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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
Ochsner Clinic Foundation

Doing Business As
Ochsner Medical Center

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1514 Jefferson Highway

City or town, state or country, and ZIP + 4
New Orleans, LA 70121

D Employer identification number
72-0502505

E Telephone number
(504) 842-3400

G Gross receipts $ 4,632,011,051

F Name and address of principal officer
Patrick J Quinlan MD
1514 Jefferson Highway
New Orleans, LA 70121

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 ochsner org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1944 | **M** State of legal domicile LA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
Patient Care, Graduate Medical Education, & Medical ResearchOchsner's annual report is available at the following URL
http //www ochsner org/about/

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	19
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	9
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	13,005
6	Total number of volunteers (estimate if necessary)	**6**	991
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	1,284,566
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	105,408

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	12,306,979	7,067,483
9	Program service revenue (Part VIII, line 2g)	4,120,428,901	4,489,863,395
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	13,282,965	12,041,325
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	10,978,622	4,601,122
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,156,997,467	4,513,573,325
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	72,377	73,480
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	790,809,915	858,155,399
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶1,889,880		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	3,283,446,011	3,607,654,854
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	4,074,328,303	4,465,883,733
19	Revenue less expenses Subtract line 18 from line 12	82,669,164	47,689,592

Revenue / Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	1,251,257,418	1,526,123,835
21	Total liabilities (Part X, line 26)	618,458,214	944,952,291
22	Net assets or fund balances Subtract line 21 from line 20	632,799,204	581,171,544

Net Assets or Fund Balances

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 — 2013-01-10 Date

▶ Bobby C Brannon EVP, Dir of Fin & Treas
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Peter A Vernaci	Date	Check if self-employed ▶ ☐	Preparer's taxpayer identification number (see instructions) P00353578
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ Deloitte Tax LLP 701 Poydras St Suite 4200 New Orleans, LA 701394200			EIN ▶ 86-1065772 Phone no ▶ (504) 581-2727

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

We Serve, Heal, Lead, Educate and Innovate Ochsner will be a global medical and academic leader who will save and change lives We will shape the future of healthcare through our integrated health system, fueled by the passion and strength of our diversified team of physicians and employees

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 $ 4,165,723,523 including grants of $ 73,480) (Revenue $ 4,448,806,842)

Patient Care/Patient Medical Services Ochsner Clinic Foundation consists of four hospitals at six campuses and many clinical locations Served 87,202 inpatients resulting in 424,586 patient days Emergency Room visits totaled 196,207 The number of births totaled 5,449 Outpatient hospital visits totaled 364,004 Physician clinic visits total 1,386,613 311 patients received organ transplants

4b (Code) (Expenses $ 29,354,688 including grants of $) (Revenue $ 21,222,020)

Professional Education Ochsner Clinic Foundation ("OCF") operates one of the nation's largest accredited non-university based graduate medical education programs In 2011, 232 residents and fellows were appointed to 19 medical and surgical programs sponsored by OCF Twenty-six (26) additional specialty programs assigned 281 unique residents and fellows (56 scheduled FTEs/mo on average) to OCF for training through combined programs or joint affiliations with the two local medical schools, LSU & Tulane All 44 programs are accredited by the Accreditation Council for Graduate Medical Education Also, over 580 local, regional, national and international medical students chose OCF for core rotations and clinical electives In 2009 Ochsner opened the Ochsner Clinical School in partnership with the University Queensland, Australia ("UQ") providing expanded opportunity for medical students for U S citizens During the school year, 79 UQ students rotated through Ochsner for their clinical clerkships Through a consortium relationship with Our Lady of Holy Cross College, 32 students in radiologic technology and respiratory are appointed for clinical training Additionally, a total of 1,897 unique allied health students participated in allied health and nursing education across the Ochsner System in 2011 526 unique allied health students from 36 schools representing 35 programs at 9 Ochsner sites, and there are 120 mid-level provider students from 11 schools representing 9 programs at 9 Ochsner sites

4c (Code) (Expenses $ 9,258,815 including grants of $) (Revenue $ 13,403,994)

Elmwood Fitness Center provides fitness services to patients and members of the public

(Code) (Expenses $ 9,921,892 including grants of $) (Revenue $ 2,989,491)

