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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

INDIANA UNIVERSITY HEALTH BLOOMINGTON'S MISSION IS TO IMPROVE THE HEALTH OF OUR PATIENTS AND COMMUNITY THROUGH INNOVATION AND EXCELLENCE IN CARE, EDUCATION, RESEARCH, AND SERVICE

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 \$ 175,282,766 including grants of \$ 0 ) (Revenue \$ 225,923,200 )

INPATIENT AND OUTPATIENT ANCILLARY MEDICAL SERVICES, INCLUDING LABORATORY, RADIOLOGY, AND OTHER IMAGING SERVICES, PHARMACEUTICALS, RESPIRATORY AND REHABILITATION SERVICES, 24-HOUR EMERGENCY DEPARTMENT AND AMBULANCE SERVICES, AND A FULL RANGE OF CARDIAC SERVICES, AMONG OTHERS

4b

(Code ) (Expenses \$ 50,610,600 including grants of \$ 0 ) (Revenue \$ 65,232,362 )

INPATIENT AND OUTPATIENT SURGICAL SERVICES INDIANA UNIVERSITY HEALTH BLOOMINGTON (IUHB) PERFORMED A TOTAL OF 3,768 INPATIENT AND 7,592 OUTPATIENT SURGICAL PROCEDURES DURING 2011 PLEASE SEE SCHEDULE O FOR ADDITIONAL INFORMATION CONCERNING IUHB'S PROGRAM SERVICES

4c

(Code ) (Expenses \$ 25,933,144 including grants of \$ 0 ) (Revenue \$ 33,425,413 )

ACUTE INPATIENT MEDICAL CARE, REPRESENTING THE SERVICES PROVIDED TO A TOTAL OF 11,673 ADULT AND PEDIATRIC INPATIENTS AND 1,953 NEWBORN INFANTS DURING 2011 IUHB PROVIDES A RANGE OF COMPLEX MEDICAL CARE INCLUDING ORTHOPEDIC, POST-SURGICAL, CARDIAC, INTENSIVE CARE, AND PSYCHIATRIC SERVICES PLEASE SEE SCHEDULE O FOR ADDITIONAL INFORMATION CONCERNING IUHB'S PROGRAM SERVICES

4d

Other program services (Describe in Schedule O )





















(Expenses \$ 4,593,096 including grants of \$ 97,826 ) (Revenue \$ 5,920,166 )

4e

Total program service expenses \$ 256,419,606

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	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .	4	No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .	5	No
6	Did the organization maintain any donor advised funds or any similar funds or accounts 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	No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI. 	11a	Yes
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII. 	11b	No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII. 	11c	No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX. 	11d	No
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	11e	Yes
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X. 	11f	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? <b>Note.</b> 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? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i> . . . . .	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		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .	24d		No
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . .	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a	Yes	
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)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	35b	Yes	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	38	Yes	

<b>Part V</b> <b>Statements Regarding Other IRS Filings and Tax Compliance</b>					
Check if Schedule O contains a response to any question in this Part V <input type="checkbox"/>					
		<b>Yes</b>	<b>No</b>		
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. .	<b>1a</b>	304		
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	<b>1b</b>	0		
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<b>1c</b>	Yes		
<b>2a</b>	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.	<b>2a</b>	3,217		
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?  <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	<b>2b</b>	Yes		
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?	<b>3a</b>	Yes		
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	<b>3b</b>	Yes		
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	<b>4a</b>			No
<b>b</b>	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>			No
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>			No
<b>c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	<b>5c</b>			
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	<b>6a</b>			No
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>			
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>				
<b>a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<b>7a</b>			No
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>			
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>			No
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year.	<b>7d</b>			
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>			No
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>			No
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>			
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<b>7h</b>			
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<b>8</b>			
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>				
<b>a</b>	Did the organization make any taxable distributions under section 4966?	<b>9a</b>			
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>			
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter				
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12.	<b>10a</b>			
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	<b>10b</b>			
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter				
<b>a</b>	Gross income from members or shareholders.	<b>11a</b>			
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	<b>11b</b>			
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>			
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	<b>12b</b>			
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>				
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> 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.	<b>13a</b>			
<b>b</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.	<b>13b</b>			
<b>c</b>	Enter the aggregate amount of reserves on hand.	<b>13c</b>			
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>			No
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	<b>14b</b>			

Part VI

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . . . .		
1a	19		
b	Enter the number of voting members included in line 1a, above, who are independent . . . . .	1b	14
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .	5	No
6	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	Yes
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	Yes
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	Yes
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	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed <input checked="" type="checkbox"/> IN
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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization 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. <input checked="" type="checkbox"/> JAMES J MYERS CFO BLOOMINGTON HOSP PO BOX 1149 BLOOMINGTON, IN 474021149 (812) 353-9171

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

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

Form **990** (2011)

## Part VII

<b>1b</b>	<b>Sub-Total . . . . .</b>			
<b>c</b>	<b>Total from continuation sheets to Part VII, Section A . . . . .</b>			
<b>d</b>	<b>Total (add lines 1b and 1c) . . . . .</b>	3,984,851	1,449,996	1,587,734

**2** Total number of individuals (including but not limited to those listed in Item 1) who received more than \$100,000 of reportable compensation from the organization. 95

<b>3</b>	Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<b>3</b>		No
<b>4</b>	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<b>4</b>	Yes	
<b>5</b>	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .	<b>5</b>		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
FOX CONSTRUCTION 207 W 10TH STREET BLOOMINGTON, IN 47404	CONSTRUCTION COMPANY	2,561,027
PREMIER HEALTHCARE LLC PO BOX 550 BLOOMINGTON, IN 474020550	E/R PHYSICIANS	2,471,421
WEDDLE BROS BUILDING GROUP LLC PO BOX 1330 BLOOMINGTON, IN 47402	CONSTRUCTION COMPANY	1,421,904
IU CARDIOVASCULAR SURGEON CORP 950 N MERIDIAN STREET INDIANAPOLIS, IN 46204	PHYSICIAN SERVICES	1,100,823
MAYO MEDICAL LABS PO BOX 9146 MINNEAPOLIS, MN 554809146	CLINICAL LABS	960,768

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 ▶34

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 . . .	1a3,829	5,014,099			
	b	Membership dues . . . . .	1b				
	c	Fundraising events . . . . .	1c				
	d	Related organizations . . . .	1d3,383,546				
	e	Government grants (contributions)	1e1,626,724				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f \$ _____					
	h	Total. Add lines 1a-1f . . . . .					
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	900099	264,621,886	264,621,886		
	b	NET LABORATORY PATIENT REVENUE	621500	64,350,361	59,959,090	4,391,271	
	c	CAFETERIA REVENUE	722210	1,557,742			1,557,742
	d	JOINT VENTURE INCOME	900099	2,235,565	2,235,565		
	e	RELATED RENTAL REVENUE	531120	404,276	404,276		
	f	All other program service revenue		3,316,061	3,280,324	35,737	
	g	Total. Add lines 2a-2f . . . . .			336,485,891		
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) . . . . .			37,012		37,012
	4	Income from investment of tax-exempt bond proceeds . .			0		
	5	Royalties . . . . .			0		
	6a	(i) Real		(ii) Personal	57,494		57,494
		261,783					
		204,289					
		57,494					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) . . . . .					
	7a	(i) Securities		(ii) Other	5,576,037		
		5,560,128		30,944			
				15,035			
		5,560,128		15,909			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) . . . . .					5,576,037
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .		a	0		
	b	Less direct expenses . . . . .		b			
	c	Net income or (loss) from fundraising events . .					
	9a	Gross income from gaming activities See Part IV, line 19 . . . . .		a	0		
	b	Less direct expenses . . . . .		b			
c	Net income or (loss) from gaming activities . .						
10a	Gross sales of inventory, less returns and allowances . . . . .		a	0			
b	Less cost of goods sold . . . . .		b				
c	Net income or (loss) from sales of inventory . .						
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d	All other revenue . . . . .						
e	Total. Add lines 11a-11d . . . . .			0			
12	Total revenue. See Instructions . . . . .			347,170,533	330,501,141	4,484,502	7,170,791

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	97,826	97,826		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees . . . . .	3,211,236	2,055,784	1,155,452	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	112,264	59,735	52,529	
7	Other salaries and wages	121,179,288	104,432,066	16,747,222	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	6,170,302	5,340,317	829,985	
9	Other employee benefits . . . . .	20,655,080	17,876,707	2,778,373	
10	Payroll taxes . . . . .	8,614,952	7,456,130	1,158,822	
11	Fees for services (non-employees)				
a	Management . . . . .	1,859,536	821,225	1,038,311	
b	Legal . . . . .	365,158		365,158	
c	Accounting . . . . .	258,522		258,522	
d	Lobbying . . . . .	0			
e	Professional fundraising See Part IV, line 17 . . . . .	0			
f	Investment management fees . . . . .	549,494		549,494	
g	Other . . . . .	10,858,007	1,869,823	8,988,184	
12	Advertising and promotion . . . . .	1,417,860		1,417,860	
13	Office expenses . . . . .	11,967,320	7,451,423	4,515,897	
14	Information technology . . . . .	4,631,027	3,704,822	926,205	
15	Royalties . . . . .	0			
16	Occupancy . . . . .	5,758,263	4,442,007	1,316,256	
17	Travel . . . . .	395,124	230,734	164,390	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0			
19	Conferences, conventions, and meetings . . . . .	0			
20	Interest . . . . .	2,652,157	2,308,437	343,720	
21	Payments to affiliates . . . . .	0			
22	Depreciation, depletion, and amortization . . . . .	17,426,214	12,627,035	4,799,179	
23	Insurance . . . . .	1,592,235	1,273,788	318,447	
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	48,483,621	48,483,621		
b	Bad Debts	22,937,016	22,937,016		
c	Maintenance Agreements	5,697,067	4,961,913	735,154	
d	Purchased Lab Services	1,562,559	1,562,559		
e					
f	All other expenses	7,889,050	6,426,638	1,462,412	
25	Total functional expenses. Add lines 1 through 24f	306,341,178	256,419,606	49,921,572	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing . . . . .			55,578	1	39,582
	2	Savings and temporary cash investments . . . . .			41,323,166	2	51,212,393
	3	Pledges and grants receivable, net . . . . .			1,726,640	3	1,440,130
	4	Accounts receivable, net . . . . .			39,116,988	4	39,026,874
	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 . . . . .			0	7	0
	8	Inventories for sale or use . . . . .			4,942,153	8	5,420,169
	9	Prepaid expenses and deferred charges . . . . .			4,474,441	9	4,771,573
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D . . . . .	10a	362,143,820			
	b	Less: accumulated depreciation . . . . .	10b	240,264,407	123,536,308	10c	121,879,413
	11	Investments—publicly traded securities . . . . .			101,783,826	11	100,659,766
	12	Investments—other securities. See Part IV, line 11 . . . . .			0	12	0
	13	Investments—program-related. See Part IV, line 11 . . . . .			2,485,222	13	3,009,422
	14	Intangible assets . . . . .			0	14	0
	15	Other assets. See Part IV, line 11 . . . . .			12,305,302	15	11,818,269
	16	Total assets. Add lines 1 through 15 (must equal line 34) . . . . .			331,749,624	16	339,277,591
Liabilities	17	Accounts payable and accrued expenses . . . . .			33,415,710	17	29,855,671
	18	Grants payable . . . . .			0	18	0
	19	Deferred revenue . . . . .			91,378	19	27,894
	20	Tax-exempt bond liabilities . . . . .			48,213,743	20	42,879,356
	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 . . . . .			7,295,548	23	3,425,814
	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 . . . . .			15,715,408	25	29,810,956
	26	Total liabilities. Add lines 17 through 25 . . . . .			104,731,787	26	105,999,691
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets . . . . .			222,704,136	27	229,706,716
	28	Temporarily restricted net assets . . . . .			3,679,220	28	2,936,703
	29	Permanently restricted net assets . . . . .			634,481	29	634,481
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> 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 . . . . .			227,017,837	33	233,277,900
	34	Total liabilities and net assets/fund balances . . . . .			331,749,624	34	339,277,591

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	347,170,533
2	Total expenses (must equal Part IX, column (A), line 25)	2	306,341,178
3	Revenue less expenses Subtract line 2 from line 1	3	40,829,355
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	227,017,837
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-34,569,292
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	233,277,900

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	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	Yes	

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 INDIANA UNIVERSITY HEALTH BLOOMINGTON INC	Employer identification number 35-1720796
---	--

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?  

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

Support Schedule for Organizations Described in 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	<b>Total support</b> (Add lines 7 through 10)						
12	Gross receipts from related activities, etc (See instructions )					12	
13	<b>First Five Years</b> 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 <b>stop here</b>						

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	<b>33 1/3% support test—2011.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization	
b	<b>33 1/3% support test—2010.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization	
17a	<b>10%-facts-and-circumstances test—2011.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization	
b	<b>10%-facts-and-circumstances test—2010.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization	
18	<b>Private Foundation</b> If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions	

Part IIIPart III

Support Schedule for Organizations Described in 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 <b>stop here</b>						

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 <b>stop here</b> . 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 <b>stop here</b> . The organization qualifies as a publicly supported organization			
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions			

**Part IV** **Supplemental Information.** Supplemental Information. Complete this part to provide the 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

SCHEDULE D  
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

▶ 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.

Name of the organization  
INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

Employer identification number  
35-1720796

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	
	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit	
	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>	

Part II

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

1

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

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

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

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

3

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

4

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

5

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

☐ Yes

☐ No

6

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

7

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

8

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

☐ Yes

☐ No

9

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

Part III

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

1a

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

b

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

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

▶ \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X

▶ \$ \_\_\_\_\_

2

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

a

Revenues included in Form 990, Part VIII, line 1

▶ \$ \_\_\_\_\_

b

Assets included in Form 990, Part X

▶ \$ \_\_\_\_\_

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
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

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

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i) unrelated organizations . . . . .

3a(i)

Yes

No

(ii) related organizations . . . . .

3a(ii)

Yes

No

b

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

3b

Yes

No

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 . . . . .		15,941,894		15,941,894
b Buildings . . . . .		147,654,750	89,076,308	58,578,442
c Leasehold improvements . . . . .		5,900,811	4,113,595	1,787,216
d Equipment . . . . .		185,876,845	145,752,413	40,124,432
e Other . . . . .		6,769,519	1,322,090	5,447,429
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				121,879,413

Schedule D (Form 990) 2011



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
ASC 740 (Formerly FIN 48) Disclosure	Schedule D, Part X, Line 2	Indiana University Health Bloomington, Inc. is a subsidiary in the consolidated financial statements of Indiana University Health, Inc. Indiana University Health, Inc. adopted ASC 740 in 2007. No disclosures were required in 2011 under GAAP as Indiana University Health, Inc. does not have any material tax contingencies that required disclosures in the footnotes.

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  
INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

Employer identification number  
35-1720796

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			Investments		4,368,224
3a Sub-total					4,368,224
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					4,368,224

**1**

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 . . . . . ► \_\_\_\_\_

3 Enter total number of other organizations or entities . . . . . ► \_\_\_\_\_

## Part III

[illegible]

**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

## Supplemental Information

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

[illegible]

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**  
INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

**Employer identification number**  
35-1720796

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 <div><input checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Generally tailored to individual hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div>			
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 <i>free</i> care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care <div><input type="checkbox"/> 100%<input type="checkbox"/> 150%<input checked="" type="checkbox"/> 200%<input type="checkbox"/> Other _____%</div> b Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care . . . . . <div><input checked="" type="checkbox"/> 200%<input type="checkbox"/> 250%<input type="checkbox"/> 300%<input type="checkbox"/> 350%<input type="checkbox"/> 400%<input type="checkbox"/> Other _____%</div> 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	3a	Yes	
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		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? . . . . .	5c		
6a	Did the organization prepare a community benefit report during the tax year? . . . . .	6a	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) . . . . .		11,480	10,065,234	0	10,065,234	3 550 %
b Medicaid (from Worksheet 3, column a) . . . . .		33,151	29,881,280	19,093,576	10,787,704	3 810 %
c Costs of other means-tested government programs (from Worksheet 3, column b) . . . . .		3,414	2,423,490	1,961,031	462,459	0 160 %
d Total Charity Care and Means-Tested Government Programs . . . . .		48,045	42,370,004	21,054,607	21,315,397	7 520 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4) . . . . .		103,787	1,675,680	21,456	1,654,224	0 580 %
f Health professions education (from Worksheet 5) . . . . .		2,754	391,444	1,600	389,844	0 140 %
g Subsidized health services (from Worksheet 6) . . . . .		15,642	24,279,722	18,996,505	5,283,217	1 860 %
h Research (from Worksheet 7) . . . . .						
i Cash and in-kind contributions for community benefit (from Worksheet 8) . . . . .		13,315	231,425	0	231,425	0 080 %
j Total Other Benefits . . . . .		135,498	26,578,271	19,019,561	7,558,710	2 660 %
k Total. Add lines 7d and 7j . . . . .		183,543	68,948,275	40,074,168	28,874,107	10 180 %

Part IICommunity 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
1Physical improvements and housing						
2Economic development		20	645	0	645	
3Community support		60	7,925	0	7,925	
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building		2,464	28,492	0	28,492	0.010 %
7Community health improvement advocacy		36	1,406	0	406	
8Workforce development						
9Other						
10Total		2,580	38,468	0	37,468	0.010 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1		No
2Enter the amount of the organization's bad debt expense	2	22,937,017	
3Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	0	
4Provide 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

5Enter total revenue received from Medicare (including DSH and IME)	5	69,703,405	
6Enter Medicare allowable costs of care relating to payments on line 5	6	87,214,183	
7Subtract line 6 from line 5. This is the surplus or (shortfall).	7	-17,510,778	
8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other			

Section C. Collection Practices

9aDid the organization have a written debt collection policy during the tax year?	9a	Yes	
bIf "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 IVManagement 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 %
1S IN Surgery Ctr LLC	outpatient surgery	45.000 %		55.000 %
2S IN Radiolog Assoc	radiological services	50.000 %		50.000 %
3Bloomington Endo Ctr	gastrointestinal treatment	51.000 %		49.000 %
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

## Section A. Hospital Facilities

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

## Name and address

[illegible]

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)

INDIANA UNIVERSITY HEALTH BLOOMINGTON

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 . . . . . If "Yes," indicate what the Needs Assessment describes (check all that apply) a <input type="checkbox"/> A definition of the community served by the hospital facility b <input type="checkbox"/> Demographics of the community c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community d <input type="checkbox"/> How data was obtained e <input type="checkbox"/> The health needs of the community f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet those needs h <input type="checkbox"/> The process for consulting with persons representing the community's interests i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs j <input type="checkbox"/> Other (describe in Part VI)	1	
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? . . . . . If "Yes," indicate how the Needs Assessment was made widely available (check all that apply) a <input type="checkbox"/> Hospital facility's website b <input type="checkbox"/> Available upon request from the hospital facility c <input type="checkbox"/> Other (describe in Part VI)	5	
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply) a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community b <input type="checkbox"/> Execution of the implementation strategy c <input type="checkbox"/> Development of a community-wide community benefit plan for the facility d <input type="checkbox"/> Participation in community-wide community benefit plan e <input type="checkbox"/> Inclusion of a community benefit section in operational plans f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA g <input type="checkbox"/> Prioritization of health needs in the community h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community i <input type="checkbox"/> 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? . . . . . 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	9	Yes

Part V

Facility Information (continued)

		Yes	No	
10	Used FPG to determine eligibility for providing discounted care? . . . . . If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>200</u> % If "No," explain in Part VI the criteria the hospital facility used	10	Yes	
11	Explained the basis for calculating amounts charged to patients? . . . . . If "Yes," indicate the factors used in determining such amounts (check all that apply) a <input checked="" type="checkbox"/> Income level b <input checked="" type="checkbox"/> Asset level c <input checked="" type="checkbox"/> Medical indigency d <input type="checkbox"/> Insurance status e <input type="checkbox"/> Uninsured discount f <input type="checkbox"/> Medicaid/Medicare g <input type="checkbox"/> State regulation h <input type="checkbox"/> Other (describe in Part VI)	11	Yes	
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? . . . . . If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a <input type="checkbox"/> The policy was posted at all times on the hospital facility's web site b <input type="checkbox"/> The policy was attached to all billing invoices c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices e <input type="checkbox"/> The policy was provided, in writing, to patients upon admission to the hospital facility f <input checked="" type="checkbox"/> The policy was available upon request g <input checked="" type="checkbox"/> Other (describe in Part VI)	13	Yes	

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 <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments or arrests e <input type="checkbox"/> 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? . . . . . If "Yes," check all actions in which the hospital facility or a third party engaged a <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments e <input type="checkbox"/> Other similar actions (describe in Part VI)	16		No
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply) a <input type="checkbox"/> Notified patients of the financial assistance policy upon admission b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy e <input type="checkbox"/> 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? . . . . . If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input checked="" type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? . . . . . If "Yes," explain in Part VI	20	No
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? . . . . . If "Yes," explain in Part VI	21	No

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? 25

Name and address		Type of Facility (Describe)
1	See Additional Data Table	
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Complete this part to provide the following information

