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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

HOUSTON HOSPITALS INC

Doing Business As

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

PO BOX 2886

Room/suite

City or town, state or country, and ZIP + 4

WARNER ROBINS, GA 31099

F Name and address of principal officer

CARY MARTIN
PO BOX 2886
WARNER ROBINS, GA 31099

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.HHC.ORG

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation

2009

M State of legal domicile

GA

Part I

Summary

Activities & Governance	<div>1</div> <div>Briefly describe the organization's mission or most significant activities</div> <div>TO IMPROVE THE HEALTHCARE OF THE COMMUNITIES WE SERVE BY PROVIDING PATIENT-FOCUSED, HIGH-QUALITY, COST-EFFECTIVE SERVICES WHILE PROMOTING HEALTH AND WELLNESS</div>
Revenue	<div>2</div> <div>Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets</div>
	<div>3</div> <div>Number of voting members of the governing body (Part VI, line 1a)</div> <div>37</div>
	<div>4</div> <div>Number of independent voting members of the governing body (Part VI, line 1b)</div> <div>4</div>
	<div>5</div> <div>Total number of individuals employed in calendar year 2011 (Part V, line 2a)</div> <div>2,729</div>
	<div>6</div> <div>Total number of volunteers (estimate if necessary)</div> <div>175</div>
	<div>7a</div> <div>Total unrelated business revenue from Part VIII, column (C), line 12</div> <div>0</div>
	<div>7b</div> <div>Net unrelated business taxable income from Form 990-T, line 34</div> <div>0</div>
Expenses	<div>13</div> <div>Grants and similar amounts paid (Part IX, column (A), lines 1-3)</div> <div>9,673,541</div> <div>342,064</div>
	<div>14</div> <div>Benefits paid to or for members (Part IX, column (A), line 4)</div> <div>0</div> <div>0</div>
	<div>15</div> <div>Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)</div> <div>104,112,455</div> <div>110,724,329</div>
	<div>16a</div> <div>Professional fundraising fees (Part IX, column (A), line 11e)</div> <div>0</div> <div>0</div>
	<div>b</div> <div>Total fundraising expenses (Part IX, column (D), line 25)</div> <div>0</div> <div></div>
	<div>17</div> <div>Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)</div> <div>135,013,488</div> <div>134,541,001</div>
Net Assets or Fund Balances	<div>18</div> <div>Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)</div> <div>248,799,484</div> <div>245,607,394</div>
	<div>19</div> <div>Revenue less expenses Subtract line 18 from line 12</div> <div>17,869,564</div> <div>21,089,755</div>
	<div>20</div> <div>Total assets (Part X, line 16)</div> <div>350,148,878</div> <div>367,712,019</div>
	<div>21</div> <div>Total liabilities (Part X, line 26)</div> <div>143,392,066</div> <div>139,332,850</div>
	<div>22</div> <div>Net assets or fund balances Subtract line 21 from line 20</div> <div>206,756,812</div> <div>228,379,169</div>

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

2012-10-01

Date

SEAN WHILDEN CFO

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

SUSAN CLARK

Date

Check if self-employed

☐

Preparer's taxpayer identification number (see instructions)

P00017549

Firm's name (or yours if self-employed), address, and ZIP + 4

PERSHING YOAKLEY & ASSOCIATES P C
ONE CHEROKEE MILLS 2220 SUTHERLAND
KNOXVILLE, TN 379192363

EIN

62-1517792

Phone no

(865) 673-0844

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2011)

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

TO IMPROVE THE HEALTHCARE OF THE COMMUNITIES WE SERVE BY PROVIDING PATIENT-FOCUSED, HIGH-QUALITY, COST-EFFECTIVE SERVICES WHILE PROMOTING HEALTH AND WELLNESS

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 \$ 203,687,864 including grants of \$ 342,064) (Revenue \$ 259,528,294)

THE HOSPITALS' PRIMARY PROGRAM ACTIVITY IS THE PROVISION OF PATIENT CARE THE HOSPITALS PROVIDED NURSING CARE IN THE AREAS OF MEDICAL, POST-SURGICAL, PSYCHIATRIC, CRITICAL CARE, INTERMEDIATE CARE, LABOR AND DELIVERY, POST PARTUM, NURSERY, PEDIATRICS AND WOUND OSTOMY CARE THE UTILIZATION DATA INCLUDES 15,767 ADULT AND PEDIATRIC ADMISSIONS, 72,155 PATIENT DAYS, 2,183 BIRTHS AND 82,240 EMERGENCY ROOM VISITS THE HEALTHCARE SYSTEM PROVIDED SURGICAL SERVICES TO 18,633 PATIENTS, WHICH INCLUDED 2,447 INPATIENTS, 7,190 OUTPATIENTS, 2,301 PAIN CLINIC PATIENTS AND 6,695 ENDOSCOPY PATIENTS THE HEALTHCARE SYSTEM PROVIDED THE FOLLOWING IMAGING SERVICES 75,689 DIAGNOSTIC RADIOLOGY PROCEDURES, 38,768 CT SCANS, 3,715 NUCLEAR MEDICINE PROCEDURES, 16,277 ULTRASOUND SCANS, 7,005 MRI SCANS, 1,657 BONE DENSITY SCANS AND 9,964 MAMMOGRAMS INCLUDING 129 DURING GIRLS NIGHT OUT, THE AWARD WINNING PROGRAM TO PROMOTE WOMEN'S HEALTH

4b

(Code) (Expenses \$ 960,250 including grants of \$) (Revenue \$ 4,129)

EDUCARE, THE COMMUNITY EDUCATION DEPARTMENT OF HOUSTON HEALTHCARE, PROVIDED HEALTH FAIRS, SENIOR CARE LUNCHEONS, BLOOD PRESSURE SCREENINGS AND EXERCISE CLASSSES, AND VARIOUS EDUCATION CLASSES AND SUPPORT GROUPS IN THE FOLLOWING AREAS ALZHEIMERS, ARTHRITIS, BREAST CANCER, BREASTFEEDING, CARDIAC HEALTH, CHILDBIRTH, COOKING, DIABETES, DIET, DIVORCE, HYPERTENSION, LUPUS, MULTIPLE SCLEROSIS, PREGNANCY, SIBLINGS, STRESS MANAGEMENT, TOBACCO CESSATION, WALKING AND WEIGHT LOSS

4c

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

4d

Other program services (Describe in Schedule O)


















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

4e

Total program service expenses \$ 204,648,114

Part IV

Checklist of Required Schedules

		Yes	No	
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors(see instructions)? 	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? If "Yes," complete Schedule D, Part VI. 	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII. 	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII. 	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX. 	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X. 	11f	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? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	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? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? 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 <input type="checkbox"/>		
		YesNo
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	244
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1cYes
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	2,729
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2bYes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3aNo
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	4aNo
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? . . .	5aNo
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5bNo
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?	6aNo
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?	7aNo
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?	7cNo
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?	7eNo
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	7fNo
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?	14aNo
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	7		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	4
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	Yes

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed GA
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. MICHAEL FOWLER 233 N HOUSTON ROAD SUITE 230 WARNER ROBINS, GA 31093 (478) 542-7826

Part VII

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DANIEL DEIGHTON MD CHAIRMAN	5 00	X						0	0	0
(2) FRED GRAHAM DIRECTOR	3 00	X						0	0	0
(3) NANCY SMITH DIRECTOR	3 00	X						0	0	0
(4) ED DYSON DIRECTOR	3 00	X						0	0	0
(5) HORATIO CABASARES MD DIRECTOR	3 00	X						0	0	0
(6) TOMMY STALNAKER DIRECTOR	3 00	X						0	0	0
(7) ARTHUR CHRISTIE VICE-CHAIRMAN	3 00	X						0	0	0
(8) TRUDIE WARREN DIRECTOR	3 00	X						0	0	0
(9) FRANK R POWELL CFO	50 00			X				315,891	0	16,714
(10) CARY MARTIN CEO	50 00			X				308,500	0	15,576
(11) STEPHEN MACHEN DIRECTOR OF OPERATIONS	50 00			X				152,498	0	13,669
(12) JOHN DAVID CAMPBELL ADMINISTRATOR - PERRY HOSPI	50 00			X				149,869	0	14,736
(13) MELINDA HARTLEY CHIEF NURSE EXECUTIVE	50 00			X				184,566	0	14,494
(14) ROBERT RHODES CHIEF INFORMATION OFFICER	45 00			X				158,606	0	13,610
(15) HOWARD SOHNEN CHIEF MEDICAL OFFICER	50 00			X				187,781	0	8,760
(16) ROBERTIENA F FLETCHER DIRECTOR OF PHARMACY	50 00					X		153,164	0	14,261
(17) MICHAEL O'HARA SR EXEC - HUMAN RESOURCES	45 00					X		155,437	0	14,387

Part VII

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) SANDRA N JOHNSON ASST DIR OF PHARM - PERRY HO	43 00					X		162,224	0	14,032
(19) RITA BANDT ASST DIRECTOR OF PHARMACY	45 00					X		150,177	0	3,863
(20) PAIGE DAWSON PHARMACIST	43 00					X		144,675	0	13,092
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								2,223,388	0	157,194

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▶27

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		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? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>		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
ARAMARK CTS INC 10510 TWIN LAKES PARKWAY CHARLOTTE, NC 28269	EVS & BIO-MED	1,869,274
ROBINS ANESTHESIA SERVICES LLC 212 HOSPITAL DRIVE STE J WARNER ROBINS, GA 31088	ANESTHESIA SVCS	1,220,729
RGL ASSOCIATES PO BOX 1054 BRUNSWICK, GA 31521	BILLING/ COLLECTIONS	1,078,338
IN COMPASS HEALTH INC 318 MAXWELL ROAD STE 500 ALPHARETTA, GA 30009	HOSPITALISTS	973,063
ADVANCED ICU CARE INC 999 EXECUTIVE PARK STE 210 ST LOUIS, MO 63141	ICU MONITORING	935,730
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 ▶36	

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	300,000				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	98,168				
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f		398,168				
Program Service Revenue			Business Code					
	2a	NET PATIENT REVENUE	900099	258,228,243	258,228,243			
	b	CAFETERIA	900099	827,477			827,477	
	c	EMPLOYEE PHARMACY	900099	266,495			266,495	
	d	PURCHASE DISCOUNTS	900099	33,628	33,628			
	e	VENDING	900099	6,991			6,991	
	f	All other program service revenue		169,589	4,129		165,460	
	g	Total. Add lines 2a-2f		259,532,423				
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		5,241,169			5,241,169	
	4	Income from investment of tax-exempt bond proceeds . .		277,577			277,577	
	5	Royalties						
	6a	(i) Real		(ii) Personal				
		Gross rents		322,820				
		b	Less rental expenses	147,893				
		c	Rental income or (loss)	174,927				
	d	Net rental income or (loss)		174,927			174,927	
	7a	(i) Securities		(ii) Other				
		Gross amount from sales of assets other than inventory		30,650,803	10,194			
		b	Less cost or other basis and sales expenses	29,562,306	25,806			
		c	Gain or (loss)	1,088,497	-15,612			
	d	Net gain or (loss)		1,072,885			1,072,885	
	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	Less direct expenses						
	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	Less direct expenses							
c	Net income or (loss) from gaming activities . .							
10a	Gross sales of inventory, less returns and allowances							
	a							
b	Less cost of goods sold							
b	Less cost of goods sold							
c	Net income or (loss) from sales of inventory . .							
	Miscellaneous Revenue		Business Code					
11a								
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d							
12	Total revenue. See Instructions			266,697,149	258,266,000	0	8,032,981	