Medical Research Operate eight basic science research laboratories andhave approximately 300 open clinical trials in 27 clinical areas Approximately 1,400 patients participate in Ochsner Clinical researchannually Every, clinical trial is overseen by the Ochsnerinstitutional review board, which provides oversight of the safety ofthe human subjects participating in clinical trials Established theCenter for Health Research in 2006, the mission of which is to advanceknowledge, improve clinical practice, and the health and well-being ofthe community From inception, over 2,000 patients have been involved in outcomes based research conducted by the center

(Code) (Expenses $ 2,047,230 including grants of $) (Revenue $ 3,219,895)

Rent-physical plant Ochsner Clinic Foundation rents its physical plantto related 501(c)(3) organizations The majority of the rental is toBrent House Corporation, a wholly-owned subsidiary and exempt 501(c)(3)organization Brent House fully reimburses Ochsner for expenses relatedto the Hotel

(Code) (Expenses $ including grants of $) (Revenue $ 73,683)

Equity Income Equity Income from Joint Venture providing medical care

(Code) (Expenses $ 962,047 including grants of $) (Revenue $ 147,470)

Ochsner maintains a free parking garage for employees and patients Revenue is attributable to the optional valet parking service, which isoffered for the convenience of Ochsner's patients

4d Other program services (Describe in Schedule O)

(Expenses $ 12,931,169 including grants of $) (Revenue $ 6,430,539)

4e **Total program service expenses** ▶ $ 4,217,268,195

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b	Yes	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b	Yes	
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		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	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	912		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	13,005			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?			**4a**	Yes	
b	If "Yes," enter the name of the foreign country ▶ CJ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**	Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	19		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	9		
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	Yes	
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		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following					
a	The governing body?			8a	Yes	
b	Each committee with authority to act on behalf of the governing body?			8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O			9		No

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

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

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☑ Upon request

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

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

Bobby C Brannon
1514 Jefferson Highway
New Orleans, LA 70121
(504) 842-3400

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

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

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								11,598,536	9,266,817	2,581,969

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 ▶ 1,143

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
HOSPITAL HOUSEKEEPING LTD 216 E 4TH ST AUSTIN, TX 78701	Housekeeping	4,085,118
ARX 800 CRESCENT CENTRE DR STE 500 FRANKLIN, TN 37067	Billing and collections	3,828,891
RCOA IMAGING SERVICES INC 16110 JOG ROAD SUITE 200 DELRAY BEACH, FL 33446	Radiology Service	3,284,000
LOUISIANA STATE UNIVERSITY 433 BOLIVAR ST NEW ORLEANS, LA 70112	Purchased Physician Services	3,132,175
HOSPITAL MEDICINE ASSOCIATES 265 BROOKVIEW CENTRE WAY STE 400 KNOXVILLE, TN 37919	Purch Phys Services	2,682,165

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 ▶ 98

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 40,311				
	b	Membership dues	1b				
	c	Fundraising events	1c 606,622				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e 1,819,266				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 4,601,284				
	g	Noncash contributions included in lines 1a-1f $ 847,200					
	h	**Total.** Add lines 1a-1f		7,067,483			
			Business Code				
Program Service Revenue	2a	Patient Service Rev	621110	4,448,954,312	4,443,921,249	423,385	4,609,678
	b	Education Revenue	611600	21,222,020	21,222,020		
	c	Elmwood Fitness Center	713940	13,403,994	13,403,994		
	d	Rent-Physical Plant	531120	3,219,895			3,219,895
	e	Research Revenue	900099	2,989,491	2,989,491		
	f	All other program service revenue		73,683	73,683		
	g	**Total.** Add lines 2a–2f		4,489,863,395			
	3	Investment income (including dividends, interest and other similar amounts)		5,637,322			5,637,322
	4	Income from investment of tax-exempt bond proceeds		32			32
	5	Royalties		428,846			428,846
			(i) Real / (ii) Personal				
	6a	Gross rents	3,509,525				
	b	Less rental expenses	1,431,187				
	c	Rental income or (loss)	2,078,338				
	d	Net rental income or (loss)		2,078,338			2,078,338
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	117,512,352 / 38,033				
	b	Less cost or other basis and sales expenses	110,986,111 / 160,303				
	c	Gain or (loss)	6,526,241 / -122,270				
	d	Net gain or (loss)		6,403,971			6,403,971
Other Revenue	8a	Gross income from fundraising events (not including $ 606,622 of contributions reported on line 1c) See Part IV, line 18	a 257,272				
	b	Less direct expenses	b 353,679				
	c	Net income or (loss) from fundraising events		-96,407			-96,407
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a 7,696,791				
	b	Less cost of goods sold	b 5,506,446				
	c	Net income or (loss) from sales of inventory		2,190,345		861,181	1,329,164
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d					
	12	**Total revenue.** See Instructions		4,513,573,325	4,481,610,437	1,284,566	23,610,839