- 1
- Required descriptions.** Provide the 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, 6l, 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
PART I, LINE 3C		INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL MAKES PARTIAL FINANCIAL ASSISTANCE DETERMINATIONS BASED UPON PATIENTS' LIQUID ASSET AND INCOME LEVELS THE HOSPITAL CALCULATES A PATIENT'S TOTAL AVAILABLE FUNDS BY ADDING ANNUAL INCOME AND LIQUID ASSETS, AND THEN SUBTRACTING 200% OF THE FEDERAL POVERTY GUIDELINES FOR THE FAMILY SIZE THE DIFFERENCE BETWEEN THE BILLED CHARGES AND THE TOTAL AVAILABLE FUNDS TO PAY THE HOSPITAL IS ADJUSTED OFF TO FINANCIAL ASSISTANCE ALL PATIENTS QUALIFYING FOR FINANCIAL ASSISTANCE RECEIVE A FINANCIAL ASSISTANCE DISCOUNT THAT IS AT LEAST AS LARGE AS THE AVERAGE OF THE THREE LARGEST NEGOTIATED COMMERCIAL DISCOUNT RATES

Identifier	ReturnReference	Explanation
PART I, LINE 6A		INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL REPORTS ITS COMMUNITY BENEFIT INVESTMENTS AND INITIATIVE HIGHLIGHTS IN TWO SEPARATE REPORTS FIRST, THE HOSPITAL PREPARES A SEPARATE COMMUNITY BENEFIT REPORT THAT ONLY REFLECTS COMMUNITY BENEFIT ACTIVITIES OCCURRING UNDER ITS TAX IDENTIFICATION NUMBER IN ADDITION, THE INDIANA UNIVERSITY HEALTH STATEWIDE SYSTEM PUBLISHES AN ANNUAL COMMUNITY BENEFIT REPORT THAT ENCOMPASSES THE COMMUNITY BENEFIT ACTIVITIES OF ALL OF ITS STATEWIDE FACILITIES

Identifier	ReturnReference	Explanation
PART I, LINE 7G		IN ACCORDANCE WITH THE INSTRUCTIONS, INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL IDENTIFIED SUBSIDIZED HEALTH SERVICES AS SERVICES THAT WERE PROVIDED AT A FINANCIAL LOSS AND WOULD NO LONGER BE OFFERED IN THE COMMUNITY IF THE HOSPITAL DISCONTINUED THE SERVICE THE HOSPITAL DID NOT INCLUDE ANY COSTS ATTRIBUTABLE TO A PHYSICIAN CLINIC AS SUBSIDIZED HEALTH SERVICES

Identifier	ReturnReference	Explanation
PART I, LINE 7, COLUMN (F)		WHEN COMPUTING THE DENOMINATOR TO USE IN THE "PERCENT OF TOTAL EXPENSE" CALCULATION, INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL REMOVED \$22,937,017 OF BAD DEBT EXPENSE FROM THE TOTAL EXPENSE REPORTED ON FORM 990, PART IX, LINE 25, COLUMN (A)

Identifier	ReturnReference	Explanation
PART I, LINE 7		INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL USED A HOSPITAL-WIDE COST-TO-CHARGE RATIO TO CALCULATE THE COST OF PROVIDING SERVICES TO CHARITY CARE PATIENTS. DEPARTMENT-SPECIFIC COST-TO-CHARGE RATIOS FROM THE HOSPITAL'S MEDICARE COST REPORT WERE USED TO CALCULATE THE COST OF MEDICAID SERVICES, HEALTHY INDIANA PLAN SERVICES, AND SUBSIDIZED HEALTH SERVICES. ACTUAL DIRECT COSTS PLUS AN INDIRECT COST FACTOR FROM THE MEDICARE COST REPORT WAS USED TO CALCULATE THE COST OF COMMUNITY HEALTH IMPROVEMENT SERVICES, HEALTH PROFESSIONS EDUCATION, AND CONTRIBUTIONS TO COMMUNITY GROUPS.

Identifier	ReturnReference	Explanation
PART II		INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL PROVIDES FINANCIAL AND IN-KIND SUPPORT TO COMMUNITY AGENCIES AND PROGRAMS THAT BENEFIT THE WELL-BEING OF THE COMMUNITY THIS COMMUNITY SUPPORT IS PROVIDED TO SUCH PROGRAMS AS THE MONROE COUNTY EMERGENCY MANAGEMENT DISASTER PREPAREDNESS EFFORTS IU HEALTH BLOOMINGTON HOSPITAL ALSO IMPROVES THE HEALTH OF ITS COMMUNITY THROUGH COLLABORATIONS AND PARTNERSHIPS SUCH AS THE ACTIVE LIVING COALITION AND THE ACTIVE AGING COALITION THE ACTIVE LIVING COALITION IS COMPRISED OF INDIVIDUALS AND ORGANIZATIONS REPRESENTING COMMUNITY SECTORS OF HEALTH CARE, EDUCATION, CITY GOVERNMENT, COUNTY GOVERNMENT, BUSINESS, AND SERVICE ORGANIZATIONS WHO ARE ADDRESSING THE PUBLIC HEALTH ISSUE OF PHYSICAL INACTIVITY THE COALITION STRIVES TO INCREASE THE NUMBER OF PEOPLE WHO ENGAGE IN A HEALTHY, PHYSICALLY ACTIVE LIFESTYLE THROUGH COLLABORATIVE EFFORTS ON COMMUNITY EVENTS, RESEARCH, NETWORKING AND PROGRAMMING THAT LEADS TO INCREASED PHYSICAL ACTIVITY OPPORTUNITIES FOR ALL WHO RESIDE IN MONROE COUNTY THIS PROGRAM IS OFFERED AT NO CHARGE TO THE PARTICIPANTS WHO ARE REFERRED BY THEIR HEALTHCARE PRACTITIONER THE ACTIVE AGING COALITION IS A GRASSROOTS NETWORKING ORGANIZATION CONSISTING OF SENIORS AND THE BUSINESSES AND NON-PROFIT ORGANIZATIONS WHO SERVE THEM THE GOAL OF THE COALITION IS TO IDENTIFY SPECIFIC AREAS OF NEED IMPACTING SENIORS AND CREATE FOCUS GROUPS TO WORK ON THESE AREAS FINALLY, IU HEALTH BLOOMINGTON HOSPITAL IMPROVES LONG-TERM ACCESS TO HEALTHCARE IN THE COMMUNITY BY WORKING WITH EDUCATIONAL INSTITUTIONS TO HOST CAREER DAYS AND PLACE STUDENTS IN JOB SHADOWING OPPORTUNITIES IN ITS FACILITY

Identifier	ReturnReference	Explanation
PART III, LINE 4		BELOW IS THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBES HOW THE ORGANIZATION DETERMINES THE PROVISION FOR UNCOLLECTIBLE PATIENT ACCOUNTS "SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES ACCOUNTS RECEIVABLE AND ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS IU HEALTH BLOOMINGTON EXTENDS CREDIT TO PATIENTS, SUBSTANTIALLY ALL OF WHOM ARE RESIDENTS OF THE STATE OF INDIANA, AND DO NOT REQUIRE COLLATERAL OR OTHER SECURITY FOR THE DELIVERY OF HEALTH CARE SERVICES HOWEVER, ASSIGNMENT OF BENEFIT PAYMENTS PAYABLE UNDER PATIENTS' HEALTH INSURANCE PROGRAMS AND PLANS (E G , MEDICARE, MEDICAID, HEALTH INSURANCE ORGANIZATIONS, AND COMMERCIAL INSURANCE POLICIES) IS ROUTINELY OBTAINED, CONSISTENT WITH INDUSTRY PRACTICE THE PROVISION FOR UNCOLLECTIBLE PATIENT ACCOUNTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN HEALTHCARE COVERAGE, AND OTHER COLLECTION INDICATORS MANAGEMENT ROUTINELY ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON ACCOUNTS RECEIVABLE PAYER COMPOSITION AND AGING, AND HISTORICAL WRITE-OFF EXPERIENCE BY PAYER CATEGORY AS ADJUSTED FOR COLLECTION INDICATORS IN ADDITION, IU HEALTH BLOOMINGTON FOLLOWS ESTABLISHED GUIDELINES FOR PLACING CERTAIN PAST DUE PATIENT BALANCES WITH COLLECTION AGENCIES, WHICH ARE CHARGED AGAINST THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS IN ACCORDANCE WITH THE COLLECTION POLICIES OF IU HEALTH BLOOMINGTON " METHODOLOGY USED IN DETERMINING THE AMOUNT REPORTED ON LINE 2 AS BAD DEBT INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL CONSIDERS AN ACCOUNT AS BAD DEBT WHEN IT HAS UNSUCCESSFULLY EXHAUSTED ITS INTERNAL COLLECTIONS EFFORTS RATIONALE FOR INCLUDING BAD DEBT AS COMMUNITY BENEFIT IU HEALTH BLOOMINGTON HOSPITAL PROVIDES HEALTH CARE SERVICES THROUGH VARIOUS PROGRAMS THAT ARE DESIGNED, AMONG OTHER MATTERS, TO ENHANCE THE HEALTH OF THE COMMUNITY AND IMPROVE THE HEALTH OF LOW-INCOME PATIENTS IN ADDITION, THE HOSPITAL PROVIDES SERVICES INTENDED TO BENEFIT THE POOR AND UNDERSERVED, INCLUDING THOSE PERSONS WHO CANNOT AFFORD HEALTH INSURANCE BECAUSE OF INADEQUATE RESOURCES AND ARE UNINSURED OR UNDERINSURED

Identifier	ReturnReference	Explanation
PART III, LINE 8		DEPARTMENT-SPECIFIC COST-TO-CHARGE RATIOS FROM THE HOSPITAL'S MEDICARE COST REPORT WERE USED TO CALCULATE THE COST OF MEDICARE SERVICES THE MEDICARE COSTS OF SERVICES INCLUDED IN PART I AS "SUBSIDIZED HEALTH SERVICES" WERE THEN REMOVED TO ENSURE THAT COSTS WERE NOT DOUBLE COUNTED ON SCHEDULE H IN ACCORDANCE WITH THE SCHEDULE H INSTRUCTIONS, IU HEALTH BLOOMINGTON HOSPITAL ONLY INCLUDED THE ALLOWABLE COSTS AND NET MEDICARE COLLECTIONS THAT WERE REPORTED IN THE HOSPITAL'S MEDICARE COST REPORT THEREFORE, THIS FIGURE EXCLUDED SUBSTANTIAL MEDICARE SHORTFALLS THAT RESULTED FROM PROVIDING AMBULANCE, CLINICAL LABORATORY, THERAPY, AND MEDICARE PART C SERVICES THE HOSPITAL BELIEVES THAT ITS ENTIRE MEDICARE SHORTFALL SHOULD BE CONSIDERED A COMMUNITY BENEFIT IN ACCORDANCE WITH ITS MISSION, THE HOSPITAL PROVIDES NECESSARY HEALTHCARE SERVICES TO ALL PATIENTS REGARDLESS OF THEIR INSURANCE STATUS OR ABILITY TO PAY SERVICES ARE PROVIDED TO MEDICARE PATIENTS EVEN THOUGH THE HOSPITAL UNDERSTANDS THAT THE RESULTING REIMBURSEMENT WILL NOT BE ENOUGH TO COVER THE FULL COST OF PROVIDING THESE SERVICES MEDICARE BENEFICIARIES BENEFIT FROM THE HOSPITAL PROVIDING THESE SERVICES AT A FINANCIAL LOSS, AND THE HOSPITAL FEELS THAT THIS BENEFIT SHOULD BE INCLUDED IN REPORTS PROVIDED TO THE COMMUNITY

Identifier	ReturnReference	Explanation
PART III, LINE 9B		ACCOUNTS THAT ARE APPROVED FOR FINANCIAL ASSISTANCE ARE IMMEDIATELY WRITTEN-OFF AND ALL COLLECTION EFFORTS ARE CEASED

Identifier	ReturnReference	Explanation
PART V, SECTION B, LINE 10		INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL MAKES PARTIAL FINANCIAL ASSISTANCE DETERMINATIONS BASED UPON PATIENTS' LIQUID ASSET AND INCOME LEVELS. THE HOSPITAL CALCULATES A PATIENT'S TOTAL AVAILABLE FUNDS BY ADDING ANNUAL INCOME AND LIQUID ASSETS, AND THEN SUBTRACTING 200% OF THE FEDERAL POVERTY GUIDELINES FOR THE FAMILY SIZE. THE DIFFERENCE BETWEEN THE BILLED CHARGES AND THE TOTAL AVAILABLE FUNDS TO PAY THE HOSPITAL IS ADJUSTED OFF TO FINANCIAL ASSISTANCE. ALL PATIENTS QUALIFYING FOR FINANCIAL ASSISTANCE RECEIVE A FINANCIAL ASSISTANCE DISCOUNT THAT IS AT LEAST AS LARGE AS THE AVERAGE OF THE THREE LARGEST NEGOTIATED COMMERCIAL DISCOUNT RATES.

Identifier	ReturnReference	Explanation
PART V, SECTION B, LINE 13G		THE HOSPITAL INCLUDED A SUMMARY OF THE FINANCIAL ASSISTANCE APPLICATION PROCESS ON ALL BILLS SENT TO PATIENTS THIS PROCESS SUMMARY WAS ALSO POSTED IN HOSPITAL REGISTRATION AREAS THESE NOTIFICATIONS CONTAINED THE TELEPHONE NUMBERS OF INDIVIDUALS TO CONTACT TO LEARN MORE ABOUT THE FINANCIAL ASSISTANCE PROCESS AND TO OBTAIN A COPY OF THE FINANCIAL ASSISTANCE APPLICATION

Identifier	ReturnReference	Explanation
PART VI, LINE 2 - NEEDS ASSESSMENT		INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL UTILIZES A VARIETY OF TOOLS TO ASSESS THE HEALTH CARE NEEDS OF ITS SERVICE AREA. THESE TECHNIQUES INCLUDE ANALYZING DATA FROM ADMISSION AND DIAGNOSIS CODES, REVIEWING EMERGENCY DEPARTMENT STATISTICS, AND PARTNERING WITH LOCAL AGENCIES SUCH AS THE HEALTH DEPARTMENT, UNITED WAY, INDIANA UNIVERSITY, AND CITY OF BLOOMINGTON PARKS AND RECREATION. THE HOSPITAL USES THE RESULTS OF ITS NEEDS ASSESSMENT TO TARGET ITS COMMUNITY BENEFIT ACTIVITIES.

Identifier	ReturnReference	Explanation
PART VI, LINE 3 - PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE		INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL EMPLOYS AN INDIVIDUAL SOLUTIONS TEAM OF CASE WORKERS AND FINANCIAL ASSISTANCE REPRESENTATIVES TO EDUCATE PATIENTS ABOUT GOVERNMENTAL ASSISTANCE PROGRAMS AND THE HOSPITAL'S INTERNAL FINANCIAL ASSISTANCE PROGRAM UNINSURED PATIENTS ARE SCREENED FOR ELIGIBILITY FOR FINANCIAL ASSISTANCE, AND, IF ELIGIBLE, THE INDIVIDUAL SOLUTIONS TEAM REACHES OUT TO THE PATIENTS WITH EDUCATION ON THE APPROPRIATE ASSISTANCE PROGRAM THIS EDUCATION TAKES PLACE VIA ROOM VISITS TO UNINSURED INPATIENT PATIENTS AND DISCUSSIONS IN THE EMERGENCY DEPARTMENT WITH UNINSURED OUTPATIENT PATIENTS THE INDIVIDUAL SOLUTIONS TEAM ALSO SCREENS MEDICARE PATIENTS FOR THEIR ABILITY TO QUALIFY FOR FINANCIAL ASSISTANCE EITHER THROUGH MEDICAID OR THE HOSPITAL'S CHARITY CARE POLICY THE INDIVIDUAL SOLUTIONS TEAM ASSISTS PATIENTS IN COMPLETING THE MEDICAID, HEALTHY INDIANA PLAN, AND CHARITY CARE APPLICATION PAPERWORK AND SERVES AS THEIR ADVOCATES THROUGHOUT THE APPLICATION PROCESS THIS ADVOCACY CAN EXTEND AS FAR AS ATTENDING A COURTROOM HEARING IN SUPPORT OF A PATIENT'S MEDICAID ELIGIBILITY APPEAL IF HIS OR HER APPLICATION IS ORIGINALLY DENIED BY THE STATE THE HOSPITAL ALSO NOTIFIES PATIENTS OF FINANCIAL ASSISTANCE PROGRAMS AT OTHER POINTS DURING THE REVENUE CYCLE FOR EXAMPLE, HOSPITAL STAFF ALERT PATIENTS TO FINANCIAL ASSISTANCE PROGRAMS DURING PRE-HOSPITALIZATION CHARGE ESTIMATE REQUESTS AND POST-HOSPITALIZATION BILLING INQUIRIES THE HOSPITAL GOES TO EXTRAORDINARY MEASURES TO EDUCATE AND ASSIST PATIENTS REGARDING THE FINANCIAL ASSISTANCE PROGRAMS THAT ARE POTENTIALLY AVAILABLE TO THEM INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL HAS ALSO FUNDED AN EXTENSIVE OUTREACH PROGRAM TO RAISE AWARENESS OF AND ENROLLMENT IN INDIANA'S STATE SPONSORED HEALTH INSURANCE PROGRAM (THE HEALTHY INDIANA PLAN) THE HOSPITAL UTILIZES THE KNOWLEDGE AND EXPERTISE OF ITS INDIVIDUAL SOLUTIONS TEAM TO PROMOTE THE HEALTHY INDIANA PLAN (HIP) WITHIN OUR SERVICE AREA THE HOSPITAL PROMOTES THIS PROGRAM THROUGH DIRECT MAILINGS, NEWSPAPER ADVERTISEMENTS, HIP ENROLLMENT EVENTS, AND OTHER EVENTS WITHIN THE COMMUNITY THE INDIVIDUAL SOLUTIONS TEAM MEMBERS MEET WITH PATIENTS THAT NEED ASSISTANCE COMPLETING HEALTHY INDIANA PLAN APPLICATIONS AND ARE AVAILABLE TO ANSWER ANY QUESTIONS THAT MAY ARISE DURING THE APPLICATION PROCESS THIS TREMENDOUS OUTREACH INITIATIVE DEMONSTRATES THE HOSPITAL'S COMMITMENT TO EDUCATING ITS PATIENT BASE ABOUT THE FINANCIAL ASSISTANCE PROGRAMS THAT ARE AVAILABLE WITHIN THE COMMUNITY

Identifier	ReturnReference	Explanation
PART VI, LINE 4 - COMMUNITY INFORMATION		INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL IS LOCATED IN MONROE COUNTY AND SERVES AS A REGIONAL REFERRAL CENTER FOR ITS TEN COUNTY SERVICE AREA MONROE COUNTY IS LOCATED IN SOUTH CENTRAL INDIANA AND HAS A POPULATION OF 137,974 THE OTHER NINE COUNTIES IN THE HOSPITAL'S SERVICE AREA ARE COMPRISED OF PRIMARILY RURAL COMMUNITIES BLOOMINGTON IS THE LARGEST TOWN IN MONROE COUNTY WITH A POPULATION OF 69,247 THE LARGEST ETHNIC POPULATION IN MONROE COUNTY IS WHITE (87.8%), FOLLOWED BY THE ASIAN (5.2%), BLACK (3.3%), TWO OR MORE RACE GROUPS (2.5%) AND AMERICAN INDIAN/ALASKA NATIVE (0.3%) HISPANICS MAKE UP 2.9% OF THE POPULATION, WITH NON-HISPANICS EQUALING 97.1% MONROE COUNTY HAS A LOWER-THAN-AVERAGE MEDIAN HOUSEHOLD INCOME OF \$36,061 AND A HIGHER-THAN-AVERAGE POVERTY RATE OF 21.9 PERCENT LACK OF INCOME SERVES AS A BARRIER TO ACCESSING NUTRITIOUS FOOD, PHYSICAL ACTIVITIES AND TRANSPORTATION TO SUCH RESOURCES THIS SITUATION IS EXACERBATED IN THE MORE RURAL AREAS OF MONROE COUNTY WHERE THERE ARE FEW PUBLIC TRANSPORTATION OPTIONS HOWEVER, THE COUNTY IS RESOURCE-RICH WITH A VIBRANT HEALTH CARE AND SOCIAL ASSISTANCE NETWORK, EXTENSIVE PARKS AND RECREATION PROGRAMS AND FACILITIES AND HOME TO INDIANA UNIVERSITY'S MAIN CAMPUS

