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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 10-01-2010 and ending 09-30-2011

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

C Name of organization
MOSES H CONE MEMORIAL HOSPITAL
OPERATING CORPORATION

Doing Business As
CONE HEALTH

Number and street (or P O box if mail is not delivered to street address)
1200 NORTH ELM STREET

Room/suite

City or town, state or country, and ZIP + 4
GREENSBORO, NC 27401

D Employer identification number
58-1588823

E Telephone number
(336)832-7000

G Gross receipts $ 931,129,635

F Name and address of principal officer
Ken Boggs
1200 NORTH ELM STREET
GREENSBORO, NC 27401

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

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

H(c) Group exemption number ▶

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

J Website: ▶ www conehealth com

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

L Year of formation 1985

M State of legal domicile NC

Part I Summary

1 Briefly describe the organization's mission or most significant activities
We serve our communities by preventing illness, restoring health and PROVIDING COMFORT, THROUGH EXCEPTIONAL PEOPLE DELIVERING EXCEPTIONAL CARE

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	20
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	14
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	**5**	7,964
6	Total number of volunteers (estimate if necessary)	**6**	
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	405,992
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	51,454

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	4,482,418	3,596,505
9	Program service revenue (Part VIII, line 2g)	801,594,206	845,181,482
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,643,487	2,486,262
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	12,764,649	8,837,638
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	820,484,760	860,101,887
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,373,782	2,344,270
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	398,283,292	415,570,298
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	368,598,528	395,456,424
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	768,255,602	813,370,992
19	Revenue less expenses Subtract line 18 from line 12	52,229,158	46,730,895

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	442,735,510	511,170,155
21	Total liabilities (Part X, line 26)	183,999,952	209,439,028
22	Net assets or fund balances Subtract line 21 from line 20	258,735,558	301,731,127

Part II Signature Block

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

Sign Here

Signature of officer — Date: 2012-08-10

KENNETH BOGGS CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶☐	PTIN
Firm's name ▶ PRICEWATERHOUSECOOPERS LLP				Firm's EIN ▶
Firm's address ▶ 800 GREEN VALLEY ROAD SUITE 500 GREENSBORO, NC 27408				Phone no ▶ (336) 665-2700

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

WE SERVE OUR COMMUNITIES BY PREVENTING ILLNESS, RESTORING HEALTH AND PROVIDING COMFORT, THROUGH EXCEPTIONAL PEOPLE DELIVERING EXCEPTIONAL CARE

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 $ 733,158,496 including grants of $ 2,344,270) (Revenue $ 845,181,482)

PROVISION OF QUALITY HEALTHCARE SERVICES INCLUDING CHARITY CARE AND CARE TO PERSONS COVERED BY GOVERNMENTAL PROGRAMS AT BELOW COST AND TO OTHER RESIDENTS OF THE COMMUNITY SERVICES INCLUDE INPATIENT ROUTINE, INPATIENT ANCILLARY, OUTPATIENT CARE, INTENSIVE CARE, EMERGENCY SERVICES, AND REHABILITATION IN MEETING ITS OBJECTIVE TO PROVIDE QUALITY HEALTHCARE SERVICES DURING THE FISCAL YEAR 9/30/2011, MOSES H CONE MEMORIAL HOSPITAL OPERATING CORPORATION HAD A TOTAL OF 48,884 PATIENT DISCHARGES, 246,567 DAYS OF CARE, 698,111 TOTAL OUTPATIENT VISITS, AND AN AVERAGE DAILY CENSUS OF 675 53

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** ▶ $ 733,158,496

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	**35**		No
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* ☐ **Yes** ☑ **No**			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	785		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	7,964		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			14b		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	20		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	14		
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		No
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		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b		No
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	Yes	
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b	Yes	
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes	

Section C. Disclosure

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

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

☑ Own website ☑ Another's website ☑ Upon request

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

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

Ken Boggs
1200 NORTH ELM STREET
GREENSBORO, NC 27401
(336) 832-7000

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

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

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								7,530,573	307,169	854,376

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 288

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Central Carolina Surgery PA 1002 N Church St Ste 302 GREENSBORO, NC 27401	Medical Services	2,285,563
Greensboro Radiology PA 1317 N Elm St Suite 1B GREENSBORO, NC 27401	Medical Services	1,289,214
Carefusion Solutions LLC 3750 Torrey View Court SAN DIEGO, CA 92130	Medical Services	1,199,581
Wake Forest University Health Scien PO Box 320 WINSTON SALEM, NC 27157	Medical Services	1,016,196
Greensboro Pathology Associates PO Box 602313 CHARLOTTE, NC 282602313	Medical Services	927,206

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 ▶ 71

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . . 1a					
	b Membership dues 1b					
	c Fundraising events 1c					
	d Related organizations . . . 1d	127,300				
	e Government grants (contributions) 1e					
	f All other contributions, gifts, grants, and similar amounts not included above 1f	3,469,205				
	g Noncash contributions included in lines 1a-1f $	988,417				
	h **Total.** Add lines 1a-1f . . . . . ▶		3,596,505			
Program Service Revenue		Business Code				
	2a Patient Service Revenue	621400	837,968,954	837,780,934	188,020	
	b Services to Patients	621400	640,977	640,977		
	c Services to Government Agencies	621400	574,292	574,292		
	d Services to Affiliate Organizations	621400	1,447,205	1,447,205		
	e Services to Non-affiliate Organizations	621400	1,371,834	1,371,834		
	f All other program service revenue		3,178,220	3,178,220		
	g **Total.** Add lines 2a–2f . . . . . ▶		845,181,482			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		2,293,885			2,293,885
	4 Income from investment of tax-exempt bond proceeds . . ▶		0			
	5 Royalties . . . . . ▶		0			
		(i) Real	(ii) Personal			
	6a Gross Rents	1,130,513	158,555			
	b Less rental expenses	664,658	93,219			
	c Rental income or (loss)	465,855	65,336			
	d Net rental income or (loss) . . . . . ▶		531,191	313,219	217,972	
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory	929,051	69,533,197			
	b Less cost or other basis and sales expenses	798,137	69,471,734			
	c Gain or (loss)	130,914	61,463			
	d Net gain or (loss) . . . . . ▶		192,377			192,377
Other Revenue	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a					
	b Less direct expenses . . . b					
	c Net income or (loss) from fundraising events . . ▶		0			
	9a Gross income from gaming activities See Part IV, line 19 . a					
	b Less direct expenses . . . . . b					
	c Net income or (loss) from gaming activities . . . ▶		0			
	10a Gross sales of inventory, less returns and allowances . a					
	b Less cost of goods sold . . b					
	c Net income or (loss) from sales of inventory . . ▶		0			
	Miscellaneous Revenue	Business Code				
	11a Services to Employees	621400	3,346,804	3,346,804		
	b EQUITY SHARE INCOME FROM JOINT VENTURES	900099	3,282,985	3,282,985		
	c EXPERT WITNESS FEES FOR PHYSICIANS	900099	804,624	804,624		
	d All other revenue		872,034	872,034		
	e **Total.** Add lines 11a–11d . . . . . ▶		8,306,447			
	12 **Total revenue.** See Instructions . . . ▶		860,101,887	853,613,128	405,992	2,486,262

Part IX Statement of Functional Expenses

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21	2,344,270	2,344,270		
2 Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	9,063,764	9,063,764		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	286,828,788	258,145,909	28,682,879	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	23,110,512	20,799,461	2,311,051	
9 Other employee benefits	71,163,698	64,047,328	7,116,370	
10 Payroll taxes	25,403,536	22,863,182	2,540,354	
a Fees for services (non-employees) Management	26,091,690	23,482,521	2,609,169	
b Legal	742,827	668,544	74,283	
c Accounting	736,196	662,576	73,620	
d Lobbying	0			
e Professional fundraising services *See Part IV, line 17*	0			
f Investment management fees	0			
g Other	57,586,772	51,828,095	5,758,677	
12 Advertising and promotion	2,998,090	2,698,281	299,809	
13 Office expenses	13,492,032	12,142,829	1,349,203	
14 Information technology	11,193,836	10,074,452	1,119,384	
15 Royalties	0			
16 Occupancy	22,892,291	20,603,062	2,289,229	
17 Travel	1,373,391	1,236,052	137,339	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	23,860	21,474	2,386	
20 Interest	233,574	210,217	23,357	
21 Payments to affiliates	-15,808,536	-14,227,682	-1,580,854	
22 Depreciation, depletion, and amortization	27,368,240	24,631,416	2,736,824	
23 Insurance	2,022,780	1,820,502	202,278	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a Medical Supplies	158,756,186	142,880,567	15,875,619	
b Bad Debt Expense	63,303,287	56,972,958	6,330,329	
c Utilities	10,346,643	9,311,979	1,034,664	
d REPAIR & MAINTENANCE	8,688,717	7,819,846	868,871	
e STAFF & PHYSICIAN EDUCATION	1,327,936	1,195,142	132,794	
f All other expenses	2,086,612	1,861,751	224,861	
25 **Total functional expenses.** Add lines 1 through 24f	813,370,992	733,158,496	80,212,496	0
26 **Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		181,373,983	1	12,718,134
	2	Savings and temporary cash investments			2	78,000,663
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		110,781,399	4	133,735,265
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L			6	
	7	Notes and loans receivable, net		19,685,661	7	125,438,583
	8	Inventories for sale or use		13,506,076	8	14,075,871
	9	Prepaid expenses and deferred charges		11,033,250	9	12,488,008
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 242,728,609			
	b	Less accumulated depreciation	10b 130,684,842	82,858,537	10c	112,043,767
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		23,581,300	13	22,754,560
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		-84,696	15	-84,696
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		442,735,510	16	511,170,155
Liabilities	17	Accounts payable and accrued expenses		78,036,753	17	100,866,913
	18	Grants payable		1,637,845	18	648,731
	19	Deferred revenue		5,990,527	19	5,267,657
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		98,334,827	25	102,655,727
	26	**Total liabilities.** Add lines 17 through 25		183,999,952	26	209,439,028
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		252,709,562	27	295,065,667
	28	Temporarily restricted net assets		6,025,996	28	6,665,460
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		258,735,558	33	301,731,127
	34	Total liabilities and net assets/fund balances		442,735,510	34	511,170,155

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	860,101,887
2	Total expenses (must equal Part IX, column (A), line 25)	2	813,370,992
3	Revenue less expenses Subtract line 2 from line 1	3	46,730,895
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	258,735,558
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-3,735,326
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	301,731,127

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
MOSES H CONE MEMORIAL HOSPITAL
OPERATING CORPORATION

Employer identification number
58-1588823

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

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

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

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

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

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

_____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

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SCHEDULE 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
MOSES H CONE MEMORIAL HOSPITAL OPERATING CORPORATION

Employer identification number
58-1588823

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

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

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

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

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

Part VI 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				
b Buildings				
c Leasehold improvements		340,948	126,042	214,906
d Equipment		202,680,525	130,558,800	72,121,725
e Other		39,707,136		39,707,136
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				112,043,767

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

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

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

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

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

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

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
Malpractice Reserves	8,378,336
Workers Compensation Reserves	5,848,856
Building Maintenance Reserve	854,554
Capital Lease Liability	4,880,462
FAS 158 Pension Reclass	77,041,272
Deferred Compensation	5,652,247
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	102,655,727

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

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	860,101,887
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	813,370,992
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	46,730,895
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	118,590
9	Total adjustments (net) Add lines 4 - 8	9	118,590
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	46,849,485

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	858,858,035
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	-2,001,729		
e	Add lines **2a** through **2d**			2e	-2,001,729
3	Subtract line **2e** from line **1**			3	860,859,764
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	-757,877		
c	Add lines **4a** and **4b**			4c	-757,877
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	860,101,887

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

1	Total expenses and losses per audited financial statements			1	812,008,550
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	998,953		
e	Add lines **2a** through **2d**			2e	998,953
3	Subtract line **2e** from line **1**			3	811,009,597
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	2,361,395		
c	Add lines **4a** and **4b**			4c	2,361,395
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	813,370,992

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
OTHER CHANGES IN NET ASSETS	SCHEDULE D, PART XI, LINE 8	EXCESS ATTRIBUTION TO ANNIE PENN FOUNDATION $ 246,965 DEFICIT ATTRIBUTION TO PACE $ (146,375) TAXES PAID BY WLCHS, INC $ 18,000 ---------- TOTAL $ 118,590 ==========
OTHER AMOUNTS NOT ON RETURN	SCHEDULE D, PART XII, LINE 2D	CONTRIBUTION EXPENSE $(1,600,860) GRANT EXPENSE $(742,535) INCOME ATTRIBUTED TO ANNIE PENN $ 341,666 ---------- Total $(2,001,729) ==========
OTHER REVENUE NOT ON LINE 1	SCHEDULE D, PART XII, LINE 4B	RENTAL EXPENSE $ (757,877)
OTHER AMOUNTS NOT ON LINE 1	SCHEDULE D, PART XIII, LINE 2D	RENTAL EXPENSE $ 757,877 EXPENSES ATTRIBUTED TO ANNIE PENN $ 94,701 EXPENSES ATTRIBUTED TO PACE $ 146,375 ---------- Total $ 998,953 ==========
OTHER AMOUNTS NOT ON RETURN	SCHEDULE D, PART XIII, LINE 4B	TAXES PAID BY RELATED PARTY $ 18,000 CONTRIBUTION EXPENSE $ 1,600,860 GRANT EXPENSE $ 742,535 ---------- Total $ 2,361,395 ==========

