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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

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

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

C Name of organization
HOLY NAME MEDICAL CENTER

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
718 TEANECK ROAD

City or town, state or country, and ZIP + 4
TEANECK, NJ 07666

D Employer identification number
22-1487322

E Telephone number
(201)833-7016

G Gross receipts $ 303,505,069

F Name and address of principal officer
MICHAEL MARON
718 TEANECK ROAD
TEANECK, NJ 07666

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 HOLYNAME ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1958 | **M** State of legal domicile NJ

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO PROVIDE QUALITY MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN THE COMMUNITY REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	23
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	21
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	2,667
6	Total number of volunteers (estimate if necessary)	**6**	750
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	4,404,992	3,702,754
9	Program service revenue (Part VIII, line 2g)	263,075,228	280,065,531
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,544,977	3,767,294
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,874,434	2,989,146
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	271,899,631	290,524,725
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	110,000	1,501,992
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)	138,976,793	145,182,316
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	127,095,099	136,916,344
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	266,181,892	283,600,652
19	Revenue less expenses Subtract line 18 from line 12	5,717,739	6,924,073

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	285,993,216	290,137,110
21	Total liabilities (Part X, line 26)	174,781,648	182,590,305
22	Net assets or fund balances Subtract line 21 from line 20	111,211,568	107,546,805

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

****** | 2013-01-22
Signature of officer | Date

JOSEPH M LEMAIRE CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-employed ▶☐ | Preparer's taxpayer identification number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ WithumSmithBrown PC
465 South St Ste 200
Morristown, NJ 079606497

EIN ▶

Phone no ▶ (973) 898-9494

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

HOLY NAME MEDICAL CENTER IS A COMMUNITY OF CAREGIVERS COMMITTED TO A MINISTRY OF HEALING, EMBRACING THE TRADITION OF CATHOLIC PRINCIPLES, THE PURSUIT OF PROFESSIONAL EXCELLENCE, AND CONSCIENTIOUS STEWARDSHIP THE MEDICAL CENTER HELPS THE COMMUNITY ACHIEVE THE HIGHEST ATTAINABLE LEVEL OF HEALTH THROUGH EDUCATION, PREVENTION AND TREATMENT

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

4a (Code) (Expenses $ 135,192,718 including grants of $ 0) (Revenue $ 124,712,304)

EXPENSES INCURRED IN PROVIDING MEDICALLY NECESSARY INPATIENT SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY THE ORGANIZATION PROVIDED INPATIENT SERVICES TO 16,722 PATIENTS FOR A TOTAL OF 76,821 PATIENT DAYS PLEASE REFER TO THE ORGANIZAITON'S COMMUNITY BENEFIT STATEMENT INCLUDED IN SCHEDULE O

4b (Code) (Expenses $ 109,467,262 including grants of $ 0) (Revenue $ 121,438,874)

EXPENSES INCURRED IN PROVIDING MEDICALLY NECESSARY OUTPATIENT SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY THE ORGANIZATION PROVIDED OUTPATIENT SERVICES TO 131,442 PATIENTS PLEASE REFER TO THE ORGANIZAITON'S COMMUNITY BENEFIT STATEMENT INCLUDED IN SCHEDULE O

4c (Code) (Expenses $ 10,735,176 including grants of $ 0) (Revenue $ 16,247,451)

EXPENSES INCURRED IN PROVIDING MEDICALLY NECESSARY EMERGENCY ROOM SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY THE ORGANIZATION PROVIDED EMERGENCY ROOM SERVICES TO 41,903 PATIENTS PLEASE REFER TO THE ORGANIZAITON'S COMMUNITY BENEFIT STATEMENT INCLUDED IN SCHEDULE O INCLUDED IN SCHEDULE O

4d Other program services (Describe in Schedule O)

(Expenses $ 0 including grants of $ 1,491,936) (Revenue $ 17,666,902)

4e **Total program service expenses** ▶ $ 255,395,156

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 instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		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 temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c	Yes	
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		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, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b	Yes	
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, Part II and IV*	15	Yes	
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, Part 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*	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.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	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**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
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**	Yes	
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
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	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
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**	207		
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**	2,667			
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**		No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**		
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 or securities 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**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		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.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate 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 aggregate 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	23		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	21		
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	Did the organization have members or stockholders?	6		Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			No

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

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

Section C. Disclosure

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

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 made 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 made 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 ▶

RYAN KENNEDY CPA
718 TEANECK ROAD
TEANECK, NJ 07666
(201) 833-7016

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, or 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 organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
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 (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								6,553,997	0	1,192,157

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 206

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
CLAUDIO BOZZO SON INC 503 FARLEY ROAD WHITEHOUSE STATION, NJ 08889	CONSTRUCTION	3,139,628
ALOYSIUS BUTLER CLARK PO BOX 672 WILMINGTON, DE 098990672	ADVERTISING	1,466,216
GE HEALTHCARE OEC PO BOX 96483 CHICAGO, IL 60693	MAINTENANCE/SERVICE	831,281
GE HEALTHCARE PO BOX 640944 PITTSBURGH, PA 152640944	EQUIPMENT SVCS	792,698
SLEEPTECH LLC PO BOX 5833 HICKSVILLE, NY 11802	DIAG SLEEP SVCS	675,360

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 77

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	1,389,735			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	2,313,019			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		3,702,754			
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	541900	275,653,805	275,653,805		
	b	OTHER HEALTHCARE RELATED REVENUE	541900	1,232,356	1,232,356		
	c	SCHOOL OF NURSING	900099	1,852,546	1,852,546		
	d	HNH FITNESS, L L C	541900	1,326,824	1,326,824		
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		280,065,531			
	3	Investment income (including dividends, interest and other similar amounts)		839,166			839,166
	4	Income from investment of tax-exempt bond proceeds		342,507			342,507
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross rents	108,362				
	b	Less rental expenses	58,515				
	c	Rental income or (loss)	49,847				
	d	Net rental income or (loss)		49,847			49,847
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	14,910,931	596,519			
	b	Less cost or other basis and sales expenses	12,710,692	211,137			
	c	Gain or (loss)	2,200,239	385,382			
	d	Net gain or (loss)		2,585,621			2,585,621
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	CAFETERIA	722210	1,627,011			1,627,011
	b	DAY CARE	624410	927,258			927,258
	c	TELEVISION & TELEPHONE	517000	385,030			385,030
	d	All other revenue					
	e	**Total.** Add lines 11a–11d		2,939,299			
	12	**Total revenue.** See Instructions		290,524,725	280,065,531		6,756,440

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)
Check if Schedule O contains a response to any question in this Part IX . . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	1,375,118	1,375,118		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	116,818	116,818		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	10,056	10,056		
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	6,354,096	5,718,688	635,408	0
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	114,799,892	103,319,902	11,479,990	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,021,136	2,719,023	302,113	
9	Other employee benefits	12,116,472	10,904,824	1,211,648	
10	Payroll taxes	8,890,720	8,001,648	889,072	
11	Fees for services (non-employees)				
a	Management	25,000	22,500	2,500	
b	Legal	1,152,812	1,031,531	121,281	
c	Accounting	209,186	188,267	20,919	
d	Lobbying	98,089	88,280	9,809	
e	Professional fundraising *See Part IV, line 17* . .	0			
f	Investment management fees	0			
g	Other	5,723,183	5,150,865	572,318	
12	Advertising and promotion	3,797,025	3,417,322	379,703	
13	Office expenses	7,221,066	6,498,959	722,107	
14	Information technology	0			
15	Royalties . .	0			
16	Occupancy	1,566,560	1,409,904	156,656	
17	Travel	302,879	272,591	30,288	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	181,569	163,412	18,157	
20	Interest	5,063,600	4,557,240	506,360	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	16,265,916	14,639,324	1,626,592	
23	Insurance	1,692,821	1,523,539	169,282	
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	51,477,386	46,329,647	5,147,739	0
b	BAD DEBT PROVISION	13,380,513	12,042,462	1,338,051	0
c	PURCHASED SERVICES	8,127,701	7,314,931	812,770	0
d	REPAIRS AND MAINTENANCE	7,252,076	6,526,869	725,207	0
e					
f	All other expenses	13,378,962	12,051,436	1,327,526	
25	**Total functional expenses.** Add lines 1 through 24f	283,600,652	255,395,156	28,205,496	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		90	1	90
	2	Savings and temporary cash investments		24,763,256	2	14,280,535
	3	Pledges and grants receivable, net		105,553	3	26,258
	4	Accounts receivable, net		30,350,683	4	32,781,049
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		4,319,434	7	5,865,669
	8	Inventories for sale or use		4,103,457	8	4,866,642
	9	Prepaid expenses and deferred charges		1,922,537	9	1,974,745
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 335,397,489			
	b	Less accumulated depreciation	10b 190,857,874	137,797,477	10c	144,539,615
	11	Investments—publicly traded securities		0	11	0
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		75,752,305	13	76,046,796
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		6,878,424	15	9,755,711
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		285,993,216	16	290,137,110
Liabilities	17	Accounts payable and accrued expenses		31,641,533	17	35,977,842
	18	Grants payable		0	18	0
	19	Deferred revenue		497,775	19	450,556
	20	Tax-exempt bond liabilities		123,066,344	20	120,231,168
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		4,279,240	23	5,054,740
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		15,296,756	25	20,875,999
	26	**Total liabilities.** Add lines 17 through 25		174,781,648	26	182,590,305
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		102,732,205	27	99,649,028
	28	Temporarily restricted net assets		7,479,363	28	6,897,777
	29	Permanently restricted net assets		1,000,000	29	1,000,000
		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		111,211,568	33	107,546,805
	34	Total liabilities and net assets/fund balances		285,993,216	34	290,137,110

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	290,524,725
2	Total expenses (must equal Part IX, column (A), line 25)	2	283,600,652
3	Revenue less expenses Subtract line 2 from line 1	3	6,924,073
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	111,211,568
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-10,588,836
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	107,546,805

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	Yes	
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	Yes	

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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

2011

Open to Public Inspection

Name of the organization
HOLY NAME MEDICAL CENTER

Employer identification number
22-1487322

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 **section 170(b)(1)(A)(i).**

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

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

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

_____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II **Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
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 2011 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2010 Schedule A, Part II, line 14 **15**

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

b **33 1/3% support test—2010.** If the organization did not check 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—2011.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test

Explanation

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.**

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

OMB No 1545-0047

2011

Open to Public Inspection

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

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

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

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

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35c (Proxy Tax), then

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

Name of the organization	Employer identification number
HOLY NAME MEDICAL CENTER	22-1487322

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

1 Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

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

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		60,000
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		38,089
j	Total lines 1c through 1i			98,089
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
LOBBYING ACTIVITIES	SCHEDULE C, PART II-B, LINES 1G AND 1H	DURING 2011, HOLY NAME MEDICAL CENTER PAID AN OUTSIDE INDEPENDENT LOBBYING FIRM $60,000 FOR LOBBYING ON A FEDERAL AND STATE LEVEL RELATED TO MEDICARE, MEDICAID AND OTHER HEALTHCARE LEGISLATIVE MATTERS THE ORGANIZATION HAS ALLOCATED TOWARD LOBBYING ACTIVITY A PERCENTAGE OF TOTAL 2011 COMPENSATION PAID TO THE VICE PRESIDENT OF PLANNING AND GOVERNMENT AFFAIRS TO REPRESENT TIME SPENT ADDRESSING FEDERAL AND STATE HEALTHCARE MATTERS THIS ALLOCATION AMOUNTED TO $12,462 THE ORGANIZATION IS A MEMBER OF THE NEW JERSEY HOSPITAL ASSOCIATION AND THE AMERICAN HOSPITAL ASSOCIATION WHICH ENGAGE IN LOBBYING EFFORTS ON BEHALF OF THEIR MEMBER HOSPITALS A PORTION OF THE DUES PAID TO THESE ORGANIZATIONS HAS BEEN ALLOCATED TO LOBBYING ACTIVITIES PERFORMED ON BEHALF OF THE ORGANIZATION THIS ALLOCATION AMOUNTED TO $25,627

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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, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
HOLY NAME MEDICAL CENTER

Employer identification number
22-1487322

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	8,479,363	12,058,693	10,237,251	11,357,203	
b	Contributions	442,431	501,730	1,220,780		
c	Investment earnings or losses	-46,614	193,750	667,920		
d	Grants or scholarships					
e	Other expenditures for facilities and programs	977,403	4,274,810	67,258	1,119,952	
f	Administrative expenses					
g	End of year balance	7,897,777	8,479,363	12,058,693	10,237,251	

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

- a Board designated or quasi-endowment ▶ 87 300 %
- b Permanent endowment ▶ 12 700 %
- c Term endowment ▶ 0 %

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		3,471,294		3,471,294
b Buildings		163,804,939	76,654,292	87,150,647
c Leasehold improvements		0	0	0
d Equipment		146,768,682	112,380,069	34,388,613
e Other		21,352,575	1,823,514	19,529,061
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				144,539,615

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
See Additional Data Table		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶	76,046,796	

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
DUE TO THIRD-PARTY PAYORS	17,595,265
OTHER LIABILITIES	2,648,220
ASSET RETIREMENT OBLIGATION	632,514
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	20,875,999

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

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
ENDOWMENT FUNDS	SCHEDULE D, PART V, QUESTION 4	

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SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
HOLY NAME MEDICAL CENTER

Employer identification number
22-1487322

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** 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 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States

3 Activites per Region (Use Part V if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region/investments in region
Central America and the Caribbean	1	1	Investments	INVESTMENTS	192,119
3a Sub-total	1	1			192,119
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)	1	1			192,119

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Check this box if no one recipient received more than $5,000 . . . . . ▶ ☐
Use Part V if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
		Cent America/Caribbean	HAITI RELIEF			10,056	MATERIALS	FMV

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . . ▶ 1

3 Enter total number of other organizations or entities . . . . . ▶ 0

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Use Part V if additional space is needed.

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

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926 (see instructions for Form 926)*	☑ Yes	☐ No
2	Did the organization have an interest in a foreign trust during the tax year? *If " Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see instructions for Form 5471)*	☐ Yes	☑ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621)*	☐ Yes	☑ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865)*	☑ Yes	☐ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713).*	☐ Yes	☑ No

Part V Supplemental Information

Complete this part to provide the information (see instructions) required in Part I, line 2, and any additional information.

Identifier	ReturnReference	Explanation

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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

2011

Open to Public Inspection

Name of the organization
HOLY NAME MEDICAL CENTER

Employer identification number
22-1487322

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☑ 200% ☐ Other 200 %	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other 500. %	3b	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide 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 charity care 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	Did the organization prepare a community benefit reportduring 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 Charity Care and Certain Other Community Benefits at Cost

Charity Care 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 Charity care at cost (from Worksheet 1)			9,863,213	1,099,000	8,764,213	3 240 %
b Medicaid (from Worksheet 3, column a)			17,518,099	10,530,717	6,987,382	2 590 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			27,381,312	11,629,717	15,751,595	5 830 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			1,235,101		1,235,101	0 460 %
f Health professions education (from Worksheet 5)			136,317		136,317	0 050 %
g Subsidized health services (from Worksheet 6)			19,285,452	13,883,121	5,402,331	2 000 %
h Research (from Worksheet 7)			164,131		164,131	0 060 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			205,116		205,116	0 080 %
j **Total** Other Benefits			21,026,117	13,883,121	7,142,996	2 650 %
k **Total.** Add lines 7d and 7j			48,407,429	25,512,838	22,894,591	8 480 %

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

		(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			40		40	0 %
2	Economic development			607		607	0 %
3	Community support			4,333	450	3,883	0 %
4	Environmental improvements						
5	Leadership development and training for community members			1,053		1,053	0 %
6	Coalition building			9,436		9,436	0 %
7	Community health improvement advocacy			3,267	50	3,217	0 %
8	Workforce development			46,651		46,651	0 020 %
9	Other						
10	**Total**			65,387	500	64,887	0 020 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense	2	13,380,513		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	831,364		
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	121,494,136
6	Enter Medicare allowable costs of care relating to payments on line 5	6	130,962,176
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-9,468,040
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☑ Cost accounting system ☐ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest)

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

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	HOLY NAME MEDICAL CENTER 718 TEANECK ROAD TEANECK,NJ 07666	X	X					X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

HOLY NAME MEDICAL CENTER

Name of Hospital Facility:

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 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to 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 those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in 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 CHNA			
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	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 %			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 500 %			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	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	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	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 (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
	a ☑ Reporting to credit agency			
	b ☑ Lawsuits			
	c ☑ Liens on residences			
	d ☐ Body attachments or arrests			
	e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		No
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments			
	e ☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in 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 patients were eligible for financial assistance under the hospital facility's financial assistance policy			
	e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

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**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of it's three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		No
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient?	**21**		No
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 from largest to smallest)

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

	Name and address	Type of Facility (Describe)
1	CENTER FOR SLEEP MEDICINE 721 TEANECK ROAD TEANECK,NJ 07666	OUTPATIENT CENTER
2	ORADELL REHAB 514 KINDERKAMACK ROAD ORADELL,NJ 07649	OUTPATIENT CENTER
3	VILLA MARIE CLAIRE 12 WEST SADDLE RIVER ROAD SADDLE RIVER,NJ 07649	HOSPICE
4	HNH FITNESS LLC 514 KINDERKAMACK ROAD ORADELL,NJ 07649	MEDICALLY BASED FITNESS CENTER
5	UNION CITY LAB 408 37TH STREET UNION CITY,NJ 07087	OFF-SITE LAB
6		
7		
8		
9		
10		

Part VI Supplemental Information

Complete this part to provide the following information

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

2 **Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health 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
ELIGIBILITY FOR DISCOUNTED CARE	SCHEDULE H, PART I, LINE 3C	INCOME-BASED CRITERIA USED TO DETERMINE ELIGIBILITY ARE IN ACCORDANCE WITH THE NJ ADMINISTRATIVE CODE 10 52 SUB-CHAPTERS 11, 12 AND 13 FEDERAL POVERTY GUIDELINES ARE INCLUDED IN THE CRITERIA FOR DETERMINING ELIGIBILITY FOR CHARITY AND DISCOUNTED CARE

Identifier	ReturnReference	Explanation
COMMUNITY BENEFIT REPORT	SCHEDULE H, PART I, LINE 6A	NOT APPLICABLE

Identifier	ReturnReference	Explanation
SUBSIDIZED HEALTH SERVICES	SCHEDULE H, PART I, LINE 7G	NO COSTS RELATING TO SUBSIDIZED HEALTHCARE SERVICES ARE ATTRIBUTABLE TO ANY PHYSICIAN CLINICS

Identifier	ReturnReference	Explanation
PERCENT OF TOTAL EXPENSE	SCHEDULE H, PART I, LINE 7 COLUMN (F)	THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $13,380,513

Identifier	ReturnReference	Explanation
CHARITY CARE AND CERTAIN OTHER COMMUNITY BENEFIT COST	SCHEDULE H, PART I, QUESTION 7	THE ORGANIZATION'S COST ACCOUNTING SYSTEM WAS UTILIZED

Identifier	ReturnReference	Explanation
COMMUNITY BUILDING ACTIVITIES	SCHEDULE H, PART II	ACTIVITIES CLASSIFIED AS COMMUNITY BUILDING INCLUDE USE OF HNMC'S FACILITY AND/OR EMPLOYEES TO SUPPORT EFFORTS THAT PROMOTE THE POSITIVE GROWTH OF THE COMMUNITY, ASSIST DIVERSE GROUPS IN COMING TOGETHER FOR THE COMMUNITY'S SHORT AND LONG TERM BENEFIT, AND SEEK TO PROTECT THE COMMUNITY FROM ANYTHING THAT COULD SIGNIFICANTLY AFFECT THE HEALTH AND WELL-BEING OF THE COMMUNITY HNMC ASSISTS OTHER NON-PROFITS AND PROVIDES VARIOUS FORMS OF NON-MONETARY AID AS WELL IN ADDITION, EMPLOYEES ARE PERMITTED TO ASSIST VALID NON-PROFIT ORGANIZATIONS DURING PAID WORK TIME AMONG THE ORGANIZATIONS SO AIDED ARE NURSING HOMES, BOY SCOUTS, HOUSES OF WORSHIP, COMMUNITY SERVICE GROUPS, BATTERED WOMEN'S SHELTERS, ROTARY CLUBS, POLICE GROUPS, ENVIRONMENTAL GROUPS, SCHOOLS, AND NURSING HOMES HNMC ALSO ALLOWS THE PUBLIC TO USE VARIOUS MEETING ROOMS (IN NON-CLINICAL AREAS) AND ITS CONFERENCE CENTER FOR EVENTS CAREER DAYS ARE HELD FOR LOCAL HIGH SCHOOLS, FOSTERING ENTRANCE OF INTERESTED AND APPLICABLE STUDENTS INTO THE HEALTH PROFESSIONS ALTHOUGH HNMC'S PARKING FEES ARE MINIMAL, FREE PARKING IS EXTENDED TO PERSONS IN NEED HNMC IS ONE OF NINE HOSPITALS IN NEW JERSEY DESIGNATED BY THE NEW JERSEY DEPARTMENT OF HEALTH AND SENIOR SERVICES ("NJDHSS") AS A REGIONAL MEDICAL COORDINATION CENTER ("MCC") THE ONLY FACILITY IN BERGEN COUNTY TO BE SO DESIGNATED, HNMC'S ON-CAMPUS MCC IS ACTIVATED IN THE EVENT OF PUBLIC HEALTH EMERGENCIES AND/OR A TERRORIST ATTACK CAUSING MASS CASUALTY INCIDENTS, INFECTIOUS OR COMMUNICABLE DISEASE, OR OTHER TYPES OF PUBLIC HEALTH DISRUPTION THE MCC ALSO MONITORS, ON A DAILY BASIS, SITUATIONAL AWARENESS OF LOCAL ACTIVITY TO DATE, THE MCC HAS BEEN ACTIVATED FOR SEVERAL STATE EMERGENCIES THE STATE OF NEW JERSEY FUNDS A COORDINATOR FOR THE MCC, BUT ALL OTHER EMERGENCY PREPAREDNESS ACTIVITIES, WHICH ARE DESIGNED TO PROTECT THE PUBLIC AND TO RESPOND IN THE EVENT OF ANY PUBLIC HEALTH EMERGENCY, ARE CARRIED OUT BY HNMC WITHOUT FINANCIAL ASSISTANCE GIVEN HNMC'S PROXIMITY TO NEW YORK CITY (I E , FIVE MILES NORTH OF THE GEORGE WASHINGTON BRIDGE), EMERGENCY PREPAREDNESS IS NECESSARY TO ENSURE THE HEALTH AND WELL-BEING OF THE COMMUNITY HNMC IS RECOGNIZED BY STATE AND FEDERAL SECTORS FOR ITS EXPERTISE IN EMERGENCY PREPAREDNESS AND RESPONSE LOCALLY, HNMC'S MCC COORDINATOR ALSO SERVES AS THE EMS COORDINATOR OF THE BERGEN COUNTY OFFICE OF EMERGENCY MANAGEMENT AND IS A MEMBER OF THE BERGEN COUNTY TERRORISM TASK FORCE A FREQUENT PARTICIPANT IN LOCAL AND NEW YORK CITY DISASTER DRILLS, HNMC HAS PARTICIPATED IN SEVERAL LARGE SCALE DISASTER DRILLS, AS WELL AS DRILLS CONDUCTED BY THE CENTERS FOR DISEASE CONTROL INVOLVING LOCAL, COUNTY, STATE, AND FEDERAL AGENCIES' EMERGENCY RESPONSE TO THREATS OF PUBLIC HEALTH SIGNIFICANCE HNMC MAINTAINS ITS DESIGNATION BY THE FEDERAL DIVISION OF GLOBAL MIGRATION AND QUARANTINE TO DEAL WITH POSSIBLE COMMUNICABLE DISEASES AND ACTS OF BIOTERRORISM OCCURRING ON PUBLIC HEALTH CONVEYANCES HNMC IS ALSO ACTIVE IN THE NORTHERN NEW JERSEY URBAN AREA SECURITY INITIATIVE MEMBERS OF HOLY NAME EMS SERVE ON THE STATEWIDE NJ EMS TASK FORCE THE MEDICAL CENTER MAINTAINS A SPECIAL OPERATIONS TEAM COMPRISED OF PARAMEDICS AND EMERGENCY MEDICAL TECHNICIANS WHO ARE READY TO RESPOND 24 HOURS A DAY, 7 DAYS A WEEK TO ASSIST LOCAL COMMUNITIES WITH EMERGENCIES

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE	SCHEDULE H, PART III, SECTION A, LINE 4	BAD DEBT EXPENSE WAS CALCULATED USING THE PROVIDERS' BAD DEBT EXPENSE FROM ITS FINANCIAL STATEMENTS, NET OF ACCOUNTS WRITTEN OFF AT CHARGES HNMC AND ITS AFFILIATES PREPARE AND ISSUE AUDITED CONSOLIDATED FINANCIAL STATEMENTS THE ATTACHED TEXTS WERE OBTAINED FROM THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENTS OF HNMC AND SUBSIDIARIES PATIENT ACCOUNTS RECEIVABLE AND NET PATIENT SERVICE REVENUE PATIENT ACCOUNTS RECEIVABLE AND NET PATIENT SERVICE REVENUE FROM THIRD-PARTY PROGRAMS FOR WHICH THE COMPANY RECEIVES PAYMENT UNDER VARIOUS REIMBURSEMENT FORMULAE OR NEGOTIATED RATES ARE STATED AT THE ESTIMATED NET AMOUNTS REALIZABLE AND RECEIVABLE FROM SUCH PAYERS, WHICH ARE GENERALLY LESS THAN THE COMPANY'S ESTABLISHED BILLING RATES THE AMOUNT OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS, BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN HEALTHCARE COVERAGE AND OTHER COLLECTION INDICATORS ADDITIONS TO THE ALLOWANCE FOR DOUBTFUL ACCOUNTS RESULT FROM THE PROVISION FOR BAD DEBTS ACCOUNTS WRITTEN OFF AS UNCOLLECTIBLE ARE DEDUCTED FROM THE ALLOWANCE FOR DOUBTFUL ACCOUNTS NET PATIENT SERVICE REVENUE IS REPORTED AT THE ESTIMATED NET REALIZABLE AMOUNTS FROM PATIENTS, THIRD-PARTY PAYERS, AND OTHERS FOR SERVICES RENDERED AND INCLUDES RETROACTIVE REVENUE ADJUSTMENTS DUE TO ONGOING AND FUTURE AUDITS, REVIEWS, AND INVESTIGATIONS CHARITY CARE THE MEDICAL CENTER 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 MEDICAL CENTER DOES NOT PURSUE COLLECTION OF AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE, THESE AMOUNTS ARE NOT REPORTED AS REVENUE

