in the asset base to meet future needs.

Plan Assets

The composition of the Plan's assets was as follows as of June 30, 2011.

	Target Allocation	Actual Allocation
Equity securities	0% - 55%	46%
Fixed income	45% - 100%	49%
Cash (considered by policy to be part of fixed income)		5%
		100%

The following discussion describes the valuation methodologies used for the Plan's financial assets and liabilities measured at fair value The techniques utilized in estimating the fair values are affected by the assumptions used. Care should be exercised in deriving conclusions about the Plan's financial assets and liabilities or the changes therein based on the fair value information presented below.

The fair value of the Plan's assets and liabilities measured on a recurring basis as of June 30, 2011 was as follows (in thousands):

	Level 1	Level 2	Total
Cash equivalents (1)	$ 3,364	$ -	$ 3,364
Equity funds (2)	30,739	-	30,739
U.S. Treasury notes (3)	-	13,449	13,449
Corporate bonds (3)	-	15,131	15,131
Mortgage backed securities (3)	-	1,299	1,299
Aetna general account (4)	-	3,049	3,049
	$ 34,103	$ 32,928	$67,031

(1) The fair value of the Plan's investments in cash equivalents is based on cost, which approximates fair value.

(2) The fair value of the Plan's investments in equity funds is based on quoted market prices.

(3) The fair value of the Plan's investments in U.S. Treasury notes and bonds, corporate bonds, and mortgage backed securities, are based on prices provided by its investment managers and its custodian bank Both the investment managers and the custodian bank use a variety of pricing sources to determine market valuations Each designate specific pricing services or indexes for each sector of the market based upon the provider's experience The Plan's fixed income securities portfolio is highly liquid, which allows for a high percentage of the portfolio to be priced through pricing services.

(4) The fair value of the Aetna general account is determined based on the amount required by Aetna to provide for the purchase of annuities and other benefits guaranteed by Aetna, plus the amount available for withdrawal at year end, including certain market value adjustments determined by Aetna. Investments in the Aetna general account are credited with earnings in the underlying investments and charged for Plan withdrawals and administrative expenses paid to Aetna. The crediting interest rate is based on an agreed-upon formula with Aetna

As of June 30, 2011, the Plan did not have any investments classified at Level 3

Contributions and Estimated Future Benefit Payments (unaudited)

The Hospital expects to contribute $3.0 million to the Plan in 2012. The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid (in thousands)

2012	$	4,311
2013		4,604
1014		4,828
2015		5,009
2016		4,233
2017-2021		28,244

Defined Contribution Plan

In July of 2001, the Hospital implemented a voluntary, defined contribution 401(k) plan available to all eligible employees, including SMHF. Under the plan, the Hospital matches one-half of a maximum of 3% of employee contributions Employer contributions vest immediately for employees hired before July 1, 2001, employer contributions vest after three years of service for employees hired after this date The Hospital contributed approximately $592 thousand to the plan for the six months ended June 30, 2011.

10. Malpractice, General Liability and Workers' Compensation Costs

The Hospital has established the Sibley Memorial Hospital Self-insurance Trust (the "Self-Insurance Trust"), to accumulate the necessary funds for self-insured malpractice, general liability, and workers' compensation claims, should any occur. An independent trustee manages the Self-Insurance Trust. The Hospital accrues for the ultimate cost of asserted and unasserted claims in the year such incidents occur using the Hospital's past experience, as well as other known information, in developing its estimates of ultimate costs The Hospital uses an actuarially determined amount that is based, in part, on nonspecific industry data in determining the amounts to be funded to the Self-Insurance Trust. Of the total liability recorded, approximately $16.9 million represents the estimated malpractice liability and approximately $2.4 million represents the estimated worker's compensation liability as of June 30, 2011. Accrued malpractice losses have been discounted at 1.2% as of June 30, 2011. The Hospital also carries an excess liability insurance policy with a limit of $10.0 million per claim and $10.0 million in the aggregate that covers amounts in excess of agreed upon deductibles.

11. Contracts, Commitments, and Contingencies

Operating Leases

The Hospital leases certain types of patient care equipment The rent expense for all operating leases was approximately $297 thousand for the six months ended June 30, 2011 Future minimum operating lease payments as of June 30, 2011 are insignificant

Management Contract

The Hospital renewed the management agreement with Sunrise Assisted Living, Inc., in December of 2010, to manage the day to day operations of Grand Oaks assisted living facility, including community relations, financial management, personnel management, and system support. The management agreement expires in December 2012. The Hospital pays Sunrise Assisted Living a monthly management fee calculated as a percentage of the gross collected resident care revenues In addition, Sunrise Assisted Living may receive an annual performance incentive fee that is payable based upon the facility's operating results.