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
MOSES H CONE MEMORIAL HOSPITAL
OPERATING CORPORATION

Employer identification number
58-1588823

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a .	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☐ 200% ☑ Other **125. %**	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care . . . . . ☑ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other **%**	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? . . .	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Does the organization prepare a community benefit report during the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			86,241,070		86,241,070	11 500 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			120,212,454	84,938,324	35,274,130	4 700 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			385,341,861	334,883,712	50,458,149	6 730 %
d **Total** Financial Assistance and Means-Tested Government Programs			591,795,385	419,822,036	171,973,349	22 930 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			2,993,690		2,993,690	0 400 %
f Health professions education (from Worksheet 5)			9,351,739		9,351,739	1 250 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			2,568,012		2,568,012	0 340 %
j **Total** Other Benefits			14,913,441		14,913,441	1 990 %
k **Total.** Add lines 7d and 7j			606,708,826	419,822,036	186,886,790	24 920 %

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

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

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

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?	1	Yes		
2	Enter the amount of the organization's bad debt expense (at cost)	2	70,611,500		
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	30,463,028		
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	334,883,712		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	385,341,861		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-50,458,149		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV **Management Companies and Joint Ventures**

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1 Randolph Cancer Ctr	Provision of Cancer Care	40 000 %		
2 Gulf Child Health	Care to Disadvantaged	50 000 %		
3 Gulf Adult Health	Care to Disadvantaged	50 000 %		
4 Call-A-Nurse	Medical Advice over the phone	50 000 %		
5 The Healthcare Allia	Partner with member hospitals	33 000 %		
6 Advanced Services	Home Health Care	34 870 %		
7 Pace of GulfRocking	Home Health Care	22 000 %		
8 Pace of Southern Pie	Home Health Care	60 000 %		
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

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

How many hospital facilities did the organization operate during the tax year? **5**

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	Moses H Cone Memorial Hospital 1200 North Elm Street Greensboro, NC 27405	X	X		X			X		General Service HOSPITAL
2	Wesley Long Community Hospital 501 North Elam Avenue Greensboro, NC 27403	X	X		X			X		General Service HOSPITAL
3	Women's Hospital of Greensboro 801 Green Valley Road Greensboro, NC 27408	X			X					Maternity and INFANT CARE
4	Moses Cone Behavioral Health Center 700 Walter Reed Drive Greensboro, NC 27403	X			X					Psychiatric Care
5	Annie Penn Hospital 618 South Main Street Reidsville, NC 27320	X	X		X			X		General Service HOSPITAL

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Moses H Cone Memorial Hospital

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care __%			

Part V Facility Information *(continued)*

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care __%			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted at all times on the hospital facility's web site			
b ☐ The policy was attached to all billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
f ☐ The policy was available upon request			
g ☐ Other (describe in Part VI)			

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to engage in any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply)			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in question 16 (check all that apply)			
a ☐ Notified patients of the financial assistance policy upon admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Charges for Medical Care

19 Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply)			
a ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility			
b ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility			
c ☐ The hospital facility used the Medicare rate for those services			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its patients an amount equal to the gross charge for services provided to that patient?	**21**		
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Wesley Long Community Hospital

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 2

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care __%			

Part V Facility Information *(continued)*

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care __%			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted at all times on the hospital facility's web site			
b ☐ The policy was attached to all billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
f ☐ The policy was available upon request			
g ☐ Other (describe in Part VI)			

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to engage in any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply)			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in question 16 (check all that apply)			
a ☐ Notified patients of the financial assistance policy upon admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Charges for Medical Care

19 Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply)			
a ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility			
b ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility			
c ☐ The hospital facility used the Medicare rate for those services			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its patients an amount equal to the gross charge for services provided to that patient?	**21**		
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Women's Hospital of Greensboro

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 3

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care __%			

Part V Facility Information *(continued)*

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care __%			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted at all times on the hospital facility's web site			
b ☐ The policy was attached to all billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
f ☐ The policy was available upon request			
g ☐ Other (describe in Part VI)			

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to engage in any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply)			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in question 16 (check all that apply)			
a ☐ Notified patients of the financial assistance policy upon admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Charges for Medical Care

19 Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply)			
a ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility			
b ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility			
c ☐ The hospital facility used the Medicare rate for those services			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its patients an amount equal to the gross charge for services provided to that patient?	**21**		
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Moses Cone Behavioral Health Center

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 4

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care __%			

Part V Facility Information *(continued)*

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care __%			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted at all times on the hospital facility's web site			
b ☐ The policy was attached to all billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
f ☐ The policy was available upon request			
g ☐ Other (describe in Part VI)			

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to engage in any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply)			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in question 16 (check all that apply)			
a ☐ Notified patients of the financial assistance policy upon admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Charges for Medical Care

19 Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply)			
a ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility			
b ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility			
c ☐ The hospital facility used the Medicare rate for those services			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its patients an amount equal to the gross charge for services provided to that patient?	**21**		
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Annie Penn Hospital

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 5

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care __%			

Part V Facility Information *(continued)*

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care __%			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted at all times on the hospital facility's web site			
b ☐ The policy was attached to all billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
f ☐ The policy was available upon request			
g ☐ Other (describe in Part VI)			

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to engage in any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply)			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in question 16 (check all that apply)			
a ☐ Notified patients of the financial assistance policy upon admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Charges for Medical Care

19 Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply)			
a ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility			
b ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility			
c ☐ The hospital facility used the Medicare rate for those services			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its patients an amount equal to the gross charge for services provided to that patient?	**21**		
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

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

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

	Name and address	Type of Facility (Describe)
1		
1		
2		
3		
4		
5		
6		
7		
8		
9		
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
BAD DEBT FOOTNOTE	PART III, LINE 4	For our financial statements, the difference between gross charges and the amount we estimate we will collect is categorized as contractual adjustments, charity, or bad debt expense The difference between gross charges and the payable amount per third party contracts or government payment formulas is categorized as contractual adjustments The amount of the contract allowable that we estimate will not be collected is divided between charity care and bad debt expense based on the demographics of our patient population and our estimate from these demographics as to the portion of this uncollected amount applicable to individuals qualifying for our charity care policy Contractual adjustments, charity care, and bad debt expense are valued at the charges for the related services The Bad Debt included as uncompensated care represents the cost, computed using cost to charge ratio of the charges booked in the financial statements as Bad Debt

Identifier	ReturnReference	Explanation
MEDICARE SHORTFALL	PART III, LINE 8	The entire shortfall is reported as community benefit We do not receive enough in Medicare reimbursements to cover our costs associated with the provision of those services, yet we continue to provide those services to our community regardless of the reimbursement levels Therefore, we feel justified in reporting this as part of our benefit to the community The Bad Debt included as uncompensated care represents the cost, computed using cost to charge ratio of the charges booked in the financial statements as Bad Debt

Identifier	ReturnReference	Explanation
DEBT COLLECTION POLICY	PART III, LINE 9B	PATIENTS THAT QUALIFY FOR A FULL INDIGENT DISCOUNT WILL HAVE NO PAYMENT RESPONSIBILITY PATIENTS THAT RECEIVE A PARTIAL DISCOUNT WILL BE EXPECTED TO PAY FOR THE AMOUNT NOT DISCOUNTED AND MAY PAY THAT AMOUNT OFF INTEREST FREE OVER A PERIOD OF TIME OF UP TO 36 MONTHS IF SUITABLE PAYMENT ARRANGEMENTS ARE NOT MADE AND THE DEBT REMAINS UNPAID, THE PORTION OF THE BILL NOT DISCOUNTED MAY BE REFERRED TO A COLLECTION AGENCY

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	PART VI	Our board includes representatives from a wide range of stakeholders in the community, and one of the new values of the organization is "Caring for Our Communities" We do so by engaging our communities with integrity and transparency and we embrace our responsibility to promote health and well-being

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	PART VI	Notices are posted at all points of patient access such as admitting and the ER Information is available upon request, and the policy is posted on our website

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION	PART IV	The organization serves Greensboro NC and surrounding communities Greensboro is a city of nearly 270,000 people According to statistics from the 2010 census, 11 5% of the population is over aged 65 and between 2006 and 2010, 18 1% of the residents were below the poverty level

Identifier	ReturnReference	Explanation
Promotion of community health	part vi	Activities promote health of the communities in a wide variety of ways These include activities to improve access to healthcare and provide free health screenings and information to the public It also includes educational opportunities for health providers to keep them up-to-date with the most recent practices of medicine and to attract and retain individuals to health professions We are dedicated to upgrading and expanding our facilities to meet the growing health needs of our community We continue to provide care without regard to the patients' ability to pay We are undergoing our largest expansion in the history of our health system with a new tower under construction at our main hospital, a major expansion of our Cancer Center and an upgraded emergency department at our second largest hospital We are also implementing an advanced electronic medical record system

Identifier	ReturnReference	Explanation
affiliated health care system	part vi	The organization is the Operating Corporation of Cone Health System It operates the system's hospitals and peforms corporate functions for the entire health system, such as human resources, payroll, and information systems to name a few Moses Cone Medical Services Corporation, Moses Cone Physician Services Corporation, Reidsville OB & GYN, and Moses Cone Affiliated Physicians Corporation each operate a wide range of physician practices throughout the community Cone Health Foundation is a charitable foundation set up to improve the health of our communities

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
MOSES H CONE MEMORIAL HOSPITAL
OPERATING CORPORATION

Employer identification number
58-1588823

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
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations . . . ▶ 95

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

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
GRANT PROCEDURES	SCHEDULE I, PART 1, LINE 2	Recipient of grants related to the Human Genome Project submit invoices with detailed expenses listed Each invoice is reviewed for accuracy and approved for reimbursement by the organization

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 58-1588823
Name: MOSES H CONE MEMORIAL HOSPITAL OPERATING CORPORATION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Duke University2301 Erwin road CRB 816 M860 Durham,NC 27710	56-2070036	501(C)(3)	445,871				MEDICAL RESEARCH
University of North Carolina At Greensboro1400 Spring Garden St PO BOX 3934 Greensboro,NC 27402	56-6001468	501(C)(3)	301,764				HUMAN GENOME

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Solstas Laboratory4380 Federal Dr PO BOX 26170 Greensboro,NC 47425	56-2017400		8,227				HUMAN GENOME
Rockingham County Schools 511 Harrington Highway SUITE 100 PO BOX 35907 Eden,NC 27288	56-0668555	501(C)(3)	50,000				FREE CLINIC

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
American Cancer Society 1500 Yanceyville St PO Box 14998 Greensboro, NC 274154998	56-6075899	501(C)(3)	11,500				STUDENT HEALTH
Triad Adult and Pediatric Medicine1046 E Wendover Ave Greensboro, NC 27405	56-1991438	501(C)(3)	1,069,656				SOCIAL SVCS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Rockingham County Partnership for Economic Develop7572 NC Highway 87 PO Box 325 Wentworth,NC 273750000	13-5613797	501(C)(3)	15,000				US SKATING
American Cancer Society4A Oak Branch Dr PO BOX 325 Greensboro,NC 27409	23-1907729	501(C)(3)	10,000				HEALTH CARE

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Free Clinic of Rockingham County315 S Main Street Reidsville, NC 27320	56-2003143	501(C)(3)	30,500				CANCER CURE
Greensboro Partnership 1 342 North Elm Street Greensboro, NC 27401	56-0245040	501(C)(3)	30,000				INDIGENT CARE

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
NC Physicians Health Program220 Horizon Dr Raleigh, NC 27615	56-1846599		10,000				DIABETES CURE
Elon University1046 East Wendover Ave Greensboro, NC 27224	56-0532303	501(C)(3)	112,500				Education of HC Providers

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Hospice and Palliative Care of Greensboro2500 Summit Ave SUITE 201 Greensboro,NC 27405	56-1249146	501(C)(3)	52,000				HEALTH CARE
Piedmont Triad Partnership 416 Galimore Dairy Road PO BOX 3246 Greensboro,NC 27409	56-1750879	501(C)(3)	26,000				SOCIAL SVCS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Greensboro Chamber of Commerce342 North Elm Street Greensboro,NC 27401	56-1846599	501(C)(3)	14,650				CHILD EDUCATION
Coalition to Protect Americas HealthcarePO BOX 30211 SUITE 204 Bethesda,MD 208240211	52-2253225	501(C)(3)	10,000				HEALTH CARE

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
National Conference for Community and Justice713 North Greene Street Greensboro,NC 27401	06-1753756	501(C)(3)	10,000				CHILD EDUCATION
Operation Smile502 E Cornwallis Dr Suite L Greensboro,NC 27405	54-1460147	501(C)(3)	8,000				HEALTH CARE

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
March of DimesCenter City Park 200 N Elm St Greensboro, NC 27405	13-1846366	501(C)(3)	7,500				
Annie Penn Hospital Foundation618 South Main St Reidsville, NC 27320	58-1897269	501(C)(3)	10,000				