Identifier	ReturnReference	Explanation
MEDICARE SHORTFALL	SCHEDULE H, PART III, SECTION B, LINE 8	MEDICARE COSTS WERE DERIVED FROM THE 2011 MEDICARE COST REPORT MEDICARE UNDERPAYMENTS AND BAD DEBT ARE CONSIDERED TO BE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE INCLUDABLE ON TH E FORM 990, SCHEDULE H, PART I THE ORGANIZATION FEELS THAT MEDICARE UNDERPAYMENTS (SHORTF ALL) AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE INCLUDABLE ON THE FORM 99 0, SCHEDULE H, PART I AS OUTLINED MORE FULLY BELOW THE ORGANIZATION BELIEVES THAT THESE S ERVICES AND RELATED COSTS PROMOTE THE HEALTH OF THE COMMUNITY AS A WHOLE AND ARE RENDERED IN CONJUNCTION WITH THE ORGANIZATION'S CHARITABLE TAX-EXEMPT PURPOSES AND MISSION IN PROVI DING MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MA NNER WITHOUT REGARD TO RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PA Y AND CONSISTENT WITH THE COMMUNITY BENEFIT STANDARD PROMULGATED BY THE IRS THE COMMUNITY BENEFIT STANDARD IS THE CURRENT STANDARD FOR A HOSPITAL FOR RECOGNITION AS A TAX-EXEMPT A ND CHARITABLE ORGANIZATION UNDER INTERNAL REVENUE CODE ("IRC") 501(C)(3) THE MEDICAL CENT ER IS RECOGNIZED AS A TAX-EXEMPT ENTITY AND CHARITABLE ORGANIZATION UNDER 501(C)(3) OF THE IRC ALTHOUGH THERE IS NO DEFINITION IN THE TAX CODE FOR THE TERM "CHARITABLE," A REGULAT ION PROMULGATED BY THE DEPARTMENT OF THE TREASURY PROVIDES SOME GUIDANCE AND STATES THAT " [T]HE TERM CHARITABLE IS USED IN SECTION 501(C)(3) IN ITS GENERALLY ACCEPTED LEGAL SENSE," AND PROVIDES EXAMPLES OF CHARITABLE PURPOSES, INCLUDING THE RELIEF OF THE POOR OR UNPRIV ILEGED, THE PROMOTION OF SOCIAL WELFARE, AND THE ADVANCEMENT OF EDUCATION, RELIGION, AND S CIENCE NOTE IT DOES NOT EXPLICITLY ADDRESS THE ACTIVITIES OF HOSPITALS IN THE ABSENCE OF EXPLICIT STATUTORY OR REGULATORY REQUIREMENTS APPLYING THE TERM "CHARITABLE" TO HOSPITALS , IT HAS BEEN LEFT TO THE IRS TO DETERMINE THE CRITERIA HOSPITALS MUST MEET TO QUALIFY AS IRC 501(C)(3) CHARITABLE ORGANIZATIONS THE ORIGINAL STANDARD WAS KNOWN AS THE CHARITY CAR E STANDARD THIS STANDARD WAS REPLACED BY THE IRS WITH THE COMMUNITY BENEFIT STANDARD WHIC H IS THE CURRENT STANDARD CHARITY CARE STANDARD IN 1956, THE IRS ISSUED REVENUE RULING 56 -185, WHICH ADDRESSED THE REQUIREMENTS HOSPITALS NEEDED TO MEET IN ORDER TO QUALIFY FOR IR C 501(C)(3) STATUS ONE OF THESE REQUIREMENTS IS KNOWN AS THE "CHARITY CARE STANDARD " UND ER THE STANDARD, A HOSPITAL HAD TO PROVIDE, TO THE EXTENT OF ITS FINANCIAL ABILITY, FREE O R REDUCED-COST CARE TO PATIENTS UNABLE TO PAY FOR IT A HOSPITAL THAT EXPECTED FULL PAYMEN T DID NOT, ACCORDING TO THE RULING, PROVIDE CHARITY CARE BASED ON THE FACT THAT SOME PATIE NTS ULTIMATELY FAILED TO PAY THE RULING EMPHASIZED THAT A LOW LEVEL OF CHARITY CARE DID N OT NECESSARILY MEAN THAT A HOSPITAL HAD FAILED TO MEET THE REQUIREMENT SINCE THAT LEVEL CO ULD REFLECT ITS FINANCIAL ABILITY TO PROVIDE SUCH CARE THE RULING ALSO NOTED THAT PUBLICL Y SUPPORTED COMMUNITY HOSPITALS WOULD NORMALLY QUALIFY AS CHARITABLE ORGANIZATIONS BECAUSE THEY SERVE THE ENTIRE COMMUNITY, AND A LOW LEVEL OF CHARITY CARE WOULD NOT AFFECT A HOSPI TAL'S EXEMPT STATUS IF IT WAS DUE TO THE SURROUNDING COMMUNITY'S LACK OF CHARITABLE DEMAND S COMMUNITY BENEFIT STANDARD IN 1969, THE IRS ISSUED REVENUE RULING 69-545, WHICH "REMOVE [D]" FROM REVENUE RULING 56-185 "THE REQUIREMENTS RELATING TO CARING FOR PATIENTS WITHOUT CHARGE OR AT RATES BELOW COST " UNDER THE STANDARD DEVELOPED IN REVENUE RULING 69-545, WHI CH IS KNOWN AS THE "COMMUNITY BENEFIT STANDARD," HOSPITALS ARE JUDGED ON WHETHER THEY PROM OTE THE HEALTH OF A BROAD CLASS OF INDIVIDUALS IN THE COMMUNITY THE RULING INVOLVED A HOS PITAL THAT ONLY ADMITTED INDIVIDUALS WHO COULD PAY FOR THE SERVICES (BY THEMSELVES, PRIVAT E INSURANCE, OR PUBLIC PROGRAMS SUCH AS MEDICARE), BUT OPERATED A FULL-TIME EMERGENCY ROOM THAT WAS OPEN TO EVERYONE THE IRS RULED THAT THE HOSPITAL QUALIFIED AS A CHARITABLE ORGA NIZATION BECAUSE IT PROMOTED THE HEALTH OF PEOPLE IN ITS COMMUNITY THE IRS REASONED THAT BECAUSE THE PROMOTION OF HEALTH WAS A CHARITABLE PURPOSE ACCORDING TO THE GENERAL LAW OF C HARITY, IT FELL WITHIN THE "GENERALLY ACCEPTED LEGAL SENSE" OF THE TERM "CHARITABLE," AS R EQUIRED BY TREASURY REG 1 501(C)(3)-1(D)(2) THE IRS RULING STATED THAT THE PROMOTION OF HEALTH, LIKE THE RELIEF OF POVERTY AND THE ADVANCEMENT OF EDUCATION AND RELIGION, IS ONE O F THE PURPOSES IN THE GENERAL LAW OF CHARITY THAT IS DEEMED BENEFICIAL TO THE COMMUNITY AS A WHOLE EVEN THOUGH THE CLASS OF BENEFICIARIES ELIGIBLE TO RECEIVE A DIRECT BENEFIT FROM ITS ACTIVITIES DOES NOT INCLUDE ALL MEMBERS OF THE COMMUNITY, SUCH AS INDIGENT MEMBERS OF THE COMMUNITY, PROVIDED THAT THE CLASS IS NOT SO SMALL THAT ITS RELIEF IS NOT OF BENEFIT T O THE COMMUNITY THE IRS CONCLUDED THAT THE HOSPITAL WAS "PROMOTING THE HEALTH OF A CLASS OF PERSONS THAT IS BROAD ENOUGH TO BENEFIT THE COMMUNITY" BECAUSE ITS EMERGENCY ROOM WAS O PEN TO ALL AND IT PROVIDED CARE TO EVERYONE WHO COULD PAY, WHETHER DIRECTLY OR THROUGH THI RD-PARTY REIMBURSEMENT OTHER CHARACTERISTICS OF T

Identifier	ReturnReference	Explanation
MEDICARE SHORTFALL	SCHEDULE H, PART III, SECTION B, LINE 8	HE HOSPITAL THAT THE IRS HIGHLIGHTED INCLUDED THE FOLLOWING ITS SURPLUS FUNDS WERE USED T O IMPROVE PATIENT CARE, EXPAND HOSPITAL FACILITIES, AND ADVANCE MEDICAL TRAINING, EDUCATIO N, AND RESEARCH, IT WAS CONTROLLED BY A BOARD OF TRUSTEES THAT CONSISTED OF INDEPENDENT CI VIC LEADERS, AND HOSPITAL MEDICAL STAFF PRIVILEGES WERE AVAILABLE TO ALL QUALIFIED PHYSICI ANS MEDICARE UNDERPAYMENTS AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE IN CLUDABLE ON THE FORM 990, SCHEDULE H, PART I THE AMERICAN HOSPITAL ASSOCIATION ("AHA") HO LDS THE POSITION THAT MEDICARE UNDERPAYMENTS (OR, "SHORTFALLS") AND BAD DEBT ARE COMMUNITY BENEFIT AND THUS INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I THE MEDICAL CENTER AGREE S WITH THE AHA'S POSITION AS OUTLINED IN THE AHA LETTER TO THE IRS DATED AUGUST 21, 2007 WITH RESPECT TO THE FIRST PUBLISHED DRAFT OF THE NEW FORM 990 AND SCHEDULE H, THE AHA STAT ED THAT THE IRS SHOULD INCORPORATE THE FULL VALUE OF THE COMMUNITY BENEFIT PROVIDED BY HOS PITALS BY COUNTING MEDICARE UNDERPAYMENTS (SHORTFALL) AS QUANTIFIABLE COMMUNITY BENEFIT FO R THE FOLLOWING REASONS - THE PROVISION OF CARE FOR THE ELDERLY AND SERVING MEDICARE PATI ENTS IS AN ESSENTIAL PART OF THE COMMUNITY BENEFIT STANDARD - MEDICARE, LIKE MEDICAID, DO ES NOT FUND THE FULL COST OF CARE MEDICARE'S REIMBURSEMENT TO HOSPITALS EQUATES TO ONLY 9 2 CENTS FOR EVERY DOLLAR SPENT BY THE HOSPITALS ON CARE OF MEDICARE PATIENTS THE MEDICARE PAYMENT ADVISORY COMMISSION ("MEDPAC") IN ITS MARCH 2007 REPORT TO CONGRESS CAUTIONED THA T UNDERPAYMENT WILL WORSEN - MANY MEDICARE BENEFICIARIES, LIKE THEIR MEDICAID COUNTERPART S, ARE POOR MORE THAN 46 PERCENT OF MEDICARE SPENDING IS FOR BENEFICIARIES WHOSE INCOME I S BELOW 200 PERCENT OF THE FEDERAL POVERTY LEVEL MANY OF THOSE MEDICARE BENEFICIARIES ARE ALSO ELIGIBLE FOR MEDICAID, THE SO CALLED "DUAL ELIGIBLES " THERE IS A VERY COMPELLING PU BLIC POLICY REASON TO TREAT MEDICARE AND MEDICAID UNDERPAYMENTS SIMILARLY FOR PURPOSES OF A HOSPITAL'S COMMUNITY BENEFIT AND INCLUDE THESE COSTS ON FORM 990, SCHEDULE H, PART I ME DICARE UNDERPAYMENT MUST BE SHOULDERED BY THE HOSPITAL IN ORDER TO CONTINUE TREATING THE C OMMUNITY'S ELDERLY AND POOR THESE UNDERPAYMENTS REPRESENT A REAL COST OF SERVING THE COMM UNITY AND SHOULD COUNT AS A QUANTIFIABLE COMMUNITY BENEFIT BOTH THE AHA AND THE MEDICAL C ENTER ALSO REGARD PATIENT BAD DEBT AS A COMMUNITY BENEFIT AND THUS INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I SIMILAR TO MEDICARE UNDERPAYMENT (SHORTFALLS), THERE ALSO ARE COM PELLING REASONS THAT PATIENT BAD DEBT SHOULD BE COUNTED AS QUANTIFIABLE COMMUNITY BENEFIT AS NOTED BELOW - A SIGNIFICANT MAJORITY OF BAD DEBT IS ATTRIBUTABLE TO LOW-INCOME PATIENT S, WHO, FOR MANY REASONS, DECLINE TO COMPLETE THE FORMS REQUIRED TO ESTABLISH ELIGIBILITY FOR HOSPITALS' CHARITY CARE OR FINANCIAL ASSISTANCE PROGRAMS A 2006 CONGRESSIONAL BUDGET OFFICE ("CBO") REPORT, NON-PROFIT HOSPITALS AND THE PROVISION OF COMMUNITY BENEFITS, CITED TWO STUDIES INDICATING THAT "THE GREAT MAJORITY OF BAD DEBT WAS ATTRIBUTABLE TO PATIENTS WITH INCOMES BELOW 200% OF THE FEDERAL POVERTY LINE " - THE REPORT ALSO NOTED THAT A SUBST ANTIAL PORTION OF BAD DEBT IS ACTUALLY PENDING CHARITY CARE UNLIKE BAD DEBT IN OTHER INDU STRIES, HOSPITAL BAD DEBT IS COMPLICATED BY THE FACT THAT HOSPITALS FOLLOW THEIR MISSION T O THE COMMUNITY AND TREAT EVERY PATIENT THAT COMES THROUGH THEIR EMERGENCY DEPARTMENTS, RE GARDLESS OF ABILITY TO PAY PATIENTS WHO HAVE OUTSTANDING BILLS ARE NOT TURNED AWAY, IN SH ARP CONTRAST TO OTHER INDUSTRIES BAD DEBT IS FURTHER COMPLICATED BY THE AUDITING INDUSTRY 'S STANDARDS ON REPORTING CHARITY CARE MANY PATIENTS CANNOT OR DO NOT PROVIDE THE NECESSA RY, EXTENSIVE DOCUMENTATION REQUIRED TO BE DEEMED CHARITY CARE BY AUDITORS AS A RESULT, R OUGHLY 40% OF BAD DEBT IS PENDING CHARITY CARE - THE CBO CONCLUDED THAT ITS FINDINGS "SUP PORT THE VALIDITY OF THE USE OF UNCOMPENSATED CARE (BAD DEBT AND CHARITY CARE) AS A MEASUR E OF COMMUNITY BENEFITS," ASSUMING THE F

Identifier	ReturnReference	Explanation
DEBT COLLECTION POLICY	SCHEDULE H, PART III, SECTION B, LINE 9B	ACCOUNTS CONSIDERED TO BE CHARITY CARE ARE NOT INCLUDED IN THE BAD DEBT EXPENSE BUT, RATHER, ACCOUNTED FOR AS AN ALLOWANCE IT IS THE POLICY OF HNMC AND SUBSIDIARIES' BUSINESS OFFICE TO TREAT ALL PATIENTS EQUALLY REGARDLESS OF INSURANCE AND THEIR ABILITY TO PAY FOR ACCOUNTS DETERMINED TO BE "SELF-PAY" AND/OR ACCOUNTS WITH BALANCE AFTER PRIMARY INSURANCE PAYMENTS, THE COLLECTION POLICY REQUIRES THE SENDING OF THREE STATEMENTS, A MINIMUM OF ONE PRE-COLLECTION LETTER, AND TELEPHONE CONTACT FOR ANY ACCOUNT OVER $5,000, OR AT THE DISCRETION OF THE ACCOUNT REPRESENTATIVE AND/OR SUPERVISOR THE MEDICAL CENTER ALSO HAS A CHARITY CARE ACCESS POLICY TO ASSURE PATIENTS ARE PROVIDED WITH CHARITY CARE ASSISTANCE AS DETERMINED BY STATE AND FEDERAL REGULATIONS IT IS THE POLICY TO INFORM ALL PATIENTS DEEMED SELF-PAY OF THE APPROPRIATE ASSISTANCE PROGRAMS AVAILABLE PATIENTS APPLYING FOR CHARITY CARE ASSISTANCE ARE FINANCIALLY SCREENED BY A RESOURCE ADVISOR TO DETERMINE ELIGIBILITY ACCORDING TO STATE AND FEDERAL GUIDELINES AND ARE INFORMED OF DOCUMENTATION REQUIRED TO COMPLETE A CHARITY CARE APPLICATION PATIENTS NOT ELIGIBLE FOR CHARITY CARE RECEIVE FINANCIAL COUNSELING FOR ALL OTHER OPTIONS QUALIFIED PATIENTS ARE REFERRED TO ALL APPROPRIATE AGENCIES OR PROGRAMS TO MEET OTHER FINANCIAL NEEDS AT THE TIME OF THE PATIENT VISIT, AND AS PART OF THE REGISTRATION PROCESS AT THE MEDICAL CENTER, THE FOLLOWING OPTIONS ARE MADE AVAILABLE TO PATIENTS - FINANCIAL COUNSELING FOR POSSIBLE ELIGIBILITY FOR MEDICAL ASSISTANCE, INCLUDING MEDICAID AND SSI, - FINANCIAL COUNSELING FOR POSSIBLE ELIGIBILITY FOR THE NEW JERSEY HOSPITAL CARE PAYMENT ASSISTANCE PROGRAM, AND - FINANCIAL ARRANGEMENTS INCLUDING 1 CASH/CREDIT CARD (AMERICAN EXPRESS, DISCOVER, VISA, MASTERCARD), 2 LOW INTEREST LOAN PROGRAM, OR 3 FLEXIBLE PAYMENT PLANS IN ADDITION TO THE ABOVE OPTIONS, THE MEDICAL CENTER HAS ESTABLISHED A SELF-PAY ASSISTANCE PROGRAM FOR ITS UNINSURED PATIENTS THAT DO NOT QUALIFY FOR EITHER MEDICAID OR THE NEW JERSEY HOSPITAL CARE PAYMENT ASSISTANCE PROGRAM THE SELF-PAY ASSISTANCE PROGRAM RATES ARE REFLECTIVE OF MEDICARE REIMBURSEMENT, AS REFERRED BY THE STATE OF NEW JERSEY

Identifier	ReturnReference	Explanation
FACILITY INFORMATION	SCHEDULE H, PART V, SECTION B, QUESTIONS 1J, 3, 4, 5C, 6I & 7	NOT APPLICABLE

Identifier	ReturnReference	Explanation
FACILITY INFORMATION	SCHEDULE H, PART V, SECTION B,QUESTIONS 9,10,11H,13G,15E,16E,17E,18D,20&21	NOT APPLICABLE

Identifier	ReturnReference	Explanation
FACILITY INFORMATION	SCHEDULE H, PART V, SECTION B, QUESTION 19D	THE FACILITY USES 33% OF GROSS CHARGES TO APPROXIMATE THE AVERAGE CHARGED MANAGED CARE RATE AS THE MAXIMUM AMOUNT THAT CAN BE CHARGED TO FAP-ELIGIBLE INDIVIDUALS FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	SCHEDULE H, PART VI, QUESTION 2	HNMC IS A PRIVATE, 361-LICENSED-BED, GENERAL ACUTE CARE HOSPITAL LOCATED IN TEANECK, NEW J ERSEY THE MEDICAL CENTER IS A NON-PROFIT CORPORATION UNDER THE LAWS OF THE STATE OF NEW J ERSEY, AND IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(A) OF THE INTERNAL REVENU E CODE OF 1986, AS AMENDED, AND THE REGULATIONS PROMULGATED THEREUNDER, BY VIRTUE OF BEING AN ORGANIZATION DESCRIBED IN SECTION 501(C)(3) OF THE CODE HNMC WAS FOUNDED BY THE CONGR EGATION OF THE SISTERS OF ST JOSEPH OF PEACE (THE "SISTERS") IN 1925, AND IN 1958 WAS INC ORPORATED AS AN INDEPENDENT NEW JERSEY NON-PROFIT CORPORATION, SPONSORED BY THE SISTERS O RIGINALLY KNOWN AS "HOLY NAME HOSPITAL," THE NAME "HOLY NAME MEDICAL CENTER" WAS FORMALLY ADOPTED IN MARCH 2010, WHEN THE BOARD OF TRUSTEES OF HOLY NAME DETERMINED THAT THE TERM "H OSPITAL" WAS NO LONGER REFLECTIVE OF THE SIGNIFICANTLY BROADENED SCOPE OF CLINICAL CAPABIL ITIES AND SERVICES ACHIEVED SINCE HNMC'S INCEPTION HNMC'S PRIMARY MISSION AND GOALS WERE DEVELOPED BY THE SISTERS AND ESPOUSE THE FACILITATION OF PHYSICAL, SPIRITUAL AND SOCIAL WE LL-BEING REGARDLESS OF RACE, CREED OR ECONOMIC CONDITION WITH CENTERS OF EXCELLENCE IN CA NCER CARE, CARDIOVASCULAR SERVICES, INTERVENTIONAL RADIOLOGY, DIALYSIS TREATMENT, WOMEN'S HEALTHCARE, AND NEUROLOGY SERVICES, PLUS A HOST OF OTHER STATE-OF-THE-ART DIAGNOSTIC, TREA TMENT, AND HEALTH MANAGEMENT SERVICES, THE MEDICAL CENTER PROVIDES HIGH QUALITY HEALTHCARE ACROSS A CONTINUUM THAT EXTENDS FROM PREVENTION THROUGH TREATMENT AND ON TOWARD RECOVERY AND WELLNESS HNMC HAS A CLEAR DEFINITION OF ITSELF AND ITS MISSION "WE ARE A COMMUNITY O F CAREGIVERS COMMITTED TO A MINISTRY OF HEALING, EMBRACING THE TRADITION OF CATHOLIC PRINC IPLES, THE PURSUIT OF PROFESSIONAL EXCELLENCE, AND CONSCIENTIOUS STEWARDSHIP WE HELP OUR COMMUNITY ACHIEVE THE HIGHEST ATTAINABLE LEVEL OF HEALTH THROUGH EDUCATION, PREVENTION AND TREATMENT " LOCATED IN CLOSE PROXIMITY TO MAJOR ROAD NETWORKS, INCLUDING INTERSTATES 80 A ND 95 AND STATE ROUTES 46, 4 AND 17, HNMC IS ACCESSIBLE FROM COMMUNITIES THROUGHOUT NORTHE ASTERN NEW JERSEY HNMC HAS TRADITIONALLY DELIVERED ACUTE CARE SERVICES TO BERGEN AND HUDS ON COUNTY RESIDENTS APPROXIMATELY EIGHTY PERCENT (80%) OF HNMC'S 2011 INPATIENT ADMISSION S WERE PATIENTS WHO RESIDE IN BERGEN COUNTY THE MEDICAL CENTER'S SPECIALTY SERVICES, SUCH AS THOSE FOR MULTIPLE SCLEROSIS AND HEMODIALYSIS, TYPICALLY DRAW PATIENTS FROM A LARGER G EOGRAPHIC REGION HNMC IS A GENERAL ACUTE CARE COMMUNITY HOSPITAL PROVIDING A BROAD SPECTR UM OF INPATIENT, AMBULATORY CARE, HOME HEALTH, HOSPICE AND COMMUNITY SERVICES IN ADDITION TO ITS GENERAL MEDICAL, SURGICAL, OBSTETRICAL, GYNECOLOGICAL, PEDIATRIC AND PSYCHIATRIC S ERVICES, HNMC OFFERS A WIDE ARRAY OF DIAGNOSTIC AND TREATMENT MODALITIES AND VARIOUS SPECI ALTY SERVICES WHILE HNMC IS LICENSED FOR 361 BEDS AND 36 BASSINETTES, AS FOLLOWS MEDICAL /SURGICAL, 278 BEDS, INTENSIVE CARE, 19 BEDS, OBSTETRICS, 25 BEDS, PEDIATRICS, 16 BEDS, PS YCHIATRY, 23 BEDS, NORMAL NEWBORNS, 25 BASSINETTES, AND SPECIAL CARE NEWBORNS, 11 BASSINET TES HNMC OPERATES A LARGE ON-CAMPUS NURSING EDUCATION PROGRAM THE SCHOOL OF NURSING WAS ESTABLISHED IN 1925 AND HAS EDUCATED AND GRADUATED APPROXIMATELY 3,500 NURSES INTO THE PRO FESSION THE SCHOOL OF NURSING IS A HIGHLY COMPETITIVE REGISTERED NURSE DIPLOMA PROGRAM AC CEPTING ONLY 60 STUDENTS ANNUALLY THE CONTINUED STRONG ENROLLMENT IS ATTRIBUTABLE IN PART TO THE SCHOOL OF NURSING BEING CONSISTENTLY RANKED AS OR NEAR NUMBER ONE OF 1,565 REGISTE RED NURSING PROGRAMS NATIONWIDE IN PASSING THE LICENSURE EXAMINATION HNMC IS LICENSED BY THE NJDHSS AND IS CERTIFIED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES ("CMS") AS A PARTICIPATING PROVIDER THE MEDICAL CENTER IS ACCREDITED BY THE JOINT COMMISSION, AND IS ALSO ACCREDITED BY THE JOINT COMMISSION AS A PRIMARY STROKE CARE CENTER OTHER ACCREDITATI ONS INCLUDE AMERICAN HEART ASSOCIATION FOR ITS BASIC LIFE SUPPORT PROGRAM, THE SOCIETY OF CHEST PAIN CENTERS AS A DESIGNATED CHEST PAIN CENTER, AMERICAN COLLEGE OF RADIOLOGY, THE A MERICAN SOCIETY OF THERAPEUTIC RADIATION ONCOLOGY, AMERICAN COLLEGE OF SURGEONS COMMISSION ON CANCER, SOCIETY OF CHEST PAIN CENTERS, MEDICAL SOCIETY OF NEW JERSEY FOR THE MEDICAL E DUCATION PROGRAM, THE AMERICAN STROKE ASSOCIATION, COLLEGE OF AMERICAN PATHOLOGISTS, AMERI CAN ASSOCIATION OF CARDIAC AND PULMONARY REHABILITATION, THE NATIONAL LEAGUE FOR NURSING A ND THE NJ BOARD OF NURSING FOR HOLY NAME'S SCHOOL OF NURSING, AND THE AMERICAN NURSES CRED ENTIALING CENTER ("ANCC") FOR ITS MAGNET DESIGNATION HNMC IS AN AFFILIATE MEMBER OF THE N EW YORK-PRESBYTERIAN HEALTHCARE SYSTEM THE SYSTEM CONSISTS OF THIRTY-FOUR MEDICAL INSTITU TIONS, AND PROVIDES HNMC WITH ACCESS TO CERTAIN CLINICAL SPECIALISTS AND CLINICAL TRIALS HNMC IS ALSO AN AFFILIATE OF THE COLUMBIA UNIVERSITY COLLEGE OF PHYSICIANS AND SURGEONS C OLUMBIA IS ONE OF TWO ACADEMIC AFFILIATES OF THE NEW YORK-PRESBYTERIAN HEALTHCARE SYSTEM A ND PROVIDES A SUBSTANTIAL PORTION OF THE SYSTEM'S

