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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
NEBRASKA METHODIST HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
8511 WEST DODGE ROAD

City or town, state or country, and ZIP + 4
OMAHA, NE 68114

D Employer identification number
47-0376604

E Telephone number
(402) 354-4840

G Gross receipts $ 443,293,543

F Name and address of principal officer
STEPHEN L GOESER
8511 WEST DODGE ROAD
OMAHA, NE 68114

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 BESTCARE ORG

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

L Year of formation 1891

M State of legal domicile NE

Part I Summary

1 Briefly describe the organization's mission or most significant activities
IMPROVING THE QUALITY OF LIFE THROUGH EXCELLENCE IN HEALTHCARE

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**	19
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	14
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	3,356
6	Total number of volunteers (estimate if necessary)	**6**	400
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	4,512,432
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	141,419

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	2,109,831	12,998,342
	9 Program service revenue (Part VIII, line 2g)	397,945,784	409,982,442
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,060,796	5,093,753
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,603,588	4,910,777
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	408,719,999	432,985,314
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	11,748,183	15,445,728
	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)	169,080,437	175,805,190
	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)	213,891,104	220,991,508
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	394,719,724	412,242,426
	19 Revenue less expenses Subtract line 18 from line 12	14,000,275	20,742,888

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	537,398,294	547,879,912
	21 Total liabilities (Part X, line 26)	321,111,055	327,179,436
	22 Net assets or fund balances Subtract line 21 from line 20	216,287,239	220,700,476

Part II Signature Block

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

Sign Here

▶ Signature of officer — 2012-11-06 Date

▶ LINDA K BURT VICE PRES-FINANCE & CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ▶☐	Preparer's taxpayer identification number (see instructions) P00223617
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ KPMG LLP 2 CENTRAL PARK PLAZA SUITE 1501 OMAHA, NE 68102			EIN ▶ 13-5565207 Phone no ▶ (402) 348-1450

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

NEBRASKA METHODIST HOSPITAL IS AN ACUTE CARE FACILITY DEDICATED TO BRINGING HIGH QUALITY CARE FOR THE MIND, BODY AND SPIRIT OF EVERY PERSON WE PROVIDE COMMUNITY-BASED HEALTH CARE, HEALTH EDUCATION AND SUPPORT SERVICES EVER MINDFUL OF THE INTRINSIC HONOR AND RESPONSIBILITY ACCOMPANYING OUR MISSION

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 $ 44,368,331 including grants of $ 1,659,073) (Revenue $ 47,898,499)

HEART DISEASE AND STROKE REMAIN THE NATION'S FIRST AND THIRD LEADING CAUSE OF DEATH IN DOUGLAS COUNTY, HEART DISEASE IS THE SECOND LEADING CAUSE OF DEATH AFTER CANCER AND STROKE IS THE THIRD LEADING CAUSE OF DEATH HEART DISEASE AND STROKE TAKE A TREMENDOUS TOLL ON OUR SOCIETY IN LIVES LOST, LOST PRODUCTIVITY, DISABILITIES AND HOSPITALIZATIONS METHODIST HOSPITAL IS COMMITTED TO DOING WHAT'S RIGHT FOR ITS PATIENTS' HEARTS OUR PHYSICIANS, NURSES, AND TECHNICIANS WORK CLOSELY TO ENSURE THAT CARE IS TAILORED TO SUIT THE PATIENT'S SPECIFIC NEEDS METHODIST HOSPITAL HAS MADE HEART DISEASE ONE OF ITS PRIORITIES OFFERING COMPREHENSIVE CARDIAC AND VASCULAR SERVICES INCLUDING DIAGNOSTIC CARDIAC TESTING WE CONTINUOUSLY ASSESS OUR PERFORMANCE AND ARE PROUD TO REPORT THAT METHODIST HOSPITAL AND AFFILIATES' OUTCOMES FOR SUCH KEY MEASURES AS 'DOOR-TO-BALLOON RATES', THE AMOUNT OF TIME IT TAKES TO MOVE A HEART PATIENT FROM THE EMERGENCY ROOM ENTRANCE TO LIFESAVING PROCEDURE - ARE CONSISTENTLY BETTER THAN NATIONAL STANDARDS ALL OF OUR DIAGNOSTIC AND REHABILITATION CENTERS - FROM CARDIOPULMONARY REHABILITATION TO OUR VASCULAR LAB AND ECHO LAB - ARE NATIONALLY CERTIFIED FOR EXCELLENCE IN CARDIAC CARE CARDIAC AND VASCULAR DIAGNOSTIC TESTS COVER A VAST ARRAY OF SOPHISTICATED PROCEDURES, INCLUDING METHODIST'S INNOVATIVE 3-D IMAGING, THE ONLY SERVICE OF ITS KIND IN THE AREA ALL TESTS ARE CONDUCTED BY SKILLED PROFESSIONALS WHOSE DEDICATION TO ACCURACY AND EFFICIENCY AS WELL AS PATIENT COMFORT AND SAFETY HELPS ENSURE THE PHYSICIAN MAKES THE PROPER DIAGNOSIS METHODIST HOSPITAL HAS BEEN RECOGNIZED BY THE AMERICAN HEART ASSOCIATION (AHA) FOR IMPROVING THE QUALITY OF CARE FOR HEART ATTACK PATIENTS METHODIST HOSPITAL HAS EARNED THE AHA MISSION LIFELINE BRONZE PERFORMANCE ACHIEVEMENT AWARD AS A STEMI (STELEVATION MYCARDIAL INFARCTION) RECEIVING CENTER STEMI MEANS HEART ATTACK, AND SUCCESSFUL HEART ATTACK TREATMENT REQUIRES A CAREFULLY COORDINATED, EXPEDITED RESPONSE AS A LIFELINE PERFORMANCE AWARD WINNER, THE MULTIDISCIPLINARY TEAM AT METHODIST HOSPITAL HAS DEMONSTRATED A HIGHER STANDARD OF CARE THAT IMPROVES THE SURVIVAL AND OUTCOMES OF THE MOST CRITICAL HEART ATTACK PATIENTS AHA MISSION LIFELINE PERFORMANCE STANDARDS ARE AMONG THE MANY QUALITY MEASURES THAT THE METHODIST CARDIAC AND VASCULAR CENTER FOCUSES ON EACH DAY METHODIST HOSPITAL IS THE ONLY HOSPITAL IN OMAHA TO OFFER CARDIAC CRYOABLATION TECHNOLOGY CRYOABLATION IS USED TO TREAT PATIENTS WHO SUFFER FROM SERIOUS, OFTEN LIFE-THREATENING IRREGULAR HEARTBEATS CALLED ATRIAL FIBRILATION

4b (Code) (Expenses $ 27,538,941 including grants of $ 1,021,973) (Revenue $ 23,170,390)

CANCER CARE AT METHODIST OFFERS THE FINEST CLINICAL EXPERTS, STATE-OF-THE-ART TECHNOLOGY, ACTIVE CLINICAL TRIALS AND SPECIALIZED CANCER CLINICS FOR LUNG AND THORACIC CANCERS, HEAD AND NECK CANCERS, BREAST CANCER AND GYNECOLOGIC CANCER AT NEBRASKA METHODIST HOSPITAL, WE UNDERSTAND HOW DEEPLY A DIAGNOSIS OF CANCER DIFFERS FROM OTHER MEDICAL CONDITIONS CANCER CAN EVOKE BOTH FEAR AND HOPE IN PROFOUND WAYS WE ARE HERE TO HELP PEOPLE THROUGH ALL OF CANCER'S MANY CHALLENGES THAT IS WHY WE OFFER COMPREHENSIVE, SUPPORTIVE AND COMPASSIONATE CARE AT OUR METHODIST ESTABROOK CANCER CENTER, A CENTER DEDICATED TO SAVING LIVES, IMPROVING QUALITY OF LIFE AND BEATING CANCER WE HAVE A GROWING, CAREFULLY CHOSEN TEAM OF EXPERTS WITH A COMMITMENT TO MULTIDISCIPLINARY CARE CANCER STRIKES FIRST AT THE CELLULAR LEVEL, YET ITS IMPACT REVERBERATES THROUGHOUT A PERSON'S BODY, MIND AND SPIRIT AT METHODIST ESTABROOK CENTER, WE FIGHT CANCER IN ITS TOTALITY AND WE UNITE ALL OF OUR RESOURCES TO HELP OUR PATIENTS AND THEIR FAMILY MEMBERS THIS UNIQUE MULTIDISCIPLINARY APPROACH IS ONE OF OUR GREATEST STRENGTHS WORKING TOGETHER WITH THE PATIENT ON THE TEAM, WE FOCUS A RARE LEVEL OF COMBINED EXPERTISE TO EXPAND TREATMENT OPTIONS, IMPROVE OUTCOMES AND PROVIDE COMFORT AND HOPE THE CANCER CENTER HAS A MULTIPURPOSE ROOM FOR EXERCISE CLASSES AND SUPPORT GROUPS A RECENT RENOVATION BROUGHT GREATER FUNCTIONALITY AND COMFORT TO TREATMENT AREAS AND OFFICES IN RADIATION ONCOLOGY, ONCOLOGY RESEARCH, THE LUNG/THORACIC ONCOLOGY CLINIC AND GAMMA KNIFE CENTER MAJOR EQUIPMENT UPGRADES INCLUDED A SCHEDULED RELOADING OF THE GAMMA KNIFE WITH COBALT-60 TO MAINTAIN THE HIGHEST LEVEL OF RELIABILITY AND EFFICACY WE HAVE EXPANDED OUR USE OF EXISTING HDR BRACHYTHERAPY TECHNOLOGY, ALLOWING DELIVERY OF HIGH DOSE RATE TREATMENTS TO APPLICABLE GYN CANCER PATIENTS IN MINUTES AND ELIMINATING THE LENGTHY INPATIENT STAY FOR LOW DOSE TREATMENT DUE TO THE LOW INCIDENCE OF CERTAIN TUMORS, CLINICAL TRIALS ARE LIMITED TO A SMALL NUMBER OF PATIENTS TRIALS ARE USUALLY OFFERED ONLY IN CENTERS THAT TREAT A SUFFICIENT NUMBER OF PATIENTS TO GAIN THE EXPERTISE NEEDED TO TREAT SUCH UNUSUAL CASES AND TO MAINTAIN THE PATIENT BASE THAT WOULD ENSURE ENROLLMENT IN CLINICAL TRIALS METHODIST ESTABROOK CANCER CENTER IS AMONG THE CANCER CENTERS TO OFFER SUCH A RESEARCH OPPORTUNITY NINE PERCENT OF METHODIST ESTABROOK CANCER CENTER PATIENTS ARE TRIAL PARTICIPANTS WHICH FAR EXCEEDS THE NATIONAL AVERAGE OF 2%-3% IN ADDITION TO PROVIDING STANDARD TREATMENTS, THE PHYSICIANS AT METHODIST ESTABROOK CANCER CENTER HAVE CONSISTENTLY SHOWED ACTIVE PARTICIPATION IN COOPERATIVE STUDY GROUPS AND PHARMACEUTICAL INDUSTRY-SPONSORED CLINICAL TRIALS THE RADIATION ONCOLOGISTS ARE PART OF THE RADIATION THERAPY ONCOLOGY GROUP (RTOG) STUDY GROUP, WHICH HAS SPEARHEADED NUMEROUS TRIALS FOR TREATMENT OF BRAIN TUMORS CURRENTLY WE HAVE SEVERAL CLINICAL TRIALS OPEN IN OUR CANCER CENTER THAT EXAMINE DIFFERENT RADIATION PROTOCOLS OR NEW SYSTEMIC AGENTS

4c (Code) (Expenses $ 62,500,528 including grants of $ 1,744,963) (Revenue $ 64,350,819)

THROUGHOUT THE METHODIST HEALTH SYSTEM, ATTENTION IS BEING PAID TO WELLNESS FOR WOMEN IN MANY DIFFERENT WAYS METHODIST WOMEN'S HOSPITAL, A HOSPITAL DEDICATED TO WOMEN'S CARE, OPENED ITS DOORS TO THE COMMUNITY AND SURROUNDING AREAS IN 2010 IT IS THE FIRST HOSPITAL OF ITS KIND IN THE REGION PROVIDING EXCELLENCE IN PERSONALIZED, FAMILY-CENTERED CARE THROUGH EDUCATION AND CREATIVE PRACTICE A LEVEL III NEONATAL INTENSIVE CARE UNIT (NICU) HELPS TO ALLEVIATE THE METROPOLITAN AREA'S SHORTAGE OF BEDS FOR AT-RISK BABIES THE 36-BED UNIT PROVIDES A SPECIAL ENVIRONMENT OFFERING THE PROPER LIGHTING AND SOUND LEVELS FOR OPTIMAL NEWBORN DEVELOPMENT WITH PRIVATE ROOMS SO THE FAMILY CAN COMFORTABLY STAY WITH THE BABY IN ADDITION TO MATERNITY SERVICES, THE HOSPITAL PROVIDES A FULL RANGE OF GYNECOLOGICAL SERVICES FOR WOMEN OF ALL AGES

(Code) (Expenses $ 251,025,827 including grants of $ 11,019,719) (Revenue $ 276,564,531)

THE MAIN CAMPUS HOSPITAL HAS 369 TOTAL STAFFED BEDS DESIGNED TO BRING THE FULL RESOURCES OF OUR HEALTHCARE PROVIDERS, EDUCATORS AND SUPPORT SERVICES TO THE PATIENT ADDITIONAL CORE SERVICES INCLUDE MEDICAL/SURGICAL SERVICES, AN EMERGENCY DEPARTMENT, AND DIAGNOSTIC SERVICES THE HOSPITAL ALSO EMPHASIZES EDUCATION FOR PATIENTS, FAMILIES AND THE COMMUNITY THROUGH ITS RESOURCE CENTER THE SYNERGY OF COMBINED EFFORTS AND RESOURCES GENERATES POWERFUL OUTCOMES FOR THE COMMUNITY THROUGH NUMEROUS COMMUNITY BENEFIT PROGRAMS AND CHARITY CARE FOR THOSE IN NEED METHODIST HOSPITAL WAS NAMED ONE OF OMAHA'S MOST PREFERRED HOSPITALS FOR OVERALL QUALITY, DOCTORS, NURSES, IMAGE AND REPUTATION BY LOCAL CONSUMERS ACCORDING TO A NATIONAL RESEARCH CORPORATION (NRC) HEALTHCARE MARKET GUIDE STUDY OUR VALUES STRESS PATIENT-CENTERED, PATIENT-DRIVEN SERVICES, HONOR AND RESPECT FOR THE DIGNITY OF ALL, EXCELLENCE IN ALL OUR DEALINGS, DEDICATION TO OUR COMMUNITY AND WORKING TOGETHER TO STRENGTHEN THE HEALTH AND WELL-BEING OF THE INDIVIDUALS AND COMMUNITIES WE SERVE

4d Other program services (Describe in Schedule O)

(Expenses $ 251,025,827 including grants of $ 11,019,719) (Revenue $ 276,564,531)

4e **Total program service expenses** ▶ $ 385,433,627

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		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	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		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	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, 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**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**	Yes	
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

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

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	117		
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**	3,356		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account 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	19		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	14		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			No
6	Did the organization have members or stockholders?	6		Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			No

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

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		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	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes	

Section C. Disclosure

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

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 ▶

LINDA K BURT
8511 W DODGE ROAD
OMAHA, NE 68114
(402) 354-4840

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								4,294,482	1,912,407	1,214,091

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 ▶ 124

			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
MEYERS-CARISLE-LEAPLEY 14124 INDUSTRIAL ROAD OMAHA, NE 68144	CONSTRUCTION SERVICES	6,265,051
PERINATAL ASSOCIATES PC 717 NORTH 190 PLAZA 2400 OMAHA, NE 68022	MEDICAL	4,492,128
NEONATAL CARE PC 707 NORTH 190 PLAZA OMAHA, NE 68022	MEDICAL	2,286,465
HDR ARCHITECTURE INC P O BOX 3480 OMAHA, NE 68103	CONSULTING	2,169,739
ANDERSON PARTNERS 6919 DODGE STREET OMAHA, NE 68132	MARKETING CONSULTANTS	1,879,258

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 ▶ 51

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	5,030			
	c	Fundraising events	1c				
	d	Related organizations	1d	12,970,212			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	23,100			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		12,998,342			
Program Service Revenue			Business Code				
	2a	NET PATIENT SVC REV	621990	407,990,907	407,990,907		
	b	OTHER PATIENT REVENUE	621990	1,403,223	1,403,223		
	c	MEDICAL RESEARCH	541700	588,312	588,312		
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		409,982,442			
	3	Investment income (including dividends, interest and other similar amounts)		5,061,511			5,061,511
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real	(ii) Personal			
	6a	Gross rents	8,009,098				
	b	Less rental expenses	9,702,544				
	c	Rental income or (loss)	-1,693,446				
	d	Net rental income or (loss)			-1,693,446			-1,693,446
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory		396,990			
	b	Less cost or other basis and sales expenses		364,748			
	c	Gain or (loss)		32,242			
	d	Net gain or (loss)			32,242			32,242
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	330,931			
	b	Less cost of goods sold	b	240,937			
	c	Net income or (loss) from sales of inventory			89,994			89,994
		Miscellaneous Revenue		Business Code				
	11a	CAFETERIA REVENUE		722210	2,001,797	2,001,797		
	b	TECH & PROF CONSULTI		541900	1,450,813		1,450,813	
	c	LABORATORY		621500	1,321,003		1,321,003	
	d	All other revenue			1,740,616		1,740,616	
	e	**Total.** Add lines 11a–11d			6,514,229			
	12	**Total revenue.** See Instructions			432,985,314	411,984,239	4,512,432	3,490,301

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	634,297	634,297		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	14,811,431	14,811,431		
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	4,294,482	2,711,974	1,582,508	
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	135,833,730	135,833,730		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	5,684,178	5,665,598	18,580	
9	Other employee benefits	20,399,788	20,025,429	374,359	
10	Payroll taxes	9,593,012	9,543,050	49,962	
11	Fees for services (non-employees)				
a	Management				
b	Legal	257,748		257,748	
c	Accounting				
d	Lobbying	20,414		20,414	
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees	100,365		100,365	
g	Other	41,639,758	41,037,031	602,727	
12	Advertising and promotion	2,316,154	2,316,154		
13	Office expenses	15,775,786	15,775,786		
14	Information technology	2,934,026	2,934,026		
15	Royalties . .				
16	Occupancy	15,603,593	15,603,593		
17	Travel	357,206	357,206		
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	11,079,767	11,079,767		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	32,952,916	32,952,916		
23	Insurance	2,318,911	2,318,911		
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	MEDICAL SUPPLIES	67,767,543	67,767,543		
b	SYSTEM ALLOCATIONS	23,580,529		23,580,529	
c	STAFF EDUCATION & DEV	1,395,776	1,395,776		
d	SUPPLIES	1,319,326	1,319,326		
e					
f	All other expenses	1,571,690	1,350,083	221,607	
25	**Total functional expenses.** Add lines 1 through 24f	412,242,426	385,433,627	26,808,799	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		13,396,740	1	36,205,065
	2	Savings and temporary cash investments		5,953,244	2	3,258,811
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		48,437,660	4	53,912,724
	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		3,968,213	8	4,956,639
	9	Prepaid expenses and deferred charges		4,161,851	9	5,070,739
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 665,653,374			
	b	Less accumulated depreciation	10b 341,439,388	321,046,244	10c	324,213,986
	11	Investments—publicly traded securities		76,705,502	11	76,870,924
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		3,485,865	13	3,843,178
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		60,242,975	15	39,547,846
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		537,398,294	16	547,879,912
Liabilities	17	Accounts payable and accrued expenses		46,649,947	17	53,586,356
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		268,641,659	20	267,034,948
	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		1,402,729	23	2,250,048
	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		4,416,720	25	4,308,084
	26	**Total liabilities.** Add lines 17 through 25		321,111,055	26	327,179,436
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		216,287,239	27	220,700,476
	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		216,287,239	33	220,700,476
	34	Total liabilities and net assets/fund balances		537,398,294	34	547,879,912

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	432,985,314
2	Total expenses (must equal Part IX, column (A), line 25)	2	412,242,426
3	Revenue less expenses Subtract line 2 from line 1	3	20,742,888
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	216,287,239
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-16,329,651
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	220,700,476

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
NEBRASKA METHODIST HOSPITAL