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	342,064	342,064		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	1,546,270	190,060	1,356,210	
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	85,917,355	75,673,732	10,243,623	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,890,925	3,298,926	591,999	
9	Other employee benefits	13,123,568	10,905,848	2,217,720	
10	Payroll taxes	6,246,211	5,514,915	731,296	
11	Fees for services (non-employees)				
a	Management				
b	Legal	352,154		352,154	
c	Accounting	98,000		98,000	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other	18,137,775	13,740,968	4,396,807	
12	Advertising and promotion	687,260		687,260	
13	Office expenses	11,419,660	9,945,356	1,474,304	
14	Information technology	3,148,863		3,148,863	
15	Royalties				
16	Occupancy	2,927,539		2,927,539	
17	Travel	375,965	315,478	60,487	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	61,488	36,046	25,442	
20	Interest	3,762,992		3,762,992	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	13,233,508	9,204,820	4,028,688	
23	Insurance	1,134,931	1,134,931		
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	BAD DEBT EXPENSE	34,374,659	34,374,659		
b	PATIENT SUPPLIES & PHAR	32,848,036	32,800,039	47,997	
c	EQUIPMENT MAINTENANCE	6,909,528	4,489,845	2,419,683	
d	RISK MANAGEMENT	696,838		696,838	
e					
f	All other expenses	4,371,805	2,680,427	1,691,378	
25	Total functional expenses. Add lines 1 through 24f	245,607,394	204,648,114	40,959,280	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			1,525,725	1	869,523
	2	Savings and temporary cash investments				2	
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			35,041,449	4	34,498,373
	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			750,000	7	750,000
	8	Inventories for sale or use			1,224,823	8	1,322,201
	9	Prepaid expenses and deferred charges			459,021	9	293,832
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	244,942,825			
	b	Less: accumulated depreciation	10b	133,857,406	111,136,949	10c	111,085,419
	11	Investments—publicly traded securities			192,862,759	11	202,406,851
	12	Investments—other securities. See Part IV, line 11				12	
	13	Investments—program-related. See Part IV, line 11			77,750	13	77,750
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			7,070,402	15	16,408,070
	16	Total assets. Add lines 1 through 15 (must equal line 34)			350,148,878	16	367,712,019
Liabilities	17	Accounts payable and accrued expenses			45,541,311	17	33,666,625
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			76,040,000	20	74,602,523
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D			21,810,755	25	31,063,702
	26	Total liabilities. Add lines 17 through 25			143,392,066	26	139,332,850
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			206,756,812	27	228,379,169
	28	Temporarily restricted net assets				28	
	29	Permanently restricted net assets				29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			206,756,812	33	228,379,169
	34	Total liabilities and net assets/fund balances			350,148,878	34	367,712,019

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	266,697,149
2	Total expenses (must equal Part IX, column (A), line 25)	2	245,607,394
3	Revenue less expenses Subtract line 2 from line 1	3	21,089,755
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	206,756,812
5	Other changes in net assets or fund balances (explain in Schedule O)	5	532,602
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	228,379,169

Part XII Financial Statements and Reporting

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

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

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 HOUSTON HOSPITALS INC	Employer identification number 71-1045290
---	--

Part I Reason for Public Charity Status

(All organizations must complete this part.) See instructions

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

- 1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**
- 11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

Section A. Public Support						
Calendar year	(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	(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 IIIPart III

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

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

Section B. Total Support						
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11 and 12.)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and 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

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
HOUSTON HOSPITALS INC

Employer identification number
71-1045290

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

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

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

1

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

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area
☐ Protection of natural habitat☐ Preservation of a certified historic structure
☐ Preservation of open space

2

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

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

3

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

4

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

5

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

☐ Yes ☐ No

6

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

7

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

8

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

☐ Yes ☐ No

9

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

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

1a

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

b

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

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

► \$ _____

(ii) Assets included in Form 990, Part X

► \$ _____

2

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

a

Revenues included in Form 990, Part VIII, line 1

► \$ _____

b

Assets included in Form 990, Part X

► \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2011

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

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

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

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

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

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

4

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

Part VI

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		3,840,066		3,840,066
b Buildings		138,025,985	62,107,715	75,918,270
c Leasehold improvements				
d Equipment		97,345,732	70,229,283	27,116,449
e Other		5,731,042	1,520,408	4,210,634
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				111,085,419

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	HOUSTON HOSPITALS, INC. IS PART OF THE HOUSTON HEALTHCARE SYSTEM, INC. THE SYSTEM IS A NOT-FOR-PROFIT CORPORATION THAT HAS BEEN RECOGNIZED AS TAX-EXEMPT PURSUANT TO SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. THE SYSTEM APPLIES ACCOUNTING POLICIES THAT PRESCRIBE WHEN TO RECOGNIZE AND HOW TO MEASURE THE FINANCIAL STATEMENT EFFECTS OF INCOME TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN ON ITS INCOME TAX RETURNS. THESE RULES REQUIRE MANAGEMENT TO EVALUATE THE LIKELIHOOD THAT, UPON EXAMINATION BY THE RELEVANT TAXING JURISDICTIONS, THOSE INCOME TAX POSITIONS WOULD BE SUSTAINED. BASED ON THAT EVALUATION, THE SYSTEM ONLY RECOGNIZES THE MAXIMUM BENEFIT OF EACH INCOME TAX POSITION THAT IS MORE THAN 50% LIKELY OF BEING SUSTAINED TO THE EXTENT THAT ALL OR A PORTION OF THE BENEFITS OF AN INCOME TAX POSITION ARE NOT RECOGNIZED, A LIABILITY WOULD BE RECOGNIZED FOR THE UNRECOGNIZED BENEFITS, ALONG WITH ANY INTEREST AND PENALTIES THAT WOULD RESULT FROM DISALLOWANCE OF THE POSITION. SHOULD ANY SUCH PENALTIES AND INTEREST BE INCURRED, THEY WOULD BE RECOGNIZED AS OPERATING EXPENSES. BASED ON THE RESULTS OF MANAGEMENT'S EVALUATION, NO LIABILITY IS RECOGNIZED IN THE ACCOMPANYING BALANCE SHEETS FOR UNRECOGNIZED INCOME TAX POSITIONS. FURTHER, NO INTEREST OR PENALTIES HAVE BEEN ACCRUED OR CHARGED TO EXPENSE AS OF DECEMBER 31, 2011 AND 2010 OR FOR THE YEARS THEN ENDED. THE SYSTEM'S OPEN AUDIT PERIODS ARE FOR TAX YEARS ENDED 2008-2010.

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
HOUSTON HOSPITALS INC

Employer identification number
71-1045290

Part I

Charity Care and Certain Other Community Benefits at Cost

		Yes	No	
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals <div><input checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Generally tailored to individual hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div>			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year a Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care <div><input type="checkbox"/> 100%<input type="checkbox"/> 150%<input type="checkbox"/> 200%<input checked="" type="checkbox"/> Other <u>225.000000000000 %</u></div> b Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200%<input type="checkbox"/> 250%<input checked="" type="checkbox"/> 300%<input type="checkbox"/> 350%<input type="checkbox"/> 400%<input type="checkbox"/> Other _____%</div> c If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care 4 Did the organization's policy provide free or discounted care to the "medically indigent"?	3a	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?			
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	4	Yes	
6a	Did the organization prepare a community benefit report during the tax year?	5a	Yes	
6b	If "Yes," did the organization make it available to the public?	5b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	5c		No
		6a	Yes	
		6b	Yes	

7 Charity Care and Certain Other Community Benefits at Cost						
Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)			9,631,219	3,441,312	6,189,907	2 930 %
b Medicaid (from Worksheet 3, column a)			31,057,525	26,377,579	4,679,946	2 220 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			40,688,744	29,818,891	10,869,853	5 150 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	64	25,397	1,176,894	18,800	1,158,094	0 550 %
f Health professions education (from Worksheet 5)	6	1,271	1,191,503	1,780	1,189,723	0 560 %
g Subsidized health services (from Worksheet 6)	1		180,887		180,887	0 090 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	4	2,576	635,889	11,850	624,039	0 300 %
j Total Other Benefits	75	29,244	3,185,173	32,430	3,152,743	1 500 %
k Total. Add lines 7d and 7j	75	29,244	43,873,917	29,851,321	14,022,596	6 650 %

Part II

Community Building Activities

Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing	1	35	779	779	0 %
2	Economic development	1	162	15,546	15,546	0 010 %
3	Community support	2	15	10,212	10,212	0 %
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building	4	30	4,987	4,987	0 %
7	Community health improvement advocacy	1		1,155	1,155	0 %
8	Workforce development	1		125,671	125,671	0 060 %
9	Other					
10	Total	10	242	158,350	158,350	0 070 %

Part III

Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1	No
2	Enter the amount of the organization's bad debt expense	2	10,793,643
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	
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	59,425,373
6	Enter Medicare allowable costs of care relating to payments on line 5	6	67,890,843
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-8,465,470
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: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input checked="" type="checkbox"/> Other		

Section C. Collection Practices

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

Part IV

Management Companies and Joint Ventures

(see instructions)

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

Section A. Hospital Facilities

How many hospital facilities did the organization operate during the tax year? 2

Name and address

Schedule H (Form 990) 2011

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)

HOUSTON MEDICAL CENTER

Name of Hospital Facility:

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

	Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)		
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8 If "Yes," indicate what the Needs Assessment describes (check all that apply) a <input type="checkbox"/> A definition of the community served by the hospital facility b <input type="checkbox"/> Demographics of the community c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community d <input type="checkbox"/> How data was obtained e <input type="checkbox"/> The health needs of the community f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet those needs h <input type="checkbox"/> The process for consulting with persons representing the community's interests i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs j <input type="checkbox"/> Other (describe in Part VI)	1	
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ____		
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	
5 Did the hospital facility make its Needs Assessment widely available to the public? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply) a <input type="checkbox"/> Hospital facility's website b <input type="checkbox"/> Available upon request from the hospital facility c <input type="checkbox"/> Other (describe in Part VI)	5	
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply) a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community b <input type="checkbox"/> Execution of the implementation strategy c <input type="checkbox"/> Development of a community-wide community benefit plan for the facility d <input type="checkbox"/> Participation in community-wide community benefit plan e <input type="checkbox"/> Inclusion of a community benefit section in operational plans f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA g <input type="checkbox"/> Prioritization of health needs in the community h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7	
Financial Assistance Policy		
Did the hospital facility have in place during the tax year a written financial assistance policy that		
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>225 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used	9	Yes

Part V

Facility Information (continued)

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

Billing and Collections

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

Part V

Facility Information (continued)

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

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)

PERRY 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 If "Yes," indicate what the Needs Assessment describes (check all that apply) a <input type="checkbox"/> A definition of the community served by the hospital facility b <input type="checkbox"/> Demographics of the community c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community d <input type="checkbox"/> How data was obtained e <input type="checkbox"/> The health needs of the community f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet those needs h <input type="checkbox"/> The process for consulting with persons representing the community's interests i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs j <input type="checkbox"/> Other (describe in Part VI)	1	
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ____		
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	
5 Did the hospital facility make its Needs Assessment widely available to the public? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply) a <input type="checkbox"/> Hospital facility's website b <input type="checkbox"/> Available upon request from the hospital facility c <input type="checkbox"/> Other (describe in Part VI)	5	
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply) a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community b <input type="checkbox"/> Execution of the implementation strategy c <input type="checkbox"/> Development of a community-wide community benefit plan for the facility d <input type="checkbox"/> Participation in community-wide community benefit plan e <input type="checkbox"/> Inclusion of a community benefit section in operational plans f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA g <input type="checkbox"/> Prioritization of health needs in the community h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7	
Financial Assistance Policy		
Did the hospital facility have in place during the tax year a written financial assistance policy that		
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>225 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used	9	Yes

Part V

Facility Information (continued)

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

Billing and Collections

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

Part V

Facility Information (continued)

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V

Facility Information (continued)

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? 8

Name and address		Type of Facility (Describe)
1	THE SURGERY CENTER 1647 WATSON BLVD WARNER ROBINS, GA 31093	HOSPITAL BASED OUTPATIENT SURGERY CENTER
2	HOUSTON LAKE MED-STOP 2510 HIGHWAY 127 KATHLEEN, GA 31047	HOSPITAL BASED URGENT CARE FACILITY
3	HOUSTON LAKE REHAB 2510 HIGHWAY 127 KATHLEEN, GA 31047	HOSPITAL BASED OUTPATIENT REHAB FACILITY
4	PAVILION MED-STOP 233 N HOUSTON RD STE 140 WARNER ROBINS, GA 31093	HOSPITAL BASED URGENT CARE FACILITY
5	PAVILION REHAB 233 N HOUSTON RD STE 140 WARNER ROBINS, GA 31093	HOSPITAL BASED OUTPATIENT REHAB FACILITY
6	PAVILION DIAGNOSTIC CENTER 233 N HOUSTON RD STE 140 WARNER ROBINS, GA 31093	HOSPITAL BASED OUTPATIENT IMAGING FACILITY
7	LAKE JOY MED-STOP 1118 HIGHWAY 96 WEST KATHLEEN, GA 31047	HOSPITAL BASED URGENT CARE FACILITY
8	HOUSTON HEALTHCARE IMAGING SERVICES 114 SOUTHERLAND DRIVE WARNER ROBINS, GA 31088	HOSPITAL BASED OUTPATIENT IMAGING FACILITY
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 3C GEORGIA REQUIRES ORGANIZATIONS TO USE 125% OF FPG HOUSTON HEALTHCARE USES A SLIDING SCALE BEGINNING AT 125% WHEN DETERMINING ELIGIBILITY CASH RESOURCES GREATER THAN \$5,000 IS CONSIDERED IN ADDITION TO INCOME

Identifier	ReturnReference	Explanation
		PART I, LINE 7 WORKSHEETS 1 AND 2 CONTAINED IN THE FORM 990, SCHEDULE H INSTRUCTIONS WERE USED TO DETERMINE THE COST-TO-CHARGE RATIO USED TO DETERMINE THE HOSPITAL'S CHARITY CARE AND MEDICAID COSTS