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	73,480	73,480		
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	7,671,142	4,244,581	3,426,561	
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	735,893,041	640,378,739	94,572,894	941,408
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	18,710,934	17,862,455	840,582	7,897
9	Other employee benefits	55,245,951	40,560,604	14,473,442	211,905
10	Payroll taxes	40,634,331	36,519,540	4,098,104	16,687
11	Fees for services (non-employees)				
a	Management	30,398,904	11,274,692	18,752,346	371,866
b	Legal	1,329,370	44,734	1,284,636	
c	Accounting	13,945	13,945		
d	Lobbying	340,381		340,381	
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees	598,610		598,610	
g	Other	66,073,905	34,497,258	31,575,823	824
12	Advertising and promotion	1,226,734	945,819	280,665	250
13	Office expenses	300,343,888	291,789,972	8,496,605	57,311
14	Information technology	2,866,616	2,641,016	224,125	1,475
15	Royalties . .				
16	Occupancy	59,986,589	30,528,983	29,244,781	212,825
17	Travel	929,894	708,573	214,694	6,627
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	3,112,666	2,624,224	488,442	
20	Interest	23,699,540	23,548,168	151,372	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	52,497,234	38,602,928	13,856,751	37,555
23	Insurance	25,422,931	25,056,792	366,139	
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	Discounts & Allowances	2,837,188,230	2,837,188,230		
b	Unrelated Business Inco	24,359	24,359		
c	Bad Debt Expense	74,503,547	70,053,412	4,450,135	
d	Outside Provider	47,400,753	47,400,753		
e					
f	All other expenses	79,696,758	60,684,938	18,988,570	23,250
25	**Total functional expenses.** Add lines 1 through 24f	4,465,883,733	4,217,268,195	246,725,658	1,889,880
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		3,820,949	1	124,051,316
	2	Savings and temporary cash investments		152,145,496	2	54,634,413
	3	Pledges and grants receivable, net		7,262,039	3	6,424,496
	4	Accounts receivable, net		189,813,975	4	184,405,247
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		1,300,000	5	1,000,000
	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		30,774,135	7	180,709,874
	8	Inventories for sale or use		31,392,659	8	30,174,871
	9	Prepaid expenses and deferred charges		17,466,576	9	18,719,991
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 1,170,668,204			
	b	Less accumulated depreciation	10b 734,847,254	433,356,263	10c	435,820,950
	11	Investments—publicly traded securities		260,126,661	11	251,475,485
	12	Investments—other securities See Part IV, line 11		61,952,491	12	177,599,092
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets		54,652,628	14	54,510,334
	15	Other assets See Part IV, line 11		7,193,546	15	6,597,766
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,251,257,418	16	1,526,123,835
Liabilities	17	Accounts payable and accrued expenses		43,358,059	17	163,720,758
	18	Grants payable			18	
	19	Deferred revenue		5,133,707	19	7,852,302
	20	Tax-exempt bond liabilities		369,228,476	20	513,874,502
	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		83,429,803	23	75,266,169
	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		117,308,169	25	184,238,560
	26	**Total liabilities.** Add lines 17 through 25		618,458,214	26	944,952,291
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		578,584,015	27	528,367,026
	28	Temporarily restricted net assets		31,850,844	28	30,251,997
	29	Permanently restricted net assets		22,364,345	29	22,552,521
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		632,799,204	33	581,171,544
	34	Total liabilities and net assets/fund balances		1,251,257,418	34	1,526,123,835

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,513,573,325
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,465,883,733
3	Revenue less expenses Subtract line 2 from line 1	3	47,689,592
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	632,799,204
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-99,317,252
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	581,171,544

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

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

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

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

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

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

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

_____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test

Explanation

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

Form 990, Special Condition Description:

Special Condition Description

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

4d. Other program services

(Code) (Expenses $ 9,921,892 including grants of $) (Revenue $ 2,989,491)