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	SCHEDULE H, PART VI, QUESTION 2	ACADEMIC INFRASTRUCTURE HNMC IS RECOGNIZED FOR ITS CLINICAL SKILL, QUALITY OUTCOMES AND H IGH RATE OF PATIENT SATISFACTION BY MULTIPLE NATIONAL ACCREDITATION AGENCIES AND BENCHMARK ING ORGANIZATIONS THE JOINT COMMISSION CITES HNMC AS A "TOP PERFORMER FOR KEY QUALITY MEA SURES," CITING EXCELLENCE IN HEART ATTACK, PNEUMONIA AND SURGICAL CARE HNMC HOLDS MAGNET STATUS FOR OUTSTANDING NURSING CARE FROM THE AMERICAN NURSES CREDENTIALING CENTER ("ANCC") THE MAGNET RECOGNITION PROGRAM WAS DEVELOPED BY THE ANCC TO RECOGNIZE HEALTHCARE ORGANIZ ATIONS THAT PROVIDE NURSING EXCELLENCE, AND TO PROVIDE A VEHICLE FOR DISSEMINATING SUCCESS FUL NURSING PRACTICES AND STRATEGIES APPROXIMATELY SIX PERCENT (6%) OF HOSPITALS NATIONWI DE ARE MAGNET HOSPITALS HNMC ALSO RECEIVED THE BEACON AWARD FOR CRITICAL CARE EXCELLENCE FOR ITS TELEMETRY AND INTENSIVE CARE UNITS THIS AWARD FROM THE AMERICAN ASSOCIATION OF CR ITICAL-CARE NURSES RECOGNIZES NURSING EXCELLENCE IN PROFESSIONAL PRACTICE, PATIENT CARE AN D OUTCOMES HNMC HAS BEEN RECOGNIZED BY J D POWER AND ASSOCIATES WITH ITS DISTINGUISHED H OSPITAL AWARDS FOR EMERGENCY, INPATIENT AND MATERNITY SERVICE EXCELLENCE, AND HAS RECEIVED THE HEALTHGRADES DISTINGUISHED HOSPITAL AWARD FOR CLINICAL EXCELLENCE, AS WELL AS ITS SPE CIALTY EXCELLENCE AWARD FOR STROKE CARE DATA ADVANTAGE, LLC, WHICH IS A HEALTHCARE INFORM ATION COMPANY, HONORED HNMC WITH ITS BEST IN VALUE AWARD FOR QUALITY, AFFORDABILITY, EFFIC IENCY, PATIENT SAFETY AND OVERALL EXPERIENCE, AND HNMC RECEIVED DESIGNATION AS A COMMUNITY VALUE FIVE-STAR HOSPITAL BY CLEAVERLY+ASSOCIATES, AN INDEPENDENT ORGANIZATION THAT PERFOR MS NATIONWIDE STUDIES TO IDENTIFY THOSE HOSPITALS THAT PROVIDE VALUE TO THE COMMUNITY IN T ERMS OF FINANCIAL VIABILITY AND PLANT REINVESTMENT, COST STRUCTURE, CHARGE STRUCTURE AND Q UALITY PERFORMANCE HNMC HAS BEEN PRAISED REPEATEDLY AS AN EXEMPLARY WORKPLACE BY MODERN H EALTHCARE'S 100 BEST PLACES TO WORK IN HEALTHCARE PROGRAM, BY NJBIZ (THE LEADING WEEKLY BU SINESS PUBLICATION IN NEW JERSEY), WHICH CITES HNMC AS A TOP HOSPITAL AND BUSINESS OVERALL IN ITS 50 BEST PLACES TO WORK IN NEW JERSEY PROGRAM, AND BY COMPANIES THAT CARE, WHICH CI TED HNMC ON ITS 2010 AND 2011 HONOR ROLL COMPANIES THAT CARE IS A NON-PROFIT ORGANIZATION DEDICATED TO ENCOURAGING AND CELEBRATING BUSINESSES THAT PRIZE THEIR EMPLOYEES AND ARE CO MMITTED TO COMMUNITY SERVICE HNMC UTILIZES A VARIETY OF MEANS BY WHICH IT IDENTIFIES AND ANALYZES PATIENT CARE NEEDS AMONG THEM ARE PATIENT SATISFACTION DATA, ANALYSIS OF DEMOGR APHICS, ANALYSIS OF UTILIZATION AND MARKET TRENDS, REVIEW OF EXTERNALLY PUBLISHED DATA AND INFORMATION, ACUITY LEVELS (DAILY PLANNING OF STAFFING), AND INDIVIDUAL PROJECTS/EVALUATI ON/REVIEWS HNMC ALSO COMMISSIONS EXTERNAL SPECIALISTS TO CONDUCT SURVEYS AND FOCUS GROUPS OF INDIVIDUALS, HOUSEHOLDS, PHYSICIANS, AND OTHERS HNMC ALSO IS A MEMBER OF THE BERGEN C OUNTY COMMUNITY HEALTH IMPROVEMENT PROGRAM ("CHIP"), WHOSE MISSION IS TO EVALUATE AND ADDR ESS THE HEALTH NEEDS OF THE COUNTY THE CHIP PRODUCES AN EXTENSIVE, VERY USEFUL, DATABASE DEMONSTRATING THE NEEDS OF THE COUNTY'S RESIDENTS HNMC IS A FOUNDING MEMBER OF THE NORTHE RN NEW JERSEY MATERNAL-CHILD HEALTH CONSORTIUM, WHOSE MISSION IS TO EVALUATE AND PROVIDE C ARE TO WOMAN AND INFANTS IN THE AREA AGAIN, A COMPLETE NEEDS ASSESSMENT IS PERFORMED EVER Y THREE YEARS AND IS PROVIDED TO MEMBERS FOR THEIR USE IN ADDITION, US CENSUS BUREAU DATA IS UTILIZED, AS IS PURCHASED MARKET DATA, AND DATABASES OF ALL HOSPITALIZATIONS THROUGHOU T BOTH NEW JERSEY AND NEW YORK, THE SOURCE OF WHICH IS BILLING DATA PROVIDED TO THE RESPEC TIVE STATE DEPARTMENTS OF HEALTH SUCH DATABASES PROVIDE PERHAPS THE GREATEST WEALTH OF CL INICAL, DEMOGRAPHIC, FINANCIAL AND OTHER INFORMATION, AND ARE EXTREMELY VALUABLE IN UNDERS TANDING AND ADDRESSING THE NEEDS OF THE COMMUNITIES SERVED BY HNMC DATA FROM THE COUNTY A ND STATE HEALTH DEPARTMENTS, AND FROM THE NEW JERSEY HOSPITAL ASSOCIATION, ARE ALSO USED IN ACCORDANCE WITH PROVISIONS OF THE AFF

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	SCHEDULE H, PART VI, QUESTION 3	PRIOR TO OR DURING AN ADMISSION, ALL PATIENTS WITHOUT INSURANCE ARE SCREENED FOR POSSIBLE ASSISTANCE FROM OTHER SOURCES (E G , MEDICAID, VETERAN ADMINISTRATION, S S I , OR MUNICIPAL WELFARE) IF THE PATIENT IS FOUND TO BE INELIGIBLE FOR ANY OR ALL OF THE AFOREMENTIONED, THE PATIENT WILL BE SCREENED FOR CHARITY CARE THE EDUCATION OF PATIENTS AT HNMC IS PROVIDED IN-PERSON BY KNOWLEDGEABLE MEDICAL CENTER PERSONNEL AT THE TIME OF THE INITIAL SCREENING, AND ACCOMPANIED BY A PACKET OF INFORMATION THAT INCLUDES ALL CONTACT INFORMATION AS WELL ARRANGEMENTS FOR FOLLOW UP ARE TYPICALLY MADE IMMEDIATELY THIS PROCESS APPLIES TO ALL PATIENTS, WHETHER INPATIENT, OUTPATIENT, OR IN THE EMERGENCY DEPARTMENT IF THE PATIENT QUALIFIES FOR CHARITY CARE, THE PATIENT IS NOT BILLED FOR SERVICES THE MEDICAL CENTER'S BILLING AND COLLECTION POLICY INCLUDES SPECIFIC LANGUAGE STATING THAT CHARITY CARE PATIENTS ARE NOT BILLED THROUGH ITS COMPASSIONATE CARE PROGRAM, HNMC FURTHER ASSISTS UNINSURED PATIENTS WHO DO NOT QUALIFY FOR CHARITY CARE AND WHO ARE INELIGIBLE FOR MEDICARE, MEDICAID OR OTHER FEDERAL AND STATE INSURANCE PROGRAMS THE PURPOSE OF THE PROGRAM IS TO DECREASE THE FINANCIAL BURDEN OF PATIENTS IN THE COMMUNITY SERVED BY HNMC IF THE PATIENT MEETS CERTAIN ELIGIBILITY REQUIREMENTS FOR FINANCIAL ASSISTANCE AS DESCRIBED BELOW, FURTHER DISCOUNTS WILL BE APPLIED TO THE PATIENT'S BILL - SELF-PAY PATIENTS ARE ELIGIBLE FOR THE COMPASSIONATE CARE FEE SCHEDULE REGARDLESS OF INCOME - PATIENTS WHOSE INCOME LEVELS FALL WITHIN THE PUBLISHED HHS POVERTY GUIDELINES AND DO NOT QUALIFY FOR BENEFITS UNDER THE FEDERAL UNDOCUMENTED ALIEN PROGRAM, NJ STATE MEDICAID PROGRAM, OR CHARITY CARE PROGRAM, WILL BE CONSIDERED FOR ADDITIONAL DISCOUNTS THESE DISCOUNTS WILL BE PROVIDED TO PATIENTS WHO MEET THE REQUIRED GUIDELINES - PATIENTS WHO QUALIFY FOR THE N J MEDICAL CARE ASSISTANCE PROGRAM AND WHOSE INCOME FALLS WITHIN 200%-300% OF THE FEDERAL POVERTY LIMITS WILL BE ELIGIBLE FOR DISCOUNTS RANGING FROM 20%-100% OFF OF GROSS BILLED CHARGES PATIENTS WHO QUALIFY FOR THIS PROGRAM, BUT WHO HAVE A BALANCE AFTER THE DISCOUNT, WILL BE RESPONSIBLE FOR BETWEEN 20%-80% OF THE N J MEDICAID RATE - PATIENTS WHO DO NOT QUALIFY FOR THE N J MEDICAL CARE ASSISTANCE PROGRAM AND WHOSE INCOME FALL WITHIN 300%-500% OF THE FEDERAL POVERTY LIMITS WILL BE ELIGIBLE FOR A DISCOUNT BASED UPON MEDICARE RATES - PATIENTS WHOSE INCOME IS ABOVE 500% OF THE FEDERAL POVERTY LIMITS WILL BE ELIGIBLE FOR HNMC COMPASSIONATE CARE FEE SCHEDULE AS STATED ABOVE

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION	SCHEDULE H, PART VI, QUESTION 4	LOCATED IN TEANECK, IN THE SOUTHERN PORTION OF BERGEN COUNTY AND APPROXIMATELY FIVE MILES TO THE NORTHWEST OF NEW YORK CITY, HNMC'S PRIMARY SERVICE AREA ("PSA") COMPRISES 14 MUNICIPALITIES IN BERGEN COUNTY AND FOUR MUNICIPALITIES IN HUDSON COUNTY, NEW JERSEY HNMC'S SECONDARY SERVICE AREA ("SSA") INCLUDES 17 MUNICIPALITIES IN BERGEN COUNTY AND ONE MUNICIPALITY IN HUDSON COUNTY HNMC DRAWS 66% OF ITS INPATIENT ADMISSIONS FROM ITS PSA, AND 14% FROM ITS SSA AS THE SOLE CATHOLIC HOSPITAL IN AN AREA THAT IS ESTIMATED AT MORE THAN 50% ROMAN CATHOLIC, HNMC ALSO DRAWS FROM TOWNS WELL BEYOND BOTH THE PSA AND SSA THE US CENSUS BUREAU'S 2010 CENSUS COUNT FOR THE PSA WAS 493,599, RISING BY 0 8% TO 497,674 IN 2011 ACCORDING TO THE BUREAU'S ESTIMATES IN THE SSA, THE 2010 CENSUS COUNT WAS 282,263, RISING BY 0 7% TO 284,163 IN 2011 THE 45-64 AGE GROUP IS EXPECTED TO SHOW THE LARGEST AREA OF GROWTH, FOLLOWED BY THOSE AGED 65 OR MORE THE PSA HAS A MEDIAN HOUSEHOLD INCOME OF $60,996 AND THE SSA $84,695, PER THE US CENSUS BUREAU (2006-2010 5-YEAR PERIOD) THE UNEMPLOYMENT RATE (NOT SEASONALLY ADJUSTED) STOOD AT 8 9% FOR BERGEN COUNTY, AND 11 4% IN 2010 FOR HUDSON COUNTY, PER THE US BUREAU OF LABOR STATISTICS (JULY, 2012) THE MEDICAL CENTER'S SERVICE AREA IS PRIMARILY SUBURBAN, WITH MANY RESIDENTS WORKING OUTSIDE BERGEN COUNTY IN PLACES SUCH AS NEW YORK CITY HOWEVER, THERE ARE LARGE EMPLOYERS IN THE SERVICE AREA, E G , OTHER HOSPITALS, A LARGE SPORTS CHAIN, A LARGE COMMUNICATIONS FIRM, A LARGE PHARMACEUTICAL FIRM, AND A LARGE COMMERCIAL LABORATORY RESIDENTS OF HNMC'S SERVICE AREA ARE ALSO SERVED BY ANOTHER COMMUNITY HOSPITAL AND A TERTIARY CARE FACILITY WITH TRAUMA SERVICES HNMC'S PSA COVERS A MAJORITY OF THE TOWNS SERVICED BY THE OTHER COMMUNITY HOSPITAL, WHEREAS THE TERTIARY CARE FACILITY'S PRIMARY SERVICE AREA ALSO INCLUDES MANY TOWNS TO THE WEST THAT ARE NOT PART OF HNMC'S SERVICE AREA GIVEN THE NUMBER OF SERVICE AREA RESIDENTS WHO WORK IN NEARBY NEW YORK CITY, IT IS NOT SURPRISING THAT A SMALL PORTION OF THESE RESIDENTS ALSO RECEIVE THEIR HEALTHCARE IN MANHATTAN WHILE THE SERVICE AREA IS PREDOMINANTLY NON-HISPANIC CAUCASIAN, BOTH HISPANICS (OF ANY RACE) AND ASIAN POPULATIONS (PRINCIPALLY KOREAN) ARE THE FASTING GROWING GROUPS IN RESPONSE, THE MEDICAL CENTER HAS PROGRAMS ADDRESSING THESE GROUPS' NEEDS, AND PHYSICIANS AND NURSES FLUENT IN THE APPLICABLE LANGUAGES IN 2008, APPROXIMATELY 75 KOREAN PHYSICIANS JOINED THE MEDICAL STAFF, ADDING TO THE NEED FOR STAFF AND SERVICES TO MEET THIS GROWING SEGMENT OF THE COMMUNITY

Identifier	ReturnReference	Explanation
PROMOTION OF COMMUNITY HEALTH	SCHEDULE H, PART VI, QUESTION 5	HNMC PROMOTES THE HEALTH OF ITS COMMUNITIES IN A VARIETY OF WAYS ALL MEMBERS OF THE BOARD OF TRUSTEES LIVE IN BERGEN COUNTY, NEW JERSEY, WHERE HNMC IS LOCATED, AND A MAJORITY LIVE IN THE MUNICIPALITIES OF THE MEDICAL CENTER'S DEFINED SERVICE AREA THE TRUSTEES' UNDERST ANDING OF THE SERVICE AREA IS THUS ENHANCED, AS IS THEIR UNDERSTANDING OF THE NEED TO REIN VEST FUNDS IN IMPROVEMENTS IN PATIENT CARE, MEDICAL EDUCATION AND RESEARCH AS PART OF ITS CHARITABLE PURPOSE, HNMC PROVIDES A WIDE ARRAY OF SERVICES TO THE COMMUNITY, TARGETED TOW ARD IMPROVING THE HEALTH OF THE COMMUNITY THE MAJORITY OF SUCH SERVICES ARE FREE A SMALL SAMPLING OF SUCH ACTIVITIES IS PROVIDED BELOW - FREQUENT HEALTH FAIRS THROUGHOUT THE REG ION ARE GIVEN AT THESE FAIRS RISK ASSESSMENTS, SCREENINGS AND LITERATURE ARE PROVIDED (MA NY IN SPANISH AND KOREAN, AS WELL AS ENGLISH) - IMMUNIZATIONS ARE PROVIDED - FREE AND/OR VERY LOW FEE TRANSPORTATION (E G , FOR CANCER TREATMENT, DIALYSIS) IS AVAILABLE - COMMUN ITY HEALTH NURSES AND MOBILE LEARNING ARE ALSO PROVIDED - STAFF FROM VARIOUS DEPARTMENTS THROUGHOUT THE MEDICAL CENTER VISIT LOCAL SCHOOLS TO PROVIDE HEALTH CLASSES - SCREENINGS, E G , BLOOD PRESSURE, CANCER, STROKE, DIABETES, PROSTATE CANCER, BREAST CANCER, OSTEOPORO SIS, PERIPHERAL ARTERY DISEASE, SKIN CANCER, COLON CANCER, AND OTHER CLINICAL SCREENING AN D EDUCATION ARE PROVIDED, OFTEN AS PART OF COMMUNITY PROGRAMS SPECIFIC TO THE PARTICULAR D ISEASE GROUP - SENIOR CENTERS ARE SUPPORTED WITH FREE EXERCISE CLASSES, LECTURES AND SCRE ENINGS - SUPPORT GROUPS ARE PROVIDED, SUCH AS CANCER, PERINATAL BEREAVEMENT, ADULT BEREAV EMENT, NEW MOTHERS, DIABETES, SMOKING, AND CARDIAC DISEASE - HNMC'S ALS BIKE TEAM, ALS VE HICLES AND/OR SPECIAL OPERATIONS VEHICLES ARE PRESENT AT EVENTS OCCURRING IN MUNICIPALITIE S IN HNMC'S SERVICE AREA WITHOUT CHARGE - COURSES (PROVIDED EITHER FREE OR FOR A LOW FEE) ARE PROVIDED THROUGHOUT THE YEAR EXAMPLES INCLUDE CPR CERTIFICATION, DEFENSIVE DRIVING, GENERAL AND SPECIALTY (E G , OSTEOPOROSIS) EXERCISE, BREASTFEEDING PREPARATION, STRESS MA NAGEMENT, DIABETES SELF-MANAGEMENT, BABY CARE BASICS, WEIGHT MANAGEMENT, AND PARENTING - CLASSES TO PROMOTE BETTER HEALTH ARE ABUNDANT YOGA, WEIGHT REDUCTION, OSTEOPOROSIS, PROPE R HAND-WASHING, TAI CHI, COOKING FOR CARDIAC PATIENTS - LECTURES, OFTEN INVOLVING HNMC'S MEDICAL STAFF AS PRESENTERS, ARE PROVIDED, THE MAJORITY OF WHICH ARE FREE MEN'S HEALTH, W OMEN'S HEALTH, A MID-LIFE AND MENOPAUSE LECTURE SERIES, SLEEP DISORDERS, ALLERGIES, DEPRES SION, ASTHMA, UTERINE FIBROIDS, COPD, STROKE, HYPERTENSION, MENTAL WELLNESS, CARDIAC ISSUE S, ALZHEIMER'S, JOINT REPLACEMENT, SLEEP APNEA, CANCERS, CHILDREN'S HEALTH, DISASTER PREPA REDNESS, AND GENERAL HEALTH AND WELL-BEING ARE AMONG THE TOPICS PRESENTED - HNMC'S WEBSIT E (WWW HOLYNAME ORG) PROVIDES A WEALTH OF FREE CONSUMER HEALTH INFORMATION THE SITE INCLU DES AN ON-LINE MEDICAL LIBRARY HOUSING INFORMATION ON DISEASES AND CONDITIONS, SURGERIES A ND PROCEDURES, VITAMINS AND SUPPLEMENTS, NUTRITION, WELLNESS, AND A DRUG REFERENCE ON-LIN E RISK ASSESSMENTS AND QUIZZES ARE ALSO AVAILABLE, AS IS THE ABILITY TO SET UP A PERSONAL HEALTH PAGE INFORMATION IS ALSO PRESENTED IN SPANISH - HNMC'S "ASK-A-NURSE" PROGRAM, WHI CH PROVIDES 24/7 PHONE ACCESS TO REGISTERED NURSES, IS PROVIDED FREE OF CHARGE - BLOOD DR IVES ARE HOSTED REGULARLY AT HNMC MANY HEALTH SERVICES ARE SUBSIDIZED BY HNMC, SUCH AS IT S CLINICS, HOSPICE AND HEMODIALYSIS PROGRAMS EACH YEAR THE MEDICAL CENTER CONTRIBUTES TO AIRFARE, SUPPLIES AND OTHER SUPPORT FOR HNMC NURSES AND DOCTORS TO TRAVEL TO THIRD WORLD C OUNTRIES (E G , HAITI) TO PROVIDE MEDICAL CARE, INCLUDING SURGERY, TO PERSONS WHO OTHERWIS E WOULD NEVER RECEIVE ADEQUATE TREATMENT DUE TO POVERTY AND LACK OF ACCESS HNMC OPERATES A FREE CLINIC WHICH PROVIDES SERVICES TO WOMEN AND CHILDREN WHO ARE HOMELESS, HOUSED IN CO MMUNITY SHELTERS AS VICTIMS OF DOMESTIC ABUSE, OR HOUSED IN COMMUNITY TRANSITIONAL RESIDEN CES HNMC ALSO PARTICIPATES IN THE WOMEN, INFANTS AND CHILDREN ("WIC") AND HEALTH START PR OGRAMS, PROVIDING NUTRITIONAL AND SOCIAL SERVICES, ANCILLARY SERVICES AND OTHER PROGRAMS T O PARTICIPANTS INEXPENSIVE MEDICALLY SUPERVISED DAY CARE FOR ILL CHILDREN IS AVAILABLE ON CAMPUS TO WORKING PARENTS IN THE COMMUNITY AFFORDING THEM THE ABILITY TO WORK EVEN WHEN A CHILD IS SICK SENIOR OR DISABLED PERSONS REQUIRING MEDICAL DAY CARE ARE TRANSPORTED FREE OF CHARGE TO HNMC'S ADULT DAY CARE PROGRAM, REDUCING THE BURDEN ON FAMILY CARETAKERS HNM C'S EMERGENCY DEPARTMENT ("ED") IS OPEN 24 HOURS A DAY, EVERY DAY OF THE YEAR ALTHOUGH TH E ED GENERALLY IS ABLE TO COVER ITS COSTS, IT PROVIDES A SIGNIFICANT AMOUNT OF UNCOMPENSAT ED CARE AND IS A WELL-USED RESOURCE FOR MANY WITHOUT INSURANCE WHO RELY ON IT FOR CARE OT HER SERVICES, SUCH AS CLINICS, DO NOT COVER THEIR COSTS, AND HNMC ABSORBS THE ADDITIONAL E XPENSE LANGUAGE INTERPRETATION IS AVAILABLE FOR APPROXIMATELY 220 LANGUAGES AT THE MEDICA L CENTER THROUGH USE OF A COMMERCIAL SERVICE THAT