Identifier	ReturnReference	Explanation
		PART I, LINE 7G HOUSTON HEALTHCARE PROVIDES THE FACILITIES (FREE STANDING BUILDING) FOR THE HOUSTON COUNTY VOLUNTEER MEDICAL CLINIC THIS FACILITY PROVIDES FREE MEDICAL/PHARMACEUTICAL HELP FOR THOSE CITIZENS OF HOUSTON COUNTY THAT HAVE AN EMPLOYED FAMILY MEMBER IN THEIR HOUSEHOLD BUT ARE NOT INSURED THE TOTAL INCOME FOR THE HOUSEHOLD MUST BE LESS THAN 200% OF THE IDENTIFIED POVERTY LEVEL THE VOLUNTEER CLINIC IS AN INTEGRAL PART OF OUR COMMUNITY HEALTHCARE SYSTEM

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) BAD DEBT EXPENSE OF \$34,374,659 HAS BEEN REMOVED FROM TOTAL EXPENSE

Identifier	ReturnReference	Explanation
		PART II HOUSTON HEALTHCARE STAFF PROVIDE AND PARTICIPATE IN SEVERAL COMMUNITY BUILDING ACTIVITIES SOME EXAMPLES INCLUDE SERVING ON THE CHAMBER OF COMMERCE BOARD, RAINBOW HOUSE CHILDREN'S ADVOCACY AND RESOURCE CENTER BOARD OF DIRECTORS, AND VARIOUS CIVIC GROUPS HOUSTON HEALTHCARE HOSTS A NON-PROFIT EXPO TO INCREASE THE OVERALL AWARENESS OF SERVICES AND RESOURCES IN THE COMMUNITY DUE TO PHYSICIAN SHORTAGES IN SPECIALTY SPECIFIC AREAS, RECRUITMENT EFFORTS WERE INCREASED IN 2011 EXAMPLES OF SHORTAGES WERE ENDOCRINOLOGY, RHEUMATOLOGY, GENERAL SURGERY AND OTOLARYNGOLOGY EACH YEAR STAFF MEMBERS PROMOTE AND RAISE FUNDS FOR THE UNITED WAY OF CENTRAL GEORGIA, AND PARTICIPATE IN COMMUNITY EVENTS THAT RAISE FUNDS FOR RELAY FOR LIFE, MARCH OF DIMES AND KOMEN FOR THE CURE HOUSTON HEALTHCARE SPONSORS THE FAITH AND COMMUNITY NURSES COALITION THE COALITION IS MADE UP OF VOLUNTEER REGISTERED NURSES SERVING 25 CHURCHES IN THE CENTRAL GEORGIA AREA HOUSTON HEALTHCARE PROVIDES A MONTHLY MEETING AND LUNCH FOR THE NURSES AT EACH MEETING, THE NURSES RECEIVE INFORMATION AND TRAINING ON PROVIDING A HEALTH PROGRAM FOR THEIR CHURCH AS WELL AS THE COMMUNITIES THE CHURCHES SERVE HOUSTON HEALTHCARE ALSO PROVIDES AN ORIENTATION FOR NURSES WHO DESIRE TO INITIATE A HEALTH PROGRAM IN THEIR CHURCH

Identifier	ReturnReference	Explanation
		PART III, LINE 4 THE COST OF INDIGENT AND CHARITY CARE FOR PATIENTS WHO QUALIFY UNDER OUR ORGANIZATIONS POLICY IS REPORTED IN PART I, LINE 7 OF THE SCHEDULE H ALTHOUGH WE CANNOT QUANTIFY THE AMOUNT, WE BELIEVE THERE IS A CONSIDERABLE AMOUNT OF BAD DEBT WHICH CAN BE ATTRIBUTED TO INDIGENT AND CHARITY CARE PATIENTS PATIENTS ARE OFTEN UNRESPONSIVE TO THE INFORMATION CONCERNING OUR INDIGENT POLICY, WHICH IS PROVIDED TO THEM AT THE TIME OF SERVICE AND THROUGHOUT THE BILLING PROCESS FREQUENTLY THEY DO NOT SUBMIT AN APPLICATION FOR ASSISTANCE UNTIL THEY ARE CONTACTED BY A COLLECTION AGENCY THERE IS NO FOOTNOTE IN THE FINANCIAL STATEMENTS CONCERNING BAD DEBTS WORKSHEET 1, 2, AND 3 CONTAINED IN THE FORM 990, SCHEDULE H INSTRUCTIONS WERE USED TO DETERMINE THE COST-TO-CHARGE RATIO USED TO DETERMINE THE HOSPITALS BAD DEBT AND CHARITY CARE COSTS BAD DEBTS SHOULD BE TREATED AS A COMMUNITY BENEFIT SINCE THE ORGANIZATION TREATS PATIENTS WITHOUT CONSIDERATION OF THEIR ABILITY TO PAY THEREFORE HAVING TO ABSORB THE EXPENSE OF UNCOLLECTED ACCOUNTS

Identifier	ReturnReference	Explanation
		PART III, LINE 8 100% OF THE HOSPITAL'S MEDICARE SHORTFALL SHOULD BE TREATED AS COMMUNITY BENEFITS SINCE THE ORGANIZATION PROVIDES HEALTHCARE ACCESS FOR MEDICARE PATIENTS AND ACCEPTS PAYMENT BELOW COST BENEFITING OUR COMMUNITY LARGELY MADE UP OF MEDICARE BENEFICIARIES THE SOURCE OF ALLOWABLE COSTS REPORTED IN LINE 6 WAS THE HOSPITAL'S 2011 MEDICARE COST REPORTS

Identifier	ReturnReference	Explanation
		PART III, LINE 9B THE BAD DEBT POLICY FOR HOUSTON HOSPITALS STATES THAT COLLECTIONS ARE CEASED UPON THE PATIENT'S APPROVAL FOR INDIGENT OR CHARITY CARE PER THE ORGANIZATION'S CHARITY CARE POLICY, APPROVAL OF ELIGIBILITY EXPIRES IN 6 MONTHS, AT WHICH TIME, A PATIENT MUST REAPPLY

Identifier	ReturnReference	Explanation
HOUSTON MEDICAL CENTER		PART V, SECTION B, LINE 11H INDIGENCE IS ALSO DETERMINED BY OTHER FACTORS SUCH AS DEATH, IMPRISONMENT, OR QUALIFICATION UNDER GRANTS OR OTHER INDIGENT/CHARITY PROGRAMS, AS LISTED IN THE ORGANIZATION'S POLICY

Identifier	ReturnReference	Explanation
PERRY HOSPITAL		PART V, SECTION B, LINE 11H INDIGENCE IS ALSO DETERMINED BY OTHER FACTORS SUCH AS DEATH, IMPRISONMENT, OR QUALIFICATION UNDER GRANTS OR OTHER INDIGENT/CHARITY PROGRAMS, AS LISTED IN THE ORGANIZATION'S POLICY

Identifier	ReturnReference	Explanation
HOUSTON MEDICAL CENTER		PART V, SECTION B, LINE 13G ALTHOUGH THE ORGANIZATION'S POLICY DOES NOT INDICATE THE MEASURES TAKEN TO PUBLICIZE THE FACILITY'S POLICY WITHIN THE COMMUNITY SERVED, IT DOES PUBLICIZE AS REQUIRED BY THE STATE'S INDIGENT CARE TRUST FUND (ICTF) POLICY THE ORGANIZATION'S INDIGENT AND CHARITY CARE POLICY IS POSTED ON THE FACILITIES WEBSITE ALONG WITH THE INDIGENT AND CHARITY CARE GUIDELINES A NOTICE IS PRINTED ON THE PATIENTS' BILLS, IN COMMUNITY NEWSPAPERS TWICE A YEAR, POSTED ON THE WALLS AT ALL ADMISSION AREAS, CARDS ARE AVAILABLE ON THE COUNTERS IN BOTH ENGLISH AND SPANISH, AND THE POLICY AND INDIGENT APPLICATIONS ARE AVAILABLE UPON REQUEST HOUSTON HEALTHCARE INFORMS AND EDUCATES THE COMMUNITY ABOUT THE AVAILABILITY AND ELIGIBILITY FOR FINANCIAL ASSISTANCE BY PROVIDING THESE CARDS AT COMMUNITY EVENTS, HEALTH FAIRS AND EDUCATION SEMINARS THE CARDS AND SIGNAGE ARE PROVIDED IN ENGLISH AND SPANISH INFORMATION IS ALSO GIVEN OUT REGARDING AVAILABILITY AND ELIGIBILITY FOR FINANCIAL SERVICES IN ENGLISH AND SPANISH AT NUMEROUS COMMUNITY EVENTS SUCH AS HEALTH FAIRS (BOXES A-G WOULD BE CHECKED)

Identifier	ReturnReference	Explanation
PERRY HOSPITAL		PART V, SECTION B, LINE 13G ALTHOUGH THE ORGANIZATION'S POLICY DOES NOT INDICATE THE MEASURES TAKEN TO PUBLICIZE THE FACILITY'S POLICY WITHIN THE COMMUNITY SERVED, IT DOES PUBLICIZE AS REQUIRED BY THE STATE'S INDIGENT CARE TRUST FUND (ICTF) POLICY THE ORGANIZATION'S INDIGENT AND CHARITY CARE POLICY IS POSTED ON THE FACILITIES WEBSITE ALONG WITH THE INDIGENT AND CHARITY CARE GUIDELINES A NOTICE IS PRINTED ON THE PATIENTS' BILLS, IN COMMUNITY NEWSPAPERS TWICE A YEAR, POSTED ON THE WALLS AT ALL ADMISSION AREAS, CARDS ARE AVAILABLE ON THE COUNTERS IN BOTH ENGLISH AND SPANISH, AND THE POLICY AND INDIGENT APPLICATIONS ARE AVAILABLE UPON REQUEST HOUSTON HEALTHCARE INFORMS AND EDUCATES THE COMMUNITY ABOUT THE AVAILABILITY AND ELIGIBILITY FOR FINANCIAL ASSISTANCE BY PROVIDING THESE CARDS AT COMMUNITY EVENTS, HEALTH FAIRS AND EDUCATION SEMINARS THE CARDS AND SIGNAGE ARE PROVIDED IN ENGLISH AND SPANISH INFORMATION IS ALSO GIVEN OUT REGARDING AVAILABILITY AND ELIGIBILITY FOR FINANCIAL SERVICES IN ENGLISH AND SPANISH AT NUMEROUS COMMUNITY EVENTS SUCH AS HEALTH FAIRS (BOXES A-G WOULD BE CHECKED)

Identifier	ReturnReference	Explanation
HOUSTON MEDICAL CENTER		PART V, SECTION B, LINE 19D IN 2011, ANY BALANCES DUE BY THE PATIENT WERE BILLED GROSS CHARGES LESS 10 PERCENT THIS IS THE AVERAGE OF OUR 3 LOWEST DISCOUNTED CONTRACTS

Identifier	ReturnReference	Explanation
PERRY HOSPITAL		PART V, SECTION B, LINE 19D IN 2011, ANY BALANCES DUE BY THE PATIENT WERE BILLED GROSS CHARGES LESS 10 PERCENT THIS IS THE AVERAGE OF OUR 3 LOWEST DISCOUNTED CONTRACTS

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 EVERY THREE YEARS HOUSTON HEALTHCARE COMPLETES A COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) THE CHNA IS USED TO IDENTIFY THE PRIORITY AREAS FOR THE COMMUNITY BENEFIT PLAN IN 2009 THE CHNA INFORMATION WAS COLLECTED FROM SEVERAL SOURCES INCLUDING GEORGIA HOSPITAL ASSOCIATION, DISTRICT PUBLIC HEALTH, AND GEORGIA STATE UNIVERSITY, AS WELL AS, COMMUNITY COALITIONS HOUSTON HEALTHCARE ALSO OBTAINED INFORMATION DIRECTLY FROM COMMUNITY PERSONS BY CONDUCTING TWO SURVEYS - ONE COMPLETED BY LOCAL SENIOR ADULTS IN OUR COMMUNITY, AND THE OTHER DESIGNED BY MERCER UNIVERSITY TO COLLECT INFORMATION ON TEEN HEALTH ISSUES INTERNAL INFORMATION WAS GATHERED ON THE PRIMARY CAUSES OF BOTH ADMISSIONS AND READMISSIONS AND FOR EACH HOSPITAL IN OUR SYSTEM