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
MOSES H CONE MEMORIAL HOSPITAL
OPERATING CORPORATION

Employer identification number
58-1588823

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
COMPENSATION CONTINGENT ON NET EARNINGS	SCHEDULE J, PART I, LINE 6B	Top paid employees are paid by Moses H Cone Memorial Hospital Operating Corporation, Inc , and participate in the Management Incentive Compensation program Under this program, a portion of the salary of those at a level of department director and higher is set aside and is contingent on the consolidated health system's performance in several measures, including net earnings Note, if these measures are met, the employee's compensation will be at market level, but if not met, their compensation will be below the market level for their job

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 58-1588823
Name: MOSES H CONE MEMORIAL HOSPITAL OPERATING 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				
John F Campbell MD	(I)	0	0	0	0	0	0	0
	(II)	220,076	83,018	4,074	42,574	7,176	356,919	360,924
R Timothy Rice	(I)	576,467	437,863	107,253	43,402	7,702	1,172,687	1,111,732
	(II)							
Terrance B Akin	(I)	365,760	30,000	44,865	34,710	7,344	482,679	233,412
	(II)							
Kenneth Boggs	(I)	261,251	30	34,227	44,305	6,695	346,508	234,217
	(II)							
Timothy J Clontz	(I)	179,925	76,023	38,609	43,371	4,073	342,001	338,775
	(II)							
Noel F Burt	(I)	240,526	102,683	40,205	40,743	6,975	431,132	393,886
	(II)							
James Roskelly	(I)	185,357	87,687	32,345	27,238	7,735	340,362	303,796
	(II)							
Marva Jarman	(I)	130,677	20,027	1,302	787	3,317	156,110	152,219
	(II)							
Rene Smith	(I)	133,627	21,772	441	12,410	4,018	172,268	180,066
	(II)							
Judith Schanel	(I)	152,195	44,067	19,350	40,249	6,164	262,025	230,002
	(II)							
Paul Jeffery	(I)	148,504	39,358	12,827	15,573	15,573	231,835	216,756
	(II)							
Cindy Farrand	(I)	162,311	46,683	17,780	23,421	3,888	254,083	243,956
	(II)							
John Jenkins	(I)	209,989	60,059	23,298	38,947	4,752	337,046	316,100
	(II)							
Brian Romig	(I)	160,973	26,373	8,488	14,238	5,415	215,487	189,936
	(II)							
William Bowman Jr	(I)	157,296	41,796	21,643	25,865		246,600	335,472
	(II)							
William Porter	(I)	157,030	34,001	21,612	22,000		234,643	234,643
	(II)							
Steve Anderson	(I)	168,669	22,945	11,810	2,561	5,071	211,057	
	(II)							
Zachary Swartz MD	(I)	272,113	59,793	378	11,818	4,799	348,901	357,321
	(II)							
Jeffrey Hatcher	(I)	198,298	72,781	420	24,220	9,884	305,603	300,042
	(II)							
Kelly Leggett MD	(I)	219,366	31,892	8,810	16,878	7,673	284,620	281,420
	(II)	0	0	0	0	0	0	0
Roger Foley MD	(I)	248,068	5,718	966	11,366	5,247	271,365	278,428
	(II)	0					0	
John Feldmann MD	(I)	245,621	71,252	11,045	47,867	5,545	381,329	364,082
	(II)	0	0	0	0	0	0	0
Joan Wessman	(I)	226,826	5,718	966	11,366	5,247	250,123	433,971
	(II)							
James Whiting	(I)	176,361	51,335	22,234	28,391	8,145	286,467	216,408
	(II)							
Thomas Gettinger	(I)	103,788	84,325	42,432	25,578	3,973	260,096	350,415
	(II)	0	0	0	0	0	0	0
Elizabeth Ward	(I)	-12,594	129,608	85,288	0	0	202,302	546,416
	(II)	0	0	0	0	0	0	0

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
MOSES H CONE MEMORIAL HOSPITAL
OPERATING CORPORATION

Employer identification number
58-1588823

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

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

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
See Additional Data Table					

Part V **Supplemental Information**

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

Identifier	Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 58-1588823
Name: MOSES H CONE MEMORIAL HOSPITAL OPERATING CORPORATION

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(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**
Thomas Cone	Trustee	151,716	Client of trustee's law firm		No
Christian Streck MD	Trustee	2,318,277	Contracts with medical practic		No
Louise Brady	Trustee	127,881	Spouse's firm is major vendor		No
David R Howard	Trustee	277,935	Trustee of Well-spring		No
Deborah Hooper	Trustee	10,975	President Of WFMY, Inc		No
M Lee McAllister	Trustee	248,264	Partner in Weaver Investmetns		No
Henry Smith MD	Trustee	36,900	Investor in Joint Venture		No

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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
MOSES H CONE MEMORIAL HOSPITAL OPERATING CORPORATION

Employer identification number
58-1588823

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	X	5,438	296,776	PROCEEDS LESS FEES
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 ▶ (ING LIFE INSURANCE)	X	1	691,641	MIN DEATH BENEFIT
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

		Yes	No
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?		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 II

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

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493227013312

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
MOSES H CONE MEMORIAL HOSPITAL
OPERATING CORPORATION

Employer identification number
58-1588823

Identifier	Return Reference	Explanation
CONFLICT OF INTEREST POLICY	FORM 990, PART VI, SECTION B, LINE 12C	Before every Board or Committee meeting the Chair will ask every member to review the agenda and to disclose any area where a conflict may exist so that the disclosure is complete prior to the discussion

Identifier	Return Reference	Explanation
COMPENSATION POLICY	FORM 990, PART VI, SECTION B, LINE 15	The HR committee of the board conducts an annual review Market data is obtained from an outside firm, and compared to total compensation The HR committee does a performance review of base performance and executive pay Then the HR committee makes a recommendation to the full board, which then votes on the CEO pay package

Identifier	Return Reference	Explanation
FORM 990 REVIEW	FORM 990, PART VI, SECTION B, LINE 11B	The Board of Trustees approved the Audit and Finance Committee as the governing body to review the entire Form 990 document The Form 990 documents are made available to every Board member

Identifier	Return Reference	Explanation
AVAILABILITY OF DOCUMENTS	PART VI, SECTION C, LINE 19	These documents are public record and are available to the public upon request The quarterly and annual financial statements are also published on DAC and with the NMISRS

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS OR FUND BALANCES	PART XI, LINE 5	NET UNREALIZED GAIN/(LOSS) ON INVESTMENTS $ (2,289,926) FUND TRANSFERS BETWEEN RELATED PARTIES $ (2,084,864) INCREASE IN TEMPORARILY RESTRICTED FUNDS $ 639,463 ---------- TOTAL CHANGE IN NET ASSETS OR FUND BALANCE $ (3,735,326) ==========

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME John F Campbell, M D TITLE Physician & Trustee HOURS 40

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493227013312

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
MOSES H CONE MEMORIAL HOSPITAL OPERATING CORPORATION

Employer identification number
58-1588823

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) The Moses H Cone Memorial Hospital Corp 1200 North Elm Street Greensboro, NC 27401 56-0532302	Parent	NC	501(C)(3)	11B	NA		
(2) Moses Cone Medical Services Inc 1200 North Elm Street Greensboro, NC 27401 56-1714318	Physicians	NC	501(C)(3)	11	NA		
(3) Moses Cone Physicians Services Inc 1200 North Elm Street Greensboro, NC 27401 80-0249057	Physicians	NC	501(C)(3)	3	NA		
(4) Moses Cone Affiliated Physicians Inc 1200 North Elm Street Greensboro, NC 27401 30-0554775	Physicians	NC	501(C)(3)	3	NA		
(5) Reidsville OB & GYN 1200 North Elm Street Greensboro, NC 27401 80-0217430	Physicians	NC	501(C)(3)	3	NA		
(6) Annie Penn Memorial Hospital Foundation 618 S Main Street Reidsville, NC 27320 58-1897269	Funding	NC	501(C)(3)	11	NA		
(7) CONE HEALTH FOUNDATION 1200 North Elm Street GREENSBORO, NC 27401 56-2001399	Funding		501(C)(3)	11B	NA		

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) WLCHS POB LLC 1200 North Elm Street Greensboro, NC27401 56-1651736	Real Estate	NC	NA	N/A	0	0		No			No	
(2) CDC LLC 1200 North Elm Street Greensboro, NC27401 38-3707960	Physicians	NC	NA	N/A	0	0		No			No	

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) Wesley Long Community Health SVCS Inc 1200 North Elm Street Greensboro, NC27401 56-1441377	Medical Services	NC	NA	C	0	0	

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

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

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

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) CONE HEALTH FOUNDATION	C	162,439	
(2) MOSES CONE MEDICAL SERVICES INC	I	833,655	
(3) MOSES CONE PHYSICIANS SERVICES INC	I	250,664	
(4) MOSES CONE AFFILIATED PHYSICIANS INC	I	152,985	
(5) MOSES H CONE MEMORIAL HOSPITAL INC	J	23,465,351	
(6) Moses Cone Medical Services Inc	L	1,931,028	

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

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

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

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 58-1588823
Name: MOSES H CONE MEMORIAL HOSPITAL OPERATING 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
The Moses H Cone Memorial Hospital Corp 1200 North Elm Street Greensboro, NC27401 56-0532302	Parent	NC	501(C)(3)	11B	NA		
Moses Cone Medical Services Inc 1200 North Elm Street Greensboro, NC27401 56-1714318	Physicians	NC	501(C)(3)	11	NA		
Moses Cone Physicians Services Inc 1200 North Elm Street Greensboro, NC27401 80-0249057	Physicians	NC	501(C)(3)	3	NA		
Moses Cone Affiliated Physicians Inc 1200 North Elm Street Greensboro, NC27401 30-0554775	Physicians	NC	501(C)(3)	3	NA		
Reidsville OB & GYN 1200 North Elm Street Greensboro, NC27401 80-0217430	Physicians	NC	501(C)(3)	3	NA		
Annie Penn Memorial Hospital Foundation 618 S Main Street Reidsville, NC27320 58-1897269	Funding	NC	501(C)(3)	11	NA		
CONE HEALTH FOUNDATION 1200 North Elm Street GREENSBORO, NC27401 56-2001399	Funding		501(C)(3)	11B	NA		

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)	CONE HEALTH FOUNDATION	C	162,439	
(2)	MOSES CONE MEDICAL SERVICES INC	I	833,655	
(3)	MOSES CONE PHYSICIANS SERVICES INC	I	250,664	
(4)	MOSES CONE AFFILIATED PHYSICIANS INC	I	152,985	
(5)	MOSES H CONE MEMORIAL HOSPITAL INC	J	23,465,351	
(6)	Moses Cone Medical Services Inc	L	1,931,028	

The Moses H. Cone Memorial Hospital and Affiliates

Consolidated Financial Statements as of and for the Years Ended September 30, 2011 and 2010, Consolidating Supplemental Schedules as of and for the Year Ended September 30, 2011, and Independent Auditors' Report

THE MOSES H. CONE MEMORIAL HOSPITAL AND AFFILIATES

TABLE OF CONTENTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
The Moses H. Cone Memorial Hospital·

We have audited the accompanying consolidated balance sheets of The Moses H. Cone Memorial Hospital and affiliates (dba Cone Health) (the "Health System") as of September 30, 2011 and 2010, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Health System's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 Health System'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, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 9 to the consolidated financial statements, the Health System changed the manner in which it accounts for noncontrolling interests effective October 1, 2010.