Medical Research Operate eight basic science research laboratories andhave approximately 300 open clinical trials in 27 clinical areas Approximately 1,400 patients participate in Ochsner Clinical researchannually Every, clinical trial is overseen by the Ochsnerinstitutional review board, which provides oversight of the safety ofthe human subjects participating in clinical trials Established theCenter for Health Research in 2006, the mission of which is to advanceknowledge, improve clinical practice, and the health and well-being ofthe community From inception, over 2,000 patients have been involved in outcomes based research conducted by the center

(Code) (Expenses $ 2,047,230 including grants of $) (Revenue $ 3,219,895)

Rent-physical plant Ochsner Clinic Foundation rents its physical plantto related 501(c)(3) organizations The majority of the rental is toBrent House Corporation, a wholly-owned subsidiary and exempt 501(c)(3)organization Brent House fully reimburses Ochsner for expenses relatedto the Hotel

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

4d. Other program services

(Code) (Expenses $ including grants of $) (Revenue $ 73,683)

Equity Income Equity Income from Joint Venture providing medical care

(Code) (Expenses $ 962,047 including grants of $) (Revenue $ 147,470)

Ochsner maintains a free parking garage for employees and patients Revenue is attributable to the optional valet parking service, which isoffered for the convenience of Ochsner's patients

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
David E Beck MD Board Member Sr Phys	50 00	X						564,830	0	65,424
Joseph L Breault MD Board Member Sr Phys	50 00	X						217,433	0	61,994
Joseph R Dalovisio MD Board Member Sr Phys	50 00	X						397,026	0	69,524
Francis Dauterive MD Board Member Sr Phys	50 00	X						448,173	0	54,252
Angele Davis Community Director	5 00	X						0	0	0
William H Hines Community Director	5 00	X						0	0	0
Dennis Kay MD Board Member Sr Phys	50 00	X						642,509	0	54,731
Yvens G Laborde MD Board Member Sr Phys	50 00	X						344,982	0	59,137
R Parker LeCorgne Community Director	5 00	X						0	0	0
Patrick J Quinlan MD CEO / Board Member	5 00	X		X				0	3,333,304	56,107
Suzanne T Mestayer Community Director	5 00	X						0	0	0
Richard Milani MD Board Member Sr Phys	50 00	X						679,327	0	86,149
Jefferson G Parker Community Director	5 00	X						0	0	0
Robert J Patrick Community Director	5 00	X						0	0	0
F R Bobby Rodwig Jr MD Board Member Sr Phys	50 00	X						443,665	0	55,425
Steve Stumpf Community Director	5 00	X						0	0	0
Jose S Suquet Community Director	5 00	X						0	0	0
Andrew B Wisdom Community Director	5 00	X						0	0	0
James E Maurin Board Chairman	5 00	X		X				0	0	0
Warner L Thomas President and COO	5 00			X				0	1,929,088	913,470
Scott J Posecai Exec VP CFO	5 00			X				0	1,458,144	120,597
Bobby C Brannon EVP, Dir of Fin & Treas	50 00			X				719,980	0	43,084
Joseph E Bisordi MD Exec VP Chief Medical Officer	5 00			X				0	1,012,718	140,624
Scott Boudreaux CEO - N S Region	50 00				X			0	308,404	39,540
Lisa S Colletti VP/CNO, New Orleans	50 00				X			250,128	0	25,066

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Polly Davenport CEO-OMCNS Slidell	50 00				X			294,190	0	25,366
Nancy L Davis Sr VP Pat Care/Sys CNO	5 00				X			0	321,092	51,501
Steven B Deitelzweig MD Regional VPMA - N O	50 00				X			422,148	0	46,942
Mark French COO-OMC NO	50 00				X			233,501	0	39,722
Richard D Guthrie Jr MD Reg Med Dir - N O Reg	5 00				X			0	448,756	65,598
Robert Hart MD Reg Med Dir - B R Reg	50 00				X			347,756	0	47,841
Michael F Hulefeld CEO OMC & N O Region	5 00				X			0	455,311	40,625
Ernest E Martin Jr MD Reg Med Dir - N S Reg	50 00				X			315,976	0	48,713
Patrick Shannon VP, Surgical Services OMC NO	50 00				X			214,288	0	24,521
Mitchell Wasden CEO Baton Rouge Region	50 00				X			290,252	0	37,087
Gregory J Eckholdt MD Senior Physician	50 00					X		815,177	0	65,280
Denis Mello MD Chief, Congenital Cardiac Surgery	50 00					X		1,014,288	0	41,337
Jose Mena MD Senior Physician	50 00					X		919,083	0	53,190
Douglas K Mendoza MD Senior Physician	50 00					X		1,016,723	0	34,587
Alfred G Robichaux III MD Chair OBGYN	50 00					X		849,778	0	76,260
J Eric McMillen Former Key Emp VP Ops COO - OMC Baton Rouge	0 00						X	157,323	0	38,275

