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Form 990   Department of the Treasury Internal Revenue Service	<b>Return of Organization Exempt From Income Tax</b>  <b>Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)</b>  ▶ The organization may have to use a copy of this return to satisfy state reporting requirements	OMB No 1545-0047
		<b>2010</b>
		<b>Open to Public Inspection</b>

<b>A For the 2010 calendar year, or tax year beginning 10-01-2010 and ending 09-30-2011</b>		
<b>B</b> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization Grossmont Hospital Corporation	<b>D Employer identification number</b>  33-0449527
	Doing Business As	<b>E Telephone number</b>  (858) 499-5150
	Number and street (or P O box if mail is not delivered to street address) 8695 Spectrum Center Blvd	Room/suite
	<b>G</b> Gross receipts \$ 594,000,242	
	City or town, state or country, and ZIP + 4 San Diego, CA 921231489	
	<b>F</b> Name and address of principal officer Michele Tarbet 8695 Spectrum Center Blvd San Diego, CA 921231489	<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) <b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
<b>J Website:</b> ▶ www.sharp.com		
<b>K</b> Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L</b> Year of formation 1991
<b>M</b> State of legal domicile CA		

Part I	Summary
Activities & Governance	<b>1</b> Briefly describe the organization's mission or most significant activities Grossmont Hospital provides inpatient and outpatient medical services to the community
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a) . . . . .
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) . . . . .
	<b>5</b> Total number of individuals employed in calendar year 2010 (Part V, line 2a) . . . . .
Revenue	<b>6</b> Total number of volunteers (estimate if necessary) . . . . .
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .
	<b>b</b> Net unrelated business taxable income from Form 990-T, line 34 . . . . .
Expenses	<b>8</b> Contributions and grants (Part VIII, line 1h) . . . . .
	<b>9</b> Program service revenue (Part VIII, line 2g) . . . . .
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d ) . . . . .
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3 ) . . . . .
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) . . . . .
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)
Net Assets or Fund Balances	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) . . . . .
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶943,326
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) . . . . .
	<b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)
	<b>19</b> Revenue less expenses Subtract line 18 from line 12 . . . . .
	<b>20</b> Total assets (Part X, line 16) . . . . .
	<b>21</b> Total liabilities (Part X, line 26) . . . . .
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20 . . . . .

<b>Part II</b>	<b>Signature Block</b>
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.	

<b>Sign Here</b>	▶ _____ Signature of officer		2012-08-06 Date		
	▶ Kan Cornicelli CFO Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name ▶ Ernst & Young US LLP				Firm's EIN ▶
	Firm's address ▶ 4370 La Jolla Village Dr Suite 500  San Diego, CA 92122				Phone no ▶ (858) 535-7200

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

Part III

Statement of Program Service Accomplishments

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

1

Briefly describe the organization's mission

See Schedule O

2

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

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

3

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

If "Yes," describe these changes on Schedule O

4

Describe the exempt purpose achievements for each of the organization's three largest program services by expenses

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code ) (Expenses \$ 484,215,763 including grants of \$ 830,992 ) (Revenue \$ 536,862,808 )

Grossmont Hospital provides inpatient and outpatient services to the community Patient days were 119,234 and outpatient visits were 238,256 for the twelve months ended 9/30/11 See Community Benefits Report on Schedule O

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 \$ 484,215,763

Part IV Checklist of Required Schedules

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

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25</i> . . . . .	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . .	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .	24d		
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . .	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? . . . . .	35	Yes	
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	38	Yes	

<b>Part V</b> <b>Statements Regarding Other IRS Filings and Tax Compliance</b>			
Check if Schedule O contains a response to any question in this Part V <input type="checkbox"/>			
		<b>Yes</b>	<b>No</b>
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	<b>1a</b>	0
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	<b>1b</b>	0
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<b>1c</b>	
<b>2a</b>	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.	<b>2a</b>	3,281
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?  <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	<b>2b</b>	Yes
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?	<b>3a</b>	Yes
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	<b>3b</b>	Yes
<b>4a</b>	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)?	<b>4a</b>	No
<b>b</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.		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>	No
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>	No
<b>c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	<b>5c</b>	
<b>6a</b>	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?	<b>6a</b>	No
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	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?	<b>7a</b>	No
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>	
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>	No
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year.	<b>7d</b>	
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>	No
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>	No
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>	
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<b>7h</b>	
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<b>8</b>	
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b>	Did the organization make any taxable distributions under section 4966?	<b>9a</b>	
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>	
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12.	<b>10a</b>	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	<b>10b</b>	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
<b>a</b>	Gross income from members or shareholders.	<b>11a</b>	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	<b>11b</b>	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	<b>12b</b>	
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	<b>13a</b>	
<b>b</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.	<b>13b</b>	
<b>c</b>	Enter the amount of reserves on hand.	<b>13c</b>	
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>	No
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	<b>14b</b>	

Part VI

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . . . .	1a	15	
b	Enter the number of voting members included in line 1a, above, who are independent . . . . .	1b	10	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .	5		No
6	Does the organization have members or stockholders? . . . . .	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following . . . . .			
a	The governing body? . . . . .	8a	Yes	
b	Each committee with authority to act on behalf of the governing body? . . . . .	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	9		No

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed CA
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. Staci Dickerson 8695 Spectrum Center Blvd San Diego, CA 921231489 (858) 499-5150

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

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

Form **990** (2010)



## Part VII

<b>1b</b>	<b>Sub-Total</b>			
<b>c</b>	<b>Total from continuation sheets to Part VII, Section A</b>			
<b>d</b>	<b>Total (add lines 1b and 1c)</b>	1,336,203	4,487,679	469,815

**2** Total number of individuals (including but not limited to those listed in Item 1) who received or were entitled to receive more than \$100,000 in reportable compensation from the organization. 365

		Yes	No
3	Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	3 Yes	
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? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	4 Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .	5 Yes	

## **Section B. Independent Contractors**

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

(A)	(B)	(C)
Name and business address	Description of services	Compensation

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

Part VIII

Statement of Revenue

			(A)	(B)	(C)	(D)
			Total revenue	Related or exempt function revenue	Unrelated business revenue	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	2,786,498			
	e	Government grants (contributions) 1e	5,426,395			
	f	All other contributions, gifts, grants, and similar amounts not included above 1f				
	g	Noncash contributions included in lines 1a-1f \$	5,027,623			
	h	Total. Add lines 1a-1f . . . . . ▶	8,212,893			
	Program Service Revenue	2a	Business Code			
		Medicare/Medicaid 900099	297,862,878	297,862,878		
b		Patient Services 900099	232,928,086	232,928,086		
c		Medical Office Lease 531120	3,574,685	3,574,685		
d		Reference Lab 621500	745,542		745,542	
e		Grossmont Imaging LLC 621400	510,389	510,389		
f		All other program service revenue	1,241,228	1,241,228		
g		Total. Add lines 2a–2f . . . . . ▶	536,862,808			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) . . . . . ▶	2,215,397			2,215,397
	4	Income from investment of tax-exempt bond proceeds . . ▶				
	5	Royalties . . . . . ▶				
	6a	Gross Rents (i) Real (ii) Personal				
	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 (ii) Other	44,645,384 128,787			
	b	Less cost or other basis and sales expenses	39,249,007 49,903			
	c	Gain or (loss)	5,396,377 78,884			
	d	Net gain or (loss) . . . . . ▶	5,475,261			5,475,261
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . . a				
	b	Less direct expenses . . . . . b				
	c	Net income or (loss) from fundraising events . . ▶				
	9a	Gross income from gaming activities See Part IV, line 19 . . a				
	b	Less direct expenses . . . . . b				
	c	Net income or (loss) from gaming activities . . ▶				
	10a	Gross sales of inventory, less returns and allowances . . . . . a				
	b	Less cost of goods sold . . . . . b				
	c	Net income or (loss) from sales of inventory . . ▶				
	Miscellaneous Revenue Business Code					
11a	Parking 812930	1,024,174			1,024,174	
b	Auxiliary 453220	758,316			758,316	
c	Cash Discounts 900099	82,767			82,767	
d	All other revenue . . . . .	69,716			69,716	
e	Total. Add lines 11a–11d . . . . . ▶	1,934,973				
12	Total revenue. See Instructions . . . . . ▶	554,701,332	536,117,266	745,542	9,625,631	

Part IX Statement of Functional Expenses

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	830,992	830,992		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees . . . . .	2,167,320	1,218,768	948,552	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	175,292	175,292		
7	Other salaries and wages	207,658,812	203,889,631	3,769,181	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	9,267,375	9,064,594	202,781	
9	Other employee benefits . . . . .	26,438,349	25,790,408	647,941	
10	Payroll taxes . . . . .	15,755,502	15,517,315	238,187	
a	Fees for services (non-employees)				
	Management . . . . .	18,892,262	17,686,047	1,206,215	
b	Legal . . . . .	503,506	25,891	477,615	
c	Accounting . . . . .	5,458,082		5,458,082	
d	Lobbying . . . . .	59,327		59,327	
e	Professional fundraising services See Part IV, line 17 . . . . .				
f	Investment management fees . . . . .	101,174		101,174	
g	Other . . . . .	37,765,656	36,981,740	783,916	
12	Advertising and promotion . . . . .	4,534,141	81,525	4,452,616	
13	Office expenses . . . . .	80,999,377	80,619,795	379,582	
14	Information technology . . . . .	18,590,769	18,033,046	557,723	
15	Royalties . . . . .				
16	Occupancy . . . . .	8,541,359	7,602,890	938,469	
17	Travel . . . . .	560,913	542,183	18,730	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
19	Conferences, conventions, and meetings . . . . .	373,764	116,773	256,991	
20	Interest . . . . .	1,861,181	976,080	885,101	
21	Payments to affiliates . . . . .				
22	Depreciation, depletion, and amortization . . . . .	23,220,636	16,545,232	6,675,404	
23	Insurance . . . . .	2,904,689	2,443,579	461,110	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O )				
a	Provider Tax	31,331,512	31,331,512		
b	Management Services	16,113,545	8,555,290	7,558,255	
c	Repairs & Maintenance	5,533,459	5,217,799	315,660	
d	Fundraising Expenses	943,326			943,326
e	UBI Taxes	193,508		193,508	
f	All other expenses	1,857,871	969,381	888,490	
25	Total functional expenses. Add lines 1 through 24f	522,633,699	484,215,763	37,474,610	943,326
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	<b>1</b>	Cash—non-interest-bearing . . . . .			1,728,567	<b>1</b>	2,012,191
	<b>2</b>	Savings and temporary cash investments . . . . .			31,251,749	<b>2</b>	37,029,263
	<b>3</b>	Pledges and grants receivable, net . . . . .				<b>3</b>	
	<b>4</b>	Accounts receivable, net . . . . .			43,318,011	<b>4</b>	46,501,940
	<b>5</b>	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .				<b>5</b>	
	<b>6</b>	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Schedule L . . . . .				<b>6</b>	
	<b>7</b>	Notes and loans receivable, net . . . . .			410,280	<b>7</b>	270,729
	<b>8</b>	Inventories for sale or use . . . . .			9,056,292	<b>8</b>	9,387,834
	<b>9</b>	Prepaid expenses and deferred charges . . . . .			2,640,104	<b>9</b>	2,074,650
	<b>10a</b>	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	<b>10a</b>	430,081,286			
	<b>b</b>	Less: accumulated depreciation . . . . .	<b>10b</b>	226,313,397	205,226,376	<b>10c</b>	203,767,889
	<b>11</b>	Investments—publicly traded securities . . . . .			104,942,276	<b>11</b>	120,316,315
	<b>12</b>	Investments—other securities. See Part IV, line 11 . . . . .			802,256	<b>12</b>	1,117,412
	<b>13</b>	Investments—program-related. See Part IV, line 11 . . . . .				<b>13</b>	
	<b>14</b>	Intangible assets . . . . .				<b>14</b>	
	<b>15</b>	Other assets. See Part IV, line 11 . . . . .			18,574,168	<b>15</b>	13,257,967
	<b>16</b>	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .			417,950,079	<b>16</b>	435,736,190
Liabilities	<b>17</b>	Accounts payable and accrued expenses . . . . .			35,897,077	<b>17</b>	37,137,197
	<b>18</b>	Grants payable . . . . .				<b>18</b>	
	<b>19</b>	Deferred revenue . . . . .			7,459,302	<b>19</b>	7,624,812
	<b>20</b>	Tax-exempt bond liabilities . . . . .				<b>20</b>	
	<b>21</b>	Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .				<b>21</b>	
	<b>22</b>	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .				<b>22</b>	
	<b>23</b>	Secured mortgages and notes payable to unrelated third parties . . . . .			15,500,000	<b>23</b>	15,500,000
	<b>24</b>	Unsecured notes and loans payable to unrelated third parties . . . . .				<b>24</b>	
	<b>25</b>	Other liabilities. Complete Part X of Schedule D . . . . .			57,965,775	<b>25</b>	48,277,667
	<b>26</b>	<b>Total liabilities.</b> Add lines 17 through 25 . . . . .			116,822,154	<b>26</b>	108,539,676
Net Assets or Fund Balances		<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>					
	<b>27</b>	Unrestricted net assets . . . . .			290,817,398	<b>27</b>	316,920,820
	<b>28</b>	Temporarily restricted net assets . . . . .			8,339,996	<b>28</b>	9,203,292
	<b>29</b>	Permanently restricted net assets . . . . .			1,970,531	<b>29</b>	1,072,402
		<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>					
	<b>30</b>	Capital stock or trust principal, or current funds . . . . .				<b>30</b>	
	<b>31</b>	Paid-in or capital surplus, or land, building or equipment fund . . . . .				<b>31</b>	
	<b>32</b>	Retained earnings, endowment, accumulated income, or other funds . . . . .				<b>32</b>	
	<b>33</b>	<b>Total net assets or fund balances</b> . . . . .			301,127,925	<b>33</b>	327,196,514
	<b>34</b>	<b>Total liabilities and net assets/fund balances</b> . . . . .			417,950,079	<b>34</b>	435,736,190

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	554,701,332
2	Total expenses (must equal Part IX, column (A), line 25)	2	522,633,699
3	Revenue less expenses Subtract line 2 from line 1	3	32,067,633
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	301,127,925
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-5,999,044
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	327,196,514

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

SCHEDULE A  
(Form 990 or 990EZ)

Department of the Treasury  
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
33-0449527

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?  

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

Part II

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

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

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

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions )					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage						
14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))					14	
15 Public Support Percentage for 2009 Schedule A, Part II, line 14					15	
16a 33 1/3% support test—2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶						
b 33 1/3% support test—2009. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶						
17a 10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶						
b 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶						
18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶						

Part IIIPart III

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

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

Section B. Total Support						
Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
13 Total support (Add lines 9, 10c, 11 and 12 )						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> 						

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

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization 		
b 33 1/3% support tests—2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization 		
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions 		



Part IV

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

Additional Data

Software ID:

Software Version:

EIN: 33-0449527

Name: Grossmont Hospital Corporation

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Tom Cantor Director	1 00	X						0	0	0
Sunita V Cooke Director	3 00	X						0	0	0
Jerry Fazio Director	1 00	X						0	0	0
Dave Grundstrom Director	1 00	X						0	0	0
Peter Hanson MD Chairman	2 00	X		X				27,000	0	0
Tom Karlo Vice Chairman	2 00	X		X				0	0	0
LeRoy Knutson Director	2 00	X						0	0	0
Marc Kobernick MD Director	2 00	X						30,000	0	0
Randolph Lenac Director	1 00	X						0	0	0
Michael Long MD Director	1 00	X						0	0	0
Deborah McElravy Director	50	X						0	0	0
Michael Murphy President	4 00	X		X				0	1,190,310	83,610
Jim Parker Treasurer	2 00	X		X				0	0	0
Philip Szold MD Secretary	2 00	X		X				0	0	0
Michele Tarbet CEO - GH	55 00	X		X				0	566,221	38,420
Robert Yarris Director	2 00	X						0	0	0
Ann Pumpian Assistant Treasurer	2 00			X				0	660,858	35,987
Carlisle C Lewis III Assistant Secretary	2 00			X				0	580,064	45,452
Kari Cornicelli CFO - GH	55 00			X				0	226,412	27,453
Maryann Cone COO - GH	55 00				X			0	312,415	35,093
Suzanne K Johnson VP Hospice	42 00				X			0	214,391	15,088
Janet L Hanley VP Patient Care - GH	50 00				X			0	199,294	25,141
Patrick J Craychee Director of Pharmacy - GH	41 00				X			195,618	0	22,513
Anthony Damico VP Clinical Services - GH	50 00				X			0	195,051	15,379
Vincent J Balesteri Pharmacist	58 00					X		269,212	0	32,389

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Lori Hernandez Pharmacist	51 00					X		233,944	0	19,509
Bruce D Schmidt Mgr Sharp Central Pharmacy	41 00					X		203,694	0	32,941
Barbara Hazer Pharmacist	46 00					X		193,082	0	22,832
Cornelia Del Rosario Clinical Nurse - BU	53 00					X		183,653	0	15,110
Kathleen Lencioni CEO - SMV/McDonald Center	0 00						X	0	342,663	2,898

SCHEDULE C  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527  
▶ **Complete if the organization is described below.**  
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

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

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

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

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

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

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

Name of the organization Grossmont Hospital Corporation	Employer identification number 33-0449527
--	--

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

1	Provide a description of the organization’s direct and indirect political campaign activities in Part IV	
2	Political expenditures	▶ \$ _____
3	Volunteer hours	_____

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

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$ _____
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$ _____
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If “Yes,” describe in Part IV	

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

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$ _____
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities	▶ \$ _____
3	Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b	▶ \$ _____
4	Did the filing organization file <b>Form 1120-POL</b> for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization’s funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV	

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

Part II-A

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

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount Enter the amount from the following table in both columns															
<table><thead><tr><th>If the amount on line 1e, column (a) or (b) is:</th><th>The lobbying nontaxable amount is:</th></tr></thead><tbody><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></tbody></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a If zero or less, enter -0-															
i Subtract line 1f from line 1c If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes	<input type="checkbox"/> No												

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

		(a)		(b)	
		Yes	No	Amount	
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of				
	a Volunteers?				No
	b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?				No
	c Media advertisements?				No
	d Mailings to members, legislators, or the public?				No
	e Publications, or published or broadcast statements?				No
	f Grants to other organizations for lobbying purposes?				No
	g Direct contact with legislators, their staffs, government officials, or a legislative body?				No
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?				No
	i Other activities? If "Yes," describe in Part IV	Yes		59,327	
	j Total lines 1c through 1i			59,327	
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No		
b	If "Yes," enter the amount of any tax incurred under section 4912				
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912				
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?				

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
Explanation of Other Lobbying Activities	Part II-B, Line 1i	Grossmont Hospital Corporation (GHC) pays annual dues to the California Hospital Association (CHA), the Healthcare Association of San Diego and Imperial Counties (HASDIC), the California Association of Hospitals and Health Systems (CAHHS), the American Hospital Association (AHA) and the California Hospice and Palliative Care Association (CHAPCA). CHA, HASDIC, CAHHS, AHA, and CHAPCA have determined that a portion of their membership dues are used for lobbying purposes. GHC's FY 2011 portion of annual dues calculated to have been used for lobbying was \$59,327.

SCHEDULE D

(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2010

Open to Public  
Inspection

**Name of the organization**  
Grossmont Hospital Corporation

**Employer identification number**  
33-0449527

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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II

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

1

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

☐ Preservation of land for public use (e g , recreation or pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

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

3

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

4

Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6

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

7

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

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9

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

Part III

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

1a

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

b

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

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

▶ \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X

▶ \$ \_\_\_\_\_

2

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

a

Revenues included in Form 990, Part VIII, line 1

▶ \$ \_\_\_\_\_

b

Assets included in Form 990, Part X

▶ \$ \_\_\_\_\_

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2010

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

- 3

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

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other
- 4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV
- 5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

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

- 1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No
- b

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

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance
- |    |        |
|----|--------|
|    | Amount |
| 1c |        |
| 1d |        |
| 1e |        |
| 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 . . . . .	3,421,590	2,331,612	2,245,171		
b Contributions . . . . .	38	821,647	75,087		
c Investment earnings or losses . . . . .	-112,858	268,716	11,354		
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .	31,619	385			
f Administrative expenses . . . . .					
g End of year balance . . . . .	3,277,151	3,421,590	2,331,612		

- 2

Provide the estimated percentage of the year end balance held as
- a

Board designated or quasi-endowment 55 000 %
- b

Permanent endowment 45 000 %
- c

Term endowment
- 3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- (i)

unrelated organizations . . . . .

(ii)

related organizations . . . . .
- 3a(i)

Yes

No

3a(ii)

Yes
- b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

Yes
- 4

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land . . . . .		581,843		581,843
b Buildings . . . . .		264,645,187	119,309,752	145,335,435
c Leasehold improvements . . . . .		4,161,047	1,151,683	3,009,364
d Equipment . . . . .		126,896,360	97,895,022	29,001,338
e Other . . . . .		33,796,849	7,956,940	25,839,909
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				203,767,889





Part XI

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	554,701,332
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	522,633,699
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	32,067,633
4	Net unrealized gains (losses) on investments	4	-10,649,085
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	4,650,041
9	Total adjustments (net) Add lines 4 - 8	9	-5,999,044
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	26,068,589

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	535,868,854
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments . . . . .	2a	-10,649,085
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	-10,649,085
3	Subtract line 2e from line 1 . . . . .	3	546,517,939
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	101,174
b	Other (Describe in Part XIV) . . . . .	4b	8,082,219
c	Add lines 4a and 4b . . . . .	4c	8,183,393
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 ) . . . . .	5	554,701,332

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements . . . . .	1	521,683,521
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	0
3	Subtract line 2e from line 1 . . . . .	3	521,683,521
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	101,174
b	Other (Describe in Part XIV) . . . . .	4b	849,004
c	Add lines 4a and 4b . . . . .	4c	950,178
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 ) . . . . .	5	522,633,699

Part XIV

Supplemental Information

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

Identifier	Return Reference	Explanation
Description of Intended Use of Endowment Funds	Part V, Line 4	Grossmont Hospital Foundation holds 21 board designated and permanent endowments for Grossmont Hospital Corporation that are restricted for a variety of purposes, such as hospice and hospice homes, diabetes, nursing education, cancer treatment, hospital equipment and technology, and more
Part XI, Line 8 - Other Adjustments		Change in minimum pension liability 4,297,659 Beneficial Interest in Grossmont Hospital Foundation 497,615 Grossmont Imaging LLC (Book/Tax Difference) -145,233
Part XII, Line 4b - Other Adjustments		Prop G - Donations of Capital/Donations for Capital Purchases 5,426,395 Donations used to Purchase Capital Equipment 1,597,625 Medical Staff/Auxiliary Revenue 912,966 Grossmont Imaging LLC Book/Tax Difference 145,233
Part XIII, Line 4b - Other Adjustments		Medical Staff/Auxiliary Expenses 849,004
		Sharp recognizes tax benefits from any uncertain tax positions only if it is more likely than not the tax position will be sustained, based solely on its technical merits, with the taxing authority having full knowledge of all relevant information. Sharp records a liability for unrecognized tax benefits from uncertain tax positions as discrete tax adjustments in the first interim period that the more likely than not threshold is not met. Sharp recognizes deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of its assets and liabilities along with net operating loss and tax credit carryovers only for tax positions that meet the more likely than not recognition criteria. At September 30, 2011 and 2010, no such assets or liabilities were recorded.

Additional Data

Software ID:  
Software Version:  
EIN: 33-0449527  
Name: Grossmont Hospital Corporation

Form 990, Schedule D, Part X, - Other Liabilities

1	(a) Description of Liability	(b) Amount
	Long Term Pension Liability	17,934,276
	Workers' Compensation Liability	343,905
	Intercompany Payable	847,372
	Other Liabilities	40,134
	Mark to Market Swap	843,962
	Capital Leases Payable	99,096
	Allocated Tax Exempt Bonds	26,810,159
	Estimated Settlements Payable to Government Programs	1,358,763

SCHEDULE H  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Hospitals

OMB No 1545-0047

2010

Open to Public Inspection

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

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
33-0449527

Part I

Financial Assistance and Certain Other Community Benefits at Cost

1a

Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a . . . . .

1a

Yes

b

If "Yes," is it a written policy? . . . . .

1b

Yes

2

If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year

☒ Applied uniformly to all hospitals

☐ Applied uniformly to most hospitals

☐ Generally tailored to individual hospitals

3

Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year

a

Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care

☐ 100%

☐ 150%

☒ 200%

☐ Other \_\_\_\_\_%

b

Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care . . . . .

☐ 200%

☐ 250%

☐ 300%

☒ 350%

☐ 400%

☐ Other \_\_\_\_\_%

c

If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care

4

Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? . . . . .

4

No

5a

Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? . . . . .

5a

Yes

b

If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? . . . . .

5b

Yes

c

If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? . . . . .

5c

No

6a

Does the organization prepare a community benefit report during the tax year? . . . . .

6a

Yes

6b

If "Yes," did the organization make it available to the public? . . . . .

6b

Yes

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

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			27,861,672	211,388	27,650,285	5 290 %
b Unreimbursed Medicaid (from Worksheet 3, column a) . . . . .			115,661,161	104,853,539	10,807,622	2 070 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b) . . . . .			21,437,689	10,125,958	11,311,731	2 160 %
d Total Financial Assistance and Means-Tested Government Programs . . . . .			164,960,522	115,190,885	49,769,638	9 520 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4) . . . . .			778,487		778,487	0 150 %
f Health professions education (from Worksheet 5) . . . . .			626,561		626,561	0 120 %
g Subsidized health services (from Worksheet 6) . . . . .			70,904,531	51,750,009	19,154,522	3 660 %
h Research (from Worksheet 7)			1,883		1,883	0 %
i Cash and in-kind contributions to community groups (from Worksheet 8) . . . . .			901,234		901,234	0 170 %
j Total Other Benefits . . . . .			73,212,696	51,750,009	21,462,687	4 100 %
k Total. Add lines 7d and 7j . . . . .			238,173,218	166,940,894	71,232,325	13 620 %

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 50192T

Schedule H (Form 990) 2010

Part II

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing		10,335		10,335	0 %
2	Economic development					
3	Community support		27,385		27,385	0 010 %
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		37,720		37,720	0 010 %

Part III

Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? . . . . .	1	No
2	Enter the amount of the organization's bad debt expense (at cost) . . . . .	2	-960,015
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy . . . . .	3	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	110,591,948
6	Enter Medicare allowable costs of care relating to payments on line 5 . . . . .	6	123,316,930
7	Subtract line 6 from line 5. This is the surplus or (shortfall) . . . . .	7	-12,724,982
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: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

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

Part IV

Management Companies and Joint Ventures

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1 1 Grossmont Imaging LLC	Joint Venture-Diagnostic Imaging	50 000 %	0 %	50 000 %
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

## Section A. Hospital Facilities

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

**Schedule H (Form 990) 2010**

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

How many non-hospital facilities did the organization operate during the tax year? 9

Name and address		Type of Facility (Describe)
1	Sharp Hospice Care 8881 Fletcher Parkway Suite 336 LL La Mesa, CA 91942	Hospice
2	Sharp Hospice Care 8881 Fletcher Parkway Suite 336 LL La Mesa, CA 91942	Hospice
3	Sharp Hospice Care 8881 Fletcher Parkway Suite 336 LL La Mesa, CA 91942	Hospice
4	Sharp Hospice Care 8881 Fletcher Parkway Suite 336 LL La Mesa, CA 91942	Hospice
5	Sharp Hospice Care 8881 Fletcher Parkway Suite 336 LL La Mesa, CA 91942	Hospice
6	Sharp Hospice Care 8881 Fletcher Parkway Suite 336 LL La Mesa, CA 91942	Hospice
7	Sharp Hospice Care 8881 Fletcher Parkway Suite 336 LL La Mesa, CA 91942	Hospice
8	Sharp Hospice Care 8881 Fletcher Parkway Suite 336 LL La Mesa, CA 91942	Hospice
9	Sharp Hospice Care 8881 Fletcher Parkway Suite 336 LL La Mesa, CA 91942	Hospice
10		

Part VI

Supplemental Information

Complete this part to provide the following information

- 1
- Required descriptions.** Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2
- Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 3
- Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4
- Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5
- Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g, open medical staff, community board, use of surplus funds, etc )
- 6
- Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7
- State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		Part I, Line 6a Grossmont Hospital Corporation's community benefit report is prepared by Sharp HealthCare



Identifier	ReturnReference	Explanation
		Part I, Line 7 Historical charity care percentages are applied to current revenues to estimate charity on a monthly basis Actual charity transactions are applied against the estimate and any increase or decrease over estimated amounts is accounted for Other Cost includes State/County programs included in the S-10 for Medicare Cost Reporting primarily for prison/in custody patient care Ratio of Cost to Charges (RCC) were calculated using the Medicare Cost Report from Worksheet C The Revenue and Expense tie to the general ledger with no exclusions, representing direct revenue and expense plus stepdown from Overhead departments The RCC by CMS line was then applied to the applicable revenue departments broken down by payer to obtain the fully weighted cost by payer

Identifier	ReturnReference	Explanation
		Part I, L7 Col(f) Bad debt expense is a deduction from revenue and is separately identified in the audited statement of operations As such, \$0 00 was backed out of total expenses for column (f) calculation

Identifier	ReturnReference	Explanation
		Part II Grossmont Hospital Corporation at times provides a provision for housing for vulnerable patients upon discharge from the hospital Grossmont Hospital Corporation incurred expenses for disaster preparedness training and capital expenditures

Identifier	ReturnReference	Explanation
		<p>Part III, Line 4 Bad Debt represents amounts that go unpaid where the patient was determined to have the ability to pay If an inability to pay is demonstrated, then full or partial Charity is granted and not considered Bad Debt Bad Debt at Cost should be included as a Community Benefit because, like other shortfall programs, Grossmont Hospital Corporation is required to accept these patients through the Emergency Room or as a referral with "good faith" in collecting Grossmont Hospital Corporation consolidates into Sharp HealthCare's audited financial statements The audited financial statements of Sharp HealthCare include a footnote discussing accounts receivable and allowance for doubtful accounts which is included below *</p> <p>Accounts receivable are reduced by an allowance for doubtful accounts In evaluating the collectability of accounts receivable, Sharp analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts For receivables associated with services provided to patients who have third-party coverage, Sharp analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary For services associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), Sharp records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts Sharp HealthCare's audited financial statements include a deduction from revenue line on the Combined Statement of Operations titled Provision for Doubtful Accounts Additionally, the accounts receivable line on the Combined Balance Sheet details the amount of allowance for doubtful accounts that is netted against the receivable balance</p>

Identifier	ReturnReference	Explanation
		Part III, Line 8 Medicare shortfall should be included as a community benefit because participation in the Medicare program requires all patients be accepted whether through the Emergency Room or as a referral and Grossmont Hospital Corporation must accept the Medicare established rates whether they cover the cost or not Ratio of Cost to Charges (RCC ) were calculated using the Medicare Cost Report from Worksheet C The Revenue and Expense tie to the general ledger with no exclusions, representing direct revenue and expense plus stepdown from Overhead departments The RCC by CMS line was then applied to the applicable revenue departments broken down by payer to obtain the fully weighted cost by payer

Identifier	ReturnReference	Explanation
		Part III, Line 9b It is Sharp's policy to recall/cancel accounts assigned to a collection agency if it is determined, at any time, a patient is eligible for Financial Assistance or Charity care

Identifier	ReturnReference	Explanation
		<p>Part VI, Line 2 Since 1995, Sharp has participated in a countywide collaborative - including a broad range of hospitals and health care organizations - to conduct a triennial community needs assessment Findings from the community health needs assessments conducted by the Community Health Improvement Partners (CHIP) and the expertise in programs and services of each Sharp hospital form the basis for community benefits planning at Sharp In 2010, the CHIP Needs Assessment Advisory Council, under the direction of the CHIP Steering Committee, determined a methodology and approach to the sixth edition of the triennial community health needs assessment (CHNA), which included a community priority-setting process composed of the following steps *</p> <p>Review of the 38 Healthy People 2020 focus areas by the Needs Assessment Advisory Council, comprised of more than 30 community stakeholders Seventeen health issues emerged as a result of the combining and streamlining of these areas by the Council *</p> <p>Division of the 17 health issues into the following three categories Overarching Issues, Health-Related Behaviors and Health Outcomes Health issue briefs were developed to provide detailed information on each of the 17 identified health issues *</p> <p>Invitation to community leaders throughout San Diego County (72 out of 379 invitees participated) to prioritize each health issue with information from the health issue briefs and based on the following criteria</p> <ul style="list-style-type: none"><li>o Size of the health issues</li><li>o Seriousness of the health issue</li><li>o Community resources available to address the health issue</li><li>o Availability of data/information to evaluate the health issue's outcomes</li><li>o Each of the health issues were scored separately within the three categories noted above (Overarching Issues, Health-Related Behaviors and Health Outcomes)*</li></ul> <p>Utilization of the Spectrum of Prevention Framework to determine which issues prioritized by the community were most impacted by prevention activities (as opposed to treatment)</p> <ul style="list-style-type: none"><li>o Health access and delivery</li><li>o Social determinants of health</li><li>o A combination of nutrition, weight status, physical activity and fitness</li><li>o Injury and violence</li><li>o Mental health and mental disorders*</li></ul> <p>Discussion of the above identified issues in community forums held in the six regions of San Diego County in order to</p> <ul style="list-style-type: none"><li>o Allow community stakeholders to identify root causes related to each health issue</li><li>o Begin the process of understanding each issue from a regional perspective</li><li>o Foster community relationships and promote the voice(s) of San Diego's various regional and sub-regional communities in the needs assessment process*</li></ul> <p>In-depth analysis of each of the five health issues selected for the 2010 CHNA, identified as</p> <ul style="list-style-type: none"><li>o Health access and delivery</li><li>o Social determinants of health</li><li>o Combination of nutrition, weight status, physical activity and fitness</li><li>o Injury and violence</li><li>o Mental health and mental disorders</li></ul> <p>Depending on the level of available data, these analyses included an overview of the health issue and its importance, seriousness of the health issue in terms of economic costs, use of resources and/or loss of functional status, incidence data, prevalence of morbidity and mortality in the populations most impacted by the health issue, and the local impact of the health issue In addition to a review of the results from the priority-setting process, the 2010 CHNA utilized information from the following *</p> <ul style="list-style-type: none"><li>* Analysis of health-related statistics gathered and analyzed by the County of San Diego Health and Human Services Agency (HHSA), supplemented by data from the California Health Interview Survey (CHIS), California Office of Statewide Planning and Development (OSHPD), the Centers for Disease Control and Prevention's (CDC) Youth Risk Behavior Surveillance System and census data from the San Diego Association of Governments (SANDAG)</li><li>* Review of health-related scientific literature</li><li>Review of the results from facilitated discussions of six community regional forums held with a cross-section of stakeholders from the San Diego County community</li></ul> <p>In order to determine the priority needs of the community, the 2010 Community Health Needs Assessment conducted by CHIP was reviewed by each Sharp hospital and used to determine priority needs for their communities In identifying these priorities, each entity considered the expertise and mission of the hospital in providing services, in addition to the unique regional, age group and/or health topics Specifically, Sharp Grossmont Hospital reviewed the needs assessment priorities, specifically focusing on issues relevant to their region and subregional areas with the goal of matching community benefits programs and services to the unique needs of the region with special attention to</p> <ul style="list-style-type: none"><li>* Stroke education and screening*</li><li>Heart and vascular disease education and screening*</li><li>Cancer education and participation in clinical trials*</li><li>Diabetes education and testing*</li><li>Outreach for flu vaccinations*</li><li>Health education and screening for seniors*</li><li>Prevention of unintentional injury</li></ul>

Identifier	ReturnReference	Explanation
		entional injuries* Special support services for hospice patients and their loved ones, and the community* Collaboration with local schools to promote interest in health care career s* Women's and prenatal health services and education* Orthopedic / osteoporosis education and screeningIn addition, Sharp Grossmont Hospital * Incorporates community priorities an d community input into its strategic plan and develops service line specific goals* Estima tes an annual budget for community programs and services based on community needs, the pri or year's experience and current funding levels* Prepares and distributes a monthly report of community activities to its board of directors, describing community benefits provided , such as education, screenings and flu shots * Prepares and distributes information on co mmunity benefits programs and services through its foundation and community newsletters* C onsults with representatives from a variety of departments, to discuss, plan and implement community activities