Identifier	ReturnReference	Explanation
PART VI, LINE 5 - PROMOTION OF COMMUNITY HEALTH		INDIANA UNIVERSITY HEALTH BLOOMINGTON HOSPITAL IS INVOLVED IN MULTIPLE INITIATIVES TO INCREASE ACCESS TO CARE WITHIN ITS COMMUNITY THE HOSPITAL CURRENTLY OPERATES TWO PRIMARY CARE OFFICES THAT HELP ADDRESS THE PRIMARY CARE SHORTAGE AND ACCESS TO CARE ISSUES PRESENT IN THE COMMUNITY THE HOSPITAL RECENTLY BEGAN PLANS FOR A THIRD PRIMARY CARE FACILITY TO PROVIDE FOR THE HEALTHCARE NEEDS OF MONROE COUNTY THE HOSPITAL ALSO FINANCIALLY SUPPORTS THE LOCAL VOLUNTEERS IN MEDICINE UNINSURED CLINIC BY PROVIDING FREE TESTING SERVICES, STAFF SUPPORT, AND BOARD LEADERSHIP FURTHERMORE, THE HOSPITAL PROVIDES SUPPORT TO COMMUNITY MEMBERS UNDERGOING CANCER TREATMENT BY PROVIDING AN EDUCATIONAL RESOURCE AND SUPPORT CENTER (OLCOTT CENTER) THAT IS FREE OF CHARGE TO THE COMMUNITY FINALLY, THE HOSPITAL SERVES AS THE SPONSORING AGENCY FOR THE WIC PROGRAM OF MONROE AND GREENE COUNTIES, THE MONROE COUNTY PUBLIC HEALTH CLINIC, AND THE POSITIVE LINK HIV AND AIDS AWARENESS AND CARE COORDINATION PROGRAM

Identifier	ReturnReference	Explanation
PART VI, LINE 6 - AFFILIATED HEALTH CARE SYSTEM ROLES		INDIANA UNIVERSITY HEALTH IS A COMPREHENSIVE HEALTHCARE SYSTEM COMPRISED OF NUMEROUS HOSPITALS, PHYSICIANS PRACTICES, AND OTHER HEALTHCARE FACILITIES ACROSS THE STATE BY COORDINATING CARE ACROSS A FULL CONTINUUM OF SERVICES, THE SYSTEM IS ABLE TO PROVIDE PREEMINENT CARE TO THE RESIDENTS OF INDIANA ALTHOUGH EACH HOSPITAL IN THE SYSTEM PREPARES ITS OWN COMMUNITY BENEFIT PLAN RELATIVE TO ITS RESPECTIVE COMMUNITY, IU HEALTH CONSIDERS ITS COMMUNITY BENEFIT PLAN AS AN IMPORTANT PART OF AN OVERALL VISION FOR STRENGTHENING THE STATE'S HEALTHCARE SAFETY NET

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	990 SCHEDULE H, PART VI	IN,

Name of the organization  
INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

Employer identification number  
35-1720796

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) CITY OF BLOOMINGTON PARKS & RECREATIONPO BOX 848 BLOOMINGTON,IN 47402	35-6000954	115	15,000				TO UNDERWRITE HEALTH AND FITNESS PROGRAMS FOR THE BENEFIT OF BLOOMINGTON YOUTH
(2) AMERICAN HEART ASSOCIATION460 N LINDBERGH BLVD ST LOUIS,MO 63141	13-5613797	501(C)(3)	7,500				TO ASSIST IN AHA FUNDRAISING EFFORTS IN THE BLOOMINGTON COMMUNITY
(3) INDIANA UNIVERSITY AUDITORIUM1211 E 7th STREET BLOOMINGTON,IN 47405	35-6001673	501(C)(3)	5,500				TO SPONSOR THE BROADWAY EVENT STOMP AT THE IU AUDITORIUM

Part III

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

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

Part IV

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

Identifier	Return Reference	Explanation
Description of Organization's Procedures for Monitoring the Use of Grants	Schedule I, Part I, Line 2	THROUGH ITS OWN ACTIVE INVOLVEMENT IN THE PROGRAMS IT HELPS TO SUPPORT OR UNDERWRITE, INDIANA UNIVERSITY HEALTH BLOOMINGTON IS AWARE AT ALL TIMES OF THE PROGRAMS' ACTIVITIES. NONE OF THE COST CLAIMED ON FORM 990, PART IX, LINE 1 IS PROVIDED TO THE RECIPIENT AS A GRANT, BUT RATHER AS SUPPORT FOR SPECIFIC PROGRAMS OF WHICH IUHB IS A PARTICIPANT.

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  
  
Open to Public Inspection

Name of the organization INDIANA UNIVERSITY HEALTH BLOOMINGTON INC	Employer identification number  35-1720796
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Part I

Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items <div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
1b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain		
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?		
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply <div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization  a Receive a severance payment or change-of-control payment? b Participate in, or receive payment from, a supplemental nonqualified retirement plan? c Participate in, or receive payment from, an equity-based compensation arrangement? 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? b Any related organization? 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? b Any related organization? 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	Yes	
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III		No
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		

**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				
(1) DANIEL EVANS JR	(i)	0	0	0	0	0	0	0
	(ii)	1,020,135	373,097	56,764	818,859	20,989	2,289,844	0
(2) MARK MOORE	(i)	452,024	78,680	23,283	154,862	12,409	721,258	0
	(ii)	0	0	0	0	0	0	0
(3) JIM MYERS	(i)	242,751	44,074	217,792	73,389	13,400	591,406	150,869
	(ii)	0	0	0	0	0	0	0
(4) RUTH ANN MORRIS	(i)	229,942	41,564	18,084	62,898	13,560	366,048	0
	(ii)	0	0	0	0	0	0	0
(5) LARRY BAILEY	(i)	208,433	43,614	9,627	34,257	18,182	314,113	0
	(ii)	0	0	0	0	0	0	0
(6) MARK MCMATH	(i)	194,196	30,216	5,459	36,334	18,163	284,368	0
	(ii)	0	0	0	0	0	0	0
(7) MARK CRAIN	(i)	112,693	21,435	40,896	17,472	9,201	201,697	0
	(ii)	0	0	0	0	0	0	0
(8) STEVEN DECKARD	(i)	174,391	30,535	7,110	33,050	13,444	258,530	0
	(ii)	0	0	0	0	0	0	0
(9) KENNETH MARSHALL MD	(i)	318,192	92,656	552	43,750	18,666	473,816	0
	(ii)	0	0	0	0	0	0	0
(10) AMARTYADEB GOSWAMI MD	(i)	292,551	6,000	360	12,090	18,559	329,560	0
	(ii)	0	0	0	0	0	0	0
(11) LEE MCKINLEY MD	(i)	280,427	5,283	25,209	33,142	13,559	357,620	0
	(ii)	0	0	0	0	0	0	0
(12) ISMAILU AGBAJE MD	(i)	216,480	15,758	7,402	10,928	18,109	268,677	0
	(ii)	0	0	0	0	0	0	0
(13) CHARLES MCCALLA MD	(i)	225,634	4,210	28,800	26,099	13,085	297,828	0
	(ii)	0	0	0	0	0	0	0
(14) A PERRY GRIFFITH MD	(i)	233,343	4,643	552	11,006	18,272	267,816	0
	(ii)	0	0	0	0	0	0	0

**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
SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN	SCHEDULE J, PART I, LINE 4B	AS PART OF THE EXECUTIVE COMPENSATION PLAN RECOMMENDED TO INDIANA UNIVERSITY HEALTH BLOOMINGTON BY A PROFESSIONAL COMPENSATION CONSULTING FIRM, THE HOSPITAL OFFERS TO ELIGIBLE SENIOR EXECUTIVES THE OPPORTUNITY TO PARTICIPATE IN A NON-QUALIFIED 457(F) DEFERRED COMPENSATION PLAN. FOLLOWING ARE THE PARTICIPANTS IN THE PLAN AND THE AMOUNTS THAT WERE CONTRIBUTED BY THE EMPLOYER DURING 2011: MARK MOORE - EMPLOYER PAID \$115,708; JIM MYERS - EMPLOYER PAID \$40,188; RUTH ANN MORRIS - EMPLOYER PAID \$25,633; LARRY BAILEY - EMPLOYER PAID \$21,416; MARK MCMATH - EMPLOYER PAID \$25,574; STEVEN DECKARD - EMPLOYER PAID \$7,544; KENNETH MARSHAL - EMPLOYER PAID \$32,500. DANIEL EVANS, JR. PARTICIPATES IN AN INDIANA HEALTH, INC. SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN, PROVISIONS OF WHICH ARE DESIGNED TO RETAIN CRITICAL EMPLOYEES. THE PLAN PROVIDES FOR ADDITIONAL BENEFITS FOR SERVICE THROUGH NORMAL RETIREMENT OR OTHER KEY DATES. IF THE EXECUTIVE LEAVES PRIOR TO RETIREMENT OR OTHER KEY DATES, THE BENEFIT MAY BE FOREFEITED OR REDUCED. THE AMOUNT OF THIS BENEFIT HAS BEEN REPORTED IN COLUMN (C) DEFERRED COMPENSATION. ALSO DURING 2011, JIM MYERS RECEIVED A 457(F) PLAN PAY-OUT OF \$199,708, OF THIS AMOUNT, \$150,869 HAD BEEN REPORTED AS DEFERRED COMPENSATION DURING TAX YEARS 2006 THROUGH 2010.
NON-FIXED PAYMENTS TO OFFICERS AND KEY EMPLOYEES	SCHEDULE J, PART I, LINE 7	ACCORDING TO THE HOSPITAL'S EXECUTIVE COMPENSATION PLAN, ANNUAL GOALS WILL BE SET FOR EACH MEMBER OF THE SENIOR LEADERSHIP GROUP, AND THE DEGREE OF SUCCESSFUL COMPLETION DETERMINED FOLLOWING THE END OF THE YEAR WILL DETERMINE THAT LEADER'S ANNUAL BONUS, IF ANY. ANY PAYOUTS WILL BE IN THE FORM OF A LUMP SUM AND WILL NOT AFFECT THE LEADER'S BASE PAY. THE LEADER MAY ELECT TO DEFER ANY OR ALL OF THE BONUS COMPENSATION THROUGH THE HOSPITAL'S 457(F) PLAN, SUBJECT TO ANY PLAN RESTRICTIONS IF REQUIRED. THE AMOUNT OF MERIT PAYMENT FOR THE CEO SHALL BE DETERMINED BY THE COMPENSATION COMMITTEE. ALL OTHER SENIOR LEADERS' PAYMENT SHALL BE RECOMMENDED BY THE CEO TO THE COMPENSATION COMMITTEE FOR APPROVAL PRIOR TO ANY AWARD.

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

Open to Public Inspection

Name of the organization  
INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

Employer identification number  
35-1720796

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 HOSPITAL AUTHORITY OF MONROE COUNTY INDIANA	000000000	000000000	02-16-2006	19,962,132	TAX-EXEMPT EQUIP LOANS (SEE PT VI)		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired	0							
2	Amount of bonds defeased	0							
3	Total proceeds of issue	19,962,132							
4	Gross proceeds in reserve funds	0							
5	Capitalized interest from proceeds	0							
6	Proceeds in refunding escrow	0							
7	Issuance costs from proceeds	0							
8	Credit enhancement from proceeds	0							
9	Working capital expenditures from proceeds	0							
10	Capital expenditures from proceeds	19,962,132							
11	Other spent proceeds	0							
12	Other unspent proceeds	0							
13	Year of substantial completion	2006							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X						
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	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						
2	Are there any lease arrangements that may result in private business use of bond-financed property?				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						
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?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %							
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 %							
6	Total of lines 4 and 5	0 %							
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	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						
2	Is the bond issue a variable rate issue?	X							
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X						
b	Name of provider	0							
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a GIC?								
b	Name of provider	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						
6	Did the bond issue qualify for an exception to rebate?								

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
TAX-EXEMPT EQUIPMENT LOANS (MASTER LEASE AND SUBLEASE AGREEMENT)	0	SEE SCHEDULE O

Schedule L  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization  
INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

Employer identification number  
  
35-1720796

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV

**Business Transactions Involving Interested Persons.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) BORMA	SEE SCHEDULE L, PART V	767,906	MEDICAL SERVICES PROVIDER		No
(2) PREMIER HEALTHCARE	SEE SCHEDULE L, PART V	2,471,421	MEDICAL SERVICES PROVIDER		No
(3) OLD NATIONAL BANK	SEE SCHEDULE L, PART V	244,225	GENERAL BANKING TRANSACTIONS		No
(4) BELINDA CRAIN	SEE SCHEDULE L, PART V	59,735	RELATIVE IS IUHB KEY EMPLOYEE		No
(5) MATTHEW CRAIN	SEE SCHEDULE L, PART V	52,529	RELATIVE IS IUHB KEY EMPLOYEE		No

Part V

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

Identifier	Return Reference	Explanation
BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS	FORM 990, SCHEDULE L, PART IV	CHARLES MCKEEN, M D , AN IUHB DIRECTOR, IS ALSO A MEMBER OF A MEDICAL PRACTICE, BLOOMINGTON OPERATING ROOM MANAGEMENT ASSOCIATES (BORMA), WITH WHOM THE HOSPITAL CONTRACTS FOR SURGICAL MANAGEMENT AND MEDICAL SERVICES IUHB PAID THE MEDICAL GROUP BORMA, BUT NOT DR MCKEEN DIRECTLY, A TOTAL OF \$767,906 BRAD BOMBA, M D , AND JAMES FARIS, M D , BOTH IUHB DIRECTORS, ARE MEMBERS OF A LARGE BLOOMINGTON MEDICAL PRACTICE, PREMIER HEALTHCARE, LLC, WITH WHOM THE HOSPITAL CONTRACTS FOR A WIDE VARIETY OF MEDICAL SERVICES, INCLUDING BUT NOT LIMITED TO CARDIOLOGY AND HOSPITALIST COVERAGE IUHB PAID PREMIER HEALTHCARE, BUT NOT DRS BOMBA AND FARIS DIRECTLY, A COMBINED TOTAL OF \$2,471,421 IN 2011 MARK BRADFORD, AN IUHB DIRECTOR, IS PRESIDENT OF THE OLD NATIONAL BANK, IUHB'S PRIMARY BANK OLD NATIONAL BANK FINANCED \$2,761,286 OF IUHB PATIENT ACCOUNTS RECEIVABLE DURING 2011, IN ADDITION TO PROVIDING CUSTOMARY COMMERCIAL BANKING SERVICES FEES PAID TO OLD NATIONAL BANK IN 2011 WERE \$244,225 MARK CRAIN, AN IUHB KEY EMPLOYEE, IS THE FATHER-IN-LAW OF ANOTHER HOSPITAL EMPLOYEE, PHARMACIST BELINDA CRAIN, AND THE FATHER OF ANOTHER EMPLOYEE, INFORMATION TECHNOLOGY SUPPORT SPECIALIST MATTHEW CRAIN BELINDA CRAIN WAS PAID A TOTAL OF \$59,735 FOR THE HOURS THAT SHE WORKED FOR IUHB AS A PHARMACIST DURING 2011, AND MATTHEW CRAIN WAS PAID A TOTAL OF \$52,529 FOR HIS HOURS WORKED IN IUHB INFORMATION SERVICES

2011

Open to Public Inspection

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.

Name of the organization  
INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

Employer identification number

35-1720796

Identifier	Return Reference	Explanation
DESCRIPTION OF OTHER PROGRAM SERVICES	FORM 990, PART III, LINE 4D	INDIANA UNIVERSITY HEALTH BLOOMINGTON'S PRIMARY REASON FOR EXISTENCE IS TO PROVIDE HIGH-QUALITY MEDICAL CARE FOR ITS COMMUNITY TO ACCOMPLISH THIS END, THE HOSPITAL HAS INCURRED SIGNIFICANT EXPENSE TO ACQUIRE THE BEST MEDICAL SUPPLIES AND EQUIPMENT AVAILABLE. MEDICAL SERVICES, BOTH INPATIENT AND OUTPATIENT, ARE SUBJECT TO ONGOING IMPROVEMENT AND EXPANSION IN RESPONSE TO THE CHANGING NEEDS OF THE COMMUNITY. AS THE ONLY FULL-SERVICE MEDICAL/SURGICAL HOSPITAL IN MONROE COUNTY, IUHB PROVIDES SERVICES TO A LARGE POPULATION. RESIDENTS OF OWEN, BROWN, GREENE, AND LAWRENCE COUNTIES ARE ALSO SIGNIFICANT USERS OF THE HOSPITAL'S SERVICES. DURING THE FISCAL YEAR ENDING DECEMBER 31, 2011, IUHB DISCHARGED A TOTAL OF 13,137 ADULT AND PEDIATRIC INPATIENTS, AS WELL AS 1,955 NEWBORN INFANTS. IN ADDITION, APPROXIMATELY 916,000 MEDICAL PROCEDURES WERE PERFORMED FOR HOSPITAL OUTPATIENTS. SINCE ITS INCEPTION, IUHB HAS PROVIDED MEDICAL CARE TO ANY AND ALL PATIENTS PRESENTING THEMSELVES FOR SERVICE, REGARDLESS OF THEIR ABILITY TO PAY. THE VALUE OF FREE CARE PROVIDED TO PATIENTS WHO QUALIFIED FOR HOSPITAL CHARITY DURING FISCAL YEAR 2011 WAS \$27,511,839. THE HOSPITAL IS ALSO A FULL PARTICIPANT IN PROVIDING CARE TO MEDICARE AND MEDICAID PATIENTS, AT REIMBURSABLE AMOUNTS FAR LOWER THAN ITS NORMAL CHARGES. DURING 2011, THE HOSPITAL WAS EXTREMELY SUCCESSFUL IN ENROLLING MEMBERS OF ITS COMMUNITY BOTH IN THE MEDICAID PROGRAM AND IN THE MORE RECENTLY CREATED STATE HEALTH CARE PROGRAM KNOWN AS THE HEALTHY INDIANA PLAN (HIP). ALTHOUGH REIMBURSEMENT TO THE HOSPITAL UNDER THESE PROGRAMS IS EXTREMELY LOW IN COMPARISON TO GROSS PATIENT CHARGES, THE ENROLLMENT ASSISTANCE PROVIDED TO INDIVIDUALS SHOULD BE VIEWED AS A COMMUNITY BENEFIT SINCE SUCCESSFUL ENROLLEES ARE THEN COVERED FOR MOST OTHER ESSENTIAL MEDICAL SERVICES FROM OTHER PROVIDERS THAN JUST THE HOSPITAL ITSELF. IN ORDER TO PROMOTE GOOD HEALTH CARE AND TO EMPHASIZE THE IMPORTANCE OF PREVENTIVE MEDICINE, THE HOSPITAL OFFERS FREE LECTURES PRESENTED BY KNOWLEDGEABLE PROFESSIONALS TO THE BLOOMINGTON COMMUNITY. HISTORICALLY, THESE LECTURES, WHICH ARE HELD BOTH AT THE HOSPITAL AND THROUGHOUT THE SERVICE AREA, HAVE BEEN WELL ATTENDED AND WELL RECEIVED BY THE RESIDENTS OF MONROE AND SURROUNDING COUNTIES. TOPICS COVERED BY THESE FREE SEMINARS INCLUDE NUTRITION, DIABETES, OBESITY, AND CANCER PREVENTION, TO NAME ONLY A FEW. IN ADDITION TO PROVIDING EDUCATIONAL SESSIONS FOR SENIORS, THE HOSPITAL HAS ALSO DEVELOPED ITS SENIORITY PLUS PLAN, DESIGNED TO PROVIDE A FULL RANGE OF FREE SERVICE AND ADVICE TO THIS GROUP. IN ADDITION TO EXTENSIVE DISCOUNT PROGRAMS THAT HAVE BEEN ARRANGED BY HOSPITAL STAFF ON BEHALF OF SENIORITY PLUS MEMBERS, IUHB IS ACTIVELY INVOLVED IN EDUCATION FOR STUDENTS ENROLLED IN VARIOUS POST-SECONDARY VOCATIONAL AND ACADEMIC PROGRAMS, INCLUDING, BUT NOT LIMITED TO, NURSING, RESPIRATORY THERAPY, CLINICAL INFORMATICS, SURGICAL TECHNOLOGY, EMERGENCY MEDICAL RESPONSE, CLINICAL ENGINEERING, PHARMACY, LABORATORY, AND FOOD AND NUTRITION SERVICES. ALSO TO FURTHER ITS EDUCATIONAL GOALS, THE HOSPITAL OFFERS CAREER COUNSELING TO LOCAL HIGH SCHOOLS AND JUNIOR HIGH SCHOOLS, EVEN PROVIDING A HEALTH CARE CAREER CAMP FOR STUDENTS DURING THE SUMMER MONTHS. THROUGH THIS PROCESS, THE HOSPITAL HOPES TO INFORM YOUNG PEOPLE OF LITTLE KNOWN WAYS IN WHICH ONE MAY SERVE WITHIN THE MEDICAL COMMUNITY. THROUGHOUT THE YEAR, IUHB HAS PROVIDED THE COMFORT OF VARIOUS COUNSELING AND SUPPORT GROUPS AT NO CHARGE TO ALL THOSE WHO NEED AND DESIRE THIS SERVICE, ADDRESSING SUCH ISSUES AS SMOKING CESSATION, DIABETES MANAGEMENT, AND COPING WITH THE LOSS OF A LOVED ONE. THE HOSPITAL HAS ALSO CONTRIBUTED TO THE SAFETY AND WELL BEING OF THE CHILDREN IN ITS COMMUNITY BY PROVIDING CAR SEAT SAFETY CHECKS, BICYCLE HELMETS, SUNSCREEN, AND LEAD TESTING, ALL WITHOUT CHARGE TO THE BENEFICIARIES.