Employer identification number
47-0376604

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

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
SPENCER STEVENS CHAIRMAN	1 00	X		X				0	0	0
LARRY V PEARSON VICE CHAIR	1 00	X		X				0	0	0
ART N BURTSCHER TREASURER	1 00	X		X				0	0	0
ADAM YALE SECRETARY	1 00	X		X				0	0	0
JOHN M FRASER PRESIDENT/CEO	25 00	X		X				0	602,762	171,191
LARRY DE ROIN DIRECTOR	1 00	X						0	0	0
STEVEN T BAILEY MD DIRECTOR	1 00	X						0	268,710	69,273
HARRIS A FRANKEL MD DIRECTOR	1 00	X						0	0	0
RICHARD C HAHN DIRECTOR	1 00	X						0	0	0
KRISTEN HOFFMAN MD DIRECTOR	1 00	X						0	393,647	83,546
DAN KINNEY PH D DIRECTOR	1 00	X						0	0	0
C L LANDEN DIRECTOR	1 00	X						0	0	0
JOHN R LOHRBERG MD DIRECTOR	1 00	X						0	175,781	34,508
DIANNE SEEMAN LOZIER DIRECTOR	1 00	X						0	0	0
DANIEL LYDIATT MD DDS DIRECTOR	40 00	X						227,149	0	20,610
JAMES L MOUNCE DIRECTOR	1 00	X						0	0	0
JOHN P NELSON DIRECTOR	1 00	X						0	0	0
CONSTANCE M RYAN DIRECTOR	1 00	X						0	0	0
L B RED THOMAS DIRECTOR	1 00	X						0	0	0
STEPHEN L GOESER CEO	40 00			X				464,769	0	103,883
SUSAN KORTH COO WOMEN'S HOSPITAL	40 00			X				173,683	0	34,444
LINDA K BURT VICE PRES FINANCE/CFO	25 00			X				0	471,507	95,632
WILLIAM SHIFFERMILLER MD PHYSICIAN	40 00				X			367,102	0	98,091
JOSIE ABBOUD VP-CLINICAL/ANCILLARY SVCS	40 00				X			177,096	0	43,368
BRAD HANSEN VP-ADMINISTRATION	40 00				X			198,274	0	46,713

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
TERI FRENCH-TIPTON VP-ADMINISTRATION	40 00				X			201,584	0	49,991
DENNIS JOSLIN EXECUTIVE	1 00				X			261,720	0	76,631
DAVID CROTZER MD PHYSICIAN	40 00					X		476,242	0	47,290
RANDALL DUCKERT PHYSICIAN	40 00					X		432,056	0	71,837
TIEN-SHEW HUANG MD PHYSICIAN	40 00					X		405,323	0	45,035
PETER MORRIS MD PHYSICIAN	40 00					X		501,039	0	81,060
ALIREZA MIRMIRAN MD PHYSICIAN	40 00					X		408,445	0	40,988

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

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

OMB No 1545-0047

2011

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
NEBRASKA METHODIST HOSPITAL	47-0376604

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)	20,414	62,733
c Total lobbying expenditures (add lines 1a and 1b)	20,414	62,733
d Other exempt purpose expenditures	412,222,012	456,190,064
e Total exempt purpose expenditures (add lines 1c and 1d)	412,242,426	456,252,797
f Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	1,000,000
g Grassroots nontaxable amount (enter 25% of line 1f)	250,000	250,000
h Subtract line 1g from line 1a If zero or less, enter -0-	0	0
i Subtract line 1f from line 1c If zero or less, enter -0-	0	0

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures	68,476	70,755	60,419	62,733	262,383
d Grassroots non-taxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f Grassroots lobbying expenditures					

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

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

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
EXPLANATION OF OTHER LOBBYING ACTIVITIES	PART II-B, LINE 1I	A PORTION OF THE ANNUAL DUES PAID TO THE AMERICAN HOSPITAL AND NEBRASKA HOSPITAL ASSOCIATIONS IS ATTRIBUTABLE TO LOBBYING ACTIVITIES

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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
NEBRASKA METHODIST HOSPITAL

Employer identification number
47-0376604

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	424,400				
b Contributions	300,000				
c Investment earnings or losses	1,307				
d Grants or scholarships					
e Other expenditures for facilities and programs	14,564				
f Administrative expenses					
g End of year balance	711,143				

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

- a Board designated or quasi-endowment ▶ 0 %
- b Permanent endowment ▶ 95 500 %
- c Term endowment ▶ 4 500 %

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

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

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

Part VI 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		2,233,235		2,233,235
b Buildings		314,303,481	133,980,723	180,322,758
c Leasehold improvements				
d Equipment		349,116,658	207,458,665	141,657,993
e Other				
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				324,213,986

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) OTHER RECEIVABLES	20,899,577
(2) CONSTRUCTION IN PROGRESS	8,740,641
(3) DUE FROM AFFILIATES	923,786
(4) OTHER ASSETS	2,394,598
(5) DEF DEBT ISSUANCE EXP	6,529,201
(6) SECURITIES ON LOAN	60,043
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	39,547,846

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
COND ASSET RETIREMENT OBLIGATION	4,308,084
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	4,308,084

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	THE NEBRASKA METHODIST HOSPITAL RECOGNIZES THE EFFECT OF INCOME TAX POSITIONS ONLY IF THOSE POSITIONS ARE MORE LIKELY THAN NOT OF BEING SUSTAINED RECOGNIZED INCOME TAX POSITIONS ARE MEASURED AT THE LARGEST AMOUNT THAT IS GREATER THAN 50% LIKELY OF BEING REALIZED CHANGES IN RECOGNITION OR MEASUREMENT ARE REFLECTED IN THE PERIOD IN WHICH THE CHANGE IN JUDGMENT OCCURS NO CHANGES WERE MADE TO THE FINANCIAL STATEMENTS DUE TO FIN48

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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
NEBRASKA METHODIST HOSPITAL

Employer identification number
47-0376604

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 ____ %	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 600.000000000000 %	3b	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was 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)			32,518,187	19,331,954	13,186,233	3 200 %
b Medicaid (from Worksheet 3, column a)			4,187,476		4,187,476	1 020 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			0			
d **Total** Charity Care and Means-Tested Government Programs			36,705,663	19,331,954	17,373,709	4 220 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			3,551,710		3,551,710	0 860 %
f Health professions education (from Worksheet 5)			5,212,160		5,212,160	1 260 %
g Subsidized health services (from Worksheet 6)			2,385,797		2,385,797	0 580 %
h Research (from Worksheet 7)			246,480		246,480	0 060 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			521,117		521,117	0 130 %
j **Total** Other Benefits			11,917,264		11,917,264	2 890 %
k **Total.** Add lines 7d and 7j			48,622,927	19,331,954	29,290,973	7 110 %

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			2,183		2,183	0 %
2	Economic development						
3	Community support			43,546		43,546	0 010 %
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building			14,649		14,649	0 %
7	Community health improvement advocacy			145		145	0 %
8	Workforce development						
9	Other						
10	**Total**			60,523		60,523	0 010 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense	2	9,287,317		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	92,738,736
6	Enter Medicare allowable costs of care relating to payments on line 5	6	120,093,416
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-27,354,680
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	1 WEST DODGE IMAGING LLC	DIAGNOSTIC IMAGING SERVICES	50 000 %		50 000 %
2	3 METHODIST ENDOSCOPY CENTER LLC	AMBULATORY SURGICAL FACILITY	50 000 %		50 000 %
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? 2

	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	NEBRASKA METHODIST HOSPITAL 8303 DODGE STREET OMAHA,NE 68114	X	X		X		X	X		
2	METHODIST WOMEN'S HOSPITAL 707 NORTH 190 PLAZA OMAHA,NE 68022	X	X		X			X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

NEBRASKA METHODIST HOSPITAL

Name of Hospital Facility:

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 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 600 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)

METHODIST WOMEN'S HOSPITAL

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 200 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 600 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? 1

	Name and address	Type of Facility (Describe)
1	RENAISSANCE CLINIC 3612 CUMING STREET OMAHA,NE 68131	LOW INCOME COMMUNITY CLINIC
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 METHODS PRIMARILY USED ARE THE FINANCIAL INFORMATION FROM THE MEDICARE COST REPORT AND ACTUAL EXPENDITURES INFORMATION FOR UNREIMBURSED MEDICAID IS CONSISTENT WITH AMOUNTS FILED IN THE 2011 MEDICARE COST REPORT INFORMATION ON PROGRAMS CONSTITUTING COMMUNITY HEALTH IMPROVEMENT SERVICES, COMMUNITY BENEFIT OPERATIONS, SUBSIDIZED HEALTH SERVICES AND IN-KIND DONATIONS IS COLLECTED THROUGH THE YEAR USING THE COMMUNITY BENEFITS INVENTORY SOCIAL ACCOUNTABILITY SOFTWARE WHICH FOLLOWS CATHOLIC HEALTH ASSOCIATION(CHA) GUIDELINES FOR COMMUNITY BENEFITS REPORTING AMOUNTS SHOWN AS COMMUNITY BENEFIT ARE AT COST LESS ANY REVENUE EXCLUSIVE OF ANY GRANTS CASH AND IN-KIND DONATIONS THAT SUPPORT FINANCIAL ASSISTANCE AND OTHER COMMUNITY BENEFIT ACTIVITIES ARE INCLUDED IN CONTRIBUTIONS

Identifier	ReturnReference	Explanation
		PART I, LINE 7G PART VI, LINE 1 A SUBSIDIZED HEALTH SERVICE BENEFIT IS CALCULATED FOR DEPARTMENTS AND SERVICES RECOGNIZING THESE AREAS OPERATE AT A NEGATIVE MARGIN EMERGENCY DEPARTMENT AND TRANSPORT SERVICES, THE RENAISSANCE HEALTH CLINIC, AND THE WOMEN'S HEALTH CLINIC ALL OPERATE AT NEGATIVE MARGINS THE RENAISSANCE HEALTH CLINIC, LOCATED IN NORTH OMAHA, IS AN ONGOING JOINT COMMUNITY PROJECT OF NEBRASKA METHODIST HOSPITAL AND THE SALVATION ARMY THAT HELPS TO MEET THE HEALTH NEEDS OF OMAHA'S LOW-INCOME POPULATION WITHIN AN ATMOSPHERE OF CARING AND RESPECT ADVANCED PRACTICE NURSES OFFER BOTH WALK-IN AND SCHEDULED APPOINTMENTS A SLIDING FEE SCALE IS USED BASED ON THE PATIENT'S ABILITY TO PAY FREE OR LOW-COST SERVICES INCLUDE PHYSICAL EXAMS, TREATMENT OF MINOR AND CHRONIC HEALTH PROBLEMS AND ILLNESSES, PHYSICIAN REFERRALS, HEALTH EDUCATION, FAMILY PLANNING SERVICES, ADOLESCENT ROUTINE CARE, SCHOOL PHYSICALS, HIV TESTING AND RISK COUNSELING, STD TESTING AND TREATMENT, AND TREATMENT FOR VICTIMS OF SEXUAL ASSAULT AND DOMESTIC ABUSE METHODIST WOMEN'S HOSPITAL OFFERS BIRTH SERVICES, GYNECOLOGY, HIGH-RISK OBSTETRICS, LACTATION SERVICES, NEONATAL INTENSIVE CARE, A NEWBORN NURSERY, CHILDBIRTH EDUCATION, A CAR SEAT SAFETY PROGRAM, SURGERY, A SEXUAL ASSAULT PROGRAM AND OUTPATIENT LABORATORY, RADIOLOGY/IMAGING AND EMERGENCY SERVICES ALTHOUGH THE HOSPITAL IS PRIMARILY FOR WOMEN, OUTPATIENT RADIOLOGY IMAGING, LABORATORY AND EMERGENCY SERVICES WILL TREAT BOTH MALE AND FEMALE PATIENTS INPATIENT HOSPITALIZATION IS AVAILABLE ONLY TO WOMEN, MALE PATIENTS WHO NEED INPATIENT SERVICES WILL BE STABLIZED AND TRANSFERRED TO NEBRASKA METHODIST HOSPITAL'S MAIN CAMPUS A LEVEL III NEONATAL INTENSIVE CARE UNIT (NICU) WILL HELP ALLEVIATE THE METROPOLITAN AREA'S SHORTAGE OF BEDS FOR AT-RISK BABIES IN ADDITION TO MATERNITY SERVICES, THE HOSPITAL PROVIDES A FULL RANGE OF GYNECOLOGICAL SERVICES FOR WOMEN OF ALL AGES THE EMERGENCY DEPARTMENT AT METHODIST WOMEN'S HOSPITAL HAS FOUR EXAMINATION ROOMS, FIVE OBSERVATION ROOMS, ONE TRIAGE ROOM, ONE TRAUMA ROOM AND ONE EXAMINATION ROOM FOR SPECIALIZED CARE FOR VICTIMS OF SEXUAL ASSAULT EVERY EMERGENCY ROOM PATIENT RECEIVES APPROPRIATE CARE WHICH BEGINS WITH TREATMENT AND STABILIZATION METHODIST HOSPITAL AND METHODIST WOMEN'S HOSPITAL CONTRACT WITH AN ELIGIBILITY SERVICE TO ASSIST INDIVIDUALS IN DETERMINING ELIGIBILITY AND COMPLETING THE REQUIRED PAPERWORK TO PARTICIPATE IN MEDICAID OR GOVERNMENT MEANS-TESTED PROGRAMS THE SERVICE IS PROVIDED TO PATIENTS AT NO COST

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) THE PERCENTAGE IS ARRIVED AT BY DIVIDING NET COMMUNITY BENEFIT EXPENSE IN COLUMN (E) BY THE SUM OF THE AMOUNT ON FORM 990, PART IX, LINE 25, COLUMN A

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	SCH H, PART VI, LINE 7	NO DIRECT REPORT IS REQUIRED BY THE STATE OF NEBRASKA HOWEVER, INFORMATION FROM THE HOSPITALS' COMMUNITY BENEFITS REPORT DATA IS INCLUDED IN A REPORT COMPILED BY THE NEBRASKA HOSPITAL ASSOCIATION

Identifier	ReturnReference	Explanation
		PART II COMMUNITY BUILDING ACTIVITIES NEBRASKA METHODIST HOSPITAL PROVIDES MONETARY SUPPORT THROUGH THE GREATER OMAHA CHAMBER FOUNDATION MEMBERS OF THE STAFF PROVIDE THEIR TALENT AND EXPERTISE THROUGH INVOLVEMENT ON MORE THAN 15 COMMUNITY ORGANIZATIONS ANNUALLY, MEMBERS OF THE HOSPITAL STAFF HELP ORGANIZE AND SOLICIT HELP FOR THE BRUSH UP NEBRASKA PAINT-A-THON THIS IS A COMMUNITY BASED VOLUNTEER PROGRAM THAT PAINTS HOMES OF QUALIFIED LOW-INCOME ELDERLY AND DISABLED HOMEOWNERS IN THE OMAHA AREA SO THAT THEY MAY MAINTAIN THEIR PROPERTY, INCREASE ENERGY EFFICIENCY AND BEAUTIFY THE COMMUNITY METHODIST HOSPITAL ALONG WITH OTHER HEALTH CARE PROVIDERS AND PUBLIC SAFETY AGENCIES, QUIETLY PLAYS AN IMPORTANT ROLE IN THE COMMUNITY'S ABILITY TO RESPOND TO AND IMPROVE EMERGENCY RESPONSE DURING A NATURAL DISASTER, HAZARDOUS MATERIALS SPILL OR DOMESTIC TERRORIST ATTACK OMAHA METROPOLITAN MEDICAL RESPONSE SYSTEM (OMMRS) WAS ESTABLISHED THROUGH A FEDERAL GRANT IN 2000, AS A MULTIDISCIPLINARY GROUP OF FIRST RESPONDERS AND OTHER HEALTH CARE PROVIDERS OMMRS BENEFITS THE COMMUNITY IN STANDARDIZING EMERGENCY RESPONSE EQUIPMENT AND TRAINING AND DEVELOPING RESPONSE PLANS TO MAXIMIZE COMMUNITY RESOURCES AND CLARIFY COMMUNICATION PROCESSES BETWEEN AGENCIES WHILE GRANTS HAVE PROVIDED FUNDING TO COVER SOME EXPENSES, TRAINING AND OTHER NEEDED EQUIPMENT ARE PROVIDED BY METHODIST AS A COMMUNITY BENEFIT METHODIST EMPLOYS A FULL-TIME EMERGENCY PREPAREDNESS COORDINATOR, IN ADDITION TO A SAFETY TEAM WITH PARTIAL RESPONSIBILITY FOR EMERGENCY PREPAREDNESS SALARIES PAID TO EMPLOYEES WHO ATTEND AFTER-HOURS PLANNING MEETINGS AND PARTICIPATE IN THE ANNUAL WEEKEND DISASTER DRILL ARE NOT COVERED BY GRANTS AS ONE OF THE MEMBERS OF THE OMMRS, METHODIST WOULD PROVIDE TREATMENT FOR SECOND-LEVEL INJURIES, WALKING WOUNDED AND OVERFLOW TRAUMA PATIENTS WHEN ESTABLISHED TRAUMA CENTERS ARE OVERWHELMED

Identifier	ReturnReference	Explanation
		PART III, LINE 4 FOOTNOTE TO FINANCIAL STATEMENTS DESCRIBING BAD DEBT EXPENSE THE PROVISION FOR UNCOLLECTIBLE ACCOUNTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF EXPECTED NET COLLECTIONS CONSIDERING THE ACCOUNTS RECEIVABLE AGING, HISTORICAL COLLECTIONS EXPERIENCE, ECONOMIC CONDITIONS, TRENDS IN HEALTHCARE COVERAGE, AND OTHER COLLECTION INDICATORS MANAGEMENT PERIODICALLY ASSESSES THE ADEQUACY OF THE ALLOWANCES FOR UNCOLLECTIBLE ACCOUNTS AND CONTRACTUAL ADJUSTMENTS BASED UPON HISTORICAL WRITE-OFF EXPERIENCE BY PAYOR CATEGORY THE RESULTS OF THESE REVIEWS ARE USED TO ESTABLISH THE NET REALIZABLE VALUE OF PATIENT ACCOUNTS RECEIVABLE THE HEALTH SYSTEM FOLLOWS ESTABLISHED GUIDELINES FOR PLACING CERTAIN PATIENT BALANCES WITH COLLECTION AGENCIES SELF-PAY ACCOUNTS ARE CHARGED AGAINST THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AT THE TIME OF TRANSFER TO THE COLLECTION AGENCY DEDUCTIBLES AND COINSURANCE ARE CLASSIFIED AS EITHER THIRD-PARTY OR SELF-PAY RECEIVABLES ON THE BASIS OF WHICH PARTY HAS THE PRIMARY REMAINING FINANCIAL RESPONSIBILITY, WHILE THE TOTAL GROSS REVENUE REMAINS CLASSIFIED BASED ON THE PRIMARY PAYOR AT THE TIME OF SERVICE THERE ARE VARIOUS FACTORS THAT CAN IMPACT COLLECTION TRENDS, SUCH AS CHANGES IN THE ECONOMY, WHICH IN TURN MAY HAVE AN IMPACT ON UNEMPLOYMENT RATES AND THE NUMBER OF UNINSURED AND UNDERINSURED PATIENTS, THE VOLUME OF PATIENTS THROUGH OUR EMERGENCY DEPARTMENTS, THE INCREASED BURDEN OF COPAYMENTS AND DEDUCTIBLES TO BE MADE BY PATIENTS WITH INSURANCE, AND BUSINESS PRACTICES RELATED TO COLLECTION EFFORTS THESE FACTORS CONTINUOUSLY CHANGE AND CAN HAVE AN IMPACT ON COLLECTION TRENDS AND OUR ESTIMATION PROCESS NET PATIENT ACCOUNTS RECEIVABLE HAVE BEEN ADJUSTED TO THE ESTIMATED AMOUNTS EXPECTED TO BE COLLECTED AND DO NOT BEAR INTEREST

Identifier	ReturnReference	Explanation
		PART III, LINE 8 SOURCE IS THE 2011 MEDICARE COST REPORT AS FILED

Identifier	ReturnReference	Explanation
		PART III, LINE 9B COLLECTION PRACTICES TO BE FOLLOWED FOR PATIENTS WHO ARE KNOWN TO QUALIFY FOR CHARITY CARE OR FINANCIAL ASSISTANCE THE HOSPITAL BILLS ALL THIRD PARTY RESOURCES THAT MAY BE ABLE TO PROVIDE REIMBURSEMENT FOR CARE PROVIDED TO PATIENTS THIS INCLUDES, BUT IS NOT LIMITED TO, COMMERCIAL INSURANCE, MEDICARE, MEDICAID, COUNTY GOVERNMENT AND OTHER GOVERNMENT PROGRAMS, AND ANY OTHER POTENTIAL SOURCE OF REIMBURSEMENT EVERY EFFORT IS MADE TO IDENTIFY PATIENTS THAT MAY QUALIFY FOR FINANCIAL ASSISTANCE PRIOR TO OR DURING THE TIME OF SERVICE THOSE PATIENTS ARE ENCOURAGED TO COMPLETE AN APPLICATION FOR FINANCIAL ASSISTANCE NEBRASKA METHODIST HOSPITAL AND METHODIST WOMEN'S HOSPITAL HAVE ADOPTED A PROCEDURE FOR THOSE SITUATIONS WHERE A PATIENT POTENTIALLY MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE BUT HAS NOT OR CANNOT COMPLETE THE APPLICATION THIS PROCEDURE, REFERRED TO AS THE PRESUMPTIVE CHARITY PROCESS, IS FOLLOWED BY HOSPITAL PERSONNEL AS WELL AS THIRD-PARTY VENDORS ASSISTING WITH SELF-PAY COLLECTIONS SOME OF THE INDIVIDUAL LIFE CIRCUMSTANCES THAT HAVE BEEN ESTABLISHED AS INDICATORS OF PRESUMPTIVE ELIGIBILITY INCLUDE PARTICIPATION IN STATE FUNDED PRESCRIPTION PROGRAMS, IDENTIFICATION AS HOMELESS OR RECEIVING CARE FROM A HOMELESS PERSONS CLINIC, PARTICIPATION IN WOMEN, INFANTS AND CHILDREN (WIC) PROGRAM, FOOD STAMP ELIGIBILITY, SUBSIDIZED SCHOOL LUNCH PROGRAM ELIGIBILITY, ELIGIBILITY FOR OTHER STATE OR LOCAL ASSISTANCE PROGRAMS THAT ARE UNFUNDED (E G MEDICAID SPEND-DOWN), LOW INCOME/SUBSIDIZED HOUSING PROVIDED AS VALID ADDRESS THE HOSPITAL STAFF, AS WELL AS VENDORS UTILIZED FOR SELF-PAY COLLECTIONS, HAVE BEEN TRAINED TO IDENTIFY INDICATORS OF PRESUMPTIVE ELIGIBILITY AND DOCUMENT SUCH AS SUPPORT FOR FINANCIAL ASSISTANCE DETERMINATION