Identifier	ReturnReference	Explanation
		<p>Part VI, Line 3 Sharp HealthCare's financial assistance policy is in furtherance of its charitable mission The policy identifies eligibility for, and circumstances under which, financial assistance will be extended to Sharp HealthCare's hospital patients for medically necessary services Information regarding the availability of charity care and financial assistance is posted at all emergent/urgent access points of the hospital "Charity Care" is that portion of Sharp HealthCare's charges for medically necessary patient care services provided by a hospital that a patient (either individually or through a third party payer) is unable to pay Charity Care does not include bad debt, contractual adjustments, or un-reimbursed costs of providing care to patients eligible under government programs for health care services to low-income and medically indigent patients "Financial Assistance" means any reduction of charges for medically necessary services as defined herein that may be made by Sharp HealthCare either for, or on behalf of, a patient who applies to Sharp HealthCare for Financial Assistance and meets Sharp HealthCare's financial eligibility requirements or criteria as described in this policy For purposes of the policy Financial Assistance includes "charity care" which means a 100% reduction in charges for medically necessary services and "partial charity care" which means a reduction in a portion of charges for such services All patients are screened at the time of admission or at registration for ability to pay for services, including whether or not they are candidates for Financial Assistance Care for patients presenting with a known or possible emergency medical condition or in active labor are not delayed in order to assess financial status For those patients arriving via the emergency room, once stabilization has occurred, an unfunded patient is provided with information regarding public funding options and information on Sharp HealthCare's financial assistance policy Every unfunded urgent/emergent patient is provided with information on qualifications, in addition to an application for financial assistance/charity care All self-pay patients are informed again regarding the availability of financial assistance on each patient statement The availability of financial assistance and the application to apply are readily accessible on the Sharp com website In order to both inform patients of the various programs they may be entitled to, and assist them in the application process, Uncompensated Care Specialists provide patient(s) with a Financial Assistance Form The Uncompensated Care Specialists direct the patient (or their guarantor) to complete a Patient Financial Statement, include specified financial items for both the patient and spouse (if any), direct the patient to return all information within ten days and document in patient's account history notes the substance of any patient discussions and that the Patient Financial Statement was provided Following internal processing of the Financial Assistance Form, Sharp Uncompensated Care Specialists and/or Private Pay Representatives notify patient of Financial Assistance Application results, document the decision in all approved and denied Financial Assistance Accounts and secure payment arrangements for remaining balance of partial Financial Assistance or denied Financial Assistance accounts All follow-up and patient interaction is documented in the patient's account history notes</p>

Identifier	ReturnReference	Explanation
		<p>Part VI, Line 4 The community served by Sharp Grossmont Hospital includes the entire East Region of San Diego County, including the sub-regional areas of Jamul, Spring Valley, Lemon Grove, La Mesa, El Cajon, Santee, Lakeside, Harbison Canyon, Crest, Alpine, Laguna-Pine Valley and Mountain Empire</p> <p>Approximately five percent of the population lives in remote or rural areas of this region The race/ethnicity breakdown of the community served by Grossmont Hospital is 50.2% White, 28.4% Hispanic, 7.9% Black, 8.7% Asian/Pacific Islander, and 0.6% Native American In the County's East Region in 2009, 96 percent of children ages 0 to 11, 96.2 percent of children ages 12 to 17 and 86.6 percent of adults ages 18 and older had health insurance, while 97.7 percent of children ages 0 to 11 and 93.7 percent of children ages 12 to 17 had a regular source of medical care - failing to meet the Healthy People (HP) 2020 national targets for health insurance coverage and regular source of medical care Among uninsured adults ages 18 to 64 years in SDC's East Region, 15.7 percent were not currently insured in 2009</p>

Identifier	ReturnReference	Explanation
		Part VI, Line 6 Grossmont Hospital Corporation has an open medical staff and a community board Surplus funds generated by hospital operations are re-invested by the organization to fund capital improvements and acquire state of the art medical equipment with the intent of continually improving patient care

Identifier	ReturnReference	Explanation
		<p>Part VI, Line 7 Sharp HealthCare is an integrated, regional health care delivery system based in San Diego, Calif The Sharp system includes four acute care hospitals, three specialty hospitals, two affiliated medical groups, 22 medical clinics, five urgent care facilities, four skilled nursing facilities, two inpatient rehabilitation programs, home health, hospice and home infusion programs, numerous outpatient facilities and programs, and a variety of other community health education programs and related services Sharp also has a Knox-Keene-licensed health maintenance organization, Sharp Health Plan Serving a population of approximately three million in San Diego County, Sharp is licensed to operate 2,092 beds, has approximately 2,600 Sharp-affiliated physicians and more than 15,000 employees It is Sharp's mission to improve the health of those it serves with a commitment to excellence in all that it does Sharp's goal is to offer quality care and services that set community standards, exceed patient expectations and are provided in a caring, convenient, cost-effective and accessible manner Sharp will be recognized by employees, physicians, patients, volunteers and the community as the best place to work, the best place to practice medicine and the best place to receive care Sharp is known as an excellent community citizen embodying an organization of people working together to do the right thing every day to improve the health and well being of those it serves Sharp Grossmont Hospital is the largest provider of health care services in San Diego's East County, and operates one of the busiest emergency rooms in San Diego County Sharp Grossmont Hospital received Magnet Designation for Nursing Excellence by the American Nurses Credentialing Center (ANCC) The Magnet Recognition Program is the highest level of honor awarded by the ANCC and is accepted nationally as the gold standard in nursing excellence</p>

Identifier	ReturnReference	Explanation
Reports Filed With States	Part VI, Line 7	CA

Identifier	ReturnReference	Explanation
		<p>Sharp HealthCare prepares an annual Community Benefits Report in accordance with the requirements of California Senate Bill (SB) 697, community benefits legislation. According to SB 697, hospitals under the common control of a single corporation or another entity may file a consolidated report with the Calif Office of Statewide Health Planning and Development (OSHPD). Sharp HealthCare submits an annual Community Benefits Report to the Calif OSHPD. The Sharp HealthCare Community Benefits Plan and Report, Fiscal Year 2011 is available online at <a href="http://www.sharp.com/community">www.sharp.com/community</a>. No figure is reported on Part III, line 3 (estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy) due to all amounts attributable to patients eligible under the charity care policy being reported as charity. The organization incurred additional Medicare shortfall that is not allowed to be reported on Parts I and III, due to the definition of Medicare shortfall as prescribed by the IRS. This additional shortfall arises from the use of the Medicare cost report data which excludes fee based services, non-billable services, and disallowed operating expenses which the organization has determined to be revenues and expenses of the Medicare program and should be included in the total shortfall. A reconciliation of what the organization classifies as Medicare shortfall is as follows: Medicare revenue received reported on Parts I and III - \$141,052,705 Medicare allowable costs reported on Parts I and III - \$168,865,710 Shortfall included on Parts I and III - \$(27,813,005) Actual Medicare revenue received - \$141,253,978 Actual Medicare cost - \$185,302,235 Actual Medicare shortfall - \$(44,048,257) Additional Medicare shortfall not on Parts I and III - \$(16,235,252)</p>

Schedule I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Grossmont Hospital Corporation

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

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

OMB No 1545-0047

2010

Open to Public  
Inspection

Employer identification number  
33-0449527

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

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

Part II

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Boys & Girls Clubs of East County8820 Tamberly Way Santee,CA 92071	95-2088013	501(c)(3)	10,200				Sponsorship - East County Children's Ball, Golf Day
(2) San Diego East County Chamber of Commerce201 S Magnolia Ave El Cajon,CA 92020	95-1494069	501(c)(6)	10,000				Sponsorship - Women in Leadership Luncheon
(3) California Health Foundation & Trust1215 K Street Suite 800 Sacramento,CA 95814	94-1498697	501(c)(3)	660,316				Medi-Cal Program

2

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

2

3

Enter total number of other organizations

1

**Part III**

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

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

**Part IV**

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

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 The Management team evaluates requests for contributions from outside organizations taking into account how they align with the organization's mission No monitoring is done after grants are made



Schedule J  
(Form 990)

Compensation Information

OMB No 1545-0047

2010

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
  
33-0449527

Part I

Questions Regarding Compensation

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

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table								
( 2 )								
( 3 )								
( 4 )								
( 5 )								
( 6 )								
( 7 )								
( 8 )								
( 9 )								
( 10 )								
( 11 )								
( 12 )								
( 13 )								
( 14 )								
( 15 )								
( 16 )								

Part IIISupplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	Non-management staff were paid superior performance bonuses which were grossed up so the net payment would be a specified amount based on each staff member's productive hours worked during the year. The net payments per staff member ranged from \$100 to \$300.
	Part I, Line 4b	Sharp HealthCare ("Company") sponsors an Executive Flexible Benefit Plan ("Plan") to provide designated executives with a reasonable level of benefits in return for their continued employment with the Company. The Plan is administered on a Plan Year basis of January 1 to December 31. Changes in Flexible Benefit Options are permitted annually, effective January 1 of the new Plan Year. The provisions of the Plan, which were restated effective as of December 31, 2008, are described below as restated. The Plan is available to the Chief Executive Officer, Executive Vice President of Hospital Operations, and Senior Vice Presidents. The Flexible Benefit Allowance available to each participant each plan year shall equal the sum of the following: - A company provided base allowance equal to 18% of the participant's base salary; - A participant deferral up to 6% of the participant's pre-tax base salary for such plan year as elected by the participant; - A company match should the participant make an elective deferral for a plan year. The company match begins at 2% for the first 1% elective deferral and increases 0.5% for each additional 1% elective deferral, to a maximum match of 4.5% on a 6% elective deferral. The Plan allows participants to use the Flexible Benefit Allowance to purchase additional long-term disability coverage, long-term care coverage, and flexible survivor coverage/accumulation benefits (life insurance). Participants in the flexible survivor coverage/accumulation benefits plan previously could elect to apply Flexible Benefit Allowance to acquire additional survivor coverage, or toward deposits to the Supplemental Survivor Accumulation Benefit Plan ("SSAB") to fund post-retirement survivor benefits, subject to the ERISA limit provided their policies were issued prior to September 18, 2003. The Company shall automatically continue whatever elective coverage and additional deposit elections that were in place for the SSAB during the 2008 plan year. No elective coverage or additional deposits were available to participants whose policies were issued on or after September 18, 2003. Any Flexible Benefit Allowance that remains after purchasing these additional coverages shall be paid to the participant in cash in equal installments throughout the Plan Year, not less frequently than quarterly. If the participant separates from service during the Plan Year, the participant forfeits any unpaid Allowance.
Supplemental Information	Part III	Compensation was paid to Dr. Peter Hanson through Peter B Hanson MD Inc., for medical director services, by Grossmont Hospital Corporation. He was compensated directly by Peter B Hanson MD Inc.
Supplemental Information	Part III	Compensation was paid to Dr. Marc Kobernick through his professional corporation, for medical director and chief of staff services, by Grossmont Hospital Corporation. He was compensated directly by the professional corporation.
Supplemental Information	Part III	Part I, Line 3: The Compensation Committee of Sharp HealthCare, the parent organization, establishes the compensation of the Chief Executive Officer. The Compensation Committee engages independent compensation consultants and the amount is approved by both the Compensation Committee and Board of Directors.

Software ID:  
Software Version:  
EIN: 33-0449527  
Name: Grossmont Hospital Corporation

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Peter Hanson MD	(i)	27,000	0	0	0	0	27,000	0
	(ii)	0	0	0	0	0	0	0
Marc Kobernick MD	(i)	30,000	0	0	0	0	30,000	0
	(ii)	0	0	0	0	0	0	0
Michael Murphy	(i)	0	0	0	0	0	0	0
	(ii)	950,995	188,310	51,005	69,124	14,486	1,273,920	0
Michele Tarbet	(i)	0	0	0	0	0	0	0
	(ii)	454,069	95,652	16,500	23,934	14,486	604,641	0
Ann Pumpian	(i)	0	0	0	0	0	0	0
	(ii)	534,881	109,477	16,500	25,427	10,560	696,845	0
Carlisle C Lewis III	(i)	0	0	0	0	0	0	0
	(ii)	464,958	98,606	16,500	31,533	13,919	625,516	0
Kari Cornicelli	(i)	0	0	0	0	0	0	0
	(ii)	189,017	36,786	609	12,511	14,942	253,865	0
Maryann Cone	(i)	0	0	0	0	0	0	0
	(ii)	242,782	48,210	21,423	23,708	11,385	347,508	0
Suzanne K Johnson	(i)	0	0	0	0	0	0	0
	(ii)	174,307	30,183	9,901	252	14,836	229,479	0
Janet L Hanley	(i)	0	0	0	0	0	0	0
	(ii)	171,601	27,156	537	10,311	14,830	224,435	0
Patrick J Craychee	(i)	166,266	23,428	5,924	7,806	14,707	218,131	0
	(ii)	0	0	0	0	0	0	0
Anthony Damico	(i)	0	0	0	0	0	0	0
	(ii)	177,857	89	17,105	8,865	6,514	210,430	0
Vincent J Balesteri	(i)	256,294	5,916	7,002	26,257	6,132	301,601	0
	(ii)	0	0	0	0	0	0	0
Lori Hernandez	(i)	220,430	7,393	6,121	9,367	10,142	253,453	0
	(ii)	0	0	0	0	0	0	0
Bruce D Schmidt	(i)	181,532	17,374	4,788	18,169	14,772	236,635	0
	(ii)	0	0	0	0	0	0	0
Barbara Hazer	(i)	186,349	416	6,317	16,712	6,120	215,914	0
	(ii)	0	0	0	0	0	0	0
Cornelia Del Rosario	(i)	183,075	316	262	9,236	5,874	198,763	0
	(ii)	0	0	0	0	0	0	0
Kathleen Lencioni	(i)	0	0	0	0	0	0	0
	(ii)	275,245	50,918	16,500	1,898	1,000	345,561	0

Schedule L  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
  
33-0449527

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	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?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total . . . . . ▶ \$ _____										

Part III Grants or Assistance Benefitting Interested Persons.  
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

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

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Cynthia Szold	See Part V	116,517	Employment		No
(2) Stephen Hanley	See Part V	36,458	Employment		No
(3) Katelyn Cone	See Part V	22,317	Employment		No
(4) Grossmont Imaging LLC	See Part V	510,389	See Part V		No

**Part V Supplemental Information**

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

Identifier	Return Reference	Explanation
Schedule L, Part IV		Cynthia Szold, an employee of Grossmont Hospital Corporation, is married to Philip Szold, a director on the Grossmont Hospital Corporation Board Stephen Hanley, an employee of Grossmont Hospital Corporation, is the son of Janet Hanley, a key employee of Grossmont Hospital Corporation Katelyn Cone, an employee of Grossmont Hospital Corporation, is the daughter of Maryann Cone, a key employee of Grossmont Hospital Corporation Kari Cornicelli, Chief Financial Officer of Grossmont Hospital Corporation, sits on the Board of Directors of Grossmont Imaging LLC, a partnership 50% owned by Grossmont Hospital Corporation Michele Tarbet, Chief Executive Officer of Grossmont Hospital Corporation, sits on the Board of Directors of Grossmont Imaging LLC, a partnership 50% owned by Grossmont Hospital Corporation Anthony Damico, a key employee of Grossmont Hospital Corporation, sits on the Board of Directors of Grossmont Imaging LLC, a partnership 50% owned by Grossmont Hospital Corporation

SCHEDULE M  
(Form 990)

Department of the Treasury  
Internal Revenue Service

NonCash Contributions

►Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.  
► Attach to Form 990.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
33-0449527

Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining oncash contribution amounts
1 Art—Works of art . . . .				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods . . . . .				
6 Cars and other vehicles .				
7 Boats and planes . . . .				
8 Intellectual property . .				
9 Securities—Publicly traded				
10 Securities—Closely held stock . . . . .				
11 Securities—Partnership, LLC, or trust interests .				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures . . . . .				
14 Qualified conservation contribution—Other . .				
15 Real estate—Residential .				
16 Real estate—Commercial				
17 Real estate—Other . .				
18 Collectibles . . . . .				
19 Food inventory . . . . .				
20 Drugs and medical supplies				
21 Taxidermy . . . . .				
22 Historical artifacts . .				
23 Scientific specimens . .				
24 Archeological artifacts .				
25 Other ► ( )		See Add'l Data		
26 Other ►( )				
27 Other ►( )				
28 Other ► ( )				
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . .	29	0		

30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? . . . . .	Yes	No
b	If "Yes," describe the arrangement in Part II		
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	Yes	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions? . . . . .		No
b	If "Yes," describe in Part II		
33	If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II		

Part III

**Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
Method for Determining Number of Contributors	Part I, Column (b)	Number of Contributions



Additional Data

Software ID:

Software Version:

EIN: 33-0449527

Name: Grossmont Hospital Corporation

Form 990 Schedule M, Part I - Types of Property

Property Type	(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining oncash contribution amounts
ED/CCU Other ▶ ( <u>Building</u> )	X	8	92,404	Cost
Heart and Vascular Other ▶ ( <u>Center</u> )	X	12	2,306,619	Cost
Central Other ▶ ( <u>Power Plant</u> )	X	12	585,947	Cost
Other ▶ ( <u>East Tower</u> )	X	12	2,031,971	Cost
Equipment, Other ▶ ( <u>Supplies</u> )	X	6	10,682	Cost

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

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

OMB No 1545-0047

**2010**

**Open to Public  
Inspection**

<b>Name of the organization</b> Grossmont Hospital Corporation	<b>Employer identification number</b> 33-0449527
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Identifier	Return Reference	Explanation
Program Service Statement	Form 990, Part III, Line 1	To establish, maintain, conduct, and operate a hospital or hospitals related, associated and complimentary facilities and services, such as, but not limited to, skilled nursing, extended care, outpatient care, home care, and other health care programs, activities, services and facilities To carry on any educational activities related to rendering care to the sick and injured, or to the promotion of health To promote and carry on scientific research related to the care of the sick and injured, or to the promotion of health To participate in any activity designed and carried on to promote the general health of the community To operate and maintain this corporation and its assets for the benefit of the communities served by Grossmont Healthcare District, a political subdivision of the State of California, organized pursuant to Local Hospital District Law (Division 23 of the California Health & Safety Code), and which is located in San Diego County, California Generally do anything and everything necessary, expedient or incidental to the foregoing

Identifier	Return Reference	Explanation
	Form 990, Part IV, Line 24a	Tax Exempt Bonds are issued for the Sharp HealthCare Obligated Group. As a result, the tax exempt bond balances are reported on the Sharp HealthCare return (EIN 95-6077327). This organization's allocated portion is included in Part X, Line 25.

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		Director Dave Grundstrom had business relationships with Director Philip Szold and Director Peter Hanson. Michele Tarbet, Kari Cornicelli, and Anthony Damico were all directors on the governing board of the Grossmont Imaging Joint Venture.

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		Sharp HealthCare (FEIN 95-6077327)is the sole member of Grossmont Hospital Corporation

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7a		Sharp HealthCare, as the sole member of the corporation, has the right to elect and remove most board members

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7b		Sharp HealthCare, as the sole member of the corporation, has the right to elect and remove most board members Sharp HealthCare also retains the approval rights afforded members for certain significant transactions (e g dissolution or sale or transfer of all or substantially all of the assets )

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 11		The final Form 990 is placed on the organization's intranet, prior to the filing date, where it is view able for comment from all members of the governing body The review process includes multiple levels of review including key corporate and entity finance department personnel comprised of the Director of Accounting & Tax, Vice President of Finance, Senior Vice President and Chief Financial Officer, and entity Chief Financial Officer Additionally, the organization contracts with Ernst & Young, an independent accounting firm, for review of the Form 990



Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 12c	<p>The Corporation is committed to preventing any Participant of the Corporation from gaining any personal benefit from information received or from any transaction of Sharp. One component of the written conflict of interest policy requires that Board Members, Corporate Officers, Senior Vice Presidents and Chief Executive Officer(s) submit a conflict of interest statement annually to Legal Services/Senior Vice President of Legal Services who will review all statements. In addition, all Vice Presidents and any employees in the Purchasing/Supply Chain, Audit and Compliance, and Case Management/Discharge Planning departments are required to complete an online conflict of interest questionnaire annually that is reviewed by the Conflict Review Committee comprised of employees from Sharp's Legal, Compliance, and Internal Audit departments. In connection with any transaction or arrangement, which may create an actual or possible conflict of interest, the person shall disclose in writing the existence and nature of his/her financial interest and all material facts. Board Members, Corporate Officers, Senior Vice Presidents, and the Chief Executive Officer(s) shall make such disclosures directly to the Chairman of the Sharp HealthCare Board, and to the members of the committee with the board designated powers considering the proposed transaction or arrangement. Upon disclosure of the financial interest and all material facts, the Board Member, Corporate Officer, Senior Vice President or the Chief Executive Officer(s) making such disclosures shall leave the board or the committee meeting while the financial interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists. In certain instances, such as if someone takes a board seat on a competitor's board of directors or has a role with an organization whereby the information that they may obtain from Sharp would put them in a consistent conflict with their two roles, the conflict could call for the individual's removal from the board. The bylaws for the organization provide for the ability to remove directors in accordance with Section 5222 of the California Corporations Code. This can generally be done on a "for cause" or a "no cause" basis by the action of the member. Form 990, Part VI, Section B, Line 13. The Corporation is a member of a controlled group under the parent Sharp HealthCare (FEIN 95-6077327). Policies and procedures for the entire Sharp system are developed and approved under Sharp HealthCare and these policies and procedures are applied uniformly across the Sharp system. Sharp HealthCare has a written whistleblower policy which has been reviewed and approved by the Sharp HealthCare governing board, and this policy applies to all Sharp HealthCare entities. Form 990, Part VI, Section B, Line 14. The Corporation is a member of a controlled group under the parent Sharp HealthCare (FEIN 95-6077327). Policies and procedures for the entire Sharp system are developed and approved under Sharp HealthCare and these policies and procedures are applied uniformly across the Sharp system. Sharp HealthCare has a written document retention and destruction policy which has been reviewed and approved by the Sharp HealthCare Policy and Procedure Committee, and this policy applies to all Sharp HealthCare entities.</p>

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 15	<p>The Personnel Committee of Sharp HealthCare retains an independent compensation consulting firm to review the total compensation paid to executive management (CEO/President, Executive Vice President of Hospital Operations, and Senior Vice Presidents) and compares it to the total compensation paid to similar positions with like institutions. The information is presented to the Personnel Committee of the Board of Directors by the independent consultant. The Personnel Committee is comprised of Board members who are not physicians and who are not compensated in any way by the organization. The Personnel Committee approves the total compensation for the President/Chief Executive Officer and reviews and approves the compensation and compensation salary ranges for the remainder of the executive team. The Personnel Committee presents its decision to the Board of Directors. The Personnel Committee retains minutes of its meetings. The Compensation and Benefits department engages a third party independent consultant to conduct a compensation study covering officers and key employees. The independent third party compares base salaries to similar positions with like institutions. The information is reviewed by the Compensation and Benefits department and is presented to the President/Chief Executive Officer, the Executive Vice President of Hospital Operations and the appropriate Senior Vice President for review and approval. The compensation study was last conducted in February/March 2011. Form 990, Part VI, Section B, Line 16. The Corporation is a member of a controlled group under the parent Sharp HealthCare (FEIN 95-6077327). Policies and procedures for the entire Sharp system are developed and approved under Sharp HealthCare and these policies and procedures are applied uniformly across the Sharp system. Sharp HealthCare has a written joint venture policy which has been reviewed and approved by the Sharp HealthCare Policy and Procedure Committee, and this policy applies to all Sharp HealthCare entities.</p>

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section C, line 19	Policies are considered proprietary information, however in Sharp HealthCare's publicly available Code of Conduct, Sharp outlines its Conflict of Interest policies in a user friendly manner. The annual audited financial statements of the consolidated group are published on the dacbond.com website (www.dacbond.com), are attached to the Form 990 filed for each of the Sharp hospitals, and are available upon request. The annual audited financial statements include combining schedules which disclose the financial results (Balance Sheet, Statement of Operations, Statement of Changes in Net Assets) for each entity of the consolidated group. Quarterly financial statements of Sharp's obligated group are published on the dacbond.com website (www.dacbond.com).

Identifier	Return Reference	Explanation
	Form 990, Part VII, Section B	Independent contractors are paid under Sharp HealthCare's tax identification number (95-6077327) and are reported on Sharp HealthCare's tax return

Identifier	Return Reference	Explanation
Hours per week dedicated to related organizations	Form 990, Part VII, Section A	The following officers and directors dedicated hours to the following organizations which are related to Grossmont Hospital Corporation Michael Murphy 60-SHC, 4-SMH, 2-SCVMC, 2-SCHHC, 4-SHP, 4-SHF Carlisle C Lewis III 60-SHC, 3-SMH, 1-SCVMC, 1-SCHHC Ann Pumpian 55-SHC, 2-SMH, 2-SCVMC, 2-SCHHC, 3-SHP Kathleen Lencioni 50-SMH Michele Tarbet 100% of hours reported on Part VII are dedicated to Grossmont Hospital Corporation Maryann Cone 100% of hours reported on Part VII are dedicated to Grossmont Hospital Corporation Kari Cornicelli 100% of hours reported on Part VII are dedicated to Grossmont Hospital Corporation Suzanne Johnson 100% of hours reported on Part VII are dedicated to Grossmont Hospital Corporation Janet Hanley 100% of hours reported on Part VII are dedicated to Grossmont Hospital Corporation Anthony D'Amico 100% of hours reported on Part VII are dedicated to Grossmont Hospital Corporation

Identifier	Return Reference	Explanation
	Form 990, Part X, Line 25	Tax Exempt Bonds are issued for the Sharp HealthCare Obligated Group. As a result, the tax exempt bond balances are reported on the Sharp HealthCare return (EIN 95-6077327) and this organization has reported zero on Form 990, Part X, Line 20 and has reported the allocated balance on Line 25.

Identifier	Return Reference	Explanation
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 5	Net unrealized losses on investments -10,649,085 Change in minimum pension liability 4,297,659 Beneficial Interest in Grossmont Hospital Foundation 497,615 Grossmont Imaging LLC (Book/Tax Difference) -145,233 Total to Form 990, Part XI, Line 5 -5,999,044

Identifier	Return Reference	Explanation
	Form 990, Part XII, Line 3a	Sharp HealthCare, on a consolidated basis, was required to undergo an audit as set forth in the Single Audit Act and OMB Circular A-133, and such an audit was performed as required



Identifier	Return Reference	Explanation
Community Benefits Report	Form 990, Part III, Line 4a	<p>An Overview of Sharp HealthCare Sharp is an integrated, regional health care delivery system based in San Diego, Calif. The Sharp system includes four acute care hospitals, three specialty hospitals, two affiliated medical groups, 20 medical clinics, five urgent care facilities, three skilled nursing facilities, two inpatient rehabilitation centers, home health, hospice, and home infusion programs, numerous outpatient facilities and programs, and a variety of other community health education programs and related services. Sharp offers a full continuum of care, including emergency care, home care, hospice care, inpatient care, long-term care, mental health care, outpatient care, primary and specialty care, rehabilitation, and urgent care. Sharp also has a Knox-Keene-licensed health maintenance organization, Sharp Health Plan (SHP). Serving a population of approximately 3 million in San Diego County, as of September 30, 2011, Sharp is licensed to operate 2,092 beds, has approximately 2,600 Sharp-affiliated physicians and nearly 15,000 employees. Four acute-care hospitals:</p> <ul style="list-style-type: none"><li>* Sharp Chula Vista Medical Center (343 beds) The largest provider of health care services in San Diego's rapidly expanding South Bay, Sharp Chula Vista Medical Center (SCV MC) operates the region's busiest Emergency Department (ED) and is the closest hospital to the busiest international border in the world.</li><li>* Sharp Coronado Hospital and Healthcare Center (204 beds) Sharp Coronado Hospital and Healthcare Center (SCHC), an acute-care hospital, provides services that include sub-acute and long-term care, rehabilitation therapies, joint replacement surgery, hospice and emergency services.</li><li>* Sharp Grossmont Hospital (536 beds) Sharp Grossmont Hospital (SGH) is the largest provider of health care services in San Diego's East County, and has one of the busiest EDs in San Diego County.</li><li>* Sharp Memorial Hospital (656 beds) A regional tertiary care leader, Sharp Memorial Hospital (SMH) provides specialized care in trauma, oncology, orthopedics, organ transplantation, cardiology and rehabilitation. Three specialty-CARE hospitals:</li></ul> <ul style="list-style-type: none"><li>* Sharp Mary Birch Hospital for Women &amp; Newborns (188 beds) A freestanding women's hospital specializing in obstetrics, gynecology, gynecologic oncology, and neonatal intensive care, Sharp Mary Birch Hospital for Women &amp; Newborns (SMBHWN) delivers more babies than any other private hospital in California.</li><li>* Sharp Mesa Vista Hospital (149 beds) The largest private freestanding psychiatric hospital in California, Sharp Mesa Vista Hospital (SMV) is a premier provider of behavioral health services.</li><li>* Sharp McDonald Center (16 beds) Sharp McDonald Center (SMC) is San Diego County's only licensed chemical dependency recovery hospital. Collectively, the operations of SMH, SMBHWN, SMV and SMC are reported under the nonprofit public benefit corporation of SMH, and are referred to herein as The Sharp Metropolitan Medical Campus (SMMC). The operations of Sharp Rees-Stealy Medical Centers (SRS) are included within the nonprofit public benefit corporation of Sharp, the parent organization. The operations of Sharp Grossmont Hospital (SGH) are reported under the nonprofit public benefit corporation Grossmont Hospital Corporation.</li></ul> <p><b>Mission Statement</b> It is Sharp's mission to improve the health of those it serves with a commitment to excellence in all that it does. Sharp's goal is to offer quality care and services that set community standards, exceed patient expectations, and are provided in a caring, convenient, cost-effective and accessible manner. <b>Vision</b> Sharp's vision is to become the best health system in the universe. Sharp will attain this position by transforming the health care experience through a culture of caring, quality, service, innovation and excellence. Sharp will be recognized by employees, physicians, patients, volunteers and the community as the best place to work, the best place to practice medicine and the best place to receive care. Sharp will be known as an excellent community citizen, embodying an organization of people working together to do the right thing every day to improve the health and well-being of those it serves. <b>Values</b> Integrity - Trustworthiness, Respect, Commitment to Organizational Values, and Decision Making Caring - Service Orientation, Communication, Teamwork and Collaboration, Serving and Developing Others, and Celebration Innovation - Creativity, Continuous Improvement, Initiating Breakthroughs, and Self-Development Excellence - Quality, Safety, Operational and Service Excellence, Financial Results, and Accountability Culture. <b>The Sharp Experience</b> For more than 11 years, Sharp has been on a journey to transform the health care experience for patients and their families, physicians and staff. Through a sweeping organization-wide performance and experience improvement initiative called The Sharp Experience, the entire Sharp team has recommitted to purpose, worthwhile work, and creating the kind of health</p>

Identifier	Return Reference	Explanation
Community Benefits Report	Form 990, Part III, Line 4a	<p>health care people want and deserve. This work has added discipline and focus to every part of the organization, helping to make Sharp one of the nation's top-ranked health care systems. Sharp is San Diego's health care leader because it remains focused on the most important element of the health care equation: the people. Through this extraordinary initiative, Sharp is transforming the health care experience in San Diego by striving to be the best place to work. Attracting and retaining highly skilled and passionate staff members who are focused on providing quality health care and building a culture of teamwork, recognition, celebration, and professional and personal growth. This commitment to serving patients and supporting one another will make Sharp "the best health system in the universe." The best place to practice medicine. Creating an environment in which physicians enjoy positive, collaborative relationships with nurses and other caregivers, experience unsurpassed service as valued customers, have access to state-of-the-art equipment and cutting-edge technology, and enjoy the camaraderie of the highest-caliber medical staff at San Diego's health care leader. The best place to receive care. Providing a new standard of service in the health care industry, much like that of a five-star hotel, employing service-oriented individuals who see it as their privilege to exceed the expectations of every patient - treating them with the utmost care, compassion and respect, and creating healing environments that are pleasant, soothing, safe, immaculate, and easy to access and navigate. Through all of this transformation, Sharp will continue to live its mission to care for all people, with special concern for the underserved and San Diego's diverse population. This is something Sharp has been doing for more than half a century.</p> <p>Pillars of Excellence In support of Sharp's organizational commitment to transform the health care experience, the six Pillars of Excellence serve as a guide for team members, providing a framework and alignment for everything that Sharp does. The six pillars listed below are a visible testament to Sharp's commitment to become the best health care system in the universe by achieving excellence in these areas:</p> <ul style="list-style-type: none"> <li>* Demonstrate and improve clinical excellence and patient safety to set community standards and exceed patient expectations</li> <li>* Create exceptional experiences at every touch point for customers, physicians and partners by demonstrating service excellence</li> <li>* Create a workforce culture that attracts, retains, and promotes the best and brightest people, who are committed to Sharp's mission, vision and values</li> <li>* Achieve financial results to ensure Sharp's ability to provide quality health care services, new technology and investment in the organization</li> <li>* Achieve consistent net revenue growth to enhance market dominance, sustain infrastructure improvements and support innovative development</li> <li>* Be an exemplary community citizen</li> </ul> <p>Awards Sharp recently received the following recognition: Sharp is a recipient of the 2007 Malcolm Baldrige National Quality Award, the nation's highest Presidential honor for quality and organizational performance excellence. Sharp is the first health care system in California and eighth in the nation to receive this recognition. Sharp was named the No. 1 "best integrated health-care network" in California and No. 12 nationally by Modern Healthcare magazine in 2012. The rankings are part of the "Top 100 Most Highly Integrated Healthcare Networks (IHN)," an annual survey conducted by health care data analyst IMS. This is the 14th year running that Sharp has placed among the top in the state in the survey. Sharp was ranked 47th by Modern Healthcare in its 2008 "100 Best Places</p>

