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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2011

Open to Public Inspection

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

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

C Name of organization
THEDA CLARK MEDICAL CENTER INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO BOX 8025

City or town, state or country, and ZIP + 4
APPLETON, WI 54912

D Employer identification number
39-0830664

E Telephone number
(920)735-5560

G Gross receipts $ 183,590,274

F Name and address of principal officer
TIM A OLSON
PO BOX 8025
APPLETON,WI 54912

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW THEDACARE ORG

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

L Year of formation 1909

M State of legal domicile WI

Part I Summary

1 Briefly describe the organization's mission or most significant activities
IMPROVING THE HEALTH OF OUR COMMUNITY

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	10
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	0
6	Total number of volunteers (estimate if necessary)	**6**	452
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	1,154,567
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	2,807,850	128,858
	9 Program service revenue (Part VIII, line 2g)	178,084,055	179,963,677
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,455,358	2,343
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,599,130	3,455,115
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	187,946,393	183,549,993
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	750,000
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	79,169,694	78,875,226
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	90,085,913	87,879,863
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	169,255,607	167,505,089
	19 Revenue less expenses Subtract line 18 from line 12	18,690,786	16,044,904

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	393,625,729	245,693,396
	21 Total liabilities (Part X, line 26)	165,487,171	685,416
	22 Net assets or fund balances Subtract line 21 from line 20	228,138,558	245,007,980

Part II Signature Block

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

Sign Here

****** 2012-11-08
Signature of officer — Date

TIM A OLSON CHIEF FINANCIAL OFFICER
Type or print name and title

Paid Preparer's Use Only

Preparer's signature: JAMES G GRAHAM | Date | Check if self-employed ☐ | Preparer's taxpayer identification number (see instructions) P00006111

Firm's name (or yours if self-employed), address, and ZIP + 4: MCGLADREY LLP, PO BOX 5946, MADISON, WI 537050946 | EIN ▶ 42-0714325 | Phone no ▶ (608) 833-2612

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

IMPROVING THE HEALTH OF OUR COMMUNITY

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 $ 142,169,611 including grants of $ 750,000) (Revenue $ 180,187,112)

250-BED ACUTE CARE HOSPITAL, LEVEL II TRAUMA CENTER, NEUROLOGY, AND OUTPATIENT SURGERY CENTER WITH CORPORATE PARENT THEDACARE, INC , WE OFFER PUBLIC AWARENESS CAMPAIGNS, CHARITY CARE, SUPPORT GROUPS, AND EDUCATION PROGRAMS TARGETED TO LOCAL COMMUNITY NEEDS

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

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

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 142,169,611

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		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, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e		No
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, 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		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

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

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

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	14		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	10		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		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		No
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		No
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		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9		No

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

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

Section C. Disclosure

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

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

☐ Own website ☑ Another's website ☑ Upon request

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

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

KRISTEN COGSWELL
PO BOX 8025
APPLETON, WI 54912
(920) 738-6471

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) OMAR ATTASSI DIRECTOR	2 00	X						0	0	0
(2) GINGER JONES DIRECTOR	2 00	X						0	0	0
(3) JIM LARSON DIRECTOR	2 00	X						0	0	0
(4) MARK RICHARDS DIRECTOR	2 00	X						0	0	0
(5) EILEEN CONNOLLY-KEESLER DIRECTOR	2 00	X						0	0	0
(6) JEFFREY WHITESIDE MD DIRECTOR	2 00	X						0	0	0
(7) WALT RUGLAND DIRECTOR	2 00	X						0	0	0
(8) JON STELLMACHER CHAIRMAN	2 00	X		X				0	0	0
(9) JACK SWANSON SECRETARY	2 00	X		X				0	0	0
(10) MIKE WELLER TREASURER	2 00	X		X				0	0	0
(11) DEAN GRUNER PRESIDENT AND CEO	40 00	X		X				136,493	773,461	165,240
(12) KATHLEEN QUALHEIM MD DIRECTOR / PHYSICIAN	40 00	X						0	436,086	22,397
(13) DAVID ANDERLA MD DIRECTOR / PHYSICIAN	40 00	X						0	312,062	23,150
(14) DOUGLAS MOARD MD DIRECTOR / PHYSICIAN	40 00	X						0	252,752	21,762
(15) TIM OLSON CFO	40 00			X				65,042	368,576	99,753
(16) KATHRYN CORREIA VP, SR , HOSPITAL SERVICES	40 00				X			156,502	365,171	96,773
(17) KEITH LIVINGSTON VP, SR , CIO	40 00				X			56,648	321,003	80,840

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) MAUREEN PISTONE VP SR , HUMAN RESOURCE SER	40 00				X			44,819	253,976	72,532
(19) GREGORY DEVINE EXECUTIVE VICE PRESIDENT	40 00					X		69,788	395,462	81,701
(20) GREGORY LONG MD CHIEF MEDICAL OFFICER	40 00					X		68,561	388,508	100,460
(21) JOHN POOLE VP, SR ,IMPROVEMENT SYSTEM	40 00					X		56,115	317,983	78,249
(22) WILLIAM HUNTER VP SR , PLANNING & MARKETI	40 00					X		59,340	336,259	75,698
(23) ROSE CROW VP SR , HOME CARE & SENIOR	40 00					X		49,564	446,075	18,653

1b	**Sub-Total** . . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . . ▶	762,872	4,967,374	937,208

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

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
AYLWARD PHYSICIANS LLC 130 2ND ST NEENAH, WI 54912	MANAGEMENT	900,050
SURGICAL ASSOCIATES NEENAH SC 100 THEDA CLARK MED PLAZA STE 400 NEENAH, WI 54956	MEDICAL SERVICES	586,136
NEUROSCIENCE GROUP OF NE WI 1305 W AMERICAN DR NEENAH, WI 54956	MEDICAL SERVICES	585,305
FOX VALLEY PATHOLOGISTS SC 130 2ND ST NEENAH, WI 54956	MEDICAL SERVICES	389,310
ORTHOPAEDIC SPECIALISTS SC 1516 S COMMERCIAL ST NEENAH, WI 549564802	MEDICAL SERVICES	361,928

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 ▶ 7

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d	89,801			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	39,057			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		128,858			
Program Service Revenue			Business Code				
	2a	INPATIENT REVENUE NET	621990	91,028,517	91,028,517		
	b	OUTPATIENT REVENUE NET	621400	87,780,593	87,780,593		
	c	LAB REFERRAL REVENUE	621500	1,154,567		1,154,567	
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		179,963,677			
	3	Investment income (including dividends, interest and other similar amounts)		16,449			16,449
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real	(ii) Personal			
	6a	Gross rents	2,077,113				
	b	Less rental expenses	0				
	c	Rental income or (loss)	2,077,113				
	d	Net rental income or (loss)		2,077,113			2,077,113
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory		26,175			
	b	Less cost or other basis and sales expenses		40,281			
	c	Gain or (loss)		-14,106			
	d	Net gain or (loss)		-14,106			-14,106
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events					
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
		Miscellaneous Revenue	Business Code				
	11a	OTHER REVENUE	621990	778,788	778,788		
	b	CAFETERIA REVENUE	722210	599,214	599,214		
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d		1,378,002			
	12	**Total revenue.** See Instructions		183,549,993	180,187,112	1,154,567	2,079,456

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	750,000	750,000		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	459,505		459,505	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	59,730,538	46,305,260	13,425,278	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,539,711	2,539,711		
9	Other employee benefits	12,225,474	9,571,052	2,654,422	
10	Payroll taxes	3,919,998	3,919,998		
11	Fees for services (non-employees)				
a	Management	900,050		900,050	
b	Legal				
c	Accounting				
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees				
g	Other	25,059,177	18,132,453	6,926,724	
12	Advertising and promotion	2,877	2,877		
13	Office expenses				
14	Information technology				
15	Royalties . .				
16	Occupancy	3,773,383	3,603,443	169,940	
17	Travel	36,192	36,192		
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	124,651	124,651		
20	Interest	3,896,321	3,896,321		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	14,799,353	14,799,353		
23	Insurance	445,085	445,085		
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	SUPPLIES	29,471,331	28,671,772	799,559	
b	BAD DEBT	5,947,945	5,947,945		
c	EQUIP RENTAL & MAINT	2,352,220	2,352,220		
d	CONTRACT SERVICES	1,036,355	1,036,355		
e					
f	All other expenses	34,923	34,923		
25	**Total functional expenses.** Add lines 1 through 24f	167,505,089	142,169,611	25,335,478	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing	3,129	1	3,211
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	22,500,694	4	25,374,069
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	718,048	8	814,948
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D* — 10a: 197,482,085			
	b	Less accumulated depreciation — 10b: 103,432,718	94,047,717	10c	94,049,367
	11	Investments—publicly traded securities	95,211,000	11	0
	12	Investments—other securities See Part IV, line 11		12	
	13	Investments—program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	181,145,141	15	125,451,801
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	393,625,729	16	245,693,396
Liabilities	17	Accounts payable and accrued expenses	325,920	17	685,416
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	165,161,251	25	0
	26	**Total liabilities.** Add lines 17 through 25	165,487,171	26	685,416
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	228,138,558	27	245,007,980
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	228,138,558	33	245,007,980
	34	Total liabilities and net assets/fund balances	393,625,729	34	245,693,396

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	183,549,993
2	Total expenses (must equal Part IX, column (A), line 25)	2	167,505,089
3	Revenue less expenses Subtract line 2 from line 1	3	16,044,904
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	228,138,558
5	Other changes in net assets or fund balances (explain in Schedule O)	5	824,518
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	245,007,980

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
THEDA CLARK MEDICAL CENTER INC

Employer identification number
39-0830664

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

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

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

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

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

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

_____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f)) **14**

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test

Explanation

Additional Data

Software ID:
Software Version:
EIN: 39-0830664
Name: THEDA CLARK MEDICAL CENTER INC

Form 990, Special Condition Description:

Special Condition Description

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
THEDA CLARK MEDICAL CENTER INC

Employer identification number
39-0830664

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part VI 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		5,537,505		5,537,505
b Buildings		135,184,924	61,138,765	74,046,159
c Leasehold improvements		1,887,418	1,177,395	710,023
d Equipment		54,872,238	41,116,558	13,755,680
e Other				
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				94,049,367

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

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

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

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

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

(a) Description	(b) Book value
(1) DUE FROM AFFILIATES	125,451,801
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	125,451,801

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
See Additional Data Table	
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	

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

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	FOOTNOTE FROM CONSOLIDATED FINANCIAL STATEMENTS THEDACARE FOLLOWS FASB GUIDANCE ON INCOME TAXES, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, WHICH ADDRESSES THE DETERMINATION OF WHETHER TAX BENEFITS CLAIMED OR EXPECTED TO BE CLAIMED ON A TAX RETURN SHOULD BE RECORDED IN THE FINANCIAL STATEMENTS UNDER THIS GUIDANCE, THEDACARE MAY RECOGNIZE THE TAX BENEFIT FROM AN UNCERTAIN TAX POSITION ONLY IF IT IS MORE LIKELY THAN NOT THAT THE TAX POSITION WILL BE SUSTAINED ON EXAMINATION BY TAXING AUTHORITIES, BASED ON THE TECHNICAL MERITS OF THE POSITION EXAMPLES OF TAX POSITIONS INCLUDE THE TAX-EXEMPT STATUS OF THEDACARE, AND VARIOUS POSITIONS RELATED TO THE POTENTIAL SOURCES OF UNRELATED BUSINESS TAXABLE INCOME (UBIT) THE TAX BENEFITS RECOGNIZED IN THE FINANCIAL STATEMENTS FROM SUCH A POSITION ARE MEASURED BASED ON THE LARGEST BENEFIT THAT HAS A GREATER THAN 50 PERCENT LIKELIHOOD OF BEING REALIZED UPON ULTIMATE SETTLEMENT AT DECEMBER 31, 2011 AND 2010, THERE WERE NO UNRECOGNIZED TAX BENEFITS IDENTIFIED OR RECORDED AS LIABILITIES THEDACARE FILES FORM 990 IN THE U S FEDERAL JURISDICTION TAX RETURNS FILED BY THEDACARE ARE GENERALLY OPEN FOR EXAMINATION FOR THE YEARS 2008 THROUGH 2011

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
THEDA CLARK MEDICAL CENTER INC

Employer identification number
39-0830664

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☐ 200% ☑ Other **300.000000000000 %**	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a		No
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Did the organization prepare a community benefit reportduring the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)		27,355	3,273,229		3,273,229	2 030 %
b Medicaid (from Worksheet 3, column a)			21,488,865	19,321,365	2,167,500	1 340 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs		27,355	24,762,094	19,321,365	5,440,729	3 370 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)	24	1,866,028	1,304,015	88,008	1,216,007	0 750 %
f Health professions education (from Worksheet 5)	5	1,943	1,727,669		1,727,669	1 070 %
g Subsidized health services (from Worksheet 6)	4		3,781,999		3,781,999	2 340 %
h Research (from Worksheet 7)	1	70	4,021		4,021	0 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)	6	28,098	447,111		447,111	0 280 %
j **Total** Other Benefits	40	1,896,139	7,264,815	88,008	7,176,807	4 440 %
k **Total.** Add lines 7d and 7j	40	1,923,494	32,026,909	19,409,373	12,617,536	7 810 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing	1		2,015		2,015	0 %
2	Economic development	1		223		223	0 %
3	Community support	1	158	4,416		4,416	0 %
4	Environmental improvements						
5	Leadership development and training for community members	1	46	1,811		1,811	0 %
6	Coalition building	1	35,025	2,994		2,994	0 %
7	Community health improvement advocacy	1	0	445		445	0 %
8	Workforce development	1	1,750	35,255		35,255	0 020 %
9	Other	1	1,836	52,294		52,294	0 030 %
10	**Total**	8	38,815	99,453		99,453	0 050 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1			No
2	Enter the amount of the organization's bad debt expense	2	3,092,724		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	3,157,634		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	23,860,096
6	Enter Medicare allowable costs of care relating to payments on line 5	6	28,179,717
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-4,319,621
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 3