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 INFORMATION REGARDING THE INDIGENT CARE TRUST FUND IS AVAILABLE AT EACH OF OUR REGISTRATION AREAS AND DISPLAYED WITH SIGNAGE AND CARDS WE ALSO INFORM OUR PATIENTS AND FAMILIES OF OUR INDIGENT AND CHARITY CARE POLICY DURING THE INPATIENT AND OUTPATIENT ADMISSION PROCESS OUR SYSTEM WEBSITE PROVIDES INFORMATION ON OUR PATIENT FINANCIAL SERVICES, WHICH INCLUDES BILLING, INSURANCE, AND OUR INDIGENT AND CHARITY CARE GUIDELINES AND POLICY THE FIRST BILLING STATEMENT SENT OUT TO PATIENTS ALSO ADDRESSES THIS PROCESS WITH SPECIFIC INSTRUCTIONS THESE CARDS WITH FINANCIAL INFORMATION ARE AVAILABLE AT COMMUNITY EVENTS, HEALTH FAIRS AND EDUCATION SEMINARS THE CARDS AND SIGNAGE ARE PROVIDED IN ENGLISH AND SPANISH

Identifier	ReturnReference	Explanation
		<p>PART VI, LINE 4 HOUSTON HEALTHCARE SERVES THE MEDICAL NEEDS OF RESIDENTS IN THE CENTRAL GEORGIA AREA OUR PRIMARY SERVICE AREA INCLUDES HOUSTON COUNTY AND PEACH COUNTY PEOPLE IN SURROUNDING COUNTIES ALSO TURN TO US FOR THEIR MEDICAL SERVICES THESE COUNTIES INCLUDE BLECKLEY, CRAWFORD, DODGE, DOOLY, MACON, PULASKI, TAYLOR, TWIGGS AND BIBB COUNTY AND ARE CONSIDERED OUR SECONDARY SERVICE AREA ALL HOUSTON HEALTHCARE FACILITIES ARE LOCATED IN HOUSTON COUNTY AND ARE GOVERNED BY TWO BOARDS OF TRUSTEES THE EXECUTIVE TEAM ALSO OVERSEES ALL OPERATIONS AND ACTIVITIES FOR THE SYSTEM MEETING THE DIVERSE HEALTH NEEDS OF THE 139,900 COUNTY RESIDENTS IS AN ON-GOING CHALLENGE THE COMMUNITY INCLUDES AN INCREASING NUMBER OF RETIREES AND ELDERLY LIVING IN OR MOVING TO HOUSTON COUNTY DUE TO THE MILD CLIMATE AND LOWER COST OF LIVING IN THE AREA GEORGIA HAS THE 11TH FASTEST GROWING POPULATION OF OLDER PEOPLE, ACCORDING TO THE GEORGIA HOSPITAL ASSOCIATION (GHA) IN 2009 IN HOUSTON COUNTY, 19.5% ARE ON MEDICAID (2010 CENSUS), 12.4% ARE ON PEACH CARE THE LOW LITERACY RATE IS ESTIMATED AT 13% ONE IN EVERY 5 OF GEORGIA'S NON-ELDERLY POPULATION IS UNINSURED HOUSTON HEALTHCARE SERVES A DIVERSE POPULATION THE AREA RESIDENTS INCLUDE 63% CAUCASIAN, 28% AFRICAN AMERICAN, 6% HISPANIC AND 2% OTHER WITH OVER 2,300 EMPLOYEES, HOUSTON HEALTHCARE IS THE 3RD LARGEST EMPLOYER IN HOUSTON COUNTY ROBINS AIR FORCE BASE IS THE LARGEST WITH OVER 22,500 EMPLOYEES, FOLLOWED BY THE HOUSTON COUNTY BOARD OF EDUCATION WITH 3,700 TEACHERS AND STAFF PERDUE FARMS, WITH 2,000 POULTRY WORKERS (MANY OF WHOM ARE HISPANIC) IS THE 4TH LARGEST, AND FRITO LAY, PRODUCER OF SNACK FOODS WITH OVER 1,400 WORKERS, IS THE 5TH LARGEST THE THREE LEADING CAUSES OF DEATH INCLUDE 34% DIE FROM CARDIOVASCULAR DISEASE, 21% FROM CANCER AND 18% FROM STROKE THERE IS ALSO AN INCREASING NUMBER OF PERSONS WITH DIABETES GEORGIA STATE UNIVERSITY REPORTS CENTRAL GEORGIA COUNTIES HAVE AN AVERAGE OF 11% OF THE POPULATION WITH DIABETES GEORGIA CONTINUES WITH HIGHER RATES OF PRE-TERM BIRTHS (LESS THAN 37 WEEKS) AND LOW BIRTH NEWBORNS THAN THE AVERAGE FOR THE UNITED STATES HOUSTON COUNTY PERINATAL COALITION HAS ALSO IDENTIFIED AN INCREASING NUMBER OF PREGNANCIES AMONG TEENS OUR HEALTH DISTRICT, DISTRICT 5-2, HAS A SIGNIFICANTLY HIGHER RATE OF TOBACCO USAGE AS WELL AS LUNG CANCER THE OBESITY RATE IN CENTRAL GEORGIA RESIDENTS IS 31.1 PERCENT THESE FACTS DEMONSTRATE THE NEED FOR EDUCATION ON LIFE STYLE CHANGES RELATED TO NUTRITION, EXERCISE AND TOBACCO AVOIDANCE THROUGH THE 2009 COMMUNITY HEALTH NEEDS ASSESSMENT, HOUSTON HEALTHCARE HAS IDENTIFIED FOUR FOCUS AREAS OF COMMUNITY HEALTHCARE NEEDS THE FOUR AREAS INCLUDE (1) WELLNESS PROMOTION TARGETING MAJOR RISK FACTORS OF TOBACCO, NUTRITION AND EXERCISE, (2) ACCESS TO CARE - PROVIDING ASSISTANCE IN ESTABLISHING "MEDICAL HOMES" FOR LOWER INCOME, UNINSURED/UNDERINSURED INDIVIDUALS, (3) CHRONIC DISEASE INCLUDING HEART DISEASE, CANCER, DIABETES, AND HYPERTENSION, AND (4) VULNERABLE POPULATIONS WHO REQUIRE ADDITIONAL ASSISTANCE AND OFTEN INDIVIDUALIZED CARE POPULATIONS IDENTIFIED AS IN THE VULNERABLE POPULATION SUCH GROUPS SUCH AS ELDERLY PERSONS, PREGNANT WOMEN AND NEWBORNS, AS WELL AS PERSONS WITH LONG TERM ILLNESSES THAT WOULD BENEFIT FROM EDUCATION AND SUPPORT GROUPS AN EXAMPLE IS PERSONS WITH ALZHEIMER'S OR MULTIPLE SCLEROSIS</p>

Identifier	ReturnReference	Explanation
		<p>PART VI, LINE 5 HOUSTON HOSPITALS, INC OPERATES TWO LICENSED HOSPITAL FACILITIES WHICH PROVIDE EMERGENCY CARE 24/7 HOUSTON HEALTHCARE BOARD MEMBERS ARE ACTIVE MEMBERS IN OUR COMMUNITY THEY ARE EMPLOYED OR RETIRED FROM VARIOUS COMMUNITY ORGANIZATIONS SUCH AS LOCAL SCHOOLS, LOCAL AND STATE GOVERNMENT, PHYSICIAN PRACTICES, LAW FIRMS, AND INSURANCE AGENCIES THEIR EDUCATION, EXPERIENCE AND COMMUNITY INVOLVEMENT ENABLES OUR ORGANIZATION TO PROVIDE NEEDED SERVICES AND BENEFITS TO MEET THE COMMUNITY NEEDS AN OPEN MEDICAL STAFF ENABLES THE ORGANIZATION TO PROVIDE THE SERVICES NEEDED BY THE COMMUNITY, AND IT ALLOWS NEEDED ACCESS TO THE INDIGENT, AS WELL AS MEDICARE, MEDICAID AND TRICARE POPULATIONS HOUSTON HEALTHCARE SUPPORTS THE HOUSTON COUNTY VOLUNTEER MEDICAL CLINIC IN SEVERAL WAYS PROVIDING A BUILDING FOR THE FREE CLINIC, ASSISTING WITH STAFF SALARY COST, AS WELL AS ACCEPTING REFERRALS FROM THE CLINIC FOR REQUIRED SERVICES SUCH AS LAB, RADIOLOGY, ETC HOUSTON HOSPITALS, INC EDUCARE DEPARTMENT PROVIDES THREE MEETING FACILITIES TO NOT FOR PROFIT HEALTHCARE AND COMMUNITY ENHANCEMENT ORGANIZATIONS FOR WEEKLY/MONTHLY STAFF MEETINGS AND MEETINGS FOR MEMBERS OF THE HOUSTON COUNTY COMMUNITY EXAMPLES OF COMMUNITY ORGANIZATIONS THAT USE THESE FACILITIES INCLUDE AARP, AMERICAN HEART ASSOCIATION, SUSAN G KOMEN FOR THE CURE FOUNDATION, MARCH OF DIMES, ALZHEIMER'S ASSOCIATION, AND SAFEKIDS OF HOUSTON COUNTY ALL OF THESE ORGANIZATIONS, PLUS SEVERAL OTHERS, USE THESE FACILITIES FREE OF CHARGE EACH WEEK/MONTH IN ADDITION, HOUSTON HOSPITALS, INC EDUCARE DEPARTMENT PROVIDES MORE THAN 45 ON-GOING HEALTH AND WELLNESS EDUCATION PROGRAMS AS WELL AS NUMEROUS HEALTH FAIRS/SCREENINGS EACH YEAR THAT SERVES SEVERAL THOUSAND RESIDENTS OF HOUSTON COUNTY</p>

Identifier	ReturnReference	Explanation
		<p>PART VI, LINE 6 HOSPITAL AUTHORITY OF HOUSTON COUNTY, GEORGIA - GOVERNMENTAL AGENCY FROM WHICH HOUSTON HOSPITAL'S INC LEASES HOUSTON MEDICAL CENTER AND PERRY HOSPITAL THE AUTHORITY HAS ALSO ENTERED INTO A LONG-TERM LEASE WITH ALL OF ITS FACILITIES AND PROPERTIESHOUSTON HEALTHCARE SYSTEM, INC - 501(C)(3), PARENT ORGANIZATION WHICH LEASES THE HOSPITALS FROM THE AUTHORITY HOUSTON HOSPITALS, INC IS RESPONSIBLE FOR THE DAY-TO-DAY OPERATIONS OF THE HOSPITALS HOUSTON HEALTHCARE PROPERTIES, INC - 501(C)(3), ORGANIZATION WHICH IS USED FOR MANAGEMENT OF OTHER PROPERTIES NOT OWED OR USED BY HOUSTON HOSPITALS, INC HOUSTON HEALTHCARE EMS, INC - 501(C)(3), PROVIDES AMBULANCES SERVICES FOR HOUSTON HOSPITALS, INC AND IT'S COMMUNITY HOUSTON HEALTH VENTURES, INC - FOR PROFIT ORGANIZATION PARTNERS WITH OTHER MEDICAL ORGANIZATIONS TO PROVIDE INCREASED HEALTHCARE SERVICES TO THE COMMUNITY HOUSTON HEALTHCARE COMPLEX MSO, INC - THIS NON-PROFIT CORPORATION WAS ORIGINALLY FORMED TO EMPLOY PHYSICIANS FOR THE BENEFIT OF THE HOSPITAL AUTHORITY, ENGAGE IN MANAGED CARE CONTRACTING AND PROVIDE "BACK OFFICE" SUPPORT TO PHYSICIAN OFFICES, SUCH AS BILLING THIS CORPORATION IS PRESENTLY INACTIVE AND NOW EXISTS SOLELY FOR THE PURPOSE OF HOLDING THE OWNERSHIP INTEREST OF HOUSTON HEALTHCARE SYSTEM, INC (FORMERLY THE HOSPITAL AUTHORITY) IN PATIENTSELECT, LLC THIS OWNERSHIP INTEREST CONSISTS OF A \$85,000 INVESTMENT IN 85 CLASS A UNITS AND A \$765,000 INVESTMENT IN 153 CLASS B UNITS OF PATIENTSELECT, LLC PATIENTSELECT LLC - PHYSICIAN ORGANIZATION FOR WHICH HOUSTON HEALTHCARE COMPLEX MSO, INC HAS PARTNERSHIP INTEREST IN CHARITABLE GIVING FUND - THIS IS A NEW CORPORATION FOR WHICH 501(C)(3) STATUS HAS BEEN REQUESTED THIS NON-PROFIT CORPORATION IS SET UP TO RECEIVE CHARITABLE CONTRIBUTIONS AND TO PAY THEM OVER TO OTHER CHARITABLE ORGANIZATIONS OR, TO BE USED IN OTHER CHARITABLE PURPOSES PERMITTED UNDER GEORGIA NONPROFIT CORPORATION CODE, 501(C)(3) CODE, AND AS DETERMINED BY THE BOARD OF TRUSTEES</p>

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

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As Filed Data -

DLN: 93493275000132

Schedule I
(Form 990)

OMB No 1545-0047

2011

Open to Public
Inspection

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

Name of the organization
HOUSTON HOSPITALS INC

Employer identification number
71-1045290

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) MACON STATE COLLEGE100 COLLEGE STATION DRIVE MACON,GA 31206	58-1028275	GOVERNMENTAL	75,000				NURSING PROGRAM SUPPORT
(2) MIDDLE GEORGIA TECHNICAL COLLEGE80 COHEN WALKER DRIVE WARNER ROBINS,GA 31088	58-1727346	GOVERNMENTAL	75,000				NURSING PROGRAM SUPPORT
(3) MIDDLE GEORGIA COMMUNITY ACTION AGENCYPO BOX 2286 WARNER ROBBINS,GA 31099	58-1192477	501(C)(3)	46,750				GENERAL SUPPORT
(4) HEALTH CARE CENTRAL GEORGIA INC PO BOX 25 MACON,GA 31202	58-2624455	501(C)(3)	85,714				ANNUAL TEEN HEALTH FORUM & PHARMACY PROGRAM FOR THE UNINSURED
(5) PHOENIX CENTER BEHAVIORAL HEALTH SERVICE BOARD940 GA HIGHWAY 96 WARNER ROBINS,GA 31088	58-2105225	501(C)(3)	59,600				RENOVATIONS/OPERATIONS SUPPORT

2

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

5

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

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 THE ORGANIZATION HAS GUIDELINES IN PLACE THAT ARE TO BE USED IN REVIEWING THE ELIGIBILITY OF GRANTEEES ALL GRANTS REQUIRE WRITTEN DOCUMENTATION AND APPROPRIATE LEVELS OF APPROVAL

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

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.