Identifier	ReturnReference	Explanation
NEBRASKA METHODIST HOSPITAL		PART V, SECTION B, LINE 11H NEBRASKA METHODIST HOSPITAL HAS ADOPTED A PROCEDURE FOR THOSE SITUATIONS IN WHICH A PATIENT MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE BUT HAS NOT OR CANNOT COMPLETE AN APPLICATION THIS PROCEDURE, REFERRED TO AS PRESUMPTIVE CHARITY PROCESS, IS FOLLOWED BY HOSPITAL PERSONNEL AS WELL AS THIRD-PARTY VENDORS WHO HAVE BEEN ENGAGED TO ASSIST WITH SELF-PAY COLLECTIONS

Identifier	ReturnReference	Explanation
METHODIST WOMEN'S HOSPITAL		PART V, SECTION B, LINE 11H NEBRASKA METHODIST HOSPITAL HAS ADOPTED A PROCEDURE FOR THOSE SITUATIONS IN WHICH A PATIENT MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE BUT HAS NOT OR CANNOT COMPLETE AN APPLICATION THIS PROCEDURE, REFERRED TO AS PRESUMPTIVE CHARITY PROCESS, IS FOLLOWED BY HOSPITAL PERSONNEL AS WELL AS THIRD-PARTY VENDORS WHO HAVE BEEN ENGAGED TO ASSIST WITH SELF-PAY COLLECTIONS

Identifier	ReturnReference	Explanation
NEBRASKA METHODIST HOSPITAL		PART V, SECTION B, LINE 19D THE AVERAGE COMMERCIAL INSURANCE RATE IS USED

Identifier	ReturnReference	Explanation
METHODIST WOMEN'S HOSPITAL		PART V, SECTION B, LINE 19D THE AVERAGE COMMERCIAL INSURANCE RATE IS USED

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 THE BROAD-BASED COMMUNITY HEALTH AND OUTREACH INITIATIVES INCLUDE TARGETED PROGRAMS THAT ALIGN CLOSELY WITH THE KEY HEALTH NEEDS IDENTIFIED BY LIVEWELL OMAHA, A COLLABORATION OF LOCAL FOR PROFIT, GOVERNMENT AND NON-PROFIT ORGANIZATIONS DEDICATED TO IMPROVING THE HEALTH OF THOSE WHO LIVE AND WORK IN THE METROPOLITAN OMAHA AREA

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 FINANCIAL ASSISTANCE BROCHURES ARE INCLUDED IN ALL INPATIENT ADMISSION PACKETS METHODIST HOSPITAL AND METHODIST WOMEN'S HOSPITAL CONTRACT WITH AN ELIGIBILITY SERVICE TO ASSIST INDIVIDUAL IN DETERMINING ELIGIBILITY AND COMPLETING THE REQUIRED PAPERWORK TO PARTICIPATE IN MEDICAID OR GOVERNMENT MEANS-TESTED PROGRAMS HOSPITAL FINANCIAL COUNSELORS AND ELIGIBILITY SERVICE PERSONNEL ARE CONVENIENTLY LOCATED FOR PRIVATE CONSULTATION 5 DAYS A WEEK FOR BOTH INPATIENT AND OUTPATIENT COUNSELING THE COUNSELORS ARE INCLUDED IN THE ADMISSION/DISCHARGE PROCESS TO INSURE THAT THE PATIENT IS FULLY INFORMED ABOUT THE PROCESS AND TO HELP THE PATIENT DETERMINE WHAT ASSISTANCE MAY BE NEEDED AND WHAT IS AVAILABLE TO THEM THE BILLING CUSTOMER SERVICE UNIT IS ALSO TRAINED TO ASSIST PATIENTS WITH FINANCIAL ASSISTANCE NEEDS PATIENTS WHO CONTACT THE UNIT EXPRESSING DIFFICULTY IN MEETING THEIR FINANCIAL OBLIGATION ARE ASSESSED FOR ELIGIBILITY FOR FINANCIAL ASSISTANCE APPROPRIATE RESOURCES ARE USED TO PROVIDE EFFECTIVE COMMUNICATION WITH NON-ENGLISH SPEAKING PATIENTS INCLUDING CYRACOM LANGUAGE LINE SYSTEM THAT PROVIDES 24-HOUR ACCESS TO SEVERAL HUNDRED DIFFERENT LANGUAGE INTERPRETERS OTHER RESOURCES INCLUDE HOPE MEDICAL OUTREACH AND ON-SITE STAFF OR CONTRACTED INTERPRETER SERVICES THE HOSPITAL PROVIDES FOR INTERPRETATIVE SERVICES AT NO COST TO THE PATIENTS INFORMATION ON THE FINANCIAL ASSISTANCE POLICY IS AVAILABLE TO THE PUBLIC ON THE BESTCARE ORG WEBSITE ADDITIONALLY, PATIENT STATEMENTS INFORM PATIENTS OF THE HEALTH SYSTEM'S FINANCIAL ASSISTANCE POLICY

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 NEBRASKA METHODIST HOSPITAL'S SERVICE AREA THE GREATER OMAHA METROPOLITAN AREA DOUGLAS, SARPY, SAUNDERS, DODGE, WASHINGTON AND CASS COUNTIES ARE INCLUDED ONE OF THE METHODIST HEALTH SYSTEM AFFILIATES OPERATES IN IOWA COUNTIES EXTENDING THE POTENTIAL FOR PATIENT CARE OUTSIDE THE METROPOLITAN AREA ACCORDING TO US CENSUS DEPARTMENT REPORTS, THIS AREA IS HOME TO MORE THAN 800,000 PEOPLE METHODIST HOSPITAL HAS A NUMBER OF PROGRAMS THAT EXTEND BEYOND THE METROPOLITAN AREA SUCH AS THE PERINATAL OUTREACH PROGRAM THAT PROVIDES TARGETED EDUCATIONAL OPPORTUNITIES FOR MEDICAL PERSONNEL FROM ACROSS NEBRASKA AND IOWA

Identifier	ReturnReference	Explanation
		PART VI, LINE 5 PROMOTING HEALTH OF THE COMMUNITY METHODIST HOSPITAL'S BOARD OF DIRECTORS PROVIDES OVERSITE OF ALL OPERATIONS IT IS COMPOSED OF COMMUNITY LEADERS WITH DIVERSE BACKGROUNDS WITH A BLEND OF THOSE INDIVIDUALS WITH LONGEVITY ON THE BOARD AND THOSE WHO ARE NEW MEMBERS THERE IS SIGNIFICANT PHYSICIAN INVOLVEMENT ON THE BOARD LENDING TO THE ABILITY TO BE LEADERS IN MEDICAL SERVICES MEDICAL STAFF PRIVILEGES ARE EXTENDED TO ALL PRACTITIONERS WHO CONTINUOUSLY MEET THE QUALIFICATIONS, STANDARDS AND REQUIREMENTS TO PROMOTE A UNIFORM STANDARD OF QUALITY PATIENT CARE, TREATMENT AND SERVICES ADDITIONAL CRITERIA FOR CLINICAL PRIVILEGES MAY INCLUDE A REQUIREMENT OF SPECIALTY BOARD CERTIFICATION IF IT IS BELIEVED TO BE AN IMPORTANT OBJECTIVE INDICATOR OF TRAINING AND COMPETENCE THE SEXUAL ASSAULT NURSE EXAMINER AND SEXUAL ASSAULT RESPONSE TEAM (SANE/SART) SURVIVOR PROGRAM, THE LUNG CANCER PROGRAM AND OTHER PROGRAMS AIMED AT CANCER RISK ASSESSMENT AND PREVENTION ARE PROGRAMS TARGETING COMMUNITY HEALTH NEEDS SANE/SART PROGRAM THE SEXUAL ASSAULT NURSE EXAMINER AND SEXUAL ASSAULT RESPONSE TEAM (AKA SANE/SART) SURVIVOR PROGRAM IS A COLLABORATION THAT UNITES METHODIST HOSPITAL WITH GOVERNMENT AND COMMUNITY AGENCIES THIS PROGRAM, THE ONLY ONE OF ITS KIND IN THE OMAHA METRO AREA, WAS INSTITUTED IN 2003 PRIOR TO THAT, EMERGENCY ROOM CARE AFTER SEXUAL ASSAULT WAS FAR TOO SIMILAR TO EMERGENCY ROOM CARE AFTER AN ACCIDENT OR INJURY THIS PROGRAM HAS BEEN ESTABLISHED TO PROVIDE ELEMENTS OF PRIVACY AND COMFORT FOR VICTIM OF SEXUAL ASSAULT THROUGH SANE/SART, METHODIST HOSPITAL AND ITS AFFILIATES INCLUDING JENNIE EDMUNDSON MEMORIAL HOSPITAL IN COUNCIL BLUFFS, IOWA, OFFER COMPASSIONATE EMERGENCY CARE FROM HEALTH CARE PROFESSIONALS SPECIFICALLY TRAINED NOT JUST TO MEET THE SURVIVOR'S SPECIAL MEDICAL AND EMOTIONAL NEEDS, BUT TRAINED ALSO IN PROPER METHODS OF RECOGNIZING AND COLLECTING FORENSIC EVIDENCE DEDICATED SANE/SART NURSES, AVAILABLE 24/7, ARE KEY MEMBERS OF THE TEAM THAT CARES FOR SURVIVORS THEIR NEUTRAL EVIDENCE COLLECTION AND TESTIMONY CAN AID AUTHORITIES IN ANY CRIMINAL INVESTIGATION THE SANE/SART UNIT ALSO OFFERS A PRIVATE LOCATION FOR WOMEN TO BE INTERVIEWED BY POLICE OFFICERS AND TO MEET WITH A YWCA VICTIM ADVOCATE THE ADVOCATE HELPS SURVIVORS FIND COUNSELING AND SUPPORT GROUPS AS WELL AS GUIDING THEM THROUGH LEGAL PROCEEDINGS CANCER PROGRAMS BATTLING CANCER INCLUDES MORE THAN MEDICAL RESEARCH AND CLINICAL TECHNOLOGY METHODIST HOSPITAL TAKES A MULTI-DISCIPLINARY APPROACH AND PROVIDES PROGRAMS AND EDUCATION THE METHODIST ESTABROOK CANCER CENTER SPONSORS A RANGE OF EDUCATION AND COMMUNITY EVENTS FOCUSED ON INCREASING CANCER AWARENESS AND PROMOTING THE HEALING OF CANCER SURVIVORS SOME OF THE PROGRAMS INCLUDE THE RELAY FOR LIFE EVENT WHICH CELEBRATES SURVIVORS AND INSPIRES THE COMMUNITY TO FIGHT BACK AGAINST CANCER, HARPER'S HOPE CANCER SURVIVORSHIP PROGRAM, A YOUNG ADULT SURVIVOR'S NETWORK, BREAST CANCER SUPPORT GROUPS AND PROSTATE CANCER SUPPORT GROUPS HARPER'S HOPE EXPRESSES THE MEANING OF CARE AT EVERY TURN OF THE CANCER JOURNEY MAIN PROGRAM COMPONENTS INCLUDE SOCIAL WORK, BEHAVIORAL HEALTH/COUNSELING, NUTRITION SERVICES, PHYSICAL WELLNESS AND CANCER PREVENTION AND HEREDITARY RISK ASSESSMENT THESE RESOURCES HELP PATIENTS AND THEIR FAMILY MEMBERS LIVE WITH, THROUGH AND BEYOND THE CANCER DIAGNOSIS SUICIDE - THE TRAGIC OUTCOME OF MENTAL ILLNESS - CAN BE PREVENTED BUT IT TAKES RECOGNITION OF THE PROBLEM, REFERRALS TO MENTAL HEALTH SERVICES, AND PARTNERSHIPS AMONG KEY PROVIDERS IN THE COMMUNITY METHODIST HOSPITAL'S COMMUNITY COUNSELING PROGRAM DIRECTLY SERVES OVER 20,000 IN OMAHA AND SURROUNDING COMMUNITIES WHILE ELEVATING THE OVERALL HEALTH AND EDUCATION IN THE REGION THIS UNIQUE COMMUNITY PARTNERSHIP BETWEEN THE METHODIST HOSPITAL AND THE OMAHA PUBLIC SCHOOLS BRINGS PROFESSIONAL COUNSELING SERVICES TO THOSE WHO OTHERWISE MIGHT HAVE NO ACCESS TO MENTAL HEALTH CARE A TEAM OF LICENSED, MASTERS-LEVEL COUNSELORS FROM METHODIST HOSPITAL MAINTAIN OFFICE HOURS AT SCHOOLS AND CHURCHES THE PROGRAM ALONG WITH OTHER COMMUNITY PARTNER PROGRAMS IS PAYING OFF AMONG VULNERABLE ADOLESCENTS 17 YEARS OLD AND YOUNGER, THE SUICIDE RATES HAVE DECREASED SIGNIFICANTLY WITH AN 81% DECREASE FROM 2005 TO 2009 AS REPORTED IN THE 2010 LIVEWELL OMAHA COMMUNITY REPORT CARD

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 AFFILIATED HEALTH CARE SYSTEM THE NEBRASKA METHODIST HEALTH SYSTEM INCLUDES NEBRASKA METHODIST HOSPITAL, NEBRASKA METHODIST HOSPITAL FOUNDATION, JENNIE EDMUNDSON MEMORIAL HOSPITAL, JENNIE EDMUNDSON MEMORIAL HOSPITAL FOUNDATION, NEBRASKA METHODIST HEALTH SYSTEM, PHYSICIANS CLINIC, AND THE NEBRASKA METHODIST COLLEGE OF NURSING AS A GROUP, THESE ENTITIES ARE COMMITTED TO CARING FOR THE PEOPLE OF OUR COMMUNITY BY PROVIDING OUTSTANDING CARE, EDUCATIONAL OPPORTUNITIES AND SUPPORT SERVICES THE MORE THAN 6,300 EMPLOYEES OF OUR HOSPITALS, CLINICS, COLLEGE AND FOUNDATION WORK TO STRENGTHEN THE HEALTH AND WELL-BEING OF THE INDIVIDUALS AND COMMUNITIES WE SERVE TO FULFILL OUR MISSION OF CARING FOR PEOPLE, AFFILIATES HAVE DEVELOPED A VARIETY OF WAYS TO CONTRIBUTE CARE AND HEALTH-RELATED EDUCATION TO THE POOR, MINORITIES, AND TO OTHER UNDERSERVED GROUPS AS WELL AS TO THE BROADER COMMUNITY BROAD-BASED COMMUNITY HEALTH AND OUTREACH INITIATIVES INCLUDE TARGETED PROGRAMS THAT ALIGN CLOSELY WITH THE KEY HEALTH NEEDS IDENTIFIED BY LIVEWELL OMAHA, A COLLABORATION OF LOCAL ORGANIZATIONS DEDICATED TO IMPROVING THE HEALTH OF THOSE WHO LIVE AND WORK IN THE METROPOLITAN OMAHA AREA AS INDIVIDUAL AFFILIATES, A UNIFIED HEALTH SYSTEM, AND ACTIVE PARTNER WITH OTHER COMMUNITY AND GOVERNMENTAL AGENCIES, WE ARE COMMITTED TO IMPROVING THE HEALTH AND QUALITY OF LIFE OF THE RESIDENTS OF OUR REGION WE RESPECT AND EMBRACE THE RESPONSIBILITY THAT ACCOMPANIES OUR TAX EXEMPT STATUS AND WE ARE HONORED TO OFFER LEADERSHIP, SUPPORT AND RESOURCES TO BENEFIT OUR COMMUNITY

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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
NEBRASKA METHODIST HOSPITAL

Employer identification number
47-0376604

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
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 12

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

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) FINANCIAL ASSISTANCE	12109		14,806,181	BOOK	FINANCIAL ASSISTANCE TO PATIENTS
(2) SCHOLARSHIPS	7	5,250			

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 NEBRASKA METHODIST HOSPITAL GENERALLY DOES NOT GIVE GRANTS WHEN IT DOES SO, PROCEDURES ARE FOLLOWED TO INSURE THAT THE GRANT IS MADE TO HEALTH CARE AND COMMUNITY ORGANIZATIONS THAT SHARE IN THE HOSPITAL'S GOALS, MISSION AND CONCERN FOR THE HEALTH OF THE COMMUNITY

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 47-0376604
Name: NEBRASKA METHODIST HOSPITAL

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN CANCER SOCIETY 9850 NICHOLAS STREET OMAHA,NE 68114	74-1185665	501(C)(3)	6,500				IN SUPPORT OF CANCER RESEARCH
AMERICAN HEART ASSOCIATION 10100 J STREET OMAHA,NE 68127	13-5613797	501(C)(3)	40,000				CURE/PREVENTION OF HEART ATTACKS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
BEHAVIORAL HEALTH SUPPORT FOUNDATION1044 N 115 STREET 440 OMAHA,NE 68154	20-5322440	501(C)(3)	250,000				MENTAL HEALTH FOR COMMUNITY & SUPPORT FOR LASTING HOPE RECOVERY CENTER
WOMEN'S CENTER FOR ADVANCEMENT (FKA YWCA)229 SOUTH 29 STREET OMAHA,NE 68131	27-3205476	501(C)(3)	7,500				DOMESTIC VIOLENCE & SEXUAL ASSAULT SERVICES AND OTHER WOMEN'S PROGRAMS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ALZHEIMER'S ASSOCIATION-MIDLANDS CHAPTER7101 NEWPORT AVENUE OMAHA,NE 68152	47-0648438	501(C)(3)	17,240				RESEARCH ON CURE FOR ALZHEIMER'S DISEASE
HOPE MEDICAL OUTREACH1722 ST MARYS AVENUE 105 OMAHA,NE 68102	91-8850344	501(C)(3)	30,000				SEE SCH I, PART IV - ASSIST COMMUNITY HEALTH CENTERS IN FINDING MEDICAL CARE FOR PRIMARY CARE PATIENTS WHO DO NOT QUALIFY FOR GOVERNMENT ASSISTANCE

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
							LEADERSHIP DEVELOPMENT TARGETED AT COMMUNITY NEEDS
MARCH OF DIMES-NEBRASKA CHAPTER11840 NICHOLAS STREET 220 OMAHA,NE 68154	13-1846366	501(C)(3)	35,000				SEE SCH I, PART IV - IMPROVING HEALTH OF BABIES BY PREVENTING BIRTH DEFECTS, PREMATURE BIRTHS AND INFANT MORTALITY

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LUTHERAN FAMILY SERVICES124 SOUTH 24 STREET OMAHA,NE 68102	23-7267972	501(C)(3)	10,000				RESEARCH AND EDUCATION ABOUT MULTIPLE SCLEROSIS
PROJECT HARMONY7110 F STREET OMAHA,NE 68114	47-0789054	501(C)(3)	10,000				PROTECT CHILDREN BY PROVIDING COMMUNITY-BASED CHILD ABUSE ASSESSMENT AND INVESTIGATION

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SPECIAL FRIENDS CELEBRATION4115 NORTH 139 STREET OMAHA,NE 68164	47-0801459	501(C)(3)	12,500				CANCER SURVIVOR SUPPORT GROUP/CANCER RESEARCH
SUSAN G KOMEN FOUNDATION8610 BRENTWOOD DRIVE 3 LAVISTA,NE 68128	26-0056671	501(C)(3)	10,000				BREAST CANCER AWARENESS AND RESEARCH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
WOMEN'S FUND OF GREATER OMAHA7642 PIERCE STREET OMAHA,NE 68124	47-0840885	501(C)(3)	10,000				RESEARCH THE NEEDS OF WOMEN IN THE COMMUNITY & DIRECT DOLLARS WHERE THEY HAVE GREATEST IMPACT

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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
NEBRASKA METHODIST HOSPITAL

Employer identification number
47-0376604

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**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

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

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

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

(A) Name		**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table								

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	PART I, LINE 1A	SOCIAL CLUB EXPENSES ARE REIMBURSED FOR THE BUSINESS PORTION INTERNAL POLICY REQUIRES SUBSTANTIATION OF ALL BUSINESS USE EXPENSES
	PART I, LINE 3	SEE SCHEDULE O, PART VI, SECTION B, LINE 15 EXPLANATION REGARDING THE METHODS USED BY A RELATED ORGANIZATION TO ESTABLISH COMPENSATION
	PART I, LINE 4B	THE FOLLOWING INDIVIDUALS PARTICIPATED IN A NEBRASKA METHODIST HEALTH SYSTEM NONQUALIFIED PLAN DURING 2011 AND RECEIVED CONTRIBUTIONS, PLAN ACCRUALS OR PLAN DISTRIBUTIONS IN THE FOLLOWING AMOUNTS STEVEN BAILEY, MD $9,485 ACCRUAL JOHN FRASER $111,396 ACCRUAL KRISTIN ENGDAHL-HOFFMAN MD $21,501 ACCRUAL JOHN LOHRBERG MD $6,562 ACCRUAL LINDA BURT $65,226 ACCRUAL, $105,240 PLAN DISTRIBUTION STEPHEN GOESER, $59,901 ACCRUAL, $81,907 PLAN DISTRIBUTION SUSAN KORTH $11,476 ACCRUAL JOSIE ABBOUD $22,367 ACCRUAL, $9,842 PLAN DISTRIBUTION BRAD HANSEN $20,647 ACCRUAL, $24,871 PLAN DISTRIBUTION TERI FRENCH-TIPTON $15,867 ACCRUAL WILLIAM SHIFFERMILLER MD $34,366 ACCRUAL, $41,740 PLAN DISTRIBUTION RANDALL DUCKERT MD $20,080 ACCRUAL PETER MORRIS MD $25,386 ACCRUAL TIEN -SHEW HUANG MD $11,628 ACCRUAL DAVID CROTZER MD $12,876 ACCRUAL ALIREZA MIRMIRAN MD $8,474 ACCRUAL DENNIS JOSLIN $42,179 ACCRUAL