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	THEDA CLARK MEDICAL CENTER 120 SECOND STREET NEENAH, WI 54956	X	X					X		
2	AYLWARD SURGERY CENTER 120 SECOND STREET NEENAH, WI 54956									OUTPATIENT SURGERY CENTER
3	RENAISSANCE SURGERY CENTER 2400 WITZEL AVENUE OSHKOSH, WI 54904									OUTPATIENT SURGERY CENTER

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)

THEDA CLARK MEDICAL CENTER

Name of Hospital Facility:

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 300 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☑ Income level			
	b ☑ Asset level			
	c ☑ Medical indigency			
	d ☑ Insurance status			
	e ☑ Uninsured discount			
	f ☑ Medicaid/Medicare			
	g ☑ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☑ The policy was posted at all times on the hospital facility's web site			
	b ☐ The policy was attached to all billing invoices			
	c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☑ The policy was posted in the hospital facility's admissions offices			
	e ☑ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
	a ☑ Reporting to credit agency			
	b ☑ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments or arrests			
	e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		No
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments			
	e ☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
	a ☐ Notified patients of the financial assistance policy upon admission			
	b ☐ Notified patients of the financial assistance policy prior to discharge			
	c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
	d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
	e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

AYLWARD SURGERY CENTER

Name of Hospital Facility: _____

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	**1**		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**		
5 Did the hospital facility make its Needs Assessment widely available to the public?	**5**		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	**7**		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**8**	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	**9**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 300 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☑ Income level			
	b ☑ Asset level			
	c ☑ Medical indigency			
	d ☑ Insurance status			
	e ☑ Uninsured discount			
	f ☑ Medicaid/Medicare			
	g ☑ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☑ The policy was posted at all times on the hospital facility's web site			
	b ☐ The policy was attached to all billing invoices			
	c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☑ The policy was posted in the hospital facility's admissions offices			
	e ☑ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
	a ☑ Reporting to credit agency			
	b ☑ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments or arrests			
	e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		No
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments			
	e ☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
	a ☐ Notified patients of the financial assistance policy upon admission			
	b ☐ Notified patients of the financial assistance policy prior to discharge			
	c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
	d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
	e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

RENAISSANCE SURGERY CENTER

Name of Hospital Facility:

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 300 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☑ Income level			
	b ☑ Asset level			
	c ☑ Medical indigency			
	d ☑ Insurance status			
	e ☑ Uninsured discount			
	f ☑ Medicaid/Medicare			
	g ☑ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☑ The policy was posted at all times on the hospital facility's web site			
	b ☐ The policy was attached to all billing invoices			
	c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☑ The policy was posted in the hospital facility's admissions offices			
	e ☑ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
	a ☑ Reporting to credit agency			
	b ☑ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments or arrests			
	e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		No
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments			
	e ☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
	a ☐ Notified patients of the financial assistance policy upon admission			
	b ☐ Notified patients of the financial assistance policy prior to discharge			
	c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
	d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
	e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

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

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

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

Part VI Supplemental Information

Complete this part to provide the following information

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

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

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

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

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

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

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

Identifier	ReturnReference	Explanation
		PART I, LINE 7 THE COSTING METHODOLOGY USED TO CALCULATE THE AMOUNTS IN THE TABLE IS A COMBINATION OF AVERAGES AND ACTUAL COSTS OF SUPPLIES, WAGES AND BENEFITS FOR SUPPLIES, THE ACTUAL COST OF ITEMS USED FOR EACH EVENT IS APPLIED IF NO ACTUAL COST IS AVAILABLE, WE THEN USE AN ESTIMATE BASED ON ACTUAL COSTS WAGES ARE CALCULATED BY MULTIPLYING THE AVERAGE WAGE RATE TIMES ACTUAL HOURS WORKED THE BENEFIT RATE USED INCLUDES A FRINGE RATIO OF ALL BENEFITS RELATED TO THE ABOVE WAGE CALCULATION THE COST ACCOUNTING SYSTEM DOES NOT DIFFERENTIATE BETWEEN DIFFERENT PAYER TYPES AND NO COST-TO-CHARGE RATIO IS USED

Identifier	ReturnReference	Explanation
		PART I, LINE 7, COLUMN (F) THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $ 5947945

Identifier	ReturnReference	Explanation
		PART II THE HEALTH OF THE COMMUNITY THEDA CLARK MEDICAL CENTER SERVES IS PROMOTED THROUGH SEVERAL COMMUNITY BUILDING ACTIVITIES AS DESCRIBED BELOW -THEDA CLARK STAFF WORK WITH THE AREA CHAMBER OF COMMERCE AND LOCAL HIGH SCHOOLS AND COLLEGES TO INFORM YOUTH ABOUT MEDICAL CAREER OPPORTUNITIES AND TO HELP PREPARE OUR EDUCATIONAL FACILITIES TO MEET THE HEALTHCARE STAFFING NEEDS FOR THE COMMUNITIES WE SERVE -A PARTNERSHIP AMONG THEDA CLARK MEDICAL CENTER, CHILDREN'S HOSPITAL OF WISCONSIN AND ROOSEVELT ELEMENTARY SCHOOL PROVIDES ONE-ON-ONE MENTORING AND HEALTH EDUCATION TO 23 UNDERSERVED CHILDREN IN THE NEENAH AREA -THEDA CARE BEHAVIORAL HEALTH HOSTED AN EDUCATIONAL BREAKFAST FOR THE HMONG ELDERS, CLAN LEADERS, ADULTS, AND COMMUNITY MEMBERS, TO EDUCATE THEM ON SERVICES AVAILABLE FOR MENTAL HEALTH AND SUBSTANCE ABUSE ISSUES, ALONG WITH INFORMATION ON ALZHEIMER'S & DEMENTIA 34 MEMBERS OF THE HMONG COMMUNITY ATTENDED THE BREAKFAST -THEDA CARE STAFF ATTENDED REGULAR MEETINGS OF COMMUNITY ACTION FOR HEALTHY LIVING COALITION, A STATEWIDE EFFORT TO ADVOCATE FOR LEGISLATION FOR SMOKE-FREE ENVIRONMENTS -THEDA CARE STAFF PARTICIPATES IN LEADERSHIP FOX CITIES TO GROOM MIDDLE MANAGERS IN THE WORKINGS OF THE ENTIRE COMMUNITY, FROM EDUCATION SYSTEMS AND RECYCLING PROGRAMS TO GOVERNMENT AND JUSTICE SYSTEMS -THEDA CLARK MEDICAL CENTER STAFF WERE HEAVILY INVOLVED IN H1N1 COMMUNITY EDUCATION AND SET UP OF IMMUNIZATION CLINICS THAT HELPED PREVENT THE PANDEMIC FROM SPREADING WE HAD REGIONAL INVOLVEMENT IN PLANNING AS WELL -THEDA CLARK MEDICAL CENTER STAFF ARE INVOLVED IN STATEWIDE AND REGIONAL DISASTER READINESS PLANNING TO PREPARE OUR COMMUNITY FOR TIMES OF CRISIS -THEDA CLARK MEDICAL CENTER STAFF PARTICIPATED IN A THEDACARE-WIDE REBUILDING TOGETHER EVENT WHERE STAFF SPENT THE DAY FIXING UP THE HOME OF A LOCAL FAMILY IN NEED -THEDA CARE PRESIDENT AND CEO IS ENGAGED IN STATEWIDE WISCONSIN COLLABORATIVE FOR HEALTHCARE QUALITY MAKING QUALITY HEALTHCARE DATA TRANSPARENT

Identifier	ReturnReference	Explanation
		PART III, LINE 4 A COST TO CHARGE RATIO WAS USED TO DETERMINE THE AMOUNTS REPORTED IN PART III LINES 2 AND 3 PATIENT PAYMENTS OR DISCOUNTS ARE APPLIED PRIOR TO DETERMINING BAD DEBT EXPENSE AND ARE NOT INCLUDED IN THE BAD DEBT WRITE-OFF REPORTED ON THE AUDITED FINANCIAL STATEMENTS DEDUCTIBLES AND COINSURANCE AMOUNTS THAT ARE DEEMED UNCOLLECTIBLE ARE WRITTEN OFF EITHER TO BAD DEBT EXPENSE OR, IF APPLICABLE, TO CHARITY CARE IF THE PATIENT SO QUALIFIES FOR FINANCIAL ASSISTANCE THE FINANCIAL STATEMENTS DO NOT CONTAIN A FOOTNOTE BUT THEY ACCOUNT FOR BAD DEBTS BASED ON GROSS CHARGES TO PATIENTS AFTER REFLECTING ANY PAYMENTS OR DISCOUNTS, OR AMOUNTS DETERMINED TO BE ELIGIBLE FOR CHARITY CARE/FINANCIAL ASSISTANCE

Identifier	ReturnReference	Explanation
		PART III, LINE 8 WE DID NOT REPORT ANY SHORTFALL AS A COMMUNITY BENEFIT THE COSTING METHODOLOGY USED TO DETERMINE THE MEDICARE ALLOWABLE COSTS REPORTED IN THE ORGANIZATIONS MEDICARE COST REPORT IS STEP DOWN

Identifier	ReturnReference	Explanation
		PART III, LINE 9B OUR POLICY IS NOT TO PURSUE PATIENT ACCOUNTS TO THE EXTENT ANY CHARGES ARE ELIGIBLE AND WRITTEN OFF THROUGH OUR CHARITY CARE/FINANCIAL ASSISTANCE PROGRAM IF ONLY A PORTION OF THE CHARGES ARE ELIGIBLE AND WRITTEN OFF THROUGH OUR CHARITY CARE/FINANCIAL ASSISTANCE PROGRAM, THE REMAINING BALANCE WILL BE BILLED TO THE PATIENT AND COLLECTED IN ACCORDANCE WITH OUR NORMAL COLLECTION POLICY

Identifier	ReturnReference	Explanation
	PART V, LINE 12	PATIENTS ARE SENT AN OVERVIEW LETTER EXPLAINING THE PROCESS FOR APPLYING FOR OUR ASSISTANCE PROGRAM OR OUR STAFF WALKS THEM THROUGH THE PROCESS THEY ARE ASKED TO COMPLETE AN APPLICATION THAT INCLUDES REQUESTS FOR INFORMATION THAT WE NEED TO MAKE A DECISION AS TO WHETHER THE PATIENT MEETS THE CRITERIA FOR ACCEPTANCE AND THEN TO WHAT LEVEL ONCE THE DECISION IS MADE, WE WILL NOTIFY THE PATIENT AND IF ACCEPTABLE, WRITE OFF THE BALANCE AS DETERMINED

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 THEDACARE SERVES AN 8 COUNTY PRIMARY SERVICE AREA FIVE THEDACARE HOSPITALS PROVIDE SERVICE IN THIS AREA THEDACARE CONDUCTS A COMMUNITY NEEDS ASSESSMENT EVERY TWO YEARS FOR THE ENTIRE SYSTEM GATHERING DATA PERTINENT TO EACH COMMUNITY INFORMATION COLLECTED INCLUDES DATA FROM THE WISCONSIN COUNTY HEALTH RANKINGS, FOX CITIES LIFE STUDY (LOCAL INDICATORS FOR EXCELLENCE), THE BEHAVIORAL RISK FACTOR SURVEILLANCE SURVEY, AND INSIGHTS GATHERED FROM MONTHLY MEETINGS OF THE THEDACARE-LED CHAT TEAM (COMMUNITY HEALTH ACTION TEAM) COMPRISED OF 25 COMMUNITY LEADERS IN BUSINESS, NON-PROFIT, CLERGY, HEALTHCARE, UNITED WAY AND THE LOCAL COMMUNITY FOUNDATION THE WISCONSIN STATE HEALTH PLAN IS ALSO TAKEN INTO CONSIDERATION

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 THERE ARE SEVERAL WAYS THIS OCCURS - THE MOST PROMINENT OF THOSE BEING THROUGH OUR PATIENT HANDBOOK THAT IS PROVIDED TO ALL PATIENTS, THROUGH CONVERSATION WITH OUR CARE MANAGEMENT/DISCHARGE PLANNERS AFTER ADMISSION TO OUR HOSPITALS, AND THROUGH CONVERSATION WITH OUR COLLECTION STAFF