Identifier	Return Reference	Explanation
		<p>to Work " The awards and honors program recognizes workplaces in health care that enable employees to perform at their optimum level to provide patients and customers with the best possible care and services SMH was named "Best Hospital" by San Diego Union-Tribune readers participating in the paper's 2011 "Best of San Diego" Readers Poll, and SGH, SMBHWN, and SCVMC were ranked fifth, sixth and seventh, respectively This marks the fourth year in a row that Sharp received the "Best Hospital" honor SGH and SMH have both received MAGNET Designation for Nursing Excellence by the ANCC The Magnet Recognition Program is the highest level of honor bestowed by the ANCC and is accepted nationally as the gold standard in nursing excellence Sharp was named one of the nation's "Most Wired" health care systems from 1998 through 2009 by Hospitals &amp; Health Networks magazine in the annual Most Wired Survey and Benchmark Study "Most Wired" hospitals are committed to using technology to enhance quality of care for both patients and staff In July 2010, SMH was named the "Most Beautiful Hospital in America" by Soliant Health, one of the largest medical staffing companies in the country With over 10,000 votes from visitors to the Soliant Health website, SMH was voted to the top of the second annual "20 Most Beautiful Hospitals in America" list In 2010, SCHCC was re-designated as a Planetree Patient-Centered Hospital Planetree is a coalition of more than 100 hospitals worldwide that is committed to improving medical care from the patient's perspective Initially designated in 2007, SCHCC is the first hospital in California to receive this designation, and the only hospital in California to achieve re-designation In 2010, Sharp received the Morehead Apex Workplace of Excellence Award Morehead awards the health care industry's top achiever by objectively identifying the highest performer and acknowledging their contributions to health care With this singular award, Morehead annually recognizes a client who has reached and sustained the 90th percentile on their employee engagement surveys Sharp reached the 98th percentile in 2010 and the 99th percentile in 2011 In 2011, SCVMC and SCHHC each received the Energy Star designation from the U.S. Environmental Protection Agency (EPA) for outstanding energy efficiency Buildings that are awarded the designation use an average of 40 percent less energy than other buildings and release 35 percent less carbon dioxide into the atmosphere In 2011, SCVMC and SCHHC were two of only six California hospitals to receive this designation In 2011, Sharp HealthCare was named the Crystal Winner of the 2011 Workplace Excellence Awards from the San Diego Society for Human Resource Management This designation recognizes Sharp's Human Resources Department as an innovative and valuable asset to overall company performance Patient Access to Care Programs Uninsured patients with no ability to pay, and insured patients with inadequate coverage receive financial assistance for medically necessary services through Sharp's Financial Assistance Program Sharp does not refuse any patient requiring emergency medical care Sharp provides services to help every unfunded patient received in the emergency room find coverage options Patients use a quick, simple online questionnaire through the Foundation for Health Coverage Education to generate personalized coverage options that are filed in their account for future reference and accessibility Sharp also continues to offer ClearBalance - a specialized loan program for patients facing high medical bills Through this collaboration with San Diego-based CSI Financial Services, both insured and uninsured patients have the opportunity to secure small bank loans in order to pay off their medical bills in low monthly payments - as low as \$25 per month - and thus prevent unpaid accounts from going to collections Through this program, Sharp provides a more affordable alternative for patients that struggle with the ability to resolve their hospital bills In addition, Sharp provides post-acute care facilitation for high-risk patients, including the homeless and patients lacking a safe home environment Patients receive assistance with transportation and placement, connections to community resources, and financial support for medical equipment, medications, and even outpatient dialysis and nursing home stays Through collaboration with the San Diego Rescue Mission, SCHHC, SGH and SMH discharge their chronically homeless patients to the Rescue Mission's Recuperative Care Unit, where patients not only receive follow-up medical care through Sharp in a safe environment, but through the organization's programs they also receive psychiatric care, substance abuse counseling and guidance to help get them off the street Since February 2011, Sharp's acute care hospitals have partnered with Father Joe's Villages to support Project SOAR - a program designed to assist with</p>

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		<p>and expedite social security and disability applications for homeless individuals with urgent health care needs. As eligible homeless patients are discharged from the hospital, hospital case managers facilitate their transition to Project SOAR workers who then continue the application process on through to completion. The program helps ensure eligible at-risk individuals are able to obtain timely access to the income and medical care benefits that they may not otherwise receive as a result of their homeless status. Also in FY 2011, Sharp collaborated with the United Way's Project 25 program to provide financial information that will help the program gauge the effectiveness of its interventions to reduce use of emergent and other front line public resources. Project 25 is a partnership between United Way of San Diego County and the City and County of San Diego with a goal to provide permanent housing (via the San Diego Housing Commission) and supportive services (via the County of San Diego) to at least 25 of San Diego County's chronically homeless, who are often the most frequent users of public resources. In FY 2011, Sharp hospitals provided services to 14 individuals enrolled in the Project 25 program. In addition, SCVMC continued its partnership with community clinics to provide timely access to primary care and behavioral health services by establishing medical homes for low-income, medically uninsured, and underserved patients in the South Bay that present in the SCVMC ED. The program seeks to support safety net patients suffering from chronic conditions to better manage their pain, diseases and overall health care with the establishment of a medical home at a community clinic, inform safety net patients about obtaining affordable medications through generic prescription access education, increase patient access and timely referrals to primary care and behavioral health services, increase patient access to follow-up primary care services and establish a medical home at either Chula Vista Family Health Clinic or other community clinics, and offer enhanced access to transportation resources to the Chula Vista Family Health Clinic. It is this ability to schedule timely follow-up appointments for safety net patients that has contributed greatly to the success of this program, and since the program's inception SCVMC has served a total of 1,248 safety net patients, 55 percent of whom were referred to the Chula Vista Family Health Clinic.</p> <p>Health Professions Training Internships. Students and recent health care graduates are a valuable asset to the community, and Sharp demonstrates a deep investment in these potential and newest members of the health care workforce through internships, financial aid and career pipeline programs. In FY 2011, there were 3,933 student interns within the Sharp system, providing more than 534,000 hours in disciplines that include nursing, allied health and professional educational programs. Sharp provides education and training programs for students across the continuum of nursing (e.g., critical care, medical/surgical, behavioral health, women's services and wound care) and allied health professions such as rehabilitation therapies (speech, physical, occupational and recreational therapy), pharmacy, dietetics, lab, radiology, social work, psychology and public health. Students from local community colleges such as Grossmont College (GC), San Diego Mesa College (MC), and Southwestern College (SWC), local and national university campuses such as San Diego State University (SDSU), University of California, San Diego (UCSD), University of San Diego (USD), Point Loma Nazarene University (PLNU), and University of Oklahoma (OU), and vocational schools such as Kaplan College (KC) participate in Sharp's health professions training. Table 1 presents the students and student hours at each of the Sharp entities in FY 2011.</p>

Identifier	Return Reference	Explanation
		<p>Table 1 Sharp HealthCare Internships - FY 2011 Sharp Chula Vista Medical Center Nursing 7 21 Students 63,894 Group Hours 20,440 Precepted Hours Ancillary 138 Students 24,675 Hours Total 859 Students 109,009 Hours Sharp Coronado Hospital and Healthcare Center Nursing 443 Students 82,776 Group Hours 3,600 Precepted Hours Ancillary 127 Students 22,624 Hours Total 570 Students 109,000 Hours Sharp Grossmont Hospital Nursing 566 Students 48,974 Group Hours 16,183 Precepted Hours Ancillary 222 Students 39,914 Hours Total 788 Students 105,071 Hours Sharp Mary Birch Hospital for Women &amp; Newborns Nursing 176 Students 13,548 Group Hours 4,028 Precepted Hours Ancillary 112 Students 8,498 Hours Total 288 Students 26,074 Hours Sharp Memorial Hospital Nursing 547 Students 39,084 Group Hours 21,365 Precepted Hours Ancillary 333 Students 61,626 Hours Total 880 Students 122,075 Hours Sharp Mesa Vista Hospital Nursing 271 Students 27,548 Group Hours 1,470 Precepted Hours Ancillary 12 Students 4,148 Hours Total 283 Students 33,166 Hours Sharp HealthCare Nursing 144 Students 3,008 Group Hours 5,684 Precepted Hours Ancillary 121 Students 20,923 Hours Total 265 Students 29,615 Hours Total Nursing 2,868 Students 278,832 Group Hours 72,770 Precepted Hours Ancillary 1,065 Students 182,408 Hours Total 3,933 Students 534,010 Hours</p> <p>College Collaborations In FY 2011, Sharp completed its partnership with the OU College of Nursing and SWC in providing clinical, real-world experience in San Diego County for students enrolled in the OU Online Accelerated Second Degree Bachelor of Science in Nursing (BSN) Program and the OU Career Mobility Registered Nurse (RN) to BSN Program. The partnership sought to boost the number of new nurse graduates by offering programs with increased flexibility and access for students. The Accelerated Second Degree BSN Program is for individuals with a bachelor's degree or higher in a non-nursing major. The program included more than 600 hours of online coursework and nearly 900 hours of clinical experience at Sharp facilities. The Health Academy For six consecutive years, the SCVMC Health Academy program provided education to the next generation of health care professionals by introducing local elementary school students to a wide variety of health care careers. This program has provided hospital tours to hundreds of fifth graders who have benefited from interactive learning in various areas of the hospital, including the laboratory, pharmacy and billing departments. In addition, a grant from the California Endowment allowed for the expansion of the program to provide a diversity initiative to high school students. The initiative, entitled the Health Care Career Pipeline Partnership (HCCPP), represents collaboration among the hospital, Barrio Logan College Institute (BLCI), San Ysidro High School (SYHS), SWC, Harder and Associates and the San Diego chapter of the National Association of Hispanic Nurses. The program provided local high school students from diverse backgrounds, many of whom are the first in their family to attend college, a greater chance of attending college and succeeding in a career in health care. The HCCPP provided tours of SCVMC, as well as opportunities for students to volunteer or intern at the hospital. The program has had tremendous success since its inception - providing tours to nearly 650 students, paid internships to 24 students, and contributing to the 100 percent high school graduation rate of participating students. In FY 2009, SCVMC won a partnership award from the San Diego Science Alliance for its work in the HCCPP. The award recognizes a San Diego business or employer that partners with youth in the community.</p> <p>Health Sciences High and Middle College Sharp has teamed up as an industry partner with charter school Health Sciences High and Middle College (HSHMC) to provide students broad exposure to careers available in health care. During FY 2011, 329 HSHMC students connected to Sharp campuses for a total of more than 58,600 student hours. The collaboration between Sharp and HSHMC prepares high school students to enter health science and medical technology careers in the following five career pathways: Biotechnology Research and Development, Diagnostic Services, Health Informatics, Support Services and Therapeutic Services. During a 16-week period, supervised students rotate through instructional pods in various departments such as nursing, OB-GYN, occupational and physical therapy, behavioral health, Surgical Intensive Care Unit (SICU), Medical Intensive Care Unit (MICU), imaging, rehabilitation, laboratory, pharmacy, pulmonary, cardiac services, and operations. HSHMC students not only receive hands-on experience in patient care, but also guidance from Sharp staff on professionalism, career ladder development and job/education requirements. HSHMC students earn high school diplomas, complete college entrance requirements and have opportunities to earn community college credits, de</p>

Identifier	Return Reference	Explanation
		<p>degrees or vocational certificates. With the HSHMC program, Sharp links students with health care professionals through job shadowing and internships to explore real-world applications of their school-based knowledge and skills. The program began in 2007 with HSHMC students on the campuses of SGH and SMH, and expanded to include SMV and SMBHWN in 2009, SCHHC in 2010, and SCVMC in 2011. Lectures and Continuing Education Sharp contributes to the academic environment of many colleges and universities in San Diego. In FY 2011, Sharp staff committed more than 500 hours to the academic community by providing lectures, courses and presentations on numerous college/university campuses throughout San Diego. Through the delivery of a variety of guest lectures, including health information technology at San Diego Mesa College, cardiovascular technology at Grossmont College, health information lectures at San Diego Mesa College, pharmacy practice lectures at UCSD, and a variety of health administration lectures to public health graduate students at SDSU, Sharp staff remain active and engaged with San Diego's academic health care community. Sharp's Continuing Medical Education (CME) department assesses, designs, implements and evaluates educational and training initiatives for Sharp's affiliated physicians, pharmacists and other health professionals to better serve the health care needs of the San Diego community. In FY 2011 the professionals at Sharp HealthCare CME invested more than 1,800 hours in numerous CME activities open to San Diego health care providers, ranging from annual conferences on patient safety, diabetes, breast cancer, kidney-transplant, and end-of-life care, to presentations on hip preservation and hospital overcrowding. In addition, the Outcomes Research Institute (ORI) at Sharp was formed to measure long-term results of care and to promote and develop best practices for health care delivery for members of the professional health care community. With both inpatient and ambulatory locations and a diverse patient population, Sharp is well-positioned to study care processes and outcomes in a real-world setting, reflecting an authentic picture of the health care environment. Among its current and future goals, the ORI aims to ensure patient care produces outcomes consistent with evidence-based medical literature, analyze the relationships between processes and outcomes for treatments, interventions and quality improvement initiatives, establish associations between practice, costs and outcomes for patient care, as well as to develop and disseminate effective approaches to quality care delivery in the health care community.</p> <p>Volunteer Service Sharp Lends a Hand In FY 2011, Sharp continued its systemwide community service program, Sharp Lends a Hand (SLAH), to further support the San Diego communities it serves. In October 2010, Sharp promoted the program both internally and in the community, requesting project ideas that focused on improving the health and well-being of San Diego in a broad, positive way, relied on Sharp for volunteer labor only, supported nonprofit initiatives, community activities or other programs that serve the residents of San Diego County, and could be completed by September 30, 2011. Sharp employees voted on the qualified projects posted on SharpNET (Sharp's internal website). They selected six projects: Stand Down for Homeless Veterans, San Diego Food Bank, International Coastal Cleanup Day, Special Olympics, YWCA Emergency Shelter (Becky's House), and playground beautification at the Valencia Park Drama and Dance Academy. In support of these projects, more than 1,900 Sharp employees, family members and friends volunteered over 6,700 hours.</p>

Identifier	Return Reference	Explanation
		<p>During nine days in June and July 2011, 454 Sharp employees, family members and friends volunteered at Veterans Village of San Diego. The volunteers sorted and organized clothing donations and provided on-site support, medical services and companionship to hundreds of homeless veterans at Stand Down for Homeless Veterans, an annual event sponsored by Veterans Village of San Diego and held at San Diego High School. The San Diego Food Bank feeds people in need throughout San Diego County, and advocates and educates the public about hunger-related issues. For 10 days over January, March, May, July and September, 880 SLAH volunteers inspected and sorted donated food, assembled boxes and cleaned the San Diego Food Bank warehouse. The YWCA Emergency Shelter (Becky's House) provides emergency shelter and transitional housing to women and children who have been victimized by domestic violence. Eleven SLAH volunteers gave the shelter some much needed "tender love and care" by painting the children's patio in April 2011. The Valencia Park Drama and Dance Academy provides education, health care, food, clothing and personal hygiene for some of San Diego's estimated 2,200 homeless and at-risk children. In June 2011, a group of SLAH volunteers helped improve the outside environment for the students by repainting hopscotch and four-square lines on the playground. More than 368 SLAH volunteers provided assistance to San Diego County's Special Olympics year-round training and athletic competitions including the Fall Regional Games held in Rancho Bernardo, a Floor Hockey competition and the USA Team Training event. Special Olympics of San Diego County has more than 1,400 athletes of all ages. The program provides sports training and athletic competition for all children and adults with intellectual disabilities. The volunteers assisted with timekeeping, score-keeping and cheerleading during the Team Training for the Spring Games in Athens, Greece, which included swimming, tennis, basketball, cycling and rowing. The SLAH team partnered with I Love a Clean San Diego and San Diego Coastkeeper to put the sparkle back in the San Diego community through the International Coastal Cleanup Day on September 17. Nearly 175 volunteers of all ages helped keep San Diego's coast a beautiful place to live and play by picking up and removing trash and debris from 16 selected sites in our communities. Sharp Humanitarian Service Program In FY 2011, 32 Sharp employees were funded through Sharp's Humanitarian Service Program. This program allows employees to participate in service programs that provide health care and/or other supportive services to underserved or adversely affected populations. In FY 2011, Sharp employees devoted their time and energy to organizations that included Wheels for the World, which provides wheelchairs to people with disabilities in developing countries, including Egypt and Ghana. Sharp staff brought 250 wheelchairs, crutches and walkers and worked out of a regional hospital in rural Ghana at a seating and positioning clinic. At this clinic, patients - many who had been crawling for most of their lives - received therapy sessions and their first wheelchairs and other walking supports. In addition, Sharp staff led a team of medically-focused college students on another humanitarian program serving Ghana. Over three weeks, the team traveled to several small villages in West Africa, setting up seven temporary health clinics, and treating over 700 Ghanaians for basic medical care, such as treatment for malaria, intestinal worms, severe dehydration, scorpion stings, snake bites and wound care. The team also provided health education around nutrition, sanitation issues and women's health. Training was provided to Ghanaian health workers so that they could continue the health education after Sharp staff returned to the U.S. Sharp staff also participated in a medical mission trip to El Salvador, providing three medical clinics to the community serving hundreds of patients in poverty. Additionally, a week-long free health clinic was conducted by Sharp physical therapy staff in Punta Gorda, Belize. Patients received physical therapy screening and intervention, education on the benefits of exercise, an individualized home program, and referrals to the local clinic for follow-up services. Another medical mission trip was led in Ho Chi Minh City, Vietnam, during January 2011. Eight participants, including Sharp-affiliated physicians and nurses, served for a week at a local hospital and provided critical orthopedic therapy and treatment to 20 patients. Sharp staff performed surgery for eight of these patients, attending mostly to bone fractures and non-unions. Through the Sharp Humanitarian Service Program, in FY 2011 Sharp staff continued to provide extensive support and expertise to victims of the earthquakes that devastated Haiti in January 2010. Sharp-affiliated physicians and Sharp staff provided medical services including w o</p>

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		<p>und care, post-op treatment, neurological and orthopedic rehabilitation, occupational therapy and general public health, in addition to equipment and supplies to those in need. Sharp staff often delivered around-the-clock care for patients affected by the earthquakes - whose ages ranged from neonates to the elderly - at various sites throughout Haiti. Sharp staff also worked with Family Friends Community Connection (FFCC), a San Diego-based nonprofit organization, to lend vital assistance to those areas of Haiti impacted by the earthquakes. In April 2011, the FFCC team and Sharp employees set up the first mobile medical clinic in Carrefour, Haiti, and treated nearly 1,000 patients in need of critical medical care. Staff provided care, comfort, support and hope amidst a situation of complete and utter chaos, including the challenges of limited medical supplies and unsanitary living conditions.</p> <p><b>Community Walks</b> For the past 16 years, Sharp has proudly supported the American Heart Association (AHA) annual Heart Walk. In September 2011, more than 1,000 walkers represented Sharp at the San Diego Heart Walk held in Balboa Park. Sharp was the No. 1 Heart Walk team in San Diego and the AHA Western Region Affiliates, raising more than \$194,000 for the American Heart Association.</p> <p><b>Sharp Volunteers</b> Sharp volunteers are a critical component of Sharp's dedication to the San Diego community. Sharp provides a multitude of volunteer opportunities throughout San Diego County for individuals to serve the community, meet new people, and assist programs ranging from pediatrics to Senior Resource Centers. Volunteers devote their time and compassion to patients as well as to the general public, and are an essential element to many of Sharp's programs, events and initiatives. Sharp volunteers spend their time within hospitals, in the community, and in support of the Sharp HealthCare Foundation, Grossmont Hospital Foundation, and Coronado Hospital Foundation. Sharp employees also donate time to Sharp as volunteers for the Sharp organization. In FY 2011, there were more than 2,300 total volunteers across the Sharp system, contributing 280,963 hours of their time in service to Sharp and its initiatives. More than 15,000 of these hours were provided externally to the San Diego community through activities such as delivering meals to homebound seniors and assisting with health fairs and events. Table 2 details the number of volunteers and the hours provided in service to each of Sharp's entities, as well as Sharp HospiceCare, specifically for patient and community support. Volunteers also spent additional hours supporting Sharp's three foundations for events such as Grossmont Hospital Foundation's annual Golf Tournament, the SMBHWN Stewardship Committee, galas held for SCVMC, SCHHC and SGH, and other events in support of Sharp entities and services.</p> <p><b>Table 2: Sharp Volunteers and Volunteer Hours - FY 2011</b></p> <table border="1"> <thead> <tr> <th>Entity</th> <th>Volunteers (Individuals)</th> <th>Volunteer Hours</th> </tr> </thead> <tbody> <tr> <td>Sharp Chula Vista Medical Center</td> <td>347</td> <td>52,990</td> </tr> <tr> <td>Sharp Coronado Hospital and Healthcare Center</td> <td>165</td> <td>8,181</td> </tr> <tr> <td>Sharp Grossmont Hospital</td> <td>950</td> <td>109,487</td> </tr> <tr> <td>Sharp Mary Birch Hospital for Women &amp; Newborns</td> <td>85</td> <td>14,873</td> </tr> <tr> <td>Sharp Memorial Hospital</td> <td>617</td> <td>74,961</td> </tr> <tr> <td>Sharp Mesa Vista Hospital</td> <td>24</td> <td>2,689</td> </tr> <tr> <td>Sharp HealthCare</td> <td>26</td> <td>4,125</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>2,214</b></td> <td><b>267,306</b></td> </tr> </tbody> </table> <p>Sharp employees also volunteer their time for the Cabrillo Credit Union Sharp Division Board, the Sharp and Children's MRI Board, the UCSD Medical Center/Sharp Bone Marrow Transplant Program Board, Grossmont Imaging LLC Board, and the SCVMC - SDI Imaging Center.</p>	Entity	Volunteers (Individuals)	Volunteer Hours	Sharp Chula Vista Medical Center	347	52,990	Sharp Coronado Hospital and Healthcare Center	165	8,181	Sharp Grossmont Hospital	950	109,487	Sharp Mary Birch Hospital for Women & Newborns	85	14,873	Sharp Memorial Hospital	617	74,961	Sharp Mesa Vista Hospital	24	2,689	Sharp HealthCare	26	4,125	<b>TOTAL</b>	<b>2,214</b>	<b>267,306</b>
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		<p>In addition, volunteers on Sharp's auxiliary boards and the various Sharp entity Boards volunteer their time to provide program oversight, administration and decision-making regarding financial resources. In FY 2011, 129 community members contributed their time to Sharp's boards. Sharp's Greater Good In FY 2011, Sharp staff volunteered their time and passion to a number of unique initiatives, underscoring Sharp's commitment to the health and welfare of the San Diego community, and the greater good. Below are just a few examples of how Sharp employees gave of themselves to the San Diego community. At SGH, the "This Bud's for You" program brought smiles to unsuspecting patients and their loved ones with the delivery of hand-picked flowers from the medical campus's abundant gardens. The SGH landscape team grew, cut, bundled and delivered colorful bouquets each week, bringing an element of natural beauty to help ease the experience of patients and visitors of both the hospital, and the SGH Hospice Houses. The team also regularly offers single-stem roses in a small bud vase to passers-by. The program's success was made possible by support from the SGH Auxiliary and volunteers who assisted the landscape crew in navigating the hospital and supplied flower vases. Another program organized by an SGH staff member was the "Shirt Off Our Backs" program. During the 2010 holiday season, one SGH employee orchestrated and implemented a concerted effort to bring clothing, shoes, blankets and household items directly to San Diego's homeless population. The SGH Engineering Department, the SGH Auxiliary and local businesses collaborated to implement the program, and SGH's Waste Management team provided ancillary support with loaner recycle bins to use for collection. Hundreds of pounds of clothing, shoes, towels, blankets, toiletries and other items that could be put to use immediately were collected, washed, folded, boxed/bagged and prepared before delivery to the San Diego population in need. At SMMC, the Arts for Healing program was established to improve the spiritual and emotional health of patients that face significant medical challenges. The program provides services at SMH, SMH OPP, SMBHWN, SMV and SMC. Since the inception of the program in 2007, more than 5,000 patients and their families have benefitted from the time and talent provided by dedicated staff and volunteers. Trained volunteers are the primary providers of the program, which is coordinated by a clergy member of the Spiritual Care program. The Arts for Healing program utilizes the power of art and music to enhance the healing process for patients challenged by significant illness, chronic pain and long-term hospitalization. At SMH, oftentimes these are stroke patients, cancer patients, or patients facing life with newly-acquired disabilities following catastrophic events. At SMBHWN, the program is provided to high-risk mothers who are in the hospital from one to four months, awaiting childbirth and experiencing stress and loneliness over the separation from their families. The program has recently expanded to offer special interactive group art projects in the lounges of the Stephen Birch Healthcare Center, which are open to patients, families and staff. Participants paint and create cards and seasonal craft projects. Events have attracted more than 75 people who benefit from the healing power of art. In addition, Sharp sponsored the TEDxSanDiego and TEDxYouth events held in November 2010, providing support in advance of the event, including show direction, technical direction, experience design and registration. TEDxSanDiego and TEDxYouth are events for members of the San Diego community and beyond, and are designed to bring together innovators, explorers, teachers and learners in an environment that encourages collaboration, conversation and interaction. TED is a nonprofit organization devoted to "Ideas Worth Spreading," and has grown over the past 25 years to support an array of world-changing ideas with multiple initiatives. TEDxSanDiego and TEDxYouth are not-for-profit events organized entirely by local, unpaid volunteers. Between 40 to 60 Sharp staff volunteered their time on-site at each event, delivering The Sharp Experience as wayfinders, ushers, stage managers, speaker shadows, and in other roles. Lastly, Sharp's 2011 All-Staff Assembly drew from the spirit of giving back with its theme of "Greater Good." To inspire Sharp staff to make a difference, brown paper "bags of goodness" were mailed to all Sharp employees in September, with the simple request to fill the bag "with love and generosity" and to pass it on "to create unexpected delight." Hundreds of Sharp employees shared stories of their bags of goodness, ranging from bags of recycled eyeglasses distributed to those in need in third world countries by the La Mesa Lion's Club, to safety supplies and necessities for neighbors during a blackout, granola bars and other foods for those in need.</p>

Identifier	Return Reference	Explanation
		<p>, and treats and useful items for soldiers in Iraq and Afghanistan. In addition, a group of Sharp staff organized a trip to the YWCA "C" Street Shelter, a temporary housing facility for women and children that are victims of domestic violence. They delivered over 50 bags of goodness, filled with toiletries, snacks, gift cards, books and other kind gestures. Through these and many other simple, yet powerful acts, Sharp employees demonstrated that a single good deed can ignite a spark of possibility, setting in motion a chain reaction of kindness - all for the greater good. All Ways Green Initiative</p> <p>As San Diego's largest private employer, Sharp recognizes that the health of its patients and employees is directly tied to the health of their environment. Sharp leadership promotes a culture of environmental responsibility by providing education and outreach to employees to improve the health of those they serve as well as their own. Sharp continues to improve its systemwide All Ways Green program, which is aimed at increasing energy efficiency, water conservation and waste minimization, as well as the promotion of other initiatives to lower Sharp's carbon footprint. Sharp created its All Ways Green logo to brand its environmental activities, and has established a Green Team at each entity to foster and communicate sustainable activities. Sharp has also instituted a systemwide environmental policy.</p> <p>According to the EPA, inpatient hospital facilities are now the second-most energy-intensive industry after food service and sales, with energy utilization rates 2.7 times greater than that of office buildings on a square-foot basis. Unlike other industries, hospitals must operate 24 hours a day, seven days a week, and must provide service during power outages, natural disasters and other emergencies. Given this reality, Sharp has embarked on several green initiatives to enhance energy efficiency through energy-efficient lighting, retro-commissioning, occupancy sensors, energy audits, energy-efficient plant motor replacements, equipment modernization and training of staff to conserve energy. In addition, all Sharp entities participate in the EPA Energy Star database and monitor their Energy Scores on a monthly basis. In FY 2010 and FY 2011, SCHHC earned the EPA Energy Star Award. SCHHC was also named as an "Honorable Mention" at the 2011 San Diego Gas &amp; Electric (SDG&amp;E) annual showcase awards. SCVMC earned the EPA Energy Star Award in FY 2009, FY 2010 and FY 2011 and was the only hospital in California to be eligible for the award during this consecutive three-year period. In an effort to conserve natural resources, Sharp has researched and implemented infrastructure changes to ensure Sharp's facilities are optimally operated while monitoring and measuring water consumption. Such changes include installation of motion-sensing faucets, drip irrigation systems, mist eliminators, water-saving devices and equipment, water monitoring and control systems, water practice and utilization evaluations, and drought-resistant plants and other landscape redesigns. These changes have been implemented operationally with no negative impact to patient care, resulting in significant financial savings and reduced natural resource consumption. Sharp employees also donated or recycled personal cell phones and proceeds were given to the Community Health Improvement Partners (CHIP) Gift of Health program. CHIP uses the proceeds to provide medical and dental care for uninsured children in San Diego. In addition, Sharp employees were encouraged to recycle personal eyeglasses and sunglasses through the Lion's Club Recycle Sight program, which distributes recycled glasses to people in need both locally and globally. In April 2011, Sharp held its second annual systemwide Earth Week event, partnering with 11 of Sharp's vendors to elevate awareness of green initiatives.</p>

Identifier	Return Reference	Explanation																				
		<p>Sharp also held its first corporate electronic waste event at its corporate office locatio n in Kearny Mesa. The EPA and Hospitals for a Healthy Environment have reported that each patient generates approximately 15 pounds of waste each day, while U.S. medical centers ge nerate approximately 2 million tons of waste each year. In recognition of this dramatic en vironmental impact, Sharp has implemented a systemwide single-stream recycling program to divert waste from going to landfills. Facilities also began using reusable sharps containe rs that can be reused up to 500 times, sterile processing equipment that allows for the el imination of blue-wrapped instrument trays, and reprocessing of surgical instruments. Othe r efforts to reduce waste include the use of recyclable paper for printing brochures and o ther marketing materials, electronic patient bills and paperless payroll, recycling of exa m paper at SRS, and encouragement of reduced paper use at meetings through electronic corr espondence. In addition, Sharp negotiated a contract w ith Office Depot to allow for 30 per cent recycled copy paper to be used at all entities. Items received from Office Depot are also now delivered in a small re-useable bag rather than a large single-use cardboard box. At the SMMC, volunteers continue to pick up unwanted flow er vases following patient disch arge to reuse them in the hospital gift shop. The impact of the waste reduction programs h as been significant. In FY 2011, Sharp facilities diverted some 6.8 million pounds of pape r, cardboard, plastic containers, glass containers, aluminum and metal cans from local lan dfills. In addition, SCHHC and SMMC diverted 39,960 pounds of waste through utilization of reusable sharps and pharmaceutical waste containers in FY 2011. Sharp recycled/reclaimed 180,669 pounds of hazardous and universal waste (e.g., batteries, solvents, fluorescent li ght bulbs, etc.) and diverted 27,088 pounds of waste through the reprocessing of surgical devices. Table 3 presents the quantity of waste diversion at Sharp shown as pounds (lbs.) diverted. Table 3: Sharp HealthCare Waste Diversion - FY 2011</p> <table><tr><td>Sharp Chula Vista Medical Center</td><td>352,954 Pounds Recycled Waste Per Year</td><td>3,229,152 Pounds Total Waste Per Year</td><td>10.9% Recycled</td></tr><tr><td>Sharp Coronado Hospital and Healthcare Center</td><td>227,119 Pounds Recycled Waste Per Yea r</td><td>937,656 Pounds Total Waste Per Year</td><td>24.2% Recycled</td></tr><tr><td>Sharp Grossmont Hospital</td><td>1,422,201 Po unds Recycled Waste Per Year</td><td>4,176,332 Pounds Total Waste Per Year</td><td>34.1% Recycled</td></tr><tr><td>Sharp Metropolitan Medical Campus</td><td>1,960,931 Pounds Recycled Waste Per Year</td><td>6,355,666 Pounds Total Waste Per Year</td><td>30.9% Recycled</td></tr><tr><td>Total Sharp HealthCare</td><td>7,009,641 Pounds Recycled Waste Per Y ear</td><td>20,097,407 Pounds Total Waste Per Year</td><td>34.9% Recycled</td></tr></table> <p>In FY 2011, Sharp promoted vario us other All Ways Green initiatives to enhance environmental responsibility. Green buildin g designs are utilized throughout the Sharp system and the new SRS Downtow n medical office building is designed to be LEED (Leadership in Energy and Environmental Design) Gold cert ified with a co-generation system which uses natural gas to produce electricity on-site. S harp is also implementing sustainable food practices including removal of Styrofoam from the cafeterias, use of green-label soaps and cleaners, new dishwashing systems to reduce t he use of plastics, electronic cafe menus, flatware and plates made from recycled material s, recycling of all cardboard, cans and grease from cafes, and partnering with vendors who are committed to reducing product packaging. Other sustainable food practices include org anic markets at each hospital and the corporate office, purchasing of hormone-free milk, a nd increased purchasing of locally grow n fruits and vegetables, approaching 65 percent at some entities. In addition, SMH and SCHHC are in the process of implementing composting sy stems in their kitchens, and close to having the first County-approved organic gardens. Ride sharing, public transit programs and other transportation efforts contribute to the red uction of Sharp's transportation emissions. Sharp ensures carpool parking spaces and desig nated bike racks and motorcycle spaces are available at each employee parking lot. In addi tion, Sharp offers discounted monthly bus passes for purchase by employees. In partnership with the San Diego Association of Governments (SANDAG), a vanpool and carpool match-up pr ogram has also been created to help employees find convenient ride share partners. In FY 2011, the Sharp system participated in the SANDAG iCommute corporate challenge, achieving f irst place in the large employer category. Sharp is also in the process of installing elec tric vehicle (EV) chargers across the Sharp system, as part of the national EV Project. Sh arp is the first health care system in San Diego to offer the EV chargers and is on the fo refront of helping create the national infrastructure required for the promotion of EVs. In addition, Sharp uses centralized patient schedul</p>	Sharp Chula Vista Medical Center	352,954 Pounds Recycled Waste Per Year	3,229,152 Pounds Total Waste Per Year	10.9% Recycled	Sharp Coronado Hospital and Healthcare Center	227,119 Pounds Recycled Waste Per Yea r	937,656 Pounds Total Waste Per Year	24.2% Recycled	Sharp Grossmont Hospital	1,422,201 Po unds Recycled Waste Per Year	4,176,332 Pounds Total Waste Per Year	34.1% Recycled	Sharp Metropolitan Medical Campus	1,960,931 Pounds Recycled Waste Per Year	6,355,666 Pounds Total Waste Per Year	30.9% Recycled	Total Sharp HealthCare	7,009,641 Pounds Recycled Waste Per Y ear	20,097,407 Pounds Total Waste Per Year	34.9% Recycled
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		<p>ing to improve patient vanpools, and has replaced higher fuel-consuming cargo vans with economy Ford transit vehicles, saving approximately five miles per gallon. At SMMC, battery-operated golf carts are also used to shuttle patients between campus buildings. Table 4 highlights the All Ways Green efforts at Sharp entities. Going forward, Sharp remains committed to the All Ways Green initiative and will continue to investigate other green opportunities to reduce Sharp's carbon footprint. Green purchasing methods will be explored as a first line of defense to reduce waste volume and toxicity with less packaging, fewer toxic materials and more recyclable packaging. Sharp's All Ways Green Committee will continue to work with our employees, physicians and corporate partners to develop new and creative ways to reduce, reuse and recycle. Table 4 All Ways Green Initiatives by Sharp Entity - FY 2011</p> <p>SMH/SMBHWN Energy Efficiency -Lighting retrofit -Energy Star award -Energy-efficient motors installed -Occupancy sensors Water Conservation -Drip irrigation -Hardscaping -Water-saving practices/utilization evaluations -Mist eliminators -Landscape water reduction systems -Drought-tolerant plants Waste Minimization -Reprocessing (surgical instruments, etc.) -Recycling -Reusable supplies Education and Outreach -Recycling education -Green Team -Earth Week activities -Environmental policy SMV/SMC Energy Efficiency -Lighting retrofit -Energy Star participation -Motor and pump replacements Water Conservation -Drip irrigation -Hardscaping -Water-saving practices/utilization evaluations -Landscape usage reduction -Landscape water reduction systems -Drought-tolerant plants Waste Minimization -Recycling -Waste reduction -Styrofoam elimination Education and Outreach -Green Team -Earth Week activities -Environmental policy SGH Energy Efficiency -Lighting retrofit -Energy Star participation -Retro-commissioning Water Conservation -Drip irrigation -Hardscaping -Water-saving practices/utilization evaluations -Landscape water reduction systems -Drought-tolerant plants Waste Minimization -Recycling -Sustainable supplies -Surgical instrument reprocessing Education and Outreach -Update and enforce No Smoking Policy -Green Team -Earth Week activities -Environmental policy SCVMC Energy Efficiency -Energy Star participation -Lighting retrofit -Energy-efficient chillers/motors Water Conservation -Drip irrigation -Hardscaping -Water-saving practices/utilization evaluations -Landscape water reduction systems -Drought-tolerant plants Waste Minimization -Recycling -Compactor renovation -Surgical instrument reprocessing Education and Outreach -Recycling/ride sharing promotion -Green Team -Earth Week activities -Environmental policy SCHHC Energy Efficiency -Lighting retrofit -Energy Star award -Elevator/chiller modernizations -A/C replacement -Energy efficient chillers/motors -SDG&amp;E "honorable mention" award Water Conservation -Drip irrigation -Hardscaping -Water-saving practices/utilization evaluations -Landscape usage/water reduction -Drought-tolerant plants Waste Minimization -Recycling -Reusable supplies -Reprocessing -Surgical instrument reprocessing Education and Outreach -Recycling education -Green Team -Earth Week activities -Environmental policy -Farmer's Market SRS Energy Efficiency -Lighting retrofit -Energy Star participation -Energy audits Water Conservation -Drip irrigation -Hardscaping -Water-saving practices/utilization evaluations -Landscape usage/water reduction -Drought-tolerant plants -Low-flow systems Waste Minimization -Recycling Education and Outreach -Contractor education -Green Team -Earth Week activities -Environmental policy</p>