Name of the organization
HOUSTON HOSPITALS INC

Employer identification number
71-1045290

Part I

Questions Regarding Compensation

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

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) FRANK R POWELL	(i)	189,931	300	125,660	6,010	10,704	332,605	0
	(ii)	0	0	0	0	0	0	0
(2) CARY MARTIN	(i)	280,996	300	27,204	5,256	10,320	324,076	0
	(ii)	0	0	0	0	0	0	0
(3) STEPHEN MACHEN	(i)	150,897	300	1,301	1,659	12,010	166,167	0
	(ii)	0	0	0	0	0	0	0
(4) JOHN DAVID CAMPBELL	(i)	142,478	240	7,151	3,896	10,840	164,605	0
	(ii)	0	0	0	0	0	0	0
(5) MELINDA HARTLEY	(i)	177,429	300	6,837	4,734	9,760	199,060	0
	(ii)	0	0	0	0	0	0	0
(6) ROBERT RHODES	(i)	151,986	300	6,320	4,490	9,120	172,216	0
	(ii)	0	0	0	0	0	0	0
(7) HOWARD SOHNEN	(i)	183,249	0	4,532	0	8,760	196,541	0
	(ii)	0	0	0	0	0	0	0
(8) ROBERTIENA F FLETCHER	(i)	150,899	300	1,965	4,501	9,760	167,425	0
	(ii)	0	0	0	0	0	0	0
(9) MICHAEL O'HARA	(i)	147,195	300	7,942	4,427	9,960	169,824	0
	(ii)	0	0	0	0	0	0	0
(10) SANDRA N JOHNSON	(i)	160,655	300	1,269	4,271	9,761	176,256	0
	(ii)	0	0	0	0	0	0	0
(11) RITA BANDT	(i)	149,575	300	302	3,863	0	154,040	0
	(ii)	0	0	0	0	0	0	0
(12) PAIGE DAWSON	(i)	144,014	300	361	4,332	8,760	157,767	0
	(ii)	0	0	0	0	0	0	0
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

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 4A	SEVERANCE PAYMENT FRANK POWELL RECEIVED SEVERANCE PAY IN THE AMOUNT OF \$65,129

Schedule K (Form 990)	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	
	Department of the Treasury Internal Revenue Service	Name of the organization HOUSTON HOSPITALS INC										Employer identification number 71-1045290

Part I Bond Issues											
(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A HOSPITAL AUTHORITY OF HOUSTON COUNTY	58-0833515	442042DK0	08-23-2007	71,610,473	CONSTRUCT & EQUIP HOSPITAL TOWER		X		X		X

Part II Proceeds									
		A	B	C		D			
1	Amount of bonds retired	130,000							
2	Amount of bonds defeased								
3	Total proceeds of issue	71,610,473							
4	Gross proceeds in reserve funds	4,894,375							
5	Capitalized interest from proceeds	3,053,093							
6	Proceeds in refunding escrow								
7	Issuance costs from proceeds	871,608							
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	68,788,545							
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2009							
		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	0 050 %							
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	0 050 %							
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	CITIGROUP GLOBAL GIC							
c	Term of GIC	2 000000000000							
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						
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 L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
HOUSTON HOSPITALS INC

Employer identification number

71-1045290

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) BRIAN GRAHAM	FAMILY MEMBER OF DIRECTOR	49,795	BRIAN GRAHAM, SON OF DIRECTOR, FRED GRAHAM, IS EMPLOYED BY HOUSTON HOSPITALS, INC		No
(2) AMY DAWSON	FAMILY MEMBER OF DIRECTOR	53,529	AMY DAWSON, DAUGHTER OF DIRECTOR, FRED GRAHAM, IS EMPLOYED BY HOUSTON HOSPITALS, INC		No
(3) DANIEL DEIGHTON	BOARD MEMBER	36,948	DR DEIGHTON IS A BOARD MEMBER OF THE ORGANIZATION DR DEIGHTON IS RENTING OFFICE SPACE FROM THE ORGANIZATION RENT WAS NEGOTIATED AT ARM'S LENGTH AND IS AT FAIR MARKET VALUE		No
(4) MELANIE L WARREN	FAMILY MEMBER OF DIRECTOR	71,406	MELANIE L WARREN, DAUGHTER OF DIRECTOR, TRUDIE WARREN, IS EMPLOYED BY HOUSTON HOSPITALS, INC		No
(5) LEIGH WOLK	FAMILY MEMBER OF DIRECTOR	31,467	LEIGH WOLK, DAUGHTER OF DIRECTOR, HORATIO CABASARES, M D , IS EMPLOYED BY HOUSTON HOSPITALS, INC		No
(6) WINDIE A RHODES	FAMILY MEMBER OF OFFICER	33,919	WINDIE A RHODES, WIFE OF OFFICER, ROBERT RHODES, IS EMPLOYED BY HOUSTON HOSPITALS, INC		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
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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
HOUSTON HOSPITALS INC

Employer identification number
71-1045290

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 6	THE BOARD OF DIRECTORS OF THE HOUSTON HEALTHCARE SYSTEM, INC , A RELATED 501(C)(3) ORGANIZATION, APPOINTS THE BOARD OF HOUSTON HOSPITALS, INC
	FORM 990, PART VI, SECTION A, LINE 7A	THE BOARD OF DIRECTORS OF THE HOUSTON HEALTHCARE SYSTEM, INC , A RELATED 501(C)(3) ORGANIZATION, APPOINTS THE BOARD OF HOUSTON HOSPITALS, INC
	FORM 990, PART VI, SECTION A, LINE 7B	CERTAIN ACTIONS OF THE BOARD OF HOUSTON HOSPITAL, INC MUST BE APPROVED BY THE BOARD OF HOUSTON HEALTHCARE SYSTEM, INC , A RELATED 501(C)(3) ORGANIZATION
	FORM 990, PART VI, SECTION B, LINE 11	THE DRAFT OF THE 990 WAS PREPARED BY THE ORGANIZATION'S CONTROLLER AND PROVIDED TO AN INDEPENDENT TAX ACCOUNTANT THE DRAFT WAS REVIEWED BY THE TAX ACCOUNTANT AND RETURNED TO THE CONTROLLER AND CFO AFTER COMMENTS FROM THE OFFICERS, THE RETURN WAS FINALIZED A COPY OF THE FINALIZED FORM WAS PROVIDED TO THE ORGANIZATION'S BOARD OF DIRECTORS PRIOR TO FILING
	FORM 990, PART VI, SECTION B, LINE 12C	BOARD MEMBERS, OFFICERS AND KEY EMPLOYEES SIGN CONFLICT OF INTEREST STATEMENTS ON AN ANNUAL BASIS WHICH REQUIRES THEM TO DISCLOSE ANY POTENTIAL CONFLICT MANAGEMENT ENSURES THAT A STATEMENT IS RECEIVED FROM EVERYONE AND THAT THERE ARE NO CONFLICTS
	FORM 990, PART VI, SECTION B, LINE 15	A COMPREHENSIVE REVIEW OF THE PRESIDENT'S TOTAL COMPENSATION WAS CONDUCTED BY THE BENEFITS AND COMPENSATION COMMITTEE OF THE HOUSTON HEALTHCARE SYSTEM, A RELATED ORGANIZATION MINUTES REFLECTING THE DELIBERATIONS OF THAT COMMITTEE ARE RECORDED AND FILED THE COMMITTEE IS COMPRISED OF THREE MEMBERS OF THE BOARD OF DIRECTORS IN CONSIDERING AN ADJUSTMENT IN TOTAL COMPENSATION FOR THE PRESIDENT, VARIOUS STUDIES ARE CONSIDERED AND FACTORED INTO THE FINAL DECISION, INCLUDING THE GEORGIA VHA EXECUTIVE COMPENSATION SURVEY- CHIEF EXECUTIVE OFFICER, THE GEORGIA HOSPITAL ASSOCIATION SURVEY OF EXECUTIVE COMPENSATION AND AN EXECUTIVE SALARY SURVEY OF GEORGIA HOSPITAL EXECUTIVES CONDUCTED ANNUALLY BY HR ADVANTAGE, A COMPENSATION CONSULTANT WITH A NATIONWIDE REACH ALL OF THE ENTITIES AND INDIVIDUALS PROVIDE COMPENSATION DATA INDEPENDENT OF THE OTHER SUBSEQUENT TO THE REVIEW, A RECOMMENDATION REGARDING THE PRESIDENT'S COMPENSATION IS REVIEWED AND MODIFIED/APPROVED BY MEMBERS OF THE FULL HOSPITAL BOARD A SIMILAR PROCESS IS EMPLOYED FOR THE CFO THE REVIEW IS PERFORMED ON AN ANNUAL BASIS
	FORM 990, PART VI, SECTION C, LINE 19	GOVERNING DOCUMENTS, CONFLICT OF INTEREST STATEMENTS AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST
	FORM 990, PART VI, SECTION A, LINE 9	FRANK POWELL IS NO LONGER WITH THE ORGANIZATION HIS ADDRESS IS 107 SWEET BAY ROAD, KATHLEEN, GA 31407
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	TRANSFER TO HOSPITAL AUTHORITY OF HOUSTON COUNTY -1,000 TRANSFER FROM PATIENT SELECT - 4,743 TRANSFER FROM HOUSTON HEART INSTITUTE 21,190,085 UNREALIZED LOSS FROM INVESTMENTS - 7,768,000 ROUNDING -799 NET PENSION OBLIGATION -12,882,941 TOTAL TO FORM 990, PART XI, LINE 5 532,602

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
HOUSTON HOSPITALS INC

Employer identification number
71-1045290

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) HOUSTON HEALTHCARE SYSTEM INC PO BOX 2886 WARNER ROBINS, GA 31093 71-1045299	HEALTH SYSTEM (PARENT)	GA	501(C)(3)	LINE 11C, III-FI	N/A		No
(2) HOSPITAL AUTHORITY OF HOUSTON COUNTY PO BOX 2886 WARNER ROBINS, GA 31093 58-0833515	HOSPITAL AUTHORITY	GA	501(C)(3)	LINE 3	N/A		No
(3) HOUSTON HEALTHCARE PROPERTIES INC PO BOX 2886 WARNER ROBINS, GA 31093 27-0174397	PROPERTY MANAGEMENT	GA	501(C)(2)	N/A	HOUSTON HEALTHCARE SYSTEM INC		No
(4) HOUSTON HEALTHCARE EMS INC PO BOX 2886 WARNER ROBINS, GA 31093 26-3941348	EMERGENCY SERVICES	GA	501(C)(3)	LINE 9	HOUSTON HEALTHCARE SYSTEM INC		No

Part III

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

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

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) HOUSTON HEALTHCARE COMPLEX MSO INC 1601 WATSON BLVD WARNER ROBINS, GA 31093 58-2242585	ANESTHESIA SERVICES	GA	N/A	C			
(2) HOUSTON HEALTH VENTURES INC PO BOX 2886 WARNER ROBINS, GA 31099 27-2814306	MEDICAL SERVICES	GA	N/A	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

1

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

a

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

b

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

c

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

d

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

e

Loans or loan guarantees by related organization(s)

f

Sale of assets to related organization(s)

g

Purchase of assets from related organization(s)

h

Exchange of assets with related organization(s)

i

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

j

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

k

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

l

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

m

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

n

Sharing of paid employees with related organization(s)

o

Reimbursement paid to related organization(s) for expenses

p

Reimbursement paid by related organization(s) for expenses

q

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

r

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

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

No

No

No

Yes

Yes

No

Yes

No

No

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

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

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

[illegible]

Part VII

Supplemental Information

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

Identifier	Return Reference	Explanation	
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HOUSTON HEALTHCARE SYSTEM, INC.