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 THEDACARES SERVICE AREA (WHICH MIRRORS THEDA CLARK MEDICAL CENTERS SERVICE AREA) CONSISTS OF 8 COUNTIES INCLUDING OUTAGAMIE, WINNEBAGO, CALUMET, SHAWANO, WAUPACA, WAUSHARA, MENOMINEE AND GREEN LAKE HIGHLIGHTS REGARDING THE COMMUNITIES WE SERVE INCLUDE -TOTAL POPULATION OF THE SERVICE AREA IS 534,518 (CALUMET 46,272, OUTAGAMIE 178,500, WAUPACA 53,069, WAUSHARA 25,178, SHAWANO 42,108, GREEN LAKE 19,061, WINNEBAGO 165,755, MENOMINEE 4,575) -POPULATION OF OUR SERVICE AREA CONTINUES TO GROW BUT THE RATE OF GROWTH IS DECLINING BY 2016, THE SERVICE AREA POPULATION IS EXPECTED TO REACH 546,860 -WHILE OVERALL DEMOGRAPHICS OF THE SERVICE AREA DO NOT INDICATE A HIGH DEGREE OF ETHNIC DIVERSITY (ONLY 7% REPORT THEIR RACE AS NON-WHITE), WE BEGIN TO SEE THE INCREASING IMPACT OF DIVERSITY IN THE SCHOOL-AGE POPULATION FOR EXAMPLE, 25% OF APPLETON AREA SCHOOL DISTRICT STUDENTS, 30% OF MENASHA STUDENTS, AND 22% OF SHAWANO STUDENTS, REPORT THEIR RACE AS NON-WHITE -THE AVERAGE AGE OF THE POPULATION IS INCREASING, THE WORKING-AGE POPULATION IS DECLINING -THERE IS A TREND TOWARD SUBURBANIZATION, CORE CITIES AND TOWNS STAY FLAT WHILE CITIES SPRAWL INTO THE SUBURBS -THE FOX CITIES WILL GROW SLIGHTLY FASTER THAN THE REST OF NORTHEAST WISCONSIN -THE NUMBER OF UNINSURED IN OUR SERVICE AREA HAS INCREASED FROM 6% TO 8% -96% OF SERVICE AREA IS CAUCASIAN WITH HISPANIC POPULATION OF 2% SEEING THE FASTEST GROWTH -THE POVERTY RATE RANGES FROM 5 2% IN CALUMET COUNTY TO 11 7% IN WAUSHARA COUNTY

Identifier	ReturnReference	Explanation
		PART VI, LINE 5 EACH YEAR, THEDA CLARK MEDICAL CENTERS PARENT ORGANIZATION THEDACARE SETS ASIDE A PERCENTAGE OF EXCESS BUDGETED MARGIN TO FUND AN EFFORT CALLED CHAT (COMMUNITY HEA LTH ACTION TEAM) CHAT IS A GROUP OF 25 COMMUNITY LEADERS WHO STUDY SYSTEMIC HEALTH ISSUES OUTSIDE THE WALLS OF OUR HOSPITALS AND CLINICS AND WORK TO IDENTIFY INNOVATIVE, COLLABORA TIVE SOLUTIONS THAT DRAW UPON THE WIDE ARRAY OF RESOURCES AND STRENGTHS OF OUR COMMUNITY THROUGH CHAT, SUCH EFFORTS AS THE SHAWANO COUNTY RURAL HEALTH INITIATIVE HAVE BEEN DEVELOP ED THIS INITIATIVE TAKES BASIC HEALTH CARE AND SCREENING SERVICES TO THE FARM EACH YEAR HUNDREDS OF FARM FAMILIES LIVING WITHOUT INSURANCE OR ONLY CATASTROPHIC COVERAGE RECEIVE C RITICAL ASSISTANCE ANOTHER INITIATIVE DEVELOPED THROUGH CHAT IS MAKING THE RIDE HAPPEN WH ICH PROVIDES TRANSPORTATION TO OLDER ADULTS WHO OTHERWISE WOULD STAY COOPED UP IN APARTMEN TS AND FIGHT DEPRESSION AND ISOLATION PROJECT PROMISE IS A POVERTY INITIATIVE DEVELOPED T HROUGH CHAT THAT BROUGHT TOGETHER MANY LOCAL AGENCIES AND BUSINESSES TO WORK TO ADDRESS PO VERTY IN A COLLABORATIVE FASHION VOICES OF MEN WAS LAUNCHED WITH SUPPORT FROM CHAT TO RAI SE AWARENESS OF EVERYDAY BEHAVIORS OF MEN THAT CAN LEAD TO AN ACCEPTANCE OF VIOLENCE TOWAR D WOMEN MOST RECENT INITIATIVES INCLUDE WORK AROUND HISPANIC TEEN PREGNANCY AND PREVENTIN G SUICIDE AMONG THE GAY, LESBIAN, BISEXUAL, TRANSGENDER POPULATION THE PROJECTS ARISING F ROM CHAT ARE MANY THE LIVES TOUCHED ARE NUMEROUS THEDACARE PROVIDES FUNDING AND STAFF SU PPORT TO MAKE CHAT AND THESE COMMUNITY HEALTH EFFORTS POSSIBLE OTHER WAYS THAT THEDACARE HOSPITALS IMPROVE THE HEALTH OF THE COMMUNITY INCLUDE -THEDACARE SHARED ITS CUTTING EDGE APPLICATION OF LEAN PRODUCTION IMPROVEMENTS WITH VISITORS ALMOST WEEKLY IN 2011 HUNDREDS OF HEALTHCARE AND NON-HEALTHCARE VISITORS CAME FROM AROUND THE COUNTRY MOST VISITORS WERE FROM HOSPITALS AND HEALTH SYSTEMS IN THE UNITED STATES LOOKING TO IMPROVE QUALITY AND RED UCE COSTS -THEDACARE HOSPITALS PROVIDED FUNDING TO THE THEDACARE CENTER FOR HEALTHCARE VA LUE WHICH IS COORDINATING EFFORTS ACROSS THE COUNTRY TO SHARE QUALITY IMPROVEMENT AND COST REDUCTION LEARNINGS -THEDACARE PARTNERS WITH THE FOX CITIES/UW RESIDENCY CENTER TO PROVI DE HANDS ON EXPERIENCE FOR MEDICAL STUDENTS -THEDACARE ALSO PARTNERS WITH AREA NURSING SC HOOLS SUCH AS UW OSHKOSH AND FOX VALLEY TECHNICAL COLLEGE TO PROVIDE TEACHERS FOR THEIR NU RSING PROGRAMS AND PROVIDES VENUES FOR NURSING STUDENTS TO PRACTICE THEIR SKILLS -THEDACA RE HOSPITALS LEADERSHIP PROVIDED MORE THAN MORE THAN $40,000 WORTH OF STAFF TIME PROVIDING LEADERSHIP TO LOCAL NON-PROFIT ORGANIZATIONS -THEDACARE HOSPITALS PROVIDED FINANCIAL AS WELL AS DIAGNOSTIC AND LAB SUPPORT TO TWO AREA CLINICS PROVIDING MEDICAL AND DENTAL CARE T O THE UNDERSERVED IN OUR SERVICE AREA -THEDACARE HOSPITAL EMPLOYEES TAKE PART IN HELPING HEARTS, AN EMPLOYEE VOLUNTEERISM PROGRAM ENCOURAGING STAFF TO GIVE OF THEIR TIME IN THE CO MMUNITY THEDACARE PROVIDES PAID STAFF TO COORDINATE THE PROGRAM AND IDENTIFY AND PROMOTE VOLUNTEERISM OPPORTUNITIES -ALL THEDACARE HOSPITALS PROVIDE HEALTH EDUCATION PROGRAMMING FOR THEIR RESPECTIVE COMMUNITIES FOCUSING ON SUCH CRITICAL TOPICS AS PROPER NUTRITION, DIA BETES IDENTIFICATION, AND CANCER PREVENTION - THEDACARE SPONSORS PARTY AT THE PAC FOR THOU SANDS OF AREA YOUTH TO EDUCATE YOUTH ON THE PERILS OF RISKY BEHAVIOR AND DRIVING HOSTED A T OUR PERFORMING ARTS CENTER, LIVE DRAMATIZATIONS ALONG WITH STORIES OF YOUTH DISABLED DUE TO DRIVING AND RISKY BEHAVIOR ENCOURAGE TEENS TO THINK TWICE BEFORE DRINKING OR TEXTING A ND DRIVING -THEDA CLARK MEDICAL CENTER PROVIDES HELPFUL COMMUNITY EDUCATION PROGRAMMING O N SUCH TOPICS AS HEARING LOSS, HEALTHY EATING, STROKE RISK, MENOPAUSE AND DIABETES -THEDA CLARK MEDICAL CENTER HOSTS HEALTH AND SAFETY FAIRS IN THE COMMUNITY -THEDA CLARK MEDICAL CENTER WORKS WITH THE AREA CHAMBER OF COMMERCE AND LOCAL HIGH SCHOOLS AND COLLEGES TO INF ORM YOUTH ABOUT MEDICAL CAREER OPPORTUNITIES AND TO HELP PREPARE OUR EDUCATIONAL FACILITIE S TO MEET THE HEALTHCARE STAFFING NEEDS FOR THE COMMUNITIES WE SERVE -THEDA CLARK MEDICAL CENTER OPERATES A RADIOLOGY SCHOOL TO PREPARE NEW TECHNOLOGISTS FOR CAREERS IN THE FIELD -A PARTNERSHIP AMONG THEDA CLARK MEDICAL CENTER , CHILDRENS HOSPITAL OF WISCONSIN AND ROO SEVELT ELEMENTARY SCHOOL PROVIDES ON-ON-ONE MENTORING AND HEALTH EDUCATION TO UNDERSERVED CHILDREN IN THE NEENAH AREA -THEDA CLARK MAKES FINANCIAL AND IN-KIND DONATIONS TO NON-PRO FIT ORGANIZATIONS INCLUDING UNITED WAY, YMCA, KIWANIS, 4H, GIRL SCOUTS ETC TO SUPPORT COMM UNITY INITIATIVES THAT ADDRESS HEALTH RISK FACTORS SUCH AS POVERTY, EDUCATION, ENVIRONMENT AND MORE -THEDA CARE STAFF PARTICIPATE IN LEADERSHIP FOX CITIES TO GROOM MIDDLE MANAGERS IN THE WORKINGS OF THE ENTIRE COMMUNITY, FROM EDUCATION SYSTEMS AND RECYCLING PROGRAMS TO GOVERNMENT AND JUSTICE SYSTEMS -THEDA CLARK MEDICAL CENTER STAFF ARE INVOLVED IN STATEWI DE AND REGIONAL DISASTER READINESS PLANNING TO PRE

Identifier	ReturnReference	Explanation
		PARE OUR COMMUNITY FOR TIMES OF CRISIS -THEDA CLARK MEDICAL CENTER STAFF PARTICIPATED IN A THEDACARE-WIDE REBUILDING TOGETHER EVENT WHERE STAFF SPENT THE DAY FIXING UP THE HOME OF A LOCAL FAMILY IN NEED -THEDA CARE PRESIDENT AND CEO IS ENGAGED IN STATEWIDE WISCONSIN C OLLABORATIVE FOR HEALTHCARE QUALITY MAKING QUALITY HEALTHCARE DATA TRANSPARENT

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 THEDACARE, THE PARENT ORGANIZATION, PROVIDES DIRECTION RELATED TO COMMUNITY NEEDS ASSESSMENT FOR ALL HOSPITALS AND MARKETS WITHIN ITS SERVICE AREA EACH THEDACARE HOSPITAL DETERMINES HOW BEST TO MEET LOCAL NEEDS IMPLEMENTATION OF COMMUNITY PROGRAMMING OCCURS AT THE HOSPITAL LEVEL

Identifier	ReturnReference	Explanation
REPORTS FILED WITH STATES	PART VI, LINE 7	WI

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
THEDA CLARK MEDICAL CENTER INC

Employer identification number
39-0830664

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) SHAWANO MEDICAL CENTER INC309 N BARTLETTE ST SHAWANO, WI 54166	39-0807068	501(C)(3)	750,000				GENERAL

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

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

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. 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
		GRANTS ARE ONLY MADE TO RELATED SEC 501(C)(3) ORGANIZATIONS

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
THEDA CLARK MEDICAL CENTER INC