Identifier	Return Reference	Explanation
		<p>           SHP Energy Efficiency -Lighting retrofit -Energy Star participation -Occupancy sensors Wat er Conservation -Drip irrigation -Hardscaping -Water-savings practices/utilization evaluat ions -Landscape water reduction systems - Drought-tolerant plants -Water-saving devices Was te Minimization -Recycling -Spring Cleaning events Education and Outreach -Mass transit ed ucation -Green Team -Earth Week activities -Environmental policy Sharp System Services Ene rgy Efficiency -Energy Star participation -Energy efficient chillers/motors -Thermostat co ntrol softw are - Occupancy sensors Water Conservation -Drip irrigation -Hardscaping -Water- saving practices and utilization evaluations -Landscape usage/w ater reduction -Drought-tol erant plants Waste Minimization -Green Grocer's market -Recycling -e-Waste event Education and Outreach -Sharp-sponsored mass transit and carpooling program-Green Team -Earth Week activities -Environmental policy Executive Summary This Executive Summary provides an ove rview of community benefits planning at Sharp, a listing of community needs addressed in t his Community Benefits Report, and a summary of community benefits programs and services p rovided by Sharp in Fiscal Year (FY) 2011 (October 1, 2010, through September 30, 2011) In addition, the summary reports the economic value of community benefits provided by Sharp , according to the framework specifically identified in SB 697, for the follow ing *Sharp Chula Vista Medical Center *Sharp Coronado Hospital and Healthcare Center *Sharp Grossmont Hospital *Sharp Mary Birch Hospital for Women &amp; New borns *Sharp Memorial Hospital *Sharp Mesa Vista Hospital and Sharp McDonald Center *Sharp Health Plan Community Benefits Planni ng at Sharp HealthCare Sharp bases its community benefits planning on the triennial commun ity health needs assessment (CHNA) conducted by San Diego Community Health Improvement Par tners (CHIP) combined with the expertise in programs and services of each Sharp hospital Listing of Community Needs Addressed in This Community Benefits Report The follow ing commu nity needs are addressed by one or more Sharp hospitals in this Community Benefits Report *Access to care for individuals without a medical provider *Focused education and screeni ng programs on health conditions such as heart and vascular disease, stroke, cancer, diabe tes, preterm delivery, unintentional injuries and behavioral health *Health education and screening activities for seniors *Outreach for flu vaccinations *Special support services for hospice patients and their loved ones, and for the community *Support of community non profit health organizations *Education and training of health care professionals *Collabor ation with local schools to promote interest in health care careers *Welfare of seniors an d disabled people *Cancer education, patient navigator services, and participation in clin ical trials *Women's and prenatal health services and education *Meeting the needs of new mothers and their loved ones *Mental health and substance abuse education for the communit y Highlights of Community Benefits Provided by Sharp in FY 2011 The follow ing are examples of community benefits programs and services provided by Sharp hospitals and entities in F Y 2011 Unreimbursed Medical Care Services included uncompensated care for patients who ar e unable to pay for services, and the unreimbursed costs of public programs such as Medi-C al, Medicare, San Diego County Indigent Medical Services, Civilian Health and Medical Prog ram of the Department of Veterans Affairs (CHAMPVA), and TRICARE - the regionally managed health care program for active-duty and retired members of the uniformed services, their l oved ones and survivors, and unreimbursed costs of workers' compensation programs This al so included financial support for on-site workers to process Medi-Cal eligibility forms O ther Benefits for Vulnerable Populations included van transportation for patients to and f rom medical appointments, financial and other support to community clinics to assist in pr oviding health services, and improving access to health services, Project HELP, Project CA RE, contribution of time to the YWCA Emergency Shelter (Becky's House), Stand Down for Homeless Veterans, and the San Diego Food Bank, financial and other support to the Sharp Huma nitarian Service Program, and other assistance for the needy Other Benefits for the Broad er Community included health education and information, and participation in community hea lth fairs and events addressing the unique needs of the community, plus providing flu vacc inations and health screenings Sharp collaborated with local schools to promote interest in health care careers, made Sharp facilities available for use by community groups at no charge, and executive leadership and staff actively participated in numerous community org anizations, committees and coalitions to improve the health of the community See Appendix A for a listing of Sharp's involvement in communi </p>

Identifier	Return Reference	Explanation
		<p>ty organizations Health Research, Education and Training Programs included education and training programs for medical, nursing and other health care professionals, as well as student/intern supervision Sharp also completed its partnership with Southwestern College (SWC) and University of Oklahoma (OU) College of Nursing to provide clinical experience in SD for students enrolled in the OU Online Accelerated Second Degree BSN Program</p> <p>Economic Value of Community Benefits Provided in FY 2011 In FY 2011, Sharp provided a total of \$297,942,782 in community benefits programs and services that were unreimbursed Table 1 displays a summary of unreimbursed costs based on the categories specifically identified in SB 697 In FY 2011, the State of California and the Centers for Medicare and Medicaid Services approved a Medi-Cal Hospital Fee Program for the period April 1, 2009 through December 31, 2010, resulting in increased reimbursement of \$120.7 million and an assessment of a quality assurance fee totaling \$82.7 million The net impact of the program totaling \$38.1 million reduced the amount of unreimbursed medical care service for the Medi-Cal population This reimbursement helped offset prior years' unreimbursed medical care services, but was fully recorded in FY 2011, thereby understating the true unreimbursed medical care services performed for FY 2011 Table 1 Total Economic Value of Community Benefits Provided Sharp HealthCare Overall - FY 2011 Senate Bill 697 Category Programs and Services Included in Senate Bill 697 Category Estimated FY 2011 Unreimbursed Costs Medical Care Services Shortfall in Medi-Cal \$29,099,719 Shortfall in Medicare \$159,888,631 Shortfall in San Diego County Indigent Medical Services \$26,653,890 Shortfall in CHAMPVA/TRICARE \$2,608,868 Shortfall in Workers' Compensation \$124,996 Charity Care and Bad Debt \$68,569,532 Other Benefits for Vulnerable Populations Patient transportation and other assistance for the needy \$3,092,761 Other Benefits for the Broader Community Health education and information, support groups, health fairs, meeting room space, donations of time to community organizations and cost of fundraising for community events \$3,125,051 Health Research, Education, and Training Programs Education and training programs for students, interns, and health care professionals \$4,779,334 TOTAL \$297,942,782 Table 2 shows a listing of these unreimbursed costs provided by each Sharp entity Table 2 Total Economic Value of Community Benefits Provided Sharp HealthCare Entities - FY 2011 Sharp HealthCare Entity Estimated FY 2011 Unreimbursed Costs Sharp Chula Vista Medical Center \$53,843,127 Sharp Coronado Hospital and Healthcare Center \$9,922,973</p>

Identifier	Return Reference	Explanation
		<p>Sharp Grossmont Hospital \$103,258,405 Sharp Mary Birch Hospital for Women &amp; New borns \$3,530,274 Sharp Memorial Hospital \$119,458,481 Sharp Mesa Vista Hospital and Sharp McDonald Center \$7,753,855 Sharp Health Plan \$175,667 ALL ENTITIES \$297,942,782 Table 3 includes a summary of unreimbursed costs for each Sharp entity based on the categories specifically identified in SB 697 Sharp leads the community in unreimbursed medical care services among San Diego County's SB 697 hospitals and health care systems Table 3 FY 2011 Detailed Economic Value of Community Benefits at Sharp HealthCare Entities Based on Senate Bill 697 Categories Sharp HealthCare Entity SENATE BILL 697 CATEGORY Medical Care Services Other Benefits for Vulnerable Populations Other Benefits for the Broader Community Health Research, Education and Training Programs Estimated FY 2011 Unreimbursed Costs Sharp Chula Vista Medical Center \$52,084,235 \$489,363 \$450,848 \$818,681 \$53,843,127 Sharp Coronado Hospital and Healthcare Center \$9,305,632 \$26,881 \$194,701 \$395,759 \$9,922,973 Sharp Grossmont Hospital \$100,479,517 \$633,152 \$1,109,244 \$1,036,492 \$103,258,405 Sharp Mary Birch Hospital for Women &amp; New borns \$2,665,218 \$42,169 \$233,139 \$589,748 \$3,530,274 Sharp Memorial Hospital \$116,152,668 \$906,896 \$804,684 \$1,594,233 \$119,458,481 Sharp Mesa Vista Hospital and Sharp McDonald Center \$6,258,366 \$984,422 \$171,845 \$339,222 \$7,753,855 Sharp Health Plan \$9,878 \$160,590 \$5,199 \$175,667 ALL ENTITIES \$286,945,636 \$3,092,761 \$3,125,051 \$4,779,334 \$297,942,782</p> <p>Community Benefits Planning Process For the past 15 years, Sharp has based its community benefits planning on findings from the triennial Community Health Needs Assessment (CHNA) conducted by San Diego Community Health Improvement Partners (CHIP), as well as the combination of expertise in programs and services of each Sharp hospital and knowledge of the populations and communities served by those hospitals Methodology to Conduct the 2010 Community Health Needs Assessment Since 1995, Sharp has participated in a countywide collaborative - including a broad range of hospitals, health care organizations, and community agencies - to conduct a triennial CHNA The 2010 CHNA is publicly available at <a href="http://www.sdchip.org/initiatives/charting-the-course-vi.aspx">http://www.sdchip.org/initiatives/charting-the-course-vi.aspx</a> In 2010, the CHIP Needs Assessment Advisory Council, under the direction of the CHIP Steering Committee, determined a methodology and approach to the sixth edition of the triennial needs assessment, which included a community priority-setting process composed of the following steps</p> <ul style="list-style-type: none"> <li>* Review of the 38 Healthy People 2020 focus areas by the Needs Assessment Advisory Council, comprising more than 30 community stakeholders</li> <li>Seventeen health issues emerged as a result of the combining and streamlining of these areas by the Council</li> <li>* Division of the 17 health issues into the following three categories: Overarching Issues, Health-Related Behaviors and Health Outcomes</li> <li>Health issue briefs were developed to provide detailed information on each of the 17 identified health issues</li> <li>* Invitation to community leaders throughout San Diego County (72 out of 379 invitees participated) to prioritize each health issue with information from the health issue briefs and based on the following criteria: <ul style="list-style-type: none"> <li>- Size of the health issues</li> <li>- Seriousness of the health issue</li> <li>- Community resources available to address the health issue</li> <li>- Availability of data/information to evaluate the health issue's outcomes</li> </ul> </li> <li>Each of the health issues was scored separately within the three categories noted above (Overarching Issues, Health-Related Behaviors and Health Outcomes)</li> <li>* Utilization of the Spectrum of Prevention Framework to determine which issues prioritized by the community were most impacted by prevention activities (as opposed to treatment)</li> <li>- Health access and delivery</li> <li>- Social determinants of health</li> <li>- A combination of nutrition, weight status, physical activity and fitness</li> <li>- Injury and violence</li> <li>- Mental health and mental disorders</li> <li>* Discussion of the above identified issues in community forums held in the six regions of San Diego County in order to: <ul style="list-style-type: none"> <li>- Allow community stakeholders to identify root causes related to each health issue</li> <li>- Begin the process of understanding each issue from a regional perspective</li> <li>- Foster community relationships and promote the voice(s) of San Diego's various regional and sub-regional communities in the needs assessment process</li> <li>* In-depth analysis of each of the five health issues selected for the 2010 CHNA, which were the same issues identified through the Spectrum of Prevention Framework</li> </ul> </li> </ul> <p>Depending on the level of available data, these analyses included an overview of the health issue and its importance, seriousness of the health issue in terms of economic costs, use of resources and/or loss of functional status, incidence data, prevalence of morbidity and mortality in the populations most impacted by the health issue, and the local impact of the health issue</p>

Identifier	Return Reference	Explanation
		<p>ssue In addition to a review of the results from the priority-setting process, the 2010 CHNA utilized information from the following</p> <ul style="list-style-type: none"><li>* Analysis of health-related statistics gathered and analyzed by the County of San Diego Health and Human Services Agency (HHSA), supplemented by data from the California Health Interview Survey (CHIS), California Office of Statewide Planning and Development (OSHPD), the Centers for Disease Control and Prevention's (CDC) Youth Risk Behavior Surveillance System and census data from the San Diego Association of Governments (SANDAG)</li><li>* Review of health-related scientific literature</li><li>* Review of the results from facilitated discussions of six community regional forums held with a cross-section of stakeholders from the San Diego County community</li></ul> <p>Determination of Priority Community Needs Sharp HealthCare Each Sharp hospital reviewed the 2010 CHNA and used it to determine priority needs for their hospital's communities In identifying these priorities, each entity considered the expertise and mission of the hospital in providing programs and services, in addition to the needs of the unique, ever-changing demographics and/or health topics that comprise the entity's service area and region For example, the specialty hospitals - SMBHWN, SMV, and SMC - reviewed the needs assessment priorities, specifically focusing on issues relevant to women and infants, behavioral health, and substance abuse, respectively Sharp's general acute-care hospitals reviewed the needs assessment with a focus on the region and/or sub-regional areas, with the goal of matching community benefit programs and services to the unique needs of the region Steps Completed to Prepare an Annual Community Benefits Report</p>



Identifier	Return Reference	Explanation
		<p>On an annual basis, each Sharp hospital performs the following steps in the preparation of its Community Benefits Report</p> <ul style="list-style-type: none"> <li>* Establishes and/or reviews hospital-specific measurable objectives</li> <li>* Verifies the need for an ongoing focus on identified community needs and/or adds new identified community needs</li> <li>* Reports on activities conducted in the prior fiscal year - FY 2011 Report of Activities</li> <li>* Develops a plan for the upcoming fiscal year, including specific steps to be undertaken - FY 2012 Plan</li> <li>* Reports and categorizes the economic value of community benefits provided in FY 2011, according to the framework specifically identified in SB 697</li> <li>* Reviews and approves a Community Benefits Plan</li> <li>* Distributes the Community Benefits Plan and Report to members of the Sharp Board of Directors and Sharp hospital boards of directors, highlighting activities provided in the prior fiscal year as well as specific action steps to be undertaken in the upcoming fiscal year</li> </ul> <p>Ongoing Commitment to Collaboration In support of its ongoing commitment to working with others on addressing community health priorities to improve the health status of San Diego County residents, Sharp executive leadership, operational experts and other staff are actively engaged in the national American Hospital Association, statewide California Hospital Association, Hospital Association of San Diego &amp; Imperial Counties and other local collaboratives such as the CHIP Access to Health Literacy Initiative and the CHIP Behavioral Health Work Team</p> <p>Sharp Grossmont Hospital * SGH is located at 5555 Grossmont Center Drive, in La Mesa, ZIP code 91942</p> <p>* Sharp HospiceCare is located at 8881 Fletcher Parkway, in La Mesa, ZIP code 91942</p> <p>FY 2011 Community Benefits Program Highlights SGH provided a total of \$103,258,405 in community benefits in FY 2011 See Table 1 for a summary of unreimbursed costs based on the categories identified in SB 697</p> <p>Table 1 Economic Value of Community Benefits Provided Sharp Grossmont Hospital - FY 2011</p> <p>Senate Bill 697 Category Programs and Services Included in Senate Bill 697 Category Estimated FY 2011</p> <p>Unreimbursed Costs</p> <p>Medical Care Services Shortfall in Medi-Cal, financial support for onsite workers to process Medi-Cal eligibility forms \$11,494,217 Shortfall in Medicare \$48,139,056 Shortfall in San Diego County Indigent Medical Services \$12,019,736 Shortfall in CHAMPVA/TRICARE \$972,245 Charity Care and Bad Debt \$27,854,263</p> <p>Other Benefits for Vulnerable Populations Patient transportation, Project HELP and other assistance for the needy \$633,152</p> <p>Other Benefits for the Broader Community Health education and information, health screenings, health fairs, support groups, meeting room space, donations of time to community organizations, and cost of fundraising for community events \$1,109,244</p> <p>Health Research, Education, and Training Programs Education and training programs for students, interns, and health care professionals \$1,036,942</p> <p>TOTAL \$103,258,405</p> <p>Key highlights</p> <ul style="list-style-type: none"> <li>* Unreimbursed Medical Care Services included uncompensated care for patients who were unable to pay for services, the unreimbursed costs of public programs such as Medi-Cal, Medicare, and San Diego County Indigent Medical Services, and financial support for onsite workers to process Medi-Cal eligibility forms</li> </ul> <p>In FY 2011, the State of California and the Centers for Medicare and Medicaid Services approved a Medi-Cal Hospital Fee Program for the period April 1, 2009 through December 31, 2010 resulting in increased reimbursement of \$40.8 million to SGH and an assessment of a quality assurance fee totaling \$32.0 million from SGH</p> <p>The net impact of the program on SGH (totaling \$8.8 million) reduced the amount of unreimbursed medical care service for the Medi-Cal population</p> <p>This reimbursement helped offset prior years' unreimbursed medical care services, but was fully recorded in FY 2011 thereby understating the true unreimbursed medical care services performed for FY 2011</p> <ul style="list-style-type: none"> <li>* Other Benefits for Vulnerable Populations included van transportation for patients to and from medical appointments, comprehensive prenatal clinical and social services to low-income, low-literacy women with Medi-Cal benefits, financial and other support to Neighborhood Healthcare, Project HELP, Project CARE, contribution of time to Habitat for Humanity, Stand Down for Homeless Veterans, and the San Diego Food Bank, the Sharp Humanitarian Service Program, Meals-on-Wheels Greater San Diego, and other assistance for the needy</li> <li>* Other Benefits for the Broader Community included health education and information on a variety of topics, support groups, participation in community health fairs and events and health screenings for stroke, blood pressure, glucose, balance/fall prevention, hand, depression, lung function, peripheral artery disease, vascular disease and carotid artery disease, flu vaccination clinics for heart disease patients and high-risk adults, and the Breast Cancer Patient Navigator Program</li> </ul> <p>Th</p>

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		<p>e hospital's Senior Resource Center offered flu vaccinations and specialized education and information. SGH staff collaborated with local schools to promote interest in health care careers. SGH also offered meeting room space at no charge to community groups. In addition, staff at the hospital actively participated in community boards, committees, and civic organizations, such as Aging and Independent Services (AIS), La Mesa Park and Recreation Foundation, Communities Against Substance Abuse, East County Chamber of Commerce, Neighborhood Healthcare Community Clinics, Santee Chamber of Commerce, Salvation Army Kroc Center Board, Meals-on-Wheels Greater San Diego Advisory Board, San Diego Nutrition Council, San Diego County Social Services Advisory Board, YMCA, San Diego Caregiver Coalition, East County Senior Service Providers and the Caregiver Education Committee. See Appendix A for a listing of Sharp community involvement.</p> <p>* Health Research, Education and Training Programs included education and training of health care professionals, and student and intern supervision.</p> <p>Definition of Community: The community served by SGH includes the entire East Region of San Diego County (SDC), including the sub-regional areas of Jamul, Spring Valley, Lemon Grove, La Mesa, El Cajon, Santee, Lakeside, Harbison Canyon, Crest, Alpine, Laguna-Pine Valley and Mountain Empire. Approximately five percent of the population lives in remote or rural areas of this region.</p> <p>Description of Community Health: In the County's East Region in 2009, 96 percent of children ages 0 to 11, 96.2 percent of children ages 12 to 17 and 86.6 percent of adults ages 18 and older had health insurance, while 97.7 percent of children ages 0 to 11 and 93.7 percent of children ages 12 to 17 had a regular source of medical care - failing to meet the Healthy People (HP) 2020 national targets for health insurance coverage and regular source of medical care. Among adults ages 18 to 64 years in SDC's East Region, 15.7 percent were not currently insured in 2009. See Table 2 for a summary of key indicators of access to care, and Table 3 for data regarding eligibility for Medi-Cal Healthy Families.</p> <table><caption>Table 2: Health Care Access in San Diego County's East Region, 2009</caption><thead><tr><th>Description</th><th>Rate</th><th>Year</th><th>2020 Target</th></tr></thead><tbody><tr><td>Health Insurance Coverage</td><td>96.0%</td><td>100%</td><td>100%</td></tr><tr><td>Children 0 to 11 Years</td><td>96.2%</td><td>100%</td><td>100%</td></tr><tr><td>Children 12 to 17 Years</td><td>96.2%</td><td>100%</td><td>100%</td></tr><tr><td>Adults 18 + Years</td><td>86.6%</td><td>100%</td><td>100%</td></tr><tr><td>Regular Source of Medical Care</td><td>97.7%</td><td>100%</td><td>100%</td></tr><tr><td>Children 0 to 11 Years</td><td>97.7%</td><td>100%</td><td>100%</td></tr><tr><td>Children 12 to 17 Years</td><td>93.7%</td><td>100%</td><td>100%</td></tr><tr><td>Adults 18 + Years</td><td>89.7%</td><td>89.4%</td><td>100%</td></tr><tr><td>Not Currently Insured</td><td>15.7%</td><td>0%</td><td>0%</td></tr><tr><td>Adults 18 to 64 Years</td><td>15.7%</td><td>0%</td><td>0%</td></tr></tbody></table> <p>Source: 2009 CHIS</p> <table><caption>Table 3: Medi-Cal (Medicaid)/Healthy Families Eligibility, Among Uninsured in San Diego County (Adults ages 18-64 yrs), 2009</caption><thead><tr><th>Description</th><th>Rate</th></tr></thead><tbody><tr><td>Medi-Cal Eligible</td><td>8.3%</td></tr><tr><td>Healthy Families Eligible</td><td>0.8%</td></tr><tr><td>Not Eligible</td><td>90.9%</td></tr></tbody></table> <p>Source: 2009 CHIS</p> <p>Heart Disease and cancer were the top two leading causes of death in the County's East Region. See Table 4 for a summary of leading causes of death in the East Region.</p> <table><caption>Table 4: Leading Causes of Death in San Diego County's East Region 2009</caption><thead><tr><th>Cause of Death</th><th>Number of Deaths</th><th>Percent of Total Deaths</th></tr></thead><tbody><tr><td>Diseases of heart</td><td>889</td><td>24.6%</td></tr><tr><td>Malignant neoplasms</td><td>831</td><td>23.0%</td></tr><tr><td>Alzheimer's disease</td><td>238</td><td>6.6%</td></tr><tr><td>Chronic lower respiratory diseases</td><td>199</td><td>5.5%</td></tr><tr><td>Cerebrovascular diseases</td><td>191</td><td>5.3%</td></tr><tr><td>Accidents (unintentional injuries)</td><td>179</td><td>5.0%</td></tr><tr><td>Diabetes mellitus</td><td>109</td><td>3.0%</td></tr><tr><td>Intentional self-harm (suicide)</td><td>70</td><td>1.9%</td></tr><tr><td>Essential (primary) hypertension and hypertensive renal disease</td><td>64</td><td>1.8%</td></tr><tr><td>Chronic liver disease and cirrhosis</td><td>59</td><td>1.6%</td></tr><tr><td>Influenza and pneumonia</td><td>59</td><td>1.6%</td></tr><tr><td>Parkinson's disease</td><td>35</td><td>1.0%</td></tr><tr><td>Nephritis, nephritic syndrome and nephrosis</td><td>30</td><td>0.8%</td></tr></tbody></table>	Description	Rate	Year	2020 Target	Health Insurance Coverage	96.0%	100%	100%	Children 0 to 11 Years	96.2%	100%	100%	Children 12 to 17 Years	96.2%	100%	100%	Adults 18 + Years	86.6%	100%	100%	Regular Source of Medical Care	97.7%	100%	100%	Children 0 to 11 Years	97.7%	100%	100%	Children 12 to 17 Years	93.7%	100%	100%	Adults 18 + Years	89.7%	89.4%	100%	Not Currently Insured	15.7%	0%	0%	Adults 18 to 64 Years	15.7%	0%	0%	Description	Rate	Medi-Cal Eligible	8.3%	Healthy Families Eligible	0.8%	Not Eligible	90.9%	Cause of Death	Number of Deaths	Percent of Total Deaths	Diseases of heart	889	24.6%	Malignant neoplasms	831	23.0%	Alzheimer's disease	238	6.6%	Chronic lower respiratory diseases	199	5.5%	Cerebrovascular diseases	191	5.3%	Accidents (unintentional injuries)	179	5.0%	Diabetes mellitus	109	3.0%	Intentional self-harm (suicide)	70	1.9%	Essential (primary) hypertension and hypertensive renal disease	64	1.8%	Chronic liver disease and cirrhosis	59	1.6%	Influenza and pneumonia	59	1.6%	Parkinson's disease	35	1.0%	Nephritis, nephritic syndrome and nephrosis	30	0.8%
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		<p>Viral hepatitis 30 0 8% Septicemia 27 0 7% All other deaths 600 16 6% Total Deaths 3,610 1 00 0% Notes Ranking of leading causes of death based on the countywide rank among San Die go residents in 2009 Source County of San Diego, HHSA, Public Health Services, Community Epidemiology Branch Community Benefits Planning Process In addition to the steps outlined in Section 3 regarding community benefits planning, SGH * Incorporates community priorit ies and community input into its strategic plan and develops service line-specific goals * Estimates an annual budget for community programs and services based on community needs, the prior years experience and current funding levels * Prepares and distributes a monthly report of community activities to its board of directors, describing community benefits p rovided such as education, screenings and flu vaccinations * Prepares and distributes info rmation on community benefits programs and services through its foundation and community n ewsletters * Consults with representatives from a variety of departments to discuss, plan and implement community activities Priority Community Needs Addressed in Community Benefit s Report SGH's Community Benefits Report addresses the following identified community need s * Stroke education and screening * Heart and vascular disease education and screening * Cancer education and participation in clinical trials * Diabetes education and testing * Outreach for flu vaccinations * Health education and screening for seniors * Prevention of unintentional injuries * Special support services for hospice patients, their loved ones and the community * Collaboration with local schools to promote interest in health care ca reers * Women's and prenatal health services and education * Orthopedic and osteoporosis e ducation and screening For each priority community need identified above, subsequent pages include a summary of the rationale and importance of the need, measurable objective(s), F Y 2011 Report of Activities conducted in support of the objective(s), and FY 2012 Plan of Activities Identified Community Need Stroke Education and Screening Rationale references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego C ounty community health statistics, unless otherw ise indicated Rationale * CHIP members id entified heart disease and stroke as the second-most important health outcomes overall (wh en considering a total of seven health outcomes) * According to the 3-4-50 Chronic Diseas e in San Diego County 2010 report from the County's Health and Human Services Agency (HHSA ), in 2007, stroke was the third-leading cause of death in SDC * In 2009, there were 191 deaths due to cerebrovascular diseases in SDC's East Region The region's age-adjusted dea th rate due to cerebrovascular diseases was 37 1 deaths per 100,000 population The region 's age-adjusted death rate was the second highest of all regions and higher than the SDC a ge-adjusted rate of 32 6 deaths per 100,000 population * According to the 3-4-50 Chronic Disease in San Diego County 2010 report, if no changes are made in risk behavior, based on current disease rates, it is projected that by the year 2020, the total number of deaths from heart disease and stroke will both increase by 38 percent * In 2008 there were 1,133 hospitalizations due to stroke in SDC's East Region The rate of hospitalizations for str oke was 244 per 100,000 population The stroke hospitalization rate in the region was amon g the highest in SDC's regions and higher than the County average of 206 2 stroke hospital izations per 100,000 population * According to the 3-4-50 Chronic Disease in San Diego Co unty 2010 report, in 2007, nearly 63 percent of hospitalizations were due to heart disease and stroke If no changes are made in risk behavior, based on current rates, it is projec ted that by the year 2020 the total number of hospitalizations is projected to increase by 31 percent for stroke * In 2008, there were 213 stroke-related ED visits in the County's East Region The rate of visits was 45 9 per 100,000 population The stroke-related ED vi sit rate in the region was comparable to the County average of 42 0 per 100,000 population * According to the 3-4-50 Chronic Disease in San Diego County 2010 report, the most comm on risk factors associated with stroke include physical inactivity, obesity, hypertension, cigarette smoking, high cholesterol and diabetes * Although the east suburban area has t he same percentage of seniors age 65 and over as the county of San Diego (11 percent), a h igher percentage (15 2 percent) of the east rural area population are seniors Measurable Objective * Provide stroke education and screening services for the community, with an emp hasis on seniors FY 2011 Report of Activities Note SGH is certified by The Joint Commiss ion as a Primary Stroke Center The program is nationally recognized for its outreach, edu cation and thorough screening procedures, as well</p>

Identifier	Return Reference	Explanation
		<p>as documentation of its success rate Sharp Grossmont Hospital is a recipient of the American Heart Association's Get With the Guidelines (GWTG) Gold Plus Achievement Awards for Stroke The American Heart Association's GWTG is a national effort focused on ensuring that evidence-based therapies are used with stroke patients SGH's Stroke Center conducted stroke screening and educational events to educate the public on stroke risk factors, warning signs and appropriate interventions, including arrival at hospitals within early onset of symptoms In FY 2011, the hospital conducted seven community screenings and two community stroke education presentations in East SDC A total of 270 patients participated in stroke screenings and education was provided to an additional 22 people at educational programs and health fairs The events were held at the Sharp Grossmont Senior Resource Center, Super Saturday Health Fair at Grossmont Center, Celebrando Event at Sheraton Hotel and Marina, East County Senior Health Fair at Santee Trolley Center, Speaking of Women's Health Conference at Sheraton Hotel and Marina, and the Women's Health Fair at St Peter's Chaldean Church SGH provided education and advised behavior modification, including smoking cessation, weight reduction and stress reduction for community members with health risk factors identified during the stroke screenings A Stroke Unit nurse provided education on stroke signs and symptoms and risk factor modification on the Hispanic TV stations 17 and 33 In addition, SGH's Stroke Center, presented two Meet the Physician lectures entitled Stroke Is a Brain Attack organized through the Senior Resource Center In FY 2011, the SGH Outpatient Rehabilitation Department offered a stroke support group at no charge to participants In addition, SGH actively participated in the quarterly San Diego County Stroke Consortium, a collaborative effort to improve SDC stroke care and discuss issues impacting stroke care in SDC In November 2010, SGH provided expert speakers on stroke and interventional radiology procedures to 220 attendees at the Vascular Symposium designed for local physicians and health care workers Speakers also presented related topics to 120 attendees at the annual Heart and Vascular Nursing Symposium held in February Also in February 2011, stroke leadership presented a poster outlining the In-House Stroke Code project designed to improve patient stroke care and use of the Tissue Plasminogen Activator (tPA) window at the International Stroke Conference in Los Angeles SGH also collaborated with SDC to provide data for the County's stroke registry FY 2012 Plan SGH Stroke Center will conduct the following</p> <ul style="list-style-type: none"> <li>* Participate in stroke screening and education events in East SDC</li> <li>* Provide education for individuals with identified risk factors</li> <li>* Offer a stroke support group, in conjunction with the hospital's Outpatient Rehabilitation Department</li> <li>* Participate with other SDC hospitals in the Stroke Consortium</li> <li>* Continue to provide data to the SDC stroke registry</li> <li>* Continue to collaborate with the state of California to develop a stroke registry</li> <li>* Provide at least two physician speaking events around stroke care and prevention</li> <li>* Participate in SGH Vascular Conference for community physicians</li> <li>* Collaborate with the Vascular Department to provide carotid artery screenings for community members</li> </ul> <p>Identified Community Need Heart and Vascular Disease Education and Screening Rationale references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics, unless otherwise indicated Rationale * CHIP members identified heart disease and stroke as the second-most important health outcomes overall (when considering a total of seven health outcomes)</p>

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		<p>* Vascular disease affects approximately 12 percent of the population in the U.S., but most people do not have symptoms. Among persons over age 55 years, 10 to 25 percent are affected. Those with vascular disease have a six-fold higher death rate due to cardiovascular disease than those without vascular disease. * According to the 3-4-50 Chronic Disease in San Diego County 2010 report from the County's HHSA, in 2007 heart disease was the second-leading cause of death in SDC. * In 2009, there were 889 deaths due to heart disease in SDC's East Region. The region's age-adjusted death rate due to diseases of the heart was 168.2 per 100,000 population. The region's age-adjusted death rate was the second highest of all regions, higher than the SDC age-adjusted rate of 139.7 deaths per 100,000 population, and higher than the Healthy People (HP) 2020 target of 100.8 deaths per 100,000. * According to the 3-4-50 Chronic Disease in San Diego County 2010, if no changes are made in risk behavior, based on current disease rates, it is projected that by the year 2020, the total number of deaths from heart disease and stroke will both increase by 38 percent. * In 2008, there were 1,914 hospitalizations due to coronary heart disease in the County's East Region. The rate of hospitalizations for coronary heart disease was 412.3 per 100,000 population. The hospitalization rate in the region was among the highest in SDC and higher than the County average of 317.0 coronary heart disease hospitalizations per 100,000 population. * According to the 3-4-50 Chronic Disease in San Diego County 2010 report, in 2007, almost 63 percent of hospitalizations were due to heart disease and stroke. If no changes are made in risk behavior, based on current rates, it is projected that by the year 2020 the total number of hospitalizations is projected to increase by 28 percent for heart disease. * In 2008, there were 172 coronary heart disease-related ED visits in SDC's East Region. The rate of visits was 37.0 per 100,000 population. The coronary heart disease-related ED visit rate in the region was the highest of the regions with a County average of 26.3 per 100,000 population. * In 2009, 52 percent of adults in the County's East Region participating in the 2009 CHIS indicated that they were ever diagnosed with heart disease, lower than the County statistic of 64 percent. * The 2010 CHNA recognized smoking cessation, increasing physical activity, achieving healthy weight status and improving nutrition as health-related behaviors that are important components in long-term health. * According to the 3-4-50 Chronic Disease in San Diego County 2010 report, the most common risk factors associated with heart disease include physical inactivity, obesity, hypertension, cigarette smoking, high cholesterol and diabetes.</p> <p><b>Measurable Objectives</b></p> <ul style="list-style-type: none"><li>* Provide heart and vascular education and screening services for the community, with an emphasis on adults, women and seniors.</li><li>* Participate in programs to improve the care and outcomes of individuals with heart and vascular disease.</li></ul> <p>FY 2011 Report of Activities</p> <p>SGH is recognized as a Blue Distinction Center for Cardiac Care by Blue Cross/Blue Shield (BCBS) for demonstrated expertise in delivering quality cardiac health care. SGH is also a recipient of the American Heart Association's GWTG Gold Performance Achievement Award for heart failure care. The American Heart Association's GWTG is a national effort focused on ensuring that evidence-based therapies are used with congestive heart failure patients. SGH offered two community education lectures in September 2011 on Management of Risk Factors, provided by the hospital's nurse practitioner for cardiology and serving 110 people. SGH also provided three congestive heart failure (CHF) classes held in FY 2011, serving 15 people. Topics of the CHF classes included exercise, nutrition, treatment plans and symptoms. In addition, SGH's Cardiac Rehabilitation Department served approximately 350 community members through bimonthly cardiac education classes. In FY 2011, SGH's Cardiac Rehabilitation Program participated in the Super Saturday Health Fair at Grossmont Center, as well as the Santee Senior Health Fair, serving a total of 110 community members. In addition, SGH offered cardiovascular disease preventive screenings from March through September, serving 220 people. SGH's Cardiac Rehabilitation Department also conducted five flu vaccination clinics for heart disease patients and high-risk adults, serving 80 people. Throughout the year, SGH provided expert speakers on heart disease and heart failure for various professional events, including SGH's Cardiac Symposium and SGH's Vascular Symposium. SGH also participated in several programs to improve the care and outcomes of individuals with heart and vascular disease. To assist in improving care for acutely ill patients in the County, SGH provided data on STEMI (ST elevation myocardial infarction or acute heart attack).</p>