Identifier	ReturnReference	Explanation
PROMOTION OF COMMUNITY HEALTH	SCHEDULE H, PART VI, QUESTION 5	PROVIDES A LIVE TRANSLATOR 24/7 HNMC HAS AN OPEN MEDICAL STAFF WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS IN THE AREA HNMC HAS INTENTIONALLY SOUGHT OUT PHYSICIANS FLUE NT IN SPANISH AND WHO CARE FOR HISPANIC POPULATIONS, AND PROVIDES FREE TRANSPORTATION FOR SUCH POPULATIONS (AS WELL AS OTHERS) UNABLE TO ACCESS CARE EASILY ON THEIR OWN HNMC HAS A LSO ADDED MANY KOREAN PHYSICIANS TO ITS MEDICAL STAFF AND PROVIDES A KOREAN CLINIC WEEKLY, WITH KOREAN SPEAKING PHYSICIANS (AND NURSES), AS THE ASIAN COMMUNITY IS ONE OF THE FASTES T GROWING SECTORS IN THE COUNTY THE INSTITUTE FOR CLINICAL RESEARCH AT HNMC PROVIDES EXCE PTIONAL INVESTIGATORS, FACILITIES, AND SERVICES FOR SPONSORING AGENCIES THAT SEEK TO ADVAN CE PATIENT CARE THROUGH SUPERIOR CLINICAL RESEARCH THE INSTITUTE IS DEDICATED TO CONDUCTI NG EXPEDITIOUS, HIGH-QUALITY CLINICAL TRIALS TO TEST NEW MEDICATIONS, DEVICES, DIAGNOSTIC MODALITIES AND TREATMENT PROTOCOLS AS A DYNAMIC HEALTHCARE INSTITUTION THAT HAS RECEIVED MANY HONORS OF DISTINCTION FOR ITS CLINICAL EXCELLENCE AND COMPASSIONATE PATIENT CARE, HNM C IS WELL-SUITED TO PARTICIPATE IN THE QUEST FOR SCIENTIFIC BREAKTHROUGHS HNMC'S STATE-OF -THE-ART FACILITIES EXCEED THE HIGHEST STANDARDS FOR CARRYING OUT TODAY'S MOST PROMISING C LINICAL RESEARCH THE INSTITUTE PROVIDES SPONSORS WITH RESEARCH SUPPORT THROUGHOUT ALL THE STAGES OF THEIR CLINICAL TRIALS SINCE ITS INCEPTION, HNMC HAS BEEN ACTIVELY INVOLVED IN HEALTH PROFESSIONS EDUCATION, TRAINING, EDUCATING AND MENTORING HEALTHCARE PROFESSIONALS THE HOLY NAME SCHOOL OF NURSING WAS FOUNDED IN 1925, WITH A DEDICATION TO FOSTERING THE WE LL-BEING AND DIGNITY OF ALL INDIVIDUALS, SICK OR WELL THE REGISTERED NURSE ("RN") PROGRAM IS A HIGHLY COMPETITIVE REGISTERED NURSE DIPLOMA PROGRAM, AND IS ACCREDITED WITH THE NEW JERSEY BOARD OF NURSING AND THE NATIONAL LEAGUE FOR NURSING ACCREDITING COMMISSION IN 197 2 THE SCHOOL EXPANDED TO INCLUDE A PRACTICAL NURSE ("LPN") PROGRAM AS WELL, WHICH IS A 12- MONTH PRACTICAL NURSE DIPLOMA PROGRAM ALSO ACCREDITED WITH THE NEW JERSEY BOARD OF NURSING BOTH PROGRAMS CONTINUE TO SUPPLY THE REGION WITH HIGHLY SKILLED NURSES OF MANY ETHNICITI ES AND AGE GROUPS IN ADDITION TO ITS OWN NURSING SCHOOL, HNMC PROVIDES, FREE OF CHARGE, B OTH A TRAINING GROUND AND MENTORING FOR STUDENTS FROM VARIOUS HEALTH ACADEMIC PROGRAMS OF SEVERAL COLLEGES AND UNIVERSITIES A VARIETY OF "EXTERNSHIPS" ARE ALSO OFFERED WITHOUT CHA RGE CAREER DAYS ARE ALSO HELD ON CAMPUS, AND THE MEDICAL CENTER PARTICIPATES IN HEALTH CA REER DAYS THROUGHOUT THE VARIOUS SCHOOLS AND COMMUNITIES HNMC HAS A NUMBER OF ACADEMIC RE LATIONSHIPS THROUGH WHICH IT SERVES AS AN EDUCATIONAL ENVIRONMENT FOR STUDENTS AFFILIATIO N AGREEMENTS ARE MAINTAINED WITH SEVERAL COLLEGES AND UNIVERSITIES FOR NURSING STUDENTS, A ND FOR RADIOLOGY, NUCLEAR MEDICINE, ULTRASOUND, RESPIRATORY, AND SURGICAL TECHNICIANS TRA INEES FROM A UNIVERSITY ARE PREDOMINANTLY DOCTOR OF PHARMACY STUDENTS WHO ARE COMPLETING R OTATIONS IN ACUTE CRITICAL CARE, INFECTIOUS DISEASE, ONCOLOGY, NEPHROLOGY, AND ADMINISTRAT ION COMMUNITY HEALTH STUDENTS ROTATE THROUGH THE MEDICAL CENTER AS WELL PHYSICAL AND/OR OCCUPATIONAL THERAPY STUDENTS FROM WITH TEN COLLEGES IN NEW JERSEY AND OTHER STATES COMPLE TE CLINICAL ROTATIONS AT THE MEDICAL CENTER, HNMC EMPLOYEES SERVE AS SUPERVISORS AND CLINI CAL INSTRUCTORS FOR THESE STUDENTS UNDERGRADUATE, NURSE PRACTITIONER AND NURSING DOCTORAL STUDENTS FROM YET ANOTHER UNIVERSITY COMPLETE ROTATIONS WITH OVERSIGHT FROM HNMC'S DEPART MENT OF NURSING EDUCATION EACH YEAR, HNMC ACCEPTS A SMALL NUMBER OF RESIDENTS IN HEALTH P OLICY, HEALTH FINANCE, AND HEALTH MANAGEMENT FROM UNIVERSITIES IN NEW YORK AND MARYLAND T HE STUDENTS COMPLETE THEIR RESIDENCIES UNDER THE DIRECTION OF THE CEO AND MEMBERS OF SENIO R MANAGEMENT

Identifier	ReturnReference	Explanation
AFFILIATED HEALTHCARE SYSTEM	SCHEDULE H, PART VI, QUESTION 6	THE MEDICAL CENTER IS THE SOLE MEMBER OF SIX ENTITIES (I) HOLY NAME HEALTH CARE FOUNDATION, INC , A NON-PROFIT CORPORATION WHICH SEEKS VOLUNTARY DONATIONS TO SUPPORT THE HEALTHCARE SERVICES PROVIDED BY THE MEDICAL CENTER, (II) HOLY NAME REAL ESTATE CORP , A NON-PROFIT CORPORATION WHICH MANAGES, AND IN SOME CASES POSSESSES TITLE TO AND ENGAGES IN LEASING ARRANGEMENTS WITH RESPECT TO, REAL ESTATE HOLDINGS OF THE MEDICAL CENTER AND ITS RELATED ENTITIES, (III) HEALTH PARTNER SERVICES, INC , A FOR-PROFIT CORPORATION ENGAGED IN PROVIDING MANAGEMENT SERVICES FOR HEALTHCARE PROVIDERS, (IV) HOLY NAME EMS, INC , A NON-PROFIT CORPORATION WHICH OWNS AND OPERATES THE MEDICAL CENTER'S BASIC LIFE SUPPORT ("BLS") AND ADVANCED LIFE SUPPORT ("ALS") VEHICLES AND SERVICES, (V) MSCCC, A NON-PROFIT AMBULATORY CARE PROGRAM FOR MS PATIENTS, AND (VI) HNH FITNESS, L L C , A FOR-PROFIT LIMITED LIABILITY COMPANY THAT OPERATES A MEDICALLY BASED FITNESS AND WELLNESS CENTER, LOCATED IN THE BOROUGH OF ORADELL, BERGEN COUNTY, NEW JERSEY INCLUDED IN THE FACILITY IS A SATELLITE NON-PROFIT PHYSICAL THERAPY PRACTICE THAT IS OPERATED BY THE MEDICAL CENTER

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	SCHEDULE H, PART VI, QUESTION 7	NOT APPLICABLE THE ENTITY AND RELATED PROVIDER ORGANIZATIONS ARE LOCATED IN NEW JERSEY NEW JERSEY DOES NOT REQUIRE HOSPITALS TO ANNUALLY SUBMIT A COMMUNITY BENEFIT REPORT

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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

2011

Open to Public Inspection

Name of the organization
HOLY NAME MEDICAL CENTER

Employer identification number
22-1487322

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. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) MS COMPREHENSIVE CARE CENTER718 TEANECK ROAD TEANECK,NJ 07666	22-2402959	501(C)(3)	105,000				PROGRAM SUPPORT

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

3 Enter total number of other organizations listed in the line 1 table . . . . ▶ 0

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
(1) EDUCATIONAL SCHOLARSHIPS	25	116,818			

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 FUND MONITORING	SCHEDULE I, PART I, QUESTION 2	GRANTS ARE MONITORED BY THE ORGANIZATION'S FINANCE PERSONNEL THROUGH THE UTILIZATION OF COST CENTERS AND OTHER INFORMATION, INCLUDING WRITTEN DOCUMENTATION AND RECEIPTS

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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

2011

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Name of the organization
HOLY NAME MEDICAL CENTER

Employer identification number
22-1487322

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?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
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 Schedule J-1 if additional space 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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(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								

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 INFORMATION	SCHEDULE J, PART I, QUESTION 4B	THE DEFERRED COMPENSATION AMOUNT IN COLUMN C FOR THE FOLLOWING INDIVIDUALS INCLUDES UNVESTED BENEFITS IN AN INTERNAL REVENUE CODE SECTION 457(F) PLAN (NON-QUALIFIED DEFERRED COMPENSATION PLAN) WHICH ARE SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE ACCORDINGLY, THE INDIVIDUALS MAY NEVER ACTUALLY RECEIVE THIS UNVESTED BENEFIT AMOUNT THE AMOUNTS OUTLINED HEREIN WERE NOT INCLUDED IN EACH INDIVIDUAL'S 2011 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES JOSEPH M LEMAIRE, $247,068, MICHAEL MARON, $407,235 AND SHERYL SLONIM, $115,775
COMPENSATION INFORMATION	SCHEDULE J, PART I, QUESTION 7 AND CORE FORM, PART VII	CERTAIN INDIVIDUALS INCLUDED IN SCHEDULE J, PART II RECEIVED A BONUS DURING CALENDAR YEAR 2011 WHICH AMOUNTS WERE INCLUDED IN COLUMN B(II) HEREIN AND IN EACH INDIVIDUAL'S 2011 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES PLEASE REFER TO THIS SECTION OF THE FORM 990, SCHEDULE J FOR THIS INFORMATION BY PERSON BY AMOUNT

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2011

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Name of the organization
HOLY NAME MEDICAL CENTER

Employer identification number
22-1487322

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	NJ HEALTH CARE FACILITIES FINANCING AUTHORITY	22-1987084	64579FHK2	06-15-2006	60,816,719	CONSTRUCTION/RENOVATION/EQUIP		X		X		X
B	NJ HEALTH CARE FACILITIES FINANCING AUTHORITY	22-1987084	64579FH89	09-02-2010	55,971,065	BOND REFUNDING/CAPITAL EXPENDITURE		X		X		X
C	NJ HEALTH CARE FACILITIES FINANCING AUTHORITY	22-1987084	64579FJT1	11-22-2006	7,000,000	HNH FITNESS ACQUISITION		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	0	0	0	
2	Amount of bonds defeased	0	0	0	
3	Total proceeds of issue	64,932,674	55,971,117	7,039,950	
4	Gross proceeds in reserve funds	5,738,069	0	0	
5	Capitalized interest from proceeds	0	0	416,077	
6	Proceeds in refunding escrow	0	0	0	
7	Issuance costs from proceeds	1,014,001	1,235,776	103,703	
8	Credit enhancement from proceeds	0	0	43,900	
9	Working capital expenditures from proceeds	0	0	0	
10	Capital expenditures from proceeds	42,313,332	7,560,834	6,476,266	
11	Other spent proceeds	25,859,652	47,290,816	5	
12	Other unspent proceeds	33,178	0	0	
13	Year of substantial completion	2009	2010	2006	

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?	X		X			X		
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X			X		
c	Are there any research agreements that may result in private business use of bond-financed property?	X		X			X		
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?	X		X					
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		0 600 %		0 600 %		0 600 %		
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		0 %		0 %		0 %		
6	Total of lines 4 and 5		0 600 %		0 600 %		0 600 %		
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X			

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		
2	Is the bond issue a variable rate issue?		X		X	X			
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X		X		X		
b	Name of provider	0		0		0			
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a GIC?		X		X		X		
b	Name of provider	0		0		0			
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		X		X		X		
6	Did the bond issue qualify for an exception to rebate?		X		X		X		

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization	Employer identification number
HOLY NAME MEDICAL CENTER	22-1487322

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT	CORE FORM, PART III	HOLY NAME MEDICAL CENTER ("HNMC") IS A PRIVATE, 361-BED NEW JERSEY-LICENSED GENERAL ACUTE CARE HOSPITAL THE MEDICAL CENTER IS A NON-PROFIT CORPORATION UNDER THE LAWS OF THE STATE OF NEW JERSEY, AND IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(A) OF THE INTERNA L REVENUE CODE BY VIRTUE OF BEING AN ORGANIZATION DESCRIBED IN SECTION 501(C)(3) OF THE CO DE PURSUANT TO ITS CHARITABLE PURPOSES, HNMC PROVIDES MEDICALLY NECESSARY HEALTHCARE SERV ICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, S EX, NATIONAL ORIGIN OR ABILITY TO PAY MOREOVER, HNMC OPERATES CONSISTENTLY WITH THE FOLLO WING CRITERIA OUTLINED IN IRS REVENUE RULING 69-545 1 HNMC PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS REGARDLESS OF ABILITY TO PAY, INCLUDING CHARITY CAR E, SELF- PAY, MEDICARE AND MEDICAID PATIENTS, 2 HNMC OPERATES AN ACTIVE EMERGENCY ROOM FO R ALL PERSONS, WHICH IS OPEN 24 HOURS A DAY, 7 DAYS A WEEK, 365 DAYS PER YEAR, 3 HNMC MAI NTAINS A MEDICAL STAFF, WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHY SICIANS, 4 CONTROL OF HNMC RESTS WITH ITS BOARD OF TRUSTEES AND THE SISTERS OF ST JOSEPH OF PEACE BOTH BOAR DS ARE COMPRISED OF INDEPENDENT CIVIC LEADERS AND OTHER PROMINENT MEMBERS OF THE COMMUNITY , AND 5 SURPLUS FUNDS ARE USED TO IMPROVE THE QUALITY OF PATIENT CARE, EXPAND AND RENOVAT E FACILITIES AND ADVANCE MEDICAL CARE, PROGRAMS AND ACTIVITIES THE OPERATIONS OF HNMC, AS SHOWN THROUGH THE FACTORS OUTLINED ABOVE AND OTHER INFORMATION CONTAINED HEREIN, CLEARLY DEMONSTRATE THAT HNMC PROVIDES SUBSTANTIAL COMMUNITY BENEFIT AND THAT THE USE AND CONTROL OF HNMC IS FOR THE BENEFIT OF THE PUBLIC AND THAT NO PART OF THE INCOME OR NET EARNINGS OF THE ORGANIZATION INURES TO THE BENEFIT OF ANY PRIVATE INDIVIDUAL, NOR IS ANY PRIVATE INTE REST BEING SERVED OTHER THAN INCIDENTALLY THE SISTERS OF ST JOSEPH OF PEACE HEALTH CARE SYSTEM CORPORATION (THE "HOLDING COMPANY") IS A NON-PROFIT CORPORATION UNDER THE LAWS OF T HE STATE OF NEW JERSEY, AND IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(A) OF TH E INTERNAL REVENUE CODE BY VIRTUE OF BEING AN ORGANIZATION DESCRIBED IN SECTION 501(C)(3) OF THE CODE THE HOLDING COMPANY IS THE SOLE MEMBER OF THE MEDICAL CENTER THIS TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM CONSISTS OF A GROUP OF AFFILIATED HEALTHCARE ORGANI ZATIONS THE SOLE MEMBER OF EACH ENTITY IS EITHER THE HOLDING COMPANY OR HNMC MISSION === ==== WE ARE A COMMUNITY OF CAREGIVERS COMMITTED TO A MINISTRY OF HEALING, EMBRACING THE TR ADITION OF CATHOLIC PRINCIPLES, THE PURSUIT OF PROFESSIONAL EXCELLENCE, AND CONSCIENTIOUS STEWARDSHIP WE HELP OUR COMMUNITY ACHIEVE THE HIGHEST ATTAINABLE LEVEL OF HEALTH THROUGH EDUCATION, PREVENTION, AND TREATMENT HISTORY ======= THE MEDICAL CENTER WAS FOUNDED BY TH E CONGREGATION OF THE SISTERS OF ST JOSEPH OF PEACE (THE "SISTERS") IN 1925, AND IN 1958 WAS INCORPORATED AS AN INDEPENDENT NEW JERSEY NON-PROFIT CORPORATION, SPONSORED BY THE SIS TERS IT WAS THE DEDICATION OF TWO TEANECK SURGEONS AND THE LEADERSHIP OF A SISTER THAT MA DE HNMC A REALITY IN 1925 RECOGNIZING THE NEED TO SERVE THE SICK AND INDIGENT OF THE COMM UNITY, DRS FRANK MCCORMACK AND GEORGE PITKIN APPEALED TO MOTHER GENERAL AGATHA BROWN OF T HE SISTERS FOR HELP IN FINDING A SUITABLE MEDICAL CENTER SITE AND PROVIDING ADMINISTRATIVE AND NURSING STAFF THE SISTERS PURCHASED THE ESTATE OF THE LATE WILLIAM WALTER PHELPS AND ERECTED THE MEDICAL CENTER THERE, STAFFING IT WITH SISTERS AT ITS OPENING IN 1925, HNMC BOASTED 115 BEDS FIVE YEARS LATER, A 90-BED CLINIC BUILDING WAS BUILT TO MEET THE NEEDS O F AREA RESIDENTS WHO HAD BEEN IMPOVERISHED BY THE GREAT DEPRESSION TEANECK WAS LITTLE MOR E THAN A RURAL VILLAGE THEN, IN ALL OF BERGEN COUNTY THERE WERE SOME 250,000 INHABITANTS WITH THE COMPLETION OF THE GEORGE WASHINGTON BRIDGE IN 1931, A SURGE OF DEVELOPMENT FOLLOW ED WORLD WAR II, AND THE AREA SOON BECAME A THRIVING RESIDENTIAL AND BUSINESS COMMUNITY H NMC THRIVED AS WELL IN 1955 A SECOND ADDITION WAS COMPLETED THE FOUR-STORY, 110-BED MARI AN BUILDING, WITH TWO MORE STORIES ADDED TO THE FACILITY WITHIN THE NEXT TEN YEARS DURING THE 1960'S, THE WEST WING OF THE MARIAN BUILDING WAS ENLARGED BY THREE MORE UNITS FACED AGAIN WITH THE THREAT OF OVERCROWDING IN THE 1980'S, THE MEDICAL CENTER COMPLEX WAS ONCE M ORE ENLARGED WITH CONSTRUCTION OF THE BRESLIN/KENNEDY BUILDING IN 1993 THE "NEW ADDITION" WAS CONSTRUCTED, PRINCIPALLY TO ACCOMMODATE THE INCREASING AMBULATORY AND SAME-DAY-STAY P ATIENTS, AND A NEW PHY SICAL MEDICINE BUILDING WAS ADDED A FOUR-LEVEL REGIONAL CANCER CENT ER WAS COMPLETED IN THE LATE 1990'S MORE RECENT ADDITIONS INCLUDE A NEW 41-BAY EMERGENCY DEPARTMENT, A HEALTH AND FITNESS CENTER, AND A RESIDENTIAL HOSPICE, VILLA MARIE CLAIRE TH E MEDICAL CENTER HAS GROWN IN SIZE, REPUTATION AND CAPABILITY WITH EACH ADDITION AS HNMC CELEBRATES ALMOST 90 YEARS, IT CONTINUES TO TAKE STEPS TO BECOME A NATIONAL MODEL BY IMPLE MENTING NEW, ADVANCED TECHNOLOGIES AND MEDICAL/SUR

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT	CORE FORM, PART III	GICAL TECHNIQUES, AS WELL AS BEST PRACTICES IN PROCESSES SUCH AS MEDICATION ADMINISTRATION , HEALTHCARE INFORMATION SYSTEMS, DISASTER PREPAREDNESS, AND BUILDING CONSTRUCTION AND DES IGN IMPROVEMENTS SUCH AS THESE ALLOW HNMC TO PROVIDE EVERY PATIENT WITH A SUPERIOR EXPERI ENCE CHARACTERIZED BY SAFE, HIGH QUALITY CARE LEADING-EDGE CARE ========== HNMC IS A COMPREHENSIVE, 361-BED ACUTE CARE FACILITY PROVIDING LEADING-EDGE MEDICAL PRACTICE AND TECHNOLOGY ADMINISTERED IN AN ENVIRONMENT ROOTED IN A TRADITION OF COMPASSION AND RESPECT FOR EVERY PATIENT HNMC OFFERS HIGH QUALITY HEALTHCARE ACROSS A CONTINUUM THAT ENCOMPASSES EDUCATION, PREVENTION, EARLY INTERVENTION, COMPREHENSIVE TREATMENT OPTIONS, REHABILITATIO N AND WELLNESS MAINTENANCE-FROM PRE-CONCEPTION THROUGH END-OF-LIFE WITH ALMOST 900 PHYSIC IANS REPRESENTING DOZENS OF MEDICAL AND SURGICAL SPECIALTIES, HNMC PROVIDES AN EXCEPTIONAL HEALTHCARE EXPERIENCE FOR ITS PATIENTS A FEW OF THE ''CENTERS OF EXCELLENCE'' AT HNMC INCL UDE - REGIONAL CANCER CENTER - INTERVENTIONAL INSTITUTE (OFFERING INNOVATIVE, NON-SURGICA L TREATMENT OPTIONS) - CARDIOVASCULAR SERVICES - GEORGE P PITKIN M D EMERGENCY CARE CENT ER - WOMEN'S AND CHILDREN'S SERVICES - BONE AND JOINT CENTER - LUNG CENTER OTHER OUTSTANDI NG SERVICES INCLUDE BUT ARE NOT LIMITED TO - SPECIALTY SURGERY SERVICES WITH EXPERTISE IN MINIMALLY INVASIVE TECHNIQUES, INCLUDING ROBOTICS - ADVANCED RADIOLOGICAL IMAGING - HOSPI CE AND PALLIATIVE SERVICES, INCLUDING THE ESTABLISHMENT OF VILLA MARIE CLAIRE, A RESIDENTI AL HOSPICE FACILITY IN SADDLE RIVER, NJ - REHABILITATION MEDICINE, ENCOMPASSING HNHFITNESS , HNMC'S MEDICALLY-BASED FITNESS CENTER IN ORADELL, NJ - BARIATRIC MEDICINE - CENTER FOR S LEEP MEDICINE - MATERNAL-FETAL MEDICINE FOR HIGH-RISK AND COMPLICATED PREGNANCIES - RENAL DIALYSIS - CULTURALLY- AND LINGUISTICALLY-SENSITIVE HEALTH PROGRAMS KOREAN MEDICAL PROGRA M AND HISPANIC OUTREACH PROGRAM - INSTITUTE FOR CLINICAL RESEARCH