Employer identification number
39-0830664

Part I Questions Regarding Compensation

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

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

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

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) DEAN GRUNER	(i)	100,050	35,291	1,152	22,732	2,054	161,279	0
	(ii)	566,950	199,985	6,526	128,817	11,637	913,915	0
(2) KATHLEEN QUALHEIM MD	(i)	0	0	0	0	0	0	0
	(ii)	433,141	356	2,589	9,350	13,047	458,483	0
(3) DAVID ANDERLA MD	(i)	0	0	0	0	0	0	0
	(ii)	311,184	346	532	9,350	13,800	335,212	0
(4) DOUGLAS MOARD MD	(i)	0	0	0	0	0	0	0
	(ii)	252,396	356	0	9,350	12,412	274,514	0
(5) TIM OLSON	(i)	51,697	9,381	3,964	12,983	1,980	80,005	0
	(ii)	292,952	53,160	22,464	73,568	11,222	453,366	0
(6) KATHRYN CORREIA	(i)	119,803	32,608	4,091	24,712	4,320	185,534	0
	(ii)	279,540	76,086	9,545	57,660	10,081	432,912	0
(7) KEITH LIVINGSTON	(i)	45,374	8,234	3,040	10,162	1,964	68,774	0
	(ii)	257,119	46,658	17,226	57,587	11,127	389,717	0
(8) MAUREEN PISTONE	(i)	36,463	6,616	1,740	8,939	1,941	55,699	0
	(ii)	206,622	37,492	9,862	50,656	10,996	315,628	0
(9) GREGORY DEVINE	(i)	57,095	10,868	1,825	10,102	2,153	82,043	0
	(ii)	323,536	61,587	10,339	57,247	12,199	464,908	0
(10) GREGORY LONG MD	(i)	54,725	10,216	3,620	12,922	2,147	83,630	0
	(ii)	310,106	57,890	20,512	73,227	12,164	473,899	0
(11) JOHN POOLE	(i)	45,749	8,708	1,658	9,773	1,965	67,853	0
	(ii)	259,242	49,346	9,395	55,378	11,133	384,494	0
(12) WILLIAM HUNTER	(i)	48,738	9,278	1,324	9,382	1,972	70,694	0
	(ii)	276,184	52,573	7,502	53,167	11,177	400,603	0
(13) ROSE CROW	(i)	31,179	5,935	12,450	1,288	577	51,429	0
	(ii)	280,610	53,415	112,050	11,592	5,196	462,863	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
	PART I, LINE 1A	EXECUTIVES RECEIVE REIMBURSEMENT FOR PERSONAL MEDICAL EXPENSES AT AN AMOUNT GROSSED-UP FOR TAXES ALL EXECUTIVES IN THE SENIOR MANAGEMENT BENEFIT CATEGORY ARE ELIGIBLE TO HAVE HEALTH OR FITNESS CLUB FEES PAID DIRECTLY TO THE CLUB, OR REIMBURSED TO THEM ON EVIDENCE OF PAYMENT SENIOR EXECUTIVES WHOSE DUTIES INCLUDE MEETING WITH PEOPLE OUTSIDE THE COMPANY FOR PURPOSED OF DEVELOPING BUSINESS RELATIONSHIPS HAVE COMPANY PAID MEMBERSHIPS AT A LOCAL COUNTRY CLUB 32 EMPLOYEES RECEIVED TAXABLE MEDICAL EXPENSE REIMBURSEMENTS AND 19 EMPLOYEES RECEIVED CLUB DUES REIMBURSEMENTS
	PART I, LINE 3	THE ORGANIZATION RELIES ON THEDACARE, INC , A RELATED 501(C)(3) ORGANIZATION, TO ESTABLISH THE COMPENSATION FOR ITS EXECUTIVE DIRECTOR THEDACARE, INC USES A COMPENSATION COMMITTEE, INDEPENDENT COMPENSATION CONSULTANT, COMPENSATION SURVEY OR STUDY, AND APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE, AS ITS METHODS FOR ESTABLISHING THE COMPENSATION FOR THEDA CLARK MEDICAL CENTER'S EXECUTIVE DIRECTOR
	PART I, LINE 4B	NONQUALIFIED PLAN DESCRIPTION SENIOR LEVEL EXECUTIVES OF THE COMPANY ARE ENTITLED TO AN ANNUAL FLEXIBLE BENEFIT EQUAL TO 20% OF THE MIDPOINT OF THEIR SALARY RANGE THIS 457(F) SUPPLEMENTAL BENEFIT PLAN COMPLIES WITH THE FINAL REGULATIONS UNDER SECTION 409A AND 457(F) OF THE INTERNAL REVENUE CODE PARTICIPANTS MAY ELECT THE BENEFIT TO BE USED TO PURCHASE PARTICULAR INSURANCE BENEFITS, INVESTED IN A CAPITAL ACCUMULATION ACCOUNT, OR A COMBINATION OF THE TWO BENEFITS ARE ACCRUED ON A MONTHLY BASIS AND ARE SUBJECT TO THE SUBSTANTIAL RISK OF FORFEITURE AGREEMENT SIGNED BY THE PARTICIPANTS PLAN CONTRIBUTIONS ARE MADE ON A QUARTERLY BASIS
	PART I, LINE 7	EXECUTIVE AT-RISK COMPENSATION PLAN THE PLAN OBJECTIVES ARE TO ENHANCE THEDACARE INC'S ABILITY TO ACHIEVE ITS GOALS BY PROVIDING A TOOL FOR STIMULATING AND REWARDING SUPERIOR LEVELS OF PERFORMANCE AMONG KEY EXECUTIVES, IMPROVE THEDACARE INC'S ABILITY TO COMPETE WITH OTHER EMPLOYERS FOR HIGH TALENT EXECUTIVES AND TO ENCOURAGE TOP-LEVEL EXECUTIVES TO WORK TOGETHER AS A COHESIVE GROUP TOWARD COMMON GOALS THE PRESIDENT OF THEDACARE INC DEVELOPS A LIST OF SENIOR LEVEL EXECUTIVES WHO ARE ELIGIBLE TO PARTICIPATE IN THIS PLAN, AS WELL AS THE PERFORMANCE LEVELS THE SENIOR EXECUTIVES MUST ACHIEVE AND THE AT-RISK COMPENSATION AMOUNTS THAT THE EXECUTIVES WILL RECEIVE THE PRESIDENT THEN SUBMITS THIS LIST TO THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES FOR FINAL APPROVAL THESE EXECUTIVES MUST BE IN ACTIVE REGULAR SERVICE OF THEDACARE INC FOR THE ENTIRE PLAN YEAR (JANUARY 1, 2011 TO DECEMBER 31, 2011) TO RECEIVE THEIR 2011 AT RISK COMPENSATION IF THE EMPLOYEE RETIRES, BECOMES DISABLED, MOVES TO A POSITION THAT IS ELIGIBLE UNDER THE AT-RISK COMPENSATION PLAN OR MOVES TO A POSITION THAT IS NO LONGER ELIGIBLE FOR THE AT RISK COMPENSATION PLAN OR DIES THE PLAN WILL BE PRORATED FOR THE AMOUNT OF TIME THEY SERVED THE COMPANY IF AN ELIGIBLE EMPLOYEE IS FIRED OR LEAVES THE COMPANY FOR ANY OTHER REASON THE PLAN AT-RISK COMPENSATION EARNED WILL BE FORFEITED CARING FOR SUCCESS THE PLAN OBJECTIVES ARE TO PROVIDE INCENTIVE TO FOCUS THE ORGANIZATION'S RESOURCES, ENERGY AND ATTENTION ON THE FULFILLMENT OF THEDACARE'S MISSION THE ORGANIZATIONAL MEASURE IS THEDACARE'S OPERATING PERFORMANCE AND EMPLOYEES HEALTH ASSESSMENT TOOL SCORE IMPROVEMENTS ALL ELIGIBLE EMPLOYEES (ON THE PAYROLL AS OF JULY 1, 2011 AND STILL BE ON THE PAYROLL AS OF MARCH 15, 2012) SHARE IN THE GAIN THE PAYOUT AMOUNT IS DETERMINED BASED ON THEDACARE'S OPERATING MARGIN AND REDUCTION IN OSHA RECORDABLE STRAINS AND SPRAINS THE AMOUNT PER EMPLOYEE IS DETERMINED BY DIVIDING THE TOTAL GAIN REALIZED (THE EMPLOYEE SHARE) BY HOURS PAID TO ALL ELIGIBLE EMPLOYEES THE RESULTING DOLLAR UNIT PAYOUT IS MULTIPLIED BY AN INDIVIDUAL EMPLOYEE'S NUMBER OF HOURS PAID THIS PLAN IS OVERSEEN BY AN ADMINISTRATIVE COMMITTEE THE THEDACARE BOARD OF TRUSTEES MUST APPROVE THE PLAN

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
THEDA CLARK MEDICAL CENTER INC

Employer identification number
39-0830664

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	ORGANIZATION'S PROCESS USED TO REVIEW FORM 990 A DRAFT OF THE FORM 990 IS PROVIDED TO THE ORGANIZATION'S DESIGNATED COMMITTEE OF THE BOARD OF DIRECTORS FOR REVIEW AND DISCUSSION AT A BOARD MEETING THE FINAL VERSION OF THE FORM 990 IS EMAILED TO THE ENTIRE BOARD BEFORE THE RETURN IS FILED
	FORM 990, PART VI, SECTION B, LINE 12C	QUESTIONNAIRES ARE SENT TO ALL MANAGERS, TRUSTEES AND OFFICERS ANNUALLY COMPLETED FORMS ARE RETURNED TO THE COMPLIANCE OFFICER THE COMPLIANCE OFFICER REVIEWS THE QUESTIONNAIRES AND FOLLOWS UP WITH ANY QUESTIONS ABOUT THE MANAGERS' ANSWERS ON THE CONFLICT OF INTEREST FORMS
	FORM 990, PART VI, SECTION B, LINE 15	THEDACARE HIRES AN OUTSIDE CONSULTING FIRM TO CONDUCT A THOROUGH MARKET REVIEW OF EXECUTIVE COMPENSATION EVERY OTHER YEAR INTERNALLY, A COMPENSATION COMMITTEE REAFFIRMS THE COMPENSATION POLICY, REVIEWS DATA FROM CONSULTANTS, AND WITH INPUT FROM THE SR VP OF HUMAN RESOURCES, ADVISES, VALIDATES, AND APPROVES A RANGE FOR CEO COMPENSATION THE COMMITTEE ALSO RATIFIES THE AT-RISK COMPENSATION PLAN
	FORM 990, PART VI, SECTION C, LINE 19	THEDA CLARK MEDICAL CENTER INC DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND INTERNAL FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET ASSETS RECLASSED TO OR FROM RESTRICTIONS 19,959 PRIOR YEAR CORRECTION 804,559 TOTAL TO FORM 990, PART XI, LINE 5 824,518
	FORM 990, PART XII, LINE 2C	THE PROCESS DID NOT CHANGE DURING THE YEAR
NUMBER OF EMPLOYEES	FORM 990, PART I, LINE 5	THEDA CLARK MEDICAL CENTER INC REPORTS "0" EMPLOYEES BECAUSE EMPLOYEES ARE ALL PAID BY THEDACARE, INC , THEREFORE THEDA CLARK MEDICAL CENTER INC DOES NOT FILE ANY W-2 FORMS THEDACARE INC IS REIMBURSED BY THEDA CLARK MEDICAL CENTER INC FOR SALARY EXPENSES FOR THE EMPLOYEES WHO ARE PERMANENTLY ASSIGNED TO THEDA CLARK MEDICAL CENTER INC

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
THEDA CLARK MEDICAL CENTER INC

Employer identification number
39-0830664

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? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part 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

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

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

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i		No
j Lease of facilities, equipment, or other assets from related organization(s)	1j		No
k Performance of services or membership or fundraising solicitations for related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations by related organization(s)	1l		No
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	Yes	
n Sharing of paid employees with related organization(s)	1n	Yes	
o Reimbursement paid to related organization(s) for expenses	1o	Yes	
p Reimbursement paid by related organization(s) for expenses	1p		No
q Other transfer of cash or property to related organization(s)	1q		No
r Other transfer of cash or property from related organization(s)	1r		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)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

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

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

Schedule R (Form 990) 2011

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 39-0830664
Name: THEDA CLARK MEDICAL CENTER 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	
APPLETON MEDICAL CENTER FOUNDATION 1818 N MEADE APPLETON, WI 54911 39-1459276	FOUNDATION	WI	501(C)(3)	LINE 7	THEDACARE		No
APPLETON MEDICAL CENTER INC PO BOX 8025 APPLETON, WI 54912 39-0824015	HOSPITAL	WI	501(C)(3)	LINE 3	THEDACARE		No
COMMUNITY HOSPICE FOUNDATION INC 1818 N MEADE APPLETON, WI 54911 39-1511977	FOUNDATION	WI	501(C)(3)	LINE 7	THEDACARE		No
GEORGE F PEABODY FOUNDATION INC PO BOX 2553 APPLETON, WI 54912 39-1702534	FOUNDATION	WI	501(C)(3)	LINE 11A, I	THEDACARE		No
NEW LONDON FAMILY MEDICAL CENTER 1405 MILL STREET NEW LONDON, WI 54961 39-0869788	HOSPITAL	WI	501(C)(3)	LINE 3	THEDACARE		No
RIVERSIDE MEDICAL CENTER INC 800 RIVERSIDE DRIVE WAUPACA, WI 54891 39-0871113	HOSPITAL	WI	501(C)(3)	LINE 3	THEDACARE		No
THEDA CLARK MEDICAL CTR FOUNDATION 130 SECOND STREET NEENAH, WI 54956 39-1550056	FOUNDATION	WI	501(C)(3)	LINE 7	THEDACARE		No
THEDACARE INC PO BOX 8025 APPLETON, WI 54912 39-1509362	HEALTHCARE	WI	501(C)(3)	LINE 11C, III-FI			No
WOLF RIVER AREA HEALTHCARE FOUNDATION 1405 MILL STREET NEW LONDON, WI 54961 20-0049796	FOUNDATION	WI	501(C)(3)	LINE 11B, II	THEDACARE		No
SHAWANO MEDICAL CENTER INC 309 N BARTLETTE STREET SHAWANO, WI 54166 39-0807068	HOSPITAL	WI	501(C)(3)	LINE 3	THEDACARE		No
SHAWANO MEDICAL CENTER FOUNDATION INC 309 N BARTLETTE STREET SHAWANO, WI 54166 39-1539117	FOUNDATION	WI	501(C)(3)	LINE 11D, III-O	THEDACARE		No