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		<p>to San Diego County Emergency Medical Services (EMS) In addition, the hospital completed the third and final year of a study sponsored by National Institutes of Health (NIH) research, which studied heart attacks and heart disease in women age 55 and younger, known as VIRGO (Variation in Recovery Role of Gender on Outcomes in Young AMI Patients) In FY 2011, SGH successfully screened 10 patients and enrolled two patients in the study before enrollment closed in the fall SGH's Cardiac Department is committed to supporting future health care leaders through active participation in student training and internship programs The Sharp Grossmont Cardiac Catheterization Lab hosted a Grossmont College cardiovascular technologist student three days per week, eight hours per day for eight months for a total of 768 hours The Cath lab RN and staff also worked with a nursing student every Tuesday during the school year The Noninvasive Cardiology Department also hosted students in echo cardiography, electrocardiography and vascular laboratory two days per week during the school year FY 2012 Plan SGH will conduct the following</p> <ul style="list-style-type: none"> <li>* Provide free bimonthly cardiac education classes by the Cardiac Rehabilitation Department</li> <li>* Provide three free CHF education classes</li> <li>* Provide cardiac and/or vascular risk factor education and/or screening through participation in one to two community events, such as health fairs and lectures</li> <li>* Provide weekly preventive heart and vascular screenings</li> <li>* Provide a complimentary flu vaccination clinic to cardiac rehabilitation patients and other senior community members</li> <li>* Offer educational speakers to the professional community on topics such as performance improvements in CHF and acute myocardial infarction, as invited</li> <li>* Maintain BCBS Center of Excellence status</li> <li>* Provide data on STEMI patients to San Diego County Emergency Medical Services</li> <li>* Pursue research opportunities to benefit patients</li> <li>* Provide a continuing medical education conference on vascular disease for community physicians in fall 2012</li> <li>* Provide student learning opportunities from technologist training campuses</li> </ul> <p>Identified Community Need Cancer Education and Participation in Clinical Trials Rationale references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics, unless otherwise indicated Rationale</p> <ul style="list-style-type: none"> <li>* CHIP members identified cancer as the fourth-most important health outcome overall (when considering a total of seven health outcomes)</li> <li>* In 2009, cancer was the second-leading cause of death in the County's East Region, responsible for 23.0 percent of deaths</li> <li>* In 2009, there were 831 deaths due to cancer (all sites) in the County's East Region The region's age-adjusted death rate due to cancer was 169.3 deaths per 100,000 population, higher than the SDC age-adjusted rate of 150.1 deaths per 100,000 population, and higher than the HP 2020 target of 160.6 deaths per 100,000</li> <li>* In 2007, 23 percent of all cancer deaths in the County's East Region were due to lung cancer, 10 percent to colorectal cancer, 7 percent to female breast cancer, 6 percent to prostate cancer, and less than 1 percent to cervical cancer</li> <li>* Research for the 2010 CHNA recognized the importance of various types of preventative health screenings, including cancer, in preventing disease</li> <li>* According to a 2012 report from the California Cancer Registry, breast cancer is the most common cancer among women in California, with an estimated 292,400 existing cases (42 percent of all cancers)</li> <li>* According to the 2009 Susan G Komen for the Cure San Diego Affiliate Community Profile Report, San Diego had the highest incidence rate for breast cancer (163.95 per 100,000) compared to the neighboring counties of Imperial, Los Angeles, Orange and Riverside San Diego's incidence</li> </ul>

Identifier	Return Reference	Explanation
		<p>rate for breast cancer is also above that of the State (151.82 per 100,000) * Cancer survivors face many physical, psychological, social, spiritual and financial issues at diagnosis, during treatment and for the remainder of their lives According to findings presented in the 2007 CHNA, cancer survivors identified several significant burdens, including poorer health, spending more days in bed, increased need for help with activities of daily living and decreased likelihood of employment * Behavioral and social risk factors associated with cancer deaths include overweight/obesity, poor nutrition, lack of physical activity, and lack of appropriate medical care often due to health disparities, according to research for the 2010 CHNA * According to the Susan G. Komen for the Cure San Diego Affiliate Community Profile Report, the most common barriers to receiving effective breast health care included lack of awareness and knowledge, financial barriers, cultural barriers and emotional factors The most common challenges in the current breast health care system included cost of care, quality of providers, lack of communication, and education and language barriers Increased advocacy, education, funding and partnerships were among the suggestions for improving programs, services and the breast health care system overall * Breast Cancer Patient Navigator Programs are interventions that address barriers to quality standard care by providing individualized assistance to patients, cancer survivors and their families Measurable Objectives * Provide cancer education and support services to the community * Participate in cancer clinical trials, including screening and enrolling patients FY 2011 Report of Activities Note The SGH Cancer Center is accredited by the National Accreditation Program for Breast Centers (NAPBC) The NAPBC grants accreditation to only those centers that voluntarily commit to providing the best possible care to patients with diseases of the breast In FY 2011, SGH Cancer Center participated in a variety of community cancer educational sessions These events served more than 1,000 community members, and included the East County Senior Service Provider Health Event, the It's How We Live Festival, the Power Shop for the Cure at Grossmont Center, the East County Health Fair at Santee Trolley Station, Learn and Live Events for Breast, Colon and Prostate Cancer, the Philanthropic Educational Organization (PEO) Women's Group Breast Cancer Talk, the Senior Citizen Health Fair at Waterford Terrace, the Super Saturday Health Fair at Grossmont Center, Hospice Resource and Education Expo, Sharp's Speaking of Women's Health Conference, the CMF Women's Association Run for Cancer, and the Ladies of Hope Health Fair at St. Peter's Chaldean Catholic Cathedral SGH Cancer Center staff also supported the American Cancer Society (ACS) Making Strides Against Breast Cancer Walk and the Susan G. Komen Race for the Cure in Balboa Park In addition, staff served as health and science project judges for 15 student projects at the San Diego Science Fair The SGH Cancer Center continued to offer support programs for cancer patients, including breast cancer support group meetings These meetings were held twice per month at no cost to participants, with an average attendance of 12 to 15 community members In addition, the Look Good - Feel Better program - offered through the ACS - provided quarterly classes to approximately 21 participants The program boosts women's self-confidence by teaching them how to cope with skin changes and hair loss using cosmetic and skin care products, wigs, scarves and other accessories In addition, the SGH Cancer Center provided its Children's Lives Include Moments of Bravery (CLIMB) support group The program provided two six-to-eight week courses in FY 2011, offering support to children ages 6 and older whose parents or grandparents are battling cancer In FY 2011, SGH continued its Breast Health Navigator Program, where an RN certified in breast health personally assists breast cancer patients in their navigation of the health care system, offering support, guidance, financial assistance, and connection to community resources The Breast Health Navigator also played an active role in community education, providing presentations and educational resources about breast cancer, mammography guidelines, and early detection, at no charge to the San Diego community During pre-lecture educational booths at free physician lectures such as Breast Cancer Awareness, the Navigator provided breast lump models, demonstrated breast self-exam techniques and answered questions regarding breast health among community attendees In addition, the Breast Health Navigator facilitated access to care for breast cancer patients in need through the provision of gas money and gas cards, as well as financial assistance to approximately 180 individuals In FY 2011, SGH Cancer Center screened approximately 120 patients</p>

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		<p>nts for participation in cancer clinical trials, and enrolled 59 patients in cancer research studies. In addition, the SGH Cancer Center trained two California State University, Long Beach Bachelor of Science in Health Science students specializing in Radiation Therapy for 32 hours weekly for one semester each. FY 2012 Plan SGH Cancer Center will conduct the following:</p> <ul style="list-style-type: none"> <li>* Provide biweekly breast cancer support groups to participants at no charge</li> <li>* Provide free six- to eight-week CLIMB course</li> <li>* Provide quarterly Look Good Feel Better classes</li> <li>* Continue to provide education and resources to the community with the Breast Health Navigator, also provide ongoing personalized education and information, support and guidance to breast cancer patients and their loved ones as they move through the continuum of care</li> <li>* Screen and enroll oncology patients in clinical trials for research studies</li> <li>* Provide educational lectures to the community on leading forms of cancer and radiation oncology treatment options</li> <li>* Provide educational information on cancers and available treatments through community physician lectures and participation in health fairs and events with demonstrations on breast self-exams</li> </ul> <p>Identified Community Need: Diabetes Education and Testing Rationale references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics, unless otherwise indicated. Rationale:</p> <ul style="list-style-type: none"> <li>* CHIP members identified diabetes as the most important health outcome overall (when considering a total of seven health outcomes) in the 2010 CHNA</li> <li>* In 2009, there were 109 deaths due to diabetes in SDC's East Region. The region's age-adjusted death rate due to diabetes was 21.9 per 100,000 population, the second highest of all regions and higher than the SDC age-adjusted rate of 17.5 deaths per 100,000 population. (Note: Diabetes is also a contributing cause of death.)</li> <li>* In 2008, there were 870 hospitalizations due to diabetes in the County's East Region. The rate of hospitalizations for diabetes was 187.4 per 100,000 population. The hospitalization rate in the region was the highest in SDC's regions and higher than the County average of 126.2 diabetes hospitalizations per 100,000 population.</li> <li>* In FY 2008, there were 680 diabetes-related ED visits in the County's East Region. The rate of visits was 146.5 per 100,000 population. The diabetes-related ED visit rate in the region was among the highest in SDC and higher than the County average of 136.7 per 100,000 population.</li> <li>* 4.5 percent of adults in the County's East Region participating in the 2009 CHS indicated that they were ever diagnosed with diabetes. The rate was one of the lowest among SDC's regions and lower than the County rate of 7.8 percent of adults.</li> <li>* According to the 3-4-50 Chronic Disease in San Diego County 2010 report from the County's HHS, the most common risk factors associated with Type II diabetes include overweight and obesity, physical inactivity, smoking, hypertension and abnormal cholesterol. (Note: Two out of three Americans are now overweight or obese.)</li> </ul> <p>Measurable Objective:</p> <ul style="list-style-type: none"> <li>* Provide diabetes education and testing in SDC's East Region.</li> </ul> <p>FY 2011 Report of Activities: SGH Diabetes Education Program is recognized by the ADA (American Diabetes Association) and meets national standards for excellence and quality in diabetes education. In FY 2011, the SGH Diabetes Education Program conducted three community educational lectures and four blood glucose screening events at hospital and off-site locations, testing 163 people. As a result of these screenings, 37 people were identified with elevated blood glucose levels. Screening events were located throughout San Diego's East County, including the Grossmont Healthcare District Library, Waterford Terrace in La Mesa, the 12th Annual Senior Health Fair at the Santee Trolley Square and the Ladies of Hope.</p>



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		<p>Fair at St Peter's Chaldean Catholic Cathedral SGH's Diabetes Education Program conducted community lectures on diabetes at libraries, community centers, educational institutions, national conferences and other hospitals. In addition, the SRS Diabetes Education Program conducted a screening event at the Vista Promotoras at Cuyamaca College, and a Meet the Pharmacist event at the YMCA in Santee, screening a total of 104 community members at these two events. As a result of these screenings, 13 people were identified with elevated blood glucose levels. SGH's Diabetes Education Program conducted educational seminars for health care professionals on management of diabetes in hospitalized patients and outpatients and on other topics, including prevention of diabetic heart disease, diabetes and renal failure. In FY 2011, the SGH Diabetes Education Program continued to provide targeted outreach to the newly immigrated Iraqi Chaldean population in San Diego. The program facilitated translation, as well as provided materials and resources to better understand the cultural needs of this newly immigrated population. The resources provided included an information binder on topics such as: How to Live Healthy With Diabetes, What You Need to Know About Diabetes, All About Blood Glucose for People With Type II Diabetes, All About Carbohydrate Counting, Getting the Very Best Care for Your Diabetes, All About Insulin Resistance, and All About Physical Activity With Diabetes. Handouts were provided in Arabic as well as Somali, Tagalog and Vietnamese for additional populations. Education was also provided to staff members regarding the different cultural needs of these communities. FY 2012 Plan The SGH Diabetes Education Program will conduct the following:</p> <ul style="list-style-type: none"> <li>* Coordinate and implement blood glucose screenings at community and hospital sites in the County's East Region</li> <li>* Conduct educational lectures at various community venues</li> <li>* Support the American Diabetes Association's Step Out for Diabetes Walk</li> <li>* Continue to collaborate with the Diabetes Behavioral Institute to host community lectures that will assist diabetes patients and their loved ones</li> <li>* Conduct educational symposiums for health care professionals</li> <li>* Explore additional opportunities for culturally competent diabetes education and/or outreach to newly immigrated populations</li> <li>* Continue to provide lectures to multicultural elementary students that focus on healthy diets and weight management</li> <li>* Keep current on resources to give to the community for support</li> </ul> <p>Identified Community Need: Outreach for Flu Vaccinations. Rationale: references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics, unless otherwise indicated. Rationale:</p> <ul style="list-style-type: none"> <li>* CHIP members identified keeping immunizations current as the seventh-most important health-related behavior overall in the 2010 CHNA</li> <li>* Pneumonia and influenza ranked as the ninth-leading cause of death in SDC</li> <li>* In 2009, there were 59 deaths due to pneumonia and influenza in the County's East Region. The region's age-adjusted death rate due to pneumonia and influenza was 11.5 per 100,000 population, the second highest of all regions, and higher than the SDC age-adjusted rate of 9.6 deaths per 100,000 population</li> <li>* In SDC, an estimated 72 percent of seniors 65 years and older were vaccinated for influenza in 2007, failing to meet the HPA 2020 target of at least 90 percent of adults 65 years and older vaccinated annually for influenza</li> <li>* The CDC recommends annual vaccination against influenza for the following: people aged 50 years and older, adults and children with a chronic health condition, children aged 6 months up to their 19th birthday, pregnant women, people who live in nursing homes and other long-term care facilities, and people who live with or care for those at high risk for complications from flu, including health care workers, household contacts of persons at high risk for complications from the flu, and household contacts and caregivers of children younger than 5 years of age</li> <li>* Flu clinics offered in community settings at no or low cost improve access for those who may experience transportation, cost or other barriers</li> </ul> <p>Measurable Objectives:</p> <ul style="list-style-type: none"> <li>* In collaboration with community partners, offer seasonal flu vaccination clinics at convenient locations for seniors and high-risk adults in the community</li> <li>* Provide information at the seasonal flu clinics about other Senior Resource Center programs and other health education materials</li> </ul> <p>FY 2011 Report of Activities: In FY 2011, SGH's Senior Resource Center participated in the San Diego Immunization Coalition to educate high-risk adults about the importance of seasonal flu immunizations and to organize seasonal flu clinics at convenient locations for seniors and high-risk adults. SGH's Senior Resource Center coordinated notification of availability and provision of seasonal flu vaccines in selected community settings through activity.</p>

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		<p>reminders and newspaper notices The SGH Senior Resource Center provided 1,035 seasonal flu vaccinations at 16 community sites to high-risk adults with limited access to health care resources, including seniors with limited resources for transportation and those with chronic illnesses Sites included senior centers, mobile home parks, senior housing complexes, food banks and various hospital departments At these community sites, SGH provided activity calendars for the Senior Resource Center detailing upcoming community events, including blood pressure clinics, community senior programs and Project CARE FY 2012 Plan The SGH Senior Resource Center will conduct the following</p> <ul style="list-style-type: none"> <li>* Provide seasonal flu vaccinations at 16 community sites for seniors with limited mobility and access to transportation, as well as high-risk adults, including low-income, minority and refugee populations</li> <li>* Coordinate the notification of seniors regarding the availability of seasonal flu vaccines and the provision of seasonal flu vaccines to high-risk individuals in select community settings</li> <li>* Direct seniors and other chronically ill adults to available seasonal flu clinics, including physicians' offices, pharmacies and public health centers</li> <li>* Work with community agencies to ensure seasonal flu immunizations are offered at sites convenient to seniors and chronically ill adults</li> <li>* Expand outreach for provision of seasonal flu immunizations to include food bank sites across SDC</li> <li>* Publicize flu clinics through media and community partners</li> </ul> <p>Identified Community Need Health Education and Screening for Seniors Rationale references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics, unless otherwise indicated Rationale</p> <ul style="list-style-type: none"> <li>* CHIP members identified heart disease and stroke, cancer, diabetes, arthritis, overweight and obesity, and chronic respiratory disease as the top six health issues facing seniors age 65 years and older in the 2010 CHNA</li> <li>* In 2008, the top 10 leading causes of death among senior adults age 65 years and older in SDC were heart disease, cancer, Alzheimer's disease, stroke, chronic lower respiratory diseases, diabetes, influenza and pneumonia, unintentional injuries, hypertension and hypertensive renal disease, and Parkinson's disease</li> <li>* In 2007, there were 83,906 visits by seniors aged 65 years and older that were treated and discharged from a SDC ED (23,883 per 100,000), or one out of every four senior residents of SDC The rate of ED discharge increased with age and was higher among females than males Black and Hispanic seniors had the highest rates of ED discharge, and rates were highest among residents of the County's Central and East Regions</li> <li>* In 2008, rates of hospitalization among senior adults age 65 years and older in SDC were higher than the general population due to coronary heart disease, cancer, stroke, diabetes, chronic lower respiratory diseases, non-fatal unintentional injuries (including falls), arthritis, and dorsopathy (diseases of the spine)</li> <li>* In 2008, the top causes of ED utilization among persons age 65 years and older were falls, arthritis, chronic lower respiratory diseases, diabetes and stroke Older adults utilize more ambulatory care, hospital services, nursing home services and home health services than young people</li> <li>* Seniors in SDC use the 9-1-1 system at higher rates than any other age group In 2007, 58,060 calls were made to 9-1-1 for seniors aged 65 years and older in need of pre-hospital (ambulance) care in SDC, at a rate of 16,526 per 100,000 population, or one out of every six seniors The rate increased with age to one out of three seniors aged 85 years and older, and was higher for females than for males</li> <li>* There are an estimated 4 million family caregivers in California</li> </ul>

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		<p>today, according to the California Caregiver Resource Center (CRC) Whether aging Californians live in their own homes, with a relative, in an assisted-living residential facility, or in a nursing home, one of the keys to their care is family caregiving - defined as those family members and informal care providers who assist with the care of disabled elderly relatives Reaching out to families and community members who care for older adults helps to maintain the health of older adults as well as their caregivers * Project CARE is a cooperative safety net designed to ensure the well-being and independence of older persons and persons with disabilities in the community Through its component services, Project CARE helps people live independently in their homes The County's East Region autonomously administers a local Project CARE site, located at SGH's Senior Resource Center, to meet the unique needs of the community's seniors Measurable Objectives * Host a variety of senior health education and screening programs * Produce activity calendars four times a year * Act as lead agency for East County Project CARE FY 2011 Report of Activities In FY 2011, the SGH Senior Resource Center provided free health education programs (1,067 people attended) and health screenings (739 people screened) Health education topics included hearing, stroke, heart health, vascular disease, osteoporosis, weight loss, diabetes, senior services, Vials of Life, Advance Directives for Health Care, financial issues, memory loss, caregiver resources, end-of-life issues, Medicare, depression, stress management and sleep disturbances Educational programs were offered at the hospital campus, the Grossmont Healthcare District Conference Center, and in various communities in East County The hospital offered free monthly blood pressure screenings at community sites, along with four balance/fall prevention screenings, and five hand screenings The hospital also offered health screenings for depression, lung function, peripheral artery disease, vascular disease, carotid artery disease and stroke From these screenings, 26 attendees with abnormal results were referred to physicians for follow-up The SGH Senior Resource Center also provided a series of physician lectures in FY 2011, covering topics such as foot care, stroke and hearing loss In total, 152 community members attended these lectures In addition, the hospital provided education for seniors on how to communicate with their providers, as well as education for caregivers Calendars highlighting SGH's Senior Resource Center activities were mailed four times a year to approximately 7,600 households The SGH Senior Resource Center distributed 250 Advance Directives for Health Care, as well as 2,150 Vials of Life, which provide important medical information to emergency personnel for seniors and disabled people living in their homes Project CARE is a community program that includes the County's AIS, Jewish Family Services, SDG&amp;E, local senior centers, sheriff and police, and many others The Senior Resource Center provided daily computerized phone calls - at regularly scheduled times selected by participants - to an average of 40 East County seniors who live alone each day A total of 10,235 phone calls were placed to seniors or disabled individuals in FY 2011 Staff completed 108 follow-up phone calls with friends or neighbors to ensure the participants' safety if staff were unable to reach them at home In collaboration with the San Diego Caregiver Coalition, the Senior Resource Center provided a Caregiver Conference at the United Methodist Church of Mission Valley for 100 family caregivers, focusing on emotional issues, physical aspects of caregiving, and community resources The Senior Resource Center also coordinated an end-of-life conference entitled Aging, Planning and Coping with Sharp HospiceCare - serving 84 individuals - and provided information on advance directives, end-of-life issues, and conversations with loved ones The Senior Resource Center also participated in health fairs in Campo, El Cajon, Lakeside, Santee, La Mesa, the College Area, and San Diego In addition, the Senior Resource Center assisted in the planning and coordination of a Meet the Pharmacist event at the Santee YMCA, serving 50 community members and also participated in another Caregiver Conference held at the La Mesa Community Center, providing resources to more than 95 attendees from the community In FY 2011, the Senior Resource Center maintained active relationships with organizations serving seniors, enhancing networking among East County professionals and providing quality programming for seniors These organizations included AIS (Project CARE and the Caregiver Coalition), East County Senior Service Providers, Meals-on-Wheels Greater San Diego, and the Caregiver Education Committee The SGH Senior Resource Center also enhanced its educational resources on the Sharp.com website with the add</p>

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		<p>ition of monthly Healthy Aging podcast segments Audio and video presentations offered important public information on fall prevention, maintaining brain health, advance directives , caregiving for older adults, and exercises to help seniors live a healthy and independent life These podcasts were made possible by a grant from the PacificCare/United Healthcare Charitable Commitment Program FY 2012 Plan SGH's Senior Resource Center will conduct the following activities</p> <ul style="list-style-type: none"> <li>* Provide resources at the Senior Resource Center to address relevant concerns of seniors, including health information and community resources through educational programs, monthly blood pressure clinics, and four to eight health screenings annually</li> <li>* Utilize Sharp experts in the field for 12 seminars per year that focus on issues of concern to seniors</li> <li>* Maintain daily contact through phone calls with individuals (many are home bound) in rural and suburban settings who are at risk for injury or illness, and continue supporting Project CARE services for the East County community</li> <li>* Participate in six community health fairs and special events targeting seniors</li> <li>* Coordinate two conferences - one dedicated to family caregiver issues in collaboration with San Diego Caregiver Coalition and one focused on end-of-life issues in collaboration with Sharp HospiceCare</li> <li>* Produce and distribute quarterly calendars highlighting events of interest to seniors and family caregivers</li> <li>* Provide 2,000 Vials of Life to seniors</li> <li>* Present an Advanced Directives and Health Care Decisions program to inform seniors about advance directives and other necessary documents available to communicate their end-of-life wishes</li> </ul> <p>Identified Community Need Prevention of Unintentional Injuries Rationale references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics , unless otherwise indicated Rationale</p> <ul style="list-style-type: none"> <li>* CHIP members identified injury and violence as the fourth-most important health-related behaviors overall (when considering a total of seven health-related behaviors) in the 2010 CHNA</li> <li>* Injury, including both intentional and unintentional, is the number one killer and disabler of persons aged 1 to 44 in California</li> <li>* Unintentional injuries - motor vehicle accidents, falls, firearms, fire/burns, drowning, poisoning (including drugs and alcohol, gas, cleaners and caustic substances) and injuries at work - are one of the leading causes of death for SDC residents of all ages, regardless of gender, race or region</li> <li>* During 2008, unintentional injury was the leading cause of death for persons ages 1 to 4 years and 15 to 34 years, and the sixth-leading cause of death overall in SDC</li> </ul>

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		<p>* Between 2000 and 2008, 6,725 San Diegans died as a result of unintentional injuries, and since 2000, the rate of death has increased by 9.8 percent. * In 2009, there were 179 deaths due to unintentional injury in the County's East Region. The region's age-adjusted death rate due to unintentional injuries was 36.3 deaths per 100,000 population, the highest of all regions and higher than the SDC age-adjusted rate of 28.9 deaths per 100,000 population. * In FY 2008, there were 3,947 hospitalizations related to unintentional injury in the County's East Region. The rate of hospitalizations was 850 per 100,000 population, the highest of all regions and higher than the County average of 661 per 100,000 population. * In FY 2008, there were 25,466 ED visits related to unintentional injury in the County's East Region. The rate of visits was 5,485 per 100,000 population, the highest of all regions and higher than the County average of 4,764 per 100,000 population. * According to HP 20.20, most events resulting in injury, disability or death are predictable and preventable. There are many risk factors for unintentional injury and violence, including individual behaviors and choices, such as alcohol use or risk-taking, the physical environment both at home and in the community, access to health services and systems created for injury-related care, and the social environment, including individual social experiences (social norms, education, victimization history), social relationships (parental monitoring and supervision of youth, peer group associations, family interactions), the community environment (cohesion in schools, neighborhoods and communities) and societal-level factors (cultural beliefs, attitudes, incentives and disincentives, laws and regulations). Measurable Objective * To offer an injury and violence prevention program for children, adolescents, and young adults throughout SDC. FY 2011 Report of Activities. In FY 2011, ThinkFirst/Sharp on Survival participated in 31 programs at elementary, middle and high schools in East County, serving 2,630 students. During these one-to-two hour classes, students learned about modes of injury, the anatomy and physiology of the brain and spinal cord, and disability awareness. They also heard personal testimonies from individuals, known as Voices for Injury Prevention (VIPs), with traumatic brain or spinal cord injuries. In addition, due to funding changes, ThinkFirst/Sharp on Survival offered schools multiple opportunities for learning. Schools were provided with a variety of lesson plans to choose from, including information on physical rehabilitation, careers in health care, and disability awareness panels to meet the needs of specific class curricula. In addition, ThinkFirst/Sharp on Survival spoke to at-risk youth about the consequences of violence, gangs, reckless driving and making poor choices. ThinkFirst/Sharp on Survival participated in a variety of community events throughout FY 2011, including presentations for youth and their parents, as well as health- and safety-related fairs and community groups. These community-based events and presentations served more than 1,520 participants throughout the year. Events included the annual Kids Care Fest event in La Mesa sponsored by the Grossmont Healthcare District, where ThinkFirst/Sharp on Survival provided helmet-fitting information as well as education on booster and car seats to approximately 500 community members. In October, ThinkFirst/Sharp on Survival also provided information on proper helmet fitting and booster seat education for the El Cajon Fire Department Safety Fair and Open House, serving 800 people. Also in FY 2011, through a partnership between SDSU and the Health and Science Pipeline Initiative (HASPI), 35 high school students were educated by ThinkFirst/Sharp on Survival staff about careers in physical rehabilitation. This teen day-camp was offered to students to help them connect with health professionals, practice career skills and explore new options for their future careers. A VIP also helped students learn more about disability awareness and how to interact with the disabled population. Through HASPI's Gateway to Allied Health and Nursing Program, a dozen Cuyamaca College students received a presentation from ThinkFirst/Sharp on Survival focusing on the different elements and careers within the physical rehabilitation field. As a conclusion to the careers talk, a VIP shared details on how therapists and nurses in physical rehabilitation helped him to become as independent as possible after his spinal cord injury and what the rehab experience has meant personally to him. In addition, more than 200 college students enrolled in SDSU's Disability in Society course benefited from receiving injury prevention education and learning about brain injury, spinal cord injury and disability awareness. FY 2012 Plan. ThinkFirst/Sharp on Survival will do the following. * With funding support from grants, provid</p>

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		<p>e educational programming and presentations for local schools and organizations * Increase community awareness of the program through attendance and participation at community events and health fairs using grant funding *</p> <p>Continue to evolve program curricula to meet the needs of health career pathway classes as part of the HASPI partnership Identified Community Need Special Support Services for Hospice Patients and Their Loved Ones and the Community Rationale references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics, unless otherwise indicated Rationale *</p> <p>As patients and their loved ones deal with death and dying, many experience intense grief over the loss of life, yet have the opportunity to experience a profound transformation A hospice model - combining medical, spiritual, emotional and other support services - can offer many patients and their families assistance, information and strategies related to bereavement, grief and healing *</p> <p>A 2004 Journal of the American Medical Association (JAMA) study (Source JAMA January 7, 2004) titled, "Quality of End-of-Life Care and Last Place of Care," examined 1,578 family members of people who died in the year 2000 of non-traumatic causes Families were asked about the quality of patients' experiences at the last place where they spent more than 48 hours Significant findings of the study include more than one-third of those cared for by nursing homes, hospitals and home health agencies reported either insufficient or problematic emotional support for the patient and/or family, compared to one-fifth of those in hospice *</p> <p>As presented in the 2010 CHNA, the Agency for Healthcare Research and Quality has identified coping with the end of life as a component of its National Health Care Quality Report, a conceptual framework for measuring the performance improvement of the U.S. health system in its provision of high-quality care *</p> <p>A study by the National Hospice and Palliative Care Organization (NHPCO) suggests that hospice may have a positive impact on patients' longevity The study found that for certain well-defined terminally ill populations, patients who choose hospice care live an average of 29 days longer than similar patients who do not choose hospice, allowing patients and their families extra time for resolution and closure at the end of life (Conner, et al, 2007) *</p> <p>According to a 2011 article in the American Family Physician journal (AFP), in the next few decades, the demand for family caregivers is expected to rise by 85 percent Furthermore, family caregiving has been affected in several important ways over the past five years caregivers and care recipients are older and have higher levels of disability than in years past, the duration, intensity and burden of care has increased, the financial cost associated with informal caregiving has risen, and the use of paid formal care has declined significantly *</p> <p>According to a 2010 article in the Journal of the American Medical Association (JAMA), when compared with nursing homes or home health nursing services, bereaved family members report fewer unmet needs for pain and emotional support when the last place of care was hospice In addition, lower spousal mortality at 18 months was found among bereaved wives of decedents who used hospice care versus those who did not</p>

Identifier	Return Reference	Explanation
		<p>Measurable Objectives</p> <ul style="list-style-type: none"> <li>* Provide counseling and support, education, and referral services to hospice patients and their loved ones, and to the community in SDC</li> <li>* Provide professional education to community physicians and other health care professionals</li> <li>* Collaborate with community, state and national organizations to provide appropriate services to hospice patients and their loved ones and to the community in San Diego</li> </ul> <p>FY 2011 Report of Activities</p> <p>Sharp HospiceCare serves patients and their loved ones through a hospice model of care. In FY 2011, key services included individual and family bereavement counseling and support, volunteer training programs, the Memory Bear Program, community and professional education, advance care planning, and referral services to hospice and palliative care. Using a flexible approach, Sharp HospiceCare offered a variety of bereavement service options - offered in Spanish and English - including professional bereavement counseling through individual/family and group therapy, education, support groups, and monthly newsletter mailings. In FY 2011, Sharp HospiceCare devoted more than 1,700 hours to home, office and phone contacts made to patients and their loved ones, providing them with pre-bereavement and bereavement counseling services by professionals with specific training in grief and loss. In FY 2011, 12 bereavement support groups, including two Spanish-speaking groups, were provided free of charge, serving 202 participants. The various groups were facilitated by skilled mental health care professionals who specialize in the needs of the bereaved. A unique event entitled Healing Through the Holidays served 104 adults at four locations with presentations on coping with grief during the holiday season, spirituality during the holidays, and a family's grief journey through the holidays. In further support of bereavement counseling, 1,427 people received 13 monthly issues of the bereavement support newsletter, Healing Through Grief (for adults), and Journey to My Heart (for children under 12 years). In addition, Sharp HospiceCare bereavement counselors provided referrals to needed community services including ongoing mental health services, financial assistance, child protective services, drug and alcohol counseling, parent education courses and anger management. Sharp HospiceCare provided extensive training for 68 new volunteers in FY 2011. Potential volunteers undergo a rigorous 32-hour training program to confirm their understanding of and commitment to hospice care. Including both new and returning volunteers, over 185 individuals served as Sharp HospiceCare volunteers during the past fiscal year. As part of the hospice interdisciplinary team, volunteers provided 6,120 hours of service through direct patient care as well as 6,150 hours of clerical and administrative support, devoting 12,270 hours in total to this project. In addition, Sharp HospiceCare coordinated a volunteer-run wig donation program that is open to community members who have suffered hair loss. During FY 2011, Sharp HospiceCare met with 32 individuals and provided 64 wigs. The Sharp HospiceCare program supported volunteers with a monthly volunteer support group and recognition during National Volunteer Month and National Hospice Month. In addition, Sharp HospiceCare provided training and supervision to 15 premedical students through the Pre-Professional Program at SDSU during FY 2011. The Sharp HospiceCare Teen Volunteer Program trained 11 high-school-age teens (14 to 18 years old) during FY 2011. The teen program specializes in helping to create family videos; however, teens are also assigned special projects in the office or patient assignments at LakeView and ParkView homes. Sharp HospiceCare also hosted an intern from San Diego Metropolitan Regional &amp; Technical High School during FY 2011. The student spent one six-hour shift per week in Sharp HospiceCare's administrative office, and another six-hour shift in a Sharp HospiceCare home. The student experienced hospice care through case conferences, interdisciplinary team (IDT) meetings, and a variety of other tasks. The Memory Bear Program, a component of the Volunteer Program, provides a unique keepsake for family members by making teddy bears from garments of the loved one who has passed on. For surviving family members, these bears become permanent reminders of their loved ones. Sharp HospiceCare volunteers, who handcraft all bears stitch by stitch, devoted more than 5,800 hours to craft 968 bears for 241 families during FY 2011. In FY 2011, Sharp HospiceCare provided community education for more than 1,000 people. Topics included end-of-life care and symptom management, information about hospice, home-based palliative care programs, advance care planning, the grieving process, hospice and dementia, hospice and depression, the importance of humor in hospice and end-of-life care, stress management and integrative therapies, pain management, death and</p>

Identifier	Return Reference	Explanation
		dying, and hospice volunteer opportunities. In addition, Sharp HospiceCare promoted Trans itions - an innovative disease management program that focuses on aggressive in-home disea se management and aligns patient goals of care with medical, psychological and spiritual i nterventions throughout the community. In FY 2011, Sharp HospiceCare participated in multi ple events and community forums at various sites throughout San Diego, including service c lubs, senior centers, retirement communities, home health agencies, community planning gro ups, community centers, churches, libraries, colleges and universities. In addition, Sharp HospiceCare - in collaboration with the SGH Senior Resource Center.