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 47-0376604
Name: NEBRASKA METHODIST HOSPITAL

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
JOHN M FRASER	(I)	0	0	0	0	0	0	0
	(II)	570,354	0	32,408	159,357	13,449	775,568	0
STEVEN T BAILEY MD	(I)	0	0	0	0	0	0	0
	(II)	226,606	40,916	1,188	57,472	15,535	341,717	0
KRISTEN HOFFMAN MD	(I)	0	0	0	0	0	0	0
	(II)	288,874	100,638	4,135	67,190	16,623	477,460	0
JOHN R LOHRBERG MD	(I)	0	0	0	0	0	0	0
	(II)	134,183	25,528	16,070	34,389	2,939	213,109	0
DANIEL LYDIATT MD DDS	(I)	222,723	65	4,361	20,610	268	248,027	0
	(II)	0	0	0	0	0	0	0
STEPHEN L GOESER	(I)	352,485	0	112,284	83,052	22,084	569,905	81,907
	(II)	0	0	0	0	0	0	0
SUSAN KORTH	(I)	171,714	0	1,969	22,943	18,395	215,021	0
	(II)	0	0	0	0	0	0	0
LINDA K BURT	(I)	0	0	0	0	0	0	0
	(II)	345,340	0	126,167	82,134	14,751	568,392	105,240
WILLIAM SHIFFERMILLER MD	(I)	289,749	9,052	68,301	81,377	20,884	469,363	41,740
	(II)	0	0	0	0	0	0	0
JOSIE ABBOUD	(I)	166,904	0	10,192	25,718	18,620	221,434	9,842
	(II)	0	0	0	0	0	0	0
BRAD HANSEN	(I)	160,984	0	37,290	32,211	15,633	246,118	24,871
	(II)	0	0	0	0	0	0	0
TERI FRENCH-TIPTON	(I)	190,585	0	10,999	28,503	23,519	253,606	0
	(II)	0	0	0	0	0	0	0
DENNIS JOSLIN	(I)	237,094	0	24,626	63,103	14,781	339,604	0
	(II)	0	0	0	0	0	0	0
DAVID CROTZER MD	(I)	457,455	0	18,787	30,522	20,436	527,200	0
	(II)	0	0	0	0	0	0	0
RANDALL DUCKERT	(I)	431,642	0	414	54,764	20,007	506,827	0
	(II)	0	0	0	0	0	0	0
TIEN-SHEW HUANG MD	(I)	405,053	0	270	33,173	14,756	453,252	0
	(II)	0	0	0	0	0	0	0
PETER MORRIS MD	(I)	484,125	0	16,914	63,841	20,331	585,211	0
	(II)	0	0	0	0	0	0	0
ALIREZA MIRMIRAN MD	(I)	381,587	0	26,858	25,220	18,161	451,826	0
	(II)	0	0	0	0	0	0	0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NEBRASKA METHODIST HOSPITAL

Employer identification number
47-0376604

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	NEBRASKA INVESTMENT FINANCE AUTHORITY	47-0613449		12-28-2006	3,570,000	BUILDING ADDITIONS & CAPITAL IMPROVEMENTS		X		X		X
B	HOSPITAL AUTH #3 DOUGLAS CNTY NE	47-0689293	259234BL5	05-20-2008	205,887,435	BLDG ADDITION/REFUND DEBT (11/25/97)		X		X		X
C	HOSPITAL AUTH #2 DOUGLAS CNTY NE	52-1440796		12-22-2009	16,625,000	BUILDING ADDITIONS AND EQUIPMENT		X		X		X
D	HOSPITAL AUTH #3 DOUGLAS CNTY NE	47-0689293		12-22-2009	13,375,000	EQUIPMENT		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	1,105,401	180,000		1,125,000
2	Amount of bonds defeased				
3	Total proceeds of issue	3,639,665	209,553,335	16,645,176	13,395,743
4	Gross proceeds in reserve funds		14,754,262		
5	Capitalized interest from proceeds		17,678,104	293,223	
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds	70,000			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	3,569,666	146,339,427	14,959,747	13,395,743
11	Other spent proceeds		30,781,542		
12	Other unspent proceeds			1,392,206	
13	Year of substantial completion	2007	2010		2010

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		X
2	Is the bond issue a variable rate issue?		X		X	X		X	
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X		X		X		X
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a GIC?		X	X			X		X
b	Name of provider			MORGAN STANLEY & CO					
c	Term of GIC			1 700000000000					
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?			X					
5	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
6	Did the bond issue qualify for an exception to rebate?	X		X			X		X

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation
SCHEDULE K, ENTITY 1, PART II, LINE 3		THE TOTAL PROCEEDS DO NOT AGREE TO THE ISSUE PRICE IN PART I, COLUMN (E) DUE TO INVESTMENT EARNINGS
SCHEDULE K, ENTITY 2, PART II, LINE 3		THE TOTAL PROCEEDS DO NOT AGREE TO THE ISSUE PRICE IN PART I, COLUMN (E) AS THIS DEBT WAS ISSUED ON A DRAW-DOWN BASIS AND THE TOTAL PRINCIPAL AVAILABLE HAS NOT YET BEEN DRAWN

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NEBRASKA METHODIST HOSPITAL

Employer identification number
47-0376604

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	HOSPITAL AUTH #2 DOUGLAS CNTY NE	52-1440796		12-16-2010	30,000,000	BUILDING ADDITIONS AND EQUIPMENT		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds defeased				
3	Total proceeds of issue	9,939,765			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds	185,389			
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds				
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	8,600,000			
11	Other spent proceeds				
12	Other unspent proceeds	1,154,376			
13	Year of substantial completion				

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

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

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NEBRASKA METHODIST HOSPITAL

Employer identification number
47-0376604

Identifier	Return Reference	Explanation
	FORM 990, PART V, LINE 2B	THE PAYROLL SYSTEM FOR NEBRASKA METHODIST HOSPITAL IS BEING HANDLED BY A COMMON AGENT, NEBRASKA METHODIST HEALTH SYSTEM, INC ALL W-2 FORMS ARE ISSUED UNDER THE TAX IDENTIFICATION OF NEBRASKA METHODIST HEALTH SYSTEM ALL REQUIRED EMPLOYMENT TAX RETURNS WERE FILED BY NEBRASKA METHODIST HEALTH SYSTEM

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 6	THE SOLE MEMBER OF NEBRASKA METHODIST HOSPITAL IS NEBRASKA METHODIST HEALTH SYSTEM, INC , A NEBRASKA NOT-FOR-PROFIT CORPORATION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7A	IN ACCORDANCE WITH THE BYLAWS, NEBRASKA METHODIST HEALTH SYSTEM, INC , THE MEMBER, HAS THE POWER TO CONFIRM AND REMOVE THE DIRECTORS OF THE CORPORATION AND HAS THE POWER TO APPOINT AND REMOVE THE PERSON DESIGNATED AS THE CORPORATION'S PRESIDENT BY THE BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7B	NEBRASKA METHODIST HEALTH SYSTEM, INC , THE MEMBER, HAS THE POWER TO APPPROVE OR REFUSE TO APPROVE ANY AMENDMENT TO THE CORPORATION'S ARTICLES OF INCORPORATION OR TO THE BYLAWS, OR ANY ACTION REQUIRED TO BE SUBMITTED TO AND APPROVED BY THE VOTING MEMBERS OF A NONPROFIT CORPORATION UNDER THE NEBRASKA NONPROFIT CORPORATION ACT THE MEMBER HAS APPROVAL AUTHORITY ON ANNUAL BUDGETS, CAPITAL EXPENDITURES IN EXCESS OF CERTAIN ESTABLISHED THRESHOLDS, AND ESTABLISHMENT OF OR PARTICIPATION AS A SHAREHOLDER, PARTNER OR EQUITY MEMBER OF ANY OTHER ENTITY

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	A COPY OF THE FORM 990 WAS PROVIDED TO THE MEMBERS OF THE NEBRASKA METHODIST HEALTH SYSTEM AUDIT COMMITTEE WHO REVIEWED IT IN DETAIL THE AUDIT COMMITTEE REPORTED TO THE BOARD OF DIRECTORS ON THEIR REVIEW OF THE FEDERAL FORM 990 A COPY WAS MADE AVAILABLE TO MEMBERS OF THE BOARD OF DIRECTORS FOR REVIEW THROUGH A SECURE INTERNET PORTAL NEBRASKA METHODIST HOSPITAL IS AN AFFILIATE OF THE NEBRASKA METHODIST HEALTH SYSTEM THE POLICIES AND PRACTICES OF NEBRASKA METHODIST HEALTH SYSTEM APPLY TO ALL ITS AFFILIATES INFORMATION FOR THE FORM 990 IS GATHERED FROM APPROPRIATE RESPONSIBLE PARTIES THROUGHOUT THE ORGANIZATION INCLUDING FINANCE, HUMAN RESOURCES AND CORPORATE COMPLIANCE, IS REVIEWED BY EXTERNAL TAX ADVISORS AND HAS A FINAL REVIEW BY THE CHIEF FINANCIAL OFFICER FOR THE NEBRASKA METHODIST HEALTH SYSTEM AND THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	AN ANNUAL QUESTIONNAIRE IS SENT TO ALL OFFICERS, DIRECTORS AND KEY EMPLOYEES PURSUANT TO THE METHODIST HEALTH SYSTEM CONFLICTS OF INTEREST POLICY WHICH REQUIRES THE DISCLOSURE OF ALL CONFLICTS OF INTEREST, NOT JUST FINANCIAL, THAT COULD GIVE RISE TO CONFLICTS WITH THE ORGANIZATION SHOULD A CONFLICT BE IDENTIFIED, THE OFFICER, DIRECTOR OR KEY EMPLOYEE IS NOT PERMITTED TO VOTE OR USE PERSONAL INFLUENCE ON THE MATTER AND IS NOT COUNTED IN DETERMINING A QUORUM FOR A MEETING AT WHICH THE MATTER IS DISCUSSED POTENTIAL CONFLICTS OF INTEREST, ONCE IDENTIFIED, MUST BE EVALUATED ON A CASE BY CASE BASIS IN ORDER TO APPROVE THE TRANSACTION WHICH INVOLVES A DIRECT CONFLICT OF INTEREST, THE BOARD MUST FIRST FIND, BY MAJORITY VOTE OF DIRECTORS NOT INVOLVED IN THE CONFLICT, AT A MEETING AT WHICH A QUORUM IS PRESENT, THAT THE ARRANGEMENT OR TRANSACTION IS IN THE BEST INTERESTS OF NEBRASKA METHODIST HOSPITAL AND/OR THE METHODIST HEALTH SYSTEM AFFILIATES, IS FAIR AND REASONABLE, AND AFTER INVESTIGATION, THE DIRECTORS HAVE DETERMINED THAT A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT CANNOT BE OBTAINED WITH REASONABLE EFFORTS UNDER THE CIRCUMSTANCES

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	METHODIST HEALTH SYSTEM WITH WHICH NEBRASKA METHODIST HOSPITAL IS AFFILIATED, RETAINS AN INDEPENDENT CONSULTANT TO REVIEW ALL OFFICER COMPENSATION FOR EACH AFFILIATE. UNDER THIS PROCESS, MARKET DATA ON COMPENSATION IS GATHERED AND ANALYZED AND COMPENSATION RANGES ARE SET. THE INFORMATION IS THEN PROVIDED TO THE COMPENSATION COMMITTEE OF THE BOARD OF NEBRASKA METHODIST HEALTH SYSTEM, INC., A NEBRASKA NON-PROFIT CORPORATION. ALL OFFICER COMPENSATION IS REVIEWED, EVALUATED AND APPROVED BY THIS COMMITTEE. PHYSICIAN COMPENSATION IS COMPARED TO NATIONAL COMPENSATION SURVEY DATA FROM THE AMERICAN MEDICAL GROUP ASSOCIATION (AMGA) AND THE MEDICAL GROUP MANAGEMENT ASSOCIATION (MGMA). THE POLICY ON "PHYSICIAN COMPENSATION" IS FOLLOWED WHEN CONTRACTING WITH PHYSICIANS TO ENSURE APPROPRIATE APPROVALS, INCLUDING APPROVAL BY THE BOARD OF DIRECTORS, ARE OBTAINED WHEN WARRANTED. OPINIONS OF FAIR MARKET VALUE REGARDING A PARTICULAR COMPENSATION ARRANGEMENT OR TRANSACTION MAY ALSO BE OBTAINED FROM REPUTTABLE, INDEPENDENT VALUATION CONSULTANTS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 18	THE ORGANIZATION FILED THE FORM 1023 IN 1968 APPLICATIONS FILED BEFORE JULY 15, 1987 NEED NOT BE MADE PUBLICLY AVAILABLE A COPY OF IRS DETERMINATION LETTER WILL BE PROVIDED UPON WRITTEN REQUEST

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION DOES NOT MAKE THESE DOCUMENTS SEPARATELY AVAILABLE TO THE PUBLIC HOWEVER, THE RESTATED ARTICLES OF INCORPORATION OF THE ORGANIZATION ARE AVAILABLE THROUGH THE NEBRASKA SECRETARY OF STATE'S WEBSITE THE CONFLICT OF INTEREST POLICY IS DISTRIBUTED TO MEMBERS OF THE BOARD OF DIRECTORS AND EMPLOYEES FINANCIAL INFORMATION IS AVAILABLE TO THE PUBLIC THROUGH THE IRS FORM 990 AND FORM 990-T THE ORGANIZATION ALSO CONTRIBUTES INFORMATION REGARDING THE COMMUNITY BENEFITS IT PROVIDES AS PART OF THE METHODIST HEALTH SYSTEM'S ANNUAL COMMUNITY BENEFIT REPORT THE REPORT IS AVAILABLE TO THE PUBLIC ON THE WEBSITE WWW METHODISTCHART ORG

Identifier	Return Reference	Explanation
HOURS FOR RELATED ORGANIZATIONS	FORM 990, PART VII, COLUMN B	DIRECTORS, STEVEN BAILEY MD, KRISTEN HOFFMAN MD, AND JOHN LOHRBERG MD, ARE EMPLOYEES OF PHYSICIANS CLINIC INC THESE INDIVIDUALS ARE FULLTIME EMPLOYEES WITH AN AVERAGE OF 40 HOURS PER WEEK

Identifier	Return Reference	Explanation
HOURS FOR RELATED ORGANIZATIONS	FORM 990, PART VII, COLUMN B	JOHN FRASER, PRESIDENT AND CEO OF NEBRASKA METHODIST HEALTH SYSTEM, IS A FULLTIME EMPLOYEE OF NEBRASKA METHODIST HEALTH SYSTEM INC HIS AVERAGE HOURS PER WEEK HAVE BEEN ALLOCATED AMONG THE ENTITIES THAT COMPRISE THE NEBRASKA METHODIST HEALTH SYSTEM LINDA BURT, VICE PRESIDENT OF FINANCE AND CFO OF NEBRASKA METHODIST HEALTH SYSTEM IS A FULLTIME EMPLOYEE OF NEBRASKA METHODIST HEALTH SYSTEM INC HER AVERAGE HOURS PER WEEK HAVE BEEN ALLOCATED AMONG THE ENTITIES THAT COMPRISE THE NEBRASKA METHODIST HEALTH SYSTEM

Identifier	Return Reference	Explanation
HOURS REPORTED	FORM 990, PART VII, COLUMN B	DENNIS JOSLIN, A KEY EMPLOYEE, IS ASSIGNED DUTIES AS PRESIDENT OF NEBRASKA METHODIST COLLEGE WITH AN AVERAGE 40 HOURS PER WEEK ALLOCATED TO THAT ORGANIZATION HE IS REPORTED ON THE COLLEGE FORM 990

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -1,024,788 TRANSFERS TO AFFILIATES -15,424,585 CAPITAL TRANSFERS FROM AFFILIATES 30,000 CHANGE IN LIABILITY FOR PENSION BENEFIT 89,722 TOTAL TO FORM 990, PART XI, LINE 5 -16,329,651

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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
NEBRASKA METHODIST HOSPITAL

Employer identification number
47-0376604

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) HEART SERVICES LLC 8511 W DODGE ROAD OMAHA, NE 68114 27-1141616	CARDIOLOGY SERVICES	NE	9,623,634	2,643,595	NEBRASKA METHODIST HOSPITAL

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
(1) SHARED SERVICE SYSTEMS INC 8511 W DODGE ROAD OMAHA, NE 68114 47-0649534	MEDICAL SUPPLY DISTRIBUTION & LAUNDRY	NE	NEBRASKA METHODIST HEALTH SYSTEM	C			
(2) HEALTHCARE PARTNERS OF WESTERN IOWA 933 E PIERCE STREET COUNCIL BLUFFS, IA 51503 42-1411452	MANAGED CARE CONTRACTING	IA	JENNIE EDMUNDSON MEM HOSP	C			
(3) METHODIST HEALTH PARTNERS 8511 W DODGE ROAD OMAHA, NE 68114 47-0797563	MANAGED CARE CONTRACTING	NE	NEBRASKA METHODIST HEALTH SYSTEM	C			

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

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

		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	Yes	
j Lease of facilities, equipment, or other assets from related organization(s)	1j		No
k Performance of services or membership or fundraising solicitations for related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations by related organization(s)	1l		No
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m		No
n Sharing of paid employees with related organization(s)	1n	Yes	
o Reimbursement paid to related organization(s) for expenses	1o		No
p Reimbursement paid by related organization(s) for expenses	1p		No
q Other transfer of cash or property to related organization(s)	1q	Yes	
r Other transfer of cash or property from related organization(s)	1r	Yes	

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) NEBRASKA METHODIST COLLEGE OF NURSING & ALLIED HEALTH	Q	5,503,194	CASH
(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: 47-0376604
Name: NEBRASKA METHODIST HOSPITAL

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	
NEBRASKA METHODIST HEALTH SYSTEM INC 8511 W DODGE ROAD OMAHA, NE 68114 47-0639839	ADMINISTRATIVE SUPPORT	NE	501(C)(3)	L11 III-FI	N/A		No
JENNIE EDMUNDSON MEMORIAL HOSPITAL 933 E PIERCE STREET COUNCIL BLUFFS, IA 51503 42-0680355	LICENSED HOSPITAL	IA	501(C)(3)	L3	NEBRASKA METHODIST HEALTH SYSTEM		No
NEBRASKA METHODIST HOSPITAL FOUNDATION 8511 W DODGE ROAD OMAHA, NE 68114 47-0595345	SUPPORT OF NEBRASKA METHODIST HOSPITAL AND AFFILIATES EXEMPT ACTIVITIES	NE	501(C)(3)	L7	NEBRASKA METHODIST HEALTH SYSTEM		No
NEBRASKA METHODIST COLLEGE OF NURSING AND ALLIED HEALTH 8511 W DODGE ROAD OMAHA, NE 68114 47-0724387	NURSING AND HEALTH EDUCATION FACILITY	NE	501(C)(3)	L2	NEBRASKA METHODIST HOSPITAL	Yes	
JENNIE EDMUNDSON MEMORIAL HOSPITAL FOUNDATION 933 E PIERCE STREET COUNCIL BLUFFS, IA 51503 42-1439454	SUPPORT OF JENNIE EDMUNDSON MEMORIAL HOSPITAL	IA	501(C)(3)	L11 I	JENNIE EDMUNDSON MEMORIAL HOSPITAL		No
NEBRASKA METHODIST HEALTH SYSTEM SELF INSURANCE TRUST 8511 W DODGE ROAD OMAHA, NE 68114 36-3699672	INSURANCE	NE	501(C)(3)	L11 III-FI	NEBRASKA METHODIST HEALTH SYSTEM		No
REAL ESTATE HOLDINGS 8511 W DODGE ROAD OMAHA, NE 68114 47-0649790	PROPERTY MANAGEMENT	NE	501(C)(2)		NEBRASKA METHODIST HEALTH SYSTEM		No
PHYSICIANS CLINIC INC 8511 W DODGE ROAD OMAHA, NE 68114 47-0687317	CLINICAL HEALTH CARE	NE	501(C)(3)	L9	NEBRASKA METHODIST HEALTH SYSTEM		No

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TY 2011 Affiliated Group Schedule