Identifier	Return Reference	Explanation
DESCRIPTION OF CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PART VI, LINE 6	INDIANA UNIVERSITY HEALTH, INC IS THE SOLE MEMBER OF INDIANA UNIVERSITY HEALTH BLOOMINGTON, INC

Identifier	Return Reference	Explanation
DESCRIPTION OF CLASSES OF PERSONS AND THE NATURE OF THEIR RIGHTS	FORM 990, PART VI, LINE 7A	ANY AMENDMENT THAT WOULD IN ANY WAY RELATE TO THE NUMBER OF DIRECTORS OF HOSPITAL, THE SOURCE OF THEIR APPOINTMENTS, THE PROVISION WITH RESPECT TO SUPERMAJORITY VOTING, THE PROVISIONS REGARDING THE COUNCIL'S COMMITTEE INVOLVEMENT OR PROVISIONS WITH RESPECT TO THE REMOVAL OF SUCH DIRECTORS, SHALL REQUIRE THE PRIOR APPROVAL OF INDIANA UNIVERSITY HEALTH, INC

Identifier	Return Reference	Explanation
DESCR CLASSES OF PERSONS, DECISIONS REQUIRING APPR & TYPE OF VOTING RIGHTS	FORM 990, PART VI, LINE 7B	NO ACTION OF THE HOSPITAL'S BOARD OR OF ANY OFFICER OR AGENT OF THE HOSPITAL REGARDING ANY MATTERS THAT ARE SUBJECT TO INDIANA UNIVERSITY HEALTH, INC 'S RESERVED POWERS SHALL HAVE ANY FORCE OR EFFECT WITHOUT PRIOR NOTICE TO AND THE WRITTEN APPROVAL OF INDIANA UNIVERSITY HEALTH, INC RESERVED POWERS REFERENCED ABOVE INCLUDE, BUT ARE NOT LIMITED TO, ANY ACTION THAT WOULD ALTER OPERATING AND CAPITAL BUDGETS, CHANGE THE CURRENT CORPORATE ENTITY STRUCTURE, OR CHANGE THE ARTICLES OF INCORPORATION

Identifier	Return Reference	Explanation
DESCRIBE THE PROCESS USED BY MANAGEMENT &/OR GOVERNING BODY TO REVIEW 990	FORM 990, PART VI, LINE 11B	BEGINNING IN 2012, FOR THE TAX YEAR ENDED 12/31/2011, INDIANA UNIVERSITY HEALTH BLOOMINGTON PROVIDED A CONFIDENTIAL AND SECURE WEB SITE ACCESSIBLE TO MEMBERS OF ITS BOARD OF DIRECTORS, ON WHICH A COMPLETE COPY OF ITS IRS FORM 990, AS ULTIMATELY FILED WITH THE IRS, WAS POSTED FOR VIEWING BEFORE IT WAS FILED DURING THE TAX RETURN POSTING PERIOD, DIRECTORS WERE ENCOURAGED TO SUBMIT QUESTIONS OR SUGGESTIONS TO THE HOSPITAL'S CFO

Identifier	Return Reference	Explanation
DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST	FORM 990, PART VI, LINE 12C	<p>FOLLOWING THE ANNUAL SUBMISSION OF ALL RELEVANT PERSON'S CONFLICT OF INTEREST FORMS, THE HOSPITAL AUDIT AND COMPLIANCE COMMITTEE MEETS TO REVIEW ALL RESPONSES AND TO DETERMINE WHETHER ANY OF THE POTENTIAL CONFLICTS THAT HAVE BEEN DOCUMENTED WOULD PREVENT ANY ONE'S SERVING ON THE BOARD OF DIRECTORS, OR CONTINUING AS A KEY EMPLOYEE</p> <p>FOLLOWING ARE KEY EXCERPTS TAKEN FROM THE HOSPITAL'S 2011 CONFLICT OF INTEREST POLICY</p> <p>1) ALL BOARD MEMBERS, EX-OFFICIO BOARD MEMBERS, COMMITTEE MEMBERS OR SENIOR MANAGEMENT TEAM MEMBERS SHOULD ACT IN GOOD FAITH AND IN THE BEST INTERESTS OF INDIANA UNIVERSITY HEALTH BLOOMINGTON, INC</p> <p>2) ANY MEMBER HAVING AN EXISTING OR POTENTIAL INTEREST IN A CONTRACT OR OTHER TRANSACTION PRESENTED TO THE BOARD OF DIRECTORS OR A COMMITTEE THEREOF FOR DELIBERATION, AUTHORIZATION, APPROVAL, OR RATIFICATION, OR ANY PERSON WHO REASONABLY BELIEVES SUCH AN INTEREST EXISTS IN A MEMBER SHALL MAKE A PROMPT, FULL, AND FRANK DISCLOSURE OF THE INTEREST TO THE BOARD OR COMMITTEE AT THE EARLIEST POSSIBLE MEETING OF THE BOARD OR COMMITTEE</p> <p>3) A CONFLICT OCCURS WHEN A MEMBER HAS A DIRECT OR INDIRECT PROFESSIONAL OR PERSONAL INTEREST THAT COMPETES WITH THE INTERESTS OF THE HOSPITAL</p> <p>THE POLCY REQUIRES (A) REGULAR ANNUAL STATEMENTS FROM MEMBERS THAT DISCLOSE EXISTING AND POTENTIAL CONFLICTS OF INTEREST, AND (B) CORRECTIVE AND DISCIPLINARY ACTION WITH RESPECT TO THE TRANSGRESSIONS OF SUCH POLICIES</p>

Identifier	Return Reference	Explanation
PROCESS FOR DETERMINING COMPENSATION FOR CEO	FORM 990, PART VI, LINE 15A	<p>BEGINNING IN 2003 AND EFFECTIVE FOR EVERY SUCCEEDING YEAR, INCLUDING THE YEAR ENDED 12/31/2011, INDIANA UNIVERSITY HEALTH BLOOMINGTON HAS HAD A FORMAL WRITTEN POLICY DEFINING COMPENSATION TO ITS CEO, CFO, AND ALL OTHER KEY EXECUTIVE EMPLOYEES (THIS GROUP IS REFERRED TO INTERNALLY AS THE SLG ) THE COMPENSATION COMMITTEE IS COMPRISED OF INDEPENDENT MEMBERS AND IS RESPONSIBLE FOR REVIEWING AND APPROVING ANY CHANGES TO EXECUTIVE COMPENSATION AND/OR BENEFITS ON AN ANNUAL BASIS ANY CHANGES ARE TO BE REASONABLE, MARKET COMPETITIVE, AND BASED ON MARKET INFORMATION SUPPLIED BY INDEPENDENT CONSULTANTS EMPLOYED BY THE COMPENSATION COMMITTEE AND NOT BY THE ADMINISTRATIVE STAFF CONSULTANTS SHALL REPORT THEIR FINDINGS DIRECTLY TO THE COMPENSATION COMMITTEE MEMBERS OF THE ADMINISTRATIVE STAFF SHALL NOT BE PRESENT WHILE DISCUSSIONS ARE HELD TO DETERMINE THE LEVEL OF COMPENSATION AND BENEFITS FOR THE SLG MINUTES OF COMPENSATION COMMITTEE PROCEEDINGS SHALL BE KEPT, REFLECTING THE COMMITTEE'S INDEPENDENCE, ANY IDENTIFIED CONFLICTS OF INTEREST, WHAT DECISIONS WERE MADE, AND WHAT INDIVIDUALS WERE PRESENT SALARY ADJUSTMENTS AND/OR BENEFIT CHANGES FOR ANY SLG MEMBER MUST BE APPROVED BY THE COMMITTEE PRIOR TO IMPLEMENTATION ALL SUCH APPROVED CHANGES WILL BE DISCLOSED TO THE FULL BOARD OF DIRECTORS AT THE NEXT REGULARLY SCHEDULED MEETING THE POLICY HERE DESCRIBED WAS USED TO EVALUATE SLG SALARIES DURING THE YEAR ENDED 12/31/2011</p>

Identifier	Return Reference	Explanation
PROCESS FOR DETERMINING COMPENSATION FOR OTHER OFFICERS OR KEY EMPLOYEES	FORM 990, PART VI, LINE 15B	THE COMPENSATION AND BENEFITS OF ALL KEY EXECUTIVE POSITIONS ARE SUBJECT TO THE SAME PROCESS AS DESCRIBED IN THE EXPLANATION FOR FORM 990, PART VI, LINE 15A THE PROCESS WAS MOST RECENTLY USED IN 2011 TO EVALUATE THE SENIOR LEADERSHIP POSITIONS

Identifier	Return Reference	Explanation
AVAIL OF GOV DOCS, CONFLICT OF INTEREST POLICY, & FIN STMTS TO GEN PUBLIC	FORM 990, PART VI, LINE 19	INDIANA UNIVERSITY HEALTH BLOOMINGTON, INC ASKS THAT ANYONE REQUESTING A COPY OF ITS IRS FORM 990 COME TO ITS ADMINISTRATIVE OFFICE TO ACCESS THAT COPY REQUESTS TO SEE THE RETURN CAN BE SUBMITTED VIA THE HOSPITAL'S INTERNET WEB SITE OF BY TELEPHONING THE GENERAL SWITCHBOARD NUMBER FOR THE HOSPITAL STAFF ATTEMPTS ALWAYS TO RESPOND TO ALL REQUESTS WITHIN 24 HOURS, REGARDLESS OF THE MEANS OF TRANSMISSION COMPLIANCE POLICIES, SUCH AS THOSE DEFINING CONFLICTS OF INTEREST ARE AVAILABLE TO HOSPITAL EMPLOYEES VIA AN EXTENSIVE INTRANET SITE ANYONE OUTSIDE THE HOSPITAL MAY REQUEST A COPY VIA THE PUBLIC INTERNET SITE OR BY TELEPHONE FINANCIAL STATEMENTS, TOO, ARE AVAILABLE FOR VIEWING UPON REQUEST, BUT MUST BE OBTAINED IN PERSON FROM THE HOSPITAL'S ADMINISTRATIVE OFFICES

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XII, LINE 5	UNREALIZED INVESTMENT EARNINGS NOT RECOGNIZED ON FORM 990 (9,346,755) HOSPITAL AUXILIARY CONTRIBUTIONS RECOGNIZED ON FORM 990 (64,143) NONCONTROLLING GOODWILL INTEREST 1,649,646 REPORTED REVENUE LOST DUE TO UBI DEBT-FUNDED RENT REPORTING 358,610 CHANGE IN PENSION OBLIGATION (13,271,620) CHANGE IN IUHB INTEREST IN THE ASSETS OF THE BH FOUNDATION (742,516) ASSETS TRANSFERRED TO AFFILIATES (13,152,381) BOOK/TAX DIFFERENCE IN PARTNERSHIP INTEREST (133) LINE 5 TOTAL OTHER CHANGES IN NET ASSETS (34,569,292)

Identifier	Return Reference	Explanation
TAX-EXEMPT EQUIPMENT LOANS (MASTER LEASE AND SUBLEASE AGREEMENT)	SCHEDULE K, PART VI	THESE FUNDS, WHICH WERE USED ENTIRELY FOR THE PURCHASE OF MEDICAL AND HOSPITAL IT EQUIPMENT, WERE ORIGINALLY RECEIVED IN THREE SEPARATE DRAWS \$14,252,734 ON 02/16/2006, \$3,256,179 ON 06/07/2006, AND \$2,453,219 ON 12/28/2006 (TOTAL = \$19,962,132) THE EQUIPMENT FINANCED WITH THESE TAX-EXEMPT LOANS WAS SEPARATED INTO THREE CATEGORIES \$5,566,946 ASSETS WITH A 5-YEAR USEFUL LIFE, \$2,403,488 ASSETS WITH AN 8-YEAR USEFUL LIFE, AND \$11,991,698 ASSETS WITH A 10-YEAR USEFUL LIFE (TOTAL = \$19,962,132) THE INTEREST RATE SPREAD TO THE BMA INDEX USED TO CALCULATE THE VARIABLE-RATE INTEREST COST IS 0.98% FOR THE 5-YEAR LOANS, 1.09% FOR THE 8-YEAR LOANS, AND 1.21% FOR THE 10-YEAR LOANS AS OF 12/31/2011 THE UNPAID BALANCES ON THE THREE LOANS CATEGORIES ARE AS FOLLOWS \$0 ON THE 5-YEAR LOANS, \$836,667 ON THE 8-YEAR LOANS, AND \$6,245,958 ON THE 10-YEAR LOANS (TOTAL = 7,082,625)

Identifier	Return Reference	Explanation
FORM 5471 DISCLOSURE		INDIANA UNIVERSITY HEALTH BLOOMINGTON, INC (FEIN 35-1720796) CONSTRUCTIVELY OWNED A CONTROLLED FOREIGN CORPORATION IN 2011 THROUGH ITS AFFILIATE, INDIANA UNIVERSITY HEALTH (FEIN 35-1955875) PURSUANT TO IRC SECTION 6038, THE 2011 CONTROLLED FOREIGN CORPORATION FILING REQUIREMENT OF INDIANA UNIVERSITY HEALTH BLOOMINGTON, INC WAS FULFILLED ON THE 2011 FORM 5471 FILED ON ITS BEHALF BY INDIANA UNIVERSITY HEALTH FEIN 35-1955872 950 N MERIDIAN STREET, SUITE 800 INDIANAPOLIS, IN 46204 THE 2011 FORM 5471 FOR INDIANA UNIVERSITY HEALTH WAS FILED AT THE FOLLOWING IRS PROCESSING CENTER OGDEN, UT 84201-0012

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME DANIEL EVANS, JR TITLE DIRECTOR HOURS 53

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME MARK MOORE TITLE CHIEF EXECUTIVE OFFICER HOURS 4

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME LARRY BAILEY TITLE VICE PRESIDENT HOURS 40

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  
INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

Employer identification number  
35-1720796

Part I

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

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

Part II

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

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

Part III

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

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

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

1

During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a

Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Sale of assets to related organization(s)

g

Purchase of assets from related organization(s)

h

Exchange of assets with related organization(s)

i

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

j

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

k

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

l

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

m

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

n

Sharing of paid employees with related organization(s)

o

Reimbursement paid to related organization(s) for expenses

p

Reimbursement paid by related organization(s) for expenses

q

Other transfer of cash or property to related organization(s)

r

Other transfer of cash or property from related organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

Yes

No

No

Yes

No

No

No

No

Yes

Yes

Yes

Yes

Yes

No

No

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

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

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

[illegible]

Part VII

Supplemental Information

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

Identifier	Return Reference	Explanation	
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Additional Data

Software ID:

Software Version:

EIN: 35-1720796

Name: INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

Form 990, Special Condition Description:

Special Condition Description
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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			
MOYA ANDREWS DIRECTOR	2 0	X						0	0	0
BRAD BOMBA JR MD DIRECTOR	2 0	X						0	0	0
MARK BRADFORD DIRECTOR	2 0	X						0	0	0
LYNN COYNE DIRECTOR AS OF 1/1/2011	2 0	X						0	0	0
ALLEN DUNN DIRECTOR AS OF 1/1/2011	2 0	X						0	0	0
DANIEL EVANS JR DIRECTOR	2 0	X						0	1,449,996	839,848
JIM FARIS MD DIRECTOR	2 0	X						0	0	0
KAREN HANSON VICE-CHAIR	2 0	X						0	0	0
WILLIAM HUNT DIRECTOR	2 0	X						0	0	0
CHRISTOPHER KROLL DIRECTOR	2 0	X						0	0	0
LEE MARCHANT DIRECTOR	2 0	X						0	0	0
CHARLES MCKEEN MD DIRECTOR	2 0	X						0	0	0
DAN PETERSON BOARD CHAIR	2 0	X		X				0	0	0
JOYCE POLING SECREARY	2 0	X		X				0	0	0
MICHAEL ROBBINS DIRECTOR AS OF 1/1/2011	2 0	X						0	0	0
ELLIE ROGERS DIRECTOR	2 0	X						0	0	0
SUSAN WIER TREASURER	2 0	X		X				0	0	0
LINDA WILLIAMSON DIRECTOR	2 0	X						0	0	0
ANN WRENN DIRECTOR	2 0	X						0	0	0
MARK MOORE CHIEF EXECUTIVE OFFICER	50 0			X				553,987	0	167,271
JIM MYERS CHIEF FINANCIAL OFFICER	50 0			X				504,617	0	86,789
RUTH ANN MORRIS CHIEF NURSING OFFICER	50 0				X			289,590	0	76,458
LARRY BAILEY VICE PRESIDENT	10 0				X			261,674	0	52,439
MARK MCMATH VICE PRESIDENT	50 0				X			229,871	0	54,497
MARK CRAIN VICE PRESIDENT THROUGH 8/31/11	50 0				X			175,024	0	26,673

**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			
STEVEN DECKARD VICE PRESIDENT	50 0				X			212,036	0	46,494
KENNETH MARSHALL MD VICE PRESIDENT	50 0				X			411,400	0	62,416
AMARTYADEB GOSWAMI MD PHYSICIAN	50 0					X		298,911	0	30,649
LEE MCKINLEY MD PHYSICIAN	50 0					X		310,919	0	46,701
ISMAILU AGBAJE MD PHYSICIAN	50 0					X		239,640	0	29,037
CHARLES MCCALLA MD PHYSICIAN	50 0					X		258,644	0	39,184
A PERRY GRIFFITH MD PHYSICIAN	50 0					X		238,538	0	29,278

## Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 35-1720796  
**Name:** INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

**Form 990 Schedule H, Part V Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

[illegible]

Software ID:

Software Version:

EIN: 35-1720796

Name: INDIANA UNIVERSITY HEALTH BLOOMINGTON INC

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity	(g) Section 512 (b)(13) controlled organization	
						Yes	No
METHODIST HEALTH FOUNDATION INC  1800 NORTH CAPITAL AVENUE INDIANAPOLIS, IN 46202 35-6043086	FUNDRAISING	IN	501(C)(3)	11, TYPE I	IU HEALTH	Yes	
METHODIST HEALTH GROUP INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-0876390	HEALTHCARE	IN	501(C)(3)	11, III-FI	NA		No
METHODIST MEDICAL GROUP INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-1945384	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH WEST HOSPITAL INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-1814660	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
METHODIST OCCUPATIONAL HEALTH CTRS INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-1844176	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
METHODIST RESEARCH INSTITUTE INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-2023710	HEALTHCARE	IN	501(C)(3)	11, TYPE I	IU HEALTH	Yes	
MH HEALTHCARE INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-1766531	HEALTHCARE	IN	501(C)(3)	3	METH MED GRP	Yes	
IU HEALTH BEDFORD INC  2900 WEST 16TH STREET BEDFORD, IN 47421 23-7042323	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
GOSHEN HEALTH SYSTEM INC  200 HIGH PARK AVENUE GOSHEN, IN 46527 35-1974765	HEALTHCARE	IN	501(C)(3)	11, TYPE I	IU HEALTH	Yes	
GOSHEN HOSPITAL ASSOCIATION INC  200 HIGH PARK AVENUE GOSHEN, IN 46527 35-6001540	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH LAPORTE HOSPITAL INC  1007 LINCOLNWAY LAPORTE, IN 46350 35-1125434	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH LAPORTE PHYSICIANS INC  1007 LINCOLNWAY LAPORTE, IN 46350 31-1070868	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH TIPTON HOSPITAL INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 26-2772226	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH BALL MEMORIAL HOSPITAL INC  2401 WEST UNIVERSITY AVENUE MUNCIE, IN 47303 35-0867958	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH BLACKFORD HOSPITAL INC  410 PILGRIM BOULEVARD HARTFORD CITY, IN 47348 01-0646166	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH BALL MEMORIAL PHYSICIANS INC  2410 WEST UNIVERSITY AVENUE MUNCIE, IN 47303 35-1925641	HEALTHCARE	IN	501(C)(3)	9	IUH BALL	Yes	
INDIANA RADIOLOGY PARTNERS INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 20-1017034	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH CARE ASSOCIATES INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-1747218	HEALTHCARE	IN	501(C)(3)	9	IU HEALTH	Yes	
HEALTHLINC INC  200 HIGH PARK AVENUE GOSHEN, IN 46527 26-3571507	HEALTHCARE	IN	501(C)(3)	3	IUH BLOOM	Yes	
IU HEALTH BMH FOUNDATION INC  2401 WEST UNIVERSITY AVENUE MUNCIE, IN 47303 31-1111784	FUNDRAISING	IN	501(C)(3)	11, TYPE I	IUH BALL	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity	(g) Section 512 (b)(13) controlled organization	
BALL MEMORIAL HOSPITAL AUXILIARY INC  2401 WEST UNIVERSITY AVENUE MUNCIE, IN 47303 35-6025400	HEALTHCARE	IN	501(C)(3)	11, III-FI	IUH BALL	Yes	
IU HEALTH MORGAN HOSPITAL INC  2209 JOHN R WOODEN DRIVE MARTINSVILLE, IN 46151 27-3533027	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH WHITE MEMORIAL HOSPITAL INC  720 SOUTH SIXTH STREET MONTICELLO, IN 47960 27-3532963	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
INDIANA UNIVERSITY HEALTH INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-1955872	HEALTHCARE	IN	501(C)(3)	3	NA		No
IU HEALTH ARNETT INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 26-3162145	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
CLARIAN TRANSPLANT INSTITUTE INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 13-4350599	HEALTHCARE	IN	501(C)(3)	9	IU HEALTH	Yes	
IU HEALTH NORTH HOSPITAL INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-1932442	HEALTHCARE	IN	501(C)(3)	3	IU HEALTH	Yes	
IU HEALTH PAOLI HOSP FOUNDATION INC  PO BOX 499 PAOLI, IN 47454 31-0992486	FUNDRAISING	IN	501(C)(3)	11, III-O	IUH PAOLI	Yes	
IU HEALTH PAOLI INC  PO BOX 499 PAOLI, IN 47454 35-2090919	HEALTHCARE	IN	501(C)(3)	3	IUH BLOOM	Yes	
IU MEDICAL GROUP FOUNDATION INC  340 W 10TH ST NO FS5100 INDIANAPOLIS, IN 46202 20-1093251	FUNDRAISING	IN	501(C)(3)	11, TYPE II	NA		No
MORGAN COUNTY MEM HOSP FOUNDATION INC  2209 JOHN R WOODEN DR MARTINSVILLE, IN 46151 35-2035162	FUNDRAISING	IN	501(C)(3)	11, TYPE II	IUH MORGAN	Yes	
MORGAN COUNTY MEM HOSP GUILD INC  2209 JOHN R WOODEN DR MARTINSVILLE, IN 46151 31-0886844	FUNDRAISING	IN	501(C)(3)	11, III-FI	IUH MORGAN	Yes	
MORGAN HEALTH SERVICES INC  1949 HOSPITAL DR MARTINSVILLE, IN 46151 35-1968564	HEALTHCARE	IN	501(C)(3)	3	IUH MORGAN	Yes	
UNIVERSITY FAMILY PHYSICIANS INC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 23-7427350	HEALTHCARE	IN	501(C)(3)	9	IUHCA	Yes	
WHITE COUNTY MEM HOSP FOUNDATION INC  PO BOX 952 MONTICELLO, IN 47960 35-1671806	FUNDRAISING	IN	501(C)(3)	11, III-O	IUH WHITE	Yes	
IU HEALTH ARNETT FOUNDATION INC  2600 GREENBUST ST LAFAYETTE, IN 47904 35-6079797	FUNDRAISING	IN	501(C)(3)	11, TYPE I	IUH ARNETT	Yes	
LOCAL COUNCIL OF WOMEN OF BLOOMINGTON  PO BOX 1149 BLOOMINGTON, IN 47402 35-0992711	NON-PROFIT	IN	501(C)(3)	7	IUH BLOOM	Yes	
BLOOMINGTON HOSPITAL AUXILLARY  PO BOX 1149 BLOOMINGTON, IN 47402 35-6041676	VOLUNTEERS	IN	501(C)(4)		IUH BLOOM	Yes	
BLOOMINGTON HOSPITAL FOUNDATION INC  405 N ROGERS STREET BLOOMINGTON, IN 47404 35-1720795	FUNDRAISING	IN	501(C)(3)	11, III-FI	IUH BLOOM	Yes	