Identifier	Return Reference	Explanation
		<p>and often on their own - provided a variety of caregiver conferences throughout SDC. The conferences provided information on communicating end-of-life wishes, wills and trusts, spiritual planning, and advance care planning. Also in conjunction with the SGH Senior Resource Center and the Caregiver Coalition, Sharp HospiceCare coordinated end-of-life conferences and offered resources on hospice care, financial planning, funeral planning, and advance care planning. Sharp HospiceCare has also been involved in a variety of local networking groups that provide caregiver classes, end-of-life programs, and advance care planning seminars and web presentations. In November 2010, Sharp HospiceCare hosted its fifth annual conference for San Diego end-of-life professionals entitled Integrating the Medical, Ethical and Philosophical Aspects of End-of-Life Care. The conference featured a nationally renowned expert in hospice and palliative care, and provided over 150 members of the health care community with an in-depth perspective on what matters most for patients with advanced chronic illness as they are nearing the end of their lives. In addition, Sharp HospiceCare provided a Continuing Medical Education (CME) Geriatric Frailty course at Grossmont Hospital to 160 community physicians and other health care professionals. Sharp HospiceCare leadership presented at several state and national conferences, including the National Hospice and Palliative Care Association, California Association of Physician Groups (CAPG), and the California Coalition of Caring. Topics included management and leadership, the continuum of care and advance care planning. In FY 2011, Sharp HospiceCare also maintained active relationships with organizations including SDC Council on Aging (SDCCOA), Regional Home Care Council, California Hospice and Palliative Care Association (CHAPCA), Hospice and Palliative Nurses Association (HPNA), and San Diego Coalition for End of Life Care. Sharp HospiceCare served as a training site for approximately 25 nursing students from the University of Oklahoma (OU) and Point Loma Nazarene University (PLNU) in FY 2011. Students partnered with Sharp HospiceCare case managers and staff during home visits and skilled nursing facility site visits. Offering a unique end-of-life care experience at LakeView and ParkView Homes, Sharp HospiceCare served as a training site for SDSU Nursing students for 32 hours per week throughout the 2011 spring semester. In addition, several Sharp HospiceCare staff provided guest lectures for programs at San Diego State University (SDSU), Kaplan College, and Southwestern College (SWC). At SDSU, Sharp HospiceCare provided a lecture on music therapy for hospice patients for the university's music department. Nursing students at SWC received a presentation on hospice with an emphasis on bioethics and advance care planning, and Kaplan College students were provided a lecture entitled An Introduction to Hospice Nursing. FY 2012 Plan Sharp HospiceCare will do the following:</p> <ul style="list-style-type: none"> <li>* Offer individual and family bereavement counseling and support groups</li> <li>* Provide 13 bereavement mailings</li> <li>* Provide volunteer training programs for at least 75 adults and teens</li> <li>* Offer a Memory Bear program to serve 250 families</li> <li>* Conduct community education and referral services</li> <li>* Conduct monthly outreach activities to community groups, health care facilities, colleges and universities</li> <li>* Provide a National Hospice Month End-of-Life Conference in November</li> <li>* Continue to provide professional education on hospice-related topics to community members, students and other health care professionals</li> <li>* Continue to provide training opportunities for nursing students and interns</li> </ul> <p>Identified Community Need: Collaboration With Local Schools to Promote Interest in Health Care Careers. Rationale references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics, unless otherwise indicated. Rationale:</p> <ul style="list-style-type: none"> <li>* The demand for registered nurses and other health care personnel in the United States will continue to rise with the growing health care needs of the 78 million baby boomers that began to retire in 2010. The DHHS estimates that by 2020, there will be a need for 2.8 million nurses, 1 million more than the projected supply. In 2008, the U.S. Department of Labor (DOL) ranked RN as the occupation with the highest demand rate.</li> <li>* According to the 2010 Healthcare Shortage Areas Atlas from the County of San Diego HHS, SDC is one of 27 counties in California listed as a Registered Nurse Shortage Area.</li> <li>* The DOL reports that allied health professions represent about 60 percent of the American health care workforce and projects severe shortages of many allied health care professionals (DOL, 2010).</li> <li>* According to the San Diego Workforce Partnership 2011 report titled, Healthcare Workforce Development in SDC Recommendations for Changing Times, health care occupations that will be in highest demand</li> </ul>

Identifier	Return Reference	Explanation
		<p>nd in the next three to five years include physical therapists, medical assistants, occupa tional therapists, registered nurses, medical record and health information technicians, r adiologic technologists and technicians, pharmacists and medical and clinical laboratory t echnologists * According to the San Diego Workforce Partnership, despite the growing dema nd for health care workers, employers express an "experience gap" among recent graduates a s a challenge to filling open positions While new graduates often possess the requisite a cademic know ledge to be hired, they lack necessary real world experience * The San Diego Workforce Partnership recommends programs that provide volunteer experiences to high schoo l and post-secondary students, as on-the-job training could provide real w orld experience for workers Programs that target underrepresented groups and disadvantaged students could help increase the number of culturally competent health care workers Measurable Objectiv e * In collaboration with local schools, offer opportunities for students to explore a vas t array of health care professions FY 2011 Report of Activities In collaboration with Gro ssmont Union High School District (GUHSD), SGH participated in the Health-careers Explorat ion Summer Institute (HESI), providing 12 students w ith opportunities for classroom instru ction, job shadowing observations and limited hands-on experiences in hospital departments At the conclusion of the program, students presented their experiences as case studies t o family members, educators and hospital staff</p>

Identifier	Return Reference	Explanation
		<p>Those completing the program received high school credits equal to two summer school sessions. In FY 2011, HESI students spent more than 1,150 hours on the SGH campus. SGH also continued its participation in the Health Sciences High and Middle College (HSHMC) program in FY 2011, providing early professional development for 173 students from a broad array of backgrounds in grades nine through 12. Students spent a total of approximately 46,000 hours with an estimated 50 health professionals in 33 different departments and nursing areas, and were in direct contact with health care professionals throughout the hospital. During each semester, students were supervised in different levels of the HSHMC program as they rotated through instructional pods in areas such as nursing, obstetrics, occupational and physical therapy, behavioral health, SICU, MICU, imaging, rehabilitation, laboratory, pharmacy, pulmonary, cardiac services and food services. In May 2011, the HSHMC program achieved its first full graduating class of students. Level I of the HSHMC program is the entry level for all students and is conducted over a 16-week period. For FY 2011, 66 ninth-graders shadow primarily in non-nursing areas of the hospital, including physical therapy, food services, laboratory, cardiac services, imaging, physician offices, pulmonary, pharmacy and radiation therapy. In FY 2011, ninth-graders spent a greater length of time within each department in order to more fully experience different clinical areas of the hospital, and in total devoted 7,128 hours to the program. Level II of the HSHMC program offers patient interaction, where students are trained in Tender Loving Care (TLC) functions and then paired with a Certified Nursing Assistant (CNA) on nursing floors. Students assisted the CNA with patient ambulation, personal hygiene, etc. In FY 2011, sixty-four 10th graders, thirty-three 11th graders and ten 12th graders participated in the Level II TLC program, experiencing college-level clinical rotations, hands-on experience, TLC function patient care and mentoring. Students were placed in a new assignment every four to six weeks for a variety of patient care experiences, and also took additional health-related coursework at San Diego Mesa College, including Anatomy, Physiology, and Human Behavior courses. New in FY 2011, 12th graders were also trained in First Touch - the patient-centered model of care provided by SGH to help ease patient anxiety and increase trust in their caregiver. In addition, SGH staff provided HSHMC students instruction on educational requirements, career ladder development and job requirements. At the end of the academic year, SGH staff provided HSHMC students, their loved ones, community leaders and hospital mentors a symposium that showcased the lessons learned throughout the program.</p> <p><b>FY 2012 Plan</b> SGH will do the following:</p> <ul style="list-style-type: none"> <li>* In collaboration with GUHSD, participate in the HESI</li> <li>* Expand integration of First Touch program into 10th and 11th grades</li> <li>* Continue to track and report outcomes of HSHMC students and graduates</li> <li>* Create a long-term plan for program sustainability</li> </ul> <p><b>Identified Community Need:</b> Women's and Prenatal Health Services and Education. Rationale: references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics, unless otherwise indicated.</p> <p><b>Rationale:</b></p> <ul style="list-style-type: none"> <li>* CHIP members identified maternal, infant and child health/family planning as the fifth-most important health outcome overall (when considering a total of seven health outcomes) in the 2010 CHNA.</li> <li>* According to a 2006 report by the CDC, progress in the United States to improve pregnancy outcomes - including low birth weight, premature birth, and infant mortality - has slowed, in part because of inconsistent delivery and implementation of interventions before pregnancy to detect, treat, and help women modify behaviors, health conditions and risk factors that contribute to adverse maternal and infant outcomes.</li> <li>* Between 2005 and 2008, mothers in San Diego County beginning their prenatal care during their first trimester decreased from 87.2 percent to 81.3 percent, a 5.9 percent decrease.</li> <li>* According to HP 2020, the risk of maternal and infant mortality and pregnancy-related complications can be reduced by increasing access to quality preconception and interconception care. Healthy birth outcomes and early identification and treatment of health conditions among infants can prevent death or disability and enable children to reach their full potential.</li> <li>* Women who deliver prematurely, experience repeated miscarriages, or develop gestational diabetes are at increased risk of complications with subsequent pregnancies, according to the CDC (2006).</li> <li>* According to the CDC, only 30 percent of women ages 18 years and older engage in regular leisure-time physical activity (CDC, 2008).</li> <li>* Nationally, 35 percent of women ages 20 and older are obese, and 30 percent of these women have hypertension.</li> </ul>

Identifier	Return Reference	Explanation
		<p>ion (CDC, 2003 to 2006) * Data from the 2005 CHIS indicate that only 38.6 percent of SDC women ages 18 to 65 consume the recommended five or more servings of fruits and vegetables daily * According to the 2007 CHIS, only 18.1 percent of adult women (aged 18 to 65 years) in SDC indicated that they engage in moderate physical activity * In the County's East Region, only 13.8 percent of adult women (aged 18 to 65 years) indicated that they engage in vigorous physical activity The rate of self-reported vigorous physical activity was lower than all SDC regions and lower than the county average of 20.1 percent (CHIS, 2007) Measurable Objectives * Conduct outreach and education activities for women on a variety of health topics as well as prenatal care and parenting skills * Collaborate with community organizations to help raise awareness of women's health issues and services, as well as to provide low-income and underserved women in the San Diego community with critical prenatal services * Participate in professional associations related to women's services and prenatal health and disseminate research</p> <p>FY 2011 Report of Activities In FY 2011, SGH offered four wellness and prevention-related community classes that addressed women's health topics These classes - led by physicians and topic-experts - reached a total of 352 women The range of topics for these classes included information on heart health, prevention of osteoporosis and arthritis, managing menopause symptoms and the ever-popular cooking demonstrations that offer tips on nutrition, cooking and how to select local seasonal ingredients SGH provided free breastfeeding support groups to the community twice per week, reaching approximately 20 to 25 participants per session SGH also offered weekly post-partum depression support groups for women and families struggling with the challenges and adaptations of having a newborn Also in FY 2011, SGH provided resources for and education on women's health issues and treatment services at various community events including the Speaking of Women's Health Conference and the Ladies of Hope Health Fair at St Peter's Chaldean Catholic Cathedral SGH participated in and partnered with a number of community organizations and advisory boards for maternal and child health in FY 2011, including the local Association of Women's Health, Obstetric, and Neonatal Nurses (AWHONN) chapter, WIC, the California Teratogen Information Service (CTIS), Partnership for Smoke-Free Families, the Breast Feeding Coalition Advisory Board, Association of California Nurse Leaders (ACNL), the regional Perinatal Care Network (PCN), and the Public Health Nurse Advisory Board In FY 2011, SGH published an article on infant security entitled "How Safe Are Our Babies? A Community Hospital's Innovative Approach to Hardwiring Infant Security" in the Journal of Perinatal and Neonatal Nursing In addition, SGH participated in the Regional Perinatal Care Network Quality Initiative, reducing the number of elective deliveries between 37 and 39 weeks In August 2011, SGH submitted an abstract of this work to the American Nurses Credentialing Center In May 2011, SGH delivered a podium presentation to the Perinatal Safety Collaborative on the identification of maternal morbidities associated with induction of labor SGH's Women's Health Center's Prenatal Clinic midwives provided in-kind help at Neighborhood Health Centers in El Cajon, Family Health Centers of San Diego (FHCS), and Lakeside community health clinics The SGH Prenatal Clinic participated in the California Department of Public Health (CDPH) Comprehensive Perinatal Services Program (CPSP) to offer comprehensive prenatal clinical and social services to low-income, low-literacy women with Medi-Cal benefits Services provided included health education, nutritional</p>

Identifier	Return Reference	Explanation
		<p>guidance and psychological/social issue support, as well as translation services for non-English speaking women. As part of this effort, women with nutrition issues were also referred to an SGH registered dietician and the SGH Diabetes Program as needed. Free education on gestational diabetes was also provided to pregnant members of the community. In addition, the SGH Women's Health Center partnered with Vista Hill ParentCare to assist drug-addicted patients with psychological and social issues during pregnancy. These approaches have been shown to reduce both low birth weight rates and health care costs in women and infants.</p> <p>FY 2012 Plan</p> <ul style="list-style-type: none"> <li>* Provide wellness and prevention classes</li> <li>* Provide cooking and nutrition classes on eating and staying healthy</li> <li>* Provide free breastfeeding support groups</li> <li>* Provide parenting education classes</li> <li>* Participate in community events such as Learn and Live events for breast and colon cancer and the Sharp Speaking of Women's Health Conference</li> <li>* Provide medical services to low-income patients through the prenatal clinic.</li> </ul> <p>Identified Community Need</p> <p>Orthopedic / Osteoporosis Education and Screening</p> <p>Rationale references the findings of the 2010 Community Health Needs Assessment or the most recent San Diego County community health statistics, unless otherwise indicated.</p> <p>Rationale</p> <ul style="list-style-type: none"> <li>* According to the CDC, arthritis is the nation's most common cause of disability. An estimated 50 million U.S. adults (about one in five) report doctor-diagnosed arthritis. As the U.S. population ages, these numbers are expected to increase sharply to 67 million by 2030, and more than one-third of these adults will have limited activity as a result. In addition, a recent study indicated that some form of arthritis or other rheumatic condition affects 1 in every 250 children (CDC, 2011).</li> <li>* According to the NIH (2006), osteoporosis is responsible for more than 1.5 million fractures each year, including 250,000 wrist fractures, 300,000 hip fractures, 700,000 vertebral fractures, and 300,000 fractures at other sites.</li> <li>* According to an HP 2010 Progress Review released in 2006, osteoporosis is responsible for more than \$14 billion in health care costs annually.</li> <li>* According to data presented in the 2007 CHNA, in the U.S., the age-adjusted prevalence of doctor-diagnosed arthritis is estimated to be 21.3 percent among adults ages 18 and over.</li> <li>* According to HP 2020, approximately 80 percent of Americans experience low back pain (LBP) in their lifetime. Each year, it is estimated that 15 to 20 percent of the population develops protracted back pain, 2 to 8 percent have chronic back pain (pain that lasts more than 3 months), 3 to 4 percent of the population is temporarily disabled due to back pain, and 1 percent of the working-age population is disabled completely and permanently due to LBP.</li> <li>* In addition, research for HP 2020 reveals that Americans spend \$50 billion each year for LBP, which is the third-most common reason to undergo a surgical procedure and the fifth-most frequent cause of hospitalization (2009).</li> <li>* In the County's East Region from 2006 to 2008, the number of arthritis-related hospitalizations increased from 1,494 to 1,600, while the rate of arthritis-related hospitalizations increased from 329 to 345 per 100,000 population. The region's 2008 arthritis-related hospitalization rate of 345 per 100,000 population was higher than the 2008 age-adjusted County average of 291 arthritis hospitalizations per 100,000 population, as well as higher than all other SDC regions.</li> <li>* In the County's East Region from 2006 to 2008, the number of arthritis-related ED discharges increased from 2,022 to 2,088, while the rate of arthritis-related ED discharges increased from 445 to 450 per 100,000 population. The region's 2008 arthritis-related ED discharge rate of 450 per 100,000 population was higher than the 2008 age-adjusted County average of 400 per 100,000 population.</li> <li>* In the County's East Region in 2008, females had a higher ED discharge rate for arthritis-related diagnosis than males (48.8 and 41.0 per 100,000 population, respectively). Blacks had a higher ED discharge rate for arthritis-related diagnosis than persons of other racial or ethnic groups, and persons ages 65 and over had higher ED discharge rates for arthritis-related diagnosis than younger persons.</li> </ul> <p>Measurable Objective</p> <ul style="list-style-type: none"> <li>* Provide education on orthopedics and osteoporosis to the community, with an emphasis on seniors.</li> </ul> <p>FY 2011 Report of Activities</p> <p>In FY 2011, SGH offered six educational sessions on arthritis and hip and knee problems to more than 350 community members. Topics included management of arthritis and hip/knee repair and treatment. Sessions were held at the Grossmont Healthcare District Conference Center. Attendance ranged from 28 to 80 individuals at each event. SGH offered specialized education on osteoporosis prevention and treatment to the community. As part of its Women's Healthy Hour series of talks on women's health issues, SGH offered a free</p>

Identifier	Return Reference	Explanation
		<p>community seminar in May entitled, Better Bone Health Reduce Your Risk of Osteoporosis and Arthritis The session was attended by 60 community members The talk provided education on the risks of osteoporosis, treatment options and tips for maintaining good bone health A Sharp-affiliated physician provided education on the pathology of osteoporosis and its impact on daily activities, as well as how exercise, nutrition, and proper posture and body mechanics contribute to reduced risk of the bone disease FY 2012 Plan * Continue to offer orthopedic, arthritis and osteoporosis educational presentations to the community SGH Program and Service Highlights * 24-hour emergency services with heliport and paramedic base station - designated STEMI Center * Acute care * Ambulatory care services, including infusion therapy * Behavioral Health Unit * Breast Health Center, including mammography * Cardiac services, recognized by the American Heart Association - GWTG * Cardiac Training Center * CT scan * David and Donna Long Center for Cancer Treatment * EEG and EKG * Endoscopy unit * Grossmont Plaza Outpatient Surgery Center * Group and art therapies * Home health * Home infusion therapy * Hospice * Hyperbaric treatment * ICU * LakeView Home * NICU * Orthopedics * Outpatient diabetes services, recognized by the American Diabetes Association * Outpatient Imaging Centers * Laboratory services (inpatient and outpatient) * ParkView Home * Pathology services * Pediatric services * Pulmonary services * Radiology services * Rehabilitation Center * Robotic surgery * Senior Resource Center * Sleep Disorders Center * Spiritual care services * Stroke Center * Surgical services * Transitional Care Unit * Van services * Vascular services * Women's Health Center * Wound Care Center</p> <p>Appendix A - Sharp HealthCare Involvement in Community Organizations The list below shows the involvement Sharp executive leadership and other staff in community organizations and coalitions in Fiscal Year 2011 Community organizations are listed alphabetically * 211 San Diego Board * Academy of Medical-Surgical Nurses * ACS * AF * AIS * ALA * Alzheimer's Association * American Association of Critical Care Nurses San Diego Chapter * American College of Healthcare Executives * American Diabetes Association * American Health Information Management Association * American Heart Association * American Hospital Association * American Psychiatric Nurses Association * American Red Cross of San Diego * Arthritis Foundation * Association for Ambulatory Behavioral Health Care (National) * Association for Ambulatory Behavioral Health Care of Southern California * Association for Clinical Pastoral Education * Association of California Nurse Leaders * Association of Rehabilitation Nurses * AWHONN * BLCI * Boys and Girls Club of San Diego * Breast Feeding Coalition Advisory Board * Breast Health Coordinators * California Association of Health Plans * California Association of Medical Staff Services * California Association of Physician Groups * California Council for Excellence * California Dietetic Association, Member Council * California HealthCare Foundation * California Health Information Association * California Hospice and Palliative Care Association * CHA * California Perinatal Quality Care Collaborative * California Physical Therapy Association * California Society of Health System Pharmacists * California State Bar, Health Subcommittee * California Teratogen Information Service * California Women Lead * CHIP Access to Care Committee</p>

Identifier	Return Reference	Explanation
		<p>* CHIP Access to Care Committee Health Literacy * CHIP Access to Care Gift of Health * CHIP Behavioral Health Work Team * CHIP Board * CHIP Executive Partners Committee * CHIP Health Literacy Task Force * CHIP Needs Assessment Committee * CHIP Public Policy Committee * CHIP Steering Committee * Chula Vista Chamber of Commerce * Chula Vista Community Collaborative * City of Chula Vista Wellness Program * City of Poway - Housing Commission * College Area Pregnancy Services * Community Emergency Response Team * Consortium for Nursing Excellence, San Diego * Coronado Chapter of Rotary International * Coronado Christmas Parade * Coronado Flower Show * Creative Arts Consortium * CWISH * Cycle Eastlake * Diabetes Behavioral Institute * Disabled Services Advisory Board * DOVIA * East County Chamber Health Committee * East County Pregnancy Care Center * East County Refugee Center * East County Senior Service Providers * ECOLIFE Foundation * El Cajon Rotary * Emergency Nurses Association, San Diego Chapter * Employee Assistance Program Association * Family Health Centers of San Diego * First Five Commission * Gay Men's Spiritual Retreat Board * Grossmont College * Grossmont Healthcare District * Grossmont Union High School District * Health Care Communicators Board * Healthcare Financial Management Association San Diego/Imperial Chapter * Hospital Association of San Diego and Imperial Counties * HSHMC Board * Huntington's Disease Society of America * Immunize San Diego Coalition * Institute of Internal Auditors San Diego Chapter Board * International Lactation Consultants Association * Kiwanis Club of Bonita * Komen Board * Komen Breast Cancer Coalition Committee * Komen Race for the Cure Committee * La Mesa Lion's Club * La Mesa Park and Recreation Finance Committee * La Mesa Park and Recreation Foundation Board * Las Hermanas * LEAD, San Diego, Inc * Leukemia &amp; Lymphoma Society * March of Dimes * Meals-on-Wheels East County * Medical Library Group of Southern California and Arizona * Mended Hearts * Mental Health America Board * Mental Health Coalition * Mesa College * Miracle Babies * Mountain Health and Community Services, Inc Board * NAMI * NAMI Schizophrenics in Transition Board of Directors * NANN * National Association of Hispanic Nurses, San Diego Chapter * National Association of Psychiatric Healthcare Systems * National Foundation for Trauma Care * National Hospice and Palliative Care Association * National Kidney Foundation * National Ovarian Cancer Coalition * National Perinatal Information Center * National Trauma Foundation Board * Neighborhood Healthcare Community Clinic - Board of Directors * NurseWeek * Parents for Addiction, Treatment, and Healing * Partnership for Philanthropic Planning of San Diego (formerly San Diego Planned Giving Roundtable) * Partnership for Smoke-Free Families * Peninsula Shepherd Senior Center * Perinatal Social Work Cluster * Planetree Board of Directors * Planned Parenthood of San Diego and Imperial Counties * Potiker Family Senior Residence * Port of San Diego Marketing Committee * Premier, Inc HIT Collaborative * Premier, Inc Medication Use Committee * Professional Oncology Network * Project CARE Council * Public Health Nurse Advisory Board * Recovery Innovations of California * Regional Home Care Council * Regional Perinatal System * Residential Care Council * SAFE Foundation * Safety Net Connect * SanDi-Can * San Diegans for Healthcare Coverage * San Diego Healthcare Disaster Council * San Diego Asian Film Festival Foundation * San Diego Association for Diabetes Educators * San Diego Association of Directors of Volunteer Services * San Diego Association for Healthcare Recruitment * San Diego Blood Bank * San Diego Brain Injury Foundation * San Diego Breastfeeding Coalition * San Diego Caregiver Coalition * San Diego Center for Patient Safety Task Force * San Diego Chapter of Rotary International * San Diego City Parks and Recreation * San Diego Committee on Employment of People with Disabilities * San Diego Council of Hospital Volunteers * San Diego County Perinatal Care Network * San Diego County Pharmacists Association * San Diego County Safety Net Workgroup * San Diego County Social Services Advisory Board * San Diego County Taxpayer Association * San Diego Delta Leadership Academy * San Diego Diabetes Coalition * San Diego Dietetic Association Board * San Diego East County Chamber of Commerce Board * San Diego Emergency Medical Care Committee * San Diego Eye Bank * San Diego Foundation * San Diego Health Information Association * San Diego Healthcare Disaster Council * San Diego Immigrants' Rights Consortium * San Diego Interreligious Committee * San Diego Mental Health Coalition * San Diego North Chamber of Commerce * San Diego Nutrition Council * San Diego Organization of Healthcare Leaders, a local ACHE Chapter * San Diego Patient Safety Consortium * San Diego Regional Energy Office * San Diego Regional Home care Council * San Diego Restorative Justice Media</p>

Identifier	Return Reference	Explanation
		tion Program * San Diego Society for Human Resource Management * San Diego Society of Hospital Pharmacists, California Society of Health System Pharmacists Chapter * San Diego Urban League * San Diego-Imperial Council of Hospital Volunteers * San Diego Regional Chamber of Commerce * Santee Chamber of Commerce * Santee-Lakeside Rotary * Schizophrenics in Transition * Scoliosis Research Society * SDCOI * SDSU * SDSU Nursing Evidence-Based Practice Institute * Senior Community Centers of San Diego * Serra Foundation * Sidney Kimmel Cancer Center * Sigma Theta Tau International Honor Society of Nursing * Society of Trauma Nurses * South Bay Community Services * South Bay Community Services, Baby First Program * South County Economic Development Council * South County Education Board and Policy Committee * Southern California Association of Neonatal Nurses * Southern California Society of Gastroenterology Nurses and Associates * Southwestern College * Susan G. Komen Breast Cancer Foundation * Sustainable San Diego * SYHS * The Meeting Place Clubhouse * The Polinsky Center * Trauma Intervention Programs of San Diego County, Inc. * Trauma Managers Association of California * Union of Pan Asian Communities * United Behavioral Health Medical Credentials Committee * United Way of San Diego County * UCSD * VA San Diego Healthcare System * Vista Hill ParentCare * Wellpoint/US Behavioral Health Clinical Advisory Board * WIC * YMCA * YWCA Becky's House * YWCA Board of Directors * YWCA Executive Committee * YWCA In the Company of Women Luncheon * YWCA TWIN Event



SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
33-0449527

Part I

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

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

Part II

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
See Additional Data Table							

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) Grossmont Imaging LLC  7777 Alvarado Road Suite 108 La Mesa, CA91941 20-2655131	Diagnostic Imaging	CA	N/A	Related	364,138	1,649,631		No		Yes		50 000 %

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) Continuous Quality Insurance SPC PO Box 1092 Grand Cayman CJ	Captive Insurance Company	CJ	N/A	C			

Part V

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

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

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 (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

Yes

No

1a Yes

1b Yes

1c Yes

1d Yes

1e

1f

1g

1h

1i Yes

1j

1k Yes

1l Yes

1m Yes

1n Yes

1o Yes

1p Yes

1q Yes

1r Yes

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

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

Schedule R (Form 990) 2010

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.

[illegible]

**Part VII**   **Supplemental Information**

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

Identifier	Return Reference	Explanation
------------	------------------	-------------

Software ID:  
Software Version:  
EIN: 33-0449527  
Name: Grossmont Hospital Corporation

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled organization	
						Yes	No
Sharp HealthCare (SHC)  8695 Spectrum Center Blvd San Diego, CA921231489 95-6077327	Healthcare Organization	CA	501 (c)(3)	3	SharpCare		No
Sharp Memorial Hospital (SMH)  8695 Spectrum Center Blvd San Diego, CA921231489 95-3782169	Hospital	CA	501 (c)(3)	3	Sharp HealthCare	Yes	
Sharp Chula Vista Medical Center (SCVMC)  8695 Spectrum Center Blvd San Diego, CA921231489 95-2367304	Hospital	CA	501 (c)(3)	3	Sharp HealthCare	Yes	
Sharp HealthCare Foundation (SHF)  8695 Spectrum Center Blvd San Diego, CA921231489 95-3492461	Healthcare Foundation	CA	501 (c)(3)	7	Sharp HealthCare	Yes	
Grossmont Hospital Foundation  8695 Spectrum Center Blvd San Diego, CA921231489 33-0124488	Hospital Foundation	CA	501 (c)(3)	7	N/A	Yes	
Sharp Health Plan (SHP)  8695 Spectrum Center Blvd San Diego, CA921231489 33-0519730	Health Plan	CA	501 (c)(4)	N/A	Sharp HealthCare	Yes	
Sharp Coronado Hospital and Healthcare Center  8695 Spectrum Center Blvd San Diego, CA921231489 95-0651579	Hospital	CA	501 (c)(3)	3	Sharp HealthCare	Yes	
Sharp Care  8695 Spectrum Center Blvd San Diego, CA921231489 61-1637133	Healthcare Organization	CA	501 (c)(3) (pending)	3	N/A		No

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

(a) Name of other organization		(b) Transaction type(a-r)	(c) Amount Involved (\$)	(d) Method of determining amount involved
(1)	Sharp Memorial Hospital	K	553,016	Accrual
(2)	Sharp Memorial Hospital	L	3,739,672	Accrual
(3)	Sharp Memorial Hospital	P	146,967	Accrual
(4)	Sharp Memorial Hospital	R	2,244,291	Accrual
(5)	Sharp Chula Vista Medical Center	L	702,308	Accrual
(6)	Sharp Chula Vista Medical Center	K	234,573	Accrual
(7)	Sharp Coronado Hospital and Healthcare Center	A	5,065	Accrual
(8)	Sharp Coronado Hospital and Healthcare Center	D	135,000	Accrual
(9)	Sharp Coronado Hospital and Healthcare Center	L	308,338	Accrual
(10)	Grossmont Hospital Foundation	P	758,279	Accrual
(11)	Grossmont Hospital Foundation	C	2,785,596	Accrual
(12)	Grossmont Hospital Foundation	B	997,326	Accrual
(13)	Grossmont Hospital Foundation	M	60,100	Accrual
(14)	Sharp Health Plan	K	576,273	Accrual

# AUDITED COMBINED FINANCIAL STATEMENTS

Sharp HealthCare  
Years Ended September 30, 2011 and 2010  
With Report of Independent Auditors

Ernst & Young LLP





# Sharp HealthCare

## Combined Financial Statements and Other Financial Information

Years Ended September 30, 2011 and 2010

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## Report of Independent Auditors

Board of Directors  
Sharp HealthCare

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined financial position of Sharp HealthCare at September 30, 2011 and 2010, and the combined results of their operations, and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

*Ernst & Young LLP*

December 9, 2011

# Sharp HealthCare

## Combined Balance Sheets

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 166,012	\$ 155,242
Short-term investments	71,733	44,656
Accounts receivable, net of allowance for doubtful accounts of \$195,597 in 2011 and \$173,026 in 2010	197,262	177,397
Estimated settlements receivable from government programs, net	4,204	—
Inventories	34,095	31,641
Prepaid expenses and other	63,205	33,114
Total current assets	536,511	442,050
Assets limited as to use		
Designated for property	644,786	516,857
Under bond indentures	74,304	51,774
Other restricted investments	36,601	38,039
Under self-insurance programs	8,390	8,043
Total assets limited as to use	764,081	614,713
Property and equipment, net	860,687	790,670
Unamortized financing costs	7,351	4,448
Other assets	70,985	36,751
Total assets	<u>\$ 2,239,615</u>	<u>\$ 1,888,632</u>
<b>Liabilities and net assets</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 191,736	\$ 163,687
Accrued compensation and benefits	110,871	100,623
Current portion of long-term debt	11,679	18,673
Estimated settlements payable to government programs, net	—	1,043
Accrued interest	3,026	3,065
Discontinued operations	—	996
Total current liabilities	317,312	288,087
Long-term liabilities	136,160	135,998
Reserves for professional liability	12,900	13,000
Long-term debt	603,493	489,799
Total liabilities	1,069,865	926,884
Net assets		
Unrestricted	1,116,763	906,360
Temporarily restricted	47,583	48,884
Permanently restricted	5,404	6,504
Total net assets	1,169,750	961,748
Total liabilities and net assets	<u>\$ 2,239,615</u>	<u>\$ 1,888,632</u>

*See accompanying notes*

# Sharp HealthCare

## Combined Statements of Operations

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Revenues:		
Patient service	\$ 1,512,267	\$ 1,431,551
Provider tax revenue	120,733	—
Provision for doubtful accounts	(25,259)	(41,929)
Net patient service	1,607,741	1,389,622
Premium	811,258	720,599
Other	75,312	66,667
Total revenues	2,494,311	2,176,888
Expenses:		
Salaries and wages	904,745	863,128
Employee benefits	218,856	200,366
Medical fees	306,655	271,324
Purchased services	240,792	225,828
Supplies	286,543	279,904
Provider tax	82,678	—
Maintenance, utilities and rentals	101,504	96,358
Depreciation and amortization	87,474	81,899
Business insurance	7,169	7,056
Interest	24,577	24,849
Other	27,165	25,669
Total expenses	2,288,158	2,076,381
Income from operations	206,153	100,507
Other non-operating loss	(4,092)	(4,053)
Investment (loss) income	(15,341)	38,460
Income from continuing operations	186,720	134,914
Income from discontinued operations	—	132
Excess of revenues over expenses	186,720	135,046
Net assets transferred from related party	5,426	9,344
Net assets released from restrictions used for purchase of property, plant and equipment	8,162	8,737
Pension-related changes other than net periodic pension cost	5,998	29
Other changes in net assets	4,097	720
Increase in unrestricted net assets	\$ 210,403	\$ 153,876

*See accompanying notes*

# Sharp HealthCare

## Combined Statements of Changes in Net Assets

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Unrestricted net assets:		
Excess of revenues over expenses	\$ 186,720	\$ 135,046
Net assets transferred from related party	5,426	9,344
Net assets released from restrictions used for purchase of property and equipment	8,162	8,737
Pension-related changes other than net periodic pension cost	5,998	29
Other changes in net assets	4,097	720
Increase in unrestricted net assets	210,403	153,876
Temporarily restricted net assets:		
Contributions	10,516	10,550
Investment income	872	1,146
Change in net unrealized (losses) gains on investments	(1,043)	1,038
Net assets released from restrictions	(11,782)	(12,344)
Other	136	790
(Decrease) increase in temporarily restricted net assets	(1,301)	1,180
Permanently restricted net assets:		
Contributions	—	677
Other	(1,100)	—
(Decrease) increase in permanently restricted net assets	(1,100)	677
Increase in net assets	208,002	155,733
Net assets, beginning of the year	961,748	806,015
Net assets, end of the year	<u>\$ 1,169,750</u>	<u>\$ 961,748</u>

*See accompanying notes*

# Sharp HealthCare

## Combined Statements of Cash Flows

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
<b>Operating activities</b>		
Increase in net assets	\$ 208,002	\$ 155,733
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Income from discontinued operations	–	(132)
Net assets transferred from related party	(5,426)	(9,344)
Provision for doubtful accounts	25,259	41,929
Non-cash gains	(149)	211
Depreciation of operating and nonoperating facilities	87,487	81,907
Amortization, including deferred financing costs	996	2,423
Change in fair value of interest and basis rate swaps	1,022	311
Restricted contributions and investment income, net	(11,036)	(12,373)
Pension-related changes other than net periodic pension cost	(5,998)	(29)
Changes in assets and liabilities		
(Increase) decrease in		
Accounts receivable	(45,124)	(37,719)
Inventories	(2,454)	(469)
Short-term investments	(27,077)	31,103
Assets limited to use	(149,368)	(184,019)
Prepaid expenses and other	(30,091)	(2,797)
Increase (decrease) in		
Accounts payable and accrued liabilities, long-term liabilities and other liabilities	34,070	18,209
Accrued compensation and benefits	10,248	7,583
Estimated settlements payable to government programs, net	(5,247)	(7,993)
Net cash provided by operating activities of continued operations	85,114	84,534
Net cash used in (provided by) operating activities of discontinued operations	(996)	607
Net cash provided by operating activities	84,118	85,141
<b>Investing activities</b>		
Acquisition of property and equipment, net of retirements	(95,065)	(75,842)
(Increase) decrease in other assets	(34,235)	2,624
Net cash used in investing activities	(129,300)	(73,218)
<b>Financing activities</b>		
Current maturities and payments on long-term debt	(97,902)	(19,323)
Payments under capital lease obligations	(1,062)	(207)
Proceeds from the issuance of long-term debt	143,880	–
Restricted contributions and investment income, net	11,036	12,373
Net cash provided by (used in) financing activities of continued operations	55,952	(7,157)
Net increase in cash and cash equivalents	10,770	4,766
Cash and cash equivalents, beginning of the year	155,242	150,476
Cash and cash equivalents, end of the year	\$ 166,012	\$ 155,242

## Sharp HealthCare

### Combined Statements of Cash Flows (continued)

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
<b>Supplemental disclosures of cash flow information:</b>		
Capital lease obligations for building and equipment	<u>\$ 56,863</u>	<u>\$ (20)</u>
Cash paid for interest	<u>\$ 26,069</u>	<u>\$ 24,491</u>
Net assets transferred from related party	<u>\$ 5,426</u>	<u>\$ 9,344</u>

*See accompanying notes*

# Sharp HealthCare

## Notes to Combined Financial Statements

September 30, 2011

### 1. Summary of Significant Accounting Policies

#### Organization

Sharp HealthCare (SHC) is a California nonprofit public benefit corporation with corporate offices in San Diego, California. SHC, together with its affiliated entities (collectively Sharp), constitute a regional integrated health care delivery system which does business as Sharp HealthCare, primarily serving the residents of San Diego County. The combined financial statements of Sharp include the accounts of the following:

- Sharp Memorial Hospital (SMH), including Stephen Birch Healthcare Center, Sharp Mary Birch Hospital for Women & Newborns, Sharp Outpatient Pavilion, Sharp Mesa Vista Hospital, and Sharp McDonald Center (formerly Sharp Vista Pacifica)
- Sharp Chula Vista Medical Center (SCVMC)
- Sharp Grossmont Hospital (SGH)
- Sharp Coronado Hospital and HealthCare Center (SCHHC)
- Sharp Health Plan (SHP)
- Continuous Quality Insurance SPC (CQI SPC)
- Sharp HealthCare Foundation (SHF)
- Grossmont Hospital Foundation (GHF)

SHC, SMH, SCVMC, and SGH are collectively the “Obligated Group” under certain bond indentures (see Note 6).