In our opinion, such consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Health System as of September 30, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating supplemental schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the consolidated financial statements. These schedules are the responsibility of the Health System's management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such schedules have been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such schedules directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedules are fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Deloitte & Touche LLP

December 22, 2011

THE MOSES H. CONE MEMORIAL HOSPITAL AND AFFILIATES

CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2011 AND 2010
(In thousands of dollars)

	2011	2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 22,024	$ 76,102
Short-term investments	78,299	126,250
Patient accounts receivable — net of allowance for uncollectible accounts of $68,499 in 2011 and $58,108 in 2010	141,935	106,601
Inventories	14,313	13,660
Assets limited as to use — required for current liabilities	5,024	6,111
Other current assets	30,111	27,883
Total current assets	291,706	356,607
LONG-TERM INVESTMENTS	587,042	505,865
ASSETS LIMITED AS TO USE — Net of portion required for current liabilities	199,752	150,593
INVESTMENTS IN UNCONSOLIDATED AFFILIATES	37,953	37,582
PROPERTY AND EQUIPMENT — Net	493,291	412,921
GOODWILL	5,531	1,533
OTHER ASSETS	19,954	7,241
TOTAL	$ 1,635,229	$ 1,472,342
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long-term debt	$ 48,792	$ 1,382
Accounts payable	33,373	18,692
Accrued expenses	148,183	121,119
Total current liabilities	230,348	141,193
LONG-TERM DEBT — Net of current portion	310,694	260,083
CAPITAL LEASE OBLIGATION — Less current portion	4,892	2,462
OTHER NONCURRENT LIABILITIES	101,322	88,092
Total liabilities	647,256	491,830
NET ASSETS		
Unrestricted		
Moses H. Cone Memorial Hospital and Affiliates	975,492	970,064
Noncontrolling interests	3,446	2,118
Total unrestricted net assets	978,938	972,182
Temporarily restricted	9,035	8,330
Total net assets	987,973	980,512
TOTAL	$ 1,635,229	$ 1,472,342

See notes to consolidated financial statements

THE MOSES H. CONE MEMORIAL HOSPITAL AND AFFILIATES

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND 2010
(In thousands of dollars)

	2011	2010
UNRESTRICTED REVENUES, GAINS, AND OTHER SUPPORT		
Net patient service revenue	$955,049	$873,401
Other revenue	21,383	18,897
Total revenue	976,432	892,298
EXPENSES		
Salaries and wages	382,332	341,844
Fringe benefits	135,653	128,734
Supplies	177,535	167,761
Other direct expenses	114,998	103,158
Depreciation and amortization	52,175	47,992
Provision for uncollectible accounts	69,901	60,124
Total expenses	932,594	849,613
INCOME FROM OPERATIONS	43,838	42,685
OTHER INCOME (EXPENSE)		
Investment income	18,886	18,075
Interest expense	(4,754)	(4,392)
Nonoperating expense — net	(18,589)	(6,761)
Total other (expense) income	(4,457)	6,922
EXCESS OF REVENUES OVER EXPENSES FROM CONSOLIDATED OPERATIONS	39,381	49,607
INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	(920)	(1,322)
EXCESS OF REVENUES OVER EXPENSES ATTRIBUTABLE TO MOSES H CONE MEMORIAL HOSPITAL AND AFFILIATES	$ 38,461	$ 48,285

See notes to consolidated financial statements

THE MOSES H. CONE MEMORIAL HOSPITAL AND AFFILIATES

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND 2010
(In thousands of dollars)

	2011	2010
UNRESTRICTED NET ASSETS		
Excess of revenues over expenses from consolidated operations	$ 39,381	$ 49,607
Change in net unrealized gains and losses on investments	(40,842)	34,529
Changes in accumulated postretirement benefit obligation other than periodic benefit cost	14,674	6,408
Change in the fair value of the floating-to-fixed swap agreement	(5,409)	(6,362)
Other changes in net assets	(1,048)	(636)
Increase in unrestricted net assets	6,756	83,546
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	3,206	4,534
Net assets released from restrictions	(2,495)	(2,371)
Other changes in net assets	(6)	40
Increase in temporarily restricted net assets	705	2,203
INCREASE IN NET ASSETS	7,461	85,749
NET ASSETS — Beginning of year	980,512	894,763
NET ASSETS — End of year	$ 987,973	$ 980,512

See notes to consolidated financial statements

THE MOSES H. CONE MEMORIAL HOSPITAL AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND 2010
(In thousands of dollars)

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$ 7,461	$ 85,749
Adjustments to reconcile decrease in net assets to net cash provided by operating activities		
Change in net unrealized gains on investments	40,842	(34,529)
Net realized gains on sale of investments	(15,536)	(14,382)
Depreciation and amortization	52,175	47,992
Provision for uncollectible accounts	69,901	60,124
Pension-related changes other than net periodic pension cost	(14,674)	(6,408)
Gain (loss) on disposal of property and equipment	806	(51)
Earnings of unconsolidated affiliates	(5,302)	(9,490)
Distributions from unconsolidated affiliates	5,981	5,105
Increase in patient accounts receivable	(105,235)	(39,310)
Increase in other current assets	(2,228)	(11,124)
Increase in inventory	(653)	(869)
Increase in accounts payable and accrued expenses	25,362	6,638
Change in other operating assets and liabilities — net	(4,591)	14,809
Net cash provided by operating activities	54,309	104,251
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(112,110)	(56,464)
Proceeds from sale of property and equipment	8	1,891
Purchase of investments	(230,978)	(174,567)
Proceeds from sale of investments	140,872	121,908
Purchase of interests in unconsolidated affiliates	(1,049)	
Sale of interests in unconsolidated affiliates		15,101
Other	(2,434)	
Net cash used in investing activities	(205,691)	(92,131)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from debt issuances	208,923	19,025
Repayments of debt	(110,308)	(512)
Borrowings on capital lease obligations		257
Payments on capital lease obligations	(1,311)	(795)
Net cash provided by financing activities	97,304	17,975
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(54,078)	30,095
CASH AND CASH EQUIVALENTS		
Beginning of year	76,102	46,007
End of year	$ 22,024	$ 76,102
SUPPLEMENTAL INFORMATION		
Cash paid during the year for interest — net of amounts capitalized	$ 5,970	$ 4,392
Purchase of equipment under capital lease	$ 2,430	$ -
Property and equipment purchases in accounts payable	$ 16,383	$ -

See notes to consolidated financial statements

1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

Organization and Business — The Moses H Cone Memorial Hospital ("Parent Corporation"), a nonstock, not-for-profit, parent-holding company and its affiliates The Moses H Cone Memorial Hospital Operating Corporation ("Operating Corporation"), The Moses Cone Medical Services, Inc ("Medical Services"), The Moses Cone Physician Services, Inc ("Physician Services"), The Moses Cone Affiliated Physicians, Inc (MCAP), and The Wesley Long Community Health Services Inc ("Wesley Long Health Services") were established to provide health care services to the residents of Guilford County and the surrounding regional area Operating as an integrated network of health services called Cone Health (the "Health System"), the Health System seeks to provide affordable and superior health care to patients through continued expansion of acute care and nonhospital programs

The Cone Health Foundation (the "Foundation") — The Foundation operates as a charitable foundation created to support and promote community health programs in concert with the Health System The Foundation was capitalized with $50 million received in October 1997 from the Health System and $60 million received from the Health System in April 1999 The Foundation is a member of the Obligated Group collateralizing the Health System's outstanding revenue bonds, and its financial position and results of activities have been presented as a component of the accompanying consolidated financial statements The Obligated Group consists of the Parent Corporation, the Operating Corporation, and the Foundation

The Moses H. Cone Memorial Hospital — The Parent Corporation was founded through a trust established by Mrs Bertha Lindau Cone as a memorial to her late husband, Mr Moses H Cone Following the death of Mrs Bertha Lindau Cone, the cornerstone of The Moses H Cone Memorial Hospital was laid on May 2, 1951, and the facility opened with 53 beds on February 25, 1953, in Greensboro, North Carolina In 1985, the Parent Corporation reorganized and created the Operating Corporation to operate its health care facilities and provide health care services to the community The Parent Corporation retained the real estate and other noncurrent assets, while the current assets and liabilities were transferred to the Operating Corporation The real property is leased to the Operating Corporation pursuant to a lease of 10 years The lease was renewed effective October 1, 2006, for a third 10-year term

The net assets of the Parent Corporation primarily include an investment portfolio, including investment income thereon, and the hospitals' land, buildings, and fixed equipment Additionally, the Parent Corporation holds the long-term debt and reports the related activity associated with financing certain hospital expansion projects The majority of cash and investments held by the Parent Corporation have been invested in securities for the purpose of funding future capital requirements Certain assets have been classified as noncurrent in the accompanying consolidated balance sheets due to these designations

The Moses H. Cone Memorial Hospital Operating Corporation (d.b.a. Cone Health) — Acute care hospital services are provided to the community by The Moses H Cone Memorial Hospital, The Women's Hospital of Greensboro, Wesley Long Hospital, The Cone Behavioral Health Hospital, and Annie Penn Hospital Long-term care services are offered through Penn Nursing Center Patient care services and other major facilities include the Family Practice Center, the Short-Stay Hospital, a

pre- and post-surgery and minor procedure facility attached to Cone Hospital, the Outpatient Surgery Center, an in-house outpatient surgery facility located at Wesley Long Hospital, the Outpatient Rehabilitation Centers, the HealthServe Medical Clinics, a Nutrition and Diabetes Management Center, a Wound and Hyperbaric Center, a Developmental and Psychological Center, a Center for Pain and Rehabilitative Medicine, Moses Cone MedCenter operations at both Kernersville and High Point, and various medical office buildings

Two ambulatory surgery centers previously wholly owned and operated by the Operating Corporation were transferred to a joint venture in September 2004 Wesley Long Surgery Center and Moses Cone Surgery Center began operations in September 2005 under the new corporate structure In September 2005, the physician partners joined the joint venture and both ambulatory surgery centers began operations as Day Surgery Center of Greensboro, LLC Day Surgery Center of Greensboro, LLC was consolidated as of September 30, 2004 The Management Board of the Day Surgery Center of Greensboro, LLC voted in December 2006 to revise the operations of the Day Surgery Center of Greensboro, LLC from a full operating joint venture to a venture that owns the moveable equipment of the Moses Cone and Wesley Long Surgery Centers That equipment is leased to the Health System, which operates the centers The change in the operation of the Day Surgery Center of Greensboro, LLC was made on January 1, 2007

The Cardiovascular Diagnostic Center, LLC, jointly owned by the Health System and area cardiologists, began operation in December 2004 The Cardiovascular Diagnostic Center, LLC was consolidated as of December 31, 2004

The Moses Cone Medical Services, Inc.; The Moses Cone Physician Services, Inc.; The Moses Cone Affiliated Physicians, Inc. (Not-For-Profit Corporations); and Wesley Long Community Health Services, Inc. (a For-Profit Corporation) — These entities were established to participate in ventures, including ownership of physician practices, which provide nonhospital health care services Additionally, the entities participate in services to support the overall Health System activities This participation exists in the form of direct ownership, as well as other affiliation arrangements

The Cone Health Foundation — The Foundation was established to support and promote community health programs in concert with the activities of the other Health System entities The activities of the Foundation are not considered core to the provision of health care services Therefore, the results of its operations are included in other income in the accompanying consolidated statements of operations

Principles of Consolidation — The accompanying consolidated financial statements include the accounts of the Parent Corporation, the Operating Corporation, the Foundation, Medical Services, Physician Services, MCAP, the Wesley Long Health Services, the Day Surgery Center of Greensboro, LLC, and the Cardiovascular Diagnostic Center, LLC All significant intercompany balances and transactions have been eliminated in consolidation

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

Cash and Cash Equivalents — Cash and cash equivalents include certain investments in highly liquid debt instruments with original maturities at the time of purchase of three months or less

Short-Term Investments — Short-term investments include certain investments in U S government and agency securities, mutual fund securities, cash equivalents, and interest and dividends receivable with original maturities greater than three months, but less than 12 months

Inventories — Inventories are stated at the lower of cost (first-in, first-out method) or market

Investments — Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the accompanying consolidated balance sheets Interests in alternative investments, whose operating and financial policies the Health System's management has virtually no influence over, are measured at cost in the accompanying consolidated balance sheets Investments held through interests in commingled funds are valued at amounts reported by the investment manager, which are based on the last reported sale price of the securities held by such funds Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in excess of revenues over expenses The Health System's investment portfolio is classified as available for sale, and accordingly, changes in unrealized gains and losses on investments are included as changes in unrestricted net assets in the accompanying consolidated statements of operations

The Health System periodically evaluates investments that have declined below original cost to determine if the decline is other than temporary If the investment decline in value below cost is determined to be other than temporary, the loss is recorded as a realized loss

Assets Limited as to Use — Assets limited as to use include cash and investments held by the trustee under bond indenture agreements and long-term investments The long-term investments are designated to support and promote community health programs for the Foundation and Annie Penn Foundation Assets limited as to use that are required for settlement of current liabilities are reported in current assets

Other Current Assets — Other current assets consist of prepaids and sales tax receivable

Property and Equipment — Property and equipment are recorded at cost or, if donated, at fair market value at the date of receipt Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed on the straight-line method for financial reporting purposes Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment Such amortization is included in depreciation and amortization in the accompanying consolidated financial statements Interest cost incurred on borrowed funds, less any interest earned on temporary investment of those funds, during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets

Deferred Costs — Deferred costs, included within other assets in the accompanying consolidated balance sheets, primarily include underwriting costs, legal expenses, insurance, and other direct costs incurred in connection with the issuance of the revenue bonds Costs associated with the bond issuance have been deferred and are amortized over the term of the bonds

Goodwill — Goodwill represents the excess of purchase price over the assigned value of the net assets of acquired entities Effective October 1, 2010, the Health System adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-805, *Business Combinations*, relating to goodwill Prior to the adoption of ASC 958-805 goodwill of $6 1 million associated with previous acquisitions was being amortized over a 20-year period using a straight-line method Beginning October 1, 2010, and upon adoption of ASC 958-805, the goodwill previously

recorded is no longer amortized Goodwill is now subject to at least an annual assessment for impairment or more frequently if events or circumstances indicate that assets might be impaired by applying a fair-value based test There was no impairment of goodwill during the year ended September 30, 2011

The changes goodwill for the years ended September 30, 2011 and 2010 are as follows (in thousands of dollars)

Balance — September 30, 2009	$ 1,841
Amortization	(308)
Balance — September 30, 2010	1,533
Additions	3,998
Balance — September 30, 2011	$ 5,531

Long-Lived Assets — In accordance with ASC 360, *Property, Plant, and Equipment*, the Health System reviews its long-lived assets and certain identifiable intangibles for evidence of impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable There were no adjustments to the carrying value of long-lived assets in fiscal years 2011 or 2010