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income (\$)	(g) Share of end-of-year assets (\$)	(h) Disproprtionate allocations?		(i) Code V-UBI amount on Box 20 of K-1 (\$)	(j) General or Managing Partner?		(k) Percentage ownership
CLARIAN HEALTH NETWORK LLC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 35-2055030	HEALTHCARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
BALL OUTPATIENT SURGERY CENTER LLC  2401 WEST UNIVERSITY AVENUE MUNCIE, IN 47303 27-0275794	HEALTHCARE	IN	BOSC HOLDINGS	N/A	0	0		No	0		No	0 %
CARDINAL HEALTH INITIATIVES LLC  2401 WEST UNIVERSITY AVENUE MUNCIE, IN 47303 30-0102702	PURCHASING	IN	IUH BALL	N/A	0	0		No	0		No	0 %
MID-AMERICA SURGERY CENTER LLC  2401 WEST UNIVERSITY AVENUE MUNCIE, IN 47303 35-2002953	HEALTHCARE	IN	CDHV	N/A	0	0		No	0		No	0 %
BMH OUTPATIENT SURGERY SERVICES LLC  2401 WEST UNIVERSITY AVENUE MUNCIE, IN 47303 20-4567998	HEALTHCARE	IN	IUH BALL	N/A	0	0		No	0		No	0 %
CHV FUND MANAGEMENT LLC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 26-2523151	VENTURE CAPITAL	IN	CHV	N/A	0	0		No	0		No	0 %
CLARIAN HEALTH NORTH LLC  11700 NORTH MERIDIAN STREET CARMEL, IN 46032 43-1980602	HEALTHCARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
CHV FUND I LLC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 26-2523206	VENTURE CAPITAL	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
CLARIAN HEALTH WEST LLC  1111 NORTH RONALD REAGAN PKWY AVON, IN 46123 43-1980611	HEALTHCARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
HEALTH VENTURE MANAGEMENT LLC  950 N MERIDIAN ST STE 800 INDIANAPOLIS, IN 46204 20-5740218	management	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
INDIANA ENDOSCOPY CENTERS LLC  3000 RIVERCHASE GALLERIA SUITE 500 BIRMINGHAM, AL 35244 20-8398421	HEALTHCARE	IN	IEC HOLDINGS	N/A	0	0		No	0		No	0 %
IN LAKES MANAGED CARE ORG LLC  310 S MAIN STREET GOSHEN, IN 46526 35-1946663	HEALTHCARE	IN	GOSHEN HLTH SYS	N/A	0	0		No	0		No	0 %
SENATE ST SURGERY CENTER LLC  3000 RIVERCHASE GALLERIA SUITE 500 BIRMINGHAM, AL 35244 42-1709357	HEALTHCARE	IN	SSSC HOLDINGS	N/A	0	0		No	0		No	0 %
THE HEALTHCARE GROUP LLC  8802 N MERIDIAN ST STE 100 INDIANAPOLIS, IN 46260 35-2067373	MANAGED CARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
ROC SURGERY LLC  950 NORTH MERIDIAN STREET SUITE 80 INDIANAPOLIS, IN 271497960 27-1497960	HEALTHCARE	IN	ROCS HOLDINGS	N/A	0	0		No	0		No	0 %

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income (\$)	(g) Share of end- of-year assets (\$)	(h) Dispropportionate allocations?		(i) Code V- UBI amount on Box 20 of K-1 (\$)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
Beltway Surgery Centers LLC  3000 Riverchase Galleria Ste 500 Birmingham, AL 35244 35-2072586	HEALTHCARE	IN	IUH SURGERY CTR	N/A	0	0		No	0		No	0 %
Bloomington Endoscopy Centers LLC  PO BOX 1149 BLOOMINGTON, IN 47402 35-2117943	HEALTHCARE	IN	IUH BLOOMINGTON	ENDOSCOPIC DIAG	2,833,602	1,245,945		No	0	Yes		51 000 %
BOSC Holdings LLC  3000 Riverchase Galleria Ste 500 Birmingham, AL 35244 45-4147343	HEALTHCARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
CTF International Growth Portfolio  280 Congress St Ste 500 Boston, MA 02210 20-0231923	INVESTMENTS	MA	IU HEALTH	N/A	0	0		No	0		No	0 %
Eagle Highlands Surgery Center LLC  3000 Riverchase Galleria Ste 500 Birmingham, AL 35244 35-2259204	HEALTHCARE	IN	EHSC HOLDINGS	N/A	0	0		No	0		No	0 %
EHSC Holdings LLC  3000 Riverchase Galleria Ste 500 Birmingham, AL 35244 45-4147879	HEALTHCARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
IEC Holdings LLC  3000 Riverchase Galleria Ste 500 Birmingham, AL 35244 45-4148032	HEALTHCARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
IUH Surgery Centers LLC  3000 Riverchase Galleria Ste 500 Birmingham, AL 35244 45-2314634	HEALTHCARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
ROCS Holdings LLC  3000 Riverchase Galleria Ste 500 Birmingham, AL 35244 45-4148369	HEALTHCARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %
SSSC Holdings LLC  3000 Riverchase Galleria Ste 500 Birmingham, AL 35244 45-4148167	HEALTHCARE	IN	IU HEALTH	N/A	0	0		No	0		No	0 %

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
IU HEALTH SOUTHERN INDIANA PHYSICIANS PO BOX 1149 BLOOMINGTON, IN 47402 35-1913875	HEALTHCARE	IN	NA	C CORP	21,696,110	8,528,508	100 000 %
BMH Medical Pavilion Association Inc 2525 West University Avenue Muncie, IN 47303 35-1858408	CONDO MGMT	IN	NA	C CORP	0	0	0 %
Cardinal Health Ventures Inc 2401 West University Avenue Muncie, IN 47303 35-1611424	MANAGEMENT	IN	NA	C CORP	0	0	0 %
PILR INC 200 High Park Avenue Goshen, IN 46526 20-4294750	DEVELOPMENT	IN	NA	C CORP	0	0	0 %
IU Health Risk Retention Group Inc 151 Meeting Street Suite 301 Charleston, SC 29401 20-1107674	INSURANCE	SC	NA	C CORP	0	0	0 %
IUH ASSURANCE LTD 720 WEST BAY ROAD PO BOX 69 GRAND CAYMAN CJ 98-0395429	INSURANCE	CJ	NA	C CORP	0	0	0 %
IU Health Plans Inc 1776 Meridian St Ste 300 Indianapolis, IN 46202 26-2127080	HMO	IN	NA	C CORP	0	0	0 %
CHV Capital Inc 950 N Meridian St Ste 800 Indianapolis, IN 46204 26-0752507	VENTURE CAPITAL	IN	NA	C CORP	0	0	0 %
IU Health Risk Purchasing Group Inc 151 Meeting St Ste 301 Charleston, SC 29401 26-0202446	INSURANCE	SC	NA	C CORP	0	0	0 %
Occ-Health Revenue Systems Inc 950 N Meridian St Ste 800 Indianapolis, IN 46204 20-3308057	WORK COMP PPO	IN	NA	C CORP	0	0	0 %
Parkmor Drug Inc 1501 South Main Street Goshen, IN 46526 13-1394980	PHARMACY SALES	IN	NA	C CORP	0	0	0 %
Radiation Oncology Resources Inc 200 High Park Ave Goshen, IN 46526 26-2008424	HEALTH CARE	IN	NONE	C CORP	0	0	0 %
University Health Management Inc 950 N Meridian St Ste 800 Indianapolis, IN 46204 27-2891143	MANAGEMENT	IN	NONE	C CORP	0	0	0 %
University Health Mgmt (China) Inc 950 N Meridian St Ste 800 Indianapolis, IN 46204 27-3891311	MANAGEMENT	IN	NONE	C CORP	0	0	0 %
IU Health ACO Inc 950 N Meridian St Ste 800 Indianapolis, IN 46204 45-4421020	HEALTHCARE	IN	NA	C CORP	0	0	0 %
IU Health Board Designated Trust 400 Howard St San Francisco, CA 94105 30-6309021	INVESTMENTS	IN	NA	TRUST	0	0	0 %
IU Health NTGI S&P500 Fund CF PO Box 804358 Chicago, IL 60680 30-6298263	INVESTMENTS	IN	NA	TRUST	0	0	0 %
SCANS Inc 950 N Meridian St Ste 800 Indianapolis, IN 46204 45-3080392	HEALTHCARE	IN	NA	C CORP	0	0	0 %

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved (\$)	(d) Method of determining amount involved
(1) IU HEALTH SOUTHERN INDIANA PHYSICANS	B	12,868,275	CASH
(2) IU HEALTH BLOOMINGTON AUXILLARY	C	64,143	FMV
(3) BOOMINGTON HOSPITAL FOUNDATION	L	328,894	FMV
(4) IU HEALTH BLOOMINGTON AUXILLARY	M	162,560	FMV
(5) BOOMINGTON HOSPITAL FOUNDATION	M	616,772	FMV
(6) IU HEALTH PAOLI	N	251,290	CASH
(7) BOOMINGTON HOSPITAL FOUNDATION	C	3,319,403	CASH
(8) IU HEALTH PAOLI	P	2,303,576	CASH
(9) IU HEALTH SOUTHERN INDIANA PHYSICANS	P	1,078,530	CASH
(10) CLARIAN HEALTH PARTNERS	O	702,933	CASH

# CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

Indiana University Health Bloomington and Affiliates  
Years Ended December 31, 2011 and 2010  
With Reports of Independent Auditors

Ernst & Young LLP



# Indiana University Health Bloomington and Affiliates

## Consolidated Financial Statements

Years Ended December 31, 2011 and 2010

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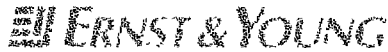
# Indiana University Health Bloomington and Affiliates

## Consolidated Financial Statements and Supplemental Information

Years Ended December 31, 2011 and 2010

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## Report of Independent Auditors

The Board of Directors  
Indiana University Health Bloomington and Affiliates

We have audited the accompanying consolidated balance sheets of Indiana University Health Bloomington and Affiliates (IU Health Bloomington) as of December 31, 2011 and 2010, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of IU Health Bloomington'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 IU Health Bloomington'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 IU Health Bloomington'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 consolidated 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 Indiana University Health Bloomington and Affiliates at December 31, 2011 and 2010, and the consolidated results of their operations and changes in their net assets and their cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

*Ernst & Young LLP*

April 24, 2012

# Indiana University Health Bloomington and Affiliates

## Consolidated Balance Sheets

(Thousands of Dollars)

	<b>December 31</b>	
	<b>2011</b>	<b>2010</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 69,547	\$ 55,672
Patient accounts receivable, less allowance for uncollectible accounts of \$19,704 and \$14,767 at 2011 and 2010, respectively	44,202	41,903
Prepaid expenses	11,892	9,888
Inventories	6,051	5,636
Current portion of trustee-held funds	116	4,428
Total current assets	131,808	117,527
Assets limited as to use:		
Board-designated and trustee held investment funds	102,810	99,701
Property and equipment:		
Cost of property and equipment in service	374,597	358,860
Less accumulated depreciation	(247,527)	(229,586)
	127,070	129,274
Construction-in-progress	5,270	2,149
Total property and equipment, net	132,340	131,423
Other assets:		
Equity interest in unconsolidated subsidiaries	2,448	2,318
Interest in net assets of foundation	3,572	4,314
Unamortized bond issuance costs	—	715
Other	4,871	2,889
Total other assets	10,891	10,236
Total assets	\$ 377,849	\$ 358,887

	<b>December 31</b>	
	<b>2011</b>	<b>2010</b>
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 9,278	\$ 9,870
Accrued salaries, wages, and related liabilities	27,135	26,092
Estimated third-party payor allowances	7,548	5,434
Current portion of long-term debt including note payable to Indiana University Health (IUH)	2,360	8,123
Total current liabilities	46,321	49,519
Noncurrent liabilities:		
Long-term debt, including note payable to IUH, less current portion	46,903	50,883
Accrued pension obligations	24,404	10,339
Accrued medical malpractice claims	158	1,809
Other	216	216
Total noncurrent liabilities	71,681	63,247
Total liabilities	118,002	112,766
Net assets:		
Indiana University Health Bloomington	254,078	241,648
Noncontrolling interest in affiliates	2,198	160
Total unrestricted	256,276	241,808
Temporarily restricted	2,937	3,679
Permanently restricted	634	634
Total net assets	259,847	246,121
Total liabilities and net assets	\$ 377,849	\$ 358,887

*See accompanying notes*

Indiana University Health Bloomington and Affiliates

Consolidated Statements of Operations and Changes in Net Assets

*(Thousands of Dollars)*

	<b>Year Ended December 31</b>	
	<b>2011</b>	<b>2010</b>
Revenues:		
Net patient service revenue	\$ 381,049	\$ 348,921
Other revenue	10,577	10,437
Total operating revenues	391,626	359,358
Expenses:		
Salaries, wages, and benefits	197,074	181,308
Supplies, drugs, purchased services, and other	118,741	110,780
Depreciation and amortization	18,792	18,470
Provision for uncollected patient accounts	28,118	27,842
Interest	2,685	2,916
Total operating expenses	365,410	341,316
Operating income	26,216	18,042
Nonoperating income (losses):		
Loss on debt refinancing	(951)	—
Investment (loss) income, net	(2,871)	12,182
Total nonoperating (loss) income	(3,822)	12,182
Excess of revenues over expenses	22,394	30,224
Less amounts attributed to noncontrolling interest in subsidiaries	12	—
Excess of revenues over expenses attributed to IU Health Bloomington	22,382	30,224

*Continued on next page*

# Indiana University Health Bloomington and Affiliates

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

(Thousands of Dollars)

	December 31 2011			December 31 2010		
	Total	Controlling	Noncontrolling	Total	Controlling	Noncontrolling
Unrestricted net assets						
Excess of revenues over expenses	\$ 22,394	\$ 22,382	\$ 12	\$ 30,224	\$ 30,224	\$ –
Change in pension obligations	(13,272)	(13,272)	–	1,204	1,204	–
Foundation contributions for capital expenditures	3,320	3,320	–	197	197	–
Investment by noncontrolling interest	376	–	376	–	–	–
Other	1,650	–	1,650	160	–	160
Increase in unrestricted net assets	14,468	12,430	2,038	31,785	31,625	160
Temporarily restricted net assets						
Change in beneficial interest in net assets of foundation	(742)	(742)	–	205	205	–
Decrease in temporarily restricted net assets	(742)	(742)	–	205	205	–
Permanently restricted net assets						
Change in permanently restricted net assets held by foundation	–	–	–	–	–	–
Increase in permanently restricted net assets	–	–	–	–	–	–
Increase in net assets	13,726	11,688	2,038	31,990	31,830	160
Net assets at beginning of year	246,121	245,961	160	214,131	214,131	–
Net assets at end of year	\$ 259,847	\$ 257,649	\$ 2,198	\$ 246,121	\$ 245,961	\$ 160

See accompanying notes

# Indiana University Health Bloomington and Affiliates

## Consolidated Statements of Cash Flows

(Thousands of Dollars)

	Year Ended December 31	
	2011	2010
<b>Operating activities</b>		
Increase in net assets	\$ 13,726	\$ 31,990
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Change in accrued pension obligation	14,065	(1,204)
Income from unconsolidated subsidiaries	(1,780)	(1,437)
Provision for uncollected patient accounts	28,118	27,842
Depreciation and amortization	18,792	18,470
Change of interest in net assets of foundation and foundation contributions for capital expenditures	(2,578)	(402)
Trading securities	1,203	(17,116)
Loss on extinguishment of debt	951	—
Other	(2,026)	(136)
Net changes in operating assets and liabilities		
Patient accounts receivable	(30,417)	(31,200)
Prepaid expenses, inventories, and other assets	(2,751)	313
Accounts payable, accrued expenses, and other liabilities	(2,243)	1,847
Accrued salaries, wages, and related liabilities	1,043	5,046
Estimated third-party payor allowances	2,114	494
Net cash provided by operating activities	38,217	34,507
<b>Investing activities</b>		
Purchase of property and equipment, net of disposals	(19,606)	(9,826)
Distribution from unconsolidated subsidiary	1,650	—
Other	—	(2,123)
Net cash used in investing activities	(17,956)	(11,949)
<b>Financing activities</b>		
Foundation contributions for capital expenditures	3,320	197
Repayments of long-term debt, net of discount	(45,647)	(9,722)
Borrowing from Indiana University Health including premium of 1,265	35,565	—
Investment by noncontrolling interest	376	—
Net cash used in financing activities	(6,386)	(9,525)
Increase in cash and cash equivalents	13,875	13,033
Cash and cash equivalents at beginning of year	55,672	42,639
Cash and cash equivalents at end of year	\$ 69,547	\$ 55,672

See accompanying notes

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (Thousands of Dollars)

December 31, 2011

### 1. Organization and Nature of Operations

#### **Name Change**

On July 5, 2011, Bloomington Hospital, Inc. filed a Certificate of Amendment with the Office of the Secretary of the State of Indiana to legally change its name to Indiana University Health Bloomington, Inc. (Indiana University Health Bloomington). The change became legally effective on October 1, 2011. No change in the corporate structure, management, or governance was made as a result of this name change.

#### **Organization**

The consolidated financial statements of Indiana University Health Bloomington and Affiliates (IU Health Bloomington) include Indiana University Health Bloomington (IUHB), a not-for-profit corporation; Indiana University Health Southern Indiana Physicians (IUHSIP), a wholly owned for-profit group of medical practices; Indiana University Health Paoli (IUHP), a not-for-profit corporation whose sole member is IUHB; HealthLINC (HL), a not-for-profit corporation whose sole member is IUHB; and the Bloomington Endoscopy Center (BEC), a for-profit joint venture between IUHB and Premier Healthcare in which IUHB acquired a 51% interest on December 31, 2010.

IUHB and IUHP are general acute care hospital facilities providing inpatient and outpatient services to citizens of Bloomington, Indiana; Paoli, Indiana; and the surrounding communities through acute care and specialty care facilities. IUHSIP provides physician services to citizens of Bloomington, Indiana, and the surrounding communities. HL is a health information exchange organized to coordinate and facilitate the sharing of health information among various community-based health care providers. BEC is a licensed ambulatory surgery center providing endoscopic diagnostic and treatment services to citizens of Bloomington, Indiana, and surrounding communities.