ThedaCare, Inc. and Affiliates

Consolidated Financial Statements as of and for
the Years Ended December 31, 2011 and 2010,
Supplemental Schedule for the Year Ended
December 31, 2011, and Independent Auditor's Report

THEDACARE, INC. AND AFFILIATES

Contents

McGladrey

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
ThedaCare, Inc
Appleton, Wisconsin

We have audited the accompanying consolidated statements of financial position of ThedaCare, Inc and Affiliates (ThedaCare) as of December 31, 2011 and 2010, and the related consolidated statements of operations and changes in unrestricted net assets, changes in total net assets and cash flows for the years then ended These financial statements are the responsibility of ThedaCare'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 of America Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of ThedaCare, Inc and Affiliates as of December 31, 2011 and 2010, and the results of their operations and changes in unrestricted net assets, their changes in total net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America

As described in Note 17 to the consolidated financial statements, the 2010 financial statements have been restated

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole The supplementary Schedule of Debt Service Coverage Ratio is presented for purposes of additional analysis and is 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 2011 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 of America In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole

McGladrey & Pullen, LLP

Milwaukee, Wisconsin
April 26, 2012

THEDACARE, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2011 AND 2010
(In thousands)

	2011	(As Restated) 2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 74,309	$ 43,292
Short-term investments	247,244	256,737
Patient accounts receivable (net of estimated uncollectibles of $15,581 in 2011 and $12,538 in 2010)	83,455	67,337
Other accounts receivable	9,061	8,008
Inventories	3,405	2,514
Prepaid expenses and other assets	2,599	2,312
Total current assets	420,073	380,200
OTHER ASSETS		
Investments	56,209	37,594
Assets whose use is limited		
Investments held by bond trustee	15,274	19,929
Board-designated investments	3,437	3,437
Bond issuance costs — net	6,209	6,690
Investments in affiliates and other assets	14,046	14,391
Total other assets	95,175	82,041
LAND, BUILDINGS AND EQUIPMENT — Net	380,574	365,627
TOTAL	$ 895,822	$ 827,868

(Continued)

THEDACARE, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)
AS OF DECEMBER 31, 2011 AND 2010
(In thousands)

	2011	(As Restated) 2010
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 13,190	$ 11,231
Accrued and other liabilities	66,682	57,831
Estimated third-party payor settlements	2,582	2,365
Current portion of long-term debt	10,358	9,266
Current portion of deferred employee benefit obligations	320	250
Residency fee deposits	93	1,009
Total current liabilities	93,225	81,952
NONCURRENT LIABILITIES		
Deferred employee benefit obligations — net of current portion	54,975	43,818
Long-term debt — net of current portion	249,069	249,301
Other noncurrent	3,286	2,459
Total noncurrent liabilities	307,330	295,578
Total liabilities	400,555	377,530
NET ASSETS		
Unrestricted	479,727	435,558
Temporarily restricted	9,512	8,800
Permanently restricted	6,028	5,980
Total net assets	495,267	450,338
TOTAL	$ 895,822	$ 827,868

See notes to consolidated financial statements

THEDACARE, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN UNRESTRICTED NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(In thousands)

	2011	(As Restated) 2010
REVENUE		
Net patient service revenue	$ 676,703	$ 602,562
Other operating revenue	18,231	14,312
Medicaid assessment program revenue	15,517	14,513
Total revenue	710,451	631,387
EXPENSES		
Compensation and benefits	376,254	333,990
Supplies and services	220,600	202,730
Depreciation and amortization	45,825	40,461
Interest expense	13,193	10,913
Provision for bad debts	20,883	16,895
Medicaid assessment program expense	10,723	10,285
Total expenses	687,478	615,274
OPERATING INCOME	22,973	16,113
NONOPERATING INCOME		
Investment (loss) income	(3,017)	33,289
Contributions — net of related expenses and other of $1,099 in 2011 and $930 in 2010	(549)	(370)
Contributed net assets of affiliates	40,915	-
Distributions	(625)	(2,506)
Total nonoperating income	36,724	30,413
EXCESS OF REVENUE OVER EXPENSES	59,697	46,526
OTHER CHANGES IN UNRESTRICTED NET ASSETS		
Pension-related changes other than net periodic pension cost	(15,652)	4,238
Net assets released/reclassed from restrictions	124	396
Net assets released from restrictions — used for capital	-	2,692
INCREASE IN UNRESTRICTED NET ASSETS	$ 44,169	$ 53,852

See notes to consolidated financial statements

THEDACARE, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF CHANGES IN TOTAL NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(In thousands)

	2011	(As Restated) 2010
UNRESTRICTED NET ASSETS		
Excess of revenue over expenses	$ 59,697	$ 46,526
Pension-related changes other than net periodic pension cost	(15,652)	4,238
Net assets released from/reclassed to restrictions	124	396
Net assets released from restrictions — used for capital	-	2,692
Increase in unrestricted net assets	44,169	53,852
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	655	1,936
Contributed temporarily restricted net assets of affiliates	229	-
Investment loss	(26)	(203)
Net change in unrealized gains and losses on investments	(22)	487
Net assets released from restrictions — used for capital	-	(2,692)
Net assets released from/reclassed to restrictions	(124)	(396)
Increase (decrease) in temporarily restricted net assets	712	(868)
PERMANENTLY RESTRICTED NET ASSETS		
Contributions.		
Increase in permanently restricted net assets	48	32
INCREASE IN TOTAL NET ASSETS	44,929	53,016
TOTAL NET ASSETS		
Beginning of year	450,338	397,322
End of year	$ 495,267	$ 450,338

See notes to consolidated financial statements

THEDACARE, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(In thousands)

	2011	(As Restated) 2010
OPERATING ACTIVITIES		
Increase in total net assets	$ 44,929	$ 53,016
Adjustments to reconcile increase in total net assets to net cash provided by operating activities		
Depreciation and amortization	44,974	40,461
Gain on disposal of equipment	(187)	(600)
Undistributed equity in net gains of affiliates	(1,062)	(598)
Provision for bad debts	20,883	16,895
Realized (gains) losses on investments and assets whose use is limited	(6,451)	1,998
Unrealized losses (gains) on investments and assets whose use is limited	15,984	(28,093)
Pension-related changes other than net periodic pension cost	15,652	(4,238)
Goodwill and intangible asset write-off	851	233
Bond issuance cost write-off	-	665
Contributed net assets of affiliates	(41,144)	-
Changes in assets and liabilities — net of effects of affiliations		
Patient and other accounts receivable	(33,511)	(18,104)
Inventories	261	(107)
Prepaid expenses and other	(7)	949
Other assets	(2,492)	(4,652)
Investments and assets whose use is limited	19,873	23,672
Accounts payable	1,045	(5,420)
Accrued and other liabilities	6,060	(201)
Estimated third-party payor settlements	390	(662)
Residency fee deposits	(916)	(1,927)
Deferred liabilities	(3,984)	(10,301)
Net cash provided by operating activities	81,148	62,986
INVESTING ACTIVITIES		
Purchases of land, buildings and equipment	(27,473)	(54,445)
Purchases of alternative investments	(21,000)	-
Acquisition of cardiology physician practice	-	(4,945)
Cash acquired through affiliations	8,344	-
Net cash used in investing activities	$ (40,129)	$ (59,390)

(Continued)

THEDACARE, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(In thousands)

	2011	(As Restated) 2010
FINANCING ACTIVITIES		
Proceeds from long-term debt	$ -	$ 25,508
Principal payments on long-term debt	(10,057)	(33,298)
Payments for bond issue costs	-	(332)
Change in asset retirement obligation	55	52
Net cash used in financing activities	(10,002)	(8,070)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,017	(4,474)
CASH AND CASH EQUIVALENTS		
Beginning of year	43,292	47,766
End of year	$ 74,309	$ 43,292
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION — Interest paid, net of capitalized interest of $186 and $2,231 in 2011 and 2010, respectively	$ 13,211	$ 10,493
NONCASH INVESTING ACTIVITIES		
Purchases of capital assets included in accounts payable	$ 492	$ 959
Net assets received through affiliations		
Assets acquired	$ 56,391	
Liabilities assumed	(15,247)	
Less Cash acquired	(8,344)	
Net assets received through affiliations, net of cash acquired	$ 32,800	

See notes to consolidated financial statements

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

Basis of Presentation — The consolidated financial statements of ThedaCare, Inc and Affiliates (ThedaCare), include the accounts of Theda Clark Medical Center, Inc (TCMC), Appleton Medical Center, Inc (AMC), New London Family Medical Center, Inc (NLFMC), Riverside Medical Center, Inc (RMC), and Shawano Medical Center, Inc (SMC) (collectively the "Hospitals") and various physician clinics (Clinics) Besides the Hospitals and Clinics, the consolidated financial statements also include the following

The Heritage, a division of ThedaCare, operates a 136-unit retirement center and 18-unit assisted living center

Peabody Manor, a division of ThedaCare, operates a 58-bed skilled nursing facility

ThedaCare Behavioral Health Services, a division of ThedaCare, operates various clinics which provide outpatient substance abuse and mental health services

ThedaCare at Home, a division of ThedaCare, provides home health services, durable medical equipment, nursing and related home health services, including infusion therapy and respiratory care services

Ingenuity First, a division of ThedaCare, provides comprehensive occupational medical, counseling and training services

Appleton Medical Center Foundation, Inc and *Theda Clark Medical Center Foundation, Inc* are not-for-profit foundations organized and operated exclusively for charitable, scientific and educational purposes and whose primary function is to raise support for AMC and TCMC, respectively

George F Peabody Foundation, Inc is a nonstock, not-for-profit corporation which receives gifts and bequests, administers and invests funds, and disburses payments for the encouragement of effective elderly health care

Community Hospice Foundation, Inc is a nonstock, not-for-profit corporation which receives gifts and bequests, administers and invests funds, and disburses payments for the support, use, maintenance and operation of ThedaCare at Home hospice services

Wolf River Area Healthcare Foundation, Inc is a not-for-profit foundation organized and operated exclusively for charitable, scientific and educational purposes and whose primary function is to raise support for NLFMC

Shawano Medical Center Foundation, Inc is a not-for-profit foundation organized and operated exclusively for charitable, scientific and educational purposes and whose primary function is to raise support for SMC

The Internal Revenue Service has determined that all of the above entities are not-for-profit organizations under Section 501(c)(3) of the Internal Revenue Code (the "Code") and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code All of the above entities are also exempt from Wisconsin income taxes

Effective January 30, 2011, SMC affiliated with ThedaCare in order to provide high quality, low cost health care and to create a healthier Shawano community Under terms of the affiliation, SMC retains its current name and identity, as well as its board of directors and its foundation, Shawano Medical Center Foundation, Inc (SMCF) ThedaCare is the sole corporate member of SMC, and the hospital and its employees (including physicians) became part of the ThedaCare system The operating results of SMC and SMCF have been included in the consolidated financial statements since the date of the affiliation

Following is a summary of the net assets acquired through the affiliation

Cash	$ 8,344
Patient accounts receivable	4,543
Inventories	1,152
Prepaid expenses and other current assets	291
Investments	12,874
Land, buildings and equipment	29,187
Accounts payable	(1,381)
Accrued and other liabilities	(2,618)
Long-term debt	(10,917)
Other noncurrent liabilities	(331)
	$ 41,144

The following table presents financial information attributable to SMC and SMCF since the affiliation date that is included in the consolidated financial statements

	2011
Total revenue	$ 33,874
Excess of revenues over expenses	114
Changes in unrestricted net assets	114
Changes in temporarily restricted net assets	232
Changes in permanently restricted net assets	-

The following table presents unaudited consolidated pro forma financial information for the years ended December 31, 2011 and 2010 as if the closing of the affiliation with SMC and SMCF had occurred on January 1, 2010

	2011	2010
Total revenue	$ 713,393	$ 673,412
Excess of revenues over expenses	60,148	48,245
Changes in unrestricted net assets	44,620	55,571
Changes in temporarily restricted net assets	712	(868)
Changes in permanently restricted net assets	48	32

The unaudited consolidated pro forma financial information is not necessarily indicative of the results of operations that would have occurred if the affiliation had been completed on the date indicated, nor is it indicative of future operating results

Effective December 31, 2010, ThedaCare acquired Appleton Cardiology Associates (ACA), a group of 16 physicians and 117 other staff members which provides cardiovascular services ThedaCare purchased in exchange for cash of $4,945 and assumption of ACA's "paid time off" liability of ($205) assets in the amount of $5,150 for fixed assets ($3,448) and goodwill ($1,702) The fair value of these amounts was determined by appraisals ACA continues to operate its full-time offices at AMC and TCMC, plus its local satellite offices This was a result of an effort to bring together the area's best cardiovascular resources and technology to offer patients enhanced services and easier access to physicians, as well as offering greater stability as healthcare reform advances and providers deliver more patient-centered care The operating results of ACA have been included in the consolidated financial statements since the effective date of the acquisition