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III	AFFILIATIONS AND ACADEMIC RELATIONSHIPS ========== IN 1997, H NMC BEGAN ITS ASSOCIATION WITH THE NEW YORK-PRESBYTERIAN HEALTH SYSTEM THIS AFFILIATION R ESULTED IN THE EXPANSION OF VITAL HEALTH SERVICES FOR OUR COMMUNITY INCLUDING AN UPGRADED NEONATAL SPECIAL CARE NURSERY WITH ASSISTANCE FROM NEW YORK/PRESBYTERIAN MEDICAL CENTER, INCREASED ACCESS TO CLINICAL TRIALS, AND EXPANDED EDUCATIONAL OPPORTUNITIES FOR PHYSICIANS HNMC IS ALSO AN ACADEMIC AFFILIATE OF COLUMBIA UNIVERSITY COLLEGE OF PHYSICIANS AND SURG EONS THE HNMC COMMUNITY ALSO ENJOYS OTHER ACADEMIC RELATIONSHIPS, WHICH PROVIDE AN EDUCAT IONAL ENVIRONMENT FOR STUDENTS FROM A VARIETY OF HEALTHCARE PROFESSIONS - IN JULY 2010, H NMC BEGAN ACCEPTING THIRD AND FOURTH YEAR STUDENTS FROM THE TOURO COLLEGE OF OSTEOPATHIC M EDICINE (NEW YORK, NY), TO COMPLETE CLINICAL ROTATIONS IN FULFILLMENT OF THEIR CURRICULUM - AFFILIATION AGREEMENTS ARE MAINTAINED WITH BERGEN COMMUNITY COLLEGE (PARAMUS, NJ) FOR N URSING STUDENTS, AND FOR RADIOLOGY, ULTRASOUND, RESPIRATORY, AND SURGICAL TECHNICIANS TRA INEES FROM RUTGERS UNIVERSITY (NEW BRUNSWICK, NJ) ARE PREDOMINANTLY DOCTOR OF PHARMACY STU DENTS WHO ARE COMPLETING ROTATIONS IN ACUTE CRITICAL CARE, INFECTIOUS DISEASE, ONCOLOGY, N EPHROLOGY, AND ADMINISTRATION THE TRAINEES ARE SUPERVISED BY A CLINICAL CARE COORDINATOR FROM THE UNIVERSITY ONE COMMUNITY HEALTH STUDENT ROTATES THROUGH HNMC AS WELL - THE MEDI CAL CENTER MAINTAINS A COLLABORATIVE AGREEMENT WITH ST PETER'S COLLEGE (JERSEY CITY, NJ) TO PROVIDE THE OPTION FOR HOLY NAME SCHOOL OF NURSING STUDENTS TO TAKE ADDITIONAL COLLEGE CREDITS TO EARN AN ASSOCIATES OF APPLIED SCIENCE ("AAS") DEGREE IN HEALTH SCIENCES THE AA S COMPLEMENTS THE DIPLOMA AWARDED FROM THE HOLY NAME SCHOOL OF NURSING EMPLOYEES OF HNMC ARE ALSO ABLE TO CONTINUE THEIR STUDIES BY PURSUING BACHELOR'S, MASTER'S, AND ADVANCED PRA CTICE NURSING DEGREES AT ST PETER'S COLLEGE. IN THIS PROCESS, STUDENT EMPLOYEES WORK WITH VARIOUS ADMINISTRATIVE LEADERS WITHIN HNMC TO COMPLETE CLINICAL ROTATIONS - UNDERGRADUAT E, NURSE PRACTITIONER AND NURSING DOCTORAL STUDENTS FROM FARLEIGH DICKINSON UNIVERSITY (TE ANECK, NJ) COMPLETE ROTATIONS WITH OVERSIGHT FROM HNMC'S DEPARTMENT OF NURSING EDUCATION - OTHER NURSING AFFILIATION AGREEMENTS ALSO EXIST BETWEEN HNMC AND SETON HALL UNIVERSITY (SOUTH ORANGE, NJ), WILLIAM PATERSON UNIVERSITY (WAYNE, NJ), FELICIAN COLLEGE (LODI, NJ), A ND THE UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY ("UMDNJ") (NEWARK, NJ) IN ADDIT ION, ULTRASOUND AND NUCLEAR MEDICINE STUDENTS FROM UMDNJ MAY COMPLETE SEMESTER-LONG ROTATI ONS IN HNMC'S DEPARTMENT OF RADIOLOGY UNDER THE INSTRUCTION OF SENIOR ULTRASOUND AND NUCLE AR MEDICINE STAFF A SIMILAR AGREEMENT FOR ROTATIONS IN ULTRASOUND AT HNMC IS WITH NEW YOR K UNIVERSITY (NEW YORK, NY) SENIOR ULTRASOUND STAFF MEMBERS FROM HNMC PROVIDE CLINICAL IN STRUCTION - PHYSICAL AND/OR OCCUPATIONAL THERAPY AGREEMENTS TO PERMIT STUDENTS TO COMPLET E CLINICAL ROTATIONS AT THE MEDICAL CENTER ARE WITH NEW YORK MEDICAL COLLEGE (VALHALLA, NY), UNION COUNTY COLLEGE (CRANFORD, NJ), HUNTER COLLEGE (NEW YORK, NY), MERCY COLLEGE (DOBB S FERRY, NY), QUINNIPIAC UNIVERSITY (HAMDEN, CT), THE UNIVERSITY OF SCRANTON (SCRANTON, PA), THE UNIVERSITY OF WISCONSIN (LA CROSSE, WI), MISERICORDIA UNIVERSITY (DALLAS, PA), KEAN UNIVERSITY (UNION, NJ), AND ROCKLAND COMMUNITY COLLEGE (SUFFERN, NY) IN ALL CASES, INSTR UCTION IS PROVIDED BY HNMC STAFF - EACH YEAR, HNMC ACCEPTS A SMALL NUMBER OF STUDENTS FRO M THE COLUMBIA UNIVERSITY MAILMAN SCHOOL OF PUBLIC HEALTH PROGRAM IN HEALTH POLICY AND MAN AGEMENT AS SUMMER INTERNS INTERNS WORK ON SPECIFIC PROJECTS UNDER THE DIRECTION OF A MEMB ER OF SENIOR MANAGEMENT IN 2009, HNMC ACCEPTED ITS FIRST STUDENT FROM THE JOHNS HOPKINS B LOOMBERG SCHOOL OF PUBLIC HEALTH MASTERS PROGRAM IN HEALTH FINANCE AND MANAGEMENT THE STU DENT COMPLETES AN 11-MONTH, FULL-TIME RESIDENCY UNDER THE DIRECTION OF THE CEO AND MEMBERS OF SENIOR MANAGEMENT RECOGNITION ========== HNMC IS RECOGNIZED FOR ITS CLINICAL SKILL, QUALITY OUTCOMES AND HIGH RATE OF PATIENT SATISFACTION BY MULTIPLE NATIONAL ACCREDITATION AGENCIES AND BENCHMARKING ORGANIZATIONS THE JOINT COMMISSION CITES HNMC AS A "TOP PERFORM ER FOR KEY QUALITY MEASURES," CITING EXCELLENCE IN HEART ATTACK, PNEUMONIA AND SURGICAL CA RE. HNMC HOLDS MAGNET STATUS FOR OUTSTANDING NURSING CARE FROM THE AMERICAN NURSES CREDENT IALING CENTER ("ANCC") THE MAGNET RECOGNITION PROGRAM WAS DEVELOPED BY THE ANCC TO RECOGN IZE HEALTHCARE ORGANIZATIONS THAT PROVIDE NURSING EXCELLENCE, AND TO PROVIDE A VEHICLE FOR DISSEMINATING SUCCESSFUL NURSING PRACTICES AND STRATEGIES APPROXIMATELY SIX PERCENT (6%) OF HOSPITALS NATIONWIDE ARE MAGNET HOSPITALS HNMC ALSO RECEIVED THE BEACON AWARD FOR CRI TICAL CARE EXCELLENCE FOR ITS TELEMETRY AND INTENSIVE CARE UNITS THIS AWARD FROM THE AMER ICAN ASSOCIATION OF CRITICAL-CARE NURSES RECOGNIZES NURSING EXCELLENCE IN PROFESSIONAL PRA CTICE, PATIENT CARE AND OUTCOMES HNMC HAS BEEN RE

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III	COGNIZED BY J D POWER AND ASSOCIATES WITH ITS DISTINGUISHED HOSPITAL AWARDS FOR EMERGENCY , INPATIENT AND MATERNITY SERVICE EXCELLENCE, AND HAS RECEIVED THE HEALTHGRADES DISTINGUIS HED HOSPITAL AWARD FOR CLINICAL EXCELLENCE, AS WELL AS ITS SPECIALTY EXCELLENCE AWARD FOR STROKE CARE. DATA ADVANTAGE, LLC, WHICH IS A HEALTHCARE INFORMATION COMPANY, HONORED HNMC WITH ITS BEST IN VALUE AWARD FOR QUALITY, AFFORDABILITY, EFFICIENCY, PATIENT SAFETY AND OV ERALL EXPERIENCE, AND HNMC RECEIVED DESIGNATION AS A COMMUNITY VALUE FIVE-STAR HOSPITAL BY CLEAVERLY+ASSOCIATES, AN INDEPENDENT ORGANIZATION THAT PERFORMS NATIONWIDE STUDIES TO IDE NTIFY THOSE HOSPITALS THAT PROVIDE VALUE TO THE COMMUNITY IN TERMS OF FINANCIAL VIABILITY AND PLANT REINVESTMENT, COST STRUCTURE, CHARGE STRUCTURE AND QUALITY PERFORMANCE. HNMC HAS BEEN PRAISED REPEATEDLY AS AN EXEMPLARY WORKPLACE BY MODERN HEALTHCARE'S 100 BEST PLACES TO WORK IN HEALTHCARE PROGRAM, BY NJBIZ (THE LEADING WEEKLY BUSINESS PUBLICATION IN NEW JE RSEY), WHICH CITES HNMC AS A TOP HOSPITAL AND BUSINESS OVERALL IN ITS 50 BEST PLACES TO WO RK IN NEW JERSEY PROGRAM, AND BY COMPANIES THAT CARE, WHICH CITED HNMC ON ITS 2010 AND 201 1 HONOR ROLL. COMPANIES THAT CARE IS A NON-PROFIT ORGANIZATION DEDICATED TO ENCOURAGING AN D CELEBRATING BUSINESSES THAT PRIZE THEIR EMPLOYEES AND ARE COMMITTED TO COMMUNITY SERVICE

Identifier	Return Reference	Explanation
PROGRAM SERVICE ACCOMPLISHMENTS	CORE FORM, PART III, QUESTION 2	IN LATE 2007, THE SISTERS OF ST JOSEPH OF PEACE TRANSFERRED TO HOLY NAME MEDICAL CENTER TITLE TO A 26-ACRE ESTATE IN SADDLE RIVER, NEW JERSEY THE ESTATE, KNOWN AS VILLA MARIE CLAIRE ("VMC"), INCLUDES A MANSION THAT HAS BEEN UNDER RENOVATION TO ACCOMMODATE A 20-BED HOSPICE FACILITY, FILLING A KNOWN NEED IN BERGEN COUNTY THE HOSPICE WILL BE OPEN TO ALL CLINICALLY ELIGIBLE PERSONS, WHETHER PREVIOUSLY ASSOCIATED WITH HOLY NAME MEDICAL CENTER OR NOT THE HOSPICE BEGAN CONDUCTING BUSINESS IN JANUARY 2011 AND RESULTS OF OPERATIONS ARE INCLUDED IN THE RESPECTIVE PARTS OF THIS FEDERAL FORM 990

Identifier	Return Reference	Explanation
OTHER PROGRAM SERVICES	CORE FORM, PART III, LINE 4D	EXPENSES INCURRED IN PROVIDING MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY PLEASE REFER TO THE ORGANIZAITON'S COMMUNITY BENEFIT STATEMENT INCLUDED IN SCHEDULE O

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART IV, QUESTION 28 AND PART VII	A MEMBER OF THE ORGANIZATION'S BOARD OF TRUSTEES, TED A CARNEVALE, CPA, IS A PARTNER IN A PUBLIC ACCOUNTING FIRM, GRAMKOW, CARNEVALE, SEIFERT & CO , L L C THIS FIRM PROVIDED ACCOUNTING, TAX AND CONSULTING SERVICES TO A RELATED ORGANIZATION OF HOLY NAME MEDICAL CENTER DURING 2011 THE RELATED ENTITY PAID GRAMKOW, CARNEVALE, SEIFERT & CO , L L C $72,736 FOR THESE SERVICES DURING 2011

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION B, QUESTION 11B	THE ORGANIZATION'S FEDERAL FORM 990 WAS MADE AVAILABLE TO EACH VOTING MEMBER OF THE ORGANIZATION'S GOVERNING BODY (ITS BOARD OF TRUSTEES) PRIOR TO THE FILING OF THE FEDERAL FORM 990 WITH THE INTERNAL REVENUE SERVICE (''IRS'') IN ADDITION THE ORGANIZATION'S AUDIT COMMITTEE ASSUMED THE RESPONSIBILITY TO OVERSEE AND COORDINATE THE FEDERAL FORM 990 AS PART OF THE ORGANIZATION'S FEDERAL FORM 990 TAX RETURN PREPARATION PROCESS THE ORGANIZATION HIRED A PROFESSIONAL CPA FIRM WITH EXPERIENCE AND EXPERTISE IN BOTH HEALTHCARE AND NOT-FOR-PROFIT TAX RETURN PREPARATION TO PREPARE THE FEDERAL FORM 990 THE CPA FIRM'S TAX PROFESSIONALS WORKED CLOSELY WITH THE ORGANIZATION'S FINANCE PERSONNEL INCLUDING THE CHIEF FINANCIAL OFFICER, DIRECTOR OF ACCOUNTING AND VARIOUS OTHER INDIVIDUALS TO OBTAIN THE INFORMATION NEEDED IN ORDER TO PREPARE A COMPLETE AND ACCURATE TAX RETURN THE CPA FIRM PREPARED A DRAFT FEDERAL FORM 990 AND FURNISHED IT TO THE ORGANIZATION'S INTERNAL WORKING GROUP, INCLUDING THOSE INDIVIDUALS OUTLINED ABOVE FOR THEIR REVIEW THE ORGANIZATION'S INTERNAL WORKING GROUP REVIEWED THE DRAFT FEDERAL FORM 990 AND DISCUSSED QUESTIONS AND COMMENTS WITH THE CPA FIRM REVISIONS WERE MADE TO THE DRAFT FEDERAL FORM 990 WHERE NECESSARY AND A FINAL DRAFT WAS FURNISHED BY THE CPA FIRM TO THE ORGANIZATION'S INTERNAL WORKING GROUP FOR FINAL REVIEW AND APPROVAL A MEETING WAS ALSO HELD TO REVIEW THE FINAL DRAFT OF THE FEDERAL FORM 990 WITH THE ORGANIZATION'S AUDIT COMMITTEE FOR REVIEW AND APPROVAL FOLLOWING THIS REVIEW THE FINAL FEDERAL FORM 990 WAS MADE AVAILABLE TO EACH VOTING MEMBER OF THE ORGANIZATION'S GOVERNING BODY PRIOR TO THE FILING OF THE TAX RETURN WITH THE IRS

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION B, QUESTION 12	THE ORGANIZATION REGULARLY MONITORS AND ENFORCES COMPLIANCE WITH ITS CONFLICT OF INTEREST POLICY ANNUALLY ALL MEMBERS OF THE BOARD OF TRUSTEES, OFFICERS AND SENIOR MANAGEMENT PERSONNEL ARE REQUIRED TO REVIEW THE EXISTING CONFLICT OF INTEREST POLICY AND COMPLETE A QUESTIONNAIRE THE COMPLETED QUESTIONNAIRES ARE RETURNED TO THE ORGANIZATION AND THE ORGANIZATION'S CHIEF COMPLIANCE OFFICER FOR REVIEW THEREAFTER THE ORGANIZATION'S CHIEF COMPLIANCE OFFICER PREPARES A SUMMARY OF THE COMPLETED QUESTIONNAIRES WHICH CONTAINS INFORMATION DISCLOSED ON AN INDIVIDUAL BY INDIVIDUAL BASIS THEREAFTER, THE ORGANIZATION'S CHIEF COMPLIANCE OFFICER PRESENTS THIS SUMMARY TO THE ORGANIZATION'S GOVERNANCE COMMITTEE FOR ITS REVIEW AND DISCUSSION

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION B, QUESTION 15	THE ORGANIZATION'S BOARD OF TRUSTEES HAS AN EXECUTIVE COMPENSATION COMMITTEE ("COMMITTEE") THE COMMITTEE HAS ADOPTED A WRITTEN EXECUTIVE COMPENSATION PHILOSOPHY WHICH IT FOLLOWS WHEN IT REVIEWS AND APPROVES OF THE COMPENSATION AND BENEFITS OF THE ORGANIZATION'S SENIOR MANAGEMENT, INCLUDING THE PRESIDENT/CHIEF EXECUTIVE OFFICER, EXECUTIVE VICE PRESIDENT/CHIEF FINANCIAL OFFICER AND VICE PRESIDENT OF PATIENT CARE SERVICES THE COMMITTEE REVIEWS THE "TOTAL COMPENSATION" OF THE INDIVIDUALS WHICH IS INTENDED TO INCLUDE BOTH CURRENT AND DEFERRED COMPENSATION AND ALL EMPLOYEE BENEFITS, BOTH QUALIFIED AND NON-QUALIFIED THE COMMITTEE'S REVIEW IS DONE ON AT LEAST AN ANNUAL BASIS AND ENSURES THAT THE "TOTAL COMPENSATION" OF SENIOR MANAGEMENT OF THE ORGANIZATION IS REASONABLE THE ACTIONS TAKEN BY THE COMMITTEE ENABLE THE ORGANIZATION TO RECEIVE THE REBUTTABLE PRESUMPTION OF REASONABLENESS FOR PURPOSES OF INTERNAL REVENUE CODE SECTION 4958 WITH RESPECT TO THE TOTAL COMPENSATION OF CERTAIN MEMBERS OF THE SENIOR MANAGEMENT TEAM, INCLUDING THE PRESIDENT/CHIEF EXECUTIVE OFFICER, EXECUTIVE VICE PRESIDENT/CHIEF FINANCIAL OFFICER AND VICE PRESIDENT OF PATIENT CARE SERVICES THE THREE FACTORS WHICH MUST BE SATISFIED IN ORDER TO RECEIVE THE REBUTTABLE PRESUMPTION OF REASONABLENESS ARE THE FOLLOWING 1 THE COMPENSATION ARRANGEMENT IS APPROVED IN ADVANCE BY AN "AUTHORIZED BODY" OF THE APPLICABLE TAX-EXEMPT ORGANIZATION WHICH IS COMPOSED ENTIRELY OF INDIVIDUALS WHO DO NOT HAVE A "CONFLICT OF INTEREST" WITH RESPECT TO THE COMPENSATION ARRANGEMENT, 2 THE AUTHORIZED BODY OBTAINED AND RELIED UPON "APPROPRIATE DATA AS TO COMPARABILITY" PRIOR TO MAKING ITS DETERMINATION, AND 3 THE AUTHORIZED BODY "ADEQUATELY DOCUMENTED THE BASIS FOR ITS DETERMINATION" CONCURRENTLY WITH MAKING THAT DETERMINATION THE COMMITTEE IS COMPRISED OF MEMBERS OF THE BOARD OF TRUSTEES EACH OF WHO ARE INDEPENDENT AND ARE FREE FROM ANY CONFLICTS OF INTEREST THE COMMITTEE RELIED UPON APPROPRIATE COMPARABLE DATA, SPECIFICALLY THE COMMITTEE OBTAINED A WRITTEN COMPENSATION STUDY FROM AN INDEPENDENT FIRM WHICH SPECIALIZES IN THE REVIEWING OF HOSPITAL AND HEALTHCARE SYSTEM EXECUTIVE COMPENSATION AND BENEFITS THROUGHOUT THE UNITED STATES THIS STUDY USED COMPARABLE GEOGRAPHIC AND DEMOGRAPHIC MARKET DATA INCLUDING BUT NOT LIMITED TO SIMILAR SIZED HOSPITALS, # OF LICENSED BEDS AND NET PATIENT SERVICE REVENUE THE COMMITTEE ADEQUATELY DOCUMENTED ITS BASIS FOR ITS DETERMINATION THROUGH THE TIMELY PREPARATION OF WRITTEN MINUTES OF THE COMPENSATION COMMITTEE MEETINGS DURING WHICH THE EXECUTIVE COMPENSATION AND BENEFITS WAS REVIEWED AND SUBSEQUENTLY APPROVED THE ACTIONS OUTLINED ABOVE WITH RESPECT TO THE COMMITTEE AND THE ESTABLISHMENT OF THE REBUTTABLE PRESUMPTION OF REASONABLENESS ONLY APPLIES TO CERTAIN SENIOR MANAGEMENT PERSONNEL, INCLUDING BUT NOT LIMITED TO THE PRESIDENT/CHIEF EXECUTIVE OFFICER, EXECUTIVE VICE PRESIDENT/CHIEF FINANCIAL OFFICER AND VICE PRESIDENT OF PATIENT CARE SERVICES THE COMPENSATION AND BENEFITS OF CERTAIN OTHER INDIVIDUALS CONTAINED IN THIS FORM 990 ARE REVIEWED ANNUALLY BY THE PRESIDENT/CHIEF EXECUTIVE OFFICER WITH ASSISTANCE FROM ORGANIZATION'S HUMAN RESOURCES DEPARTMENT IN CONJUNCTION WITH THE INDIVIDUAL'S JOB PERFORMANCE DURING THE YEAR AND IS BASED UPON OTHER OBJECTIVE FACTORS DESIGNED TO ENSURE THAT REASONABLE AND FAIR MARKET VALUE COMPENSATION IS PAID BY THE ORGANIZATION OTHER OBJECTIVE FACTORS INCLUDE MARKET SURVEY DATA FOR COMPARABLE POSITIONS, INDIVIDUAL GOALS AND OBJECTIVES, PERSONNEL REVIEWS, EVALUATIONS, SELF-EVALUATIONS AND PERFORMANCE FEEDBACK MEETINGS

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION C, QUESTION 19	THE ORGANIZATION HAS ISSUED TAX-EXEMPT BONDS TO FINANCE VARIOUS CAPITAL IMPROVEMENT PROJECTS, RENOVATIONS AND EQUIPMENT IN CONJUNCTION WITH THE ISSUANCE OF THESE TAX-EXEMPT BONDS, THE ORGANIZATION'S FINANCIAL STATEMENTS WERE INCLUDED WITH THE TAX-EXEMPT BOND PROSPECTUS WHICH WAS MADE AVAILABLE TO THE GENERAL PUBLIC FOR REVIEW THE ORGANIZATION'S FILED CERTIFICATE OF INCORPORATION AND ANY AMENDMENTS CAN BE OBTAINED AND REVIEWED THROUGH THE STATE OF NEW JERSEY SECRETARY OF STATE

Identifier	Return Reference	Explanation
COMPENSATION INFORMATION DISCLOSURE	CORE FORM, PART VII AND SCHEDULE J	PART VII AND SCHEDULE J REFLECT CERTAIN BOARD MEMBERS AND OFFICERS RECEIVING COMPENSATION AND BENEFITS FROM THE ORGANIZATION PLEASE NOTE THIS REMUNERATION WAS FOR SERVICES RENDERED AS FULL-TIME EMPLOYEES OF THE ORGANIZATION, NOT FOR SERVICES RENDERED AS A VOTING MEMBER OR OFFICER OF THE ORGANIZATION'S BOARD OF TRUSTEES

Identifier	Return Reference	Explanation
RELATED HOURS DISCLOSURE	CORE FORM, PART VII, SECTION A, COLUMN B	CERTAIN BOARD OF TRUSTEE MEMBERS, OFFICERS AND/OR DIRECTORS LISTED ON CORE FORM, PART VII AND SCHEDULE J OF THIS FORM 990 MAY HOLD SIMILAR POSITIONS WITH BOTH THIS ORGANIZATION AND OTHER RELATED AFFILIATES THE HOURS SHOWN ON THIS FORM, 990 FOR BOARD MEMBERS WHO RECEIVE NO COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY, REPRESENTS THE ESTIMATED HOURS DEVOTED PER WEEK FOR THIS ORGANIZATION TO THE EXTENT THESE INDIVIDUALS SERVE AS A MEMBER OF THE BOARD OF TRUSTEES OF OTHER RELATED ORGANIZATIONS, THEIR RESPECTIVE HOURS PER WEEK PER ORGANIZATION ARE APPROXIMATELY ONE HOUR THE HOURS REFLECTED ON PART VII OF THIS FORM 990, FOR BOARD MEMBERS WHO RECEIVE COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY, PAID OFFICERS AND KEY EMPLOYEES, REFLECT TOTAL HOURS WORKED PER WEEK ON BEHALF OF ALL RELATED ORGANIZATIONS AND THIS ORGANIZATION, IN TOTAL

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS	CORE FORM, PART XI, QUESTION 5	OTHER CHANGES IN NET ASSETS OR FUND BALANCES INCLUDE - CHANGE IN INTEREST OF HOLY NAME HEALTH CARE FOUNDATION, INC - ($504,549) - CHANGE IN NET UNREALIZED GAINS AND LOSSES ON INVESTMENTS - ($4,071,070) - DISTRIBUTIONS FROM FOUNDATION TO MEDICAL CENTER - $1,075,515 - NET ASSETS RELEASED FROM RESTRICTION FOR CAPITAL PURPOSES - $60,169 - NET CHANGE IN TEMPORARILY RESTRICTED NET ASSETS (NOT INCLUDING DONATIONS OF $442,431) - ($1,024,017) - TEMPORARILY RESTRICTED DONATIONS - $442,431 - TRANSFERS TO AFFILIATES - ($6,567,315)

Identifier	Return Reference	Explanation
AUDITED FINANCIAL STATEMENTS	CORE FORM, PART XII, QUESTION 2	AN INDEPENDENT CPA FIRM AUDITED THE CONSOLIDATED FINANCIAL STATEMENTS OF HOLY NAME MEDICAL CENTER, INC AND AFFILIATES, FOR THE YEARS ENDED DECEMBER 31, 2011 AND DECEMBER 31, 2010, RESPECTIVELY THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS CONTAINED CONSOLIDATING SCHEDULES ON AN ENTITY BY ENTITY BASIS THE INDEPENDENT CPA FIRM ISSUED AN UNQUALIFIED OPINION WITH RESPECT TO THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS HOLY NAME MEDICAL CENTER'S AUDIT COMMITTEE ASSUMES RESPONSIBILITY FOR THE AUDITED FINANCIAL STATEMENTS AND THE SELECTION OF AN INDEPENDENT AUDITOR

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
HOLY NAME MEDICAL CENTER

Employer identification number
22-1487322

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
(1) HNH FITNESS LLC 718 TEANECK ROAD TEANECK, NJ 07666 59-3836367	WELLNESS	NJ	1,626,142	7,149,103	HNMC
(2) HNLS LLC 718 TEANECK ROAD TEANECK, NJ 07666 45-3636025	INACTIVE	NJ	0	0	HNMC

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) HOLY NAME HEALTH CARE FOUNDATION 718 TEANECK ROAD TEANECK, NJ 07666 22-2737143	FUNDRAISING	NJ	501(C)(3)	509(A)(3)	HNMC	Yes	
(2) HOLY NAME REAL ESTATE CORP 718 TEANECK ROAD TEANECK, NJ 07666 22-3412504	PROPERTY CO	NJ	501(C)(2)	N/A	HNMC	Yes	
(3) SISTERS OF ST JOSEPH OF PEACE 718 TEANECK ROAD TEANECK, NJ 07666 22-3412084	RELIGIOUS ORD	NJ	501(C)(3)	170B1AI	NA		No
(4) MS COMPREHENSIVE CARE CENTER 718 TEANECK ROAD TEANECK, NJ 07666 22-2402959	HEALTHCARE	NJ	501(C)(3)	509(A)(2)	HNMC	Yes	
(5) HOLY NAME EMS INC 718 TEANECK ROAD TEANECK, NJ 07666 27-0294681	HEALTHCARE	NJ	501(C)(3)	509(A)(3)	HNMC	Yes	

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

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

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
See Additional Data Table							

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 related organization(s)	1b	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d	Yes	
e Loans or loan guarantees by related organization(s)	1e	Yes	
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i		No
j Lease of facilities, equipment, or other assets from related organization(s)	1j		No
k Performance of services or membership or fundraising solicitations for related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations by related organization(s)	1l		No
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m		No
n Sharing of paid employees with related organization(s)	1n		No
o Reimbursement paid to related organization(s) for expenses	1o		No
p Reimbursement paid by related organization(s) for expenses	1p		No
q Other transfer of cash or property to related organization(s)	1q		No
r Other transfer of cash or property from related organization(s)	1r	Yes	

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) MS COMPREHENSIVE CARE CENTER	D	212,929	COST
(2) MS COMPREHENSIVE CARE CENTER	b	105,000	COST
(3) HOLY NAME REAL ESTATE CORPORATION	E	306,546	COST
(4) HOLY NAME HEALTH CARE FOUNDATION	R	1,075,515	COST
(5) HOLY NAME HEALTH CARE FOUNDATION	D	303,680	COST
(6)			