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

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

OMB No 1545-0047

2011

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
Ochsner Clinic Foundation	72-0502505

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)	642,630	
c Total lobbying expenditures (add lines 1a and 1b)	642,630	
d Other exempt purpose expenditures	4,464,781,148	
e Total exempt purpose expenditures (add lines 1c and 1d)	4,465,423,778	
f Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	
g Grassroots nontaxable amount (enter 25% of line 1f)	250,000	
h Subtract line 1g from line 1a If zero or less, enter -0-	0	
i Subtract line 1f from line 1c If zero or less, enter -0-	0	

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures	883,896	615,951	696,090	642,630	2,838,567
d Grassroots non-taxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f Grassroots lobbying expenditures					

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

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

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a	Beginning of year balance	29,000,762	27,544,777	23,379,373	30,449,080	
b	Contributions	113,975	281,209	1,367,746	370,760	
c	Investment earnings or losses	-1,274,665	2,639,534	3,724,506	-6,357,722	
d	Grants or scholarships					
e	Other expenditures for facilities and programs	1,390,686	1,464,758	926,848	1,082,745	
f	Administrative expenses					
g	End of year balance	26,449,386	29,000,762	27,544,777	23,379,373	

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

- a Board designated or quasi-endowment ▶ 8 100 %
- b Permanent endowment ▶ 91 900 %
- c Term endowment ▶ 0 %

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

		Yes	No
(i) unrelated organizations	3a(i)	Yes	
(ii) related organizations	3a(ii)		No

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	5,422,342	38,511,285		43,933,627
b Buildings	770,412	623,821,562	371,061,568	253,530,406
c Leasehold improvements		52,440,556	29,761,206	22,679,350
d Equipment		399,321,588	310,706,695	88,614,893
e Other		50,380,459	23,317,785	27,062,674
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				435,820,950

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) Commingled Hedge Fund	11,669,007	C
(B) Common Collective Trust	6,436,646	F
(C) Close-end Fund	21,077,413	F
(D) Commingled Fund	20,619,551	F
(E) Limited Partnership	12,906,674	F
(F) Government Obligated Cap FUnd	104,889,801	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	177,599,092	

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

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

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

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	367
Split Interest Liability	801,222
Contract Retentions	838,121
Pension Obligations	144,958,856
Miscellaneous	363,779
Credit Balances	20,653,793
Lease Liability	1,893,548
Liability Trust Fund	3,744,274
Investment in Brent House Hotel (Equity Basis)	9,224,829
Worker's Compensation Liability	1,759,771
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	184,238,560

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

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
Description of Intended Use of Endowment Funds	Part V, Line 4	In general, the Organization's Endowment Funds support the following initiatives Medical Research, Graduate Medical Education Program, Medical Lectureships, Fellowship Awards, Anti-Smoking Initiative, Pastoral Care, Alzheimers care, and Advancement in Anesthesia
Description of Uncertain Tax Positions Under FIN 48	Part X	Ochsner Clinic Foundation has reviewed its tax positions and concluded that there are no significant uncertain tax positions requiring recognition in its financial statements under FIN 48

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

Form 990, Schedule D, Part X, - Other Liabilities

1 (a) Description of Liability	(b) Amount
Split Interest Liability	801,222
Contract Retentions	838,121
Pension Obligations	144,958,856
Miscellaneous	363,779
Credit Balances	20,653,793
Lease Liability	1,893,548
Liability Trust Fund	3,744,274
Investment in Brent House Hotel (Equity Basis)	9,224,829
Worker's Compensation Liability	1,759,771

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SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