COMBINED FINANCIAL STATEMENTS
for the years ended December 31, 2011 and 2010

C O N T E N T S

	<u>Pages</u>
Independent Auditor's Report	1
Financial Statements:	
Combined Balance Sheets	2-3
Combined Statements of Operations and Changes in Net Assets	4-5
Combined Statements of Cash Flows	6
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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Houston Healthcare System, Inc.
Warner Robins, Georgia

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

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Houston Healthcare System, Inc. as of December 31, 2011 and 2010, and the results of its operations, changes in net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Draffin + Tucker, LLP
Albany, Georgia
April 17, 2012

HOUSTON HEALTHCARE SYSTEM, INC.

COMBINED BALANCE SHEETS

December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,037,000	\$ 1,634,000
Assets limited as to use	1,156,000	1,153,000
Patient accounts receivable, net of contractual allowances and allowance for doubtful accounts of \$91,543,000 and \$103,678,000	34,175,000	35,161,000
Supplies, at lower of cost (first-in, first-out) or market and other assets	<u>2,536,000</u>	<u>2,240,000</u>
Total current assets	<u>38,904,000</u>	<u>40,188,000</u>
Assets limited as to use:		
Internally designated for capital acquisitions and other	202,548,000	193,011,000
Held by trustee under indenture agreement	<u>6,073,000</u>	<u>5,795,000</u>
	208,621,000	198,806,000
Less amount required to meet current obligation	<u>1,156,000</u>	<u>1,153,000</u>
Total assets limited as to use	<u>207,465,000</u>	<u>197,653,000</u>
Property and equipment, net	<u>121,202,000</u>	<u>121,201,000</u>
Other assets:		
Deferred financing costs	806,000	856,000
Long-term investments and other	<u>2,195,000</u>	<u>2,145,000</u>
Total other assets	<u>3,001,000</u>	<u>3,001,000</u>
Total assets	\$ <u>370,572,000</u>	\$ <u>362,043,000</u>

	<u>2011</u>	<u>2010</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Current maturities of long-term debt	\$ 1,075,000	\$ 1,035,000
Accounts payable and accrued expenses	15,446,000	17,631,000
Accrued compensation and benefits	12,281,000	10,676,000
Estimated third-party payor settlements	<u>6,146,000</u>	<u>4,020,000</u>
Total current liabilities	34,948,000	33,362,000
Long-term debt, net of current maturities	73,528,000	74,585,000
Accrued pension obligation	<u>31,064,000</u>	<u>21,811,000</u>
Total liabilities	139,540,000	129,758,000
Net assets:		
Unrestricted net assets	<u>231,032,000</u>	<u>232,285,000</u>
 Total liabilities and net assets	 \$ <u><u>370,572,000</u></u>	 \$ <u><u>362,043,000</u></u>

See accompanying notes to combined financial statements.

HOUSTON HEALTHCARE SYSTEM, INC.

COMBINED STATEMENTS OF OPERATIONS
AND CHANGES IN NET ASSETS
for the years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Unrestricted revenues, gains and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 264,211,000	\$ 261,952,000
Provision for bad debts	(35,653,000)	(32,791,000)
Net patient service revenue	228,558,000	229,161,000
Other revenue	<u>2,085,000</u>	<u>2,042,000</u>
Total unrestricted revenues, gains and other support	<u>230,643,000</u>	<u>231,203,000</u>
Expenses:		
Salaries and benefits	114,386,000	107,547,000
Medical and professional fees	10,054,000	9,903,000
Medical supplies and drugs	32,962,000	35,854,000
Supplies and other expenses	39,204,000	36,120,000
Insurance	2,384,000	7,846,000
Depreciation and amortization	13,618,000	12,571,000
Interest	<u>3,763,000</u>	<u>3,786,000</u>
Total expenses	<u>216,371,000</u>	<u>213,627,000</u>
Operating income	<u>14,272,000</u>	<u>17,576,000</u>
Nonoperating revenues:		
Investment income	6,698,000	8,556,000
Noncapital grants, contributions and other	<u>388,000</u>	<u>826,000</u>
Total nonoperating revenues	<u>7,086,000</u>	<u>9,382,000</u>

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

COMBINED STATEMENTS OF OPERATIONS
AND CHANGES IN NET ASSETS, Continued
for the years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Excess revenues over expenses	\$ 21,358,000	\$ 26,958,000
Net unrealized gains (losses) on other than trading securities	(9,728,000)	15,933,000
Changes in pension assets and projected benefit obligation recognized in net assets	(12,883,000)	(3,491,000)
Capital contributions	<u>-</u>	<u>51,000</u>
Increase (decrease) in unrestricted net assets	(1,253,000)	39,451,000
Net assets, beginning of year	<u>232,285,000</u>	<u>192,834,000</u>
Net assets, end of year	\$ <u>231,032,000</u>	\$ <u>232,285,000</u>

See accompanying notes to combined financial statements.

HOUSTON HEALTHCARE SYSTEM, INC.

COMBINED STATEMENTS OF CASH FLOWS
for the years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Changes in net assets	\$(1,253,000)	\$ 39,451,000
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Provision for bad debts	35,653,000	32,791,000
Depreciation and amortization	13,618,000	12,571,000
Realized gains on sale of securities	(1,089,000)	(2,146,000)
(Gain) loss on sale of assets	20,000	(692,000)
Net unrealized (gains) losses on other than trading securities	9,728,000	(15,933,000)
Changes in:		
Patient accounts receivable	(34,667,000)	(36,353,000)
Supplies and other current assets	(296,000)	(196,000)
Long-term investments and other	(50,000)	(3,000)
Accounts payable and accrued expenses	(569,000)	4,216,000
Estimated third party payor settlements	2,126,000	383,000
Accrued pension obligation	<u>9,253,000</u>	<u>739,000</u>
Net cash provided by operating activities	<u>32,474,000</u>	<u>34,828,000</u>
Cash flows from investing activities:		
Purchase of investments	(24,461,000)	(40,012,000)
Proceeds from sale of investments	6,007,000	5,599,000
Capital expenditures	(13,622,000)	(10,124,000)
Proceeds from sale of property and equipment	<u>40,000</u>	<u>9,597,000</u>
Net cash used by investing activities	<u>(32,036,000)</u>	<u>(34,940,000)</u>
Cash flows from financing activities:		
Payments on long-term debt	<u>(1,035,000)</u>	<u>(995,000)</u>
Net decrease in cash and cash equivalents	<u>(597,000)</u>	<u>(1,107,000)</u>
Cash and cash equivalents, beginning of year	<u>1,634,000</u>	<u>2,741,000</u>
Cash and cash equivalents, end of year	<u>\$ 1,037,000</u>	<u>\$ 1,634,000</u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest in 2011 and 2010 was \$3.7 million.		

See accompanying notes to combined financial statements.

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS

1. Description of Organization and Summary of Significant Accounting Policies

Organization

Houston Healthcare System, Inc. (the System), located in Warner Robins, Georgia, is a not-for-profit corporation that operates acute care hospitals and freestanding outpatient treatment facilities. The System provides a full range of inpatient, outpatient, and emergency services to the residents of Houston County and surrounding areas. All intercompany transactions have been eliminated.

Effective January 1, 2009, the Hospital Authority of Houston County (Authority) implemented a reorganization plan for Houston Hospitals, Inc. and related facilities whereby all the assets, liabilities, management and governance of the facilities were transferred to Houston Hospitals, Inc., pursuant to a lease and transfer agreement. The lease term is for forty years at a nominal rate paid to the Authority by the System.

Use of Estimates

The preparation of combined 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 combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three months or less.

Allowance for Doubtful Accounts

Accounts receivable is reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the System analyzes a variety of information for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

1. Description of Organization and Summary of Significant Accounting Policies, Continued

Allowance for Doubtful Accounts, Continued

For receivables associated with services provided to patients who have third-party coverage, the System provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectibles, deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). There were no significant changes to the underlying assumptions in the allowance methodology for third-party payors.

For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the System records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

The System's provision for bad debts increased approximately \$2,862,000 from approximately \$32,791,000 for fiscal year 2010 to approximately \$35,653,000 for fiscal year 2011. This was the result of an increase in the volume of patients without insurance coverage in fiscal year 2011. The System has not changed its charity care or uninsured discount policies during fiscal years 2010 or 2011.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the combined balance sheets. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in excess revenues over expenses unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are excluded from excess revenues over expenses unless the investments are trading securities. Losses on other than temporary impairment declines are included in excess revenues over expenses.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

1. Description of Organization and Summary of Significant Accounting Policies, Continued

Assets Limited as to Use

Assets limited as to use primarily include assets held by trustees under indenture agreements and designated assets set aside by the Board of Trustees for future capital improvements and other, over which the Board retains control and may at its discretion subsequently use for other purposes. Amounts required to meet current liabilities of the System have been reclassified in the combined balance sheets at December 31, 2011 and 2010.

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. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization in the combined financial statements.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support, and are excluded from excess 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.

Cost of Borrowing

Interest cost on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. There was no capitalized interest cost for the years ended December 31, 2011 and 2010.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

1. Description of Organization and Summary of Significant Accounting Policies, Continued

Deferred Financing Cost

Costs related to the issuance of long-term debt were deferred and are being amortized using the straight line method, which approximates the effective interest method, over the life of the related debt.

Excess Revenues Over Expenses

The combined statement of operations and changes in net assets includes excess revenues over expenses. Changes in unrestricted net assets which are excluded from excess revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities,

permanent transfers of assets to and from affiliates for other than goods and services, 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).

Patient Service Revenue

The System has agreements with third-party payors that provide for payments to the System at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Charity Care

The System provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the System does not pursue collection of amounts determined to qualify as charity care, they are not reported in net patient service revenue.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

1. Description of Organization and Summary of Significant Accounting Policies, Continued

Donor-Restricted Gifts

Unconditional promises to give cash and other assets to the System 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 as unrestricted net assets and reported in the combined statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying combined financial statements.

Estimated Malpractice Costs and Other Self-Insurance Costs

The provision for estimated medical malpractice claims and other self-insurance plans includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

Risk Management

The System is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; medical malpractice; and employee health, dental, and accident benefits.

Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years. The System is partially self insured for employee health and professional liability as disclosed in Notes 11 and 12.

Income Taxes

The System is a not-for-profit corporation that has been recognized as tax-exempt pursuant to Section 501(c)3 of the Internal Revenue Code.

The System applies accounting policies that prescribe when to recognize and how to measure the combined financial statement effects of income tax positions taken or expected to be taken on its income tax returns. These rules require management to evaluate the likelihood that,

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

1. Description of Organization and Summary of Significant Accounting Policies, Continued

Income Taxes, Continued

upon examination by the relevant taxing jurisdictions, those income tax positions would be sustained. Based on that evaluation, the System only recognizes the maximum benefit of each income tax position that is more than 50% likely of being sustained. To the extent that all or a portion of the benefits of an income tax position are not recognized, a liability would be recognized for the unrecognized benefits, along with any interest and penalties that would result from disallowance of the position. Should any such penalties and interest be incurred, they would be recognized as operating expenses.

Based on the results of management's evaluation, no liability is recognized in the accompanying combined balance sheets for unrecognized income tax positions. Further, no interest or penalties have been accrued or charged to expense as of December 31, 2011 and 2010 or for the years then ended. The System's open audit periods are for tax years ended 2008-2010.

Impairment of Long-Lived Assets

The System evaluates on an ongoing basis the recoverability of its assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is required to be recognized if the carrying value of the asset exceeds the undiscounted future net cash flows associated with that asset. The impairment loss to be recognized is the amount by which the carrying value of the long-lived asset exceeds the asset's fair value. In most instances, the fair value is determined by discounted estimated future cash flows using an appropriate interest rate. The System has not recorded any impairment charges in the accompanying combined statements of operations and changes in net assets for the years ended December 31, 2011 and 2010.

Fair Value Measurements

Accounting guidance under FASB ASC 820, *Fair Value Measurement and Disclosures* defines fair value as the amount that would be received for an asset or paid to transfer a liability (i.e., an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC 820 also establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

1. Description of Organization and Summary of Significant Accounting Policies, Continued

Fair Value Measurements, Continued

FASB ASC 820 describes the following three levels of input that may be used:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets and liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable prices that are based on inputs not quoted on active markets but corroborated by market data.
- Level 3: Unobservable inputs when there is little or no market data available, thereby requiring an entity to develop its own assumptions. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Recently Issued Accounting Pronouncement

In July 2011, the FASB issued Accounting Standards Update (ASU) No. 2011-07, *Health Care Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowances for Doubtful Accounts for Certain Health Care Entities*. The amendments in this ASU change the presentation of the combined statement of operations and changes in net assets by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). The System adopted the new accounting rules and disclosures for the year ending December 31, 2011, and as permitted, applied the guidance retrospectively to all prior periods presented. The adoption did not have an impact on the System's income from operations or changes in net assets.