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Schedule R (Form 990) 2011

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: 22-1487322
Name: HOLY NAME MEDICAL CENTER

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income ($)	(g) Share of end-of-year assets ($)	(h) Percentage ownership
HEALTH PARTNER SERVICES INC 718 TEANECK ROAD TEANECK, NJ 07666 22-3618636	MGMT SERVICES	NJ	HNMC	C CORP	0	1,250,519	100 000 %
PEACE HEALTH PARTNERS 718 TEANECK ROAD TEANECK, NJ 07666 22-3618634	HLTHCARE SVCS	NJ	NA	C CORP			
HOUSE PHYSICIAN PARTNERS 718 TEANECK ROAD TEANECK, NJ 07666 22-3808427	HLTHCARE SVCS	NJ	NA	C CORP			
HEMATOLOGYONCOLOGY PHYSICIANS 718 TEANECK ROAD TEANECK, NJ 07666 22-3808421	HLTHCARE SVCS	NJ	NA	C CORP			
RIVERSIDE FAMILY CARE 718 TEANECK ROAD TEANECK, NJ 07666 20-0446233	HLTHCARE SVCS	NJ	NA	C CORP			
RADIATION ONCOLOGY PARTNERS 718 TEANECK ROAD TEANECK, NJ 07666 20-1104758	HLTHCARE SVCS	NJ	NA	C CORP			
EXCELCARE MEDICAL ASSOCIATES 718 TEANECK ROAD TEANECK, NJ 07666 20-3130405	HLTHCARE SVCS	NJ	NA	C CORP			
BREAST IMAGING PARTNERS 718 TEANECK ROAD TEANECK, NJ 07666 75-3226059	HLTHCARE SVCS	NJ	NA	C CORP			
IMA OF BERGEN COUNTY 718 TEANECK ROAD TEANECK, NJ 07666 75-3226063	HLTHCARE SVCS	NJ	NA	C CORP			
BREAST CARE PARTNERS 718 TEANECK ROAD TEANECK, NJ 07666 11-3787403	HLTHCARE SVCS	NJ	NA	C CORP			
WOMEN'S HEALTH PARTNERS PC 718 TEANECK ROAD TEANECK, NJ 07666 83-0511119	HLTHCARE SVCS	NJ	NA	C CORP			
WOMEN'S CLINIC PARTNERS 718 TEANECK ROAD TEANECK, NJ 07666 36-4635222	HLTHCARE SVCS	NJ	NA	C CORP			

Additional Data

Software ID:
Software Version:
EIN: 22-1487322
Name: HOLY NAME MEDICAL CENTER

Form 990, Special Condition Description:

Special Condition Description

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			
ARNOLD BALSAM CHAIRMAN - TRUSTEE	1 0	X		X				0	0	0
JOSEPH FRASCINO MD VICE CHAIRMAN - TRUSTEE	1 0	X		X				0	0	0
SISTER BARBARA MORAN CSJP SECRETARY - TRUSTEE	1 0	X		X				0	0	0
EDWIN H RUZINSKY CPA TREASURER - TRUSTEE	1 0	X		X				0	0	0
JOSEPH M LEMAIRE TRUSTEE - ASST SEC/ASST TREAS	55 0	X		X				974,631	0	283,004
ROBERT BRITZ TRUSTEE	1 0	X						0	0	0
PATRICIA BURKE MD TRUSTEE	1 0	X						0	0	0
DAVID BUTLER MD TRUSTEE	1 0	X						0	0	0
TED A CARNEVALE CPA TRUSTEE	1 0	X						0	0	0
ARTHUR W CONWAY TRUSTEE	1 0	X						0	0	0
DALE A CREAMER TRUSTEE	1 0	X						0	0	0
JOHN M GERAGHTY TRUSTEE	1 0	X						0	0	0
SISTER ANNE HAYES TRUSTEE	1 0	X						0	0	0
LAWRENCE LAIKIN TRUSTEE	1 0	X						0	0	0
DAVID E LANDERS MD TRUSTEE	1 0	X						0	0	0
SALVATORE LARAIA MD TRUSTEE	1 0	X						0	0	0
DANIEL LEBER TRUSTEE	1 0	X						0	0	0
MICHAEL MARON TRUSTEE - PRESIDENT/CEO	55 0	X		X				1,324,393	0	438,171
SISTER ANTOINETTE MOORE CSJP TRUSTEE	1 0	X						0	0	0
JOSEPH PARISI JR TRUSTEE	1 0	X						0	0	0
SISTER ANN RUTAN CSJP TRUSTEE	1 0	X						0	0	0
SISTER ANN TAYLOR CSJP TRUSTEE	1 0	X						0	0	0
LEON TEMIZ TRUSTEE	1 0	X						0	0	0
SHERYL SLONIM SENIOR VP, PATIENT CARE SVCS	55 0				X			524,377	0	139,318
ADAM JARRETT MD CHIEF MEDICAL OFFICER	55 0				X			439,639	0	25,444

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			
WAYNE KINDER VP, FACILITIES (TERM 10/1/11)	55 0				X			376,486	0	19,288
JOHN GRANGEIA VP, PROFESSIONAL SERVICES	55 0				X			235,303	0	15,004
JANE FIELDING ELLIS VP, MARKETING & PR	55 0				X			230,183	0	15,905
CATHERINE YAXLEY SCHMIDT VP, PLANNING & GOVT AFFAIRS	55 0				X			216,955	0	32,287
KEVIN MCCARTHY VP, DEVELOPMENT (TERM 11/4/11)	55 0				X			215,498	0	24,801
EDWARD GERITY VP, OPERATIONS	55 0				X			186,866	0	6,614
MARCELLO GUARNERI VP, FINANCIAL SERVICES	55 0				X			185,412	0	31,740
DEBORAH ZAYAS VP, NURSING SERVICES	55 0				X			184,874	0	15,393
CYNTHIA KAUFHOLD VP, REVENUE CYCLE MANAGEMENT	55 0				X			182,710	0	29,800
SHARAD WALGE MD MEDICAL DIRECTOR	55 0					X		350,176	0	23,800
CRAIG HERSH MD AVP, MEDICAL MANAGEMENT	55 0					X		265,395	0	34,689
HENRY FERNANDEZ COS MD MEDICAL DIRECTOR	55 0					X		231,265	0	19,350
KYUNG HEE CHOI DIR , KOREAN MEDICAL PROGRAM	55 0					X		217,242	0	7,798
ALLAN CAGGIANO PHYSICIST	55 0					X		212,592	0	29,751

Additional Data

Software ID:
Software Version:
EIN: 22-1487322
Name: HOLY NAME MEDICAL CENTER

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

(a) Description of investment type	**(b)** Book value	**(c)** Method of valuation Cost or end-of-year market value
GOVERNMENT SECURITIES	10,585,679	F
MORGAN STANLEY SWEEP ACCOUNT	1,599,435	F
ISRAEL BONDS	1,250,000	F
TD WEALTH MGMT US GOVT	1,138,009	F
NORTH JERSEY COMMUNITY BANK	2,751,414	F
DEPOSIT	866,864	F
GEM REALTY SECURITIES, LTD	1,056,908	F
MS CAPITAL PARTNERS V	1,161,710	F
CARLSON CAPITAL DOUBLE BLACK	1,008,917	F
CERBERUS INTERNATIONAL, LTD	1,051,972	F
YORK CREDIT OPPORTUNITIES FUND	1,086,713	F
ASPECT US INST LTD DIVERSIFIED	998,977	F
BREVAN HOWARD FUND LTD CLASS B	1,207,016	F
INTEREST IN FOUNDATION	3,776,512	F
CASH & CASH EQUIVALENTS	15,022,889	F
QUALCARE ALLIANCE NETWORKS INC	443,402	F
ACCRUED INTEREST	155,181	F
CERTIFICATES OF DEPOSIT	2,060,580	F
MILLENIUM INTERNATIONAL LTD	1,075,467	F
EQUITY SECURITIES	25,837,765	F
TACONIC OPPORTUNITIES UNIT TR	911,386	F
MS OPPORTUNISTIC MORTGAGE INC	1,000,000	F

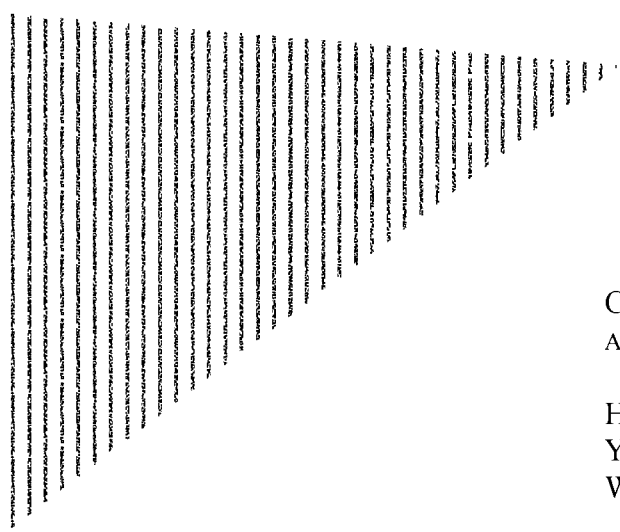
Additional Data

Return to Form

Software ID:
Software Version:
EIN: 22-1487322
Name: HOLY NAME MEDICAL CENTER

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				
JOSEPH M LEMAIRE	(I) (II)	741,765 0	200,000 0	32,866 0	256,868 0	26,136 0	1,257,635 0	0 0
MICHAEL MARON	(I) (II)	896,765 0	400,000 0	27,628 0	417,035 0	21,136 0	1,762,564 0	0 0
SHERYL SLONIM	(I) (II)	347,878 0	150,000 0	26,499 0	125,575 0	13,743 0	663,695 0	0 0
ADAM JARRETT MD	(I) (II)	396,765 0	20,000 0	22,874 0	4,308 0	21,136 0	465,083 0	0 0
WAYNE KINDER	(I) (II)	265,712 0	100,000 0	10,774 0	7,715 0	11,573 0	395,774 0	0 0
JOHN GRANGEIA	(I) (II)	206,443 0	25,000 0	3,860 0	5,746 0	9,258 0	250,307 0	0 0
JANE FIELDING ELLIS	(I) (II)	220,054 0	0 0	10,129 0	8,842 0	7,063 0	246,088 0	0 0
CATHERINE YAXLEY SCHMIDT	(I) (II)	197,529 0	10,000 0	9,426 0	8,151 0	24,136 0	249,242 0	0 0
KEVIN MCCARTHY	(I) (II)	209,252 0	0 0	6,246 0	2,154 0	22,647 0	240,299 0	0 0
EDWARD GERITY	(I) (II)	165,340 0	20,000 0	1,526 0	6,614 0	0 0	193,480 0	0 0
MARCELLO GUARNERI	(I) (II)	174,108 0	10,000 0	1,304 0	7,240 0	24,500 0	217,152 0	0 0
DEBORAH ZAYAS	(I) (II)	183,991 0	0 0	883 0	7,400 0	7,993 0	200,267 0	0 0
CYNTHIA KAUFHOLD	(I) (II)	171,408 0	10,000 0	1,302 0	3,600 0	26,200 0	212,510 0	0 0
SHARAD WALGE MD	(I) (II)	347,800 0	0 0	2,376 0	9,800 0	14,000 0	373,976 0	0 0
CRAIG HERSH MD	(I) (II)	263,913 0	0 0	1,482 0	9,553 0	25,136 0	300,084 0	0 0
HENRY FERNANDEZ COS MD	(I) (II)	229,800 0	0 0	1,465 0	2,350 0	17,000 0	250,615 0	0 0
KYUNG HEE CHOI	(I) (II)	194,959 0	20,500 0	1,783 0	7,798 0	0 0	225,040 0	0 0
ALLAN CAGGIANO	(I) (II)	212,144 0	150 0	298 0	8,615 0	21,136 0	242,343 0	0 0



Consolidated Financial Statements and Supplementary Information

Holy Name Medical Center, Inc. and Subsidiaries
Years Ended December 31, 2011 and 2010
With Report of Independent Auditors

Ernst & Young LLP

ERNST & YOUNG

Holy Name Medical Center, Inc. and Subsidiaries

Consolidated Financial Statements
and Supplementary Information

Years Ended December 31, 2011 and 2010

Contents

Ernst & Young LLP

Report of Independent Auditors

The Board of Trustees
Holy Name Medical Center, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of Holy Name Medical Center, Inc. and Subsidiaries (the "Company") as of December 31, 2011 and 2010, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Holy Name Medical Center, Inc. and Subsidiaries at December 31, 2011 and 2010, and the consolidated results of their operations, changes in their net assets and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

As discussed in Note 1 to the accompanying consolidated financial statements, in 2011 the Company changed its method of reporting estimated insurance claims receivables and estimated insurance claims liabilities with the adoption of Accounting Standards Update No. 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*. Also as discussed in Note 1 to the accompanying consolidated financial statements, in 2011 the Company adopted the provisions of Accounting Standards Update No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, which resulted in a change to the presentation of the provision for bad debts on the consolidated statement of operations.

Ernst & Young LLP

May 29, 2012

Holy Name Medical Center, Inc. and Subsidiaries

Consolidated Balance Sheets

	December 31 2011	2010
Assets		
Current assets:		
Cash and cash equivalents	**$ 17,162,179**	$ 27,538,778
Assets whose use is limited and that are required for current liabilities	**3,713,006**	3,025,640
Investments	**53,414,396**	54,554,021
Patient accounts receivable, net of estimated uncollectibles of approximately $16,184,000 in 2011 and $12,972,000 in 2010	**33,198,206**	30,760,773
Other receivables	**2,498,106**	839,720
Supplies	**4,866,642**	4,103,457
Prepaid expenses and other current assets	**3,004,046**	2,866,163
Total current assets	**117,856,581**	123,688,552
Assets whose use is limited, less current portion	**16,487,325**	14,705,101
Property and equipment, net	**151,607,452**	144,879,643
Deferred financing costs, net	**2,122,044**	2,167,821
Other assets	**6,159,296**	5,385,236
Total assets	**$ 294,232,698**	$ 290,826,353
Liabilities and net assets		
Current liabilities:		
Accrued interest payable	**$ 2,797,647**	$ 2,388,832
Current installments of long-term debt	**3,724,860**	3,576,084
Accounts payable and other accrued expenses	**25,282,431**	21,350,130
Accrued payroll and vacation	**8,611,968**	8,387,309
Other current liabilities	**367,101**	–
Due to third-party payers	**6,609,898**	4,087,786
Total current liabilities	**47,393,905**	39,790,141
Other liabilities	**3,363,401**	1,271,997
Long-term debt, excluding current installments	**123,003,282**	125,252,410
Due to third-party payers, excluding current portion	**10,985,366**	10,406,914
Total liabilities	**184,745,954**	176,721,462
Commitments and contingencies		
Net assets:		
Unrestricted	**101,588,967**	105,625,528
Temporarily restricted	**6,897,777**	7,479,363
Permanently restricted	**1,000,000**	1,000,000
Total net assets	**109,486,744**	114,104,891
Total liabilities and net assets	**$ 294,232,698**	$ 290,826,353

See accompanying notes

Holy Name Medical Center, Inc. and Subsidiaries

Consolidated Statements of Operations

	Year Ended December 31	
	2011	**2010**
Revenue:		
Net patient service revenue	**$ 279,965,966**	$ 262,099,780
Bad debt provision	**(14,869,321)**	(14,987,533)
Net patient service revenue, less bad debt provision	**265,096,645**	247,112,247
Other operating revenue	**13,965,505**	14,096,832
Net assets released from restriction for operations	**1,135,504**	1,211,127
Total revenue	**280,197,654**	262,420,206
Expenses:		
Salaries and wages	**123,893,871**	119,769,399
Physician fees	**6,293,640**	5,556,101
Employee benefits	**25,923,190**	23,628,955
Supplies and other	**100,657,864**	90,323,053
Depreciation and amortization	**16,918,637**	16,561,476
Interest	**5,151,402**	5,156,515
Total expenses	**278,838,604**	260,995,499
Income from operations	**1,359,050**	1,424,707
Non-operating gains, net	**2,985,747**	1,863,343
Loss on extinguishment of debt	**–**	(1,620,175)
Net change in fair value of derivative instruments	**–**	(2,262,128)
Excess (deficiency) of revenue over expenses	**4,344,797**	(594,253)
Change in net unrealized gains and losses on investments	**(4,041,092)**	3,372,481
Net assets released from restriction for capital purposes	**1,135,684**	5,842,147
Transfers to affiliates	**(5,475,950)**	(5,185,233)
(Decrease) increase in unrestricted net assets	**$ (4,036,561)**	$ 3,435,142

See accompanying notes

Holy Name Medical Center, Inc. and Subsidiaries

Consolidated Statements of Changes in Net Assets

Years Ended December 31, 2011 and 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at January 1, 2010	$ 102,190,386	$ 11,058,693	$ 1,000,000	$ 114,249,079
Deficiency of revenue over expenses	(594,253)	–	–	(594,253)
Restricted investment gain and investment income	–	126,883	–	126,883
Change in net unrealized gains and losses on investments	3,372,481	66,867	–	3,439,348
Net assets released from restriction for operations	–	(1,211,127)	–	(1,211,127)
Net assets released from restriction for capital purposes	5,842,147	(5,842,147)	–	–
Transfers to affiliates	(5,185,233)	–	–	(5,185,233)
Donations	–	3,280,194	–	3,280,194
Increase (decrease) in net assets	3,435,142	(3,579,330)	–	(144,188)
Balance at December 31, 2010	105,625,528	7,479,363	1,000,000	114,104,891
Excess of revenue over expenses	**4,344,797**	–	–	**4,344,797**
Restricted investment gain and investment income	–	**123,825**	–	**123,825**
Change in net unrealized gains and losses on investments	**(4,041,092)**	**(170,439)**	–	**(4,211,531)**
Net assets released from restriction for operations	–	**(1,135,504)**	–	**(1,135,504)**
Net assets released from restriction for capital purposes	**1,135,684**	**(1,135,684)**	–	–
Transfers to affiliates	**(5,475,950)**	–	–	**(5,475,950)**
Donations	–	**1,736,216**	–	**1,736,216**
Decrease in net assets	**(4,036,561)**	**(581,586)**	–	**(4,618,147)**
Balance at December 31, 2011	**$ 101,588,967**	**$ 6,897,777**	**$ 1,000,000**	**$ 109,486,744**

See accompanying notes

Holy Name Medical Center, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

	Year Ended December 31	
	2011	**2010**
Operating activities		
Change in net assets	**$ (4,618,147)**	$ (144,188)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	**16,918,637**	16,561,476
Amortization of deferred financing costs	**222,655**	218,271
(Gain) loss on fixed assets disposal and terminated projects	**(467,038)**	1,057,285
Provisions for bad debt, net	**14,869,321**	15,151,545
Change in net unrealized and realized gains and losses on investments	**4,211,531**	(3,439,348)
Net change in fair value of derivative instruments	**–**	2,262,128
Loss on extinguishment of debt	**–**	1,620,175
Restricted donations and interest income	**(1,860,041)**	(3,407,077)
Transfers to affiliates	**5,475,950**	5,185,233
Changes in operating assets and liabilities		
Patient accounts receivable	**(17,306,754)**	(12,074,043)
Other current assets	**(2,559,454)**	613,357
Other assets	**(6,250,010)**	(4,924,702)
Accounts payable and other accrued expenses	**3,932,301**	1,049,182
Accrued payroll and vacation	**224,659**	(1,041,008)
Estimated third-party payer settlements, net	**3,100,564**	3,559,616
Other current liabilities	**367,101**	–
Other liabilities	**2,091,404**	(6,081,969)
Accrued interest payable	**408,815**	(1,921)
Net cash provided by operating activities	**18,761,494**	16,164,012
Investing activities		
Acquisition of property and equipment, net	**(21,771,219)**	(11,546,586)
Net purchases and sales of assets whose use is limited and investments	**(5,541,496)**	(210,577)
Proceeds from sale of property	**551,969**	1,735,662
Net cash used in investing activities	**(26,760,746)**	(10,021,501)
Financing activities		
Payments on long-term debt and capital lease obligations	**(5,561,510)**	(52,480,641)
Proceeds from the issuance of new debt	**1,501,000**	55,280,000
Premium on bond issuance	**–**	691,065
Cost of issuance paid	**(176,878)**	(1,274,521)
Restricted contributions and interest income	**1,860,041**	3,407,077
Net cash (used in) provided by financing activities	**(2,377,347)**	5,622,980
Net (decrease) increase in cash and cash equivalents	**(10,376,599)**	11,765,491
Cash and cash equivalents at beginning of year	**27,538,778**	15,773,287
Cash and cash equivalents at end of year	**$ 17,162,179**	$ 27,538,778
Supplemental disclosures of cash flow information		
Cash paid for interest, including capitalized interest	**$ 5,581,000**	$ 5,785,208
Assets acquired through capital lease obligations	**$ 1,960,158**	$ –

See accompanying notes

Holy Name Medical Center, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2011

1. Summary of Significant Accounting Policies

Organization

The consolidated financial statements include the accounts of Holy Name Medical Center, Inc. (the "Medical Center") and its wholly owned subsidiaries: the Holy Name Health Care Foundation, Inc. ("Foundation"), Holy Name EMS ("EMS"), Holy Name Real Estate Corporation ("Realty"), Health Partner Services, Inc. ("HPS"), HNH Fitness, LLC ("Fitness Center") and MS Comprehensive Care Center ("MS Center") (collectively, the "Company"). The Medical Center is a wholly owned subsidiary of the Sisters of Saint Joseph of Peace Health Care System Corporation (the "Corporation"). All significant intercompany accounts and transactions have been eliminated in consolidation.

The Medical Center is a not-for-profit acute care hospital located in Teaneck, New Jersey. The Medical Center is licensed for 361 beds and provides a full range of health care services primarily to residents of northeast New Jersey. The Medical Center was established and operates for the promotion of health and to serve the public rather than private interests. The Foundation is a not-for-profit corporation organized for the purpose of raising funds for the Medical Center. EMS is a not-for-profit corporation organized for the purpose of providing emergency response and life support. Realty is a not-for-profit corporation organized to operate, own, and or lease property for the benefit of the Medical Center, the Corporation and its subsidiaries. HPS is a for-profit corporation engaged in the business of providing management services for health care providers. Fitness Center is a limited liability company formed for the sole purpose of constructing and operating a fitness and wellness center. MS Center is a not-for-profit corporation which offers comprehensive medical, nursing, physical rehabilitation, and support services for multiple sclerosis patients.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, including estimated uncollectibles for accounts receivable for services to patients, and liabilities, including estimated payables to third-party payers and malpractice insurance liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements. Estimates also affect the amounts of revenue and expenses reported during the period. There is at least a reasonable possibility that certain estimates will change by a material amount. Actual results could differ from those estimates.

1. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents includes investments in highly liquid financial instruments with original maturities of three months or less at date of purchase, excluding amounts within assets whose use is limited or investments. The carrying amount reported in the accompanying consolidated balance sheets for cash and cash equivalents approximates its fair value.

Patient Accounts Receivable and Net Patient Service Revenue

Patient accounts receivable and net patient service revenue from third-party programs for which the Company receives payment under various reimbursement formulae or negotiated rates are stated at the estimated net amounts realizable and receivable from such payers, which are generally less than the Company's established billing rates.

The amount of the allowance for doubtful accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in health care coverage and other collection indicators. Additions to the allowance for doubtful accounts result from the provision for bad debts. Accounts written off as uncollectible are deducted from the allowance for doubtful accounts.

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered and includes retroactive revenue adjustments due to ongoing and future audits, reviews, and investigations.

Investments and Investment Return

The Company maintains a pooled investment program for certain investments held by the Medical Center and Foundation. Investments consist of cash and cash equivalents, mutual funds – fixed income, mutual funds – equity, alternative investments, certificates of deposit, tax-exempt municipal bonds, State of Israel government bonds, and U.S. Government obligations. Investments are carried at fair value based on quoted market prices, except for alternative investments, and are classified as other-than-trading.

Alternative investments are stated in the accompanying consolidated balance sheets based upon net asset values derived from the application of the equity method of accounting. Financial information used by the Company to evaluate its alternative investments is provided by the

1. Summary of Significant Accounting Policies (continued)

investment manager or general partner and includes fair value valuations (quoted market prices and values determined through other means) of underlying securities and other financial instruments held by the investee, and estimates that require varying degrees of judgment. The financial statements of the investee companies are audited annually by independent auditors, although the timing for reporting the results of such audits does not coincide with the Company's annual financial statement reporting.

Alternative investments (nontraditional, not readily marketable securities) consist of event-driven funds, multi-strategy hedge funds, emerging market debt funds, global hedge funds and private equity funds. Alternative investment interests generally are structured such that the investment pool holds a limited partnership interest or an interest in an investment management company. The investment pool's ownership structure does not provide for control over the related investees and the investment pool's financial risk is limited to the carrying amount reported for each investee, in addition to any unfunded capital commitment. Future funding commitments for alternative investments aggregated approximately $1,065,000 at December 31, 2011 for the investment pool.

Individual investment holdings within the alternative investments include non-marketable and market-traded debt and equity securities and interests in other alternative investments. The investment pool may be exposed indirectly to securities lending, short sales of securities and trading in futures and forward contracts, options and other derivative products. Alternative investments often have liquidity restrictions under which the pooled investment capital may be divested only at specified times. Alternative investments held by the Company have liquidity restrictions up to 90 days. Liquidity restrictions may apply to all or portions of a particular invested amount.

There is uncertainty in determining values of alternative investments arising from factors such as lack of active markets (primary and secondary), lack of transparency into underlying holdings and time lags associated with reporting by the investee companies. As a result, there is at least a reasonable possibility that estimates will change.

Investment return includes interest and dividends, realized gains and losses, and income derived from alternative investments and is included in the excess (deficiency) of revenue over expenses in non-operating gains, net, unless restricted by donor or law. Unrealized gains and losses on investments are excluded from the excess (deficiency) of revenue over expenses unless an other-than-temporary impairment in value has occurred.