On December 31, 2009, and effective as of that date, Bloomington Hospital, Inc. finalized an Integration Agreement with Clarian Health Partners, Inc. whereby Clarian Health Partners, Inc. became the sole corporate member of Bloomington Hospital, Inc. The Integration Agreement was designed to enable both organizations to further their common charitable missions of improving the health of their respective patients and the communities they serve. Clarian Health Partners, Inc., now legally known as Indiana University Health, is a not-for-profit organization that operates as a statewide delivery system with a central location in Indianapolis. Under the

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### **1. Organization and Nature of Operations (continued)**

Integration Agreement, Bloomington Hospital (now Indiana University Health Bloomington) became a part of the Indiana University Health health care delivery system and serves as the regional hub for South Central Indiana.

IUHB was previously affiliated with the Local Council of Women of Bloomington, Indiana, Inc. (the Local Council), a not-for-profit corporation, which is related to and affiliated with Bloomington Hospital Foundation, Inc. (the Foundation) and Bloomington Hospital Auxiliary (the Auxiliary).

### **2. Community Benefit and Charity Care**

IUHB provides health care services and other financial support through various programs that are designed, among other matters, to enhance the health of the community, improve the health of low-income patients, and foster medical education and research. In addition, IUHB provides services intended to benefit the poor and underserved, including those persons who cannot afford health insurance because of inadequate resources or who are uninsured or underinsured. Health care services to patients under government programs, such as Medicare and Medicaid, are also considered part of IUHB's benefit provided to the community, since a substantial portion of such services are reimbursed at amounts significantly less than cost.

IUHB's financial assistance policy is designed to provide care to patients regardless of their ability to pay. Patients who meet certain criteria for charity care (generally based on up to 400% of federal poverty income guidelines) are provided care without charge or at amounts less than established rates. In addition, financial assistance is available to patients under IUHB policies in which services are to be provided at discounted rates, generally determined based on federal poverty income guidelines.

The amount of charity care provided is determined based on the qualifying criteria, as defined in the financial assistance policy, through approved applications completed by patients and their families or beneficiaries, or based on analysis of patients without third-party insurance coverage who did not apply for charity and whose income was equal to or less than 200% of federal poverty income guidelines. No payment for services is anticipated for those patients whose charity care applications have been approved. The cost to provide charity care using the consolidated cost to charge ratio was \$13,133 and \$11,468 in 2011 and 2010, respectively. In

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

#### **2. Community Benefit and Charity Care (continued)**

addition, IUHB provides a significant amount of uncompensated care to other uninsured and underinsured patients, which is included in the provision for uncollected patient accounts.

Enacted March 23, 2010, the Patient Protection and Affordable Care Act (the Affordable Care Act) requires, among other things, that hospital organizations establish a financial assistance policy and a policy relating to emergency medical care. Both hospital organizations of IU Health Bloomington have adopted a written financial assistance policy that conforms with the Affordable Care Act and includes financial assistance eligibility criteria, the basis for calculating amounts charged to patients, and the method for applying financial assistance, billing, and collections policies with regards to actions that may be taken in the case of nonpayment, as well as their measures to widely publicize the policy within the community served by the organizations. Additionally, all of IU Health Bloomington's organizations have adopted written policies requiring the organizations to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under their financial assistance policy. These hospital organizations have also adopted policies to limit the amount charged for emergency or other medically necessary care that is provided to individuals eligible for assistance under the organization's financial assistance policy to not more than the amounts generally billed to individuals who have insurance covering such care. Finally, the hospital organizations have adopted policies to forgo extraordinary collection actions against an individual before the organization has made reasonable efforts to determine whether the individual is eligible for assistance under IU Health Bloomington's financial assistance policy. Conformance with the Affordable Care Act did not have a material impact on the consolidated financial position or results of operations of IU Health Bloomington.

Reimbursements are received by IUHB and by IUHP for Medicare and Medicaid beneficiaries in accordance with reimbursement agreements and related regulatory rules and regulations. Also, IUHP receives certain additional Medicaid Disproportionate Share (DSH) payments from the state of Indiana for those patients who qualify as medically indigent. These reimbursements and payments are less than the cost of providing the related services.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

#### **3. Summary of Significant Accounting Policies**

##### **Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of IU Health Bloomington (parent), IUHB, IUHSIP, IUHP, HL, and BEC. All significant inter-entity transactions have been eliminated in consolidation.

##### **Equity Interest in Unconsolidated Organizations**

Investments in entities where IUHB or its affiliates own more than 20% and less than 51% and do not have significant operational influence are recorded under the equity method (see Note 12). Under the equity method, original investments are recorded at cost and adjusted for IU Health Bloomington's and its affiliates' share of undistributed earnings or losses of these entities. IU Health Bloomington's income or loss of these entities is included in other revenue in the accompanying consolidated statements of operations and changes in net assets.

An investment in an entity where IU Health Bloomington owns less than 20% and does not have significant operating influence is recorded under the cost method.

##### **Use of Estimates**

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

##### **Fair Values of Financial Instruments**

Financial instruments include cash and cash equivalents, patient accounts receivable, assets whose use is limited, accounts payable and accrued expenses, estimated third-party payer allowances, notes payable to banks, long-term debt, and certain other current assets and liabilities. The fair values for cash and cash equivalents, patient accounts receivable, accounts payable and accrued expenses, estimated third-party payer allowances, notes payable to banks, and certain other current assets and liabilities approximate the carrying amounts reported in the consolidated balance sheets and, in the opinion of management, represent highly liquid assets or short-term obligations. The fair values for assets limited as to use and long-term debt are described in Notes 4 and 6, respectively.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

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

##### **Net Patient Service Revenue**

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payers, and others at the time services are rendered. Certain revenue is subject to estimated retroactive revenue adjustments under reimbursement agreements with third-party payers due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period that the related services are rendered, and such amounts are adjusted in future periods as adjustments become known.

For the year ended December 31, 2011, the percentage of net patient service revenue derived under Medicare, Medicaid, and managed care programs approximated 30%, 4%, and 55%, respectively (32%, 4%, and 53%, respectively, in 2010). A managed care provider represented 30% and 28% of net patient service revenue in 2011 and 2010, respectively. Provision has been made, by a charge to contractual allowances as an offset to patient service revenue, for the differences between gross charges for patient services and estimated reimbursement from these government and insurance programs.

Indiana University Health Bloomington is a Medicaid DSH provider under Indiana law (IC 12-15-16(1-3)) and, as such, is eligible to receive state DSH payments. During 2010, both IUHB and IUHP submitted Medicaid DSH eligibility surveys to determine program eligibility status for state fiscal years 2010 and 2011. On the basis of these applications, IUHP continued to qualify for the state DSH program for state fiscal years 2010 and 2011, but IUHB was notified by the state of Indiana that it had failed to qualify for this eligibility period.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

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

The following summary gives effect to using historical information to report state DSH revenue recognized and the state fiscal year to which the revenues relate:

	<b>Year Ended December 31</b>	
	<b>2011</b>	<b>2010</b>
Operating income, excluding state DSH revenue	\$ 24,039	\$ 16,281
2010	—	1,761
2011	2,177	—
Operating income, as reported	<u>\$ 26,216</u>	<u>\$ 18,042</u>

There were no state DSH payment receivables at either December 31, 2011 or 2010.

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. Adjustments to prior year Medicare estimates for these items resulted in an increase in net patient service revenue of \$1,085 and \$1,556 in 2011 and 2010, respectively.

#### Cash and Cash Equivalents

Investments in highly liquid instruments with an original maturity of three months or less when purchased, excluding assets whose use is limited, are considered by management to be cash equivalents. IU Health Bloomington routinely invests in money market funds. These funds generally invest in highly liquid U.S. government and agency obligations. IU Health Bloomington places its cash and cash equivalents with institutions with high credit quality.

#### Accounts Receivable and Allowance for Uncollectible Accounts

IU Health Bloomington extends credit to patients, substantially all of whom are residents of the state of Indiana, and do not require collateral or other security for the delivery of health care services. However, assignment of benefit payments payable under patients' health insurance programs and plans (e.g., Medicare, Medicaid, health insurance organizations, and commercial insurance policies) is routinely obtained, consistent with industry practice.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

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

The provision for uncollectible patient accounts is based upon management's assessment of historical and expected net collections considering business and economic conditions, trends in health care coverage, and other collection indicators. Management routinely assesses the adequacy of the allowance for uncollectible accounts based upon accounts receivable payer composition and aging, and historical write-off experience by payer category as adjusted for collection indicators. In addition, IU Health Bloomington follows established guidelines for placing certain past due patient balances with collection agencies, which are charged against the allowance for uncollectible accounts in accordance with the collection policies of IU Health Bloomington.

IU Health Bloomington grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. The mix of gross receivables from patients and third-party payers for 2011 and 2010 was as follows:

	<b>2011</b>	<b>2010</b>
Medicare	<b>28%</b>	39%
Medicaid	<b>6</b>	9
Commercial insurance	<b>48</b>	32
Self-pay and other payers	<b>18</b>	20
	<b>100%</b>	100%

A managed care payer represented 33% and 27% of net patient accounts receivables at December 31, 2011 and 2010, respectively.

IU Health Bloomington has an arrangement with Old National Bank to finance certain patient accounts receivable, with recourse to IU Health Bloomington if the guarantor does not pay such amounts. Such receivables totaled approximately \$3,044 and \$2,583 at December 31, 2011 and 2010, respectively.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

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

##### **Inventories**

Inventories, consisting of medical, pharmaceutical, dietary, surgical, office, and cleaning supplies, are determined by physical count and are priced and carried at the lower of cost (first-in, first-out method for pharmacy and weighted-average method for all other inventory) or market.

##### **Assets Whose Use is Limited**

Assets whose use is limited consist of Board-designated funds and funds held by the trustee under the trust indenture and related agreements. Board-designated funds are to be used for retirement of long-term debt and capital replacement but may be used for other purposes at the discretion of the Board of Directors. Investments in equity and debt securities are measured at fair value. Management considers all investments, excluding investments in limited partnerships, to be trading and, accordingly, all realized and unrealized gains and losses are recorded as non-operating gains and losses in the accompanying consolidated statements of operations and changes in net assets.

Funds held by the trustee are to be used for payment of principal and interest. These investments consist principally of U.S. government securities.

IU Health Bloomington is a limited partner in funds that focus on absolute return investment strategies. These investments are accounted for using the equity method of accounting, based on the fund's financial information.

##### **Property and Equipment**

Property and equipment are recorded at cost or, if donated, at fair market value at the date of donation. Routine maintenance and repairs are charged to expense as incurred. Gains and losses on the sale of property and equipment are recorded in the period sold. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of acquiring those assets.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

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

Equipment under capital lease obligations is amortized on the straight-line method over the lease term or the estimated useful life of the equipment, whichever period is shorter. Such amortization is included with depreciation in the consolidated statements of operations and changes in net assets.

#### **Unamortized Bond Issuance Costs and Bond Discount or Premium**

Deferred financing costs include costs associated with the issuance of long-term debt, primarily underwriting fees, and are carried at cost, net of accumulated amortization. Depreciation and amortization expense reported in the consolidated statements of operations and changes in net assets includes approximately \$103 and \$105 of amortization expense for the years ended December 31, 2011 and 2010, respectively. Bond issuance costs are amortized using the effective interest method over the terms of the various bond issues. In addition to normal routine amortization expense, IUHB recognized a loss on extinguishment of debt of \$951 with the re-funding of its 1999B bond issue as new debt, referred to as the 2011 Intercompany Term Note Payable, resulting from the elimination of all remaining unamortized original discount and issuance costs.

#### **Noncontrolling Interest in Subsidiaries**

IU Health Bloomington attributed income of \$12,000 for the year ended December 31, 2011 to the noncontrolling interests based on the ownership percentage of the noncontrolling interests in certain of IU Health Bloomington's consolidated subsidiaries. These amounts are reflected in unrestricted net assets in the consolidated balance sheets.

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

Unconditional promises to give cash and other assets to IU Health Bloomington are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. Permanently restricted net assets have been restricted by donors to be maintained for the benefit of IUHB in perpetuity. Temporarily restricted net assets are those whose use by IUHB has been limited by donors to a specific time period or purpose. When a donor restriction expires, that is, when a stipulated time restriction

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

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

ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. When the restriction of a temporarily restricted contribution is satisfied in the same reporting period as it is received, it is reported as other operating revenues if it is a program restriction or as unrestricted net assets if it is a capital expenditure restriction.

Temporarily restricted net assets are those whose use by IU Health Bloomington has been limited by donors to a specific time period or purpose.

Temporarily restricted net assets as of December 31, 2011 and 2010, are available for the following purposes:

	<b>December 31</b>	
	<b>2011</b>	<b>2010</b>
Medical education	\$ 113	\$ 114
Clinical/patient support	2,824	3,565
	<u>\$ 2,937</u>	<u>\$ 3,679</u>

Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. Income from permanently restricted net assets is to be used for clinical and patient support.

#### Interest in Net Assets of the Foundation

In accordance with accounting guidance, IUHB recognizes an asset equal to its interest in the Foundation. IUHB's interest is adjusted for IUHB's share of the change in temporarily and permanently restricted net assets of the Foundation. The Foundation contributed \$3,320 and \$197 to IUHB for capital purchases during 2011 and 2010, respectively.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

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

##### Operating and Performance Indicators

The activities of IU Health Bloomington are primarily related to providing health care services and, accordingly, expense information by functional classification is not used as a basis for measuring performance. Further, since substantially all resources are derived from providing health care services, similar to that if provided by a business enterprise, the following indicators are considered important in evaluating how well management has discharged its stewardship responsibilities:

**Operating Indicator (Operating Income)** – Includes all unrestricted revenue, gains and other support, and expenses directly related to the recurring and ongoing health care operations during the reporting period and to equity in the earnings of unconsolidated investments. The operating indicator excludes investment income, including realized and unrealized gains and losses on investments, and gains and losses deemed by management not to be directly related to providing health care services.

**Performance Indicator (Excess of Revenues Over Expenses)** – The performance indicator excludes changes in pension obligation and contributions for capital expenditures, investments by noncontrolling interest and other changes.

##### Income Taxes

IUHB, IUHP, and HL are tax exempt entities pursuant to Section 501(a) of the Internal Revenue Code (IRC) as organizations described in Section 501(c)(3) of the IRC. The tax-exempt affiliates have no material unrelated business income tax liability. IUHSIP is a taxable Indiana corporation with a net operating loss carryforward at December 31, 2011, of \$16.6 million, which is available to offset future federal and state taxable income. The net operating loss expires in periods from 2012 through 2031. A valuation allowance has been provided against any deferred tax asset related to these losses, as it is more likely than not that the deferred tax asset will not be realized. IUHB, IUHP, HL and IUHSIP file income tax and information returns in Indiana and various local jurisdictions.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) *(Thousands of Dollars)*

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

##### **Subsequent Events**

For the consolidated financial statements as of and for the year ended December 31, 2011, management has evaluated subsequent events through April 24, 2012, the date that these consolidated financial statements were available to be issued.

##### **New Accounting Guidance Not Yet Applicable**

In May 2011, accounting guidance was issued that specified the valuation concept of highest and best use is applicable to nonfinancial assets and liabilities only. The guidance also permits the measurement of financial instruments managed in a portfolio to be measured at the price that would be received to sell or transfer between market participants at the measurement date. Additionally, the guidance allows for the use of premiums and discounts in measuring an asset or liability in the absence of a Level 1 input. This guidance also requires additional disclosures for Level 3 measurements, including the valuation process used and the use of a nonfinancial asset in a way that differs from the asset's highest and best use. The guidance becomes effective during interim and annual periods beginning after December 15, 2011. Adoption of this guidance will not have an impact on IU Health Bloomington's consolidated financial condition or results of operations as it only requires additional disclosures.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

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

In July 2011, guidance was issued that requires health care entities to reflect bad debt expense as a reduction to net patient revenue (net of contractual allowances and discounts) on the statement of operations and changes in net assets. Additionally, the following disclosures are required for interim and annual reporting: the policy for considering collectability in the timing and amount of revenue and bad debt recognized, patient service revenue by payer source, and qualitative and quantitative information about changes in the allowance for doubtful accounts. This guidance is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011. Early adoption is permitted. Adoption of this guidance will require changes to the presentation of results of operations, as well as additional disclosures. However, it will not have an impact on IU Health Bloomington's consolidated financial condition or net results of operations. IU Health Bloomington will adopt this guidance as of January 1, 2012.

In August 2011, accounting guidance was issued related to goodwill that gives entities the option to first assess qualitative factors in determining whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is more than its carrying amount. If this qualitative assessment determines that it is likely that the fair value is more than the carrying amount, then performance of the two-step impairment test is unnecessary. However, if concluded otherwise, then the first step of the two-step impairment test must be completed. If the carrying amount exceeds fair value, then the second step is required to measure the amount of the impairment loss. This guidance is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. Early adoption is permitted. Adoption of this guidance is not expected to have a material impact on IU Health Bloomington's consolidated financial condition or results of operations. IU Health Bloomington will adopt this guidance as of January 1, 2012.

#### **4. Assets Limited as to Use**

Board-designated investment funds are invested in accordance with Board-approved policies, which include, among other matters, targeted investment returns balanced by diversification of the investment portfolio, establishment of credit risk parameters, and limitation in the amount of investment in any single organization.

The estimated fair value of the assets limited as to use is determined using market information and other appropriate valuation methodologies. The methods and assumptions used to estimate the fair value of assets limited as to use are as follows: cash and cash equivalents — the carrying

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

#### 4. Assets Limited as to Use (continued)

amounts reported in the consolidated balance sheets approximate fair value; marketable securities — the fair value amounts of marketable securities are based on quoted market prices or, if quoted market prices are not available, fair values are based on quoted market prices of comparable instruments; and other investments, including alternative investments (such as hedge funds, absolute return investments, and private equity investments) — these investments are accounted for using the equity method of accounting based upon the net asset values as determined by the administrators of each underlying fund, in consultation with and approval of the fund investment managers.

IU Health Bloomington invests, as a limited partner, in fund of funds that focus on absolute return investment strategies. Although execution could be limited, absolute return investment strategies are designed to reduce overall portfolio risk while producing positive investment returns regardless of market direction; however, investment returns are not guaranteed. Redemptions may be made with written notice of 95 days of each quarter-end; however, the funds have redemption charges of 3% of net asset value for redemptions made on or before the first anniversary date of initial investment. Upon complete redemption, the funds have “hold-back” provisions of up to 10% that are returned only after the funds’ audited financial statements for the redemption period are issued.

Alternative investments include certain other risks that may not exist with other investments that are more widely traded. These risks include reliance on the skill of the fund managers, who often employ complex strategies with various financial instruments, including futures contracts, foreign currency contracts, structured notes, and interest rate, total return, and credit default swaps. Additionally, alternative investments may have limited information on a fund’s underlying assets and valuation, and limited redemption or redemption-penalty provisions. Management believes that IU Health Bloomington, in consultation with its investment advisor, has the capacity to analyze and interpret the risks associated with alternative investments and, with this understanding, has determined that investing in these investments creates a balanced approach to its portfolio management.

The largest fund allocation to any fund is \$4,373 at December 31, 2011, and there are no investments in any individual fund greater than 2% of the funds’ net assets. As of December 31, 2011, there are no unfunded commitments relating to alternative investments. Changes in fair value of these funds are included in nonoperating income and losses in the accompanying consolidated statements of operations and changes in net assets.

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### 4. Assets Limited as to Use (continued)

Assets whose use is limited consist of the following:

	<b>December 31</b>	
	<b>2011</b>	<b>2010</b>
Cash and cash equivalents	\$ 3,032	\$ 7,037
U.S. government and agency obligations	10,046	8,314
U.S. corporate obligations	11,501	12,469
U.S. equity securities	43,432	41,387
Non-U.S. securities	24,931	25,929
Real estate investment trusts and other	1,320	128
Hedged strategy (fund of funds)	8,664	8,865
	<u>102,926</u>	<u>104,129</u>
Current portion of trustee-held funds	(116)	(4,428)
Total Board-designated funds	<u>\$ 102,810</u>	<u>\$ 99,701</u>

Investment income and gains and losses for assets whose use is limited included in nonoperating (losses) income are comprised of the following:

	<b>Year Ended December 31</b>	
	<b>2011</b>	<b>2010</b>
Interest and dividend income	\$ 35	\$ 64
Realized gains and losses on sales of investments	5,661	6,056
Change in net unrealized (losses) gains on investments	(8,567)	6,062
	<u>\$ (2,871)</u>	<u>\$ 12,182</u>

IU Health Bloomington's investments are exposed to various kinds and levels of risk. Fixed-income securities expose IU Health Bloomington to interest rate risk, credit risk, and liquidity risk. As interest rates change, the value of many fixed-income securities is affected, particularly of those with fixed interest rates. Credit risk is the risk that the obligor of the security will not fulfill its obligation. Liquidity risk is affected by the willingness of market participants to buy and sell given securities.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

#### 4. Assets Limited as to Use (continued)

Equity securities expose IU Health Bloomington to market risk, performance risk, and liquidity risk. Market risk is the risk associated with major movements of the equity markets, both foreign and domestic. Performance risk is the risk associated with a particular company's operating performance. Liquidity risk, as previously defined, tends to be higher for international equities and small capitalization equity companies.