The consolidated financial statements have been presented in conformity with generally accepted accounting principles as recommended in the Audit and Accounting Guide *Health Care Entities*, published by the American Institute of Certified Public Accountants All intercompany balances and transactions have been eliminated in consolidation Significant accounting policies are described below

Cash Equivalents — ThedaCare considers all undesignated and highly liquid short-term investments with a maturity of three months or less when acquired to be cash equivalents Short-term investments of money market and cash balances that are yet to be reinvested are not considered cash equivalents

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

Board-Designated Investments — Board-designated investments represent funds designated by the board of directors to be used for the replacement, improvement and expansion of facilities (see Note 7)

Assets Whose Use is Limited — In addition to board-designated investments, assets whose use is limited also includes assets held by a trustee under bond indenture agreements These funds consist of government securities, money market funds and other highly liquid short-term investments (see Note 7)

Investments — Investments are designated as trading securities and generally recorded at fair value Short-term investments may consist of cash balances that have yet to be reinvested, as well as marketable securities that are used to fund the operating needs of the organization Long-term investments may consist of cash balances, as well as marketable securities, that are restricted for debt service or for the Foundations' endowment funds

Land, Buildings and Equipment — Land, buildings and equipment are stated at historical cost Items of an ordinary maintenance or repair nature are charged directly to expense as incurred, and major renewals or improvements which extend the useful life of the buildings or equipment are capitalized Cost and related accumulated depreciation for property sold or otherwise retired are removed from the accounts, and gains or losses on disposition are included in operations Assets under capital leases are amortized over the shorter of the lease period or the life of the asset

Depreciation is computed using the straight-line method The estimated useful lives used for depreciation purposes are

Land improvements	5 to 25 years
Buildings and improvements	10 to 40 years
Equipment	3 to 15 years
Computer hardware and software	3 to 5 years

Bond Issuance Costs — ThedaCare amortizes bond issuance costs over the terms of the bonds The amortization is calculated using the effective interest method At December 31, 2011 and 2010, accumulated amortization of bond issuance costs was approximately $6,867 and $6,386, respectively

Long-Lived Assets — ThedaCare periodically evaluates the carrying value of land, buildings and equipment, and other long-lived assets Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable There was $233 of impairment charges related to intangible assets in 2010 and none in 2011

Goodwill — ThedaCare records as goodwill the excess of purchase price over the fair value of the identifiable net assets acquired Goodwill is recorded at cost and is included in other assets in the consolidated statements of financial position Goodwill is not amortized ThedaCare follows a two-step process for impairment testing of goodwill, which is performed annually as well as when an event triggering impairment may have occurred The first step tests for impairment, while the second step, if necessary, measures the impairment ThedaCare has elected to perform its annual analysis as of December 31 Goodwill of $1,702 was acquired in 2010 through the acquisition of ACA Due to a decline in high revenue producing activities caused by shifting practice patterns, revenues and operating profits have been lower than expected ACA reevaluated its earnings forecast for the next five years based on the lower-than-expected revenues and operating profits Based on the revised earnings forecast, ThedaCare determined that goodwill was impaired at December 31, 2011 ACA calculated its fair value and the amount of the impairment using a discounted cash flow method Based on the impairment analysis, ThedaCare recorded an impairment charge of $851 related to goodwill at December 31, 2011, which is recorded within depreciation and amortization expense in the consolidated statement of operations Goodwill was $851 and $1,702 as of December 31, 2011 and 2010, respectively

Residency Fee Deposits — Residency fee deposits associated with The Heritage are no longer collected The remaining deposits held are being refunded by reducing the tenants' monthly rents When a tenant leaves, The Heritage refunds the total amount due immediately

Deferred Gain on Capital Leases — In 2003, ThedaCare entered into a sale-leaseback arrangement Under the arrangement, ThedaCare sold the building located at 2701 East Enterprise Avenue and leased it back for a period of 15 years The leaseback has been accounted for as a capital lease The gain of approximately $311 realized in this transaction has been deferred and is amortized into income as the asset is used and depreciated

Fair Value of Financial Instruments — The carrying amounts for cash, accounts receivable, and accounts payable approximate their fair values due to the short-term nature of these accounts Based on current rates available for long-term debt of market participants, amounts included in the consolidated statement of financial position are estimated to have a fair value of $270,127 compared to a carrying value of $259,427 at December 31, 2011 At December 31, 2010, the fair value was $251,601 compared to a carrying value of $258,567 The fair value of investments and assets whose use is limited is determined as described in Note 7

Temporarily and Permanently Restricted Net Assets — Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose Permanently restricted net assets have been restricted by donors to be maintained in perpetuity

Net Patient Service Revenue — Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined Laws and regulations governing government and other payment programs are complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term Changes in estimates relating to prior years increased net patient service revenue by $927 and $1,529 in 2011 and 2010, respectively

Operating Income — The consolidated statements of operations and changes in unrestricted net assets include operating income Changes in unrestricted net assets, which are excluded from operating income, include investment income, contributions net of related expenses, and nonrecurring gains and losses such as pension curtailment gains, which management views as outside of normal operating activities

Other Operating Revenue — Other operating revenue consists of rental income, equity in affiliates' earnings, cafeteria and vending proceeds, medical records, governmental incentives received for implementation of electronic health records systems and various programs Included in rental income are amounts from residential units, an assisted living center, and various other entities occupying hospital and clinic space

Excess of Revenue Over Expenses — The consolidated statements of operations and changes in unrestricted net assets and consolidated statements of changes in total net assets include amounts labeled excess of revenue over expenses which represent results of operations and nonoperating income Changes in unrestricted net assets which are excluded from excess of revenue over expenses, consistent with industry practice, include pension-related changes other than net periodic pension cost, reclassifications of restricted net assets and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets)

Contributions — Unrestricted contributions and bequests are recorded in the year received or pledged Donor restricted contributions and bequests are recorded in the year received or pledged as additions to permanently restricted net assets or to temporarily restricted net assets Restricted contributions are held in restricted net assets until assets are disbursed or utilized in accordance with the donor's instructions When a donor restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in unrestricted net assets as other operating revenue (if time restricted or restricted for operating purposes) or as net assets released from restrictions in other changes in unrestricted net assets (if restricted for capital acquisitions) Donor restricted contributions for operating purposes whose restrictions are met in the same year as received are reported in nonoperating income

Distributions — During the years ended December 31, 2011 and 2010, $205 and $1,070, respectively, was distributed to Appleton Medical Center Foundation designated to the ThedaCare Community Fund

Income Taxes — ThedaCare follows FASB guidance on income taxes, *Accounting for Uncertainty in Income Taxes*, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements Under this guidance, ThedaCare may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position Examples of tax positions include the tax-exempt status of ThedaCare, and various positions related to the potential sources of unrelated business taxable income (UBIT) The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement At December 31, 2011 and 2010, there were no unrecognized tax benefits identified or recorded as liabilities

ThedaCare files Form 990 in the U S federal jurisdiction Tax returns filed by ThedaCare are generally open for examination for the years 2008 through 2011

Use of Estimates — The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements Estimates also affect the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates The use of estimates and assumptions in the preparation of the accompanying financial statements is primarily related to the determination of the net patient accounts receivable and settlements with third-party payors, as well as the determination of fair value of ThedaCare's alternative investments, and the projected benefit obligation relating to ThedaCare's defined benefit pension plan Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements

Laws and Regulations — The health care industry is subject to numerous laws and regulations of federal, state and local governments Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time Recently, federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient services Management believes ThedaCare is in substantial compliance with current laws and regulations

Professional Liability Insurance — The Hospitals have professional liability insurance with limits of $1,000 per claim and $3,000 in aggregate for claims made during a policy year Losses in excess of these amounts are generally fully covered through each hospital's participation in the mandatory Injured Patient and Families Compensation Fund of the State of Wisconsin

Employee Health Care Benefits — ThedaCare self-funds health benefits provided to employees Total expenses relating to self-funded health benefits were $33,949 and $30,671 for 2011 and 2010, respectively To limit the losses on individual claims, ThedaCare had a stop-loss insurance agreement with a third-party on both medical and pharmaceutical claims in excess of $450 per insured person Effective January 1, 2012, ThedaCare no longer has this stop-loss insurance agreement

New Accounting Standard — During the year ended December 31, 2011, ThedaCare adopted the disclosure guidance contained in the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) No 2010-23, *Health Care Entities (Topic 954) Measuring Charity Care for Disclosure - A Consensus of the FASB Emerging Issues Task Force* This ASU requires that the measurement of charity care by a health care entity for disclosure purposes be based on the direct and indirect costs of providing the charity care, and that ThedaCare provide disclosure regarding the method used to identify or determine such costs The measurement and disclosure requirements in this ASU were required to be applied to all periods presented in the consolidated financial statements See Note 4 for further information

Pending Accounting Standard — In July 2011, the FASB issued guidance which amends the current presentation and disclosure requirements for health care entities that recognize significant amounts of patient service revenue at the time the services are rendered without assessing the patient's ability to pay This guidance requires health care entities to reclassify the provision for bad debts from an operating expense to a deduction from patient service revenue In addition, this guidance requires more disclosure on the policies for recognizing revenue, assessing bad debts, as well as quantitative and qualitative information regarding changes in the allowance for doubtful accounts This guidance will be applied retrospectively to all prior periods presented and is effective during interim and annual periods beginning after December 15, 2011 Upon adoption of this guidance, ThedaCare will reclassify the provision for bad debts related to prior period patient service revenue from operating expenses to a reduction in revenue

Subsequent Events — ThedaCare has evaluated subsequent events for potential recognition and /or disclosure through April 26, 2012, the date the consolidated financial statements were issued

Reclassifications — Certain items in the consolidated financial statements and notes as of and for the year ended December 31, 2010 have been reclassified to be consistent with the classification as of and for the year ended December 31, 2011

2. OTHER AFFILIATES

ThedaCare includes in other operating revenue income relating to affiliations During 2011 and 2010, approximately $1,062 and $598 of income was recognized, respectively ThedaCare accounts for its investment in the following affiliates under the equity method of accounting

Gold Cross Ambulance Service, Inc — ThedaCare owns 50 percent of Gold Cross Ambulance Service, Inc (Gold Cross), a not-for-profit corporation formed by area hospitals to provide ambulance services to the community

Premium Healthcare, Inc — ThedaCare owns 50 percent of Premium Healthcare, Inc , a corporation formed to assist in the administration of contracts on behalf of health care providers and to develop and implement systems of utilization management and quality control for services of health care providers

Groth Clinical Services, LLC — ThedaCare owns 50 percent of Groth Clinical Services, a corporation formed to manage the supplies and productivity of the outpatient surgery area at AMC

Aylward Clinical Services, LLC — ThedaCare owns 50 percent of Aylward Clinical Services, a corporation formed to manage the supplies and productivity of the outpatient surgery area at TCMC

The total investment related to these affiliates on the consolidated statements of financial position is $4,782 and $4,089 as of December 31, 2011 and 2010, respectively

A summary of certain estimated financial data for ThedaCare's affiliates as of and for the years ended December 31, 2011 and 2010, is as follows

	2011	2010
Total assets	$ 10,477	$ 9,213
Operating revenue	$ 29,151	$ 27,424
Total revenue	$ 29,151	$ 27,424
Net assets	$ 9,409	$ 8,139

3. NET PATIENT SERVICE REVENUE

ThedaCare has agreements with third-party payors that provide for payments at amounts different from established rates A summary of the payment arrangements for the Hospitals with major third-party payors follows

Medicare — Inpatient acute care and certain outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors Inpatient nonacute services and defined medical education costs related to Medicare beneficiaries are paid based on a cost reimbursement methodology The Hospitals are reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Hospitals and audits thereof by the Medicare fiscal intermediary The Hospitals' classifications of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Hospitals The percentage of gross revenue applicable to services provided to Medicare patients was approximately 41 percent in 2011 and 38 percent in 2010

Medicaid — The Hospitals are providers under the Title XIX Wisconsin Medical Assistance (Medicaid) program Under this program the Hospitals are legally bound to accept the amount determined by the State as payment in full for each patient's charges The Medicaid program reimburses a fixed amount per discharge based on each patient's Diagnostic Related Group (DRG) for inpatient services Payment for services rendered to Medicaid outpatients is, subject to certain limitations, based on an indexed amount per outpatient visit The accompanying consolidated financial statements reflect the estimated amounts to be reimbursed under the program The percentage of gross revenue applicable to services provided to Medicaid patients was approximately 9 9 percent in 2011 and 10 2 percent in 2010

ThedaCare has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations The basis for payment to the Hospitals under these agreements includes discounts from established charges and other arrangements

The Clinics are reimbursed from Medicare based upon a resource based relative value scale (RBRVS) fee schedule Clinic Medicaid reimbursement is based on the lower of each clinic's cost charges or a specified rate per visit

4. CHARITY AND OTHER UNREIMBURSED CARE

ThedaCare maintains a policy whereby patients in need of medical services are treated without regard to their ability to pay for such services ThedaCare provides care to these patients who meet certain criteria under its charity care policy without charge or at amounts less than the established rates Charity care eligibility is established based on limited or no insurance coverable, income compared to published poverty levels and family size, as well as other factors Because ThedaCare does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue ThedaCare maintains records to identify and monitor the level of charity care it provides Charity care is measured based on ThedaCare's estimated direct and indirect costs of providing charity care services That estimate is made by calculating a ratio of cost to gross charges, applied to the uncompensated charges associated with providing charity care to patients The amount of charity care provided during 2011 and 2010 was approximately $6,671 and $4,799, respectively