1. Summary of Significant Accounting Policies (continued)

Assets Whose Use is Limited

Assets whose use is limited include assets held by trustees under bond indenture agreements and those limited by donors.

Pledges Receivable

Through the fundraising activities of the Foundation, the Company is the recipient of pledges which are recorded at the time the unconditional promise to give is made, at estimated net realizable value (approximately $681,000 and $1,398,000 at December 31, 2011 and 2010, respectively). Pledges are reported within other assets in the accompanying consolidated balance sheets. The amount of the allowance for uncollectible pledges is based on management's assessment of historical and expected collections and other collection indicators. Additions to the allowance for uncollectible pledges result from the provision for uncollectible pledges. Pledges written off as uncollectible are deducted from the allowance for uncollectible pledges. Pledges are discounted to net present value based on the scheduled payment terms of each pledge using varying discount rates ranging from 1.02% to 4.43% and 0.61% to 4.43% at December 31, 2011 and 2010, respectively.

Supplemental Executive Retirement Plans

Certain Company employees participate in supplemental executive retirement plans. In connection with these plans, the Company deposits amounts with trustees on behalf of the participating employees. The assets are restricted for payments under the plans, but may revert to the Company under certain specified circumstances. At December 31, 2011 and 2010, amounts on deposit with trustees were equal to liabilities under the plans and aggregated approximately $2,450,000 and $1,640,000, respectively. Investments consist of mutual funds and are reported at fair value based upon quoted market prices. Amounts on deposit and liability amounts are included in the accompanying consolidated balance sheets as either current or noncurrent based on the terms of the respective plan.

The investments held by the trustees are classified as trading securities. During 2011 and 2010, the Company contributed, net of withdrawals, approximately $906,000 and $198,000, respectively. For the years ended December 31, 2011 and 2010, the Company recorded investment (loss) income of ($96,000) and $130,000, respectively, as other revenue. Changes to the liability for these plans are recorded in employee benefits expense.

1. Summary of Significant Accounting Policies (continued)

Supplies

Supplies are carried at the lower of cost or market and are determined by using the first-in, first-out method. Supplies are used in the provision of patient care and not held for sale.

Property and Equipment

Land, land improvements, buildings and equipment are stated on the basis of cost, except for donated assets, which are recorded at fair value at the date of the gift. It is the policy of the Company to provide for depreciation on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives range from 3 to 40 years. The Company recognizes a half-year depreciation in years of acquisition and disposition.

Assets acquired under capitalized leases are recorded at present value of the lease payments at the inception of the leases. Equipment under capital leases is amortized over the shorter period of the lease term or the estimated useful life of the equipment. Amortization is included in depreciation and amortization expense in the accompanying consolidated statements of operations.

Costs of Borrowing

Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Deferred financing costs are amortized over the period the obligation is outstanding using the effective interest method. At December 31, 2011 and 2010, the accumulated amortization for deferred financing costs was $525,082 and $302,427, respectively. During 2011 and 2010, approximately $177,000 and $1,275,000, respectively, of costs were incurred related to the issuance and restructuring of debt. Additionally, during 2010 the Company wrote off approximately $1,198,000 of unamortized deferred financing costs, which is included in loss on extinguishment of debt within the consolidated statements of operations.

Derivative Instruments

The Company utilized derivative instruments for interest rate risk exposure-management purposes (none currently in place). Derivative instruments are recorded as either an asset or

1. Summary of Significant Accounting Policies (continued)

liability in the consolidated balance sheets at fair value. The fair value of derivative instruments is determined utilizing forward interest rate estimates and present value techniques and gives consideration to nonperformance risk. The method of accounting for changes in the fair value (periodic unrealized gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and further, on the type of hedging relationship and the effectiveness of the arrangement.

Classification of Net Assets

The Company separately accounts for and reports upon donor restricted and unrestricted net assets. Temporarily restricted net assets are those whose use is temporarily restricted by the donor. Permanently restricted net assets have been restricted by donors to be maintained by the Company in perpetuity. Resources arising from the results of operations or assets set aside by the Board of Trustees are not considered to be donor restricted.

When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of operations and consolidated statements of changes in net assets as net assets released from restriction.

The Company follows the requirements of the New Jersey Uniform Prudent Management of Institutional Funds Act ("NJ UPMIFA") as they relate to its permanently restricted contributions and net assets, effective upon New Jersey State's enactment of the legislation in 2009. Previously, the Company followed the requirements of the Uniform Management of Institutional Funds Act of 1972, although the change did not affect significantly the Company's policies related to endowments. The Company has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the endowment funds.

Excess (Deficiency) of Revenue Over Expenses

The consolidated statements of operations include excess (deficiency) of revenue over expenses as the performance indicator. Changes in unrestricted net assets which are excluded from excess (deficiency) of revenue over expenses include changes in net unrealized gains and losses on investments, donations of long-lived assets (including donations restricted to acquiring such assets) and permanent transfers of assets to and from affiliates for other than goods and services.

1. Summary of Significant Accounting Policies (continued)

Transactions deemed by management to be ongoing, major, or central to the provision of health care services are reported as revenue and expenses. Peripheral or incidental transactions are reported as non-operating items. Non-operating gains, net consist primarily of investment income and gains and losses on sales of property and equipment.

Advertising Costs

The Company expenses advertising costs as incurred. For the years ended December 31, 2011 and 2010, advertising costs totaled approximately $3,797,000 and $2,347,000, respectively.

Income Taxes

The Medical Center is a not-for-profit organization as listed in the Official Catholic Directory and is exempt from federal, state and local income taxes. The Foundation, MS Center and EMS are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal, state and local income taxes. Realty is a not-for-profit corporation as described in Section 501(c)(2) of the Internal Revenue Code and is also exempt from federal, state and local income taxes. Fitness Center is a for-profit limited liability company which, for income tax purposes, is treated as a division of the Medical Center. HPS is a for-profit corporation; however, income tax expense for 2011 and 2010 was not significant.

Recent Accounting Pronouncements

In August 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-23, *Measuring Charity Care for Disclosure*. ASU No. 2010-23 requires that the level of charity care provided be presented based on the direct and indirect costs of the charity services provided. ASU No. 2010-23 also requires separate disclosure of the amount of any cash reimbursements received for providing charity care. ASU No. 2010-23 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2010. The Company adopted the provisions of ASU No. 2010-23 in 2011 (see Note 2).

In August 2010, the FASB issued ASU No. 2010-24, *Health Care Entities (Topic 954): Presentation of Insurance Claims and Related Insurance Recoveries* Under ASU No. 2010-24, anticipated insurance recoveries and estimated liabilities for medical malpractice claims or similar contingent liabilities are to be presented separately on the balance sheet. ASU No. 2010-

1. Summary of Significant Accounting Policies (continued)

24 is effective for fiscal years beginning after December 15, 2010 and was adopted by the Company in 2011. As a result of the adoption of this standard, the Medical Center increased accounts payable and other accrued expenses and other receivables by approximately $689,000, and other liabilities and other assets by approximately $1,109,000 as of December 31, 2011. Refer to Note 15 for a description of the Medical Center's medical malpractice coverage.

In July 2011, the FASB issued ASU No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*. The provisions of ASU No. 2011-07 require certain health care entities that recognize significant amounts of patient service revenue at the time the services are rendered without assessing the patient's ability to pay to present the provision for bad debts related to patient service revenue as a deduction from patient service revenue in the statement of operations rather than as an operating expense. Additional disclosures relating to sources of patient service revenue and the allowance for uncollectible accounts are also required. This new guidance is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011, with early adoption permitted. The Company adopted the provisions of ASU No. 2011-07 in 2011 and retrospectively applied the presentation requirements. See Note 3 for the additional disclosures required by ASU No. 2011-07.

Reclassifications

For purposes of comparison, certain reclassifications have been made to the accompanying 2010 consolidated financial statements to conform to the 2011 presentation. These reclassifications have no effect on net assets previously reported.

2. Uncompensated Care and Community Benefit

The Medical Center's commitment to community service is evidenced by services provided to all people regardless of race, creed, sex, age, disability, or ability to pay. Although reimbursement for services rendered is critical to the operations and stability of the Medical Center, the Medical Center recognizes that not all individuals have the ability to pay for medically necessary services and, furthermore, the Medical Center's mission is to serve the community with respect to health care. Therefore, in keeping with the Medical Center's commitment to serve members of the community, the Medical Center provides care to patients who meet certain criteria defined by the New Jersey Department of Health and Senior Services ("DOHSS") without charge or at amounts less than its established rates. Community benefit activities include wellness programs, community education programs, health screenings, and a broad variety of community support services, health professionals' education, and subsidized health services.

2. Uncompensated Care and Community Benefit (continued)

The Medical Center believes it is important to quantify comprehensively the benefits it provides to the community, which is an area of emphasis for not-for-profit health care providers. The Medical Center maintains records to identify and monitor the level of uncompensated care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy, compassionate care program and bad debt provision.

Uncompensated care consists of the following for the years ended December 31, 2011 and 2010:

	2011	2010
Charity care at estimated cost (a)	**$ 9,863,213**	$ 8,203,835
Free care and reduced price medical care under the Medical Center's compassionate care program at estimated cost (b)	**2,890,721**	2,320,489
Bad debt provision (net of contractual allowances) at estimated cost (c)	**3,325,457**	2,819,661
Total uncompensated care	**$ 16,079,391**	$ 13,343,985

(a) *Charity Care·* For patients that do not receive free care and who are deemed eligible for charity care, care given but not paid for is classified as charity care. Management believes that because of the difficulties involved with obtaining patient cooperation the present charity care guidelines understate the Medical Center's charity care amounts and overstate the level of bad debts reported. The cost of charity care is estimated by utilizing a cost accounting system, and includes the direct and indirect cost of providing charity care services. Funds received from the New Jersey Health Care Subsidy Fund ("HCSF") to offset charity services provided totaled approximately $1,099,000 and $534,000 for the years ended December 31, 2011 and 2010, respectively.

(b) *Free Care and Medical Center's Compassionate Care Program·* In addition to charity care reported under the DOHSS criteria, the Medical Center provides a significant amount of uncompensated care, which includes free care, care provided to patients at reduced prices, and bad debt provision. Beginning in 2009, the Medical Center initiated a compassionate care program to make available free and reduced fee care programs for qualifying patients under its financial aid policy. The cost of free and compassionate care is estimated by utilizing a cost accounting system, and includes the direct and indirect cost of providing such services.

(c) *Bad Debt Provision·* To record net patient service revenue at an estimated net realizable amount, management determines an allowance for doubtful accounts based on expected payment from patients and other payers. Additions to the allowance for doubtful accounts are recognized through the bad debt provision. The cost of bad debt is estimated by utilizing a cost accounting system, and includes the direct and indirect cost of providing medical and professional services.

2. Uncompensated Care and Community Benefit (continued)

During the registration, billing and collection process, a patient's eligibility for charity care or the Medical Center's compassionate care program is determined. For patients who do not qualify for charity care under the DOHSS standards and who are determined to be eligible for care in the form of reduced price medical services under the Medical Center's compassionate care and financial aid policy, care given but not paid for is classified as a reduction in net patient service revenue as a compassionate care allowance. For patients who were determined by the Medical Center to have the ability to pay but did not, uncollected amounts are classified as bad debt provision. Distinguishing between bad debt and charity care or compassionate care is difficult in part because services are often rendered prior to the full evaluation of a patient's ability to pay.

The Medical Center is committed to serving the surrounding neighborhoods comprising its service area and recognizes the importance of preserving community focus to effectively meet community needs. In keeping with its mission, the Medical Center is devoted to providing programs and outreach activities through linkages with various community-based groups without charge. Community health improvement services and related operations include clinical services, screening and exams, and other education or support services in areas such as the following: high blood pressure, stroke, cancer, diabetes, community-based outreach and health education, digestive diseases, emergency services/emergency preparedness, mental illness, weight management, women's health, parenting basics, and children's health (a complete description of each service can be found in the Medical Center's annual community service plan). The Medical Center also participates in the Women, Infants and Children programs, providing nutritional and social services, ancillary services and other programs to participants. Day care for ill children is available to working parents in the community, affording them the ability to work even when a child is sick. Senior or disabled persons requiring medical day care are transported free of charge to the Medical Center's Adult Day Care Program, reducing the burden on family caretakers.

Community benefits also include losses incurred in providing services to patients who participate in certain public health programs such as Medicaid. Payments received by the Medical Center for patient services provided to Medicaid program participants are less than the estimated cost of providing such services. Therefore, to the extent Medicaid payments are less than the cost of care provided to Medicaid patients, the uncompensated cost of that care is considered to be a community benefit. The total shortfall of Medicaid uncompensated costs for the years ended December 31, 2011 and 2010 is approximately $6,894,000 and $4,955,000, respectively.

3. Net Patient Service Revenue

Accounts Receivable and Net Patient Service Revenue

The Company recognizes accounts receivable and patient service revenue associated with services provided to patients who have third-party payer coverage on the basis of contractual rates for the services rendered (see description of third-party payer payment programs below). For uninsured patients that do not qualify for charity care, the Company recognizes revenue on the basis of discounted rates under the Company's self-pay patient policy. Under the policy for self-pay patients, a patient who has no insurance and is ineligible for any government assistance program has his or her bill reduced to the amount which would be billed to a commercially insured patient. The impact of this policy on the financial statements is lower net patient service revenue, as the discount is considered a revenue allowance, and a lower provision for bad debt.

Patient service revenue for the year ended December 31, 2011, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payer sources based on primary insurance designation, is as follows:

	Third-Party Payers	Self-Pay	Total All Payers
Patient service revenue (net of contractual allowances and discounts)	$ 271,565,953	$ 8,400,013	$ 279,965,966

Deductibles and copayments under third-party payment programs within the third-party payer amount above are the patient's responsibility and the Company considers these amounts in its determination of the provision for bad debts based on collection experience.

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

For receivables associated with services provided to patients who have third-party coverage, the Company analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles

3. Net Patient Service Revenue (continued)

and copayments on accounts for which the third-party payer has not yet paid, or for payers who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay patients which include both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill, the Company records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between discounted rates and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

The Company's allowance for doubtful accounts totaled approximately $16.2 million and $13.0 million at December 31, 2011 and 2010, respectively. The allowance for doubtful accounts for self-pay patients was approximately 85% of self-pay accounts receivable as of December 31, 2011 and 2010. Overall, the total of self-pay discounts and write-offs has not changed significantly for the year ended December 31, 2011. The Company has not experienced significant changes in write-off trends and has not changed its charity care policy for the year ended December 31, 2011.

Third-Party Payment Programs

The Medical Center provides care to patients under Medicare, Medicaid and other contractual arrangements. The Medicare program pays for primarily all services at predetermined rates. However, certain services and specified expenses continue to be reimbursed on a reasonable cost basis. The Medicaid program also currently pays the Medical Center at predetermined rates for inpatient services and on a cost reimbursement methodology for outpatient services.

Regulations require annual retroactive settlements for cost-based reimbursements through cost reports filed by the Medical Center. These retroactive settlements are estimated and recorded in the consolidated financial statements in the year in which they occur. The estimated settlements recorded at December 31, 2011 and 2010 could differ from actual settlements based on the results of cost report audits. Cost reports for all years before 2005 have been audited and settled as of December 31, 2011. No significant adjustments for settlements or changes in related estimates were recorded to net patient service revenue during 2011 and 2010.

Revenue from the Medicare and Medicaid programs accounted for approximately 52% and 51% of the Medical Center's net patient service revenue for the years ended December 31, 2011 and 2010, respectively. There are various proposals at the federal and state levels that could, among

3. Net Patient Service Revenue (continued)

other things, reduce payment rates or modify payment methods. The ultimate outcome of these proposals and other market changes, including the potential effects of health care reform that have been enacted by the Federal government, cannot presently be determined. Future changes in Medicare and Medicaid programs and any reduction of funding could have an adverse impact on the Medical Center.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The Medical Center is not aware of any allegations of noncompliance that could have a material adverse effect on the accompanying consolidated financial statements and believes that it is in compliance, in all material respects, with applicable laws and regulations. Action for noncompliance could result in repayment of amounts received, fines, penalties, and exclusion from the Medicare and Medicaid programs.

The HCSF was established for various purposes, including the distribution of charity care payments to hospitals statewide. The HCSF also provides funds for other uncompensated care for hospitals whose actual costs for health care services are significantly greater than the rates paid by the Medicaid program for those services.

4. Fair Value Measurements

For assets and liabilities required to be measured at fair value, the Company measures fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are applied based on the unit of account from the Company's perspective. The unit of account determines what is being measured by reference to the level at which the asset or liability is aggregated (or disaggregated) for purposes of applying other accounting pronouncements.

The Company follows a valuation hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- *Level 1:* Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

4. Fair Value Measurements (continued)

- *Level 2:* Observable inputs that are based on inputs not quoted in active markets, but corroborated by market data.

- *Level 3:* Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. In determining fair value, the Company uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible and considers nonperformance risk in its assessment of fair value.

Financial assets and liabilities carried at fair value as of December 31, 2011 and 2010 are classified in the table below in one of the three categories described above:

	2011			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Cash and cash equivalents	**$ 27,720,273**	**$ –**	**$ –**	**$ 27,720,273**
Mutual funds – fixed income	**9,954,303**	**–**	**–**	**9,954,303**
Mutual funds – equity	**27,185,570**	**–**	**–**	**27,185,570**
Certificates of deposit	**6,125,777**	**–**	**–**	**6,125,777**
Tax exempt municipal bonds	**–**	**5,722,379**	**–**	**5,722,379**
State of Israel government bonds	**1,256,500**	**–**	**–**	**1,256,500**
United States government obligations	**2,205,726**	**–**	**–**	**2,205,726**
	$ 74,448,149	**$ 5,722,379**	**$ –**	**$ 80,170,528**

	2010			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Cash and cash equivalents	$ 36,654,251	$ –	$ –	$ 36,654,251
Mutual funds – fixed income	9,849,897	–	–	9,849,897
Mutual funds – equity	30,024,824	–	–	30,024,824
Certificates of deposit	4,458,617	–	–	4,458,617
Tax exempt municipal bonds	–	4,749,878	–	4,749,878
State of Israel government bonds	1,258,000	–	–	1,258,000
United States government obligations	2,329,519	–	–	2,329,519
	$ 84,575,108	$ 4,749,878	$ –	$ 89,324,986

4. Fair Value Measurements (continued)

The above tables do not include investments recorded based on the equity method of accounting.

Fair value for Level 1 is based upon quoted market prices. Level 2 assets consist of certain fixed income securities for which the fair value at each year end is estimated based on quoted prices and other valuation considerations (e.g., credit quality and prevailing interest rates). Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The Company's long-term debt obligations, excluding capital leases, are reported in the accompanying consolidated balance sheets at carrying value which totaled approximately $122,853,000 and $126,223,000 at December 31, 2011 and 2010, respectively. The fair value of these obligations at December 31, 2011 and 2010 as estimated based primarily on quoted market prices for related bonds and other valuation considerations totaled approximately $112,274,000 and $115,000,000, respectively.

5. Assets Whose Use is Limited

The fair value of assets whose use is limited is set forth below. Assets whose use is limited that are required to satisfy obligations classified as current liabilities are reported in current assets.

	December 31	
	2011	**2010**
By donors:		
Cash and cash equivalents	**$ 107,484**	$ 49,986
Mutual funds – fixed income	**501,697**	507,209
Mutual funds – equity	**1,347,805**	1,517,462
Alternative investments (equity method value)	**532,177**	539,190
Certificates of deposit	**2,161,579**	1,046,052
Accrued interest	**3,393**	782
	4,654,135	3,660,681
Under bond indenture agreements:		
Tax exempt municipal bonds	**5,722,379**	4,749,878
U.S. Government obligations	**9,823,817**	9,320,182
	15,546,196	14,070,060
	20,200,331	17,730,741
Total assets whose use is limited		
Less assets whose use is limited and that are required for current liabilities	**3,713,006**	3,025,640
Noncurrent assets whose use is limited	**$ 16,487,325**	$ 14,705,101

5. Assets Whose Use is Limited (continued)

Assets held by trustees under bond indenture agreements relating to the New Jersey Health Care Facilities Financing Authority debt issues consist of the following:

	December 31	
	2011	**2010**
Series 2006 Revenue Bonds:		
Debt service fund – interest	**$ 1,529,109**	$ 1,533,299
Debt service fund – principal	**32,334**	32,326
Debt service reserve fund	**5,738,069**	5,739,766
	7,299,512	7,305,391
Series 2010 Revenue Bonds:		
Cost of issuance bond proceeds fund	**–**	87,555
Cost of issuance equity fund	**–**	122,696
Debt service fund – interest	**1,691,715**	645,839
Debt service fund – principal	**153,335**	639,925
Debt service reserve fund	**6,401,634**	5,268,654
	8,246,684	6,764,669
Total under bond indenture agreements	**$ 15,546,196**	$ 14,070,060

Investment income on assets whose use is limited is included in other operating revenue and consists of the following:

	2011	**2010**
Interest and dividend income	**$ 342,507**	$ 329,195

The Company's gross unrealized losses of individual securities classified as assets whose use is limited were not significant at December 31, 2011 and were not deemed to be other than temporary impairments based on expected near-term recovery and the ability and intent of the Company to hold such securities until maturity.

5. Assets Whose Use is Limited (continued)

The Company's gross unrealized losses and fair value of individual securities classified as assets whose use is limited at December 31, 2010, aggregated by investment category, which have been in a continuous unrealized loss position less than 12 months and greater than 12 months are as follows:

	December 31, 2010					
	Less than Twelve Months		Twelve Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Tax exempt municipal bonds (1 fund)	$ –	$ –	$ 4,195,850	$ (434,324)	$ 4,195,850	$ (434,324)
Cash and cash equivalents (2 funds)	639,925	(575)	–	–	639,925	(575)
Total	$ 639,925	$ (575)	$ 4,195,850	$ (434,324)	$ 4,835,775	$ (434,899)

At December 31, 2010, the unrealized losses of approximately $435,000 were not deemed to be other than temporary impairments based on expected near-term recovery and the ability and intent of the Company to hold until maturity.

In February 1999, the Medical Center entered into a forward purchase agreement with a financing institution. The Medical Center sold the interest income on the debt service fund through the maturity date of the Series 1997 Revenue Bonds. In consideration, the Medical Center received approximately $1,200,000. The agreement was amended in November 2008 to partially terminate the agreement with respect to the Series 1997 bonds redeemed through the Series 2008 financing. The agreement was further amended in August 2010 to permit the agreement to continue with respect to the debt service fund relating to the portion of the Series 2010 bonds allocated to the refunding of the remaining outstanding Series 1997 and Series 2008 bonds. The forward purchase agreement proceeds are being amortized over the life of the bonds (through 2025) using the effective interest method. The unamortized proceeds (approximately $281,000 and $314,000 at December 31, 2011 and 2010, respectively) are recorded in other liabilities as current or noncurrent liabilities based on the timing of recognition of revenue in the accompanying consolidated balance sheets.

6. Investments

Investments consist of the following:

	December 31	
	2011	**2010**
Cash and cash equivalents	**$ 1,699,446**	$ 920,730
Mutual funds – fixed income	**9,452,606**	9,342,688
Mutual funds – equity	**25,837,765**	28,507,362
U.S. Government obligations	**1,133,073**	1,154,094
Certificates of deposit	**3,964,198**	3,412,565
Alternative investments (equity method value)	**10,026,888**	9,931,770
State of Israel government bonds	**1,256,500**	1,258,000
Accrued interest	**43,920**	26,812
	$ 53,414,396	$ 54,554,021

Investment income included in non-operating gains, net consists of the following:

	Year Ended December 31	
	2011	**2010**
Interest, dividend income, and realized gains and losses on investments	**$ 3,014,754**	$ 2,106,414
(Losses) gains from alternative investments	**(321,464)**	461,188
	$ 2,693,290	$ 2,567,602

6. Investments (continued)

The Company's gross unrealized losses and fair value of individual securities classified as investments at December 31, 2011 and 2010, aggregated by investment category, which have been in a continuous unrealized loss position less than 12 months and greater than 12 months are as follows:

	December 31, 2011					
	Less than Twelve Months		Twelve Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Fixed Income (2 funds)	$ 4,457,704	$ (2,174,949)	$ –	$ –	$ 4,457,704	$ (2,174,949)
Total	$ 4,457,704	$ (2,174,949)	$ –	$ –	$ 4,457,704	$ (2,174,949)

	December 31, 2010					
	Less than Twelve Months		Twelve Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Fixed Income (1 fund)	$ 4,393,595	$ (296,386)	$ –	$ –	$ 4,393,595	$ (296,386)
Total	$ 4,393,595	$ (296,386)	$ –	$ –	$ 4,393,595	$ (296,386)

At December 31, 2011 and 2010, the unrealized losses of approximately $2,175,000 and $296,000 were not deemed to be other than temporary based on expected near–term recovery and the ability and intent of the Company to hold until maturity.

7. Property and Equipment

A summary of property and equipment is as follows:

	December 31	
	2011	2010
Land	$ 6,173,634	$ 6,173,634
Land improvements	3,126,096	2,261,044
Building and fixed equipment	211,676,614	204,326,574
Major movable equipment	109,790,337	98,322,600
	330,766,681	311,083,852
Less accumulated depreciation and amortization	198,005,288	181,907,200
	132,761,393	129,176,652
Construction-in-progress	18,846,059	15,702,991
Property and equipment, net	$ 151,607,452	$ 144,879,643

7. Property and Equipment (continued)

Depreciation expense for the years ended December 31, 2011 and 2010 was $16,720,187 and $16,342,234, respectively.

During 2011 and 2010, the Medical Center capitalized approximately $785,000 and $532,000, respectively, of interest expense net of interest income related to certain construction projects.

Equipment financed through capital lease obligations is included in the amounts above. During 2011 and 2010, approximately $538,000 and $342,000 were amortized for this equipment, respectively.

During 2011 and 2010, the Medical Center recognized gains (losses) on fixed asset disposals and terminated projects of $467,038 and ($1,057,285), respectively. The gains (losses) on fixed asset disposals and terminated projects are recorded within non-operating gains, net.