SHC has certain contractual obligations with its affiliates that govern its operations and the use of certain assets. All significant transactions among Sharp’s combined entities have been eliminated in the accompanying combined financial statements.

#### Use of Estimates

The preparation of Sharp’s combined financial statements in conformity with accounting principles generally accepted in the United States (GAAP) 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 combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.



# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### **1. Summary of Significant Accounting Policies (continued)**

#### **Reclassifications**

The 2010 financial statements have been reclassified to conform to the 2011 presentation resulting from the adoption of a new accounting standard related to the presentation of the provision for doubtful accounts. Certain other reclassifications were made to the 2010 financial statements to conform to the 2011 presentation.

#### **Cash and Cash Equivalents**

Cash and cash equivalents include investments in highly liquid debt instruments with original maturities of three months or less. Sharp routinely invests its surplus operating funds in money market mutual funds. These funds generally invest in highly liquid U.S. government and agency obligations.

#### **Short-Term Investments**

Short-term investments are classified as trading and include corporate and government obligation securities, which are included in professionally managed portfolios, and are measured at fair value in the balance sheet. The maturities of these securities do not exceed one year. Investment income or loss (including unrealized and realized gains and losses) is included in the combined excess of revenues over expenses.

#### **Inventories**

Inventories, consisting principally of supplies, are stated at the lower of average cost or market value.

#### **Derivative and Hedging Instruments**

Sharp recognizes all derivatives on its combined balance sheets at fair value. Derivatives that are not effective hedges are adjusted to fair value through the combined statements of operations. If the derivative is an effective hedge, depending on the nature of the hedge, changes in the fair values of the derivatives are offset against either the change in fair value of assets or liabilities. The ineffective portion of a derivative's change in fair value, if any, is immediately recognized in the combined excess of revenues over expenses.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

In 2003, Sharp entered into a floating-to-fixed interest rate swap which is designed to hedge the variability of the cash flows for Sharp's variable rate revenue bonds. In 2004, Sharp entered into a fixed-spread basis swap. The fixed-spread basis swap is designed to improve Sharp's cash position through the term of the contract. In 2006, Sharp entered into a fixed-spread yield curve swap. The yield curve swap is designed to hedge the variability of cash flows on Sharp's variable rate bonds and variable rate swap agreements in exchange for an improved cash position through the term of the contract (see Note 6).

#### **Assets Limited as to Use**

Assets limited as to use invested in equity securities with readily determined fair values and investments in debt securities are measured at fair value in the balance sheet and are classified as trading. Investment income or loss (including unrealized and realized gains and losses) is included in the combined excess of revenues over expenses unless the income or loss is restricted by donor or law.

Assets limited as to use primarily include amounts held by trustees under indenture agreements and designated assets set aside by Sharp's Board of Directors (the Board) for future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes. Assets limited as to use consist of the following:

***Designated for property*** – Cash resources not required for operations have been designated as funded depreciation to be used for future capital improvements. This designation may be changed and such funds used for other purposes – \$29,308,000 at September 30, 2011, and \$28,429,000 at September 30, 2010, of such assets are pledged as collateral for notes payable and other liabilities.

***Under bond indentures*** – In accordance with the terms of Sharp's various bond indentures, certain bond proceeds and principal and interest payments have been deposited with a trustee and are limited as to use in accordance with the related indentures.

***Other restricted investments*** – Certain cash and investments are limited as to use for future community benefit and for other purposes.

***Under self-insurance programs*** – Certain cash and investments are restricted under Sharp's professional liability self-insurance program.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### **1. Summary of Significant Accounting Policies (continued)**

#### **Property and Equipment**

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset from 3 to 40 years and is computed using the straight-line method. Property and equipment under capital lease obligations is amortized on the straight-line method over the shorter of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization in the combined financial statements. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support 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, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

#### **Unamortized Financing Costs**

Costs incurred in obtaining long-term financing are amortized over the terms of the related obligations using the effective interest method.

#### **Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets are those whose use by Sharp has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by Sharp in perpetuity.

#### **Accounting for the Impairment or Disposal of Long-Lived Assets**

Sharp accounts for the impairment or disposal of long-lived assets using a future cash flow model to determine whether assets have been impaired. Sharp regularly reviews long-lived assets for circumstances which could indicate carrying values may not be recoverable. No impairments were recorded in 2011 or 2010.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Income from Operations

Sharp's primary purpose is to provide diversified health care services to the community served by its affiliates. Only those activities directly associated with the furtherance of this purpose are considered operating activities and classified as operating revenues and expenses. Items excluded from income from operations consist of investment income, gains and losses on disposition of property and equipment, changes in the fair value of interest rate swaps, and net income from SHF and GHF (Foundations).

#### Excess of Revenues over Expenses

The accompanying combined statements of operations include excess of revenues over expenses and other changes in unrestricted net assets. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include permanent transfers of assets to and from affiliates for other than goods and services, long-lived assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets, and pension-related changes other than net periodic pension cost.

#### Net Patient Service Revenues

Sharp has agreements with third-party payors that provide for payments to Sharp 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 payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined. In the opinion of management, adequate provision has been made for such adjustments.

Accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, Sharp analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

associated with services provided to patients who have third-party coverage, Sharp analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), Sharp records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

Sharp's allowance for doubtful accounts for self-pay patients was 95 percent of self-pay accounts receivable at September 30, 2011 and 2010. In addition, Sharp's self-pay write-offs increased \$1,200,000 from \$33,500,000 for fiscal year 2010 to \$34,700,000 for fiscal year 2011. The increase was the result of increased revenues from self-pay patients in fiscal year 2011. Sharp has not changed its charity care or uninsured discount policies during fiscal years 2010 or 2011. Sharp does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors.

### Premium Revenues

Sharp has agreements with various employers and health maintenance organizations to provide medical services to subscribing participants. Under these agreements, Sharp receives monthly capitation payments based on the number of participants who have selected Sharp, regardless of services actually performed by Sharp.

### Other Revenues

Other revenues include unrestricted donations, retail pharmacy gross profits, management services, and joint venture income.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Health Care Service Costs

Sharp contracts with certain health care providers for the provision of medical services to eligible members. These services include primary care and specialty physician services, inpatient and outpatient facility services, pharmacy, and other medical services. Providers are paid on capitated, per diem, and structured fee-for-service bases.

Health care service costs (included in medical fees and purchased services in the accompanying combined statements of operations) are accrued in the period in which the services are provided to enrollees, based in part on estimates, including estimates of medical services provided but not yet reported to Sharp.

#### Charity Care

Sharp provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because Sharp does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as revenue. Net patient service revenue reported is net of charity care charges foregone of approximately \$301,745,000 in 2011 and \$294,604,000 in 2010.

#### Donor-Restricted Gifts

Unconditional promises to give cash and other assets to Sharp are reported at fair value at the date the promise is received. Conditional promises to give and indications or intentions to give are reported at fair value at the date the gift becomes unconditional. 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 restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the combined statements of operations as other operating revenues. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the combined financial statements.

#### Income Taxes

The principal operations of Sharp are exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code and related California provisions.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

Sharp recognizes tax benefits from any uncertain tax positions only if it is more likely than not the tax position will be sustained, based solely on its technical merits, with the taxing authority having full knowledge of all relevant information. Sharp records a liability for unrecognized tax benefits from uncertain tax positions as discrete tax adjustments in the first interim period that the more likely than not threshold is not met. Sharp recognizes deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of its assets and liabilities along with net operating loss and tax credit carryovers only for tax positions that meet the more likely than not recognition criteria. At September 30, 2011 and 2010, no such assets or liabilities were recorded.

### Adoption of New Accounting Pronouncements

In July 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-07, *Health Care Entities (Topic 954), Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, which requires health care entities that recognize significant amounts of patient service revenue at the time the services are rendered, even though a patient's ability to pay is not assessed, to reclassify the provision for doubtful accounts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). The standard also requires enhanced disclosures of policies for recognizing patient service revenue and assessing provisions for doubtful accounts. Sharp adopted ASU 2011-07 as of the current reporting period and applied its presentation and disclosure requirements retrospectively.

### Recent Accounting Pronouncements

In August 2010, the FASB issued ASU 2010-23, *Health Care Entities (Topic 954), Measuring Charity Care for Disclosures*, which requires that cost be used as a measurement for charity care disclosure purposes and that cost can be identified as the direct and indirect costs of providing the charity care. It also requires disclosure of the method used to identify or determine such costs. The adoption of ASU 2010-23 is required for Sharp on October 1, 2011, and is not expected to have a material impact on Sharp's combined financial statements.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

In August 2010, the FASB issued ASU 2010-24, *Health Care Entities (Topic 954), Presentation of Insurance Claims and Related Insurance Recoveries*, which clarifies that a health care entity should not net insurance recoveries against a related claim liability. Additionally, the amount of the claim liability should be determined without consideration of insurance recoveries. The adoption of ASU 2010-24 is effective for Sharp beginning October 1, 2011, and management is currently evaluating the effect of this guidance on its combined financial statements.

In May 2011, the FASB issued ASU 2011-04, *Fair Value Measurement (Topic 820)*, which clarifies the intent of existing fair value measurement and disclosure requirements under Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*. The adoption of ASU 2011-04 is effective for Sharp beginning October 1, 2012, and management is currently evaluating the effect of this guidance on its combined financial statements.

### 2. Fair Value Measurements

FASB ASC 820 clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, FASB ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Pricing is based on observable inputs such as quoted prices in active markets. Financial assets and liabilities in Level 1 include U.S. Treasury securities and listed equities.
- Level 2: Pricing inputs are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Financial assets and liabilities in this category generally include corporate bonds, U.S. government agency securities, commercial paper, fixed income funds, mortgage-backed securities, interest rate swaps, and commingled plan trust funds.



## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 2. Fair Value Measurements (continued)

- Level 3: Pricing inputs are generally unobservable and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets or liabilities. The fair values are therefore determined using factors that involve considerable judgment and interpretations, including but not limited to private and public comparables, third-party appraisals, discounted cash flow models, and fund manager estimates. Sharp does not hold any financial assets that would be included in this category.

Assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in FASB ASC 820 as identified below. The valuation techniques are as follows:

- (a) Market approach. Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. This technique was utilized for all Level 1 investments.
- (b) Cost approach. Amount that would be required to replace the service capacity of an asset (replacement cost). This technique was utilized for all Level 2 investments except for the interest rate swaps.
- (c) Income approach. Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing, and excess earnings model). This technique was utilized for the interest rate swaps.

Sharp's investments in partnerships, limited liability companies, and similarly structured entities amounting to approximately \$7,941,000 and \$6,703,000 as of September 30, 2011 and 2010, respectively, are accounted for using the equity method of accounting, which is not a fair value measurement.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 2. Fair Value Measurements (continued)

The following table provides the composition of certain investment assets as of September 30, 2011. Only assets and liabilities measured at fair value are shown in the three-tier fair value hierarchy.

	September 30, 2011	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<i>(In Thousands)</i>			
Cash and cash equivalents	\$ 166,012	\$ 166,012	\$ —	\$ —
Short-term investments:				
U.S. Treasury obligations	\$ 12,453	\$ 12,453	\$ —	\$ —
Corporate bonds	53,535	—	53,535	—
U.S. government agencies	2,317	—	2,317	—
Commercial paper	2,860	—	2,860	—
Interest receivable	568	—	568	—
	<u>\$ 71,733</u>	<u>\$ 12,453</u>	<u>\$ 59,280</u>	<u>\$ —</u>
Assets limited as to use:				
Designated for property:				
Cash and cash equivalents	\$ 2,468	\$ 2,468	\$ —	\$ —
Equities	233,998	233,998	—	—
U.S. Treasury obligations	97,085	97,085	—	—
Corporate bonds	231,889	—	231,889	—
U.S. government agencies	75,577	—	75,577	—
Interest receivable	3,769	—	3,769	—
	<u>\$ 644,786</u>	<u>\$ 333,551</u>	<u>\$ 311,235</u>	<u>\$ —</u>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 2. Fair Value Measurements (continued)

	<b>Quoted Prices In Active Markets for Identical Assets (Level 1)</b>				<b>Significant Other Observable Inputs (Level 2)</b>		<b>Significant Unobservable Inputs (Level 3)</b>	
September 30, 2011								
<i>(In Thousands)</i>								
Assets limited as to use (continued):								
Under bond indentures:								
Cash and cash equivalents	\$	30,772	\$	30,772	\$	—	\$	—
U.S. Treasury obligations		7,469		7,469		—		—
Corporate bonds		12,221		—		12,221		—
U.S. government agencies		23,564		—		23,564		—
Interest receivable		278		—		278		—
	\$	74,304	\$	38,241	\$	36,063	\$	—
Other restricted investments:								
Cash and cash equivalents	\$	1,835	\$	1,835	\$	—	\$	—
Equities		15,998		15,998		—		—
U.S. Treasury obligations		3,610		3,610		—		—
Corporate bonds		5,749		—		5,749		—
U.S. government agencies		1,980		—		1,980		—
Fixed income funds		6,283		5,689		594		—
Mortgage-backed securities		282		—		282		—
Commodities		765		765		—		—
Interest receivable		99		—		99		—
	\$	36,601	\$	27,897	\$	8,704	\$	—
Under self-insurance programs:								
U.S. Treasury obligations	\$	1,685	\$	1,685	\$	—	\$	—
Corporate bonds		4,687		—		4,687		—
U.S. government agencies		2,018		—		2,018		—
	\$	8,390	\$	1,685	\$	6,705	\$	—
Interest rate swap liability								
	\$	4,872	\$	—	\$	4,872	\$	—
	\$	4,872	\$	—	\$	4,872	\$	—

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 2. Fair Value Measurements (continued)

The following table provides the composition of certain investment assets as of September 30, 2010. Only assets and liabilities measured at fair value are shown in the three-tier fair value hierarchy.

	<b>Quoted Prices In Active Markets for Identical Assets (Level 1)</b>				<b>Significant Other Observable Inputs (Level 2)</b>		<b>Significant Unobservable Inputs (Level 3)</b>	
<b>September 30, 2010</b>								
<i>(In Thousands)</i>								
Cash and cash equivalents	\$	155,242	\$	155,242	\$	—	\$	—
Short-term investments:								
U.S. Treasury obligations	\$	23,816	\$	23,816	\$	—	\$	—
Corporate bonds		7,285		—		7,285		—
U.S. government agencies		6,096		—		6,096		—
Commercial paper		5,979		—		5,979		—
Interest receivable		1,480		—		1,480		—
	\$	44,656	\$	23,816	\$	20,840	\$	—
Assets limited as to use:								
Designated for property:								
Cash and cash equivalents	\$	3,513	\$	3,513	\$	—	\$	—
Equities		147,383		147,383		—		—
U.S. Treasury obligations		68,398		68,398		—		—
Corporate bonds		208,965		—		208,965		—
U.S. government agencies		86,300		—		86,300		—
Interest receivable		2,298		—		2,298		—
	\$	516,857	\$	219,294	\$	297,563	\$	—

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 2. Fair Value Measurements (continued)

	<b>Quoted Prices In Active Markets for Identical Assets (Level 1)</b> <b>Significant Other Observable Inputs (Level 2)</b> <b>Significant Unobservable Inputs (Level 3)</b>			
<b>September 30, 2010</b>				
<i>(In Thousands)</i>				
Under bond indentures:				
Cash and cash equivalents	\$ 661	\$ 661	\$ —	\$ —
U.S. Treasury obligations	26,304	26,304	—	—
Corporate bonds	1,178	—	1,178	—
U.S. government agencies	15,644	—	15,644	—
Commercial paper	7,765	—	7,765	—
Interest receivable	222	—	222	—
	<u>\$ 51,774</u>	<u>\$ 26,965</u>	<u>\$ 24,809</u>	<u>\$ —</u>
Other restricted investments:				
Cash and cash equivalents	\$ 2,858	\$ 2,858	\$ —	\$ —
Equities	19,331	19,331	—	—
U.S. Treasury obligations	3,938	3,938	—	—
Corporate bonds	6,083	—	6,083	—
U.S. government agencies	2,353	—	2,353	—
Fixed income funds	2,779	2,038	741	—
Mortgage-backed securities	697	—	697	—
	<u>\$ 38,039</u>	<u>\$ 28,165</u>	<u>\$ 9,874</u>	<u>\$ —</u>
Under self-insurance programs:				
U.S. Treasury obligations	\$ 2,141	\$ 2,141	\$ —	\$ —
Corporate bonds	3,894	—	3,894	—
U.S. government agencies	2,008	—	2,008	—
	<u>\$ 8,043</u>	<u>\$ 2,141</u>	<u>\$ 5,902</u>	<u>\$ —</u>
Interest rate swap liability	\$ 3,850	\$ —	\$ 3,850	\$ —
	<u>\$ 3,850</u>	<u>\$ —</u>	<u>\$ 3,850</u>	<u>\$ —</u>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 3. Net Patient Service Revenue

#### Patient Service Revenues

Sharp has agreements with third-party payors that provide for payments to Sharp at amounts different from its established rates.

The Medicare program reimburses Sharp at prospectively determined rates for the major portion of inpatient and outpatient services rendered to patients, primarily on the basis of Medicare Severity Diagnosis Related Groups (MS-DRGs) and Ambulatory Payment Classification Groups (APCs), respectively.

Nonacute inpatient services, defined capital costs, and certain outpatient costs are paid based on a cost reimbursement methodology. When paid under cost reimbursement, Sharp is reimbursed at the interim rate with final settlement determined after submission of annual cost reports and audits by the fiscal intermediaries. The Medi-Cal program reimburses Sharp primarily on prospectively determined rates for inpatient and outpatient services.

Revenue from the Medicare and Medi-Cal programs accounted for approximately 32% and 18%, respectively, of Sharp's gross patient charges for the year ended September 30, 2011, and 31% and 19%, respectively, of Sharp's gross patient charges for the year ended September 30, 2010. Laws and regulations governing Medicare and Medi-Cal programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

Net patient service revenue includes changes in estimate which increased revenue by \$21,696,000 in 2011 and \$13,618,000 in 2010 which includes the impact of settlements of prior years' reimbursement from Medicare, Medi-Cal, and Champus programs.

Sharp also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to Sharp under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 3. Net Patient Service Revenue (continued)

Sharp grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of net receivables from significant payors was as follows:

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
Medicare	<b>15%</b>	14%
Medi-Cal	<b>12%</b>	15%
Private Pay	<b>29%</b>	28%

#### Provider Tax Revenue

The California Hospital Quality Assurance Program (the Program) was signed into law by the Governor of California and became effective on January 1, 2010. Amending legislation, to confirm to changes requested by the Centers for Medicare and Medicaid Services (CMS) during the approval process, the Program was signed into law by the Governor of California and became effective September 8, 2010. CMS granted final approval of the program in December 2010. The primary and amending legislations contains two components. The Quality Assurance Fee Act governs the “hospital fee” or “Quality Assurance Fee” (QA Fee) paid by participating hospitals. The Medi-Cal Hospital Provider Stabilization Act governs supplemental Medi-Cal payments (Supplemental Payments) made to providers from the fund. Hospital participation is mandatory with limited exceptions.

Sharp received Supplemental Payments in the amount of \$120,733,000 pertaining to the Program period from April 1, 2009 to December 31, 2010, and recorded these amounts within Provider Tax Revenue for the year ended September 30, 2011. Sharp made payments to the Department of Health Care Services (DHCS) for the QA fee in the amount of \$79,761,000 pertaining to the Program period from April 1, 2009 to December 31, 2010, and recorded these amounts within Provider Tax Expenses. The California Health Foundation and Trust (CHFT) is administering a private program to aggregate and disburse financial resources to support charitable activities at various independent hospitals for measures to alleviate losses resulting from the implementation of the Program. Sharp paid pledge payments totaling \$2,917,000 to the CHFT pertaining to the Program period from April 1, 2009 to December 31, 2010, and recorded these amounts within Provider Tax Expense for the year ended September 30, 2011.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 3. Net Patient Service Revenue (continued)

DHCS began assessing fees and making supplemental payments pertaining to the Program period from January 1, 2011 to June 30, 2011, in May 2011. As of September 30, 2011, CMS had not formally approved the Program pertaining to the period from January 1, 2011 to June 30, 2011. As a result, Sharp recorded Supplemental Payments pertaining to the Program period from January 1, 2011 to June 30, 2011, totaling \$41,381,000 within accounts payable and accrued liabilities in the combined balance sheet as of September 30, 2011. Sharp recorded payments to DHCS for QA fees of \$26,938,000 and pledge payments of \$813,000, pertaining to the Program period from January 1, 2011 to June 30, 2011, within prepaid expense and other in the combined balance sheet as of September 30, 2011.

#### 4. Investment Income (Loss)

Investment income (loss) for assets limited as to use, short-term investments, and cash equivalents are comprised of the following:

	<b>Year Ended September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Interest income	\$ 13,072	\$ 12,580
Unrealized (losses) gains, net	(48,458)	22,389
Realized gains, net	20,045	3,491
	<u>\$ (15,341)</u>	<u>\$ 38,460</u>



# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 5. Property and Equipment

Property and equipment consists of the following:

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Land and improvements	\$ 50,928	\$ 50,309
Buildings and improvements	979,366	896,935
Equipment and furniture	760,984	716,752
Construction-in-progress	80,178	53,527
	<b>1,871,456</b>	<b>1,717,523</b>
Less accumulated depreciation and amortization	<b>(1,010,769)</b>	<b>(926,853)</b>
	<b>\$ 860,687</b>	<b>\$ 790,670</b>

Depreciation and amortization expense for the years ended September 30, 2011 and 2010, amounted to approximately \$87,520,000 and \$81,250,000, respectively. Included in these amounts is amortization for buildings and equipment under capital lease obligations. Sharp has approximately \$64,709,000 and \$8,160,000 at September 30, 2011 and 2010, respectively, of buildings and equipment under capital lease, at cost. Sharp has outstanding commitments to complete construction-in-progress totaling approximately \$79,315,000 at September 30, 2011.

On May 29, 1991, Sharp leased the Grossmont Hospital (the Hospital) existing campus land, buildings, and equipment from the Grossmont Healthcare District (the District). The lease provides for a 30-year term ending May 29, 2021, at \$1 per year. Unless extended, the buildings, improvements, and equipment acquired by the Hospital since the inception of the lease will revert to the District at the end of the lease term.

The Hospital and the District initiated, in 2006, a project for the construction of three shelled floors in the Emergency and Critical Care Center, central plant upgrades, infrastructure improvements, and facility renovations (the Project). The Project is being funded using the proceeds of general obligation (GO) bonds. In July 2007 and February 2011, \$85,500,000 and \$136,860,000, respectively, in GO bonds were issued by the District. The next offering of the GO bonds is expected in 2014. Sharp considers the District to be a related party based upon these relationships between Sharp and the District.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 5. Property and Equipment (continued)

The Hospital is not required to make any payments to the District with respect to the contribution to the Project of assets constructed using the GO bond proceeds. Therefore, the GO bonds have not been included in the combined financial statements as a liability of Sharp. The portion of the Project funded with the GO bonds is being recognized as a transfer of net assets from the District as the Project is completed. In fiscal 2011 and 2010, the Hospital recorded \$5,426,000 and \$9,344,000, respectively, of construction in progress and a related transfer of net assets for the portion of the Project completed during the year with proceeds of the GO bonds.

#### 6. Long-Term Debt

Long-term debt consists of the following:

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Series 2009B Revenue Bonds (Series 2009B Bonds) collateralized by revenues of the Obligated Group. Principal due in annual amounts ranging from \$1,640,000 in 2022 to \$24,900,000 in 2039. Interest payable semiannually at rates ranging from 6.00% to 6.38%. The borrowing amount is net of the unamortized original issue discount of \$2,512,000 at September 30, 2011. The bonds include issuer call features totaling \$30,025,000 and \$109,975,000 in 2014 and 2019, respectively.	<b>\$ 137,488</b>	<b>\$ 137,386</b>
Series 2009C and Series D Variable Rate Revenue Bonds (Series 2009C and D Bonds), collateralized by a three-year direct-pay letter of credit reimbursement agreement between Obligated Group and a bank. Principal is due in annual amounts ranging from \$145,000 in 2022 to \$11,805,000 in 2035. Letter of Credit is renewable in 2014. Interest is payable monthly at a variable rate (0.13% at September 30, 2011).	<b>99,880</b>	<b>99,880</b>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 6. Long-Term Debt (continued)

	September 30	
	2011	2010
	<i>(In Thousands)</i>	
Series 2011A Revenue Bonds (Series 2011A Bonds) collateralized by revenues of the Obligated Group. Principal due in annual amounts ranging from \$2,985,000 in 2014 to \$8,180,000 in 2030. Interest payable annually at rates ranging from 3.50% to 6.00%. The borrowing amount is net of the unamortized original issue premium of \$408,000 at September 30, 2011. The bonds include issuer call features totaling \$54,490,000 in 2021.	\$ 78,118	\$ —
County of San Diego Certificates of Participation issued in 1998 (1998 COP Bonds) collateralized by revenues of the Obligated Group. Principal due in annual installments ranging from \$3,870,000 in 2012 to \$5,705,000 in 2028 (no principal payments are due in 2013 through 2018). Interest payable semiannually at rates ranging from 4.70% to 5.25% through 2028. The borrowing amount is net of the unamortized original issue discount of \$555,000 at September 30, 2011.	51,335	82,408
Series 2009A Variable Rate Revenue Bonds (Series 2009A Bonds) collateralized by a direct-pay letter of credit reimbursement agreement between Obligated Group and a bank. Principal due in annual amounts ranging from \$3,260,000 in 2012 to \$5,360,000 in 2024. Letter of Credit is renewable in 2016. Interest is payable monthly at a variable rate (0.16% at September 30, 2011).	50,885	54,010
Series 2010A Variable Rate Revenue Bonds (Series 2010A Bonds) collateralized by revenues of the Obligated Group. Principal due in quarterly amounts ranging from \$185,000 to \$450,000 through 2035. Interest payable quarterly at a variable rate (0.91% at September 30, 2011).	29,075	—

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 6. Long-Term Debt (continued)

	September 30	
	2011	2010
	<i>(In Thousands)</i>	
Series 2003C Revenue Bonds collateralized by revenues of the Obligated Group. Principal due in annual amounts ranging from \$550,000 in 2012 to \$16,265,000 in 2021. Interest payable annually at rates ranging from 5.13% to 5.38% through 2021. The borrowing amount is net of the unamortized original issue discount of \$63,000 at September 30, 2011.	\$ 25,877	\$ 26,449
Reverse Repurchase Agreement collateralized by U.S. Treasury securities. Principal due in February 2013. Interest payable quarterly at a variable rate (0.54% at September 30, 2011).	15,500	15,500
Series 1988A Insured Hospital Revenue Bonds collateralized by revenues of the Obligated Group. Principal due in annual amounts ranging from \$1,300,000 in 2012 to \$1,900,000 in 2018. Interest payable every 35 days at a variable rate (0.26% at September 30, 2011).	11,100	12,300
Series 2001A Revenue Bonds (Series 2001A Bonds) collateralized by revenues of the Obligated Group. The series 2001A Bonds were refunded with the proceeds from the Series 2011A Bonds.	—	56,086
Tax-Exempt Financing collateralized by equipment. Interest and principal paid in monthly installments at a rate of 3.86% through 2011.	—	5,422
Construction loan agreement. Interest ranging from .90% to 1.26% payable quarterly. Principal due in quarterly installments beginning in 2018 to final maturity in 2041.	39,315	—
Medical office building mortgage collateralized by the building. Interest and principal paid in monthly installments at a rate of 5.39% through 2014 when a final principal payment of \$7,735,000 is due.	8,218	8,388

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 6. Long-Term Debt (continued)

	September 30	
	2011	2010
	<i>(In Thousands)</i>	
Capital lease obligations at imputed rates of interest ranging from 5.46% to 7.27%, collateralized by leased building or equipment.	\$ 62,500	\$ 6,698
Other debt including the fair value of interest rate swaps	5,881	3,945
Total	615,172	508,472
Less current portion	(11,679)	(18,673)
	<u>\$ 603,493</u>	<u>\$ 489,799</u>

In 2011, Sharp issued Series 2010A Bonds in the amount of \$30,000,000. The Series 2010A Bonds proceeds are being utilized to finance the acquisition, construction, equipping and improvement of facilities of the Obligated Group.

In 2011, Sharp issued Series 2011A Bonds in the amount of \$77,710,000 that had a net original issue premium of \$430,000. The proceeds, in conjunction with the 2001A Debt Service Reserve Fund of \$7,800,000, were utilized to refinance the Series 2001A Bonds in the amount of \$56,110,000 and partially refinance the 1998 COP Bonds in the amount of \$27,590,000.

In 2011, Sharp borrowed \$39,315,000 to finance the construction of certain facilities and equipment (the Project) under a financing structured to qualify for New Market Tax Credits. The New Market Tax Credit program is administered by the Federal government and provides tax incentives for the benefit of low-income communities. In order to comply with this program, investors formed a group of entities (the Lenders), which were capitalized by a \$10,371,000 equity contribution and by a \$29,319,000 loan from Sharp HealthCare Foundation. This resulted in the Lenders accumulating funds totaling \$39,315,000, which were then loaned to Sharp. The loan is collateralized by the tangible personal property of the Project.

In 2011, Sharp executed a master lease agreement for three medical office buildings for a term of 15 years with the option to renew for two terms of five years. Each property was analyzed and accounted for on an individual basis. The fair market value of the land associated with two of the medical office buildings was in excess of twenty-five percent of the fair market value of the entire property, the point at which the land and building components of a lease must be classified independently. The land components of these two medical office buildings were classified as operating leases while the building components were classified as capital leases. The fair market

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 6. Long-Term Debt (continued)

value of the land associated with the third medical office building was less than twenty-five percent of the fair market value of the entire property so the entire property was classified as a capital lease. The associated assets and debt obligations of the capital leases were recorded in the financial statements at fair market value totaling \$56,863,000, including the estimated residual value of \$9,015,000

The medical office buildings are being amortized over the lease term. Rent payments paid by Sharp are recorded as debt service payments on the debt obligation with the portion not relating to interest reducing the principal balance based on interest rates ranging from 5.46% to 7.27%. The long-term lease obligation is \$45,824,000 and the current portion of the obligation is \$1,158,000 at September 30, 2011.

Under the terms of the 2001A (refunded in 2011), 2003C, and 2009B Revenue Bonds, Sharp is required to maintain certain deposits with a trustee. Such deposits are included with assets limited as to use. Sharp's loan agreements include, among other things, certain financial covenants, limitations on additional indebtedness, and limitations on sales/leaseback transactions. Sharp was in compliance with such covenants and limitations at September 30, 2011 and 2010.

Scheduled principal payments on long-term debt and payments on capital lease obligations for years ending September 30 are as follows (in thousands):

	<b>Long-Term Debt</b>	<b>Capital Lease Obligations</b>
2012	\$ 10,314	\$ 1,365
2013	22,110	1,627
2014	17,294	1,885
2015	11,085	2,117
2016	11,410	2,404
Thereafter	478,310	53,101

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 6. Long-Term Debt (continued)

A summary of interest cost on borrowed funds follows:

	<b>Year Ended September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Interest cost:		
Capitalized	\$ 1,147	\$ 579
Charged to operations	24,577	24,849
	<u>\$ 25,724</u>	<u>\$ 25,428</u>

#### Interest Rate Swaps

During 2003, Sharp entered into a floating-to-fixed interest rate swap on the Series 2003A and B Bonds which were refunded in 2009. The swap agreement hedges an initial notional amount of \$109,650,000 at a fixed payer rate of 3.01% for the entire swap term which expires on August 1, 2024, and will receive 59% of one-month LIBOR plus 0.14%, for the remaining term of the swap. Settlements are made weekly. Cash paid on the interest rate swap was \$2,184,000 in 2011 and \$2,314,000 in 2010, which increased Sharp's overall cost of borrowing and was included in interest expense. The change in fair value of the swap decreased non-operating income by \$416,000 in 2011 and \$2,326,000 in 2010.

During 2004, Sharp entered into a fixed-spread basis swap with a bank. The swap arrangement hedges an initial notional amount of \$80,000,000 at a fixed payer rate of one-month BMA for the entire swap term which expires on February 3, 2024, and will receive 67% of one-month LIBOR plus 0.55%. Settlements are made quarterly. Cash received on the interest rate swap was \$424,000 in 2011 and \$399,000 in 2010, which reduced Sharp's overall cost of borrowing and was offset against interest expense. The change in fair value of the swap increased non-operating income by \$155,000 in 2011 and \$265,000 in 2010.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 6. Long-Term Debt (continued)

During 2006, Sharp entered into a fixed-spread yield curve swap with a bank. The swap arrangement hedges an initial notional amount of \$80,000,000 and entails Sharp paying Citibank 67% of one-month LIBOR and receiving 67% of ten-year LIBOR less a market determined fixed spread. Under the terms of the agreement, Sharp may terminate the swap at any time. Cash received on the interest rate swap was \$1,246,000 in 2011 and \$1,309,000 in 2010, which reduced Sharp's overall cost of borrowing and was offset against interest expense. The change in fair value of the swap decreased non-operating income by \$761,000 in 2011 and increased non-operating income by \$1,750,000 in 2010.

#### 7. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Purchase of equipment	\$ 14,436	\$ 13,961
Hospital departments	11,184	9,954
Hospital programs	10,657	13,353
Health education	6,793	6,718
Research	3,894	4,088
Indigent care	619	810
Total	<u>\$ 47,583</u>	<u>\$ 48,884</u>

Permanently restricted net assets of \$5,404,000 and \$6,504,000 at September 30, 2011 and 2010, respectively, represent investments to be held in perpetuity, the income from which is expendable to support health care services.



## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **8. Endowments**

Sharp's endowments consist of 44 separate endowment funds included in assets limited as to use established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors of Sharp's affiliated foundations to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

On September 30, 2008, California Senate Bill No. 1329 was signed into law which enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) for California. California also adopted one of the "optional" provisions of the act, creating a rebuttable presumption of imprudence for spending more than 7% of the value of an endowment fund in one year (based on a three-year rolling average). The Board has interpreted 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, Sharp classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts 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 Sharp in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, Sharp considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of Sharp and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of Sharp, and (7) the investment policies of Sharp.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 8. Endowments (continued)

The endowment net asset composition as of September 30, 2011, by fund type was as follows:

	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
	<i>(In Thousands)</i>		
Board-designated endowment funds	\$ 1,902	\$ —	\$ 1,902
Donor-restricted endowment funds	3,202	5,404	8,606
Total funds	<u>\$ 5,104</u>	<u>\$ 5,404</u>	<u>\$ 10,508</u>

The endowment net asset composition as of September 30, 2010, by fund type was as follows:

	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
	<i>(In Thousands)</i>		
Board-designated endowment funds	\$ 607	\$ —	\$ 607
Donor-restricted endowment funds	3,845	6,504	10,349
Total funds	<u>\$ 4,452</u>	<u>\$ 6,504</u>	<u>\$ 10,956</u>

Sharp has adopted investment and spending policies for endowment assets that attempt to provide a stream of funding to programs supported by its endowment while balancing the risk of investment loss with long-term preservation of purchasing power. Endowment assets include those assets of donor-restricted funds that Sharp must hold in perpetuity or for a donor-specified period as well as board-designated funds.