#### 5. Property and Equipment

The cost of property and equipment in service is summarized as follows:

	<b>December 31</b>	
	<b>2011</b>	<b>2010</b>
Land and improvements	\$ 18,595	\$ 17,091
Buildings and improvements	242,489	235,545
Equipment	113,513	106,224
	<u>\$ 374,597</u>	<u>\$ 358,860</u>

Useful lives of each category of assets are based on the estimated useful time frame that the particular assets are expected to be in service, generally in accordance with guidelines established by the American Hospital Association. Assets are depreciated on a straight-line basis beginning in the month when placed in service with asset lives ranging as follows: 20–25 years for land improvements, 5–40 years for buildings and improvements, and 3–20 years for equipment.

As of December 31, 2011, material commitments for acquisition of fixed assets totaled \$20,365. Of this total, \$2,920 is committed to the purchase of land at IU Health Bloomington's North Park Office Center for the purpose of future development of a second campus for provision of IUHB's services. The next purchase will be made in January 2012 at a cost of \$1,500. The remainder of contractual commitments for purchases of property and equipment is related to various capital purchase orders still open at year-end.

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### 6. Debt

Long-term debt as of December 31, 2011 and 2010, consists of the following:

	2011	2010
<b>Hospital Revenue Refunding Bonds, Series 1997</b>		
Serial bonds payable in annual principal installments beginning May 1998 through May 2012 in amounts ranging from \$1.670 to \$1.945 Interest payable semiannually at annual interest rates ranging from 3.9% to 5.2%	\$ —	\$ 3,795
Less unamortized original issue discount	—	(1)
	—	3,794
<b>Hospital Revenue Bonds, Series 1999B</b>		
Serial bonds, payable in annual principal installments beginning May 2013 through May 2019 in amounts ranging from \$1.275 to \$1.795 Interest payable semiannually at fixed rates of interest ranging from 6.000% to 6.625%	—	10,630
Term bonds, payable May 2024 and 2029 in amounts of \$10,685 and \$14,250, subject to mandatory redemption through operation of a sinking fund commencing May 2020 and May 2025, respectively Interest payable semiannually at annual interest rates of 5.875% and 6.000%, respectively	—	24,935
Less unamortized original issue discount	—	(328)
	—	35,237
Tax-exempt equipment loans, payable semiannually through July 2016 in amounts ranging from \$273 to \$1,346 Interest payable semiannually at variable annual interest rates ranging from 0.98% to 1.21% at December 31, 2011	7,083	9,183
<b>Hospital Revenue Bonds, Series 2008</b>		
Indiana Finance Authority Bonds issued for IUHP in November 2008, in amounts from \$100 to \$150, principal and interest payable quarterly beginning January 2010 through January 2019 Interest payable at a variable rate equal to the one-month London Interbank Offered Rate (LIBOR) index plus 0.55%, not to exceed 7.50%, 0.793% at December 31, 2011	3,174	3,612
Fixed rate promissory note, payable to Indiana University Health in annual installments beginning in March 2013 through March 2029 in amounts ranging from \$1,395 to \$2,885 Interest payable quarterly at fixed rates ranging from 4.7% to 5.0% (including unamortized original issue premium of \$1,262 as of December 31, 2011)	35,562	—
Commercial note payable, Old National Bank, due May 1, 2011, principal payable annually in amounts ranging from \$3,165 to \$3,800 Interest payable monthly at a variable rate equal to the one-month LIBOR index plus 0.83%, 1.091% at December 31, 2010	—	3,165
Capital leases	457	810
Other notes payable	2,987	3,205
	49,263	59,006
Less current portion of long-term debt and note payable to IUH	2,360	8,123
Long-term debt and note payable to IUH, net of current portion	\$ 46,903	\$ 50,883

### Issuance and Extinguishment of Debt

On December 22, 2011, IUHB retired its Series 1997 Hospital Revenue Refunding Bonds, paying a total of \$1,959 in principal and interest.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued)

*(Thousands of Dollars)*

#### 6. Debt (continued)

On December 17, 2011, IUHB fully redeemed its \$35,565 of Series 1999B Hospital Revenue Bonds, replacing this debt with a term loan agreement with Indiana University Health. The new intercompany debt carries an original principal of \$34,300 and an original issue premium of \$1,265, which will be amortized over the 17.25-year term of the note. As a result of this redemption, IUHB recorded a loss on early extinguishment of debt of \$951, which is included in nonoperating income (losses) on the consolidated statements of operations and changes in net assets.

The estimated fair value of the fixed rate promissory note payable to Indiana University Health at December 31, 2011, was approximately \$36,207, based on market interest rates and conditions for similar issues as of that date; the estimated aggregate fair value of its fixed rate revenue bonds as of December 31, 2010, was \$35,997. The recorded value of the variable rate tax-exempt equipment loans and other notes payable approximates fair value.

Required principal payments of IU Health Bloomington's long-term debt, excluding capitalized leases, are as follows:

2012	\$ 2,360
2013	3,929
2014	3,625
2015	3,578
2016	3,237
Thereafter	32,534
	<u>\$ 49,263</u>

Total interest paid on long-term debt for the years ended December 31, 2011 and 2010, aggregated \$2,978 and \$2,942, respectively.

Since May 2011, IUHB has had a line-of-credit agreement with its primary bank, Old National Bank of Evansville, Indiana, under which it may borrow sums of cash as needed, to a maximum total of \$4,000. Interest accrues on such borrowings at a variable rate equal to the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks, as published in *The Wall Street Journal*. Loan principal is payable upon the lender's demand or at the borrower's discretion; interest on any outstanding principal is payable monthly. There were no funds borrowed against the line of credit at either December 31, 2011 or 2010.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

#### **6. Debt (continued)**

Land and buildings with a book value of \$4,296 and \$4,417 at December 31, 2011 and 2010, respectively, are pledged as collateral under IU Health Bloomington's notes payable.

#### **7. Fair Value Measurements**

Recent accounting guidance addresses aspects of the expanding application of fair value accounting. The fair value accounting guidance provides, among other matters, for the following: defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and establishes a framework for measuring fair value; establishes a three-level hierarchy for fair value measurements based upon the observability of inputs to the valuation of an asset or liability as of the measurement date; requires consideration of nonperformance risk when valuing liabilities; and expands disclosures about instruments measured at fair value. The three-level hierarchy is based upon the nature of valuation techniques and whether such techniques are based upon observable or unobservable inputs, as defined.

Observable inputs are intended to reflect market data obtained from independent sources, while unobservable inputs may reflect market assumptions made by management or measurements made by financial specialists generally associated with the financial asset or liability. These two types of inputs create the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities as of the reporting date. Level 1 primarily consists of financial instruments such as money market securities and listed equities.
- Level 2 – Pricing inputs other than quoted prices included in Level 1 that are either directly observable or that can be derived or supported from observable data as of the reporting date. Instruments in this category include certain U.S. government agency and sponsored entity debt securities.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued)

*(Thousands of Dollars)*

#### **7. Fair Value Measurements (continued)**

- Level 3 – Pricing inputs include those that are significant to the fair value of the financial asset or financial liability and are not observable from objective sources. In evaluating the significance of inputs, IU Health Bloomington generally classifies assets or liabilities as Level 3 when their fair value is determined using unobservable inputs that individually or when aggregated with other observable inputs represent more than 10% of the fair value of the assets or liabilities. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

The following tables set forth by level within the fair value hierarchy IU Health Bloomington's financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2011 and 2010. The financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment, could be subject to change or variation, and may affect the valuation of fair value assets and liabilities and their classification within the fair value hierarchy levels.

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### 7. Fair Value Measurements (continued)

<b>December 31, 2011</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 72,579	\$ –	\$ –	\$ 72,579
U S government and agency obligations	444	9,602	–	10,046
U S corporate obligations	2,359	9,142	–	11,501
U S equity securities	43,432	–	–	43,432
Non-U S securities	19,754	5,177	–	24,931
Real estate investment trusts and other	280	1,040	–	1,320
Total assets measured at fair value on a recurring basis	\$ 138,848	\$ 24,961	\$ –	\$ 163,809

<b>December 31, 2010</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 62,709	\$ –	\$ –	\$ 62,709
U S government and agency obligations	1,730	6,584	–	8,314
U S corporate obligations	6,087	6,382	–	12,469
U S equity securities	40,949	438	–	41,387
Non-U S securities	23,059	2,870	–	25,929
Real estate investment trusts and other	128	-	–	128
Total assets measured at fair value on a recurring basis	\$ 134,662	\$ 16,274	\$ –	\$ 150,936

The fair value of cash and cash equivalents, which consist mainly of funds invested in money market funds, is based on quoted market prices and classified as Level 1. The fair value of Level 1 trading securities is based on quoted market prices from an active exchange. The fair value of Level 2 trading securities is based on third-party quotes based on quoted market prices of similar securities and other observable inputs.

IU Health Bloomington's \$8,664 and \$8,865 of alternative investments as of December 31, 2011 and 2010, respectively, are not included in the table because they are accounted for using the equity method of accounting (see Note 4).

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### 8. Commitments and Contingencies

#### Leases

IU Health Bloomington leases various pieces of equipment and other property for use in operations. Future minimum payments under capital lease agreements with initial or remaining terms of one or more years at December 31, 2011, are as follows:

	<b>Future Minimum Payment, Including Imputed Interest</b>	<b>Principal Payment</b>
2012	\$ 283	\$ 235
2013	234	222
	<u>\$ 517</u>	<u>\$ 457</u>

IU Health Bloomington leases various pieces of medical equipment and other property for use in operations. Future minimum payments under noncancelable operating leases with initial or remaining terms of one or more years at December 31, 2011, are as follows:

2012	\$ 3,874
2013	3,019
2014	2,736
2015	2,515
2016	2,489
Thereafter	4,864
	<u>\$ 19,497</u>

Total rental expense was \$4,874 in 2011, and \$3,280 in 2010, and is included in purchased services in the consolidated statements of operations and changes in net assets.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

#### **9. Medical Malpractice**

Various claims for employment matters, medical malpractice, and breach of contract have been asserted against IU Health Bloomington by various claimants, and provision for such claims is made in the consolidated financial statements when management considers the contingency to be probable. The claims are in various stages of processing, and some will ultimately be brought to trial. There are known incidents occurring through December 31, 2011, that may result in the assertion of additional claims, and other claims may be asserted arising from services provided to patients in the past.

Malpractice insurance coverage for IUHB and IUHP has been obtained on a claims-made basis through the State of Indiana's Patient Compensation Fund (the Fund) and the Reciprocal Risk Retention Group (RRRG). Should the claims-made insurance coverage not be renewed or replaced with equivalent insurance, claims based on occurrences during its term but reported subsequently will be uninsured.

Effective October 1, 2003, IU Health Bloomington, along with other Indiana hospitals, formed an RRRG, originally known as VHA Central and currently operating as Indiana Healthcare Reciprocal Risk Retention Group (IHRRRG), for the purpose of providing hospital professional and general liability insurance. This captive insurance company was fully recognized by the Fund as of October 1, 2003.

Effective July 1, 2011, IU Health Bloomington began participating in the Indiana University Health medical malpractice program, including coverage provided by Indiana University Health Risk Retention Group, Inc. (the Group), a South Carolina-based risk retention group that is virtually wholly owned by Indiana University Health. The Group's liabilities are ceded to the reinsurer, Indiana University Health Assurance TLD, a captive insurance company wholly owned by Indiana University Health. The program of medical malpractice coverage considers limitations in claims and damages prescribed by the Indiana Medical Malpractice Act (the Act), which limits the amount of individual claims to \$1,250 and annual aggregate claims to \$7,500, of which up to \$1,000 would be paid by the Fund and \$250 by IU Health Bloomington for each occurrence of malpractice. The Act also requires that health care providers meet certain requirements, including making funding payments to the Fund and maintaining certain insurance levels. IU Health Bloomington has met these requirements and is a qualified provider under the Act, retaining risk of \$250 per occurrence and up to \$7,500 in the annual aggregate.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

#### **9. Medical Malpractice (continued)**

Loss reserves are established for incurred but not yet reported claims. IU Health Bloomington estimates and records liabilities related to malpractice insurance claims incurred but not reported as of the fiscal year-end as a provision for additional claims, according to calculations provided by professional actuaries retained by Indiana University Health, Inc. In conjunction with IU Health Bloomington's transition to the IUH Medical malpractice program, IU Health Bloomington purchased "tail" insurance coverage for claims occurring prior to July 1, 2011. The consolidated total of the accruals for such claims was \$158 (covering claims occurring between July 1, 2011 and December 31, 2011) and \$1,809 at December 31, 2011 and 2010, respectively; the prior year's accrual, representing claims calculated under the previous risk retention group IHRRRG. The accrued liability is carried on the consolidated balance sheet as a noncurrent liability. Loss reserves are discounted using an annual discount rate of 4.0%

In conjunction with IU Health Bloomington's participation in the IUH Medical Malpractice Program, the book value of IUHB's investment in IHRRRG is due to be refunded in full over a three-year period; \$111 of this receivable is carried on the IU Health Bloomington consolidated balance sheet as a current asset, with the remaining \$1,188 included among other noncurrent assets.

#### **10. Retirement Plans**

##### **IUHB Defined-Contribution Plan**

Since 2006, IUHB has provided to all qualifying employees basic annual pension plan contributions equal to 3% of their base salaries to the defined-contribution 403(b) plan. In addition, for each 1% that employees contribute to the plan from their own earnings, IUHB will contribute another 0.5%, to a maximum additional contribution of 1.5%. Thus, employees contributing at least 3% of their own earnings will earn a total contribution of 4.5% from IUHB. Contributions expensed related to this plan were \$4,693 for 2011, which will be funded in 2012, and \$4,835 for 2010, which was funded in 2011. Employees are vested in the employer portion of contributions to their individual retirement accounts on the basis of their years of service with IUHB: two years completed service, 20% vested; three years, 40% vested; four years, 60% vested; and five years, 80% vested. Following six years of service with IU Health Bloomington, the employee becomes 100% vested in the assets contributed by IUHB, as they also will do upon attainment of the plan's normal retirement age of 65, permanent disability, or death while actively employed by IUHB.

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

#### **10. Retirement Plans (continued)**

##### **IUHP Defined-Contribution Plan**

IUHP has a defined-contribution plan covering eligible full-time employees, to which IUHP makes matching contributions to a specified limit. Employer contribution expense related to this plan was \$217 and \$213 for the years ended December 31, 2011 and 2010, respectively, which was funded in the subsequent fiscal year. IUHP employees are vested in employer contributions to their individual retirement accounts according to their years of service with IUHP: two years, 20%; three years, 40%; four years, 60%; five years, 80%, and after six years, 100%.

##### **IUHB Defined-Benefit Pension Plan**

IUHB historically provided a noncontributory, defined-benefit pension plan covering substantially all IUHB's employees who completed six months of service. IUHB agreed to contribute such amounts as are necessary to provide assets sufficient to meet the plan's benefit obligations to members. As of July 1, 2006, IUHB imposed a "soft freeze" on the benefits provided under its defined-benefit plan, beginning its transition to the defined-contribution 403(b) retirement plan.

For all employees of IUHB who were under 50 years of age as of December 31, 2006, monthly benefits under the defined-benefit plan were frozen at the amount the benefits would have been based on calculations through December 2005.

Employees who had reached the age of 50 or more years as of December 31, 2006, continue to receive years of service credit for the remainder of their tenure with IUHB, but earnings upon which pension compensation will be based are not increased beyond June 30, 2006. Both those under and those over the age of 50 will continue to receive vesting credit under the revised defined-benefit plan, but no employee hired after June 30, 2006, will become a covered participant.

Adjustments to pension liabilities to reflect funded status are charged or credited to unrestricted net assets.

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### 10. Retirement Plans (continued)

The following tables set forth the funded status of the defined-benefit pension plan and amounts recognized in the consolidated financial statements as of and for the years ended December 31, 2011 and 2010. Date of data collection was January 1, 2011 and 2010 (rolled forward to measurement dates of December 31, 2011 and 2010, and adjusted for changes in employment status).

	2011	2010
Changes in benefit obligation of the plan:		
Benefit obligation at beginning of the year	\$ 85,772	\$ 78,289
Service cost	1,811	2,094
Interest cost	4,619	4,680
Actuarial loss	5,597	3,842
Benefits paid	(4,064)	(3,133)
Benefit obligation at end of year	93,735	85,772
Changes in assets of the plan:		
Fair value of assets at beginning of year	75,433	67,484
Actual return on assets	(2,436)	8,980
Employer contributions	398	2,102
Benefits paid	(4,064)	(3,133)
Fair value of assets at end of year	69,331	75,433
Funded deficiency at December 31	\$ (24,404)	\$ (10,339)
Items not yet recognized as a component of net periodic pension cost:		
Net actuarial loss	\$ 30,485	\$ 17,207
Prior service cost	10	16
Net transition obligation	—	—
	\$ 30,495	\$ 17,223

The funded deficiency increased as a result of the decrease in the discount rate for benefit obligations and due to losses on plan investments.

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### 10. Retirement Plans (continued)

	2011	2010
Components of net pension benefit cost:		
Service cost	\$ 1,810	\$ 2,094
Interest cost	4,619	4,680
Expected return on assets	(6,021)	(5,479)
Amortization of unrecognized prior service cost	6	6
Amortization of unrecognized net loss	776	1,540
Net periodic pension cost	<u>\$ 1,190</u>	<u>\$ 2,841</u>

	2011	2010
Weighted-average actuarial assumptions:		
Discount rate for net periodic pension cost	5.70%	6.00%
Discount rate for benefit obligations	4.85	5.70
Expected rate of return on plan assets	8.00	8.00
Rate of compensation increase		No salary increase after June 30, 2006
Accumulated benefit obligation	\$ 93,650	\$ 85,602
Fair value of assets at end of year	<u>69,331</u>	<u>75,433</u>
Accumulated benefit obligation exceeding fair value of plan assets	<u>\$ 24,319</u>	<u>\$ 10,169</u>

#### Expected future benefit payments:

2012	\$ 4,991
2013	5,744
2014	5,409
2015	6,213
2016	7,436
2017–2021	38,695

IUHB expects to contribute \$2.9 million to the defined-benefit pension plan in 2012.

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### 10. Retirement Plans (continued)

IUHB's weighted-average asset allocations by asset category at December 31, 2011 and 2010, are as follows:

Asset category	Target Allocation	Percentage of Plan Assets at Measurement Date	
		2011	2010
Equity securities	60–80%	74%	79%
Fixed-income securities	20–30%	16	12
Other	0–17.5%	10	9
		<b>100%</b>	<b>100%</b>

The following tables present the plan's financial instruments as of December 31, 2011 and 2010, measured at fair value on a recurring basis within the fair value hierarchy as disclosed in Note 7:

December 31, 2011	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents	\$ 2,194	\$ –	\$ –	\$ 2,194
U S government and agency obligations	4,478	788	–	5,266
U S corporate obligations	2,052	3,726	–	5,778
U S equity securities	31,813	–	–	31,813
Non-U S equity securities	14,630	2,903	–	17,533
Hedged strategy (fund of funds)	–	6,571	–	6,571
Real estate investment trusts and other	176	–	–	176
Total assets measured at fair value on a recurring basis	<b>\$ 55,343</b>	<b>\$ 13,988</b>	<b>\$ –</b>	<b>\$ 69,331</b>

December 31, 2010	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents	\$ 2,124	\$ –	\$ –	\$ 2,124
U S government and agency obligations	2,757	694	–	3,451
U S corporate obligations	4,488	1,144	–	5,632
U S equity securities	33,144	393	–	33,537
Non-U S equity securities	21,408	2,484	–	23,892
Hedged strategy (fund of funds)	–	6,735	–	6,735
Real estate investment trusts and other	62	–	–	62
Total assets measured at fair value on a recurring basis	<b>\$ 63,983</b>	<b>\$ 11,450</b>	<b>\$ –</b>	<b>\$ 75,433</b>

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued)

*(Thousands of Dollars)*

#### **10. Retirement Plans (continued)**

The fair value of cash equivalents, which consist mainly of funds invested in money market funds, is based on quoted market prices and classified as Level 1. The fair value of Level 1 investments is based on quoted market prices from an active exchange. The fair value of Level 2 investments is based on third-party quotes based on quoted market prices of similar securities and other observable inputs.

The plan invests in alternative investments for which the net asset value per share represents the fair value of the investment held. Risks and redemption restrictions for these investments are similar to alternative investments described in Note 4.

The investment policy reflects the long-term nature of the pension plan's funding obligations. Assets are invested to achieve a rate of return consistent with policy allocation targets, which significantly contributes to meeting the current and future obligations of the plan and strives to help ensure solvency of the plan over time. This objective is to be achieved through a well-diversified asset portfolio and emphasis on long-term capital appreciation as a primary source of return. The plan utilizes a multimanager structure of complimentary investment styles and classes. Manager qualitative performance is continually evaluated, while a manager's investment performance is judged over an investment market cycle of at least three years.

Plan assets are exposed to risk and fluctuations in market value from year to year. To minimize risk, each manager maintains a diversification of their portfolio to insulate the portfolio from substantial losses in any single security or sector of the market. The asset allocation is reviewed for deviations in the allowable range for each asset class, and rebalancing is implemented as necessary.

The long-term rate of return of the plan investment allocation is designed to be commensurate with a conservatively managed balance allocation. The funds' fixed-income securities are to consist of investment-grade bonds rated A or better, with a weighted-average maturity not to exceed 10 years. Equity securities are allocated among small-cap growth and value companies, large-cap growth and value companies, and international companies.