5. FUNCTIONAL EXPENSES

ThedaCare provides general health care and other services to residents within its geographic locations including hospital and ambulatory services and retirement center services For the years ended December 31, 2011 and 2010, expenses related to providing these services are as follows

	2011	2010
Programs		
Hospital services	$ 447,216	$ 387,173
Ambulatory services	136,601	132,753
Retirement center services	43,692	41,241
Medicaid assessment program expense	10,723	10,285
General and administrative	49,246	43,822
Total expenses	$ 687,478	$ 615,274

6. CONCENTRATIONS OF CREDIT RISK

Cash — ThedaCare maintains its cash in bank deposit accounts, which at times may exceed federally insured limits Management regularly monitors ThedaCares' cash balances along with the financial condition of the financial institutions to minimize this potential risk

Accounts Receivable — ThedaCare grants credit without collateral to its patients, most of whom are local residents and insured under third-party payor agreements At December 31, 2011 and 2010, the mix of gross receivables from patients and third-party payors are approximately as follows

	2011	2010
Managed care/commercial programs	39 %	42 %
Medicare	34	32
Self-pay	16	17
Medicaid	11	9
Total	100 %	100 %

7. FAIR VALUE MEASUREMENTS AND INVESTMENTS AND ASSETS WHOSE USE IS LIMITED

Fair value is 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 In determining fair value, ThedaCare uses various methods including market, income and cost approaches Based on these approaches, ThedaCare often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique These inputs can be readily observable, market corroborated, or generally unobservable inputs ThedaCare utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs Based on the observability of the inputs used in the valuation techniques ThedaCare is required to provide the following information according to the fair value hierarchy The fair value hierarchy ranks the quality and reliability of the information used to determine fair values Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories

Level 1 — Quoted market prices in active markets for identical assets and liabilities

Level 2 — Observable market based inputs or unobservable inputs that are corroborated by market data

Level 3 — Unobservable inputs that are not corroborated by market data Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities

In determining the appropriate levels, ThedaCare performs a detailed analysis of the assets and liabilities that are subject to fair value reporting At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3

ThedaCare holds investments in certain money market funds and certificates of deposit in which cost approximates fair value and debt and equity securities which are traded on the New York Stock Exchange and NASDAQ All such investments are considered Level 1 items Investments in certain corporate bonds and asset backed securities are valued at fair value based on the applicable percentage of ownership of the underlying company's net assets as of the measurement date, as determined by the Fund Manager and are considered Level 2 items In determining fair value, the Fund Manager utilizes valuations provided by the underlying investment companies The underlying investment companies value securities and other investments on the fair value basis of accounting Alternative investments, are considered Level 3 and reported at fair value and represent investments in offshore feeder funds These funds are made up of several underlying managers each of whom manages their own portfolio These managers invest primarily in marketable U S equities The long-term investment objective of the alternative investments is equity-like returns with half the volatility of the equity markets with better downside protection than the equity markets Fair value is determined based on the net asset value of the underlying funds For the years ended December 31, 2011 and 2010, the application of valuation techniques applied to these investments has been consistent

The alternative investment funds contain redemption restrictions ranging from quarterly redemptions with 30 days' notice to annual redemptions with 100 days' notice, and redemption of certain of the alternative investments is restricted for up to two years after the initial investment Alternative investments that may not be redeemed for more than a year as of December 31, 2011 totaled $3,918 As of December 31, 2011, there are no unfunded commitments relating to ThedaCare's alternative investments

The following tables present the balances of assets and liabilities measured at fair value on a recurring basis by level within the hierarchy as of December 31, 2011 and 2010

	2011			
	Total	Level 1	Level 2	Level 3
Certificates of deposit and money market funds	$ 24,011	$ 24,011	$ -	$ -
United States government and agency obligations	28,270	-	28,270	-
Corporate bonds and asset backed securities	49,610	-	49,610	-
Common stocks and preferred stocks				
Consumer discretionary	4,578	4,578	-	-
Consumer staples	1,993	1,993	-	-
Energy	1,420	1,420	-	-
Financials	961	961	-	-
Health care	1,900	1,900	-	-
Industrials	8,274	8,274	-	-
Information technology	2,820	2,820	-	-
Materials	2,327	2,327	-	-
Telecommunication services	606	606	-	-
Utilities	788	788	-	-
Marketable limited partnerships	97	97	-	-
Equities and mutual funds				
Large cap	58,784	58,784	-	-
Mutual funds - equities	57,060	57,060	-	-
Mutual funds - fixed income	43,336	43,336	-	-
Alternative investments	25,653	-	-	25,653
Foreign obligations - fixed income	9,676	9,676	-	-
	$ 322,164	$ 218,631	$ 77,880	$25,653

	2010			
	Total	Level 1	Level 2	Level 3
Certificates of deposit and money market funds	$ 32,490	$ 32,490	$ -	$ -
United States government and agency obligations	56,614	-	56,614	-
Corporate bonds and asset backed securities	58,411	-	58,411	-
Common stocks and preferred stocks				
Consumer discretionary	7,288	7,288	-	-
Consumer staples	2,080	2,080	-	-
Energy	2,875	2,875	-	-
Financials	1,647	1,647	-	-
Health care	2,472	2,472	-	-
Industrials	10,587	10,587	-	-
Information technology	4,630	4,630	-	-
Materials	3,486	3,486	-	-
Telecommunication services	576	576	-	-
Utilities	846	846	-	-
Unclassified	159	159	-	-
Marketable limited partnerships	197	197	-	-
Equities and mutual funds				
Large cap	46,576	46,576	-	-
Mutual funds - equities	44,095	44,095	-	-
Mutual funds - fixed income	29,279	29,279	-	-
Alternative investments	6,082	-	-	6,082
Foreign obligations - fixed income	7,307	7,307	-	-
	$ 317,697	$ 196,590	$ 115,025	$ 6,082

For the years ended December 31, 2011 and 2010, the changes in Level 3 assets measured at fair value on a recurring basis are summarized as follows

	2011	2010
Balance, beginning of year	$ 6,082	$ 3,412
Purchases	21,000	2,755
Total net losses included in Excess of revenue over expenses	(1,429)	(85)
Balance, end of year	$ 25,653	$ 6,082
Net unrealized losses included entirely in excess of revenue over expenses for the year relating to assets held at year end	$ (1,429)	$ (85)

At December 31, 2011 and 2010, such amounts were classified in the accompanying consolidated statements of financial position as follows

	2011	2010
Short-term investments	$ 247,244	$ 256,737
Investments	56,209	37,594
Assets whose use is limited		
Investments held by bond trustee	15,274	19,929
Board-designated investments	3,437	3,437
Total	$ 322,164	$ 317,697

For the years ended December 31, 2011 and 2010, the investment return is comprised of and its classification in the consolidated financial statements is as follows

	2011	2010
Interest income and dividends	$ 6,468	$ 7,478
Net realized gains (losses) on investments	6,451	(1,998)
Net change in unrealized gains and losses on investments	(15,984)	28,093
Total investment return	$ (3,065)	$ 33,573
Unrestricted —		
Investment (loss) income	$ (3,017)	$ 33,289
Temporarily restricted —		
Investment loss	(26)	(203)
Net change in unrealized gains and losses on investments	(22)	487
	$ (3,065)	$ 33,573

8. LAND, BUILDINGS AND EQUIPMENT

A summary of land, buildings and equipment and the related accumulated depreciation and amortization at December 31, 2011 and 2010 is as follows

	2011	2010
Land and improvements	$ 26,506	$ 23,538
Buildings and improvements	434,786	383,009
Equipment	283,645	281,429
Construction in progress	6,897	12,277
Property under capital lease	12,154	12,154
Total land, buildings and equipment	763,988	712,407
Accumulated depreciation and amortization	(383,414)	(346,780)
Land, buildings and equipment — net	$ 380,574	$ 365,627

ThedaCare is obligated under various capital leases Accumulated amortization at December 31, 2011 and 2010 was $6,262 and $4,165, respectively

Depreciation expense for the years ended December 31, 2011 and 2010 was $41,417 and $35,743, respectively

9. LONG-TERM DEBT

Long-term debt at December 31, 2011 and 2010 is summarized as follows

	2011	2010
Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 2001, interest at 3 63% to 5 00% due in installments 2021 through 2030	$ 49,030	$ 49,030
Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 2005, interest at 4 50% to 5 00% due in installments through 2030	54,245	55,906
Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 2009A, interest at 3 50% to 5 50% due in installments through 2038	88,485	90,000
Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 2009B, interest at 4 00% to 5 00% due in installments through 2020	28,195	31,266
Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 2010, interest at 2 50% to 5 00% due in installments through 2027	22,760	23,740
Note payable to City of Shawano, Series 2001 Wisconsin Industrial Development Revenue Bonds, interest at 70% of one-month LIBOR plus 1 75% (1 43% at December 31, 2011) due in installments through 2018	5,022	-
Note payable to City of Shawano, Series 2006 Wisconsin Industrial Development Revenue Bonds, interest at 4 93% due in installments through 2031 The interest rate becomes variable in October 2021	5,283	-
Capital lease obligations	6,407	8,625
Total	259,427	258,567
Less current portion	10,358	9,266
Long-term debt - net of current portion	$ 249,069	$ 249,301

The loans and related agreements with Wisconsin Health and Educational Facilities Authority (WHEFA) and the City of Shawano provide, among other things, that the members of the Obligated Group (ThedaCare, Inc , Theda Clark Medical Center, Inc , Appleton Medical Center, Inc , New London Family Medical Center, Inc , Riverside Medical Center, Inc and Shawano Medical Center, Inc) are jointly and severally obligated for the debt service on all obligations issued thereunder Under the terms of the agreements, various amounts are being held on deposit with a trustee for bond redemption, interest payments and certain construction expenditures In addition, the master trust indenture requires the Obligated Group to maintain certain financial ratios and places restrictions on various activities such as the transfer of assets and incurrence of additional indebtedness

Scheduled maturities on all long-term debt are as follows

Maturity Date	Bonds and Notes Payable	Capital Leases	Total
2012	$ 8,283	$ 2,438	$ 10,721
2013	8,651	2,378	11,029
2014	9,040	1,211	10,251
2015	9,280	269	9,549
2016	9,175	274	9,449
Thereafter	208,591	484	209,075
	253,020	7,054	260,074
Less amount representing interest	-	(647)	(647)
Present value of minimum future obligations	$ 253,020	$ 6,407	$ 259,427

Total interest cost incurred during the years ended December 31, 2011 and 2010, was $13,380 and $13,144, respectively

10. LEASE COMMITMENTS

Lease expense charged to operations for all operating leases was $16,131 in 2011 and $13,786 in 2010 As of December 31, 2011, future minimum lease payments under all operating leases with initial or remaining noncancelable lease terms in excess of one year are approximately as follows

Years Ending December 31,	
2012	$ 16,219
2013	15,918
2014	15,569
2015	15,473
2016	11,686
Thereafter	19,745
Total	$ 94,611

11. DEFERRED EMPLOYEE BENEFIT OBLIGATIONS AND PENSION PLANS

Defined Contribution Plan

ThedaCare offers a defined contribution retirement and 403(b) savings plan in which substantially all employees may participate For employees age 19 and over, the plan includes a 75 percent match on the first 4 percent of eligible wages contributed to the plan by employees, plus an annual employer contribution from 3 to 8 percent of eligible wages based on years of service to employees who meet a minimum hours requirement and are employed as of the last day of the plan year (December 31) ThedaCare also contributes a transition contribution equal to 7 percent of eligible wages to employees age 55 and over who had at least 10 years of service as of January 1, 2010 ThedaCare will make transition contributions through 2016 Total defined contribution expenses were approximately $21,637 and $18,870 during 2011 and 2010, respectively

Deferred Compensation

ThedaCare provides certain executive compensation plans which vest over a one to five year time period, and are paid out once the balances are fully vested Related liabilities are $2,278 and $1,725 at December 31, 2011 and 2010, respectively

Pension and Other Post Retirement Benefits

The ThedaCare Pension Plan, which was frozen in 2009, is a defined benefit pension plan which covers all full-time and many part-time employees of ThedaCare who have completed one year of service and attained the age of 21 ThedaCare funds contributions to the Plan based on actuarial computations using the projected unit credit method Benefits are based on years of service and the employee's average compensation for the five highest consecutive years of service ThedaCare contributed $6,800 and $28,000 to the plan during 2011 and 2010, respectively The contributions for ThedaCare's pension plan for the year ending December 31, 2012 are anticipated to be $11,400 The contribution for Thedacare's other postretirement benefits for the year ending December 31, 2012, are anticipated to be $320

ThedaCare provides certain benefits to eligible employees after their retirement date Such benefits include life insurance and the additional claims cost in excess of standard premiums for medical and dental benefits ThedaCare funds benefit costs on a pay-as-you-go basis During 2011 and 2010, ThedaCare made benefit payments totaling approximately $250 and $240, respectively

Information regarding the benefit obligations and assets of the pension and postretirement benefit plans as of and for the years ended December 31, 2011 and 2010, are as follows