Prior Year Reclassifications

Certain reclassifications have been made to the 2010 combined financial statements to conform to the 2011 presentation. These reclassifications had no impact on the change in net assets in the accompanying combined financial statements.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

1. Description of Organization and Summary of Significant Accounting Policies, Continued

Subsequent Event

In preparing these combined financial statements, the System has evaluated events and transactions for potential recognition or disclosure through April 17, 2012, the date the combined financial statements were issued.

2. Patient Service Revenue

The System has agreements with third-party payors that provide for payments to the System at amounts different from its established rates. The System does not believe there are any significant credit risks associated with receivables due from third-party payors. A summary of the payment arrangements with major third-party payors follows:

- Medicare

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

The System is reimbursed for certain reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the System and audits thereof by the Medicare Administrative Contractor (MAC). The System's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the System. The System's Medicare cost reports have been audited by the MAC through February 28, 2007.

Revenue from the Medicare program accounted for approximately 40% and 39% of the System's patient service revenue for the years ended 2011 and 2010, respectively. Laws and regulations governing the Medicare program are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Estimated reimbursement amounts are adjusted in subsequent periods as cost reports are prepared and filed and as final settlements are determined.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

2. Patient Service Revenue, Continued

- Medicare, Continued

The System believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. However, there has been an increase in regulatory initiatives at the federal level including the initiation of the Recovery Audit Contractor (RAC) program. The RAC program was created to review Medicare claims for medical necessity and coding appropriateness. The RAC's have authority to pursue improper payments made on or after October 1, 2007. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare program.

- Medicaid

Inpatient acute care services rendered to Medicaid program beneficiaries are paid at a prospectively determined rate per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Outpatient services rendered to the Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology.

The System is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the System and audits thereof by the Medicaid fiscal intermediary. The System's Medicaid cost reports have been audited by the Medicaid fiscal intermediary through February 28, 2007.

Revenue from the Medicaid program accounted for approximately 11% of the System's patient service revenue for the years ended 2011 and 2010. Laws and regulations governing the Medicaid program are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Estimated reimbursement amounts are adjusted in subsequent periods as cost reports are prepared and filed and as final settlements are determined.

The System also contracts with certain managed care organizations to receive reimbursement for providing services to selected enrolled Medicaid beneficiaries. Payment arrangements with these managed care organizations consist primarily of prospectively determined rates per discharge, discounts from established charges, or prospectively determined per diems.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

2. Patient Service Revenue, Continued

- Medicaid, Continued

The System believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. However, there has been an increase in regulatory initiatives at the state level including the initiation of the Medicaid Integrity Contractor (MIC) program. This program was created to review Medicaid claims for medical necessity and coding appropriateness. While no such regulatory inquiries have been made to date, compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicaid program.

During 2010, the state of Georgia enacted legislation known as the Provider Payment Agreement Act (the Act) whereby hospitals in the state of Georgia are assessed a "provider payment" in the amount of 1.45% of their net patient service revenue. The Act became effective July 1, 2010, the beginning of state fiscal year 2011. The provider payments are due on a quarterly basis to the Department of Community Health. The payments are to be used for the sole purpose of obtaining federal financial participation for medical assistance payments to providers on behalf of Medicaid recipients. The provider payment will result in an increase in payments for Medicaid services to hospitals of approximately 11.88%. Approximately \$2,838,000 of provider payments relating to the Act are included in supplies and other expenses in the accompanying combined statements of operations and changes in net assets for the year ended December 31, 2011.

- Other Agreements

The System has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the System under these agreements include prospectively determined rates per discharge, prospectively determined daily rates, fixed rates fee schedules, and discounts from established charges.

For uninsured patients that do not qualify for charity care, the System recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of the System's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the System records a significant provision for bad debts related to uninsured patients in the period the services are provided.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

2. Patient Service Revenue, Continued

Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payor sources, is as follows:

	<u>Patient Service Revenue (Net of Contractual Allowances and Discounts)</u>	
	<u>2011</u>	<u>2010</u>
Third-party payors	\$ 223,527,000	\$ 224,338,000
Self-pay	<u>40,684,000</u>	<u>37,614,000</u>
Total all payors	\$ <u>264,211,000</u>	\$ <u>261,952,000</u>

3. Uncompensated Services

The System was compensated for services at amounts less than its established rates. The following is a summary of uncompensated services and a reconciliation of gross patient charges to net patient service revenue for 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Gross patient charges	\$ <u>658,378,000</u>	\$ <u>613,941,000</u>
Uncompensated services:		
Charity and indigent care	30,779,000	25,670,000
Medicare	180,244,000	148,579,000
Medicaid	49,351,000	50,394,000
Other allowances	133,793,000	127,346,000
Bad debts	<u>35,653,000</u>	<u>32,791,000</u>
Total uncompensated care	<u>429,820,000</u>	<u>384,780,000</u>
Net patient service revenue	\$ <u>228,558,000</u>	\$ <u>229,161,000</u>

The cost of charity and indigent care services provided during 2011 and 2010 were approximately \$10,115,000 and \$8,932,000, respectively, computed by applying a total cost factor to the charges foregone.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

4. Investments

Assets Limited as to Use

The composition of assets limited as to use at December 31, 2011 and 2010 is set forth in the following table. Investments are stated at fair value and considered other-than-trading investments.

	<u>2011</u>	<u>2010</u>
Internally designated for capital acquisition and other:		
Cash and cash equivalents	\$ 1,071,000	\$ 951,000
Mutual funds – fixed income	80,268,000	71,555,000
Mutual funds – equity	100,431,000	98,597,000
Mutual funds – international equity	<u>20,778,000</u>	<u>21,908,000</u>
	202,548,000	193,011,000
Held by trustee under indenture agreement:		
Government agency obligation	<u>6,073,000</u>	<u>5,795,000</u>
	\$ <u>208,621,000</u>	\$ <u>198,806,000</u>

Investment income and gains (losses) for assets limited as to use, cash and cash equivalents, and other investments are comprised of the following for the years ended December 31, 2011 and 2010.

	<u>2011</u>	<u>2010</u>
Investment income:		
Interest income, dividends and other	\$ 5,609,000	\$ 6,410,000
Realized gains on sales of securities	<u>1,089,000</u>	<u>2,146,000</u>
	\$ <u>6,698,000</u>	\$ <u>8,556,000</u>
Other changes in unrestricted net assets:		
Net unrealized gains (losses) on other than trading securities	\$(<u>9,728,000</u>)	\$ <u>15,933,000</u>

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

4. Investments, Continued

Assets Limited as to Use, Continued

The following table provides a summary of the System's investments as of December 31, 2011, for which the cost basis of securities exceeds fair value, aggregated by investment category and length of time that individual securities have been in continuous unrealized loss positions:

Description of Securities	<u>Less than 12 Months</u>		<u>12 Months or Greater</u>		<u>Total</u>	
	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>
Mutual funds- equity	\$ <u>8,621,000</u>	\$ <u>(1,084,000)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>8,621,000</u>	\$ <u>(1,084,000)</u>
Total	\$ <u>8,621,000</u>	\$ <u>(1,084,000)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>8,621,000</u>	\$ <u>(1,084,000)</u>

5. Concentrations of Credit Risk

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

	<u>2011</u>	<u>2010</u>
Medicare	18%	25%
Medicaid	7%	8%
Blue Cross	6%	12%
Other third-party payors	38%	35%
Patients	<u>31%</u>	<u>20%</u>
	<u>100%</u>	<u>100%</u>

At December 31, 2011, the System has deposits at major financial institutions which exceeded the \$250,000 Federal Deposit Insurance Corporation limit. Management believes the credit risks related to these deposits are minimal.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

6. Property and Equipment

A summary of property and equipment at December 31, 2011 and 2010 follows:

	<u>2011</u>	<u>2010</u>
Land	\$ 12,691,000	\$ 12,691,000
Land improvements	2,677,000	2,673,000
Buildings and improvements	144,558,000	141,607,000
Equipment	<u>95,855,000</u>	<u>86,226,000</u>
	255,781,000	243,197,000
Less accumulated depreciation	<u>134,909,000</u>	<u>122,180,000</u>
	120,872,000	121,017,000
Construction in progress	<u>330,000</u>	<u>184,000</u>
Property and equipment, net	\$ <u>121,202,000</u>	\$ <u>121,201,000</u>

Depreciation expense for the years ended December 31, 2011 and 2010 amounted to approximately \$13,561,000 and \$12,514,000, respectively.

7. Deferred Financing Costs

Bond issue costs and loan origination fees are amortized over the life of the debt instrument. Amortization expense for the years ended December 31, 2011 and 2010 amounted to approximately \$40,000 and \$44,000, respectively.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

8. Long-Term Debt

A summary of long-term debt follows:

	<u>2011</u>	<u>2010</u>
Revenue Certificates – Series 2007, Payable in annual installments ranging from \$80,000 on October 1, 2012 to \$4,655,000 on October 1, 2042, with interest rates ranging from 4.25% to 5.25%	\$ 71,925,000	\$ 71,995,000
Revenue Certificates – Series 2002, Payable in annual installments ranging from \$995,000 on October 1, 2012 to \$1,060,000 on October 1, 2014, with variable interest paid monthly	<u>3,080,000</u>	<u>4,045,000</u>
Total revenue certificates	75,005,000	76,040,000
Less current maturities of long-term debt	1,075,000	1,035,000
Less unamortized discount	<u>402,000</u>	<u>420,000</u>
Long-term debt excluding current maturities and unamortized discount	\$ <u>73,528,000</u>	\$ <u>74,585,000</u>

Under the terms of the 2007 and 2002 revenue certificates, the System is required to maintain certain deposits with a trustee. Such deposits are included with assets limited as to use. The revenue note indenture also places limits on the incurrence of additional borrowings and requires that the System satisfy certain measures of financial performance as long as the notes are outstanding.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

8. Long-Term Debt, Continued

Scheduled principal repayments on long-term debt are as follows:

2012	\$ 1,075,000
2013	1,115,000
2014	1,155,000
2015	1,185,000
2016	1,250,000
Thereafter	<u>69,225,000</u>
	<u>\$ 75,005,000</u>

9. Pension Plan

Plan Description

The System contributes to a defined benefit pension plan (the Plan) managed by a trustee. All full-time System employees hired prior to May 1, 2009, age 21 or older, with at least 1 year of service, are eligible to participate in the Plan. System employees who are vested are entitled to an annual benefit payable monthly for life, in an amount equal to 1% of final average earnings up to covered compensation, plus 1.55% of final average earnings in excess of covered compensation, times credited service up to 30 years. Participants are 100% vested after five years of employment. Participants are fully vested at age 65. The System's funding policy is to make the minimum annual contribution required by applicable regulations. Contributions are intended to provide not only for benefits attributed to service to date but also for those expected to be earned in the future.

The measurement date was December 31, 2011 and 2010.

The following table sets forth the defined benefit pension plan funded status and amounts recognized in the combined financial statements at December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Plan assets at fair value at December 31	\$ 48,071,000	\$ 43,897,000
Projected benefit obligation at December 31	<u>79,135,000</u>	<u>65,708,000</u>
Funded status	<u>\$(31,064,000)</u>	<u>\$(21,811,000)</u>

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

9. Pension Plan, Continued

	<u>2011</u>	<u>2010</u>
Amounts recognized in the combined balance sheets consist of:		
Noncurrent liabilities	<u>\$(31,064,000)</u>	<u>\$(21,811,000)</u>
Amounts recognized in unrestricted net assets:		
Net actuarial (gain) loss	<u>\$ 11,355,000</u>	<u>\$(1,528,000)</u>
The following table sets forth the components of net periodic pension cost and other amounts recognized in unrestricted net assets for the years ended December 31, 2011 and 2010:		
Service cost	\$ 2,409,000	\$ 2,670,000
Interest cost	3,680,000	3,302,000
Expected return on plan assets	(3,719,000)	(2,862,000)
Amortization of net (gain) or loss	-	(42,000)
Curtailments	<u>-</u>	<u>(1,529,000)</u>
Net periodic pension cost	2,370,000	1,539,000
Other changes in plan assets and benefit obligations recognized in unrestricted net assets:		
Net actuarial gain	<u>12,883,000</u>	<u>3,491,000</u>
Total recognized in net periodic benefit cost and unrestricted net assets	<u>\$ 15,253,000</u>	<u>\$ 5,030,000</u>

On May 1, 2009, the Plan ceased benefit accruals for all participants under age 45. As a result, a curtailment gain of \$1.5 million was recognized in net periodic pension cost.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

9. Pension Plan, Continued

	<u>2011</u>	<u>2010</u>
Weighted-average assumptions used to determine pension benefit obligations:		
Discount rate	5.19%	5.67%
Rate of compensation increase	4.00%	4.00%
Weighted-average assumptions used to determine net periodic benefit cost:		
Discount rate	5.67%	6.39%
Expected long-term return on plan assets	8.00%	8.00%
Rate of compensation increase	4.00%	4.00%

The System's expected rate of return on plan assets is determined by the plan assets' historical long-term investment performance, current asset allocation, and estimates of future long-term returns by asset class.