Noncontrolling Interests — Noncontrolling interests represent the minority stockholders' proportionate share of the net assets of certain consolidated subsidiaries Revenues in excess of expenses are allocated to the noncontrolling interests in proportion to their ownership percentage and are reflected as income attributable to noncontrolling interests on the consolidated statements of operations

Temporarily Restricted Net Assets — Temporarily restricted net assets are those whose use by the Health System has been limited by donors to a specific time period or purpose

Net Patient Service Revenue — The Health System has agreements with third-party payors that provide for payments to the Health System 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

Charity Care — The Health System provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Because the Health System does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue The Health System has an established policy addressing the criteria by which ability to pay is determined and the application of that policy resulted in the provision of services to patients unable to pay for those services in the amount of approximately $129 million in fiscal year 2011 and approximately $116 6 million in fiscal year 2010, based on the Health System's established charge structure

Grant Revenue and Expense — The Foundation records grants as expense in the period in which the grants are authorized Grant expense incurred by the Foundation of approximately $2 8 million each year in fiscal 2011 and 2010, respectively, is included in nonoperating expense in the accompanying consolidated statements of operations

Grants received by the Health System are recorded as deferred grant revenues when awarded Revenues on restricted grant funds are recognized only to the extent of expenditures that satisfy the restricted purpose of these grants Grant revenue of approximately $3 9 million and approximately $3 7 million in fiscal years 2011 and 2010, respectively, is included in other revenue in the accompanying consolidated statements of operations and is offset by operating expenses of the same amount In fiscal year 2011, the nonoperating expense, net line item, in the accompanying consolidated statements of operations includes $ 03 million in grant expenses for work performed by subrecipients on federal grants and is offset by grant revenues of $ 03 million shown in the same line item

Estimated Malpractice Costs — The provision for estimated medical malpractice claims includes estimates of the ultimate costs for both reported claims and claims incurred, but not reported

Excess of Revenues over Expenses — The accompanying consolidated statements of operations include excess of revenues over expenses Changes in unrestricted net assets which are excluded from excess of revenues over expenses include unrealized gains and losses on investments on other-than-trading securities, permanent transfers of assets to and from affiliates for other than goods and services, minimum pension liability adjustments, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets)

Income Taxes — The Parent Corporation, Operating Corporation, Medical Services Corporation, Physicians Services, and the Foundation have been recognized by the Internal Revenue Service as tax exempt under Internal Revenue Code 501(c)(3) Income taxes are provided for taxable activities

Fair Value Measurements — The Health System uses the framework established by the FASB for measuring fair value and disclosures about fair value measurements The Health System uses fair value measurements in areas that include, but are not limited to the valuation and impairment of short-term and long-term investments, valuation of long-term debt and financial instruments including derivatives

Under the accounting guidance for fair value, fair value is considered to be the exchange price in an orderly transaction between market participants to sell an asset or transfer a liability at the measurement date The fair value definition focuses on an exit price, which is the price that would be received to sell an asset or paid to transfer a liability versus an entry price, which would be the price paid to acquire an asset or received to assume a liability

Recurring and non-recurring fair value measurements are classified based on the following fair value hierarchy, as prescribed by the accounting guidance for fair value, which prioritizes the inputs to valuation techniques used to measure fair value into three levels

Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities that the Health System has the ability to access An active market for the asset or liability is one in which transactions for the asset or liability occur with sufficient frequency and volume to provide ongoing pricing information

Level 2 — A fair value measurement utilizing inputs other than a quoted market price that are observable, either directly or indirectly, for the asset or liability Level 2 inputs include, but are not limited to, quoted prices for similar assets or liabilities in an active market, quoted prices for identical or similar assets or liabilities in markets that are not active and inputs other than quoted market prices that are observable for the asset or liability, such as interest rate curves and yield curves observable at commonly quoted intervals, volatilities, credit risk and default rates A Level 2 measurement cannot have more than an insignificant portion of the valuation based on unobservable inputs

Level 3 — Any fair value measurements which include unobservable inputs for the asset or liability for more than an insignificant portion of the valuation A Level 3 measurement may be based primarily on Level 2 inputs

Valuation methods of the primary fair value measurements disclosed below are as follows

Cash and Cash Equivalents, Patient and Other Receivables, and Accounts Payable — The carrying amount approximates fair value because of the short maturity of these instruments

Short-Term and Long-Term Investments — The Health System's investments in debt and equity securities are stated at fair value based on quotations obtained from national securities exchanges Investments in common/commingled/collective trusts are measured at fair value in the accompanying consolidated balance sheets Owned real estate and alternative investments, which are not readily marketable, are recorded at the lower of cost or market

Although the alternative investments are carried at cost, the Health System reviews and evaluates the values provided by the investment managers and agrees with the valuation methods and assumptions used in determining the fair value of the alternative investments Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed

Alternative investments are less liquid compared to the Health System's other investments These investments held by the Health System and the Foundation at September 30, 2011 and 2010 are summarized as follows (in thousands of dollars)

	2011		2010	
	Cost	Estimated Fair Value	Cost	Estimated Fair Value
Held by the Health System				
Common Fund	$ 2,433	$ 3,763	$ 3,530	$ 4,892
Metropolitan Real Estate	979	959		
Evanston Weatherlow	45,700	51,561	40,700	44,868
Park Street	5,254	5,997	2,623	2,747
PIMCO Distressed	7,216	7,543	6,316	6,852
Forester Partners	38,000	40,066	33,000	32,862
	99,582	109,889	86,169	92,221
Held by the Foundation				
PIMCO Distressed	5,234	6,029	4,516	5,479
Forester Partners	6,170	6,564	6,200	6,243
Evanston Weatherlow	8,200	9,563	8,200	9,177
Total	$ 119,186	$ 132,045	$ 105,085	$ 113,120

Alternative investments include limited partnerships, limited liability corporations, and offshore investments funds Included in investments of the limited partnerships are certain types of financial instruments, including, among others, futures and forward contracts, options, and securities sold not yet purchased, intended to hedge against changes in the market value of investments These financial instruments, which involve varying degrees of off-balance-sheet risk, may result in loss due to changes in the market (market risk)

The Health System's alternative investments represent 17 69% of total long-term investments held at September 30, 2011 These instruments may contain elements of both credit and market risks Such risks include, but are not limited to, limited liquidity, absence of oversight, dependence upon key individuals, emphasis on speculative investments (both derivatives and nonmarketable investments), and nondisclosure of portfolio composition

The estimated fair value of the Common Fund investment is based on valuations provided by the external investment managers as of June 30, adjusted for cash receipts, cash disbursements, and securities distributions through September 30 Because alternative investments are not readily marketable, their estimated value is subject to uncertainty, and therefore, may differ from the value that would have been used had a ready market for such investments existed Such differences could be material

Investments in nonpublicly traded common/commingled/collective trusts are treated as mutual funds These investment funds are very similar to mutual funds registered under the Investment Company Act of 1940 Management believes that a broader policy permits each of these investments to be analyzed to determine whether it represents a pooled investment that has a fair value per share or unit that is determined and published and is the basis for current transactions With respect to the broader policy, management believes that it should be limited to those professionally managed investments that (1) pool the capital of investors to invest in stocks (equity securities), bonds (debt securities), options, futures, currencies, or money market securities for current income, capital appreciation, or both consistent with the investment objectives of the fund, (2) have a net asset value (NAV) provided to the investor periodically, but no less frequently than at each month-end, and (3) the month-end NAV is the price paid or received by investors purchasing or selling investments at month-end The estimated fair value of these investments is based on valuations provided by the external investment managers as of September 30, 2011 and 2010

The Health System has unfunded capital commitments related to the Park Street investment in the amount of $15 3 million, which could be completed in fiscal year 2012 or beyond

Long-Term Debt — The fair value of the Health System's variable-rate long-term debt approximates its carrying value due to that debt's variable interest rate In determining the estimated fair value of the Health System's remaining long-term debt, Level 2 inputs based on discounted cash flow analyses and the Health System's current incremental borrowing rates for similar types of borrowing arrangements were considered As of September 30, 2011 and 2010, the fair value of the Health System's long-term debt, inclusive of the current portion, was $359 5 million and $261 05 million, respectively

Derivatives — The Health System holds a financial instrument with derivative features, a swap agreement In October 2005, the Health System entered into a floating-to-fixed swap agreement with a notional amount of $85 2 million for 30 years to hedge the floating rate 2001 Series bonds Under this agreement, the Health System receives a floating interest rate based on the three-month LIBOR index and pays a fixed interest rate of 3 437% The interest rate swap agreement has been designated as a cash flow hedge and is carried in the balance sheet at fair value The fair value of the Health System's swap is

valued using pricing models, with all significant inputs derived from or corroborated by observable market data such as interest rates, futures pricing, volatility metrics, etc The swap is included in Level 2 of the fair value hierarchy

This swap was assessed for effectiveness at the time the contract was entered into and is assessed for effectiveness on an ongoing basis Unrealized gains and losses related to the effective portion of the swap are recognized in other changes in unrestricted net assets and gains or losses related to ineffective portions are recognized in the excess of revenue over expenses At September 30, 2011 and 2010, the swap was considered effective and $(5 4) million for 2011 in unrealized loss and $(6 4) million for 2010 in unrealized loss was shown in other changes in unrestricted net assets, with the corresponding cumulative liability of $(22 2) million recorded within accrued expenses Should the fair value of the interest rate swap fall below negative $25 million, the Health System would be required to post collateral against the swap

New Accounting Pronouncements —

Effective October 1, 2010, the Health System adopted the provisions of ASC 958-810, *Not-for-Profit Entities — Consolidation* ASC 958-810 amended FASB Statement No 160, *Noncontrolling Interests in Consolidated Financial Statements*, to make their provisions applicable to not-for-profit entities The provisions of ASC 958-810 are to be applied prospectively, except for presentation and disclosure requirements related to noncontrolling interests, which are to be applied retrospectively ASC 958-810 requires the noncontrolling interests to be presented as a separate component of the appropriate class of net assets ASC 958-810 also requires the excess of revenues over expenses attributable to noncontrolling interests to be presented separately in the consolidated statement of operations These provisions have been reflected in the consolidated balance sheets, statements of operations, and statements of changes in net assets as of and for the years ended September 30, 2011 and 2010

In September 2009, the FASB issued Accounting Standards Update (ASU) No 2009-12, *Fair Value Measurements and Disclosures (Topic 820) Investments in Certain Entities That Calculate Net Assets Value per Share* The amendments of this ASU permit, as a practical expedient, a reporting entity to measure fair value of an investment that is within the scope of the amendments of ASU No 2009-12 on the basis of the NAV per share of the investment (or its equivalent) if the NAV of the investment is calculated in a manner consistent with the measurement principles of ASC Topic 946, *Financial Services — Investment Companies*, as of the reporting entity's measurement date, including measurement of all or substantially all of the underlying investments of the investee in accordance with ASC Topic 820 The amendments of this update are effective for reporting periods after December 15, 2009, with early adoption permitted The adoption of this standard did not have a material effect on the consolidated financial statements

In January 2010, the FASB issued ASU No 2010-06, *Fair Value Measurements and Disclosures (Topic 820) Improving Disclosures about Fair Value Measurements* ASU No 2010-06 adds additional disclosure requirements related to transfers of Level 1 and Level 2 fair value measurements as well as additional disclosure around activity in Level 3 fair value measurements The ASU also provides amendments to existing disclosures by adding clarification around the level of disaggregation and disclosures about inputs and valuation techniques The new disclosures and clarifications of existing disclosures are effective for reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the rollforward activity in Level 3 fair value measurements which are effective for reporting periods beginning after December 15, 2010 The Health System is currently evaluating the provisions of this update and their impact on its consolidated financial statements

In August 2010, the FASB issued ASU No 2010-24, *Health Care Entities (Topic 954) Presentation of Insurance Claims and Related Insurance Recoveries* The objective of this ASU is to address the current diversity in practice related to the accounting by health care entities for medical malpractice claims and similar liabilities and their related anticipated insurance recoveries The amendments of this ASU clarify that a health care entity should not net insurance recoveries against a related claim liability The amendments in this ASU are effective for fiscal years beginning after December 15, 2010 The Health System is currently evaluating the provisions of this update and their impact on its consolidated financial statements

In August 2010, the FASB issued ASU No 2010-23, *Health Care Entities (Topic 954) Measuring Charity Care for Disclosure* This ASU provides amendments to require that cost be used as the measurement basis for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing charity care This update also requires disclosure of the methodology used to determine such costs This ASU is effective for fiscal years beginning after December 15, 2010 The Health System is currently evaluating the provisions of this update and their impact on its consolidated financial statements

In July 2011, the FASB issued ASU No 2011-07, *Health Care Entities (Topic 954) Presentation and Disclosure of Patient Services Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* ASU No 2011-07 requires certain health care entities to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts) Additionally, those health care entities are required to provide enhanced disclosure about their policies for recognizing revenue and assessing bad debts ASU No 2011-07 also requires disclosures of patient service revenue (net of contractual allowances and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts ASU No 2011-07 is effective for nonpublic entities for fiscal years ending after December 15, 2012, with early adoption permitted The Health System is currently evaluating the provisions of this update and their impact on its consolidated financial statements