	Pension Benefits		Other Postretirement Benefits	
	2011	2010	2011	2010
Actuarial present value of benefit obligations				
Accumulated benefit obligation	$ 253,881	$ 238,559	$ 4,783	$ 4,023
Change in projected benefit obligation				
Projected benefit obligation at beginning of measurement period	$ 238,559	$ 233,177	$ 4,023	$ 4,183
Service cost	-	-	230	260
Interest cost	10,854	12,274	185	223
Actuarial losses (gains)	22,284	8,288	595	(404)
Benefits paid	(17,816)	(15,180)	(250)	(240)
Projected benefit obligation — end of measurement period	253,881	238,559	4,783	4,022
Change in plan assets				
Fair value of plan assets — beginning of measurement period	200,238	167,650	-	-
Actual return on plan assets	16,425	19,768	-	-
Employer contributions	6,800	28,000	250	240
Benefits paid	(17,816)	(15,180)	(250)	(240)
Fair value of plan assets — end of measurement period	205,647	200,238	-	-
Funded status at end of measurement period	$ (48,234)	$ (38,321)	$ (4,783)	$ (4,022)
Amounts recognized on the statement of financial position consist of the following				
Current portion of deferred employee benefit obligations	$ -	$ -	$ (320)	$ (250)
Deferred employee benefit obligations - long term	(48,234)	(38,321)	(4,463)	(3,772)
Total	$ (48,234)	$ (38,321)	$ (4,783)	$ (4,022)
Amounts recognized in unrestricted net assets consist of				
Net actuarial loss (gain)	$ 81,008	$ 65,954	$ 368	$ (227)
Net prior service credit	-	-	(10)	(13)
Total	$ 81,008	$ 65,954	$ 358	$ (240)

Components of net periodic benefit cost and other amounts recognized in changes in unrestricted net assets are as follows

	Pension Benefits		Other Postretirement Benefits	
	2011	2010	2011	2010
Net periodic benefit cost				
Service cost	$ -	$ -	$ 230	$ 260
Interest cost on projected benefit obligation	10,854	12,274	185	223
Expected return on plan assets	(13,002)	(11,756)	-	-
Amortization of				
Net losses	3,806	4,113	-	-
Net prior service credit	-	-	(3)	(3)
Net periodic pension cost	1,658	4,631	412	480
Other changes in plan assets and benefit obligations recognized in unrestricted net assets				
Net actuarial loss (gain) arising during the period	18,860	276	595	(404)
Amortization of prior service credit	-	-	3	3
Amortization of net actuarial loss	(3,806)	(4,113)	-	-
	15,054	(3,837)	598	(401)
Total recognized in net periodic benefits cost and unrestricted net assets	$ 16,712	$ 794	$ 1,010	$ 79

The estimated net loss for the defined benefit pension plan that will be amortized from unrestricted net assets into net periodic benefit cost during 2012 is $5,126 The estimated prior service cost for the other postretirement benefits plan that will be amortized from unrestricted net assets into net periodic benefit cost during 2012 is $3

The following weighted-average assumptions were used to estimate the benefit obligation at December 31 and the net periodic benefit cost for the year ended December 31

	Pension Benefits		Other Postretirement Benefits	
	2011	2010	2011	2010
Discount rate (benefit obligation)	4 50 %	4 75 %	4 50 %	4 75 %
Discount rate (benefit cost)	4 75	5 50	4 75	5 50
Assumed rate of return on plan assets (benefit obligation)	6 60	6 75	N/A	N/A
Assumed rate of return on plan assets (benefit cost)	6 75	7 25	N/A	N/A

To develop the expected long-term rate of return on assets assumptions, ThedaCare considered the historical returns and future expectations for returns in each asset class, as well as targeted asset allocation percentages within the pension portfolio This resulted in the selection of 6 60 percent and 6 75 percent for the 2011 and 2010 long-term rate of return on assets assumption, respectively

For postretirement benefit obligation measurement purposes, a 9 percent annual rate of increase in the per capita cost of covered healthcare benefits was assumed for 2012 The rate is assumed to decrease by 1 percent per year to 5 percent in 2016 and remain at the level thereafter

The assumed health care cost trend assumption has a significant effect on the amounts reported for the postretirement benefit obligation A one-percentage-point change in the assumed health care cost trend rate would have the following effects

	One Percentage Point Increase	One Percentage Point Decrease
Effect on interest cost components in 2011	$ 50	$ (43)
Effect on postretirement benefit obligation as of December 31, 2011	406	(356)

The following estimated future benefit payments, which reflect expected future service, as appropriate, are as follows

Years Ending December 31,	Pension Benefits	Postretirement Benefits
2012	$ 21,795	$ 320
2013	21,122	370
2014	20,955	375
2015	20,835	365
2016	21,365	420
2017-2021	95,894	2,375
	$ 201,966	$ 4,225

Plan Assets

The pension fund is managed in accordance with the documents, policies, applicable laws and regulations of the pension investment policy The pension investment policy includes specific guidelines for quality, asset concentration, asset mix, asset allocations and performance expectations The pension funds are reviewed for compliance with the pension investment policy by the Finance Committee

For the years ended December 31, 2011 and 2010, the asset mix targets are as follows

	2011	2010
Fixed income securities (includes cash and cash equivalents maintained to meet anticipated plan expenses and distributions)	70 %	65 %
Equity securities	30	35
	100 %	100 %

At December 31, 2011 and 2010, the fair value of pension plan assets by asset category are as follows

	2011			
Asset Category	Total	Level 1	Level 2	Level 3
Equity securities				
Domestic mutual funds	$ 42,767	$ 42,767	$ -	$ -
International mutual funds	7,898	7,898	-	-
Fixed income securities				
Fixed income mutual funds	151,995	151,995	-	-
	202,660	$ 202,660	$ -	$ -
Cash and cash equivalents	2,987			
	$ 205,647			

	2010			
Asset Category	Total	Level 1	Level 2	Level 3
Equity securities				
Domestic mutual funds	$ 56,113	$ 56,113	$ -	$ -
International mutual funds	11,345	11,345	-	-
Fixed income securities				
Fixed income mutual funds	127,790	127,790	-	-
	195,248	$ 195,248	$ -	$ -
Cash and cash equivalents	4,990			
	$ 200,238			

12. UNEMPLOYMENT COMPENSATION

The Hospitals have elected to pay for unemployment compensation benefits on a reimbursement basis and have filed with the Wisconsin Department of Industry, Labor and Human Relations (the "Department") letters of credit in the aggregate amount of $6,109 at December 31, 2011 and 2010. The Department notifies ThedaCare on an annual basis of the amount of the letter of credit required to be in compliance

13. RESTRICTIONS ON NET ASSETS

At December 31, 2011 and 2010, the primary donor restrictions on net assets were as follows

	2011	2010
Temporary		
Capital expenditures		
Campaign Fund	$ 2,765	$ 2,773
Aylward Surgery Center	394	364
Programs		
ThedaCare Community Fund	1,321	1,411
P A R T Y	102	162
Mielke Fund TR	118	151
Capital expenditures or programs		
Peabody Manor	950	1,033
Cancer Center	445	424
Appleton Medical Center	369	369
Shawano Medical Center	206	-
Collaborative Care	303	303
Urology	118	121
Various	2,421	1,689
	$ 9,512	$ 8,800

	2011	2010
Permanent		
Shattuck Fund	$ 3,124	$ 3,124
Strange Endowment	1,000	1,000
Children's Endowment	425	425
Elderly Services	299	299
TC Endowment Fund	208	207
Auxiliary Volunteer Service Scholarship	175	171
Boldt Family Fund	149	149
Various	648	605
	$ 6,028	$ 5,980

14. ENDOWMENT FUNDS

The ThedaCare endowment consists of 18 individual funds established for a variety of purposes Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions

Interpretation of Relevant Law

The Board of Directors of ThedaCare has interpreted the state of Wisconsin UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary As a result of this interpretation, ThedaCare classified as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net asset is classified as temporarily restricted net assets

ThedaCare's endowment net asset composition by type of fund is as follows at December 31, 2011 and 2010

	2011				2010			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted	$ (9)	$ 1,008	$ 6,028	$ 7,027	$ (7)	$ 1,148	$ 5,980	$ 7,121
Board-designated	3,437	-	-	3,437	3,437	-	-	3,437
Total funds	$ 3,428	$ 1,008	$ 6,028	$10,464	$ 3,430	$ 1,148	$ 5,980	$10,558

The changes in endowment by net asset class for ThedaCare were as follows for the years ended December 31, 2011 and 2010

	2011				2010			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 3,430	$ 1,148	$ 5,980	$ 10,558	$ 3,423	$ 981	$ 5,948	$ 10,352
Investment return								
Investment income	-	26	-	26	-	24	-	24
Net appreciation (realized and unrealized)	(2)	(69)	-	(71)	7	227	-	234
Total investment return	(2)	(43)	-	(45)	7	251	-	258
Contributions	-	-	48	48	-	-	32	32
Appropriation of endowment assets for expenditure	-	(97)	-	(97)	-	(84)	-	(84)
Endowment net assets, end of year	$ 3,428	$ 1,008	$ 6,028	$ 10,464	$ 3,430	$ 1,148	$ 5,980	$ 10,558

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires ThedaCare to retain as a fund of perpetual duration Deficiencies of this nature that are reported in unrestricted net assets were $9 and $7 as of December 31, 2011 and 2010, respectively These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Directors

Return Objectives and Risk Parameters

ThedaCare has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, ThedaCare relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends) ThedaCare targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints

Spending Policy and How the Investment Objectives Relate to Spending Policy

ThedaCare has a policy of appropriating for distribution each year 5 percent of its endowment fund's average fair value over the prior 12 quarters through the calendar year-end proceeding the fiscal year in which the distribution is planned In establishing this policy, ThedaCare considered the long-term expected return on its endowment

15. COMMITMENTS AND CONTINGENCIES

At December 31, 2011, ThedaCare had commitments totaling approximately $2,342 related to construction projects and major equipment purchases

16. LITIGATION

ThedaCare is involved in litigation arising in the normal course of business After consultation with legal counsel, it is management's opinion that these matters will be resolved without material adverse effect on ThedaCare's financial position or results from operations

17. RESTATEMENT

Subsequent to issuance of the consolidated financial statements for the year ended December 31, 2010, management determined that an accounting error, as described below, was included in the previously issued financial statements As a result, the consolidated financial statements for the year ended December 31, 2010 have been restated The restatement had no impact on net cash provided by operating activities in the 2010 consolidated statement of cash flows

ThedaCare made an error when recording an adjustment to its defined benefit pension plan liability that affected its accrual for its annual retirement and transition contributions to its defined contribution retirement and 403(b) savings plan as of December 31, 2010, resulting in an understatement of accrued liabilities and benefits expense The consolidated financial statements for the year ended December 31, 2010 have been retroactively restated for the error in the amount of $11,623

The effects of the correction of this error on the 2010 consolidated financial statements are reflected below

	As Originally Reported	Effect of Change	As Adjusted
Statement of Financial Position			
Accrued and other current liabilities	$ 46,208	$ 11,623	$ 57,831
Total current liabilities	70,329	11,623	81,952
Total liabilities	365,907	11,623	377,530
Unrestricted net assets	447,181	(11,623)	435,558
Total net assets	461,961	(11,623)	450,338
Statement of Operations and Changes in Unrestricted Net Assets			
Compensation and benefits expense	$ 322,367	$ 11,623	$ 333,990
Operating income	27,736	(11,623)	16,113
Excess of revenue over expenses	58,149	(11,623)	46,526
Increase in unrestricted net assets	65,475	(11,623)	53,852
Statement of Changes in Total Net Assets			
Excess of revenue over expenses	$ 58,149	$ (11,623)	$ 46,526
Increase in unrestricted net assets	65,475	(11,623)	53,852
Increase in total net assets	64,639	(11,623)	53,016
Statement of Cash Flows			
Increase in total net assets	$ 64,639	$ (11,623)	$ 53,016
Pension-related changes other than net periodic pension cost	(15,861)	11,623	(4,238)

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SUPPLEMENTAL SCHEDULE

THEDACARE, INC. AND AFFILIATES

SCHEDULE OF DEBT SERVICE COVERAGE RATIO (1)
FOR THE YEAR ENDED DECEMBER 31, 2011
(In thousands)

(OBLIGATED GROUP)

Excess of revenue over expenses (2)	$ 73,523
Interest expense	13,193
Depreciation and amortization	45,825
Net income available for debt service (A)	$ 132,541
Maximum annual debt service on the Series 2001, Series 2005, 2006, 2009 and 2010 Master Notes (B) (3)	$ 23,159
Debt service coverage ratio (A–B)	5 72

(1) The financial information presented has been derived from the historical financial statements of ThedaCare, Inc , Appleton Medical Center, Theda Clark Medical Center, New London Family Medical Center, Riverside Medical Center and Shawano Medical Center, defined as members of the Obligated Group per the Master Trust Indenture (the "Indenture") The financial statements of the Obligated Group members are included in the consolidated financial statements of ThedaCare, Inc and Affiliates

(2) Excess of revenue over expenses adjusted for net unrealized gains and investment losses as defined in Section 8a of the Indenture

(3) Maximum annual debt service is computed as defined in Section 5 7 of the Indenture