Each investment type is managed by an asset manager specializing in these various security types. Performance of each of these accounts is benchmarked against the corresponding Russell benchmark.

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### 10. Retirement Plans (continued)

As part of investment policies and strategies, the plan's investment committee meets quarterly to review performance. At least annually, the investment committee reviews and formulates the specific investment and allocation plan. Any adjustments that are deemed necessary are based on specific criteria, i.e., necessary plan funding, plan obligations, plan expenses, and plan liquidity needs.

### 11. Employee Medical and Dental Benefits

IUHB and IUHP have elected to self-insure certain costs related to employee medical and dental benefit programs. Costs resulting from such incidents are expensed when incurred. IUHB and IUHP maintain stop-loss insurance for annual claims in excess of \$225 per employee. At December 31, 2011 and 2010, the consolidated self-insurance liability recorded totaled \$3,119 and \$2,967, respectively, and is included in salaries, wages, and related liabilities in the accompanying consolidated balance sheets.

### 12. Related-Party Transactions

The following is a summary of IUHB's equity method investments in joint ventures for the years ended December 31, 2011 and 2010:

	<b>Southern Indiana Surgery Center</b>	<b>Brown County Medical Cooperative</b>	<b>Total</b>
Balance at January 1, 2010	\$ 697	\$ 735	\$ 1,432
Distributions	(1,256)	—	(1,256)
Equity in net earnings	1,479	(42)	1,437
Balance at December 31, 2010	920	693	1,613
Distributions	(1,650)	—	(1,650)
Equity in net earnings	1,832	(52)	1,780
Balance at December 31, 2011	<u>\$ 1,102</u>	<u>\$ 641</u>	<u>\$ 1,743</u>

# Indiana University Health Bloomington and Affiliates

## Notes to Consolidated Financial Statements (continued) (Thousands of Dollars)

### 12. Related-Party Transactions (continued)

Summarized and aggregated financial information for Southern Indiana Surgery Center and Brown County Medical Cooperative as of and for the years ended December 31, 2011 and 2010, is as follows:

	2011		2010	
	Southern Indiana Surgery Center	Brown County Medical Cooperative	Southern Indiana Surgery Center	Brown County Medical Cooperative
Current assets	\$ 1,742	\$ 57	\$ 2,029	\$ 141
Noncurrent assets	1,856	1,388	1,912	1,423
Total assets	<u>\$ 3,598</u>	<u>\$ 1,445</u>	<u>\$ 3,941</u>	<u>\$ 1,564</u>
Current liabilities	\$ 537	\$ 164	\$ 578	\$ 179
Noncurrent liabilities	209	—	288	—
Total liabilities	<u>746</u>	<u>164</u>	<u>866</u>	<u>179</u>
Net assets	<u>2,852</u>	<u>1,281</u>	<u>3,075</u>	<u>1,385</u>
Total liabilities and net assets	<u>\$ 3,598</u>	<u>\$ 1,445</u>	<u>\$ 3,941</u>	<u>\$ 1,564</u>
Revenues	\$ 8,387	\$ 183	\$ 7,754	\$ 189
Operating expenses	4,875	287	4,306	270
Operating income (loss)	3,512	(104)	3,448	(81)
Nonoperating loss	(69)	—	(32)	—
Net income (loss)	<u>\$ 3,443</u>	<u>\$ (104)</u>	<u>\$ 3,416</u>	<u>\$ (81)</u>
IU Health Bloomington's equity in net earnings of unconsolidated affiliates	<u>\$ 1,832</u>	<u>\$ (52)</u>	<u>\$ 1,479</u>	<u>\$ (42)</u>

IUHB also owns one investment in which its ownership is less than 20% and is reported using the cost method. The carrying value of this investment is included in investment in joint ventures at \$705 at both December 31, 2011 and 2010.

IUHB and IUHP purchase certain services from Indiana University Health (IUH). These expenses, primarily for branding, physician recruiting, education, and other administrative services, totaled \$1,776 for the year ended December 31, 2011, and are included in supplies, drugs, purchased services, and other expenses in the consolidated statements of operations and changes in net assets; there were no equivalent expenses for the year ended December 31, 2010. In addition, IUHB purchases physician services from the Clarian Cardiovascular Surgery Group

## Indiana University Health Bloomington and Affiliates

### Notes to Consolidated Financial Statements (continued)

*(Thousands of Dollars)*

#### **12. Related-Party Transactions (continued)**

(CCSG), an Indiana University Health affiliate. The cost of these services was \$703 and \$827 for the years ended December 31, 2011 and 2010, respectively; these costs are also included in supplies, drugs, purchased services, and other expenses in the consolidated statements of operations and changes in net assets. Unpaid liabilities for both IUH and CCSG totaled \$379 and \$603 at December 31, 2011 and 2010, respectively, and are included with accounts payable and accrued expenses in the IU Health Bloomington consolidated balance sheets.

During the year ended December 31, 2011, IUHB, IUHP, and BCMC made total payments of \$1,722 to the Indiana University Health Risk Retention Group (IUHRRG) for professional and general insurance services. Of this total, \$757 was reported as insurance expense, a component of supplies, drugs, purchased services, and other expense on the consolidated statements of operations and changes in net assets; the balance of \$965 is included in prepaid expenses on the consolidated balance sheets. There was no equivalent relationship between IUH Bloomington and IUHRRG during the year ended December 31, 2010.

#### **13. Health Care Legislation and Regulation**

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, participation requirements, reimbursement for patient services, Medicare and Medicaid fraud and abuse, and security, privacy, and standards of health information. Government activity has continued with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and noncompliance with regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, significant repayments for patient services previously billed, and disruptions or delays in processing administrative transactions, including the adjudication of claims and payment.

In the opinion of management, there are no known regulatory inquiries that are expected to have a material adverse effect on the consolidated financial statements of IU Health Bloomington; however, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

## Indiana University Health Bloomington and Affiliates

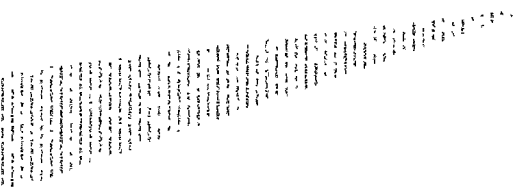
### Notes to Consolidated Financial Statements (continued)

*(Thousands of Dollars)*

#### **13. Health Care Legislation and Regulation (continued)**

In March 2010, Congress adopted comprehensive health care insurance legislation, the Patient Care Protection and Affordable Care Act and the Health Care and Education Reconciliation Act. The legislation, among other matters, is designed to expand access to coverage to substantively all citizens by 2019 through a combination of public program expansion and private industry health insurance. Changes to existing Medicare and Medicaid coverage and payments are also expected to occur as a result of this legislation. Implementing regulations are generally required for these legislative acts, which are to be adopted over a period of years and, accordingly, the specific impact of any future regulations is not determinable.

## Supplemental Information



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## Report of Independent Auditors on Supplemental Information

The Board of Directors  
Indiana University Health Bloomington and Affiliates

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating balance sheets and statements of operations and changes in net assets 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

April 24, 2012

# Indiana University Health Bloomington and Affiliates

## Consolidating Balance Sheet

(Thousands of Dollars)

December 31, 2011

	Total	Eliminations	Indiana University Health Bloomington Endoscopy Center	Indiana University Health Healthline Corp	Indiana University Health Paoli Hospital	Indiana University Health Southern Indiana Physicians	Indiana University Health Bloomington Hospital
<b>Assets</b>							
Current assets							
Cash and cash equivalents	\$ 69,547	\$ –	\$ 153	\$ 189	\$ 16,730	\$ 1,223	\$ 51,252
Patient accounts receivable, net	44,202	–	278	–	2,213	2,684	39,027
Prepaid expenses	11,892	(979)	9	157	362	2,756	9,587
Inventories	6,051	–	54	–	577	–	5,420
Current portion of trustee-held funds	116	–	–	–	116	–	–
Total current assets	131,808	(979)	494	346	19,998	6,663	105,286
Assets limited as to use							
Board-designated and trustee-held investment funds	102,810	–	–	–	2,150	–	100,660
Property and equipment							
Cost of property and equipment in service	374,597	–	1,028	5	13,841	2,300	357,423
Less accumulated depreciation	(247,527)	–	(276)	(1)	(6,551)	(434)	(240,265)
	127,070	–	752	4	7,290	1,866	117,158
Construction-in-progress	5,270	–	–	–	548	–	4,722
Total property and equipment, net	132,340	–	752	4	7,838	1,866	121,880
Other assets							
Equity interest in unconsolidated subsidiaries	2,448	(561)	–	–	–	–	3,009
Interest in net assets of foundation	3,572	–	–	–	–	–	3,572
Unamortized bond issuance costs	–	–	–	–	–	–	–
Other	4,871	–	–	–	–	–	4,871
Total other assets	10,891	(561)	–	–	–	–	11,452
Total assets	\$ 377,849	\$ (1,540)	\$ 1,246	\$ 350	\$ 29,986	\$ 8,529	\$ 339,278

Indiana University Health Bloomington and Affiliates

Consolidating Balance Sheet (continued)

(Thousands of Dollars)

	Total	Eliminations	Indiana University Health Bloomington Endoscopy Center	Indiana University Health Healthline Corp	Indiana University Health Paoli Hospital	Indiana University Health Southern Indiana Physicians	Indiana University Health Bloomington Hospital
<b>Liabilities and net assets</b>							
Current liabilities							
Accounts payable and accrued expenses	\$ 9 278	\$ (9)	\$ 147	\$ 186	\$ 322	\$ 899	\$ 7 733
Accrued salaries, wages, and related liabilities	27 135	—	—	—	1 294	3 690	22 151
Estimated third-party payor allowances	7 548	—	—	—	2 286	—	5 262
Current portion of long-term debt	2 360	—	—	—	438	—	1 922
Due to affiliated entities	—	(979)	—	—	924	55	—
Total current liabilities	46 321	(988)	147	186	5 264	4 644	37 068
Noncurrent liabilities							
Long-term debt, less current portion	46 903	—	—	—	2 737	—	44 166
Accrued pension obligations	24 404	—	—	—	—	—	24 404
Accrued medical malpractice claims	158	—	—	—	12	—	146
Other	216	—	—	—	—	—	216
Total noncurrent liabilities	71 681	—	—	—	2 749	—	68 932
Total liabilities	118 002	(988)	147	186	8 013	4 644	106 000
Net assets							
Unrestricted	256 276	(552)	1 099	164	21 973	3 885	229 707
Temporarily restricted	2 937	—	—	—	—	—	2 937
Permanently restricted	634	—	—	—	—	—	634
Total net assets	259 847	(552)	1 099	164	21 973	3 885	233 278
Total liabilities and net assets	\$ 377 849	\$ (1 540)	\$ 1 246	\$ 350	\$ 29 986	\$ 8 529	\$ 339 278

# Indiana University Health Bloomington and Affiliates

## Consolidating Balance Sheet

(Thousands of Dollars)

December 31, 2010

	Total	Eliminations	Indiana University Health Bloomington Endoscopy Center	Indiana University Health Healthline Corp	Indiana University Health Paoli Hospital	Indiana University Health Southern Indiana Physicians	Indiana University Health Bloomington Hospital
<b>Assets</b>							
Current assets							
Cash and cash equivalents	\$ 55,672	\$ –	\$ 1	\$ 247	\$ 13,723	\$ 322	\$ 41,379
Patient accounts receivable, net	41,903	–	270	–	2,161	355	39,117
Prepaid expenses	9,888	(1,037)	–	69	277	(9)	10,588
Inventories	5,636	–	46	–	648	–	4,942
Current portion of trustee-held funds	4,428	–	–	–	117	–	4,311
Total current assets	117,527	(1,037)	317	316	16,926	668	100,337
Assets limited as to use							
Board-designated and trustee-held investment funds	99,701	–	–	–	2,228	–	97,473
Property and equipment							
Cost of property and equipment in service	358,860	–	10	–	13,130	557	345,163
Less accumulated depreciation	(229,586)	–	–	–	(5,589)	(344)	(223,653)
	129,274	–	10	–	7,541	213	121,510
Construction-in-progress	2,149	–	–	–	123	–	2,026
Total property and equipment, net	131,423	–	10	–	7,664	213	123,536
Other assets							
Equity interest in unconsolidated subsidiaries							
Interest in net assets of foundation	2,318	(167)	–	–	–	–	2,485
Unamortized bond issuance costs	4,314	–	–	–	–	–	4,314
Other	715	–	–	–	–	–	715
Total other assets	2,889	–	–	–	–	–	2,889
Total assets	10,236	(167)	–	–	–	–	10,403
	\$ 358,887	\$ (1,204)	\$ 327	\$ 316	\$ 26,818	\$ 881	\$ 331,749

Indiana University Health Bloomington and Affiliates

Consolidating Balance Sheet (continued)

(Thousands of Dollars)

	Total	Eliminations	Indiana University Health Bloomington Endoscopy Center	Indiana University Health Healthline Corp	Indiana University Health Paoli Hospital	Indiana University Health Southern Indiana Physicians	Indiana University Health Bloomington Hospital
<b>Liabilities and net assets</b>							
Current liabilities							
Accounts payable and accrued expenses	\$ 9 870	\$ —	\$ —	\$ 217	\$ 303	\$ 55	\$ 9 295
Accrued salaries, wages, and related liabilities	26 092	—	—	—	1 210	669	24 213
Estimated third-party payor allowances	5 434	—	—	—	1 603	—	3 831
Current portion of long-term debt	8 123	—	—	—	539	—	7 584
Due to affiliated entities	—	(1 036)	—	—	910	126	—
Total current liabilities	49 519	(1 036)	—	217	4 565	850	44 923
Noncurrent liabilities							
Long-term debt, less current portion	50 883	—	—	—	3 174	—	47 709
Accrued pension obligations	10 339	—	—	—	—	—	10 339
Accrued medical malpractice claims	1 809	—	—	—	264	—	1 545
Other	216	—	—	—	—	—	216
Total noncurrent liabilities	63 247	—	—	—	3 438	—	59 809
Total liabilities	112 766	(1 036)	—	217	8 003	850	104 732
Net assets							
Unrestricted	241 808	(168)	327	99	18 815	31	222 704
Temporarily restricted	3 679	—	—	—	—	—	3 679
Permanently restricted	634	—	—	—	—	—	634
Total net assets	246 121	(168)	327	99	18 815	31	227 017
Total liabilities and net assets	\$ 358 887	\$ (1 204)	\$ 327	\$ 316	\$ 26 818	\$ 881	\$ 331 749

Indiana University Health Bloomington and Affiliates

Consolidating Statement of Operations and Changes in Net Assets

(Thousands of Dollars)

December 31, 2011

	Total	Eliminations	Indiana University Health Bloomington Endoscopy Center	Indiana University Health Healthline Corp	Indiana University Health Paoli Hospital	Indiana University Health Southern Indiana Physicians	Indiana University Health Bloomington Hospital
Revenues							
Net patient service revenue	\$ 381,049		\$ 2,831	\$ –	\$ 28,277	\$ 20,968	\$ 328,973
Other revenue	10,577	(584)	2	466	372	729	9,592
Total operating revenues	391,626	(584)	2,833	466	28,649	21,697	338,565
Expenses							
Salaries, wages, and benefits	197,074	(120)	833	394	14,519	21,505	159,943
Supplies, drugs, purchased services, and other	118,741	(452)	1,929	408	6,330	7,143	103,383
Depreciation and amortization	18,792	–	48	1	1,152	165	17,426
Provision for uncollected patient accounts	28,118	–	–	–	3,286	1,895	22,937
Interest	2,685	–	–	–	30	3	2,652
Total operating expenses	365,410	(572)	2,810	803	25,317	30,711	306,341
Operating income (loss)	26,216	(12)	23	(337)	3,332	(9,014)	32,224
Nonoperating losses							
Investment loss	(3,822)	–	–	–	(56)	–	(3,766)
Total operating loss	(3,822)	–	–	–	(56)	–	(3,766)
Excess (deficiency) of revenues over expenses	22,394	(12)	23	(337)	3,276	(9,014)	28,458

Indiana University Health Bloomington and Affiliates

Consolidating Statement of Operations and Changes in Net Assets (continued)

(Thousands of Dollars)

December 31, 2011

	Total	Eliminations	Indiana University Health Bloomington Endoscopy Center	Indiana University Health Healthline Corp	Indiana University Health Paoli Hospital	Indiana University Health Southern Indiana Physicians	Indiana University Health Bloomington Hospital
Unrestricted net assets							
Excess (deficiency) of revenues over expenses	\$ 22 394	\$ (12)	\$ 23	\$ (337)	\$ 3 276	\$ (9 014)	\$ 28 458
Change in pension obligations	(13 272)	—	—	—	—	—	(13 272)
Foundation contributions for capital expenditures	3 320	—	—	—	—	—	3 320
Noncontrolling interest acquired	376	(373)	749	—	—	—	—
Noncontrolling goodwill acquired	1 650	—	—	—	—	—	1 650
Net assets transferred to affiliates	—	—	—	402	(118)	—	(284)
Additional paid-in capital	—	—	—	—	—	12 868	(12 868)
Increase in unrestricted net assets	14 468	(385)	772	65	3 158	3 854	7 004
Temporarily restricted net assets							
Change in beneficial interest in net assets of foundation	(742)	—	—	—	—	—	(742)
Decrease in temporarily restricted net assets	(742)	—	—	—	—	—	(742)
Permanently restricted net assets							
Change in permanently restricted net assets held by foundation	—	—	—	—	—	—	—
Increase in permanently restricted net assets	—	—	—	—	—	—	—
Increase in net assets	13 726	(385)	772	65	3 158	3 854	6 262
Net assets at beginning of year	246 121	(167)	327	99	18 815	31	227 016
Net assets at end of year	\$ 259 847	\$ (552)	\$ 1 099	\$ 164	\$ 21 973	\$ 3 885	\$ 233 278

Indiana University Health Bloomington and Affiliates

Consolidating Statement of Operations and Changes in Net Assets

(Thousands of Dollars)

December 31, 2010

	Total	Eliminations	Indiana University Health Bloomington Endoscopy Center	Indiana University Health Paoli Hospital	Indiana University Health Southern Indiana Physicians	Indiana University Health Bloomington Hospital
Revenues						
Net patient service revenue	\$ 348,921	\$ –	\$ –	\$ 27,720	\$ 3,768	\$ 317,433
Other revenue	10,437	(221)	298	388	195	9,777
Total operating revenues	359,358	(221)	298	28,108	3,963	327,210
Expenses						
Salaries, wages, and benefits	181,308	(65)	190	13,407	3,044	164,732
Supplies, drugs, purchased services, and other	110,780	(156)	386	6,187	3,724	100,639
Depreciation and amortization	18,470	–	–	1,102	43	17,325
Provision for uncollected patient accounts	27,842	–	–	3,974	281	23,587
Interest	2,916	–	–	46	3	2,867
Total operating expenses	341,316	(221)	576	24,716	7,095	309,150
Operating income (loss)	18,042	–	(278)	3,392	(3,132)	18,060
Nonoperating gains						
Investment income, net	12,182	–	–	294	–	11,888
Total nonoperating income	12,182	–	–	294	–	11,888
Excess (deficit) of revenues over expenses	30,224	–	(278)	3,686	(3,132)	29,948

Indiana University Health Bloomington and Affiliates

Consolidating Statement of Operations and Changes in Net Assets (continued)

(Thousands of Dollars)

	Total	Eliminations	Indiana University Health Bloomington Endoscopy Center	Indiana University Health Healthline Corp	Indiana University Health Paoli Hospital	Indiana University Health Southern Indiana Physicians	Indiana University Health Bloomington Hospital
Unrestricted net assets							
Excess (deficiency) of revenues over expenses	\$ 30,224	\$ —	\$ —	\$ (278)	\$ 3,686	\$ (3,132)	\$ 29,948
Change in pension obligations	1,204	—	—	—	—	—	1,204
Foundation contributions for capital expenditures	197	—	—	—	—	—	197
Other	160	(167)	327	—	—	—	—
Net assets transferred to affiliates	—	—	—	377	—	—	(377)
Additional (decrease) paid-in capital	—	—	—	—	—	2,469	(2,469)
Increase in unrestricted net assets	31,785	(167)	327	99	3,686	(663)	28,503
Temporarily restricted net assets							
Change in beneficial interest in net assets of foundation	205	—	—	—	—	—	205
Increase in temporarily restricted net assets	205	—	—	—	—	—	205
Permanently restricted net assets							
Change in permanently restricted net assets held by foundation	—	—	—	—	—	—	—
Increase in permanently restricted net assets	—	—	—	—	—	—	—
Increase (decrease) in net assets	31,990	(167)	327	99	3,686	(663)	28,708
Net assets at beginning of year	214,131	—	—	—	15,129	694	198,308
Net assets at end of year	\$ 246,121	\$ (167)	\$ 327	\$ 99	\$ 18,815	\$ 31	\$ 227,016

[illegible]

$\frac{1}{\sqrt{2}} \begin{pmatrix} 0 & 1 \\ -1 & 0 \end{pmatrix}$  is the generator of rotations in the plane.

1. 1990年12月，在“中国—东盟首脑非正式会议”上，中国领导人正式提出建立中国—东盟自由贸易区。