Name: NEBRASKA METHODIST HOSPITAL

EIN: 47-0376604

Affiliated Group Business Name:	NEBRASKA METHODIST HEALTH SYSTEM INC
Address. Either US or Foreign Type:	8511 W DODGE ROAD OMAHA, NE 68114
EIN:	47-0639839
Electing Organization Checkbox:	☑
Total Grassroots Lobbying:	0
Total Direct Lobbying:	42,319
Total Lobbying Expenditures:	42,319
Other Exempt Purpose Expenditures:	43,968,052
Total Exempt Purpose Expenditures:	44,010,371
Lobbying Nontaxable Amount:	1,000,000
Grassroots Nontaxable Amount:	250,000
Tot Lobbying Grassroot Minus Non Tx:	0
Tot Lobby Expend Mns Lobbying Non Tx:	0
Share Of Excess Lobbying:	0

Affiliated Group Business Name:	NEBRASKA METHODIST HOSPITAL
Address. Either US or Foreign Type:	8511 W DODGE ROAD OMAHA, NE 68114
EIN:	47-0376604
Electing Organization Checkbox:	☑
Total Grassroots Lobbying:	0
Total Direct Lobbying:	20,414
Total Lobbying Expenditures:	20,414
Other Exempt Purpose Expenditures:	412,222,012
Total Exempt Purpose Expenditures:	412,242,426
Lobbying Nontaxable Amount:	1,000,000
Grassroots Nontaxable Amount:	250,000
Tot Lobbying Grassroot Minus Non Tx:	0
Tot Lobby Expend Mns Lobbying Non Tx:	0
Share Of Excess Lobbying:	0

KPMG

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidated Financial Statements and Supplemental Data

December 31, 2011 and 2010

(With Independent Auditors' Report Thereon)

KPMG LLP
Suite 1000
1000 Walnut Street
Kansas City, MO 64106-2162

Independent Auditors' Report

The Board of Directors
Nebraska Methodist Health System, Inc

We have audited the accompanying consolidated balance sheets of Nebraska Methodist Health System, Inc and affiliates (the Health System) as of December 31, 2011 and 2010, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended These consolidated financial statements are the responsibility of the Health System's management Our responsibility is to express an opinion on these consolidated financial statements based on our audits

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Nebraska Methodist Health System, Inc and affiliates as of December 31, 2011 and 2010, and the results of their operations and their cash flows for the years then ended, in conformity with U S generally accepted accounting principles

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole The 2011consolidating information included in the accompanying exhibits 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 audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole

KPMG LLP

Omaha, Nebraska
April 16, 2012

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidated Balance Sheets

December 31, 2011 and 2010

(Amounts in thousands)

Assets		2011	2010
Current assets			
Cash and cash equivalents	$	66,327	33,565
Patient accounts receivable, less allowance for uncollectible accounts of $19,420 in 2011 and $11,521 in 2010		86,841	79,523
Contributions receivable		2,364	2,381
Other receivables		30,342	24,385
Inventories		13,124	11,924
Prepaid expenses		7,008	5,954
Total current assets		206,006	157,732
Investments and assets limited as to use			
Long-term investments including restricted investments of $21,318 in 2011 and $30,610 in 2010		166,071	176,272
Securities on loan		696	2,227
Construction funds		3,259	5,953
Bond trust fund investments		16,178	16,575
Total investments and assets limited as to use		186,204	201,027
Property and equipment			
Land		18,838	18,850
Land improvements		20,045	19,712
Buildings and improvements		472,565	456,555
Equipment and furnishings		418,315	396,081
Construction in progress		9,103	26,040
Total property and equipment		938,866	917,238
Less accumulated depreciation		500,166	462,387
Total property and equipment, net		438,700	454,851
Other assets			
Contributions receivable		5,383	6,209
Deferred financing costs		6,781	7,089
Investments in unconsolidated entities		5,339	5,040
Other		6,264	18,419
Total other assets		23,767	36,757
Total assets	$	854,677	850,367

(Continued)

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidated Balance Sheets

December 31, 2011 and 2010

(Amounts in thousands)

Liabilities and Net Assets		2011	2010
Current liabilities			
Current portion of long-term debt and capital lease obligations	$	7,116	3,555
Accounts payable		26,731	26,135
Accrued salaries, wages, and benefits		46,270	43,265
Other accrued liabilities		20,759	20,092
Collateral on securities loaned		915	2,457
Estimated third-party payor settlements		4,297	4,055
Total current liabilities		106,088	99,559
Liability for pension benefits		65,526	31,994
Other long-term liabilities		20,852	21,614
Conditional asset retirement obligation		6,625	5,882
Long-term debt and capital lease obligations, net of current portion		279,288	281,991
Total liabilities		478,379	441,040
Net assets			
Unrestricted		344,567	368,034
Temporarily restricted		29,449	39,322
Permanently restricted		2,282	1,971
Total net assets		376,298	409,327
Total liabilities and net assets	$	854,677	850,367

See accompanying notes to consolidated financial statements

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidated Statements of Operations

Years ended December 31, 2011 and 2010

(Amounts in thousands)

	2011	2010
Unrestricted revenues, gains, and other support		
Patient service revenue, net of contractual adjustments and discounts	$ 604,682	569,496
Provision for uncollectible accounts	(13,418)	(12,534)
Net patient service revenue	591,264	556,962
Sales of supplies, linen, and laundry services	6,905	7,433
Tuition, housing, and bookstore	11,817	10,208
Cafeteria, rental, and other	19,637	20,700
Total revenues, gains, and other support	629,623	595,303
Expenses		
Salaries and wages	290,431	275,067
Employee benefits	72,060	70,287
Professional fees and purchased services	53,140	47,290
Supplies	98,193	98,864
Plant and utilities	39,395	37,307
Depreciation	45,513	42,676
Interest and amortization	14,210	8,300
Other	23,363	24,196
Total expenses	636,305	603,987
Operating loss	(6,682)	(8,684)
Other income (expense)		
Investment income	6,165	5,664
Income from unconsolidated entities	2,811	1,796
Loss on sale of property and equipment	(11)	(137)
Income taxes	(570)	(323)
Total other income, net	8,395	7,000
Excess (deficiency) of revenues over expenses	1,713	(1,684)
Other changes in unrestricted net assets		
Change in net unrealized gains and losses on investments	(3,588)	10,548
Change in value of charitable remainder unitrusts and related annuities payable	(207)	(218)
Change in liability for pension benefits	(33,671)	(8,308)
Net assets released from restrictions for the purchase of property and equipment	12,131	10,454
Capital contributions	155	—
Total other changes in unrestricted net assets	(25,180)	12,476
Increase (decrease) in unrestricted net assets	$ (23,467)	10,792

See accompanying notes to consolidated financial statements

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidated Statements of Changes in Net Assets

Years ended December 31, 2011 and 2010

(Amounts in thousands)

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Balance, December 31, 2009	$ 357,242	32,026	1,941	391,209
Deficiency of revenues over expenses	(1,684)	—	—	(1,684)
Restricted gifts and grants	—	19,427	30	19,457
Restricted interest and investment income	—	62	—	62
Change in net unrealized gains and losses on investments	10,548	365	—	10,913
Change in value of charitable remainder unitrusts and related annuities payable	(218)	(43)	—	(261)
Change in liability for pension benefits	(8,308)	—	—	(8,308)
Net assets released from restrictions for use in operations	—	(2,061)	—	(2,061)
Net assets released from restrictions for the purchase of property and equipment	10,454	(10,454)	—	—
Increase in net assets	10,792	7,296	30	18,118
Balance, December 31, 2010	368,034	39,322	1,971	409,327
Deficiency of revenues over expenses	1,713	—	—	1,713
Restricted gifts and grants	—	4,022	311	4,333
Restricted interest and investment income	—	73	—	73
Change in net unrealized gains and losses on investments	(3,588)	(143)	—	(3,731)
Change in value of charitable remainder unitrusts and related annuities payable	(207)	(4)	—	(211)
Change in liability for pension benefits	(33,671)	—	—	(33,671)
Net assets released from restrictions for use in operations	—	(1,690)	—	(1,690)
Net assets released from restrictions for the purchase of property and equipment	12,131	(12,131)	—	—
Capital contributions	155	—	—	155
Increase (decrease) in net assets	(23,467)	(9,873)	311	(33,029)
Balance, December 31, 2011	$ 344,567	29,449	2,282	376,298

See accompanying notes to consolidated financial statements

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidated Statements of Cash Flows

Years ended December 31, 2011 and 2010

(Amounts in thousands)

		2011	2010
Cash flows from operating activities			
Increase (decrease) in net assets	$	(33,029)	18,118
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities			
Depreciation		45,513	42,676
Amortization and accretion		553	201
Loss on sale of property and equipment		11	137
Impairment losses on investments		7	9
Income from unconsolidated entities		(2,811)	(1,796)
Provision for bad debts		13,418	12,534
Change in net unrealized and realized gains and losses on investments		2,316	(12,364)
Change in liability for pension benefits		33,671	8,308
Restricted gifts and grants		(4,333)	(19,457)
Restricted interest and investment income		(73)	(62)
Change in value of charitable remainder unitrusts and related annuities payable		211	261
Changes in assets and liabilities			
Patient accounts receivable		(20,736)	(8,230)
Other receivables		3,313	(841)
Inventories		(1,200)	(1,718)
Prepaid expenses		(1,054)	(1,660)
Other assets		(349)	966
Accounts payable		596	(6,351)
Accrued salaries, wages, and benefits		3,005	(911)
Other accrued liabilities		667	1,611
Estimated third-party payor settlements		242	1,237
Conditional asset retirement obligation		(20)	—
Liability for pension benefits		(139)	(127)
Other long-term liabilities		(762)	(2,617)
Net cash provided by operating activities		39,017	29,924
Cash flows from investing activities			
Purchases of investments and assets limited as to use		(102,016)	(148,966)
Sales of investments and assets limited as to use		112,974	179,727
Decrease in securities on loan		1,542	154
Collateral on securities loaned		(1,542)	(154)
Purchase of property and equipment		(29,328)	(78,067)
Proceeds from sale of property and equipment		478	676
Cash contributed to unconsolidated entities		(40)	(103)
Distributions from investments in unconsolidated entities		2,552	2,068
Net cash used in investing activities		(15,380)	(44,665)
Cash flows from financing activities			
Issuance of long-term debt		31,166	12,235
Principal payments on long-term debt and capital lease obligations		(26,708)	(11,418)
Payment of debt issuance costs		(5)	(456)
Restricted gifts, grants, interest, and investment income		4,883	18,634
Change in value of charitable remainder unitrusts and related annuities payable		(211)	(261)
Net cash provided by financing activities		9,125	18,734
Net increase in cash and cash equivalents		32,762	3,993
Cash and cash equivalents, beginning of year		33,565	29,572
Cash and cash equivalents, end of year	$	66,327	33,565
Supplemental disclosures of cash flow information			
Cash paid for interest	$	13,825	13,537
Cash paid for income taxes		261	655

Supplemental disclosures of noncash items

During 2010, the Health System issued $30,000 of Health Facilities Revenue Bonds, of which, $3,600 and $6,338 were funded in 2011 and 2010, respectively

See accompanying notes to consolidated financial statements

(1) Organization

Nebraska Methodist Health System, Inc and affiliates (the Health System) is a not-for-profit corporation providing a variety of healthcare, education, and related services to communities in Eastern Nebraska and Western Iowa Healthcare services include inpatient, outpatient, emergency care, home healthcare, and physician services The Health System is the sole corporate member of the following affiliated entities

- The Nebraska Methodist Hospital
  - The Nebraska Methodist College of Nursing and Allied Health
  - Heart Services, LLC
- Jennie Edmundson Memorial Hospital
  - Jennie Edmundson Memorial Hospital Foundation
- Physicians Clinic, Inc
- The Nebraska Methodist Hospital Foundation
- Shared Service Systems, Inc
- Nebraska Methodist Hospital Self-Insured Trust
- Methodist Health Partners

(2) Summary of Significant Accounting Policies

The following is a summary of significant accounting policies of the Health System These policies are in accordance with U S generally accepted accounting principles

(a) Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates Significant items subject to such estimates and assumptions include the useful lives of fixed assets, allowances for uncollectible accounts and contractual adjustments, estimated third-party payor settlements, liability for pension benefits, self-insurance liabilities, and other contingencies

(b) Principles of Consolidation

The Health System consolidates all wholly owned affiliated entities and all entities in which it has greater than 50% ownership interest with commensurate control All significant intercompany balances and transactions have been eliminated in consolidation

(c) Fair Value Measurements

The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, receivables, accounts payable, accrued liabilities, and estimated third-party payor settlements approximate fair value due to the short maturities of these instruments The fair value of other financial and nonfinancial assets and liabilities is disclosed in note 7

(d) Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid debt instruments with original maturities of three months or less

(e) Provision for Uncollectible Accounts

The provision for uncollectible accounts is based upon management's assessment of expected net collections considering the accounts receivable aging, historical collections experience, economic conditions, trends in healthcare coverage, and other collection indicators Management periodically assesses the adequacy of the allowances for uncollectible accounts and contractual adjustments based upon historical write-off experience by payor category The results of these reviews are used to establish the net realizable value of patient accounts receivable The Health System follows established guidelines for placing certain patient balances with collection agencies Self-pay accounts are charged against the allowance for uncollectible accounts at the time of transfer to the collection agency Deductibles and coinsurance are classified as either third-party or self-pay receivables on the basis of which party has the primary remaining financial responsibility, while the total gross revenue remains classified based on the primary payor at the time of service There are various factors that can impact collection trends, such as changes in the economy, which in turn may have an impact on unemployment rates and the number of uninsured and underinsured patients, the volume of patients through our emergency departments, the increased burden of copayments and deductibles to be made by patients with insurance, and business practices related to collection efforts These factors continuously change and can have an impact on collection trends and our estimation process Net patient accounts receivable have been adjusted to the estimated amounts expected to be collected and do not bear interest

The Health System's self-pay write-offs in 2011 were $13,418 from uninsured and underinsured patients The Health System does not maintain an allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors Recent increases in the allowance for doubtful accounts are a result of more high deductible health plans and negative trends experienced in the collection of amounts from self-pay patients

(f) Inventories

Inventories are stated at the lower of cost or market Cost is determined principally using the first-in, first-out method

(g) Investments and Assets Limited as to Use

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets Investment income (including realized gains and losses on investments, interest, and dividends) is included in excess (deficiency) of revenues over expenses unless the income or loss is restricted by donor or law Unrealized gains and losses on investments are excluded from excess (deficiency) of revenues over expenses unless the investments are trading securities The Health System periodically reviews its investment portfolio to determine whether any unrealized losses are other than temporary

(Continued)

Impairments are charged to earnings and a new cost basis for the security is established To determine whether impairment is other than temporary, the Health System considers whether it has the ability and intent to hold the investment until the market price recovers and considers whether evidence indicating the cost of the investment is recoverable outweighs evidence to the contrary Evidence considered in the assessment includes reasons for the impairment, the severity and duration of the impairment, changes in value subsequent to year-end, forecasted performance of the investee, and the general market condition of the industry in which the investee operates Based on this evaluation, the Health System recognized other-than-temporary impairment losses of approximately $7 in 2011 and $9 in 2010 Other-than-temporary impairment losses are included in investment income in the consolidated financial statements

Assets limited as to use primarily include assets held by trustees under indenture agreements, donor-restricted gifts, and designated assets set aside by the Board of Directors (the Board) for future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes

(h) Property and Equipment

Property and equipment acquisitions are recorded at cost Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method The estimated useful lives of property and equipment are as follows land improvements - two to 25 years, buildings and improvements - five to 40 years, and equipment and furnishings - three to 20 years Equipment under capital lease obligations is amortized using the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment Such amortization is included in depreciation in the consolidated financial statements Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets During 2011 and 2010, $366 and $5,510 of interest was capitalized, respectively

Gifts of long-lived assets, such as land, buildings, or equipment, are reported as an increase to unrestricted net assets, and are excluded from excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service

(i) Impairment of Long-Lived Assets

The Health System reviews the carrying amount of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable Measurement of any impairment would include a comparison of the present value of the estimated future operating cash flows anticipated to be generated during the remaining life of the long-lived assets to the net carrying value of the assets No assets were impaired during 2011 and 2010

(j) Deferred Financing Costs

Certain expenses incurred in connection with the issuance of long-term debt have been deferred and are being amortized using the effective interest method over the term of the related obligation

(k) Asset Retirement Obligations

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Subtopic 410-20, *Asset Retirement and Environmental Obligations - Asset Retirement Obligations*, the Health System recognizes the fair value of liabilities for legal obligations associated with asset retirements in the period in which they are incurred, if a reasonable estimate of the fair value of the obligation can be made Over time, the obligation is accreted to its present value each period Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations The Health System has recorded a conditional asset retirement obligation related to estimated asbestos abatement costs in the amount of $6,625 and $5,882 at December 31, 2011 and 2010, respectively

(l) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Health System has been limited by donors to a specific time period, purpose, or by law Permanently restricted net assets have been restricted by donors to be maintained by the Health System in perpetuity

(m) Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of operations

(n) Net Patient Service Revenue Before the Provision for Uncollectible Accounts

Net patient service revenue before the provision for uncollectible accounts is recognized in the period in which the services are performed and consists of gross patient service revenue less estimated contractual adjustments and discounts The discount offered to uninsured patients is recognized as a contractual adjustment, which reduces net patient service revenue The uninsured patient accounts, net of contractual adjustments, are further reduced to their net realizable value through the provision for uncollectible accounts The Health System has agreements with third-party payors that provide for payments to the Health System at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, per diem, per visit, or per procedure, and discounted charges plus cost reimbursement for certain costs under governmental programs Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated

retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined

(o) Financial Assistance

The Health System provides care to patients who meet certain criteria under its financial assistance policy without charge or at amounts less than their established rates Because the Health System does not pursue collection of amounts determined to qualify as financial assistance, they are not reported as revenue The cost of services and supplies furnished under the Health System's financial assistance policy are estimated based on the ratio of net costs to gross charges and aggregated to $8,682 and $6,264 in 2011 and 2010, respectively

Patients meeting the guidelines for financial assistance frequently are uninsured and therefore qualify for the uninsured discount, which reduces the amount that they are responsible for to the equivalent of commercial reimbursement rates This discount is applied prior to the financial assistance discount

(p) Insurance Reserves

The provision for self-insurance reserves includes an estimate of the ultimate cost of reported claims as well as claims incurred but not reported See note 10

(q) Investment in Unconsolidated Entities

Investments in unconsolidated entities are accounted for under the cost or equity method of accounting, as appropriate, based on the relative percentage of ownership or degree of influence over the organization The equity income or loss on these investments is recorded in the consolidated statements of operations as income from unconsolidated entities

(r) Income Taxes

The Health System and all affiliates, except for Shared Service Systems, Inc , Methodist Health Partners, and Heart Services, LLC, have been recognized by the Internal Revenue Service as tax-exempt organizations, as described in 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 The estimated federal and state income tax expense for the taxable entities and certain activities of the tax-exempt organizations that are unrelated to their exempt purpose was $570 and $323 for 2011 and 2010, respectively, and is recorded in other expense in the consolidated statements of operations

The Health System recognizes the effect of income tax positions only if those positions are more likely than not of being sustained Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized Changes in recognition or measurement are reflected in the period in which the change in judgment occurs In 2011 and 2010, management determined there are no income tax positions requiring recognition in the financial statements

(s) Excess (Deficiency) of Revenues over Expenses

The consolidated statements of operations include excess (deficiency) of revenues over expenses Changes in unrestricted net assets, which are excluded from excess (deficiency) of revenues over expenses, include the change in unrealized gains and losses on investments other-than-trading securities, change in value of charitable remainder unitrusts and annuities payable, change in liability for pension benefits, 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)

(t) Adoption of New Accounting Pronouncements

In May 2011, the FASB issued Accounting Standards Update (ASU) 2011-04, *Fair Value Measurement (Topic 820), Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U S GAAP and IFRSs*, which amended ASC 820, *Fair Value Measurement*, to change the wording used to describe many of the requirements in U S GAAP for measuring fair value and for disclosing information about fair value measurements The adoption of ASU 2011-04 is effective beginning January 1, 2012 and is not expected to have a material impact on the Health System's consolidated financial statements

In July 2011, the FASB issued ASU 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, which amended ASC 954, *Health Care Entities*, to provide greater transparency regarding a healthcare entity's net patient revenue and the related allowance for doubtful accounts ASU 2011-07 requires certain healthcare entities to change the presentation of the provision for bad debts associated with patient service revenue by reclassifying the provision from operating expenses to a deduction from net patient revenue and requires enhanced disclosures about net patient revenue and the policies for recognizing revenue and assessing bad debts The Health System early adopted ASU 2011-07 beginning January 1, 2011

In August 2010, the FASB issued ASU 2010-24, *Health Care Entities (Topic 954), Presentation of Insurance Claims and Related Insurance Recoveries*, which clarifies that a healthcare entity should not net insurance recoveries against a related claim liability Additionally, the amount of the claim liability should be determined without consideration of insurance recoveries The adoption of ASU 2010-24 was effective for the Health System beginning January 1, 2011 The adoption of ASU 2010-24 did not have a material impact on the Health System's consolidated financial statements

In August 2010, the FASB issued ASU 2010-23, *Health Care Entities (Topic 354), Measuring Charity Care for Disclosure*, which requires that cost be used as a measurement for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing the charity care It also requires disclosure of the method used to identify or determine such costs The adoption of ASU 2010-23 was effective for the Health System beginning January 1, 2011 The adoption of ASU 2010-23 did not have a material impact on the Health System's consolidated financial statements

In January 2010, the FASB issued ASU 2010-06, *Improving Disclosures about Fair Value Measurements*, which amended ASC 820, *Fair Value Measurements and Disclosures*, to require new

disclosures related to transfers in and out of Level 1 and Level 2 fair value measurements, including reasons for the transfers, and to require new disclosures related to the reconciliation of Level 3 activity. Effective December 31, 2011, the Health System adopted the provisions of ASU 2010-06 related to the reconciliation of Level 3 activity, all other provisions were previously adopted effective December 31, 2010. The adoption of ASU 2010-06 did not have a material impact on the Health System's consolidated financial statements.