Asset Retirement Obligation

The Hospital has accrued asset retirement obligations related to certain facilities located on its campus in Washington, DC. Those amounts are summarized as follows for the six months ended June 30, 2011:

Retirement obligation at beginning of the period	$	1,262
Accretion expense		20
Asset retirement obligation at the end of the period	$	1,282

Litigation

The Hospital is involved in litigation arising in the course of business After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Hospital's future financial position or results of operations.

12. Functional Expenses

The Organization provides general healthcare and resident care services Expenses related to providing these services for the six months ended June 30, 2011 are as follows (in thousands)

Healthcare and residential services	$	112,739
General and administrative		6,948
Fundraising		95
	$	119,782

13. Subsequent Events

Management has evaluated subsequent events through September 29, 2011, the date these combined financial statements were issued.

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REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY COMBINING INFORMATION

To the Board of Trustees of
Sibley Memorial Hospital and Subsidiaries.

The report on our audit of the combined financial statements of Sibley Memorial Hospital and Subsidiaries (the "Organization") as of June 30, 2011 and for the six months ended June 30, 2011 appears on page 1 of this document That audit was conducted for the purpose of forming an opinion on the combined financial statements taken as a whole The combining information is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, results of operations and changes in net assets and cash flows of the individual entities Accordingly, we do not express an opinion on the financial position, results of operations and changes in net assets and cash flows of the individual entities. However, the combining information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

PricewaterhouseCoopers LLP

September 29, 2011

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Sibley Memorial Hospital and Subsidiaries
Supplemental Combining Balance Sheet
as of June 30, 2011
(in thousands)

	Hospital	Grand Oaks	Medical Office Building	Eliminations	Obligated Group	SMH Foundation	Eliminations	Combined Total
ASSETS								
Current assets								
Cash and cash equivalents	$ 15,813	$ 1,708	$ 19	$ -	$ 17,540	$ 737	$ -	$ 18,277
Short-term investments	6,986	-	-	-	6,986	1,928	-	8,914
Patient accounts receivable, net of estimated uncollectibles	28,155	1,780	-	-	29,935	-	-	29,935
Other receivables	1,942	-	42	-	1,984	-	-	1,984
Inventories	1,216	-	-	-	1,216	-	-	1,216
Prepaid expenses	4,331	14	-	-	4,345	18	-	4,363
Interest receivable	1,643	-	-	-	1,643	-	-	1,643
Due from affiliates	2,967	-	-	-	2,967	-	(2,967)	-
Current portion of assets whose use is limited	7,742	-	-	-	7,742	-	-	7,742
Total current assets	70,795	3,502	61	-	74,358	2,683	(2,967)	74,074
Assets whose use is limited								
By long-term agreement for:								
Debt service reserve funds	4,953	-	-	-	4,953	-	-	4,953
Future campus development	1,713	-	-	-	1,713	-	-	1,713
By donors or grantors for								
Pledges receivable	-	-	-	-	-	5,325	-	5,325
Other	7,016	-	-	-	7,016	22,648	-	29,664
By Board of Trustees	104,201	-	-	-	104,201	5,962	-	110,163
Malpractice and workers' compensation fund	20,891	-	-	-	20,891	-	-	20,891
Beneficial interest in SMH Foundation	36,541	-	-	-	36,541	-	(36,541)	-
Other	1,730	-	-	-	1,730	-	-	1,730
Total assets whose use is limited	177,045	-	-	-	177,045	33,935	(36,541)	174,439
Investments								
Marketable securities	460,265	-	-	-	460,265	-	-	460,265
Joint ventures	3,062	-	-	-	3,062	-	-	3,062
Total investments	463,327	-	-	-	463,327	-	-	463,327
Property, plant, and equipment								
Cost basis	237,728	29,490	-	-	267,218	25	-	267,243
Accumulated depreciation	(8,364)	(943)	-	-	(9,307)	-	-	(9,307)
Total property, plant, and equipment	229,364	28,547	-	-	257,911	25	-	257,936
Other assets	-	-	2,727	-	2,727	-	-	2,727
Total assets	$ 940,531	$ 32,049	$ 2,788	$ -	$ 975,368	$ 36,643	$ (39,508)	$ 972,503

Sibley Memorial Hospital and Subsidiaries
Supplemental Combining Balance Sheet, continued
as of June 30, 2011
(in thousands)