2. NET PATIENT SERVICE REVENUE AND PATIENT ACCOUNTS RECEIVABLE

The Health System has agreements with third-party payors that provide for payments to the Health System at amounts different from its established rates A summary of the payment arrangements with major third-party payors is as follows

Medicare — Inpatient acute care services rendered to Medicare program beneficiaries are paid at primarily prospectively determined rates per discharge These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors and cover both operating and capital costs Outpatient services are generally reimbursed at prospectively determined rates The Health System is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Health System and audits thereof by the Medicare fiscal intermediary The Health System's classification of patients under the Medicare program and the appropriateness of their admission are subject to review by an independent quality review organization The Health System's Medicare cost reports have been audited by the Medicare fiscal intermediary through September 30, 2007

Medicaid — Inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge Outpatient services are reimbursed based on 80% of actual costs incurred

Net collected revenue from the Medicare and Medicaid programs accounted for 24 3% and 9 7%, respectively, of the Health System's net patient service revenue for the year ended September 30, 2011, and 24 9% and 9 8%, respectively, of the Health System's net patient service revenue for the year ended September 30, 2010 Recorded estimates are subject to change as a result of complex laws and regulations governing the Medicare and Medicaid programs, which are subject to interpretation

The Health System has participated in the North Carolina Medicaid Reimbursement Initiative (the "MRI Plan") since 1996 In connection therewith, the Health System received and recognized as net revenue $12 million from the MRI Plan during the years ended September 30, 2011 and 2010 Because amounts received from the MRI Plan are subject to final settlement at a later date, the Health System maintains reserves for any potential settlement Reserves for all other unsettled years amounted to $0 3 million and $0 3 million at September 30, 2011 and 2010, respectively

Under the Medicare and Medicaid programs, the Health System is entitled to reimbursements for certain patient charges at rates determined by federal and state governments Differences between established billing rates and reimbursements from these programs are recorded as contractual adjustments to arrive at net patient service revenue Final determination of amounts due from Medicare and Medicaid programs is subject to review by these programs Changes resulting from final determination are reflected as changes in estimates, generally in the year of determination In the opinion of management, adequate provision has been made for adjustments, if any that may result from such reviews Net patient service revenue increased approximately $5 2 million and decreased approximately $4 5 million for the years ended September 30, 2011 and 2010, respectively, due to prior-year retroactive adjustments different than amounts previously estimated

The health care industry is subject to numerous laws and regulations of federal, state, and local governments These laws and regulations include, but are not necessarily limited to, matters, such as licensure, accreditation, and government health care participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse Recently, government activity has increased with respect to investigations and/or allegations concerning possible violations of fraud and abuse statutes and/or regulations by health care providers Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed Management believes that the Health System is in compliance with fraud and abuse as well as other applicable government laws and regulations Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time

3. OTHER OPERATING REVENUE

Other operating revenue consists of cafeteria revenue, child care center revenue, income from operating joint ventures, lease income, and grant revenue

4. INVESTMENTS

The Health System's investment portfolios, including assets limited as to use, consist primarily of marketable securities and fixed-income securities In addition, the Health System's investment in unconsolidated affiliated entities reflects the Health System's attributable ownership interests in various health care-related entities accounted for primarily through the equity method

Short-Term Investments — Short-term investments consist primarily of U S government and agency securities, mutual fund securities, cash equivalents, and interest and dividends receivable and are carried at fair value These investments are to be used for general corporate purposes

Long-Term Investments — The Health System's long-term investments are reflected at fair value except for owned real estate and alternative investments which are recorded at the lower of cost or market At September 30, 2011, the composition of the Health System's investments, recorded at fair value within long-term investments and assets limited as to use, is as follows (in thousands of dollars)

	Fair Value Measurement Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets				
Fixed-income securities	$171,845	$ -	$ -	$171,845
U S equity securities	58,603	94,771		153,374
International equity securities	72,067	68,931		140,998
Real Estate Investment Trust (REIT) funds		64,347		64,347
Emerging market funds	3,835	20,142		23,977
	$306,350	$248,191	$ -	$554,541
Liability —				
Floating-to-fixed SWAP	$ -	$ 22,195	$ -	$ 22,195

In addition to the above, the Health System holds $14 4 million of real estate assets, which are reported within the long-term investments balance in the accompanying consolidated balance sheets

At September 30, 2010, the composition of the Health System's investments, recorded at fair value within long-term investments and assets limited as to use, is as follows (in thousands of dollars)

	Fair Value Measurement Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Cash on deposit	$ 14,480	$ -	$ -	$ 14,480
Fixed-income securities	116,814	40,902		157,716
U S equity securities	44,127	104,302		148,429
International equity securities	77,423	68,678		146,101
Real Estate Investment Trust (REIT) funds		60,941		60,941
Emerging market funds	12,725			12,725
	$265,569	$274,823	$ -	$540,392

Investments held through interests in commingled funds are included in the Level 2 amounts listed above and are valued at $248,191 and $274,823 as of September 30, 2011 and 2010, respectively

The Health System's investments consist of a diversified portfolio, including equity and fixed-income securities, real estate assets, fund of fund hedge funds, and other investment securities Investment securities are exposed to various risks, such as interest rate, market, and credit risks Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the Health System's investment balances reported in the consolidated balance sheets

Assets Limited as to Use — Assets limited as to use are stated at fair value except for alternative investments which are recorded at the lower of cost or market The composition of assets limited as to use at September 30, 2011 and 2010, is set forth as follows (in thousands of dollars)

	2011	2010
By the Foundation		
Equity securities	$ 42,515	$ 46,604
REIT fund	9,725	9,851
Emerging market funds	3,835	4,587
Alternative investments	19,603	18,916
Fixed-income investment fund	24,439	24,695
	100,117	104,653
By the Annie Penn Foundation — fixed-income investment fund	2,017	1,986
Genomics Grant — fixed-income investment fund	649	1,637
Collateral held for variable rate bonds (Note 6)		47,500
Under bond indenture agreements — held by trustee — money market funds	101,993	928
Total assets limited as to use	204,776	156,704
Less assets limited as to use that are required for current liabilities	(5,024)	(6,111)
Assets limited as to use — net of portion required for current liabilities	$ 199,752	$ 150,593

At September 30, 2011 and 2010, the Health System has set aside approximately $1 7 million and approximately $0 65 million, respectively, of assets limited as to use under bond indenture agreements for mandatory debt service requirements The Health System set aside $0 6 million associated with the Genomics grant committed during fiscal year 2011 Additionally, at September 30, 2011 and 2010, the Foundation has committed to provide grants to various entities totaling approximately $4 09 million and approximately $4 20 million during fiscal years 2011 and 2010, respectively Accordingly, these amounts have been recorded as assets limited as to use required for current liabilities in the accompanying consolidated balance sheets

The gross unrealized losses and fair value of the Health System's investments with unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at September 30, 2011, are as follows (in thousands of dollars)

	More Than 12 Months	
Description of Securities	**Fair Value**	**Unrealized Losses**
Fixed-income securities	$ -	$ -
U S equity securities		
International equity securities	30,730	(3,141)
REIT funds		
Emerging market funds		
Assets limited as to use		
Equity securities		
REIT funds		
Emerging market funds		
Fixed-income investment fund		

The Health System evaluated the near-term prospects of the investment in relation to the severity and duration of the impairment for each category of assets by analyzing the positive earnings trends and improving economic conditions Based on this evaluation and with the Health System's ability and intent to hold these investments for a reasonable period of time sufficient for a forecasted recovery of fair value, the Health System does not consider those investments to be other-than-temporarily impaired at September 30, 2011

In 2011, the Health System recognized $1 97 million and $8 9 million of other-than-temporary losses as realized losses in the accompanying consolidated statement of operations for the years ended September 30, 2011 and 2010, based on the severity and duration of the decline in fair value

Investment income and gains and losses for the years ended September 30, 2011 and 2010, consist of the following (in thousands of dollars)

	2011	**2010**
Dividend and interest income	$ 13,287	$ 12,156
Realized gain on sales of securities — net	5,599	5,919
Total	$ 18,886	$ 18,075

Investments in Unconsolidated Affiliated Entities — These investments are accounted for using the equity method except the investment in Health Care Casualty Insurance which is accounted for using the equity method Accordingly, the Health System's investment has been adjusted for its share of the respective investees' results of operations

A summary of investments, ownership percentages, investment amounts, and the Health System's share of earnings (losses) for the years ended September 30, 2011 and 2010, is as follows (in thousands of dollars)

	Percent Ownership		Investment Balance		Health System's Share of Net Income (Loss)	
	2011	2010	2011	2010	2011	2010
Investment name						
Diagnostic Radiology and Imaging	50.00 %	50.00 %	$ 1,457	$ 1,778	$ 1,429	$ 1,102
Hospice at Greensboro	50.00	50.00	10,631	9,317	1,314	1,223
Advanced Homecare	34.87	34.87	18,403	19,651	2,860	5,938
Other			7,462	6,836	(301)	1,227
Total			$ 37,953	$ 37,582	$ 5,302	$ 9,490

Financial information related to investments in unconsolidated affiliated entities at September 30, 2011 and 2010, is summarized as follows (in thousands of dollars)

	2011	2010
Assets	$ 228,567	$ 225,236
Liability	112,134	107,811
Equity	116,433	117,424
Total revenue	147,440	212,853
Total expenses	134,280	189,803
Net income	13,160	23,050
Health System's share of net income	5,302	9,490

5. PROPERTY AND EQUIPMENT

A summary of property and equipment at September 30, 2011 and 2010 is as follows (in thousands of dollars)

	Depreciable Lives	2011	2010
Land and land improvements	10–15 years	$ 27,620	$ 27,133
Buildings and leasehold improvements	5–40 years	601,936	552,980
Equipment	3–15 years	214,529	217,300
		844,085	797,413
Less accumulated depreciation		(438,384)	(416,572)
		405,701	380,841
Construction in progress		87,590	32,080
Total		$ 493,291	$ 412,921

Depreciation expense for the years ended September 30, 2011 and 2010 amounted to approximately $51 8 million and approximately $47 3 million, respectively Net capitalized interest of approximately $0 million each for the years ended September 30, 2011 and 2010, respectively, was included in the cost of projects

The Health System had unexpended project contractual commitments at September 30, 2011, which approximated $33 9 million

6. LONG-TERM DEBT

Long-term debt at September 30, 2011 and 2010 consists of the following (in thousands of dollars)

	2011	2010
North Carolina Medical Care Commission Hospital Revenue Bonds Series 1993, payable in annual installments in fiscal year 2016 through fiscal year 2023 interest payable monthly at variable rates (0 26% at September 30, 2010), refunded February 9, 2011	$ -	$ 61,600
Series 2001 payable in annual installments increasing in fiscal year 2024 through fiscal year 2035 interest payable monthly at variable rates (0 13% and 0 28% at September 30, 2011 and 2010, respectively)	85,200	85,200
Series 2004A, payable in annual installments in fiscal year 2016 through fiscal year 2035, interest payable monthly at variable rates (0 13% and 0 28% at September 30, 2011 and 2010, respectively)	47,500	47,500
Series 2008, payable in annual installments in fiscal year 2016 through fiscal year 2035, interest payable monthly at variable rates (0 29% at September 30, 2010), refunded August 4, 2011		48,140
Series 2011A payable in annual installments in fiscal year 2013 through fiscal year 2023, interest payable semiannually at fixed rates of 3 2% to 5 0%	60,170	
Series 2011B, payable in annual installments in fiscal year 2016 through fiscal year 2036, interest payable monthly at variable rates (0 28% at September 30, 2011)	47,980	
Series 2011C, payable in annual installments in fiscal year 2013 through fiscal year 2023, interest payable monthly at variable rates (0 46% at September 30, 2011)	50,000	
Series 2011D, payable in annual installments in fiscal year 2013 through fiscal year 2023, interest payable monthly at variable rates (0 55% at September 30, 2011)	50,000	
Note payable to Carolina Investment Properties, payable in annual installments through fiscal year 2029, interest payable monthly at variable rates adjusted annually (5 43% and 5 21% at September 30, 2011 and 2010, respectively)	17,859	19,025
Note payable of consolidated joint venture, payable in annual installments in fiscal year 2004 through fiscal year 2019 interest payable annually at variable rate (prime rate + 1%)	777	
	359,486	261,465
Less current portion of long-term debt	48,792	1,382
Total long-term debt	$310,694	$260,083

The weighted-average interest rate on the Health System's revenue bond debt was approximately 1 94 % in fiscal year 2011 and approximately 1 68% in fiscal year 2010

During 2010, the Health System sold the Med Center High Point facility and leased the facility back from the purchaser The leaseback is accounted for as a financing transaction, and has been recorded as a capital lease obligation

The Health System has set aside approximately $0 29 million and approximately $0 28 million at September 30, 2011 and 2010, respectively, in a debt service reserve fund designated to meet scheduled interest payments These amounts are included in assets limited as to use required for current liabilities in the accompanying consolidated balance sheets at September 30, 2011 and 2010

The future annual principal payment requirements of long-term debt are as follows (in thousands of dollars)

Years Ending September 30	
2012	$ 813
2013	1,081
2014	7,191
2015	7,594
2016	8,171
Thereafter	334,636
Total	$359,486