(u) Reclassifications

Certain balances from 2010 have been reclassified to conform to the current year presentation.

(3) Net Patient Service Revenue

The Nebraska Methodist Hospital and Jennie Edmundson Memorial Hospital (collectively, the Hospitals) and the Physicians Clinic (the Clinic) have agreements with third-party payors that provide for payments to the Hospitals and the Clinic at amounts different from their established rates. A summary of the payment arrangements with major third-party payors is as follows:

(a) Medicare

Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Medical education costs 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. Physician services are paid based on fee schedules.

(b) Nebraska Medicaid

Inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge. Certain outpatient services are reimbursed based on a percentage rate representing the average ratio of cost to charges discounted by 27% and 25% at December 31, 2011 and 2010, respectively.

(c) Iowa Medicaid

Medical and surgical inpatient services and outpatient services rendered to Medicaid program beneficiaries are primarily paid at prospectively determined rates per discharge. Inpatient psychiatric stays are paid on a prospectively determined per diem. Physician services are paid based on fee schedule amounts. Iowa Medicaid implemented a provider assessment program in order to increase federal funding. In 2011, the net impact is not significant.

Revenue from the Medicare and Medicaid programs accounted for approximately 23% and 4%, respectively, of the Health System's net patient service revenue for the year ended December 31, 2011, and 22% and 4%, respectively, for the year ended December 31, 2010. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation.

(Continued)

(Amounts in thousands)

As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term Net patient service revenue increased $358 and $291 in 2011 and 2010, respectively, as a result of changes in estimated reserves due to retroactive adjustments, final settlements, or additional information

The Hospitals and the Clinic have also entered into payment agreements with certain commercial insurance carriers and preferred provider organizations The basis for payment under these agreements includes discounts from established charges, fee schedules, and prospectively determined rates per discharge

The governmental payors, as well as most commercial payors, have developed programs to review paid claims on a retroactive basis for accuracy and medical necessity The Health System is subject to these post payment audits, which may result in the return of payments previously received The determination of net patient service revenue includes consideration of these audits on net realizable revenue

	Third-party	Self–pay	Total all
Patient service revenue, net of contractual adjustments and discounts	$ 590,956	13,726	604,682

(4) Concentrations of Credit Risk

The Health System grants credit without collateral to its patients, most of who are local residents and are insured under third-party payor agreements The mix of receivables from patients and third-party payors at December 31, 2011 and 2010 was as follows

	2011	2010
Medicare – traditional	25%	27%
Medicaid	7	6
Managed care	49	48
Other	19	19
	100%	100%

(Continued)

(Amounts in thousands)

(5) Long-Term Debt and Capital Lease Obligations

A summary of long-term debt and capital lease obligations at December 31, 2011 and 2010 is as follows

	2011	2010
Nebraska Investment Finance Authority Health Facilities Refunding and Revenue Bonds, Series 2008, payable in varying annual installments to 2048, with fixed interest rates ranging from 5 25% to 5 75%	$ 210,685	210,865
Nebraska Investment Finance Authority Health Facilities Revenue Bonds, Series 2010, payable in varying semiannual installments to 2040, with a fixed interest rate of 4 28%	30,000	30,000
Nebraska Investment Finance Authority Health Facilities Revenue Bonds, Series 2009, payable in varying quarterly installments to 2039, with a fixed interest rate of 3 53%	28,875	29,465
Iowa Finance Authority Health Facilities Refunding Revenue Bonds, Series 1997, payable in varying annual installments to 2017, with fixed interest rates ranging from 4 90% to 5 13%	6,585	7,505
Nebraska Educational Finance Authority Loan payable in fixed semiannual installments to 2027, with a fixed interest rate of 4 96%	2,967	3,092
The Nebraska Methodist Hospital Real-Estate Agreement payable in fixed monthly installments to 2022, with a fixed interest rate of 4 53%	2,603	2,802
Capital lease obligations, payable in varying monthly installments to 2014, with interest rates ranging from 4 79% to 8 21% The equipment has a combined net book value of $293 at December 31, 2011	276	1,338
Line of credit under vendor payment program	4,413	479
	286,404	285,546
Less current portion	7,116	3,555
Long-term debt and capital lease obligations, net of current portion	$ 279,288	281,991

During 2010, the Health System issued $30,000 of Health Facilities Revenue Bonds, the purpose of which was to fund the construction, improvement, equipping, and furnishing of a portion of a pathology building, employee parking garage, and surgery remodel project

(Continued)

(Amounts in thousands)

The Health System and all affiliates, except for Shared Service Systems, Inc., Methodist Health Partners, and Heart Services, LLC, have entered into a Master Trust Indenture (Indenture), which provides, among other things, for certain covenants related to the incurrence of additional indebtedness, the sale, lease, or disposition of property, and the maintenance of certain financial ratios The Indenture also requires the Health System to satisfy financial performance measures as long as the debt is outstanding

In the event of a Rating Agency downgrade to a rating of BBB (or its equivalent) or lower, the initial purchasing banks of the 2009 and 2010 series bonds and the reinsurer of the 1997 series bonds may elect to have the Health System repurchase the 2010, 2009, and 1997 bonds In the event of this election, the Health System would have 90 days to refinance the then outstanding bonds, which total $65,460 at December 31, 2011

The following is a summary of the outstanding balances by entity related to the Indenture as of December 31, 2011 and 2010

	2011	2010
The Nebraska Methodist Hospital	$ 265,763	266,533
Nebraska Methodist Health System, Inc	3,797	3,797
Jennie Edmundson Memorial Hospital	6,585	7,505
	$ 276,145	277,835

Property of the Nebraska Methodist College of Nursing and Allied Health is pledged as collateral for the Nebraska Educational Finance Authority Loan

Scheduled principal payments are as follows

	Long-term debt and line of credit	Capital lease obligations
2012	$ 6,957	168
2013	3,341	86
2014	3,448	36
2015	3,621	—
2016	3,789	—
Thereafter	264,972	—
	$ 286,128	290
Less amount representing interest under capital lease obligations		14
		$ 276

(Continued)

At December 31, 2011, the Health System has available a $10,000 unsecured revolving line of credit with an interest rate of one-month LIBOR plus 2% The line of credit expires on August 1, 2012 As of December 31, 2011 and 2010, no amounts have been advanced on the line of credit

At December 31, 2011, the Health System has available a $5,000 unsecured revolving line of credit in connection with a vendor payment program with an interest rate of three-month LIBOR plus 1 75% The line of credit expires on December 31, 2011 As of December 31, 2011 and 2010, $4,413 and $479, respectively, have been advanced on the line of credit

In December 2011, the Health System entered into a $10,000 unsecured revolving line of credit in connection with a vendor payment program with an interest rate of three-month LIBOR plus 1 75% The line of credit expires on December 1, 2012 As of December 31, 2011, no amounts have been advanced on the line of credit

(6) Investments and Assets Limited as to Use

Investments and assets limited as to use are stated at fair value and consist of

(a) Long-Term Investments Including Securities on Loan

Long-term investments will be used to provide liquidity, retire long-term debt, replace existing facilities, expand the present facilities as necessary in the future, and continue the health services currently provided by the Health System Additionally, certain of these funds have been designated to fund self-insurance reserves

(b) Construction Funds

Proceeds from the 2010 and 2009 bonds were deposited with a trustee for construction, improvement, equipping, and furnishing of the Women's Hospital and medical office building, and the Methodist Hospital pathology building, employee parking garage, and surgery remodel project

(c) Bond Trust Fund Investments

In connection with certain debt obligations, the Health System is required to make periodic deposits into bond sinking and interest funds with the trustee to provide for scheduled interest and principal payments

(Amounts in thousands)

The following is a summary of investments and assets limited as to use as of December 31, 2011 and 2010

2011	Cash and cash equivalents	U.S. government obligations and agencies	Marketable debt securities	Marketable equity securities	Other	Total
Long-term investments	$ 17,300	6,916	26,766	114,739	350	166,071
Securities on loan	558	—	138	—	—	696
Construction funds	3,259	—	—	—	—	3,259
Bond trust fund investments	1,155	15,023	—	—	—	16,178
Total investments and assets limited as to use	$ 22,272	21,939	26,904	114,739	350	186,204

2010	Cash and cash equivalents	U.S. government obligations and agencies	Marketable debt securities	Marketable equity securities	Other	Total
Long-term investments	$ 26,836	5,433	26,415	117,222	366	176,272
Securities on loan	2,034	—	193	—	—	2,227
Construction funds	5,953	—	—	—	—	5,953
Bond trust fund investments	1,339	15,236	—	—	—	16,575
Total investments and assets limited as to use	$ 36,162	20,669	26,608	117,222	366	201,027

Investment income for investments and assets limited as to use, and cash and cash equivalents are comprised of the following for the years ending December 31, 2011 and 2010

	2011	2010
Interest and dividends	$ 4,783	4,222
Realized gains and losses on the sale of securities	1,389	1,451
Impairment losses on investments	(7)	(9)
Change in net unrealized gains and losses on investments	(3,588)	10,548

(Continued)

Total unrealized losses from historical cost at December 31, 2011 were $5,996, of which $5,391 relates to equity mutual funds that have been in an unrealized loss position for greater than a year Management reviewed the securities with unrealized losses at December 31, 2011 and determined that the securities were not other than temporarily impaired Management reached this conclusion by applying its other-than-temporary loss policy, as well as discussions with its investment consultants and portfolio managers, who relied on industry analyst reports, credit ratings, current market conditions, and other information they deemed relevant to this assessment

Securities Lending

The Health System participates in a securities lending program operated by clearlend, a division of Wells Fargo Under this program, equity and fixed income investment securities are loaned on a temporary basis to investment brokers for a fee The Health System retains the right to the equivalent of all distributions of the securities while on loan, including but not limited to, dividends, interest, and other cash distributions

Securities so loaned are fully collateralized by short-term domestic securities that are high grade and quality at the time of investment The Health System receives the aggregate income derived from the investments net of any tax, rebate, fees paid to borrowers, and other certain expenses

All securities loans can be terminated by the lender, the borrower, or the lending agent Upon termination of a loan, the securities loaned are returned to the lending agent and the associated collateral is returned to the borrower

The fair market value of securities on loan under the securities lending program was $696 and $2,227 as of December 31, 2011 and 2010, respectively The fair market value of the collateral received for the loaned securities was $915 and $2,457 as of December 31, 2011 and 2010, respectively None of the collateral was sold or repledged during 2011 or 2010

(Amounts in thousands)

(7) Fair Value Measurements

Fair Value of Financial Instruments

The following table presents the carrying amounts and estimated fair values of the Health System's financial instruments at December 31, 2011 and 2010 The fair value of financial instrument is the amount that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

	2011		2010	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	$ 66,327	66,327	33,565	33,565
Patient accounts receivable	86,841	86,841	79,523	79,523
Other receivables	30,342	30,342	24,385	24,385
Investments and assets limited as to use	186,204	186,204	201,027	201,027
Contributions receivable	7,747	7,747	8,590	8,590
Assets held for deferred compensation	2,655	2,655	2,575	2,575
Financial liabilities				
Accounts payable	$ 26,731	26,731	26,135	26,135
Accrued salaries, wages, and benefits	46,270	46,270	43,265	43,265
Other accrued liabilities	20,759	20,759	21,699	21,699
Collateral on securities loaned	915	915	2,457	2,457
Estimated third-party payor settlements	4,297	4,297	4,055	4,055
Liability for deferred compensation	2,655	2,655	2,575	2,575
Liability for charitable remainder unitrusts and annuities payable	2,638	2,638	2,614	2,614
Conditional asset retirement obligation	6,625	6,625	5,882	5,882
Debt and capital lease obligations	286,404	285,587	285,546	266,562

The carrying amounts shown in the table are included in the consolidated balance sheets under the indicated captions Assets held for deferred compensation are included in other assets Liabilities for deferred compensation and charitable remainder unitrusts and annuities payable are included in other long-term liabilities The fair values of the financial instruments shown in the table as of December 31, 2011 and 2010 represent management's best estimates of the amounts that would be received to sell those assets or that would be paid to transfer those liabilities in an orderly transaction between market participants at that date Those fair value measurements maximize the use of observable inputs However, in situations where there is little, if any, market activity for the asset or liability at the measurement date,

the fair value measurement reflects the Health System's own judgments about the assumptions that market participants would use in pricing the asset or liability. Those judgments are developed by the Health System based on the best information available under the circumstances.

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

Cash and cash equivalents, patient accounts receivable, other receivables, accounts payable, accrued salaries, wages and benefits, other accrued liabilities, and estimated third-party payor settlements - the carrying amount approximates fair value due to the short maturity of these instruments.

Contributions receivable, liability for charitable remainder unitrusts and annuities payable, and conditional asset retirement obligation - the fair value is determined using the income approach by estimating the present value of expected future cash flows based on the best information available.

Debt and capital lease obligations - The fair value of the Health System's long-term debt is measured using quoted offer-side prices when quoted market prices are available. If quoted market prices are not available, the fair value is determined by discounting the future cash flows of each instrument at rates that reflect, among other things, market interest rates and the Health System's credit standing. In determining an appropriate spread to reflect its credit standing, the Health System considers bond yields of other long-term debt offered by the Health System, and interest rates currently offered to the Health System for similar debt instruments of comparable maturities by the Health System's bankers as well as other banks that regularly compete to provide financing to the Health System.

Fair Value Hierarchy

The Health System follows a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Financial instruments classified in this level generally include pooled short-term investment funds, exchange traded equity securities, and mutual funds.

Level 2: Inputs are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Financial instruments classified in this level generally include fixed income government obligations, asset-backed securities, and corporate and municipal bonds.

(Amounts in thousands)

Level 3 Inputs are unobservable for the asset or liability. The inputs into the determination of fair value require management's judgment or estimation of assumptions that market participants would use in pricing the asset or liability. Fair value is determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques. Financial instruments classified in this level generally include alternative investments, limited partnerships, and private equity investments.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following table presents the placement in the fair value hierarchy of assets that are measured at fair value on a recurring basis (including items that are required to be measured at fair value) at December 31, 2011 and 2010:

		December 31, 2011 fair value	Level 1	Level 2	Level 3
Assets					
Cash and cash equivalents	$	66,327	66,327	—	—
Investments and assets limited as to use					
Money market investments	$	22,272	22,272	—	—
U.S. government obligations and agencies		21,939	—	21,939	—
Marketable debt securities		26,904	—	26,904	—
Mutual funds					
Balanced funds		35,458	35,458	—	—
Value funds		27,160	27,160	—	—
Growth funds		20,180	20,180	—	—
Fixed income funds		16,997	16,997	—	—
Stocks					
Information technology		3,167	3,167	—	—
Healthcare		2,573	2,573	—	—
Consumer discretionary		2,193	2,193	—	—
Financial services		2,137	2,137	—	—
Industrials		2,002	2,002	—	—
Other		2,872	2,872	—	—
Real estate		350	—	—	350
Total investments and assets limited as to use	$	186,204	137,011	48,843	350

(Continued)

(Amounts in thousands)

	December 31, 2011 fair value	Level 1	Level 2	Level 3
Assets held for deferred compensation	$ 2,655	2,655	—	—

	December 31, 2010 fair value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 33,565	33,565	—	—
Investments and assets limited as to use				
Money market investments	$ 36,162	36,162	—	—
U.S. government obligations and agencies	20,669	—	20,669	—
Marketable debt securities	26,608	—	26,608	—
Mutual funds				
Balanced funds	42,419	42,419	—	—
Growth funds	26,157	26,157	—	—
Value funds	19,033	19,033	—	—
Fixed income funds	16,319	16,319	—	—
Stocks				
Information technology	2,736	2,736	—	—
Financial services	2,126	2,126	—	—
Consumer discretionary	2,099	2,099	—	—
Healthcare	1,723	1,723	—	—
Industrials	1,719	1,719	—	—
Other	2,891	2,891	—	—
Real estate	366	—	—	366
Total investments and assets limited as to use	$ 201,027	153,384	47,277	366
Assets held for deferred compensation	$ 2,575	2,575	—	—

There were no transfers to or from Level 1 or Level 2 during 2011

(Continued)

(Amounts in thousands)

The Level 2 and Level 3 financial instruments listed in the fair value hierarchy tables above use the following valuation techniques and inputs

U S government obligations and agencies - The fair value of investments in U S government obligations and agencies is primarily determined using techniques consistent with the income approach Significant observable inputs to the income approach include data points for benchmark constant maturity curves and spreads

Marketable debt securities - The fair value of investments in marketable debt securities is primarily determined using techniques that are consistent with the market approach Significant observable inputs include benchmark yields, reported trades, observable broker/dealer quotes, issuer spreads, and security specific characteristics, such as early redemption options

Real estate - The fair value of investments in real estate is primarily determined using techniques that are consistent with the market approach Significant observable inputs include appraisals, reported trades/transactions, and observable broker quotes

The following table presents the Health System's activity for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as defined in ASC Topic 820 for the years ended December 31, 2011 and 2010

		Level 3
Balance at December 31, 2009	$	314
Total change in unrealized losses		—
Realized gains		—
Purchases		52
Balance at December 31, 2010	$	366

		Level 3
Balance at December 31, 2010	$	366
Total change in unrealized losses		—
Realized gains		—
Sales		(16)
Balance at December 31, 2011	$	350

(Continued)

(Amounts in thousands)

The following tables present the placement in the fair value hierarchy of nonfinancial liabilities that are measured at fair value on a nonrecurring basis at December 31, 2011 and 2010

	December 31, 2011 fair value	Level 1	Level 2	Level 3
Liabilities				
Conditional asset retirement obligation	$ 6,625	—	—	6,625

	December 31, 2010 fair value	Level 1	Level 2	Level 3
Liabilities				
Conditional asset retirement obligation	$ 5,882	—	—	5,882

(8) Temporarily and Permanently Restricted Net Assets

The composition of restricted net assets at December 31, 2011 and 2010 is set forth in the following table Investments are stated at fair value

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

	2011	2010
Building program (Women's Hospital, pathology building, employee parking garage, and surgery remodel)	$ 14,293	23,779
Scholarships and education	4,906	4,455
Methodist cancer survivorship program (Harper's Hope)	2,855	2,993
Community counseling, healthcare, and other	1,829	1,030
Nebraska Methodist College of Nursing capital	1,645	2,677
Charitable remainder unitrusts (primarily time restriction)	1,497	1,507
SANE/SART program	1,265	1,315
Methodist Cancer Center construction	1,159	1,566
	$ 29,449	39,322

(Continued)

(Amounts in thousands)

Net assets were released from restrictions for the following purposes during 2011 and 2010

	2011	2010
Building program (Women's Hospital, pathology building, employee parking garage, and surgery remodel)	$ 10,455	8,678
Scholarships and education	112	111
Methodist cancer survivorship program (Harper's Hope)	153	32
Community counseling, healthcare, and other	1,356	1,889
Nebraska Methodist College of Nursing capital	1,258	6
SANE/SART program	69	81
Methodist Cancer Center construction	418	1,718
	$ 13,821	12,515

Permanently restricted assets of $2,282 and $1,971 at December 31, 2011 and 2010, respectively, are available for scholarships and education, community healthcare, and other

(9) Pension Plans

(a) Health System

The Health System sponsors a noncontributory defined benefit pension plan (the Plan) covering substantially all employees (except for employees covered under the Jennie Edmundson Memorial Hospital Employee Retirement Plan) who have completed one year of eligible service, as defined in the Plan, and have attained the age of 21 Benefits are determined based upon years of service and the employee's compensation during the final 15 years of employment or during all years of service if employed less than 15 years The Health System's funding policy is to contribute annually an amount that satisfies the funding standard account requirements of the Employee Retirement Income Security Act of 1974 (ERISA) The annual costs were calculated using the projected-unit-credit-actuarial cost method

(b) Jennie Edmundson Memorial Hospital Employee Retirement Plan

Jennie Edmundson Memorial Hospital (Jennie Edmundson) sponsors a noncontributory defined-benefit pension plan (the JEMH Plan) covering substantially all employees Employees become participants in the JEMH Plan on January 1 following their date of employment Benefits are determined based on the annual compensation for each year the employee was a participant in the JEMH Plan Jennie Edmundson's funding policy is to contribute annually an amount that satisfies the funding standard account requirements of ERISA Annual costs are calculated using the projected-unit-credit-actuarial cost method

(Continued)

(Amounts in thousands)

The following table summarizes the projected benefit obligation, the fair value of plan assets, and the funded status at the measurement dates of December 31, 2011

		Health System	Jennie Edmundson
Changes to benefit obligation			
Benefit obligation at beginning of year	$	256,131	49,639
Service cost		10,214	1,632
Interest cost		13,883	2,728
Actuarial loss		26,910	6,325
Benefits paid from plan assets		(8,445)	(1,388)
Benefit obligation at end of year		298,693	58,936
Changes in plan assets			
Fair value of plan assets at beginning of year		231,218	42,558
Actual return on plan assets		13,803	2,457
Employer contributions		10,000	1,900
Benefits paid		(8,445)	(1,388)
Fair value of plan assets at end of year		246,576	45,527
Funded status at end of year	$	(52,117)	(13,409)