	Hospital	Grand Oaks	Medical Office Building	Eliminations	Obligated Group	SMH Foundation	Eliminations	Combined Total
LIABILITIES AND NET ASSETS								
Current liabilities								
Current portion of long-term debt	$ 2,407	$ -	$ -	$ -	$ 2,407	$ -	$ -	$ 2,407
Accounts payable	10,185	190	-	-	10,375	6	-	10,381
Interest payable	1,172	-	-	-	1,172	-	-	1,172
Accrued payroll	9,979	138	-	-	10,117	83	-	10,200
Other current liabilities	5,392	2,431	350	-	8,173	-	-	8,173
Accrued vacation	8,768	4	-	-	8,772	-	-	8,772
Current portion of estimated contractual settlements	2,658	-	-	-	2,658	-	-	2,658
Current portion of malpractice and workers' compensation	4,698	6	-	-	4,704	-	-	4,704
Due to affiliates	1	-	2,991	-	2,992	13	(2,967)	38
Total current liabilities	45,260	2,769	3,341	-	51,370	102	(2,967)	48,505
Long-term liabilities:								
Long-term debt, net of current portion	112,999	-	-	-	112,999	-	-	112,999
Estimated contractual settlements, net of current portion	3,979	-	-	-	3,979	-	-	3,979
Estimated malpractice and workers' compensation, net of current portion	14,561	-	-	-	14,561	-	-	14,561
Net pension liability	15,033	-	-	-	15,033	-	-	15,033
Other long-term liabilities	7,916	-	138	-	8,054	-	-	8,054
Total liabilities	199,748	2,769	3,479	-	205,996	102	(2,967)	203,131
Net assets								
Unrestricted								
General	606,366	29,280	(691)	-	634,955	7,995	(13,957)	628,993
Board designated	105,931	-	-	-	105,931	925	-	106,856
Funds functioning as endowment	-	-	-	-	-	5,037	-	5,037
Total unrestricted	712,297	29,280	(691)	-	740,886	13,957	(13,957)	740,886
Temporarily restricted	16,122	-	-	-	16,122	11,978	(11,978)	16,122
Permanently restricted	12,364	-	-	-	12,364	10,606	(10,606)	12,364
Total net assets	740,783	29,280	(691)	-	769,372	36,541	(36,541)	769,372
Total liabilities and net assets	$ 940,531	$ 32,049	$ 2,788	$ -	$ 975,368	$ 36,643	$ (39,508)	$ 972,503

Sibley Memorial Hospital and Subsidiaries
Supplemental Combining Statements of Operations and Changes in Net Assets
For the six months ended June 30, 2011
(in thousands)

	Hospital	Grand Oaks	Medical Office Building	Eliminations	Obligated Group	SMH Foundation	Eliminations	Combined Total
Operating revenue								
Net patient service revenue	$ 110,882	$ -	$ -	$ -	$ 110,882	$ -	$ -	$ 110,882
Resident revenue	-	9,598	-	-	9,598	-	-	9,598
Other revenue	6,215	-	4	(97)	6,122	288	-	6,410
Investment income	6,867	-	-	-	6,867	287	-	7,154
Net assets released from restriction used for operations	804	-	-	-	804	3	-	807
Total operating revenue	124,768	9,598	4	(97)	134,273	578	-	134,851
Operating expenses								
Salaries, wages, and benefits	60,629	3,344	32	-	64,005	413	-	64,418
Purchased services	19,029	1,340	612	(20)	20,961	110	-	21,071
Supplies and other	20,862	936	25	(97)	21,726	85	-	21,811
Interest	1,777	-	-	-	1,777	-	-	1,777
Provision for bad debts	3,682	(55)	-	-	3,627	-	-	3,627
Depreciation and amortization	6,368	710	-	-	7,078	-	-	7,078
Total operating expenses	112,347	6,275	669	(117)	119,174	608	-	119,782
Income from operations	12,421	3,323	(665)	20	15,099	(30)	-	15,069
Net realized and changes in net unrealized gains on investments	12,825	-	-	-	12,825	294	-	13,119
Excess of revenues over expenses	25,246	3,323	(665)	20	27,924	264	-	28,188
Other changes in unrestricted net assets								
Net assets released from restriction used for property, plant, and equipment	11	-	-	-	11	-	-	11
Change in funded status of pension plan	(969)	-	-	-	(969)	-	-	(969)
Intercompany transfers	3,736	(3,716)	-	(20)	-	810	(810)	-
Reclassifications	-	-	-	-	-	-	-	-
Change in the beneficial interest	264	-	-	-	264	-	(264)	-
Change in unrestricted net assets	28,288	(393)	(665)	-	27,230	1,074	(1,074)	27,230
Changes in temporarily restricted net assets								
Gifts, grants and bequests	91	-	-	-	91	2,602	-	2,693
Net assets released from restriction used for property, plant, and equipment	(11)	-	-	-	(11)	-	-	(11)
Net assets released from restriction used for operations	(804)	-	-	-	(804)	(3)	-	(807)
Intercompany transfers	-	-	-	-	-	(622)	622	-
Change in the beneficial interest	2,599	-	-	-	2,599	-	(2,599)	-
Investment income	11	-	-	-	11	-	-	11
Change in temporarily restricted net assets	1,886	-	-	-	1,886	1,977	(1,977)	1,886
Total change in net assets	$ 30,174	$ (393)	$ (665)	$ -	$ 29,116	$ 3,051	$ (3,051)	$ 29,116