8. Long-Term Debt

A summary of long-term debt at December 31, 2011 and 2010 follows:

	2011	2010
Series 2006 Bonds (a)	**$ 60,000,000**	$ 60,000,000
Series 2006 A-6 Bonds (b)	**5,865,000**	6,460,000
Series 2010 Bonds (c)	**53,145,000**	55,280,000
Mortgage loans (d)	**1,442,234**	1,482,909
PSE&G loan (e)	**2,401,124**	2,415,665
Term Loan – 2010 (f)	**–**	584,409
Capital lease obligation – Fitness Center at a rate of 3.9% maturing through 2012	**75,381**	369,639
Capital lease obligations – Medical Center, at rates varying from 2.2% to 5.3%, with varying maturities through 2014 (g)	**2,683,689**	1,065,559
Total long-term debt	**125,612,428**	127,658,181
Unamortized bond premium, net of accumulated amortization of $286,616 and $149,407 in 2011 and 2010, respectively	**1,221,168**	1,326,344
Less		
Unamortized original issue discount, net of accumulated amortization of $119,204 and $64,251 in 2011 and 2010, respectively	**105,454**	156,031
Current portion of long-term debt and line of credit	**3,724,860**	3,576,084
Long-term debt, net of current portion	**$ 123,003,282**	$ 125,252,410

8. Long-Term Debt (continued)

a. *Holy Name Medical Center* – In 2006, the New Jersey Health Care Facilities Financing Authority (the "Authority") issued $60,000,000 of Series 2006 Bonds on behalf of the Medical Center with a net premium of approximately $817,000. The proceeds of the financing were used as follows: (i) to refund the Series 1998 and 2001 revenue bonds; (ii) repay capital lease obligations; and (iii) to fund the construction of the new emergency department; clinical, conference and educational facilities; various infrastructure upgrades; and various capital equipment and furnishings. At December 31, 2011, the Series 2006 Bonds consist of $23,240,000 5.25% term bonds due July 1, 2030 and $36,760,000 5.00% term bonds due July 1, 2030. The bonds have annual sinking fund maturity dates from July 1, 2026 through July 31, 2036. Interest is payable semi-annually. The bonds are collateralized by a pledge of the Medical Center's gross receipts and a mortgage on certain of the Medical Center's property.

b. *Fitness Center* – In 2006, the Authority issued $6,500,000 of Series 2006 A-6 Bonds on behalf of Fitness Center. The proceeds of the financing were used as follows: (i) acquisition of a long-term leasehold interest in a building; (ii) payment of interest on the Series 2006 A-6 Bonds during construction; (iii) payment of certain expenses directly related to the project facility; and (iv) pay costs associated with the issuance of the Series 2006 A-6 Bonds. The Series 2006 A-6 bonds are variable rate demand bonds subject to a remarketing agreement and, in connection with these bonds, Fitness Center entered into a letter of credit agreement with a bank. Any draw on the letter of credit is payable 367 days from the date of the draw. In September 2011, the Medical Center acquired a replacement three-year letter expiring August 15, 2014. At December 31, 2011, no amounts had been drawn.

c. *Holy Name Medical Center* – In 2010, the Authority issued $55,280,000 of Series 2010 Bonds on behalf of the Medical Center with a net premium of approximately $691,000. The proceeds of the financing were used as follows: (i) to refund the Series 1997 and 2008 revenue bonds; (ii) payment of capital expenditures relating to Medical Center facilities; (iii) funding of the Debt Service Reserve Fund for the Series 2010 Bonds; and (iv) the payment of certain costs of issuance of the Series 2010 Bonds. At December 31, 2011, the Series 2010 Bonds consist of $28,780,000 in serial bonds maturing annually through July 1, 2020, with varying interest rates ranging from 4.0% to 5.0%, and $24,365,000 in term bonds maturing on July 1, 2025 with an interest rate of 5.0%. The bonds are collateralized by a pledge of gross receipts and a first mortgage lien on certain land, buildings and equipment.

8. Long-Term Debt (continued)

d. *Holy Name Real Estate Corporation* – Realty has entered into mortgage loans on several properties (collectively, the "mortgage loans"):

   i. $1,000,000 mortgage loan, 9-15 Anderson Street, Hackensack property, with annual interest of 6.25%, renewable after five years and monthly payments from February 1, 2008 through February 1, 2017. The loan is collateralized by a first mortgage lien on the property, assignment of rents and leases and a lien on the fixtures. The mortgage loan balance was fully repaid in 2011.

   ii. $562,500 mortgage loan, 21 3rd St. Ridgefield Park property, with annual interest of 6.25% renewable after five years and monthly payments from January 1, 2009 through January 1, 2019. The loan is collateralized by a first security interest on all improvements and equipment relative to the property. The mortgage loan balance was fully repaid in 2011.

   iii. $1,501,000 mortgage loan, 721-725 Teaneck Ave, Teaneck property, with annual interest of 4.875%, monthly payments from July 1, 2011 through June 1, 2021. The loan is collateralized by the property. The proceeds of the mortgage were used to repay the Ridgefield Park and Hackensack mortgage balances. The mortgage loan balance was $1,442,234 at December 31, 2011.

e. *Holy Name Medical Center* – During 2009, the Medical Center received a $2,415,665 non-interest bearing loan from Public Service Electric & Gas Company ("PSE&G") in connection with a letter agreement for the purpose of implementing certain energy conversion measures (the "project") at the Medical Center. The payments are due in 36 monthly installments commencing 30 days after the completion of the project. The project was completed in January 2012. The Medical Center determined the present value of the payments to be made under the terms of the agreement using an imputed interest rate and recorded a discount on the loan of approximately $225,000. The discount is amortized and recorded in interest expense based on the effective interest method. The Medical Center used the prime rate of interest which was 3.25% at the date of the transaction.

f. *Holy Name Medical Center* – In 2010, the Medical Center obtained a term loan (the "Term Loan – 2010") in the amount of $833,416 from a commercial bank. Proceeds of the Term Loan – 2010 were used for the purpose of repaying the outstanding balance of a line of credit the Medical Center maintains with a bank. The Term Loan was fully repaid in 2011.

8. Long-Term Debt (continued)

g. *Holy Name Medical Center* – The Medical Center entered into capital lease obligations on several pieces of medical equipment (collectively, the "capital leases"):

i. $1,710,000 Pantheon Capital, LLC lease obligation for Da Vinci Robot surgical equipment, with an interest rate of 5.30462% and monthly payments from April 1, 2009 through March 1, 2014.

ii. $1,606,123 Siemens Financial Services lease obligation for an MRI, with an interest rate of 3.0632% and monthly payments from December 30, 2011 through November 30, 2016.

iii. $354,053 Siemens Financial Services lease obligation for a nuclear camera, with an interest rate of 3.0728% and monthly payments from December 2, 2011 through November 2, 2016.

Debt issued by each entity of the Company is the sole responsibility of that entity, except for the Realty Mortgage Loan and Fitness Center letter of credit which are guaranteed by the Medical Center.

Principal and sinking fund payments on long-term debt and capital lease obligations, excluding interest, for the next five years and thereafter are as follows:

	Bonds Payable	Mortgage Loans	Term Loan and PSE&G Loan	Capital Lease Obligations	Total
2012	$ 2,045,000	$ 121,796	$ 733,677	$ 824,386	$ 3,724,859
2013	2,225,000	128,154	800,375	754,970	3,908,499
2014	2,640,000	134,634	800,375	392,665	3,967,674
2015	3,665,000	141,441	66,697	404,871	4,278,009
2016	3,840,000	148,467	–	382,178	4,370,645
Thereafter	104,595,000	767,742	–	–	105,362,742
	$ 119,010,000	$ 1,442,234	$ 2,401,124	$ 2,759,070	$ 125,612,428

Under the terms of the various debt agreements, the Company is required to be in compliance with certain financial covenants and ratios as described in the respective agreements. At December 31, 2011 and 2010, the Company was in compliance with these financial covenants.

8. Long-Term Debt (continued)

The Medical Center has an unsecured line of credit for $6,100,000 with an expiration date of June 30, 2012. At December 31, 2011, the Medical Center had no outstanding draws on the line of credit.

Derivative Instruments

The fair value at December 31, 2011 and 2010 of the Company's derivative instruments and the change in fair value of the derivative instruments (increase (decrease) in fair value as reported in the consolidated statements of operations) for the years then ended are as follows:

	Fair Value at December 31		Change in Fair Value for the Years Ended December 31	
	2011	2010	2011	2010
Variable to fixed swap	$ –	$ –	$ –	$ (3,724,418)
2008 TR swap	–	–	–	1,462,290
	$ –	$ –	$ –	$ (2,262,128)

The Medical Center entered into a variable to fixed interest rate swap (the "Variable to Fixed Swap") that was intended to mitigate the Medical Center's exposure to variable interest rates. The Variable to Fixed Swap was entered into on March 28, 2007 with a notional amount of $45,050,000. The Medical Center received a variable interest payment from the swap counterparty of 67.00% of LIBOR-BBA (0.18% at December 31, 2009) and paid a fixed interest payment based on an interest rate of 3.535%. The Variable to Fixed Swap was terminated in 2010 as part of the Series 2010 debt financing which resulted in a settlement payment by the Medical Center of $6,870,000.

During 2008, in connection with the debt restructurings with the Series 1997 Bonds, the bank counterparty exercised its right to terminate certain total return swaps resulting in the Medical Center making a net payment of approximately $127,000 to the bank counterparty. Contemporaneously, the Medical Center entered into a new Total Return Swap ("2008 TR Swap") with an investment bank. The purpose of this transaction was to lower the Medical Center's overall cost of debt by swapping its fixed interest rate debt to a variable rate. The 2008 TR Swap had a notional amount equal to the adjusted bond par amount which was $19,665,000 at December 31, 2009. The Medical Center received the fixed coupon rate of 6.00% payable in relation to the Series 1997 Bonds in exchange for a variable rate payment of the Securities Industry and Financial Markets Association, plus 0.88% (1.13% at December 31, 2009). The 2008 TR Swap was terminated in 2010 as part of the Series 2010 debt financing.

9. Pension Plan

In June 1997, the Medical Center implemented a 401(k) retirement plan. All employees who have attained the age of 21, completed one year of service and have at least 1,000 hours of service are eligible to participate. Employees are fully vested in the plan after five years of service. Employees may contribute 1% to 15% of their salary on a pre-tax basis, not to exceed IRS limitations of $16,500 in both 2011 and 2010, respectively. All pre-tax contributions are 100% vested by the employee. The Medical Center matches 50% of the first 6% of employee contributions. In addition, the Medical Center contributes on behalf of each employee an additional 1% of his/her salary. The Medical Center and its subsidiaries contributed approximately $3,150,000 and $2,891,000 into the plan in 2011 and 2010, respectively.

10. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	December 31	
	2011	**2010**
Scholarships for nursing students, program and department expenses, educational training, special projects and purchase of equipment	**$ 2,894,767**	$ 2,899,412
Medical staff continuing education and special projects	**365,100**	241,473
Loans to nursing students	**–**	70,359
Funds held by Holy Name Health Care Foundation, Inc. on behalf of the Medical Center to support various program expenses, educational training, special projects, community outreach, and the purchase of equipment	**3,587,263**	4,128,246
Funding for hemodialysis department	**50,647**	139,873
	$ 6,897,777	$ 7,479,363

Permanently restricted net assets are to be held in perpetuity, the income of which is expendable to support health care services.

During 2011 and 2010, approximately $2,272,000 and $7,053,000 of net assets, including amounts raised in 2010, were released from restriction. Approximately $1,136,000 and $5,842,000 were released for capital projects in 2011 and 2010, respectively, and approximately $1,136,000 and $1,211,000, respectively, were released for use in operations.

11. Related-Party Transactions

The Company, in the normal course of its operations, enters into transactions with related parties. Such transactions are subject to the Company's purchasing and conflict of interest policies and, in the opinion of management, are conducted in an arm's-length manner at a reasonable cost basis for such goods and services.

Due to changes in health care reimbursement models, increased local competition and uncertainty in health care reform, management implemented a strategy to align incentives between physician groups and the Medical Center. The Medical Center had provided funding to various medical corporations in Bergen County (the "Captive PCs") which are controlled by the Corporation. The Medical Center has assessed the operations of the Captive PCs at December 31, 2011 and 2010 and determined that approximately $5,476,000 and $5,185,000, respectively, of amounts due from certain Captive PCs would not be repaid and accounted for such amounts as transfers to affiliates.

The Medical Center continually reassesses amounts due from related parties for collectability based upon the results of their operations and other circumstances. The net amounts due from the Captive PCs were approximately $1,813,000 and $2,722,000 at December 31, 2011 and 2010, respectively, which is included in other assets in the accompanying consolidated balance sheets.

12. School of Nursing

The Medical Center maintains a School of Nursing, the financial activity of which is included within the consolidated financial statements of the Medical Center. The School of Nursing's individual revenue and expenses are as follows:

	2011	2010
Total revenue	**$ 4,751,997**	$ 4,430,719
Total expenses	**(4,438,498)**	(4,165,149)
Excess of revenue over expenses	**$ 313,499**	$ 265,570

The Medical Center did not distribute any refunds to students for PELL grants related to the School of Nursing's fiscal years ending June 30, 2011 and 2010 and, therefore, did not establish a cash reserve fund.

13. Commitments and Contingencies

Various investigations, lawsuits and claims arising in the normal course of operations are pending or on appeal against the Company. While the ultimate effect of such actions cannot be determined at this time, it is the opinion of management that the liabilities which may arise from such actions would not result in losses not covered by insurance or accrued in the accompanying consolidated financial statements and, therefore, will not materially affect the consolidated financial position or consolidated results of operations of the Company.

14. Concentrations of Credit Risk

The Medical Center grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. Gross accounts receivable by payer were as follows:

	December 31	
	2011	**2010**
Medicare and Medicaid	**31%**	37%
Blue Cross	**12**	10
Managed care	**28**	28
Other third-party payers (none over 10%)	**15**	13
Patients	**14**	12
	100%	100%

15. Accrued Malpractice Claims

The Medical Center purchases first dollar coverage for professional and general liability insurance coverage. The Medical Center has a claims-made policy with a commercial insurance carrier for malpractice. The policy covers $1 million per occurrence and $3 million in the aggregate. In addition, the Medical Center purchased additional excess coverage for amounts up to $10 million. Estimated liabilities relating to asserted and unasserted claims are recorded by the Medical Center as reserve for insurance claims within accounts payable and accrued expenses and other liabilities in the consolidated balance sheets. The estimate for unreported incidents and losses is actuarially determined based on Medical Center-specific and industry experience data. Receivables for expected insurance recoveries are included in other receivables and other assets in the consolidated balance sheets and total approximately $1,798,000 at December 31, 2011. The Medical Center recorded an estimated liability for claims incurred but not reported of approximately $701,000 at December 31, 2011 and 2010.

16. Operating Lease Obligations

The Medical Center has entered into agreements for certain equipment under non-cancellable operating leases. The related expenses for the years ended December 31, 2011 and 2010 are not significant.

17. Functional Expenses

The Company provides general health care services to residents within its geographic area. Expenses related to provision of these services for the years ended December 31, 2011 and 2010 are as follows:

	2011	2010
Health care	**$ 185,536,013**	$ 183,140,420
General and administrative	**93,302,591**	77,855,079
Total	**$ 278,838,604**	$ 260,995,499

18. Subsequent Events

Subsequent events have been evaluated through May 29, 2012, which is the date the consolidated financial statements were available to be issued. No subsequent events have occurred that require disclosure in or adjustment to the consolidated financial statements.

Supplementary Information

Ernst & Young LLP

Report of Independent Auditors on Supplementary Information

The Board of Trustees
Holy Name Medical Center, Inc. and Subsidiaries

We have audited the consolidated financial statements of Holy Name Medical Center, Inc. and Subsidiaries as of and for the year ended December 31, 2011, and have issued our report thereon dated May 29, 2012 which contained an unqualified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating balance sheet as of December 31, 2011, and consolidating statements of operations and changes in net assets for the year then ended, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Ernst & Young LLP

May 29, 2012

Holy Name Medical Center, Inc. and Subsidiaries

Consolidating Balance Sheet

December 31, 2011

	Holy Name Medical Center, Inc.	Holy Name EMS	Holy Name Real Estate Corporation	Health Partner Services, Inc.	Holy Name Health Care Foundation, Inc.	HNH Fitness, LLC	MS Comprehensive Care Center	Eliminations	Total
Assets									
Current assets									
Cash and cash equivalents	$ 13 897 214	$ 127 068	$ 140 523	$ 11 048	$ 2 478 403	$ 383 411	$ 124 512	$ –	$ 17 162 179
Assets whose use is limited and that are required for current liabilities	3 713 006	–	–	–	–	–	–	–	3 713 006
Investments	52 960 977	–	446 919	–	6 500	–	–	–	53 414 396
Patient accounts receivable net	32 779 539	389 653	–	–	–	–	29 014	–	33 198 206
Due from subsidiaries	8 844 094	–	–	–	–	–	–	(8 844 094)	–
Other receivables	2 292 830	–	8 160	1 100	105 378	1 510	89 128	–	2 498 106
Supplies	4 863 030	–	–	–	–	3 612	–	–	4 866 642
Prepaid expenses and other current assets	2 902 778	15 448	19 368	–	11 559	46 091	8 802	–	3 004 046
Total current assets	122 253 468	532 169	614 970	12 148	2 601 840	434 624	251 456	(8 844 094)	117 856 581
Assets whose use is limited less current portion	15 596 301	–	–	–	891 024	–	–	–	16 487 325
Assets held by related organization	3 776 513	–	–	–	–	–	–	(3 776 513)	–
Property and equipment net	138 040 026	688 934	6 179 715	181 259	–	6 499 589	17 929	–	151 607 452
Deferred financing costs net	1 882 142	–	25 012	–	–	214 890	–	–	2 122 044
Other assets	4 417 983	–	3 600	1 057 112	680 601	–	–	–	6 159 296
Total assets	$ 285 966 433	$ 1 221 103	$ 6 823 297	$ 1 250 519	$ 4 173 465	$ 7 149 103	$ 269 385	$ (12 620 607)	$ 294 232 698

Holy Name Medical Center, Inc. and Subsidiaries

Consolidating Balance Sheet (continued)

December 31, 2011

	Holy Name Medical Center, Inc.	Holy Name EMS	Holy Name Real Estate Corporation	Health Partner Services, Inc.	Holy Name Health Care Foundation, Inc.	HNH Fitness, LLC	MS Comprehensive Care Center	Eliminations	Total
Liabilities and net assets									
Current liabilities									
Accrued interest payable	$ 2 797 106	$ –	$ –	$ –	$ –	$ 541	$ –	$ –	$ 2 797 647
Current portion of long-term debt	3 322 683	–	121 796	–	–	280 381	–	–	3 724 860
Accounts payable and other accrued expenses	24 703 292	2 429 927	654 515	1 447 816	370 512	3 118 767	1 401 696	(8 844 094)	25 282 431
Accrued payroll and vacation	8 382 003	55 921	3 228	60 144	26 440	44 050	40 182	–	8 611 968
Other current liabilities	–	–	–	–	–	367 101	–	–	367 101
Due to third-party payers	6 609 898	–	–	–	–	–	–	–	6 609 898
Total current liabilities	45 814 982	2 485 848	779 539	1 507 960	396 952	3 810 840	1 441 878	(8 844 094)	47 393 905
Other liabilities	3 009 287	–	88 702	–	–	265 412	–	–	3 363 401
Long-term debt excluding current installments	116 022 844	–	1 320 438	–	–	5 660 000	–	–	123 003 282
Due to third-party payers excluding current portion	10 985 366	–	–	–	–	–	–	–	10 985 366
Total liabilities	175 832 479	2 485 848	2 188 679	1 507 960	396 952	9 736 252	1 441 878	(8 844 094)	184 745 954
Commitments and contingencies									
Net assets									
Unrestricted	102 236 177	(1 264 745)	4 634 618	(257 441)	189 250	(2 587 149)	(1 172 493)	(189 250)	101 588 967
Temporarily restricted	6 897 777	–	–	–	3 587 263	–	–	(3 587 263)	6 897 777
Permanently restricted	1 000 000	–	–	–	–	–	–	–	1 000 000
Total net assets	110 133 954	(1 264 745)	4 634 618	(257 441)	3 776 513	(2 587 149)	(1 172 493)	(3 776 513)	109 486 744
Total liabilities and net assets	$ 285 966 433	$ 1 221 103	$ 6 823 297	$ 1 250 519	$ 4 173 465	$ 7 149 103	$ 269 385	$ (12 620 607)	$ 294 232 698

Holy Name Medical Center, Inc. and Subsidiaries

Consolidating Statement of Operations

Year Ended December 31, 2011

	Holy Name Medical Center, Inc.	Holy Name EMS	Holy Name Real Estate Corporation	Health Partner Services, Inc.	Holy Name Health Care Foundation, Inc.	HNH Fitness, LLC	MS Comprehensive Care Center	Eliminations	Total
Revenue									
Net patient service revenue	$ 275 653 805	$ 3 995 446	$ –	$ –	$ –	$ –	$ 316 715	$ –	$ 279 965 966
Bad debt provision	(13 380 474)	(1 427 861)	–	–	–	–	(60 986)	–	(14 869 321)
Net patient service revenue less bad debt provision	262 273 331	2 567 585	–	–	–	–	255 729	–	265 096 645
Other operating revenue	9 801 574	3 450	1 749 713	–	1 143 701	1 626 142	452 695	(811 770)	13 965 505
Net assets released from restriction for operations	376 251	–	–	–	759 253	–	–	–	1 135 504
Total revenue	272 451 156	2 571 035	1 749 713	–	1 902 954	1 626 142	708 424	(811 770)	280 197 654
Expenses									
Salaries and wages	119 372 098	1 810 505	155 967	503 881	680 076	705 121	666 223	–	123 893 871
Physician fees	6 287 640	–	–	–	–	–	6 000	–	6 293 640
Employee benefits	24 900 450	392 784	9 789	130 532	130 362	204 648	154 625	–	25 923 190
Supplies and other	96 822 591	761 445	1 187 305	417 975	1 597 819	541 573	140 926	(811 770)	100 657 864
Depreciation and amortization	15 694 360	251 713	359 839	38 977	–	571 556	2 192	–	16 918 637
Interest	4 979 377	–	87 802	–	–	84 223	–	–	5 151 402
Total expenses	268 056 516	3 216 447	1 800 702	1 091 365	2 408 257	2 107 121	969 966	(811 770)	278 838 604
Income (loss) from operations	4 394 640	(645 412)	(50 989)	(1 091 365)	(505 303)	(480 979)	(261 542)	–	1 359 050
Non-operating gains (losses) net	3 279 752	–	4 559	–	754	(299 318)	–	–	2 985 747
Change in interest of Holy Name Health Care Foundation Inc	(504 549)	–	–	–	–	–	–	504 549	–
Excess (deficiency) of revenue over expenses	7 169 843	(645 412)	(46 430)	(1 091 365)	(504 549)	(780 297)	(261 542)	504 549	4 344 797
Change in net unrealized gains and losses on investments	(4 041 092)	–	–	–	–	–	–	–	(4 041 092)
Distributions from Foundation to Medical Center	1 075 515	–	–	–	(1 075 515)	–	–	–	–
Net assets released from restriction for capital purposes	60 169	–	–	–	1 075 515	–	–	–	1 135 684
Transfers (to) from affiliates	(6 567 315)	–	–	1 091 365	–	–	–	–	(5 475 950)
Decrease in unrestricted net assets	$ (2 302 880)	$ (645 412)	$ (46 430)	$ –	$ (504 549)	$ (780 297)	$ (261 542)	$ 504 549	$ (4 036 561)

Holy Name Medical Center, Inc. and Subsidiaries

Consolidating Statement of Changes in Net Assets

Year Ended December 31, 2011

	Holy Name Medical Center, Inc.	Holy Name EMS	Holy Name Real Estate Corporation	Health Partner Services, Inc.	Holy Name Health Care Foundation, Inc.	HNH Fitness, LLC	MS Comprehensive Care Center	Eliminations	Total
Unrestricted									
Net assets as of the beginning of year	$ 104 539 057	$ (619 333)	$ 4 681 048	$ (257 441)	$ 693 799	$ (1 806 852)	$ (910 951)	$ (693 799)	$ 105 625 528
Change in unrestricted net assets	(2 302 880)	(645 412)	(46 430)	–	(504 549)	(780 297)	(261 542)	504 549	(4 036 561)
Net assets as of end of year	$ 102 236 177	$ (1 264 745)	$ 4 634 618	$ (257 441)	$ 189 250	$ (2 587 149)	$ (1 172 493)	$ (189 250)	$ 101 588 967
Temporarily restricted									
Net assets as of beginning of year	$ 7 479 363	$ –	$ –	$ –	$ 4 128 246	$ –	$ –	$ (4 128 246)	$ 7 479 363
Change in beneficial interest in Holy Name Health Care Foundation Inc	(540 983)	–	–	–	–	–	–	540 983	–
Restricted gifts grants donations bequests and interest income	123 825	–	–	–	–	–	–	–	123 825
Change in net unrealized gains and losses on investments	(170 439)	–	–	–	–	–	–	–	(170 439)
Net assets released from restriction for operations	(376 251)	–	–	–	(759 253)	–	–	–	(1 135 504)
Net assets released from restriction for capital purposes	(60 169)	–	–	–	(1 075 515)	–	–	–	(1 135 684)
Donations	442 431	–	–	–	1 293 785	–	–	–	1 736 216
Change in temporarily restricted net assets	(581 586)	–	–	–	(540 983)	–	–	540 983	(581 586)
Net assets as of end of year	$ 6 897 777	$ –	$ –	$ –	$ 3 587 263	$ –	$ –	$ (3 587 263)	$ 6 897 777
Permanently restricted									
Net assets as of beginning of year	$ 1 000 000	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ 1 000 000
Net assets as of end of year	$ 1 000 000	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ 1 000 000