		Health System	Jennie Edmundson
Amounts recognized in the consolidated balance sheets			
Liability for pension benefits	$	(52,117)	(13,409)
Net amount recognized	$	(52,117)	(13,409)

The accumulated benefit obligation as of December 31, 2011 for the Health System and Jennie Edmundson was $292,778 and $53,785, respectively

(Continued)

(Amounts in thousands)

The following is a summary of the components of net periodic pension cost for the year ended December 31, 2011

		Health System	Jennie Edmundson
Service cost during the period	$	10,214	1,632
Interest cost on projected benefit obligation		13,883	2,728
Expected return on plan assets		(18,497)	(3,425)
Amortization of unrecognized			
Prior service cost		(372)	—
Losses		4,927	581
Net periodic pension cost	$	10,155	1,516

Other changes in plan assets and benefit obligations recognized in unrestricted net assets as of December 31, 2011 consist of

		Health System	Jennie Edmundson
Net actuarial loss	$	94,227	18,253
Prior service cost		(1,346)	—
Total recognized in unrestricted net assets	$	92,881	18,253

Amounts recognized in other changes in unrestricted net assets for the year ended December 31, 2011 are as follows

		Health System	Jennie Edmundson
Amortization of net gain (loss)	$	(4,927)	7,292
Amortization of prior service cost		372	—
Net loss recognized in the current period		31,604	(580)
Other		(90)	—
Total change in unrestricted net assets	$	26,959	6,712

The estimated net loss and prior service cost for the Health System and Jennie Edmundson that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year are approximately $6,986 and $1,124, respectively

(Continued)

(Amounts in thousands)

Plan asset allocations and target allocations are comprised of the following investment classifications at December 31, 2011

	Target allocations	Health System	Jennie Edmundson
Equity securities	65%	42%	42%
Fixed income securities	29	36	36
Real estate investment trusts	5	4	4
Cash and cash equivalents	1	18	18
	100%	100%	100%

The Health System and Jennie Edmundson's overall investment objective is to provide a return on investment consistent with maintaining a funded ratio target, which is defined by the Health System and Jennie Edmundson The strategies employed by the Health System and Jennie Edmundson will provide the opportunity for returns within acceptable levels of risk of loss and volatility of returns with appropriate asset allocation being the primary tool to achieve the return objectives

The following are the actuarial assumptions used by the Plans to develop the components of pension cost for the year ended December 31, 2011

	Health System	Jennie Edmundson
Discount rate	5 50%	5 60%
Rate of increase in compensation levels	4 00	4 50
Expected long-term rate of return on plan assets	8 00	8 00

The expected long-term rate of return on plan assets reflects the anticipated rates of return on the classes of funds invested, or to be invested, to provide for the future obligation of the pension plan

The determination of this rate considers the fund's targeted asset allocation, the historical rates of return for each asset class, as well as the expected rates to be earned over the next 15 to 20 years

The following are the actuarial assumptions used by the Plans to develop the components of the pension projected benefit obligations for the year ended December 31, 2011

	Health System	Jennie Edmundson
Discount rate	4 80%	4 70%
Rate of increase in compensation levels	3 50	3 50

(Continued)

(Amounts in thousands)

The following table summarizes the projected benefit obligation, the fair value of plan assets, and the funded status at the measurement dates of December 31, 2010

		Health System	Jennie Edmundson
Changes to benefit obligation			
Benefit obligation at beginning of year	$	229,130	44,378
Service cost		9,376	1,500
Interest cost		13,302	2,599
Actuarial loss		13,959	2,387
Benefits paid from plan assets		(9,636)	(1,225)
Benefit obligation at end of year		256,131	49,639
Changes in plan assets			
Fair value of plan assets at beginning of year		211,309	38,386
Actual return on plan assets		19,909	3,497
Employer contributions		9,636	1,900
Benefits paid		(9,636)	(1,225)
Fair value of plan assets at end of year		231,218	42,558
Funded status at end of year	$	(24,913)	(7,081)
Amounts recognized in the consolidated balance sheets			
Liability for pension benefits	$	(24,913)	(7,081)
Net amount recognized	$	(24,913)	(7,081)

The accumulated benefit obligation as of December 31, 2010 for the Health System and Jennie Edmundson was $249,981 and $44,300, respectively

The following is a summary of the components of net periodic pension cost for the year ended December 31, 2010

		Health System	Jennie Edmundson
Service cost during the period	$	9,376	1,500
Interest cost on projected benefit obligation		13,302	2,599
Expected return on plan assets		(16,870)	(3,100)
Amortization of unrecognized			
Prior service cost		(372)	—
Amortization of losses		4,475	465
Net periodic pension cost	$	9,911	1,464

(Continued)

(Amounts in thousands)

Other changes in plan assets and benefit obligations recognized in unrestricted net assets as of December 31, 2010 consist of

		Health System	Jennie Edmundson
Net actuarial loss	$	67,640	11,541
Prior service cost		(1,718)	—
Total recognized in unrestricted net assets	$	65,922	11,541

Amounts recognized in other changes in unrestricted net assets for the year ended December 31, 2010 are as follows

		Health System	Jennie Edmundson
Amortization of net gain	$	(4,475)	(465)
Amortization of prior service cost		372	—
Net loss recognized in the current period		10,920	1,990
Other		(34)	—
Total change in unrestricted net assets	$	6,783	1,525

The estimated net loss and prior service cost for the Health System and Jennie Edmundson that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year are approximately $4,345 and $587, respectively

Plan asset allocations and target allocations are comprised of the following investment classifications at December 31, 2010

	Target allocations	Health System	Jennie Edmundson
Equity securities	65%	35%	35%
Fixed income securities	29	39	38
Real estate investment trusts	5	4	4
Cash and cash equivalents	1	22	23
	100%	100%	100%

The Health System and Jennie Edmundson's overall investment objective is to provide a return on investment consistent with maintaining a funded ratio target, which is defined by the Health System and Jennie Edmundson The strategies employed by the Health System and Jennie Edmundson will provide the opportunity for returns within acceptable levels of risk of loss and volatility of returns with appropriate asset allocation being the primary tool to achieve the return objectives

(Continued)

(Amounts in thousands)

The following are the actuarial assumptions used by the Plans to develop the components of pension cost for the year ended December 31, 2010

	Health System	Jennie Edmundson
Discount rate	5 90%	6 00%
Rate of increase in compensation levels	4 50	4 50
Expected long-term rate of return on plan assets	8 00	8 00

The expected long-term rate of return on plan assets reflects the anticipated rates of return on the classes of funds invested, or to be invested, to provide for the future obligation of the pension plan

The determination of this rate considers the fund's targeted asset allocation, the historical rates of return for each asset class, as well as the expected rates to be earned over the next 15 to 20 years

The following are the actuarial assumptions used by the Plans to develop the components of the pension projected benefit obligations for the year ended December 31, 2010

	Health System	Jennie Edmundson
Discount rate	5 50%	5 60%
Rate of increase in compensation levels	4 00	4 50

The benefits expected to be paid in each year from 2012 to 2015 are as follows

	Health System	Jennie Edmundson
2012	$ 12,788	1,562
2013	13,159	1,762
2014	14,730	1,977
2015	15,793	2,164
2016	16,270	2,443

The aggregate benefits expected to be paid in the five years from 2016 to 2020 for the Health System and Jennie Edmundson are $98,886 and $16,354, respectively The expected benefits to be paid are based on the same assumptions used to measure the plan's benefit obligation at December 31, 2011 and include estimated employee service

The Health System and Jennie Edmundson expect to contribute $13,000 and $2,200, respectively, to their retirement plans in 2012

(Continued)

(Amounts in thousands)

The following tables present the fair value of plan assets in accordance with the fair value hierarchy (note 7) at December 31, 2011 and 2010

	December 31, 2011 fair value	Level 1	Level 2	Level 3
Health System				
Asset category				
Money market investments	$ 48,938	48,938	—	—
U S government obligations and agencies	30,553	—	30,553	—
Marketable debt securities	20,991	—	20,991	—
Mutual funds				
Balanced funds	27,530	27,530	—	—
Growth funds	19,616	19,616	—	—
Value funds	10,765	10,765	—	—
Fixed income funds	34,485	34,485	—	—
Common stock				
Consumer discretionary	8,324	8,324	—	—
Information technology	7,945	7,945	—	—
Financial services	5,679	5,679	—	—
Healthcare	5,189	5,189	—	—
Industrials	4,199	4,199	—	—
Energy	4,097	4,097	—	—
Consumer staples	2,858	2,858	—	—
Other	5,497	5,497	—	—
Real estate	9,910	—	—	9,910
	$ 246,576	185,122	51,544	9,910

(Continued)

(Amounts in thousands)

	December 31, 2011 fair value	Level 1	Level 2	Level 3
Jennie Edmundson				
Asset category				
Money market investments	$ 8,868	8,868	—	—
U S government obligations and agencies	5,723	—	5,723	—
Marketable debt securities	3,831	—	3,831	—
Mutual funds				
Balanced funds	5,031	5,031	—	—
Growth funds	3,639	3,639	—	—
Value funds	1,928	1,928	—	—
Fixed income funds	6,439	6,439	—	—
Common stock				
Information technology	1,462	1,462	—	—
Consumer discretionary	1,535	1,535	—	—
Financial services	1,076	1,076	—	—
Other	4,099	4,099	—	—
Real estate	1,896	—	—	1,896
	$ 45,527	34,077	9,554	1,896

(Continued)

(Amounts in thousands)

	December 31, 2010 fair value	Level 1	Level 2	Level 3
Health System				
Asset category				
Money market investments	$ 52,009	52,009	—	—
U.S. government obligations and agencies	26,640	—	26,640	—
Marketable debt securities	16,751	—	16,751	—
Mutual funds				
Balanced funds	19,374	19,374	—	—
Growth funds	2,621	2,621	—	—
Value funds	13,926	13,926	—	—
Fixed income funds	45,778	45,778	—	—
Common stock				
Information technology	9,538	9,538	—	—
Consumer discretionary	8,557	8,557	—	—
Financial services	6,229	6,229	—	—
Healthcare	4,753	4,753	—	—
Industrials	4,709	4,709	—	—
Materials	2,551	2,551	—	—
Consumer staples	2,547	2,547	—	—
Other	6,381	6,381	—	—
Real estate	8,854	—	—	8,854
	$ 231,218	178,973	43,391	8,854

(Continued)

(Amounts in thousands)

	December 31, 2010 fair value	Level 1	Level 2	Level 3
Jennie Edmundson				
Asset category				
Money market investments	$ 9,985	9,985	—	—
U S government obligations and agencies	5,028	—	5,028	—
Marketable debt securities	3,150	—	3,150	—
Mutual funds				
Balanced funds	3,258	3,258	—	—
Growth funds	481	481	—	—
Value funds	2,501	2,501	—	—
Fixed income funds	8,006	8,006	—	—
Common stock				
Information technology	1,754	1,754	—	—
Consumer discretionary	1,589	1,589	—	—
Financial services	1,175	1,175	—	—
Other	3,937	3,937	—	—
Real estate	1,694	—	—	1,694
	$ 42,558	32,686	8,178	1,694

The following tables present the Health System's activity for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as defined in ASC Topic 820 for the years ended December 31, 2011 and 2010

	Health System	Jennie Edmundson
Balance at December 31, 2010	$ 8,854	1,694
Total change in unrealized gains	679	130
Realized losses	(3)	(1)
Purchases	761	146
Sales	(381)	(73)
Balance at December 31, 2011	$ 9,910	1,896

(Continued)

(Amounts in thousands)

	Health System	Jennie Edmundson
Balance at December 31, 2009	$ 7,648	1,463
Total change in unrealized gains	734	140
Realized losses	(3)	—
Purchases	826	158
Sales	(351)	(67)
Balance at December 31, 2010	$ 8,854	1,694

(10) Insurance Coverage

The Health System manages its professional liability risks through a combination of third-party insurance coverage and self-insurance. General and professional liability and employed physician professional liability coverage are provided under a self-insured retention of $2,000 per occurrence with an annual aggregate of $9,000. In addition, a $50,000 umbrella policy is maintained with third-party insurance carriers for claims in excess of any applicable self-insured retention. In the event of insolvency, the Health System maintains a fronting policy with the insurance carrier to pay claims. In turn, the insurance carrier requires the Health System to maintain a letter of credit as collateral for open claims. At December 31, 2011, the amount available under the letter of credit was $3,427. There were no amounts drawn as of December 31, 2011.

The Health System has established reserves for possible losses on both asserted and unasserted claims based upon an independent actuarial analysis. The reserves were not discounted in 2011 or 2010. The Health System has recognized $2,209 and $3,780 of expense related to these self-insured risks during 2011 and 2010, respectively.

Management of the Health System is presently not aware of any incidents, which would result in probable losses materially in excess of amounts provided by insurance policies and established reserves for claims.

The Health System similarly provides for health insurance and workers' compensation coverage through a combination of self-insurance and third-party insurers. Estimated reserves have been established for reported claims and claims, which have been incurred but not reported.

(Continued)

(Amounts in thousands)

(11) Functional Expenses

The Health System provides general healthcare services to residents within the region. Support expenses related to providing these services for the years ended December 31, 2011 and 2010 are as follows:

	2011	2010
Healthcare service	$ 588,754	558,058
General and administrative	45,656	44,004
Fundraising	1,895	1,925
	$ 636,305	603,987

(12) Contingencies

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, security and privacy of protected data, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Medicare started a post payment audit program in 2009 with retroactive application to October 1, 2007. Refund requests of $561 and $128 have been received through December 31, 2011 and 2010, respectively. Management believes that the Health System is in compliance with fraud and abuse regulations, as well as other applicable government laws and regulations. While no regulatory inquiries have been made, which are expected to have a material effect on the Health System's consolidated financial statements, compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

(13) Commitments

Certain equipment and property are being leased under long-term noncancelable operating leases. In most cases, management expects that, in the normal course of operations, the leases will be renewed or replaced by other leases or capital purchases. The total rent expense under operating leases for 2011 and 2010 was $6,380 and $6,250, respectively.

(Continued)

(Amounts in thousands)

Future minimum rental payments required under noncancelable operating leases that have initial or remaining noncancelable lease terms in excess of one year as of December 31, 2011 are as follows

2012	$	2,489
2013		2,252
2014		2,039
2015		1,076
2016		98

(14) Subsequent Events

The Health System has evaluated subsequent events from the consolidated balance sheet date through April 16, 2012, the date at which the consolidated financial statements were issued, and determined there are no other material items to disclose

Exhibit I

NEBRASKA METHODIST HEALTH SYSTEM, INC AND AFFILIATES

Consolidating Balance Sheet

December 31 2011

(Amounts in thousands)

Assets	NMH consolidated	JEMH	PCI	NMH Foundation	NMHS total	SSS	Total	Eliminations	NMHS consolidated
Current assets									
Cash and cash equivalents	$ 36 813	8 540	9 110	3 232	8 336	296	66 327	—	66 327
Patient accounts receivable less allowance for uncollectible accounts	53 912	13 470	19 456	—	—	—	86 841	—	86 841
Contributions receivable	—	70	—	2 294	—	—	2 364	—	2 364
Other receivables	21 987	715	207	—	600	7 298	30 807	(465)	30 342
Inventories	5 611	1 102	1 076	—	6	5 329	13 124	—	13 124
Prepaid expenses	5 354	612	721	9	244	68	7 008	—	7 008
Due from affiliates	924	—	—	—	8 084	—	9 008	(9 008)	—
Total current assets	124 601	24 509	30 573	5 535	17 870	12 991	216 079	(10 073)	206 006
Investments and assets limited as to use									
Long-term investments	60 954	4 828	—	87 003	12 626	—	166 071	—	166 071
Securities on loan	60	—	—	636	—	—	696	—	696
Construction funds	3 250	—	—	—	—	—	3 250	—	3 250
Bond trust fund investments	15 917	—	—	—	201	—	16 178	—	16 178
Total investments and assets limited as to use	80 190	4 828	—	88 206	12 887	—	186 204	—	186 204
Property and equipment									
Land	4 257	2 808	3 876	—	7 888	9	18 838	—	18 838
Land improvements	15 649	2 335	627	—	1 332	102	20 045	—	20 045
Buildings and improvements	338 745	72 271	41 641	236	15 389	4 283	472 565	—	472 565
Equipment and furnishings	338 258	44 490	21 182	80	8 836	5 460	418 315	—	418 315
Construction in progress	8 749	21	1	—	332	—	9 103	—	9 103
Total property and equipment	705 658	121 925	67 327	325	33 777	9 854	938 866	—	938 866
Less accumulated depreciation	349 330	84 786	37 701	270	10 178	8 892	500 166	—	500 166
Total property and equipment net	356 328	37 139	29 626	46	14 599	962	438 700	—	438 700
Other assets									
Contributions receivable	—	—	—	5 383	—	—	5 383	—	5 383
Deferred financing costs	6 543	81	—	—	157	—	6 781	—	6 781
Beneficial interest in the net assets of the Foundation	26 048	—	—	—	69 868	—	95 916	(95 916)	—
Investment in unconsolidated entities	3 843	843	—	—	653	—	5 339	—	5 339
Other	4 676	—	—	228	2 944	811	8 659	(2 305)	6 264
Total other assets	41 110	924	—	5 611	73 622	811	122 078	(98 311)	23 767
Total assets	$ 602 229	67 400	60 199	99 491	118 978	14 764	963 061	(108 384)	854 677

(Continued)

Exhibit I

NEBRASKA METHODIST HEALTH SYSTEM, INC AND AFFILIATES

Consolidating Balance Sheet

December 31 2011

(Amounts in thousands)

Liabilities and Net Assets	NMH consolidated	JEMH	PC I	NMH Foundation	NMHS total	SSS	Total	Eliminations	NMHS consolidated
Current liabilities									
Current portion of long-term debt and capital lease obligations	$ 6 151	965	208	—	—	—	7 324	(208)	7 116
Accounts payable	17 588	2 318	2 670	30	1 240	3 118	26 988	(257)	26 731
Accrued salaries wages and benefits	17 113	5 626	14 040	71	8 700	720	46 270	—	46 270
Other accrued liabilities	11 282	1 646	5 070	2	2 443	316	20 759	—	20 759
Collateral on securities loaned	104	—	—	811	—	—	915	—	915
Estimated third-party payor settlements	3 327	970	—	—	—	—	4 297	—	4 297
Due to affiliates	148	1 376	6 247	14	568	1 255	9 008	(9 008)	—
Total current liabilities	55 713	12 901	28 241	937	12 960	5 409	116 161	(10 073)	106 088
Liability for pension benefits	—	13 409	—	—	52 117	—	65 526	—	65 526
Other long-term liabilities	2 256	408	6 033	2 638	9 321	196	20 852	—	20 852
Conditional asset retirement obligation	4 308	1 388	—	—	929	—	6 625	—	6 625
Long-term debt and capital lease obligations net of current portion	269 871	5 620	2 305	—	3 707	—	281 083	(2 305)	278 288
Total liabilities	332 148	33 726	36 669	3 575	79 124	5 605	490 847	(12 468)	478 379
Net assets									
Unrestricted	241 658	32 211	23 530	68 023	(30 014)	9 150	344 567	—	344 567
Temporarily restricted	26 717	1 200	—	26 035	99 480	—	123 507	(94 058)	29 449
Permanently restricted	1 706	197	—	1 858	378	—	4 140	(1 858)	2 282
Total net assets	270 081	33 674	23 530	95 916	39 854	9 150	472 214	(95 916)	376 298
Total liabilities and net assets	$ 602 229	67 400	60 199	99 491	118 978	14 754	963 061	(108 384)	854 677

See accompanying independent auditors' report

Exhibit I

NEBRASKA METHODIST HEALTH SYSTEM, INC AND AFFILIATES

Consolidating Statement of Operations

Year ended December 31 2011

(Amounts in thousands)