The change in projected benefit obligation for the defined benefit pension plan for the years ended December 31, 2011 and 2010 included the following components:

	<u>2011</u>	<u>2010</u>
Projected benefit obligation, beginning of year	\$ 65,708,000	\$ 55,707,000
Service cost	2,409,000	2,670,000
Interest cost	3,680,000	3,302,000
Actuarial loss	8,292,000	6,248,000
Benefits paid	(954,000)	(690,000)
Curtailments	<u>-</u>	<u>(1,529,000)</u>
Projected benefit obligation, end of year	\$ <u>79,135,000</u>	\$ <u>65,708,000</u>
Accumulated benefit obligation	\$ <u>67,589,000</u>	\$ <u>55,171,000</u>

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

9. Pension Plan, Continued

The change in fair value of plan assets for the years ended December 31, 2011 and 2010 included the following components:

	<u>2011</u>	<u>2010</u>
Plan assets at fair value, beginning of year	\$ 43,897,000	\$ 34,635,000
Actual return on assets	(872,000)	5,018,000
Employer contributions	6,000,000	4,934,000
Benefits paid	(954,000)	(690,000)
Plan assets at fair value, end of year	\$ <u>48,071,000</u>	\$ <u>43,897,000</u>

Plan Assets

The composition of plan assets at December 31, 2011 and 2010 is as follows:

	<u>2011</u>		<u>2010</u>	
	<u>Target Allocation</u>	<u>Percent</u>	<u>Target Allocation</u>	<u>Percent</u>
Asset Category:				
Cash and cash equivalents	0%	6%	0%	0%
Fixed income securities	40%	39%	40%	37%
Equity securities	43%	42%	43%	46%
International equity securities	<u>17%</u>	<u>13%</u>	<u>17%</u>	<u>17%</u>
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

The System's investment strategy is to manage the portfolio to preserve principal and liquidity while maximizing the return on the investment portfolio through the full investment of available funds. The portfolio is diversified by investing in multiple types of investment-grade securities. The investment policy requires assets of the plan to be primarily invested in securities with at least an investment grade rating to minimize interest rate and credit risk. The plan assets are long-term in nature and are intended to generate returns while preserving capital.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

9. Pension Plan, Continued

Plan Assets, Continued

Pension assets are invested in equities, fixed income securities, and cash and cash equivalents. The allocation between different investment vehicles is determined by the System's investment committee, based on current market conditions, short-term and long-term market outlooks, and cash needs for distributions and plan expenses. Assumptions for expected returns on plan assets are based on historical performance, long-term market outlook, and a diversified investment approach designed to provide steady, consistent returns that minimize market fluctuations. The System utilizes the services of a professional investment advisor in the selection of individual fund managers. The investment advisor tracks the performance of each fund manager and makes recommendations for redistributions, as needed, to comply with targeted allocations or to replace underperforming funds.

The System attempts to mitigate investment risk by rebalancing between investment classes as the System's contributions and monthly benefit payments are made. Although changes in interest rates may affect the fair value of a portion of the investment portfolio and cause unrealized gains and losses, such gains or losses would not be realized unless the investments are sold.

At December 31, 2011 and 2010, the System's pension plan assets were measured using Level 1 inputs, as discussed in Note 1.

Estimated Contributions

The System expects to contribute approximately \$6 million to the pension plan in 2012. No plan assets are expected to be returned to the System during 2012.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

9. Pension Plan, Continued

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service and decrements as appropriate, are expected to be paid:

<u>Year Ending December 31</u>	<u>Pension Benefits</u>
2012	\$ 1,398,000
2013	1,632,000
2014	1,925,000
2015	2,257,000
2016	2,583,000
2017 - 2021	19,849,000

The expected benefits to be paid are based on the same assumptions used to measure the System's benefit obligation at December 31, 2011 and 2010.

The actuarial loss to be recognized during the next 12 months beginning January 1, 2012 is as follows:

Recognized net actuarial loss	\$ <u>366,000</u>
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10. Defined Contribution Plan

The System has a defined contribution retirement plan (the Retirement Plan) covering substantially all employees. The Retirement Plan is a tax-deferred annuity plan under Section 403(b) of the Internal Revenue Code which allows employee contributions upon employment and at least 1,000 hours of work, and allows employer contributions upon attainment of the age of 21 and at least one year of service. Participants may contribute up to 20% of their annual compensation up to a maximum dollar limitation. Employer contributions are made at a matching level of 50% of the participants' annual contribution to the Retirement Plan, up to a maximum of 4% of the employee's annual compensation. The System made contributions to the Retirement Plan of approximately \$1,555,000 and \$1,431,000 for the years ended December 31, 2011 and 2010, respectively.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

11. Employee Health Plan

The System has a self-insurance program under which a third party administrator processes and pays claims. The System reimburses the third party administrator for claims incurred and paid and has purchased stop-loss insurance coverage for claims in excess of \$150,000 for each individual employee. Under this self-insurance program, approximately \$11.9 million was paid or accrued and expensed during the year ended December 31, 2011 and approximately \$10.8 million for the year ended December 31, 2010.

12. Professional Liability Claims

The System is covered by a claims made general and professional liability insurance policy with a specified deductible per incident and excess coverage on a claims-made basis. Self-insured retention related to this policy in 2011 and 2010 is \$1 million per occurrence and \$5 million in aggregate, not to exceed \$20 million. Effective February 1, 2012, the System modified the retention related to this policy to \$1 million per occurrence and \$5 million in aggregate, not to exceed \$35 million. The System uses a third party administrator to review and analyze incidents that may result in a claim against the System. In conjunction with the third party administrator, incidents are assigned reserve amounts for the ultimate liability that may result from an asserted claim. The System also uses independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims. Accrued professional claims are included in accounts payable and accrued expenses in the combined balance sheets and in management's opinion provide an adequate reserve for loss contingencies.

Various claims and assertions have been made against the System in its normal course of providing services. In addition, other claims may be asserted arising from services provided to patients in the past. In the opinion of management, adequate provision has been made for losses which may occur from such asserted and unasserted claims that are not covered by liability insurance.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

13. Functional Expenses

The System provides general health care services to residents within its geographic location. Expenses related to providing these services are as follows:

	<u>2011</u>	<u>2010</u>
Health care services	\$ 186,512,000	\$ 183,630,000
General and administrative	<u>29,859,000</u>	<u>29,997,000</u>
	<u>\$ 216,371,000</u>	<u>\$ 213,627,000</u>

14. Fair Value of Financial Instruments

The following methods and assumptions were used by the System in estimating the fair value of its financial instruments:

- Cash and cash equivalents: The carrying amount reported in the combined balance sheets for cash and cash equivalents approximates its fair value.
- Assets limited as to use: Fair values, which are amounts reported in the combined balance sheets, are based on quoted market prices.
- Accounts payable and accrued expenses: The carrying amount reported in the combined balance sheets for accounts payable and accrued expenses approximates its fair value.
- Estimated third-party payor settlements: The carrying amount reported in the combined balance sheets for estimated third-party payor settlements approximates its fair value.
- Long-term debt: The fair value of the System's long-term debt is estimated using discounted cash flow analyses, based on the System's current incremental borrowing rates for similar types of borrowing arrangements.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

14. Fair Value of Financial Instruments, Continued

The carrying amount and fair value of the System's financial instruments at December 31, 2011 and 2010, are as follows:

		<u>2011</u>		<u>2010</u>	
	<u>Carrying</u>	<u>Fair</u>	<u>Carrying</u>	<u>Fair</u>	
	<u>Amount</u>	<u>Value</u>	<u>Amount</u>	<u>Value</u>	
Cash and cash equivalents	\$ 1,037,000	\$ 1,037,000	\$ 1,634,000	\$ 1,634,000	
Assets limited as to use	\$208,621,000	\$208,621,000	\$198,806,000	\$198,806,000	
Accounts payable and accrued expenses	\$ 27,727,000	\$ 27,727,000	\$ 28,307,000	\$ 28,307,000	
Estimated third-party payor settlements	\$ 6,146,000	\$ 6,146,000	\$ 4,020,000	\$ 4,020,000	
Long-term debt	\$ 74,603,000	\$ 76,631,000	\$ 75,620,000	\$ 77,649,000	

Fair values of assets measured on a recurring basis at December 31, 2011 and 2010 are as follows:

<u>Fair Value Measurements at December 31, 2011</u>				
	<u>Fair Value</u>	<u>Quoted Prices In Active Markets For Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets:				
Cash and cash equivalents	\$ 1,071,000	\$ 163,000	\$ 908,000	\$ -
Government agency obligations	6,073,000	6,073,000	-	-
Mutual funds - fixed income	80,268,000	80,268,000	-	-
Mutual funds - equity	100,431,000	100,431,000	-	-
Mutual funds - international equity	<u>20,778,000</u>	<u>20,778,000</u>	<u>-</u>	<u>-</u>
Total	\$ <u>208,621,000</u>	\$ <u>207,713,000</u>	\$ <u>908,000</u>	\$ <u>-</u>

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

14. Fair Value of Financial Instruments, Continued

Fair Value Measurements at December 31, 2010				
	<u>Fair Value</u>	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	\$ 951,000	\$ 182,000	\$ 769,000	\$ -
Government agency obligations	5,795,000	5,795,000	-	-
Mutual funds - fixed income	71,555,000	71,555,000	-	-
Mutual funds - equity	98,597,000	98,597,000	-	-
Mutual funds - international equity	<u>21,908,000</u>	<u>21,908,000</u>	<u>-</u>	<u>-</u>
Total	\$ <u>198,806,000</u>	\$ <u>198,037,000</u>	\$ <u>769,000</u>	\$ <u>-</u>

Financial assets valued using level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using level 2 inputs are based primarily on quoted prices for similar investments in active or inactive markets. Valuation techniques utilized to determine fair value are consistently applied. All assets have been valued using a market approach.

15. Medicaid Upper Payment Limit

The Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA) provides for enhanced payments to Medicaid providers under the Upper Payment Limit (UPL) methodology. Subsequent to the implementation of the UPL methodology, federal budget concerns have led to reconsideration of the BIPA legislation with possible elimination or reduction of enhanced Medicaid payments. Legislation has been enacted to reduce the level of UPL payments. These reductions are anticipated to remain in effect in future periods. The combined financial statements include enhanced payments for December 31, 2011 and 2010 of approximately \$327,000 and \$795,000, respectively.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

16. Indigent Care Trust Fund

Houston Medical Center qualified as a Medicaid disproportionate share hospital for 2011 and 2010 and received increased payment adjustments reflected in net patient service revenue. It is uncertain if the payment adjustments will continue. The combined financial statements include payment adjustments for December 31, 2011 and 2010 of approximately \$3,373,000 and \$1,703,000, respectively.

17. Commitments and Contingencies

Operating Leases

The System leases various equipment and facilities under operating leases expiring at various dates through October 2012. Total rental expense in 2011 and 2010 for all operating leases was approximately \$299,000.

The following is a schedule by year of future minimum lease payments under operating leases as of December 31, 2011, that have initial or remaining lease terms in excess of one year.

<u>Year Ending December 31</u>	<u>Amount</u>
2012	\$ <u>258,000</u>

Compliance Plan

The healthcare industry has recently been subjected to increased scrutiny from governmental agencies at both the national and state level with respect to compliance with regulations. Areas of noncompliance identified at the national level include Medicare and Medicaid, Internal Revenue Service, and other regulations governing the healthcare industry. The System has implemented a compliance plan focusing on such issues. There can be no assurance that the System will not be subjected to future investigations with accompanying monetary damages.

Continued

HOUSTON HEALTHCARE SYSTEM, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS, Continued

17. Commitments and Contingencies, Continued

Health Care Reform

In recent years, there has been increasing pressure on Congress and some state legislatures to control and reduce the cost of healthcare on the national or at the state level. In 2010, legislation was enacted which included cost controls on hospitals, insurance market reforms, delivery system reforms and various individual and business mandates among other provisions. The costs of certain provisions will be funded in part by reductions in payments by government programs, including Medicare and Medicaid. There can be no assurance that these changes will not adversely affect the System.

Litigation

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

Additional Data

Software ID:

Software Version:

EIN: 71-1045290

Name: HOUSTON HOSPITALS INC

Form 990, Special Condition Description:

Special Condition Description