Sharp targets a diversified asset allocation that places greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. Sharp's spending policy is to annually appropriate for distribution no more than 4% per year of each endowment fund's average fair value (based on a two-year rolling average).

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 8. Endowments (continued)

	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
	<i>(In Thousands)</i>		
Endowment net assets, September 30, 2009	\$ 3,130	\$ 5,827	\$ 8,957
Investment return:			
Investment income (loss)	453	(3)	450
Net appreciation (realized and unrealized)	785	—	785
Total investment return	1,238	(3)	1,235
Contributions	150	680	830
Appropriation of endowment asset for expenditure	(66)	—	(66)
Endowment net assets, September 30, 2010	4,452	6,504	10,956
Investment return:			
Investment income	529	—	529
Net depreciation (realized and unrealized)	(850)	—	(850)
Total investment return	(321)	—	(321)
Contributions	135	—	135
Other	923	(1,100)	(177)
Appropriation of endowment asset for expenditure	(85)	—	(85)
Endowment net assets, September 30, 2011	<u>\$ 5,104</u>	<u>\$ 5,404</u>	<u>\$ 10,508</u>

### 9. Functional Expenses

Sharp provides general health care services to residents within its geographic locations. Expenses related to providing these services are as follows:

	<b>Year Ended September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Hospital patient services	\$ 1,576,796	\$ 1,472,203
Clinic patient services	340,254	317,887
General and administrative	245,149	174,008
Purchased services under capitated agreements	125,959	112,283
	<u>\$ 2,288,158</u>	<u>\$ 2,076,381</u>

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 10. Pension Plans

Sharp sponsors a voluntary retirement plan (the Plan) which consists of a defined benefit cash balance plan and a defined contribution plan. Under the defined contribution element of the Plan, Sharp made matching contributions of \$13,736,000 in 2011 and \$12,368,000 in 2010.

The following sets forth the funded status of the Sharp's defined benefit pension plan at September 30:

	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Change in benefit obligation:		
Benefit obligation at beginning of year	<b>\$ 232,964</b>	\$ 202,292
Service cost	<b>10,406</b>	8,173
Interest cost	<b>10,930</b>	10,960
Actuarial (gain) loss	<b>(275)</b>	21,131
Benefits paid	<b>(10,643)</b>	(9,592)
Benefit obligation at end of year	<b>243,382</b>	232,964
Change in plan assets:		
Fair value of plan assets at beginning of year	<b>158,664</b>	128,190
Actual return on plan assets	<b>1,332</b>	15,784
Plan participants' contributions	<b>5,601</b>	5,154
Employer contributions	<b>18,610</b>	19,128
Benefits paid	<b>(10,643)</b>	(9,592)
Fair value of plan assets at end of year	<b>173,564</b>	158,664
Funded status	<b>\$ (69,818)</b>	\$ (74,300)

The net liability, recognized in the balance sheet in long-term liabilities, was \$69,818,000 and \$74,300,000 at September 30, 2011 and 2010, respectively.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 10. Pension Plans (continued)

Included in unrestricted net assets at September 30 are the following amounts that have not yet been recognized in net periodic pension cost:

	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Prior service cost	\$ 4,335	\$ 5,581
Net actuarial loss	<b>92,704</b>	97,456
	<b>\$ 97,039</b>	<b>\$ 103,037</b>

Additional information for the plan:

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Projected benefit obligation	\$ 243,382	\$ 232,964
Accumulated benefit obligation	<b>226,499</b>	214,251
Fair value of plan assets	<b>173,564</b>	158,664

Net periodic pension cost includes the following components for the years ended September 30:

	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Service cost	\$ 10,406	\$ 8,173
Interest cost	<b>10,930</b>	10,960
Expected return on plan assets	<b>(12,884)</b>	(10,805)
Recognized net actuarial loss	<b>10,429</b>	9,774
Amortization of prior service cost	<b>1,244</b>	1,245
Net periodic pension cost	<b>\$ 20,125</b>	<b>\$ 19,347</b>

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 10. Pension Plans (continued)

Weighted-average assumptions used to determine benefit obligations were:

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
Discount rate	<b>4.92%</b>	4.89%
Rate of compensation increase	<b>3.50%</b>	4.50%

Weighted-average assumptions used to determine net periodic pension cost were:

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
Discount rate	<b>4.89%</b>	5.63%
Expected return on plan assets	<b>8.00%</b>	8.00%
Rate of compensation increase	<b>3.50%</b>	4.50%

The expected rate of return on plan assets is updated annually, taking into consideration the plan's asset allocation, historical returns on the types of assets held in the pension trust, and the current economic environment.

#### Plan Assets

The Plans' assets are invested in an institutional trust company commingled employee benefit plan trust (Commingled Plan Trust). As of September 30, 2011 and 2010, the Plans' target allocation and the allocation of investments in the Commingled Plan Trust were as follows:

	<b>Target allocation</b>	<b>2011</b>	<b>2010</b>
Asset category:			
Equity securities	61% – 69%	<b>62%</b>	64%
Fixed income	31% – 39%	<b>38%</b>	36%
Total		<b>100%</b>	100%

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 10. Pension Plans (continued)

Plan assets are managed according to an investment policy adopted by Sharp's Retirement Committee. Professional investment managers are retained to manage plan assets. The primary objective of the Plan is to generate a consistent total investment return sufficient to pay present and future Plan benefits to retirees. The investment policy includes an asset allocation that includes equities and fixed income instruments. The target mix represents a long-term asset allocation strategy for the Plan. Although the Retirement Committee will seek to maintain the target mix over the long-term, short-term deviations may occur due to market impact and cash flow. The timing and degree of rebalancing of the actual portfolio will be determined by the Retirement Committee.

Financial assets and financial liabilities measured at fair value are grouped in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to estimate fair value. These levels and associated valuation methodologies are described in Note 2. All of the Plans' investments in the Commingled Plan Trust are in the Level 2 fair value group at September 30, 2011 and 2010.

#### Contributions

Sharp expects to contribute \$8,956,000 to the Plan in 2012.

#### Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid (in thousands):

2012	\$ 13,636
2013	14,081
2014	14,819
2015	15,790
2016	16,442
2017 – 2021	90,462

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 11. Long-term Liabilities

Long-term liabilities consist of the following:

	<b>September 30</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In Thousands)</i>	
Defined benefit pension plan unfunded liability	\$ 69,818	\$ 74,300
Worker's compensation	43,021	40,761
Deferred liabilities	14,961	13,223
Other	8,360	7,714
	<u>\$ 136,160</u>	<u>\$ 135,998</u>

### 12. Commitments and Contingencies

#### Leases

Sharp leases various equipment and facilities under operating leases expiring at various dates through 2023. Total rental expense in 2011 and 2010 for all operating leases was \$28,181,000 and \$27,659,000, respectively.

The following is a schedule by year of future minimum lease payments (in thousands) under operating leases as of September 30, 2011, that have initial or remaining lease terms in excess of one year.

2012	\$ 23,690
2013	21,734
2014	18,969
2015	17,581
2016	13,951
Thereafter	76,793
	<u>\$ 172,718</u>



## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **12. Commitments and Contingencies (continued)**

##### **Legal Matters**

The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations are subject to ongoing government review and interpretations, and include matters such as licensure, accreditation, and reimbursement for patient services. Compliance with these laws and regulations is required for participation in government health care programs. Government activity has increased with respect to investigations and allegations concerning possible violations of regulations by health care providers, which could result in the imposition of significant fines and penalties as well as significant repayment of previously billed and collected revenues for patient services. Sharp believes it is in compliance with current laws and regulations.

In the normal course of business, Sharp is involved in legal proceedings. Sharp accrues a liability for such matters when it is probable that a liability has been incurred and the amount can be reasonably estimated. The accrual for a litigation loss contingency might include, for example, estimates of potential damages, outside legal fees, interest penalties, and other directly related costs expected to be incurred.

##### **Labor Matters**

Not-for-profit health care providers and their employees are under the jurisdiction of the National Labor Relations Board. As of September 30, 2011, approximately 28% of Sharp employees are represented by unions. Such unionized employees are represented by Sharp Professional Nurses Network, United Nurses of California, National Union of Hospital and Health Care Employees, American Federation of State, County and Municipal Employees, AFL-CIO. The collective bargaining agreement with the union expires in 2014.

##### **Professional Liability and Stop-Loss Insurance**

CQI SPC is a wholly owned captive insurance company which insures a portion of the medical malpractice (professional liability) claims of certain affiliates of Sharp. Malpractice losses are accrued based on estimates of the ultimate costs for both reported claims and claims incurred but not reported. Sharp's liability is limited to \$3,000,000 per individual claim and \$13,500,000 in the aggregate each year. Sharp has obtained excess loss insurance covering claims above these amounts up to \$40,000,000.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **12. Commitments and Contingencies (continued)**

General and professional liability costs have been accrued based upon an actuarial determination. Accrued malpractice losses have been discounted at 3% at September 30, 2011 and 2010.

Claims, including alleged malpractice, have been asserted against Sharp and are currently in various stages of litigation. Additional claims may be asserted against Sharp arising from services provided to patients through September 30, 2011. In management's opinion, however, the estimated liability accrued at September 30, 2011, is adequate to provide for potential losses resulting from pending or threatened litigation. It is management's opinion that the ultimate disposition of such litigation will not have a material adverse effect on the combined financial position, results of operations, or cash flows of Sharp.

#### **Sharp Health Plan**

SHP is required to meet certain financial responsibility regulations of the California Department of Managed Healthcare (DMHC). Pursuant to these regulations, SHP maintains a reserve totaling \$300,000 on deposit with various financial institutions. In addition, SHP is required to maintain two times the normal requirement of tangible net equity, as defined in regulations of the DMHC. At September 30, 2011 and 2010, SHP was required to maintain tangible net equity totaling \$7,985,000 and \$7,031,000, respectively. SHP's tangible net equity was \$34,175,000 at September 30, 2011, and \$30,385,000 at September 30, 2010. Management believes they are in compliance with these requirements at September 30, 2011 and 2010.

#### **Unemployment Claims and Workers' Compensation**

Sharp has elected to self-insure for unemployment claims through various group plans. Prior to January 1, 1996, Sharp was also self-insured for workers' compensation claims. Since 1996, Sharp has purchased high deductible insurance policies and has been responsible for workers' compensation claims up to amounts covered by these insurance policies (Sharp was responsible for individual claims up to \$1,000,000 in 2011 and 2010). For workers' compensation, Sharp accrues for the unpaid portion of claims that have been reported and estimates of claims that have been incurred but not reported, based on an actuarial study. Accrued workers' compensation losses have been discounted at 1.7% and 2.2% at September 30, 2011 and 2010, respectively. Workers compensation liabilities of \$43,021,000 and \$40,761,000 at September 30, 2011 and 2010, respectively, are included in long-term liabilities in the combined balance sheet.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **12. Commitments and Contingencies (continued)**

##### **Seismic Standards (Unaudited)**

Sharp has made significant progress toward meeting earthquake retrofit requirements for its health care facilities under a State of California law. The new Stephen Birch tower at SMH meets all new code requirements. In addition, many of the other hospitals have been further assessed and reclassified, and have received extensions for compliance until 2030. Only two of the remaining hospital buildings in the Sharp system require additional seismic improvements. These two hospital buildings received an extension for compliance with seismic standards through January 1, 2015. Permits are pending to seismically retrofit these two buildings and construction is scheduled to be completed in 2013.

##### **Credit Facilities**

Sharp has a \$50,000,000 line of credit with a bank which expires on September 1, 2013, of which \$17,600,000 was available at September 30, 2011 and 2010. As part of the workers' compensation insurance agreement, letters of credit have been provided as collateral. The total letters of credit used as collateral totaled \$32,400,000 as of September 30, 2011 and 2010. These letters of credit are each considered a decrease in the available \$50,000,000 line of credit with the bank. There are no amounts outstanding as of September 30, 2011 and 2010.

Sharp has a bank liquidity facility to provide credit enhancement and liquidity support for the \$60,000,000 of Series 2009A Bonds. The bank liquidity facility was executed in February 2009 by a bank letter of credit that expires in May 2016. The letter of credit used as collateral totaled \$51,471,000 at September 30, 2011.

Sharp has a bank liquidity facility to provide credit enhancement and liquidity support for the \$99,880,000 of Series 2009C and D Bonds. The bank liquidity facility was executed in September 2009 by a bank letter of credit that expires in July 2014. The total letters of credit used as collateral totaled \$101,391,000 at September 30, 2011.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 13. Fair Value of Financial Instruments

The following methods and assumptions were used by Sharp in estimating fair value of its financial instruments:

*Cash and cash equivalents:* The carrying amount reported in the balance sheet for cash and cash equivalents approximates fair value.

*Short-term investments and assets limited as to use:* Fair values, which are the amounts reported in the balance sheet, are based on quoted market prices.

*Estimated settlements receivable from (payable to) government programs, net:* The carrying amount reported in the balance sheet for estimated third-party payor settlements approximates its fair value.

*Prepaid expenses and other:* The carrying amount reported in the balance sheet for prepaid expenses and other approximates its fair value.

*Accounts payable and accrued expenses:* The carrying amount reported in the balance sheet for accounts payable and accrued expenses approximates its fair value.

*Accrued compensation and benefits:* The carrying amount reported in the balance sheet for accrued compensation and benefits approximates its fair value.

*Long-term debt:* Fair values are computed using an estimated pricing analysis based on the individual bond terms.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 13. Fair Value of Financial Instruments (continued)

The carrying amounts and fair values of Sharp's financial instruments are as follows (in thousands):

	September 30, 2011		September 30, 2010	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Cash and cash equivalents	\$ 166,012	\$ 166,012	\$ 155,242	\$ 155,242
Short-term investments	71,733	71,733	44,656	44,656
Estimated settlements receivable from (payable to) government programs, net	4,204	4,204	(1,043)	(1,043)
Prepaid expenses and other	63,205	63,205	33,114	33,114
Assets limited as to use	764,081	764,081	614,713	614,713
Accounts payable and accrued liabilities	191,736	191,736	163,687	163,687
Accrued compensation and benefits	110,871	110,871	100,623	100,623
Long-term debt	615,172	635,507	508,472	502,626

### 14. Discontinued Operations

On July 31, 2008, Sharp sold Sharp Mission Park Medical Centers (SMP) to Scripps Health (Scripps), an unrelated health care provider. Scripps paid Sharp \$10,000,000 related to the sale.

As of September 30, 2010, SMP qualified for treatment as discontinued operations under FASB ASC 360 and ASC 205. Accordingly, the operating results and gain on disposal of SMP have been classified as discontinued operations in the combined statements of operations for all years presented. In addition, net assets and liabilities of SMP were considered discontinued operations in the balance sheet and have been segregated into "discontinued operations" in the current liabilities section of the balance sheet. Sharp recorded changes in estimate of \$132,000 in 2010, as gains on discontinued operations related to previous years' operations of SMP.

### 15. Subsequent Events

In preparing these combined financial statements, management has evaluated and disclosed all material subsequent events up to December 9, 2011, which is the date that the combined financial statements were issued.

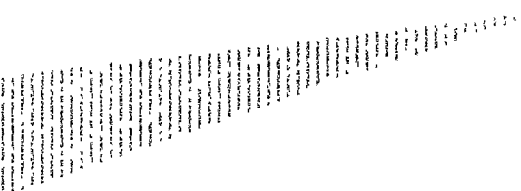
## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **15. Subsequent Events (continued)**

On December 9, 2011 Sharp entered into a Purchase Agreement for a two-story office building for a purchase price of \$15.0 million.

## Other Financial Information



Ernst & Young LLP

Board of Directors  
Sharp HealthCare

December 9, 2011



# Sharp HealthCare

## Combining Balance Sheet (In Thousands)

September 30, 2011

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Sharp HealthCare Center	Sharp Health Plan	Continuous Quality Insurance	Sharp HealthCare Foundation	Grossmont Hospital Foundation	Combined Totals	Combining Eliminations	Totals
<b>Assets</b>												
Current assets												
Cash and cash equivalents	\$ 116,646	\$ 832	\$ 1,160	\$ 27,096	\$ 124	\$ 15,412	\$ 409	\$ 1,737	\$ 2,596	\$ 166,012	\$ -	\$ 166,012
Short-term investments	52,145	-	-	11,378	-	6,338	-	1,872	-	71,733	-	71,733
Accounts receivable, net	13,952	101,393	25,392	46,772	5,396	1,688	-	4,428	559	199,580	(2,318)	197,262
Estimated settlements receivable from government programs, net	-	5,565	(1,699)	2,024	(1,686)	-	-	-	-	4,204	-	4,204
Intercompany receivables	-	706,940	90,833	-	-	-	27	-	68	797,868	(797,868)	-
Inventories	4,662	13,133	5,317	9,388	1,595	-	-	-	-	34,095	-	34,095
Prepaid expenses and other	28,453	12,497	8,388	12,932	592	315	4	19	5	63,205	-	63,205
Total current assets	215,858	840,360	129,391	109,590	6,021	23,753	440	8,056	3,228	1,336,697	(800,186)	536,511
Assets limited as to use												
Designated for property	500,823	-	-	119,927	-	24,036	-	-	-	644,786	-	644,786
Under bond indentures	36,437	36,658	820	389	-	-	-	-	-	74,304	-	74,304
Other restricted investments	-	-	-	-	-	810	-	27,424	8,367	36,601	-	36,601
Under self-insurance programs	-	-	-	-	-	-	8,390	-	-	8,390	-	8,390
Total assets limited as to use	537,260	36,658	820	120,316	-	24,846	8,390	27,424	8,367	764,081	-	764,081
Property and equipment, net	209,779	376,354	56,008	203,768	14,187	403	-	188	-	860,687	-	860,687
Unamortized financing costs	2,287	3,832	786	446	-	-	-	-	-	7,351	-	7,351
Other assets	17,087	68	2,043	1,296	2,922	120	-	52,972	1,470	77,978	(6,993)	70,985
Beneficial interest in foundations	45,027	-	-	12,634	-	-	-	-	-	57,661	(57,661)	-
Total assets	\$ 1,027,298	\$ 1,257,272	\$ 189,048	\$ 448,050	\$ 23,130	\$ 49,122	\$ 8,830	\$ 88,640	\$ 13,065	\$ 3,104,455	\$ (864,840)	\$ 2,239,615

# Sharp HealthCare

## Combining Balance Sheet (continued) (In Thousands)

September 30, 2011

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Sharp Coronado Hospital and HealthCare Center	Sharp Health Plan	Continuous Quality Insurance	Sharp HealthCare Foundation	Grossmont Hospital Foundation	Combined Totals	Combining Eliminations	Totals
<b>Liabilities and net assets</b>												
Current liabilities												
Accounts payable and accrued liabilities	\$ 97,483	\$ 40,187	\$ 14,739	\$ 26,317	\$ 1,741	\$ 12,879	\$ 69	\$ 300	\$ 3	\$ 193,718	\$ (1,982)	\$ 191,736
Intercompany payable	763,310	-	-	847	2,688	407	-	30,602	-	797,854	(797,854)	-
Accrued compensation and benefits	30,445	36,146	13,755	24,996	3,936	1,245	-	374	64	110,951	(80)	110,871
Current portion of long-term debt	1,957	6,163	2,050	1,490	19	-	-	-	-	11,679	-	11,679
Accrued interest	315	2,220	425	66	-	-	-	-	-	3,026	-	3,026
Total current liabilities	893,510	84,716	30,969	53,716	8,374	14,531	69	31,276	67	1,117,228	(799,916)	317,312
Long-term liabilities												
Reserves for professional liability	67,732	24,537	6,943	25,943	1,921	416	341	12,336	365	140,534	(4,374)	136,160
Long-term debt	4,600	-	-	-	-	-	8,300	-	-	12,900	-	12,900
Total liabilities	139,349	363,385	58,996	41,763	270	-	-	-	-	603,763	(270)	603,493
	1,105,191	472,638	96,908	121,422	10,565	14,947	8,710	43,612	432	1,874,425	(804,560)	1,069,865
Net assets												
Unrestricted	(123,248)	784,634	92,140	316,353	14,206	34,175	120	673	2,359	1,121,412	(4,649)	1,116,763
Temporarily restricted	41,024	-	-	9,201	(1,641)	-	-	40,024	9,201	97,809	(50,226)	47,583
Permanently restricted	4,331	-	-	1,074	-	-	-	4,331	1,073	10,809	(5,405)	5,404
Total net assets	(77,893)	784,634	92,140	326,628	12,565	34,175	120	45,028	12,633	1,230,030	(60,280)	1,169,750
Total liabilities and net assets	\$ 1,027,298	\$ 1,257,272	\$ 189,048	\$ 448,050	\$ 23,130	\$ 49,122	\$ 8,830	\$ 88,640	\$ 13,065	\$ 3,104,455	\$ (864,840)	\$ 2,239,615

# Sharp HealthCare

## Combining Statement of Operations (In Thousands)

September 30, 2011

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Vista Medical Center	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Sharp Coronado Hospital and HealthCare Center	Sharp Health Plan	Continuous Quality Insurance	Sharp HealthCare Foundation	Grossmont Hospital Foundation	Combined Totals	Combining Eliminations	Totals
Revenues													
Patient service	\$ 112,373	\$ 861,834	\$ 258,985	\$ 499,623	\$ 77,669	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,810,484	\$ (298,217)	\$ 1,512,267
Provider tax revenue	-	54,621	24,639	40,766	707	-	-	-	-	-	120,733	-	120,733
Provision for doubtful accounts	(3,915)	(6,859)	(5,029)	(8,921)	(535)	-	-	-	-	-	(25,259)	-	(25,259)
Net patient service	108,458	909,596	278,595	531,468	77,841	-	-	-	-	-	1,905,958	(298,217)	1,607,741
Premium	693,370	-	-	-	-	-	-	-	-	-	-	-	-
Other	249,885	8,261	3,400	7,461	5,364	-	5,199	-	-	-	920,529	(109,271)	811,258
Total revenues	1,051,713	917,857	281,995	538,929	83,205	-	5,199	-	-	-	3,106,057	(611,746)	2,494,311
Expenses													
Salaries and wages	222,114	311,297	117,814	212,173	35,322	-	6,025	-	-	-	904,745	-	904,745
Employee benefits	58,777	72,938	26,100	51,461	8,224	-	1,356	-	-	-	218,856	-	218,856
Medical fees	196,779	12,656	4,141	9,398	557	-	203,891	-	-	-	427,422	(120,767)	306,655
Purchased services	112,027	52,524	22,565	45,109	5,811	-	6,177	169	-	-	244,382	(3,590)	240,792
Supplies	29,243	130,273	39,061	76,051	11,780	-	138	-	-	-	286,546	(3)	286,543
Provider tax	-	29,439	19,758	31,992	1,489	-	-	-	-	-	82,678	-	82,678
Maintenance, utilities and rentals	50,436	28,279	6,247	15,819	2,953	-	730	-	-	-	104,464	(2,960)	101,504
Depreciation and amortization	35,077	36,001	10,286	23,221	3,394	-	482	8	-	-	108,469	(20,995)	87,474
Business insurance	(215)	3,090	1,094	2,826	293	-	81	5,193	-	-	12,362	(5,193)	7,169
Interest	3,806	17,490	4,257	1,862	12	-	1	-	-	-	27,428	(2,851)	24,577
Purchased services from affiliate	293,012	70,940	25,660	47,536	7,300	-	1,946	25	-	-	446,419	(446,419)	-
Other	12,720	6,204	2,101	3,294	805	-	2,002	39	-	-	27,165	-	27,165
Total expenses	1,013,776	771,131	279,084	520,742	77,940	-	222,829	5,434	-	-	2,890,936	(602,778)	2,288,158
Income (loss) from operations	37,937	146,726	2,911	18,187	5,265	-	4,330	(235)	-	-	215,121	(8,968)	206,153
Other non-operating income (loss)	(4,085)	47	8	(864)	12	-	49	-	214	439	(4,180)	88	(4,092)
Investment income (loss)	(11,149)	(6,259)	(2,309)	(3,138)	(557)	-	(584)	235	(482)	22	(24,221)	8,880	(15,341)
Income (loss) from continuing operations	22,703	140,514	610	14,185	4,730	-	3,795	-	(268)	461	186,720	-	186,720
Excess (deficit) of revenues over expenses	22,703	140,514	610	14,185	4,730	-	3,795	-	(268)	461	186,720	-	186,720
Net assets transferred from related party	-	-	-	5,426	-	-	-	-	-	-	5,426	-	5,426
Net assets released from restrictions used for purchase of property, plant and equipment	543	5,916	105	1,598	-	-	-	-	-	-	8,162	-	8,162
Pension related changes other than net periodic pension cost	1,039	1,103	(409)	4,298	(28)	-	(5)	-	-	-	5,998	-	5,998
Other changes in net assets	(1,566)	-	-	532	5,323	-	-	-	(1,298)	72	3,063	1,034	4,097
Increase (decrease) in unrestricted net assets	22,719	147,533	306	26,039	10,015	-	3,790	-	(1,566)	533	209,369	1,034	210,403

# Sharp HealthCare

## Combining Statement of Changes in Net Assets (In Thousands)

September 30, 2011

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Sharp HealthCare Center	Sharp Health Plan	Continuous Quality Insurance	Sharp HealthCare Foundation	Grossmont Hospital Foundation	Combined Totals	Combining Eliminations	Totals
Unrestricted net assets												
Excess (deficit) of revenues over expenses	\$ 22 703	\$ 140 514	\$ 610	\$ 14 185	\$ 4 720	\$ 3 795	\$ -	\$ (268)	\$ 461	\$ 186 720	\$ -	\$ 186 720
Net assets transferred from related party	-	-	-	5 426	-	-	-	-	-	5 426	-	5 426
Net assets released from restrictions used for purchase of property, plant and equipment	543	5 916	105	1 598	-	-	-	-	-	8 162	-	8 162
Pension related changes other than net periodic pension cost	1 039	1 103	(409)	4 298	(28)	(5)	-	-	-	5 998	-	5 998
(Other changes in net assets	(1 566)	-	-	532	5 323	-	-	(1 298)	72	3 063	1 034	4 097
Increase (decrease) in unrestricted net assets	22 719	147 533	306	26 039	10 015	3 790	-	(1 566)	533	209 369	1 034	210 403
Temporarily restricted net assets												
Contributions	-	-	-	-	-	-	-	7 576	2 940	10 516	-	10 516
Investment income	-	-	-	-	-	-	-	1 007	(135)	872	-	872
Change in net realized gains (losses) on investments	-	-	-	-	-	-	-	(1 160)	117	(1 043)	-	(1 043)
Net assets released from restrictions	-	-	-	-	-	-	-	(9 242)	(2 540)	(11 782)	-	(11 782)
(Other	(324)	-	-	862	(1 838)	-	-	1 495	480	675	(539)	136
Increase (decrease) in temporarily restricted net assets	(324)	-	-	862	(1 838)	-	-	(324)	862	(762)	(539)	(1 301)
Permanently restricted net assets												
(Other	(202)	-	-	(898)	-	-	-	(202)	(898)	(2 200)	1 100	(1 100)
Increase (decrease) in permanently restricted net assets	(202)	-	-	(898)	-	-	-	(202)	(898)	(2 200)	1 100	(1 100)
Increase (decrease) in net assets	22 193	147 533	306	26 003	8 177	3 790	-	(2 092)	497	206 407	1 595	208 002
Net assets (deficit) beginning of the year	(100 086)	637 101	91 834	300 625	4 388	30 385	120	47 120	12 136	1 023 623	(61 875)	961 748
Net assets (deficit) end of the year	\$ (77 893)	\$ 784 634	\$ 92 140	\$ 326 628	\$ 12 565	\$ 34 175	\$ 120	\$ 45 028	\$ 12 633	\$ 1 230 030	\$ (60 280)	\$ 1 169 750

# Sharp HealthCare

## Combining Balance Sheet – Obligated Group (In Thousands)

September 30, 2011

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Combined Totals	Combining Eliminations	Totals
<b>Assets</b>							
Current assets							
Cash and cash equivalents	\$ 116,646	\$ 832	\$ 1,160	\$ 27,096	\$ 145,734	\$ –	\$ 145,734
Short-term investments	52,145	–	–	11,378	63,523	–	63,523
Accounts receivable, net	13,952	101,393	25,392	46,772	187,509	(1,445)	186,064
Estimated settlements receivable from government programs, net	–	5,565	(1,699)	2,024	5,890	–	5,890
Intercompany receivables	(762,920)	706,940	90,833	–	34,853	(796)	34,057
Inventories	4,662	13,133	5,317	9,388	32,500	–	32,500
Prepaid expenses and other	28,453	12,497	8,388	12,932	62,270	–	62,270
Total current assets	(547,062)	840,360	129,391	109,590	532,279	(2,241)	530,038
Assets limited as to use							
Designated for property	500,823	–	–	119,927	620,750	–	620,750
Under bond indentures	36,437	36,658	820	389	74,304	–	74,304
Total assets limited as to use	537,260	36,658	820	120,316	695,054	–	695,054
Property and equipment, net	209,779	376,354	56,008	203,768	845,909	–	845,909
Unamortized financing costs	2,287	3,832	786	446	7,351	–	7,351
Other assets	17,087	68	2,043	1,296	20,494	–	20,494
Beneficial interest in foundations	45,027	–	–	12,634	57,661	–	57,661
Total assets	\$ 264,378	\$ 1,257,272	\$ 189,048	\$ 448,050	\$ 2,158,748	\$ (2,241)	\$ 2,156,507

# Sharp HealthCare

## Combining Balance Sheet – Obligated Group (continued) (In Thousands)

September 30, 2011

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Combined Totals	Combining Eliminations	Totals
<b>Liabilities and net assets</b>							
Current liabilities							
Accounts payable and accrued liabilities	\$ 97,873	\$ 40,187	\$ 14,739	\$ 26,317	\$ 179,116	\$ (1,445)	\$ 177,671
Intercompany payable	–	–	–	847	847	(796)	51
Accrued compensation and benefits	30,445	36,146	13,755	24,996	105,342	–	105,342
Current portion of long-term debt	1,957	6,163	2,050	1,490	11,660	–	11,660
Accrued interest	315	2,220	425	66	3,026	–	3,026
Total current liabilities	130,590	84,716	30,969	53,716	299,991	(2,241)	297,750
Long-term liabilities							
Reserves for professional liability	67,732	24,537	6,943	25,943	125,155	–	125,155
Long-term debt	4,600	–	–	–	4,600	–	4,600
Total liabilities	139,349	363,385	58,996	41,763	603,493	–	603,493
	342,271	472,638	96,908	121,422	1,033,239	(2,241)	1,030,998
<b>Net assets</b>							
Unrestricted net assets	(123,248)	784,634	92,140	316,353	1,069,879	–	1,069,879
Temporarily restricted net assets	41,024	–	–	9,201	50,225	–	50,225
Permanently restricted net assets	4,331	–	–	1,074	5,405	–	5,405
Total net assets	(77,893)	784,634	92,140	326,628	1,125,509	–	1,125,509
Total liabilities and net assets	\$ 264,378	\$ 1,257,272	\$ 189,048	\$ 448,050	\$ 2,158,748	\$ (2,241)	\$ 2,156,507

# Sharp HealthCare

## Combining Statement of Operations – Obligated Group (In Thousands)

September 30, 2011

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Combined Totals	Combining Eliminations	Totals
Revenues							
Patient service revenue	\$ 112,373	\$ 861,834	\$ 258,985	\$ 499,623	\$ 1,732,815	\$ (288,116)	\$ 1,444,699
Provider tax revenue	–	54,621	24,639	40,766	120,026	–	120,026
Provision for doubtful accounts	(3,915)	(6,859)	(5,029)	(8,921)	(24,724)	–	(24,724)
Net patient service	108,458	909,596	278,595	531,468	1,828,117	(288,116)	1,540,001
Premium	693,370	–	–	–	693,370	–	693,370
Other	249,885	8,261	3,400	7,461	269,007	(187,506)	81,501
Total revenues	1,051,713	917,857	281,995	538,929	2,790,494	(475,622)	2,314,872
Expenses							
Salaries and wages	222,114	311,297	117,814	212,173	863,398	–	863,398
Employee benefits	58,777	72,938	26,100	51,461	209,276	–	209,276
Medical fees	196,779	12,656	4,141	9,398	222,974	(6,913)	216,061
Purchased services	112,027	52,524	22,565	45,109	232,225	(2,815)	229,410
Supplies	29,243	130,273	39,061	76,051	274,628	(3)	274,625
Provider tax	–	29,439	19,758	31,992	81,189	–	81,189
Maintenance, utilities and rentals	50,436	28,279	6,247	15,819	100,781	(2,960)	97,821
Depreciation and amortization	35,077	36,001	10,286	23,221	104,585	(19,813)	84,772
Business insurance	(215)	3,090	1,094	2,826	6,795	–	6,795
Interest	3,806	17,490	4,257	1,862	27,415	(2,820)	24,595
Purchased services from affiliate	293,012	70,940	25,660	47,536	437,148	(431,967)	5,181
Other	12,720	6,204	2,101	3,294	24,319	–	24,319
Total expenses	1,013,776	771,131	279,084	520,742	2,584,733	(467,291)	2,117,442
Income from operations	37,937	146,726	2,911	18,187	205,761	(8,331)	197,430
Other nonoperating gains, net	(4,085)	47	8	(864)	(4,894)	–	(4,894)
Investment income (loss)	(11,149)	(6,259)	(2,309)	(3,138)	(22,855)	8,331	(14,524)
Income from continuing operations	22,703	140,514	610	14,185	178,012	–	178,012
Excess of revenues over expenses	22,703	140,514	610	14,185	178,012	–	178,012
Net assets transferred from related party	–	–	–	5,426	5,426	–	5,426
Net assets released from restrictions used for purchase of property, plant and equipment	543	5,916	105	1,598	8,162	–	8,162
Pension-related changes other than net periodic pension cost	1,039	1,103	(409)	4,298	6,031	–	6,031
Other changes in net assets	(1,566)	–	–	532	(1,034)	–	(1,034)
Increase in unrestricted net assets	\$ 22,719	\$ 147,533	\$ 306	\$ 26,039	\$ 196,597	\$ –	\$ 196,597

# Sharp HealthCare

## Combining Statement of Changes in Net Assets – Obligated Group (In Thousands)

September 30, 2011

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Combined Totals	Combining Eliminations	Totals
Unrestricted net assets							
Excess of revenues over expenses	\$ 22,703	\$ 140,514	\$ 610	\$ 14,185	\$ 178,012	\$ –	\$ 178,012
Net assets transferred from related party	–	–	–	5,426	5,426	–	5,426
Net assets released from restrictions used for purchase of property, plant and equipment	543	5,916	105	1,598	8,162	–	8,162
Pension related changes other than net periodic pension cost	1,039	1,103	(409)	4,298	6,031	–	6,031
Other changes in net assets	(1,566)	–	–	532	(1,034)	–	(1,034)
Increase in unrestricted net assets	22,719	147,533	306	26,039	196,597	–	196,597
Temporarily restricted net assets							
Beneficial interest in foundations	(324)	–	–	862	538	–	538
Increase in temporarily restricted net assets	(324)	–	–	862	538	–	538
Permanently restricted net assets							
Beneficial interest in foundations	(202)	–	–	(898)	(1,100)	–	(1,100)
Increase in permanently restricted net assets	(202)	–	–	(898)	(1,100)	–	(1,100)
Increase in net assets	22,193	147,533	306	26,003	196,035	–	196,035
Net assets (deficit), beginning of the year	(100,086)	637,101	91,834	300,625	929,474	–	929,474
Net assets (deficit), end of the year	\$ (77,893)	\$ 784,634	\$ 92,140	\$ 326,628	\$ 1,125,509	\$ –	\$ 1,125,509



and the fact that the  
 1990s were a period of rapid  
 economic growth and  
 technological innovation  
 in the United States, it is  
 not surprising that the  
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 and technological innovation  
 in the United States.

1. 在研究过程中，我们首先对研究对象进行了初步的考察。通过查阅相关资料和实地走访，我们发现该现象在不同地区存在显著差异。为了进一步探究其原因，我们设计了一系列实验，旨在验证我们的假设。