	NMH consolidated	JEMH	PCI	NMH Foundation	NMHS total	SSS	Total	Eliminations	NMHS consolidated
Unrestricted revenues gains and other support									
Patient service revenue net of contractual adjustments and discounts	$ 402 472	80 080	115 808	—	—	—	607 360	(2 687)	604 682
Provision for uncollectible accounts	(9 287)	(2 925)	(1 206)	—	—	—	(13 418)	—	(13 418)
Net patient service revenue	393 185	80 104	114 602	—	—	—	593 951	(2 687)	591 264
Sales of supplies linen and laundry services	—	—	—	—	—	11 752	11 752	(4 847)	6 905
Tuition housing and bookstore	11 760	48	—	—	—	—	11 817	—	11 817
Cafeteria rental and other	19 503	3 740	3 136	1 780	5 020	—	34 103	(14 466)	19 637
Total revenues gains and other support	424 457	80 961	117 738	1 780	5 020	11 752	651 023	(22 000)	629 023
Expenses									
Salaries and wages	149 441	34 487	77 905	571	23 538	4 719	290 661	(230)	290 431
Employee benefits	38 400	10 320	14 170	126	7 560	1 565	72 150	(900)	72 060
Professional fees and purchased services	40 668	6 661	4 500	210	4 911	52	57 002	(3 862)	53 140
Supplies	75 790	16 084	8 877	12	517	1 552	102 751	(4 558)	98 193
Plant and utilities	30 545	4 443	7 630	95	1 804	1 223	45 836	(6 441)	39 395
Depreciation	36 473	4 390	3 321	17	1 130	182	45 513	—	45 513
Interest and amortization	13 500	450	122	—	260	—	14 332	(122)	14 210
Allocations	25 100	7 070	6 042	544	(39 554)	708	—	—	—
Other	13 068	4 158	4 422	3 714	3 881	930	30 173	(6 810)	23 363
Total expenses	422 913	88 063	126 065	5 289	4 146	11 021	658 427	(22 122)	636 305
Operating income (loss)	1 544	1 898	(6 257)	(3 509)	1 783	731	(6 804)	122	(6 682)
Other income (expense)									
Investment income	2 389	141	—	3 406	351	—	6 287	(122)	6 165
Income (loss) from unconsolidated entities	2 674	146	—	—	(9)	—	2 811	—	2 811
Gain (loss) on sale of property and equipment	20	20	(74)	—	—	8	(11)	—	(11)
Income taxes	(220)	(1)	(66)	—	6	(280)	(570)	—	(570)
Total other income (expense) net	4 872	312	(140)	3 406	348	(281)	8 517	(122)	8 395
Excess (deficiency) of revenues over expenses	6 416	2 210	(6 397)	(97)	2 131	450	1 713	—	1 713
Other changes in unrestricted net assets									
Change in net unrealized gains and losses on investments	(1 024)	(76)	—	(2 271)	(214)	—	(3 588)	—	(3 588)
Change in value of charitable remainder unitrusts and related annuities payable	—	—	—	(207)	—	—	(207)	—	(207)
Change in liability for pension benefits	90	(6 712)	—	—	(27 049)	—	(33 671)	—	(33 671)
Net assets released from restrictions for the purchase of property and equipment	—	—	—	12 131	—	—	12 131	—	12 131
Capital contributions	155	—	—	—	—	—	155	—	155
Transfers (to) from affiliate for capital	12 737	—	—	(12 737)	—	—	—	—	—
Transfers (to) from affiliate	(11 774)	—	6 397	1 042	435	—	—	—	—
Total other changes in unrestricted net assets	184	(6 791)	6 397	(1 142)	(26 828)	—	(25 180)	—	(25 180)
Increase (decrease) in unrestricted net assets	$ 6 600	(4 581)	—	(1 239)	(24 697)	450	(23 467)	—	(23 467)

See accompanying independent auditors report

Exhibit I

NEBRASKA METHODIST HEALTH SYSTEM, INC AND AFFILIATES

Consolidating Statement of Changes in Net Assets

Year ended December 31 2011

(Amounts in thousands)

	NMH consolidated	JEMH	PCI	NMH Foundation	NMHS total	SSS	Total	Eliminations	NMHS consolidated
Unrestricted									
Beginning balance December 31 2010	$ 235 058	36 702	23 530	69 262	(5 317)	8 709	368 034	—	368 034
Excess (deficiency) of revenues over expenses	6 416	2 210	(6 307)	(97)	2 131	450	1 713	—	1 713
Change in net unrealized gains and losses on investments	(1 024)	(70)	—	(2 271)	(214)	—	(3 588)	—	(3 588)
Change in value of charitable remainder unitrusts and related annuities payable	—	—	—	(207)	—	—	(207)	—	(207)
Change in liability for pension benefits	90	(6 712)	—	—	(27 049)	—	(33 671)	—	(33 671)
Net assets released from restrictions for the purchase of property and equipment	—	—	—	12 131	—	—	12 131	—	12 131
Capital contributions	155	—	—	—	—	—	155	—	155
Transfers (to) from affiliate for capital	12 737	—	—	(12 737)	—	—	—	—	—
Transfers (to) from affiliates	(11 774)	—	6 307	1 642	435	—	—	—	—
Ending balance December 31 2011	$ 241 658	32 211	23 530	68 023	(30 014)	9 159	344 567	—	344 567
Temporarily restricted									
Beginning balance December 31 2010	$ 36 850	1 004	—	36 506	70 001	—	145 090	(105 768)	39 322
Restricted gifts and grants	396	585	—	3 041	—	—	4 022	—	4 022
Restricted interest and investment income	—	3	—	70	—	—	73	—	73
Change in net unrealized gains and losses on investments	—	(2)	—	(141)	—	—	(143)	—	(143)
Change in value of charitable remainder unitrusts and related annuities payable	—	—	—	(4)	—	—	(4)	—	(4)
Net assets released from restrictions for use in operations	—	(384)	—	(1 306)	—	—	(1 690)	—	(1 690)
Net assets released from restrictions for the purchase of property and equipment	—	—	—	(12 131)	—	—	(12 131)	—	(12 131)
Change in beneficial interest in the Foundation	(10 538)	—	—	—	(1 172)	—	(11 710)	11 710	—
Ending balance December 31 2011	$ 26 717	1 206	—	26 035	68 480	—	123 507	(94 058)	29 449
Permanently restricted									
Beginning balance December 31 2010	$ 1 406	186	—	1 558	370	—	3 520	(1 558)	1 971
Restricted gifts and grants	—	11	—	300	—	—	311	—	311
Change in beneficial interest in the Foundation	300	—	—	—	—	—	300	(300)	—
Ending balance December 31 2011	$ 1 706	197	—	1 858	370	—	4 140	(1 858)	2 282

See accompanying independent auditors' report

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidating Balance Sheet

December 31, 2011

(Amounts in thousands)

Assets	NMH	MWH	MCON	NMH total	Eliminations	NMH consolidated
Current assets						
Cash and cash equivalents	$ 36,200	5	608	36,813	—	36,813
Patient accounts receivable, less allowance for uncollectible accounts	44,197	9,715	—	53,912	—	53,912
Other receivables	20,889	11	1,087	21,987	—	21,987
Inventories	4,046	911	654	5,611	—	5,611
Prepaid expenses	4,958	113	283	5,354	—	5,354
Due from affiliates	895	29	—	924	—	924
Total current assets	111,185	10,784	2,632	124,601	—	124,601
Investments and assets limited as to use						
Long-term investments	60,954	—	—	60,954	—	60,954
Securities on loan	60	—	—	60	—	60
Construction funds	3,259	—	—	3,259	—	3,259
Bond trust fund investments	3,929	11,988	—	15,917	—	15,917
Total investments and assets limited as to use	68,202	11,988	—	80,190	—	80,190
Property and equipment						
Land	2,233	—	2,024	4,257	—	4,257
Land improvements	9,607	5,569	473	15,649	—	15,649
Buildings and improvements	219,568	94,735	24,442	338,745	—	338,745
Equipment and furnishings	250,451	83,489	4,318	338,258	—	338,258
Construction in progress	8,739	2	8	8,749	—	8,749
Total property and equipment	490,598	183,795	31,265	705,658	—	705,658
Less accumulated depreciation	326,305	15,134	7,891	349,330	—	349,330
Total property and equipment, net	164,293	168,661	23,374	356,328	—	356,328
Other assets						
Deferred financing costs	2,446	4,083	14	6,543	—	6,543
Beneficial interest in the net assets of the Foundation	20,865	—	5,183	26,048	—	26,048
Investment in unconsolidated entities	3,843	—	—	3,843	—	3,843
Other	2,395	—	2,281	4,676	—	4,676
Total other assets	29,549	4,083	7,478	41,110	—	41,110
Total assets	$ 373,229	195,516	33,484	602,229	—	602,229

(Continued)

Exhibit II

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidating Balance Sheet

December 31, 2011

(Amounts in thousands)

Liabilities and Net Assets		NMH	MWH	MCON	NMH total	Eliminations	NMH consolidated
Current liabilities							
Current portion of long-term debt and capital lease obligations	$	4,800	1,220	131	6,151	—	6,151
Accounts payable		15,903	1,358	327	17,588	—	17,588
Accrued salaries, wages, and benefits		14,192	2,354	567	17,113	—	17,113
Other accrued liabilities		8,740	1,589	953	11,282	—	11,282
Collateral for securities on loan		104	—	—	104	—	104
Estimated third-party payor settlements		3,327	—	—	3,327	—	3,327
Due to affiliates		—	—	148	148	—	148
Total current liabilities		47,066	6,521	2,126	55,713	—	55,713
Other long-term liabilities		2,219	32	5	2,256	—	2,256
Conditional asset retirement obligation		4,308	—	—	4,308	—	4,308
Long-term debt and capital lease obligations, net of current portion		93,425	173,610	2,836	269,871	—	269,871
Total liabilities		147,018	180,163	4,967	332,148	—	332,148
Net assets							
Unrestricted		205,347	15,353	20,958	241,658	—	241,658
Temporarily restricted		20,564	—	6,153	26,717	—	26,717
Permanently restricted		300	—	1,406	1,706	—	1,706
Total net assets		226,211	15,353	28,517	270,081	—	270,081
Total liabilities and net assets	$	373,229	195,516	33,484	602,229	—	602,229

See accompanying independent auditors' report

Exhibit II

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidating Statement of Operations

Year ended December 31, 2011

(Amounts in thousands)

	NMH	MWH	MCON	NMH Total	Eliminations	NMH consolidated
Unrestricted revenues, gains, and other support						
Patient service revenue, net of contractual adjustments and discounts	$ 337,533	64,939	—	402,472	—	402,472
Provision for uncollectible accounts	(6,905)	(2,382)	—	(9,287)	—	(9,287)
Net patient service revenue	330,628	62,557	—	393,185	—	393,185
Tuition, housing, and bookstore	—	—	11,769	11,769	—	11,769
Cafeteria, rental, and other	15,902	3,853	785	20,540	(1,037)	19,503
Total revenues, gains, and other support	346,530	66,410	12,554	425,494	(1,037)	424,457
Expenses						
Salaries and wages	116,672	25,270	7,499	149,441	—	149,441
Employee benefits	30,971	5,571	1,867	38,409	—	38,409
Professional fees and purchased services	31,314	9,939	452	41,705	(1,037)	40,668
Supplies	67,585	7,896	228	75,709	—	75,709
Plant and utilities	25,984	3,765	796	30,545	—	30,545
Depreciation	26,606	8,500	1,367	36,473	—	36,473
Interest and amortization	3,582	9,766	152	13,500	—	13,500
Allocations	17,383	6,126	1,591	25,100	—	25,100
Other	9,783	1,241	2,044	13,068	—	13,068
Total expenses	329,880	78,074	15,996	423,950	(1,037)	422,913
Operating income (loss)	16,650	(11,664)	(3,442)	1,544	—	1,544
Other income (expense)						
Investment income	1,956	431	2	2,389	—	2,389
Income from unconsolidated entities	2,674	—	—	2,674	—	2,674
Gain (loss) on sale of property and equipment	3	28	(2)	29	—	29
Income taxes	(220)	—	—	(220)	—	(220)
Total other income, net	4,413	459	—	4,872	—	4,872
Excess (deficiency) of revenues over expenses	21,063	(11,205)	(3,442)	6,416	—	6,416
Other changes in unrestricted net assets						
Change in net unrealized gains and losses on investments	(1,026)	2	—	(1,024)	—	(1,024)
Change in liability for pension benefits	90	—	—	90	—	90
Capital contributions	—	30	125	155	—	155
Transfers from affiliate for capital	10,885	—	1,852	12,737	—	12,737
Transfers (to) from affiliate	(18,277)	2,852	3,651	(11,774)	—	(11,774)
Total other changes in unrestricted net assets	(8,328)	2,884	5,628	184	—	184
Increase (decrease) in unrestricted net assets	$ 12,735	(8,321)	2,186	6,600	—	6,600

See accompanying independent auditors' report

Exhibit II

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidating Statement of Changes in Net Assets

Year ended December 31, 2011

(Amounts in thousands)

		NMH	MWH	MCON	NMH Total	Eliminations	NMH consolidated
Unrestricted							
Beginning balance, December 31, 2010	$	192,612	23,675	18,771	235,058	—	235,058
Excess (deficiency) of revenues over expenses		21,063	(11,205)	(3,442)	6,416	—	6,416
Change in net unrealized gains and losses on investments		(1,026)	2	—	(1,024)	—	(1,024)
Change in liability for pension benefits		90	—	—	90	—	90
Capital contributions		—	30	125	155	—	155
Transfers (to) from affiliate for capital		10,885	—	1,852	12,737	—	12,737
Transfers (to) from affiliates		(18,277)	2,851	3,652	(11,774)	—	(11,774)
Ending balance, December 31, 2011	$	205,347	15,353	20,958	241,658	—	241,658
Temporarily restricted							
Beginning balance, December 31, 2010	$	23,289	6,840	6,730	36,859	—	36,859
Restricted gifts and grants		—	—	396	396	—	396
Change in beneficial interest in the Foundation		(2,725)	(6,840)	(973)	(10,538)	—	(10,538)
Ending balance, December 31, 2011	$	20,564	—	6,153	26,717	—	26,717
Permanently restricted							
Beginning balance, December 31, 2010	$	—	—	1,406	1,406	—	1,406
Change in beneficial interest in the Foundation		300	—	—	300	—	300
Ending balance, December 31, 2011	$	300	—	1,406	1,706	—	1,706

See accompanying independent auditors' report

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidating Balance Sheet

December 31, 2011

(Amounts in thousands)

Assets	NMHS	MHP	Self-Insured Trust	NMHS total	Eliminations	NMHS total
Current assets						
Cash and cash equivalents	$ 8,207	58	71	8,336	—	8,336
Other receivables	354	—	246	600	—	600
Inventories	6	—	—	6	—	6
Prepaid expenses	229	15	—	244	—	244
Due from affiliates	8,684	—	—	8,684	—	8,684
Total current assets	17,480	73	317	17,870	—	17,870
Investments and assets limited as to use						
Long-term investments	—	—	12,626	12,626	—	12,626
Bond trust fund investments	261	—	—	261	—	261
Total investments and assets limited as to use	261	—	12,626	12,887	—	12,887
Property and equipment						
Land	7,888	—	—	7,888	—	7,888
Land improvements	1,332	—	—	1,332	—	1,332
Buildings and improvements	15,389	—	—	15,389	—	15,389
Equipment and furnishings	8,786	50	—	8,836	—	8,836
Construction in progress	332	—	—	332	—	332
Total property and equipment	33,727	50	—	33,777	—	33,777
Less accumulated depreciation	19,145	33	—	19,178	—	19,178
Total property and equipment, net	14,582	17	—	14,599	—	14,599
Other assets						
Deferred financing costs	157	—	—	157	—	157
Beneficial interest in the net assets of the Foundation	69,868	—	—	69,868	—	69,868
Investment in unconsolidated entities	636	17	—	653	—	653
Other	2,944	—	—	2,944	—	2,944
Total other assets	73,605	17	—	73,622	—	73,622
Total assets	$ 105,928	107	12,943	118,978	—	118,978

(Continued)

Exhibit III

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidating Balance Sheet

December 31, 2011

(Amounts in thousands)

Liabilities and Net Assets		NMHS	MHP	Self-Insured Trust	NMHS total	Eliminations	NMHS total
Current liabilities							
Accounts payable	$	1,193	56	—	1,249	—	1,249
Accrued salaries, wages, and benefits		8,700	—	—	8,700	—	8,700
Other accrued liabilities		697	—	1,746	2,443	—	2,443
Due to affiliates		—	566	2	568	—	568
Total current liabilities		10,590	622	1,748	12,960	—	12,960
Liability for pension benefits		52,117	—	—	52,117	—	52,117
Other long-term liabilities		2,940	—	6,381	9,321	—	9,321
Conditional asset retirement obligation		929	—	—	929	—	929
Long-term debt and capital lease obligations, net of current portion		3,797	—	—	3,797	—	3,797
Total liabilities		70,373	622	8,129	79,124	—	79,124
Net assets							
Unrestricted		(34,313)	(515)	4,814	(30,014)	—	(30,014)
Temporarily restricted		69,489	—	—	69,489	—	69,489
Permanently restricted		379	—	—	379	—	379
Total net assets		35,555	(515)	4,814	39,854	—	39,854
Total liabilities and net assets	$	105,928	107	12,943	118,978	—	118,978

See accompanying independent auditors' report

Exhibit III

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidating Statement of Operations

Year ended December 31, 2011

(Amounts in thousands)

	NMHS	MHP	Self-Insured Trust	NMHS total	Eliminations	NMHS total
Unrestricted revenues, gains, and other support						
Cafeteria, rental, and other	$ 2,888	514	2,527	5,929	—	5,929
Total revenues, gains, and other support	2,888	514	2,527	5,929	—	5,929
Expenses						
Salaries and wages	22,978	560	—	23,538	—	23,538
Employee benefits	7,569	—	—	7,569	—	7,569
Professional fees and purchased services	4,490	340	81	4,911	—	4,911
Supplies	516	1	—	517	—	517
Plant and utilities	1,872	22	—	1,894	—	1,894
Depreciation	1,128	2	—	1,130	—	1,130
Interest and amortization	260	—	—	260	—	260
Allocations	(39,554)	—	—	(39,554)	—	(39,554)
Other	1,743	10	2,128	3,881	—	3,881
Total expenses	1,002	935	2,209	4,146	—	4,146
Operating income (loss)	1,886	(421)	318	1,783	—	1,783
Other income (expense)						
Investment income	—	—	351	351	—	351
Income from unconsolidated entities	—	(9)	—	(9)	—	(9)
Income taxes	—	6	—	6	—	6
Total other income, net	—	(3)	351	348	—	348
Excess (deficiency) of revenues over expenses	1,886	(424)	669	2,131	—	2,131
Other changes in unrestricted net assets						
Change in net unrealized gains and losses on investments	—	—	(214)	(214)	—	(214)
Change in liability for pension benefits	(27,049)	—	—	(27,049)	—	(27,049)
Transfers (to) from affiliate	435	—	—	435	—	435
Total other changes in unrestricted net assets	(26,614)	—	(214)	(26,828)	—	(26,828)
Increase (decrease) in unrestricted net assets	$ (24,728)	(424)	455	(24,697)	—	(24,697)

See accompanying independent auditors' report

Exhibit III

NEBRASKA METHODIST HEALTH SYSTEM, INC. AND AFFILIATES

Consolidating Statement of Changes in Net Assets

Year ended December 31, 2011

(Amounts in thousands)

	NMHS	MHP	Self-Insured Trust	NMHS total	Eliminations	NMHS total
Unrestricted						
Beginning balance, December 31, 2010	$ (9,585)	(91)	4,359	(5,317)	—	(5,317)
Excess (deficiency) of revenues over expenses	1,886	(424)	669	2,131	—	2,131
Change in net unrealized gains and losses on investments	—	—	(214)	(214)	—	(214)
Change in liability for pension benefits	(27,049)	—	—	(27,049)	—	(27,049)
Transfers (to) from affiliates	435	—	—	435	—	435
Ending balance, December 31, 2011	$ (34,313)	(515)	4,814	(30,014)	—	(30,014)
Temporarily restricted						
Beginning balance, December 31, 2010	$ 70,661	—	—	70,661	—	70,661
Change in beneficial interest in the Foundation	(1,172)	—	—	(1,172)	—	(1,172)
Ending balance, December 31, 2011	$ 69,489	—	—	69,489	—	69,489
Permanently restricted						
Beginning balance, December 31, 2010	$ 379	—	—	379	—	379
Ending balance, December 31, 2011	$ 379	—	—	379	—	379

See accompanying independent auditors' report

Additional Data

Software ID:
Software Version:
EIN: 47-0376604
Name: NEBRASKA METHODIST HOSPITAL

Form 990, Special Condition Description:

Special Condition Description

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services

(Code) (Expenses $ 251,025,827 including grants of $ 11,019,719) (Revenue $ 276,564,531)

THE MAIN CAMPUS HOSPITAL HAS 369 TOTAL STAFFED BEDS DESIGNED TO BRING THE FULL RESOURCES OF OUR HEALTHCARE PROVIDERS, EDUCATORS AND SUPPORT SERVICES TO THE PATIENT ADDITIONAL CORE SERVICES INCLUDE MEDICAL/SURGICAL SERVICES, AN EMERGENCY DEPARTMENT, AND DIAGNOSTIC SERVICES THE HOSPITAL ALSO EMPHASIZES EDUCATION FOR PATIENTS, FAMILIES AND THE COMMUNITY THROUGH ITS RESOURCE CENTER THE SYNERGY OF COMBINED EFFORTS AND RESOURCES GENERATES POWERFUL OUTCOMES FOR THE COMMUNITY THROUGH NUMEROUS COMMUNITY BENEFIT PROGRAMS AND CHARITY CARE FOR THOSE IN NEED METHODIST HOSPITAL WAS NAMED ONE OF OMAHA'S MOST PREFERRED HOSPITALS FOR OVERALL QUALITY, DOCTORS, NURSES, IMAGE AND REPUTATION BY LOCAL CONSUMERS ACCORDING TO A NATIONAL RESEARCH CORPORATION (NRC) HEALTHCARE MARKET GUIDE STUDY OUR VALUES STRESS PATIENT-CENTERED, PATIENT-DRIVEN SERVICES, HONOR AND RESPECT FOR THE DIGNITY OF ALL, EXCELLENCE IN ALL OUR DEALINGS, DEDICATION TO OUR COMMUNITY AND WORKING TOGETHER TO STRENGTHEN THE HEALTH AND WELL-BEING OF THE INDIVIDUALS AND COMMUNITIES WE SERVE