In conjunction with the issuance of the Series 2011B, C and D Revenue Bonds, the Health System replaced the existing Master Trust Indenture with the Second Amended and Restated Master Trust Indenture (the "Indenture") The Indenture provides that all obligations issued and outstanding under the Indenture shall be uncollateralized obligations of the Obligated Group Future obligations issued under the Indenture may be collateralized by certain assets of the Health System, including patient accounts receivable

In 2011, $47 5 million of investments that were previously held as collateral for the Series 2004A Bonds were released and no longer recorded in the accompanying consolidated balance sheets as assets whose use is limited There are several restrictive covenants contained in the Indenture, including, but not limited to, certain financial reporting and debt coverage requirements The Health System is also required to maintain insurance coverage The Health System is also restricted from pledging, mortgaging, or assigning interest in its property Approximately 87 5% of the Health System's revenues and 97 5% of the Health Systems assets are part of the Obligated Group under the revenue bonds as of and for the year ended September 30, 2011

The Series 2011C&D Hospital Revenue Bonds were issued September 21, 2011 with $50 million each of new proceeds to provide funding for qualifying Health System projects The bonds are variable rate bonds issued by a bank with variable rate commitments through the termination dates of September 21, 2015 and 2016, respectively

The Series 2011B Hospital Revenue Bonds were issued August 3, 2011 to refund the 2008 Series bonds The Health System provides self-liquidity in support of the bonds Bonds that have not been remarketed for a period of 30 days are payable after an additional 180 days

The Series 2011A Hospital Revenue Bonds were issued to fully refund the 1993 bonds and are payable in annual installments in fiscal year 2016 through fiscal year 2023 at rates of between 3 2% and 5 0%

The Series 2004A Hospital Revenue Bonds are puttable variable-rate bonds that are supported by self-liquidity of the Health System Additionally, the Health system has entered into a revolving credit agreement with a bank to provide loans to cover 2004A bonds that are not remarketed The revolving loans convert to a term loan if not repaid within 366 days and the term loan is amortized in six equal semiannual installments

The Series 2001 A and B Hospital Revenue Bonds are puttable variable-rate bonds under which the Health System has entered into two separate Standby Bond Purchase Agreements ("Liquidity Facilities") with the bank to provide credit and liquidity support for the bonds The Liquidity Facilities expire on August 2, 2016 In the event that the bonds are tendered for purchase and cannot be remarketed, the Liquidity Facilities provide the funds to purchase the unremarketed bonds These agreements will expire if the bonds are converted or required to be converted to a fixed interest rate

Principal payments by the Health System under agreement begin 455 days after the day which the bonds failed to be remarketed and continue in six semiannual installments

7. COMMITMENTS UNDER BERTHA L. CONE GIFT

Under the terms of a gift by Mrs Bertha Lindau Cone, the Parent Corporation is required to meet certain conditions The more significant conditions of the gift are that the existing hospital and land will be forever used and maintained for hospital purposes and that the name of The Moses H Cone Memorial Hospital will never be changed

A substantial portion of the Parent Corporation's investment in its hospital building has been funded by this gift and is subject to the above conditions Failure to comply with the conditions of the gift would result in the forfeiture to unrelated parties of all property purchased from the original gift and earnings on the gift

8. PENSION PLANS

Plan benefits are generally based on years of service and employees' compensation during their years of employment The Health System's pension funding policy is based upon actuarially calculated amounts to fund normal pension cost

The Health System's pension costs are calculated using various actuarial assumptions and methodologies as prescribed by ASC 715, *Compensation* These assumptions include discount rates, expected return on plan assets, inflation, rate of compensation increases, mortality rates, and other factors and are reviewed on an annual basis

A discount rate is used to determine the present value of the Health System's future pension benefit obligations The discount rate is determined by matching the expected cash flows to a yield curve based on long-term, high-quality fixed-income debt instruments available as of the measurement date and is updated on an annual basis

An assumption for return on plan assets is used to determine the expected return on asset component of net periodic benefit cost for the Health System's pension plan The expected long-term target rate of return on plan assets is based upon the Health System's projected investment mix of plan assets, the assumption that future returns will be close to the historical long-term rate of return experienced for

equity and fixed-income securities, actuarial surveys performed in association with the Health System's investment policies, and a 10- to 15-year investment horizon This assumption is consistent with the assumption used for funding purposes and target asset allocations

Actuarial Assumptions — The weighted-average actuarial assumptions used to determine the net periodic benefit cost and the benefit obligations of the Health System's pension plan, (the "Plan") are as follows

	Pension Plan	
	2011	**2010**
Discount rate	5 35 %	5 72 %
Rate of compensation increase	4 00	4 00
Expected return on plan assets	8 50	8 50

The weighted-average actuarial assumptions used to determine the benefit obligations of the Health System's pension plan are as follows

	Pension Plan	
	2011	**2010**
Discount rate	5 25 %	5 35 %
Rate of compensation increase	4 00	4 00
Expected return on plan assets	8 50	8 50

Assets of the Plan are invested primarily in equity and fixed-income securities

Plan Asset Investment Policy — The Health System's Investment Committee establishes investment policies and strategies that support the objectives of the plan The primary objective of the plan is to provide a source of retirement income for its participants and beneficiaries The primary financial objective of the plan is to maintain full funding of the plans as well as minimize cash contributions over the long term The desired investment objective is a long-term real rate of return on assets that is approximately 5 0% greater than the assumed rate of inflation as measured by the Consumer Price Index The target rate of return for the plan has been based upon an analysis of historical returns supplemented with an economic and structural review for each asset class

The Health System's defined benefit plan asset allocations at September 30, 2011 and 2010, respectively, are as follows

Asset Category	**Percentage of Plan Assets at September 30, 2011**	**Percentage of Plan Assets at September 30, 2010**
Equity securities	40 %	47 %
Fixed-income securities	30	27
Other	23	26
Cash	7	
Total	100 %	100 %

The following table summarizes the bases used to measure the fair value of the Health System's pension plan assets as of September 30, 2011 (in thousands of dollars)

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 54	$ -	$ -	$ 54
Money market securities				
Money market securities	7,996			7,996
Total money market securities	7,996	-	-	7,996
Equity securities				
U S equity	37,593			37,593
Non-U S equity — developed countries	11,325			11,325
Total equity securities	48,918	-	-	48,918
Fixed-income securities				
Fixed-income securities	37,054			37,054
Total fixed-income securities	37,054	-	-	37,054
Alternative investments				
Guaranteed investment contract			20,740	20,740
Other			7,247	7,247
Total alternative investments	-	-	27,987	27,987
Total	$ 94,022	$ -	$ 27,987	$ 122,009

The Health System has decided to freeze the plan as of December 31, 2011 at which time benefit accruals under the plan will be frozen Accordingly, a curtailment charge of $0 2 million was recognized at September 30, 2011 associated with the plan freeze In addition, this event reduced the benefit obligation and unrestricted net asset balance at September 30, 2011 by $20 4 million since pay increases beyond calendar year 2011 are no longer factored into the pension benefit formula

Effective October 1, 2003, the Plan was amended to close the Plan to new participants after October 1, 2003, and to offer current participants the right to continue to participate in the Plan or to freeze their accrued benefits and participate in a defined contribution plan sponsored by the Health System Approximately 93% of participants at October 1, 2003, elected to continue participation in the Plan

A reconciliation of the projected benefit obligation, a reconciliation of plan assets, the funded status of the plans, and amounts recognized in the Health System's consolidated balance sheets at September 30, 2011 and 2010, are as follows (in thousands of dollars)

	2011	2010
Change in benefit obligation		
Benefit obligation at beginning of year	$ 205,093	$ 190,617
Service cost	7,731	7,616
Interest cost	10,877	10,783
Actuarial loss	10,080	8,605
Benefits paid	(14,355)	(12,528)
Curtailments	(20,376)	
Benefit obligation at end of year	199,050	205,093
Change in plan assets		
Fair value of plan assets at beginning of year	129,876	126,042
Actual return on plan assets	4,088	16,362
Employer contributions	2,400	
Benefits paid	(14,355)	(12,528)
Fair value of plan assets at end of year	122,009	129,876
Funded status	$ (77,041)	$ (75,217)

The accumulated benefit obligation was $199 1 million and $184 3 million as of September 30, 2011 and 2010, respectively

Amounts recognized in the consolidated balance sheets consist of the following (in thousands of dollars)

	Pension Plan	
	2011	2010
Noncurrent liabilities	$ (77,041)	$ (75,217)

Amounts recognized as changes in unrestricted net assets at September 30, 2011 and 2010, arising from the defined-benefit plan but not yet included in net periodic benefit cost are as follows (in thousands of dollars)

	Pension Plan	
	2011	2010
Unrecognized actuarial loss	$ 84,700	$ 99,067
Prior-service cost		307
Total	$ 84,700	$ 99,374

The estimated net actuarial loss and prior service cost that will be amortized into net periodic pension costs over the next fiscal year are approximately $2 2 million and $0 million, respectively

The components of net periodic pension costs and other pension-related changes in net assets for fiscal years 2011 and 2010 are as follows (in thousands of dollars)

	2011	2010
Service cost relating to benefits earned	$ 7,731	$ 7,616
Interest cost on projected benefit obligation	10,877	10,783
Expected return on plan assets	(10,642)	(11,288)
Net amortization	10,741	9,939
Curtailment loss	191	
Net periodic pension cost	$ 18,898	$ 17,050

Other pension-related changes in net assets recognized in unrestricted net assets are as follows (in thousands of dollars)

	2011	2010
Current-year actuarial net loss	$ (3,742)	$ 3,531
Amortization of net actuarial loss	(10,625)	(9,817)
Amortization of prior service cost	(307)	(122)
Total recognized in unrestricted net assets	$ (14,674)	$ (6,408)
Total recognized in net periodic benefit cost and unrestricted net assets	$ 4,224	$ 10,642

The Health System expects to make contributions totaling $24 7 million to the pension plan in fiscal year 2012 The following benefit payments, which reflect future service, as appropriate, are expected to be paid in the following fiscal years (in thousands of dollars)

2012	$ 22,160
2013	22,982
2014	21,065
2015	20,881
2016	20,394
2017–2021	94,899

9. NET ASSETS

In April 2009, FASB issued FASB Statement No 164, *Not-for-Profit Entities Mergers and Acquisitions — Including an amendment of FASB Statement No 142*, ASC 944-310 FASB Statement No 164 provides guidance on accounting for a combination of not-for-profit entities FASB Statement No 164 is effective for mergers for which the merger date is on or after the beginning of an initial reporting period beginning on or after December 15, 2009, and acquisitions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2009 FASB Statement No 164 also revises guidance regarding the treatment of goodwill in prior acquisitions The Health System's adopted FASB Statement No 164 effective for the year ended September 30, 2011

A summary of the changes in consolidated unrestricted net assets attributable to Moses H Cone Memorial Hospital and Affiliates and the non-controlling interests for the year ended September 30, 2011, is as follows

	Total	Moses Cone H. Memorial Hospital & Affiliates	Noncontrolling Interests
Balance — beginning of year	$972,182	$970,064	$2,118
Excess of revenues over expenses from consolidated operations	39,381	38,461	920
Change in net unrealized gains and losses on investments	(40,842)	(40,842)	
Changes in accumulated postretirement benefit obligation other than periodic benefit cost	14,674	14,674	
Change in the fair value of the floating-to-fixed swap agreement	(5,409)	(5,409)	
Other changes in net assets	(1,048)	(1,456)	408
Increase in unrestricted net assets	6,756	5,428	1,328
Balance — end of year	$978,938	$975,492	$3,446

A summary of the changes in consolidated unrestricted net assets attributable to the Health System and the noncontrolling interests for the year ended September 30, 2010, is as follows

	Total	Moses Cone H. Memorial Hospital & Affiliates	Noncontrolling Interests
Balance — beginning of year (as previously reported)	$887,840	$887,840	$ -
Retrospective adjustment related to the adoption of accounting guidance for noncontrolling interests (Note 1)	796		796
Balance — beginning of year	888,636	887,840	796
Excess of revenues over expenses from consolidated operations	49,607	48,285	1,322
Change in net unrealized gains and losses on investments	34,529	34,529	
Changes in accumulated postretirement benefit obligation other than periodic benefit cost	6,408	6,408	
Change in the fair value of the floating-to-fixed swap agreement	(6,362)	(6,362)	
Other changes in net assets	(636)	(636)	
Increase in unrestricted net assets	83,546	82,224	1,322
Balance — end of year	$972,182	$970,064	$2,118

Temporarily restricted net assets are available for the following purposes at September 30, 2011 and 2010

	2011	2010
Building fund	$3,191	$2,618
Community outreach	2,203	2,517
Patient support	1,699	1,678
Staff development and education	1,942	1,517
Temporarily restricted net assets	$9,035	$8,330

The Moses H Cone Memorial Hospital's endowment consists of temporarily restricted funds that have been limited by donors to a specific time period or purpose As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions Endowment funds are included in assets limited as to use and invested in accordance with Moses H Cone Memorial Hospital's investment policy (see Note 1)

The chart below illustrates the impact of the adoption of FASB Statement No 164 of the consolidated balance sheet as reported for the year ended September 30, 2010

	2010	FASB Statement No. 164 Adjustment	2010 Amended for FASB Statement No. 164
Minority interest	$ 2,118	$ (2,118)	$ -
Net assets			
Unrestricted			
MCHS and subsidiaries	$ 970,064	$ -	$ 970,064
Noncontrolling interest		2,118	2,118
Total unrestricted net assets	970,064	2,118	972,182
Temporarily restricted	8,330		8,330
Total net assets	$ 978,394	$ 2,118	$ 980,512

The chart below illustrates the impact of FASB Statement No 164 on the Statement of Operations reported as of September 30, 2010

	2010	FASB Statement No. 164 Adjustment	2010 Amended for FASB Statement No. 164
Excess of revenues over expenses before minority interest	$49,607	$ -	$49,607
Minority interest	(1,322)	1,322	
Excess of revenues over expenses	48,285	1,322	49,607
Change in net unrealized gains of investments	34,529		34,529
Change in fair value of swap	(6,362)		(6,362)
Pension-related changes	6,408		6,408
Distributions to outside owners	(636)		(636)
Change in unrestricted net assets	82,224	1,322	83,546
Decrease in unrestricted net assets from consolidated operations	82,224	1,322	83,546
Change in unrestricted net assets attributable to noncontrolling interest		(1,322)	(1,322)
Change in unrestricted net assets attributable to MCHS	$82,224	$ -	$82,224

10. CONTINGENCIES

The Health System purchases professional and general liability insurance to cover medical malpractice claims There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted arising from services provided to patients The Health System has estimated and recorded accruals for the self-insurance portion of these arrangements The Health System has employed independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims

In 2001, the Health System began investigating the use of an offshore captive, Health Care Casualty Insurance, for its malpractice reinsurance coverage In August 2003, the Health System purchased coverage (for claims over $4 million and aggregate claims over $12 million), from the captive's subsidiary, Health Care Casualty Risk Retention In addition, the Health System is a partner in the captive owning 22 3% as of September 30, 2011 and 2010 The ownership is accounted for on the Health System's books using the equity method and is included in investments in unconsolidated affiliated entities in the accompanying consolidated balance sheets

The Health System has engaged EPIC to implement a new integrated software system that spans clinical, access and revenue functions The implementation will occur over the course of fiscal years 2011, 2012 and 2013 The Health System will pay EPIC $12 9 million for the software and the perpetual license conversion fee

The Health System purchases workers' compensation insurance to cover claims The Health System has employed independent actuaries to estimate the ultimate cost for the self-insurance portion, if any, of the settlement of such claims Accrued workers' compensation losses have been discounted at 6 75% and, in management's opinion, provide an adequate reserve for loss contingencies Further, the Health System is self-insured for its employee group health insurance and has estimated and recorded accruals for the self-insurance portion of these arrangements

The Health System is involved in litigation and regulatory investigations arising in the normal course of business After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Health System's financial position, results of operations, or cash flows

11. CONCENTRATIONS OF CREDIT RISK

The Health System 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 patients and third-party payors at September 30, 2011 and 2010, was as follows

	2011	2010
Medicare	19 62 %	18 55 %
Medicare Managed Care	12 62	14 29
Medicaid	6 14	8 25
Managed Care	48 01	50 91
Commercial	11 25	5 13
Self-Pay	2 36	2 87
	100 00 %	100 00 %

12. FUNCTIONAL EXPENSES

The Health System provides general health care services to residents within its geographic location Expenses related to providing these services as determined by the Medicare Home Office Cost Reporting methodology as of September 30, 2011 and 2010, are as follows (in thousands of dollars)

	2011	2010
Health care services	$812,094	$739,835
General and administrative	120,500	109,778
	$932,594	$849,613

13. SUBSEQUENT EVENTS

On December 15, 2011, the Health System announced it had signed a letter of intent to merge with Alamance Regional Medical Center (ARMC) in the spring of 2012 In connection with the planned merger, the Health System has agreed to provide $55 million to fund a foundation for funding community health-related projects within ARMC's service area, and also to provide $20 million for the funding of capital projects

The Health System evaluated events and transactions for potential recognition or disclosure through December 22, 2011, the date the consolidated financial statements were issued

* * * * * *

CONSOLIDATING SUPPLEMENTAL SCHEDULES

THE MOSES H. CONE MEMORIAL HOSPITAL AND AFFILIATES

CONSOLIDATING BALANCE SHEET
AS OF SEPTEMBER 30, 2011
(In thousands of dollars)

	Obligated Group					Nonobligated Group		
	Operating Corporation	Parent Corporation	Cone Health Foundation	Eliminating Entries	Total Group	Other Entities	Eliminating Entries	Consolidated
ASSETS								
CURRENT ASSETS								
Cash and cash equivalents	$ 12 777	$ 6 659	$ 1 578	$ -	$ 21 014	$ 1 010	$ -	$ 22 024
Short-term investments	78 001	298			78 299			78 299
Patient accounts receivable — net of allowance for uncollectible accounts of $68 499 in 2011 and $58 108 in 2010	118 628				118 628	23 307		141 935
Inventories	14 076				14 076	237		14 313
Assets limited as to use — required for current liabilities			4 089	935	5 024			5 024
Other current assets	147 625	(105 995)	(65)		41 565	(11 454)		30 111
Total current assets	371 107	(99 038)	5 602	935	278 606	13 100	-	291 706
LONG-TERM INVESTMENTS	2 017	689 684		(104 659)	587 042			587 042
ASSETS LIMITED AS TO USE			96 028	103 724	199 752			199 752
INVESTMENTS IN UNCONSOLIDATED AFFILIATED ENTITIES	22 755	10 631		(2)	33 384	6 234	(1 665)	37 953
PROPERTY AND EQUIPMENT — Net	112 101	373 937			486 038	7 253		493 291
INTANGIBLE ASSETS — Net		779			779	4 752		5 531
OTHER ASSETS — Net	3 797	4 851			8 648	11 306		19 954
TOTAL	$511 777	$ 980 844	$101 630	$ (2)	$1 594 249	$ 42 645	$(1 665)	$1 635 229
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Current portion of long-term debt	$ -	$ 48 689	$ -	$ -	$ 48 689	$ 103	$ -	$ 48 792
Accounts payable	21 040	7 760			28 800	4 573		33 373
Accrued expenses	97 244	24 108	4 089		125 441	22 742		148 183
Total current liabilities	118 284	80 557	4 089	-	202 930	27 418	-	230 348
LONG-TERM DEBT — Net of current portion		310 020			310 020	674		310 694
CAPITAL LEASE LONG-TERM PORTION	4 880				4 880	12		4 892
OTHER NONCURRENT LIABILITIES	84 483	4 104	1 224		89 811	11 511		101 322
Total liabilities	207 647	394 681	5 313	-	607 641	39 615	-	647 256
NET ASSETS								
Unrestricted								
Moses H Cone Memorial Hospital and Affiliates	295 104	586 163	96 317	(3)	977 581	1 192	(3 281)	975 492
Noncontrolling interests				1	1	1 829	1 616	3 446
Total unrestricted net assets	295 104	586 163	96 317	(2)	977 582	3 021	(1 665)	978 938
Temporarily restricted	9 026				9 026	9		9 035
Total net assets	304 130	586 163	96 317	(2)	986 608	3 030	(1 665)	987 973
TOTAL	$511 777	$ 980 844	$101 630	$ (2)	$1 594 249	$ 42 645	$(1 665)	$1 635 229

THE MOSES H. CONE MEMORIAL HOSPITAL AND AFFILIATES

CONSOLIDATING STATEMENT OF OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2011
(In thousands of dollars)

	Obligated Group					Nonobligated Group		
	Operating Corporation	Parent Corporation	Cone Health Foundation	Eliminating Entries	Total Group	Other Entities	Eliminating Entries	Consolidated
UNRESTRICTED REVENUES, GAINS, AND OTHER SUPPORT								
Net patient service revenue	$837,969	$ -	$ -	$ -	$837,969	$117,080	$ -	$955,049
Other revenue	16,902	25,143	(447)	(25,153)	16,445	17,472	(12,534)	21,383
Total revenue	854,871	25,143	(447)	(25,153)	854,414	134,552	(12,534)	976,432
EXPENSES					-			-
Salaries and wages	297,874	1,536		(1,422)	297,988	84,365	(21)	382,332
Fringe benefits	119,726	468		(426)	119,768	15,885		135,653
Supplies	170,059	39		(35)	170,063	7,472		177,535
Other direct expenses	133,598	12,331		(37,115)	108,814	18,697	(12,513)	114,998
Depreciation and amortization	27,441	22,920			50,361	1,814		52,175
Provision for uncollectible accounts	63,310				63,310	6,591		69,901
Total expenses	812,008	37,294	-	(38,998)	810,304	134,824	(12,534)	932,594
OPERATING INCOME (LOSS)	42,863	(12,151)	(447)	13,845	44,110	(272)	-	43,838
OTHER INCOME (EXPENSE)								
Investment income	2,308	11,249	5,349		18,906	(20)		18,886
Interest expense		(4,754)			(4,754)			(4,754)
Nonoperating income (expense)	1,679	(3,535)	(3,552)	(13,758)	(19,166)	2,227	(1,650)	(18,589)
Total other income (expense)	3,987	2,960	1,797	(13,758)	(5,014)	2,207	(1,650)	(4,457)
EXCESS (DEFICIENCY) REVENUE OVER EXPENSE FROM CONSOLIDATED OPERATIONS	46,850	(9,191)	1,350	87	39,096	1,935	(1,650)	39,381
INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS				59	59	(1,829)	850	(920)
EXCESS (DEFICIENCY) REVENUE OVER EXPENSE ATTRIBUTABLE TO MOSES H CONE MEMORIAL HOSPITAL AND AFFILIATES	$ 46,850	$ (9,191)	$ 1,350	$ 146	$ 39,155	$ 106	$ (800)	$ 38,461

Additional Data

Software ID:
Software Version:
EIN: 58-1588823
Name: MOSES H CONE MEMORIAL HOSPITAL OPERATING 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			
Louise F Brady Trustee		X								
Janice Brewington PhD Trustee		X								
John F Campbell MD Physician & Trustee	0 0	X				X		0	307,169	49,750
Thomas E Cone Trustee		X								
Rev Julianne Brittain Trustee		X								
Michelle Gethers-Clark Trustee		X								
Dwight M Davidson III Trustee		X								
Barry Z Dodson Trustee		X								
Henry E Frye Trustee		X								
Florence F Gatten Trustee		X								
J Wayne Keeling MD Trustee		X								
David R Howard Trustee		X								
David F Leeper Trustee		X								
M Lee McAllister Trustee		X								
Henry WB Smith III MD Trustee & Chairman		X		X						
William R Soles Jr Trustee		X								
Christian J Streck MD Trustee		X								
Deborah Hooper Trustee		X								
James K Weeks PhD Trustee & Vice Chairman		X								
Peter W Whitfield MD Trustee		X		X						
R Timothy Rice President & CEO	40 0			X				1,121,583		51,104
Terrance B Akin COO & Secretary	40 0			X				440,625		42,054
Vanessa P Haygood MD Medical & Dental Staff Pres				X						
Kenneth Boggs CFO & Treasurer	40 0			X				295,508		51,000
Timothy J Clontz Exec VP & Asst Sec	40 0			X				294,557		47,444

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			
Noel F Burt Chief HR Officer & Asst Secre	40 0			X				383,414		47,718
James Roskelly VP/Asst Secretary	40 0			X				305,389		34,973
Marva Jarman Asst Treasurer	40 0			X				152,006		4,104
David Kitzmiller Asst Treasurer	40 0			X				124,637		20,181
Rene Smith Asst Treasurer	40 0			X				155,840		16,428
Wendi Carroll Asst Treasurer	40 0			X				125,146		4,218
Judith Schanel VP & Asst Secretary	40 0			X				215,612		46,413
Joan Wessman Chief Nursing Officer	40 0			X				233,510		16,613
Paul Jeffery VP & Site Administrator	40 0				X			200,689		31,146
Cindy Farrand VP & Site Administrator	40 0				X			226,774		27,309
John Jenkins VP & Chief Information Officer	40 0				X			293,347		43,699
Brian Romig VP of Supply Chain & Pharmacy	40 0				X	X		195,834		19,653
William Bowman Jr VP of Medical Affairs	40 0				X			220,735		25,865
William Porter VP of Fund Development	40 0				X			212,643		22,000
Steve Anderson VP Physician Network	40 0				X			203,425		7,632
Zachary Swartz MD Medical Director-Rehab	40 0				X			332,284		16,617
Jeffrey Hatcher Physician	40 0				X			271,499		34,104
Kelly Leggett MD Medical Director OB-GYN	40 0				X			260,069	0	24,551
Roger Foley MD Physician	40 0				X			254,752	0	16,613
Thomas Gettinger VP & Asst Secretary	40 0				X			230,545	0	29,551
John Feldmann MD Physician	40 0					X		327,917	0	53,412
James Whiting VP Regional Cancer Center	40 0					X		249,931		36,536
Elizabeth Ward Chief Financial Officer & Trea	40 0						X	202,302	0	33,688