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

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☐ Yes ☐ No

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region/investments in region
Caribbean	0	0	Investments		12,826,000
Europe	0	0	Investments		6,335,000
3a Sub-total	0	0			19,161,000
b Total from continuation sheets to Part I	0	0			0
c **Totals** (add lines 3a and 3b)	0	0			19,161,000

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

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

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

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

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

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

Part IV Foreign Forms

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

Part V Supplemental Information

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

Identifier	ReturnReference	Explanation

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
Attach to Form 990 or Form 990-EZ. See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

a ☐ Mail solicitations
b ☐ Internet and e-mail solicitations
c ☐ Phone solicitations
d ☐ In-person solicitations
e ☐ Solicitation of non-government grants
f ☐ Solicitation of government grants
g ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization Form 990-EZ filers are not required to complete this table

(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions?		**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
		Yes	**No**			
Total . . . . . ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than $5,000.

		(a) Event #1 Ochsner Goes Pink (event type)	(b) Event #2 Ochsner Run (event type)	(c) Other Events 7 (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts	443,604	126,718	293,572	863,894
	2 Less Charitable contributions	286,702	93,742	226,178	606,622
	3 Gross income (line 1 minus line 2)	156,902	32,976	67,394	257,272
Direct Expenses	4 Cash prizes				
	5 Non-cash prizes				
	6 Rent/facility costs	18,500		6,750	25,250
	7 Food and beverages	14,500	16,302	18,675	49,477
	8 Entertainment	4,200	3,500	42,700	50,400
	9 Other direct expenses	98,788	48,622	81,142	228,552
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(353,679)
	11 Net income summary Combine lines 3 and 10 in column (d) ▶				-96,407

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				( )
	8 Net gaming income summary Combine lines 1 and 7 in column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," Explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," Explain _____

11 Does the organization operate gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a	The organization's facility	**13a**	
b	An outside facility	**13b**	

14 Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ ----------

Address ▶ ----------

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____

c If "Yes," enter name and address

Name ▶ ----------

Address ▶ ----------

16 Gaming manager information

Name ▶ ----------

Gaming manager compensation ▶ $ ----------

Description of services provided ▶ ----------

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

Part I Charity Care and Certain Other Community Benefits at Cost

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

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)			5,502,119		5,502,119	0 130 %
b Medicaid (from Worksheet 3, column a)						
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			5,502,119		5,502,119	0 130 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			1,119,554	72,661	1,046,893	0 020 %
f Health professions education (from Worksheet 5)			32,141,204	19,390,608	12,750,596	0 290 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)			10,099,348	3,086,062	7,013,286	0 160 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			254,474	52,468	202,006	0 %
j **Total** Other Benefits			43,614,580	22,601,799	21,012,781	0 470 %
k **Total.** Add lines 7d and 7j			49,116,699	22,601,799	26,514,900	0 600 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development			79,324	15,733	63,591	0 %
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy			1,810	905	905	0 %
8	Workforce development			158,399	953	157,446	0 %
9	Other						
10	**Total**			239,533	17,591	221,942	

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	14,809,437		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	214,278,729		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	199,635,443		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	14,643,286		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 6

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	Ochsner Medical Center 1516 Jefferson Highway New Orleans, LA 70121	X	X		X		X	X		
2	Ochsner Hospital-Elmwood 1121 N Clearview Parkway Jefferson, LA 70121									Satellite of Ochsner Medical Center
3	Ochsner Medical Ctr-West Bank Campus 2500 Belle Chasse Hwy Gretna, LA 70056									Satellite of Ochsner Medical Center
4	Ochsner St Anne General Hospital 4608 Hwy 1 Raceland, LA 70394	X				X		X		
5	Ochsner Medical Center-Baton Rouge 17000 Medical Center Blvd Baton Rouge, LA 70816	X	X					X		
6	Ochsner Medical Center-North Shore 100 Medical Center Dr Slidell, LA 70461	X	X					X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Ochsner Medical Center

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☐ Income level			
	b ☐ Asset level			
	c ☐ Medical indigency			
	d ☐ Insurance status			
	e ☑ Uninsured discount			
	f ☐ Medicaid/Medicare			
	g ☐ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☐ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

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

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Ochsner Hospital-Elmwood

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	**1**		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**		
5 Did the hospital facility make its Needs Assessment widely available to the public?	**5**		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	**7**		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**8**	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	**9**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☐ Income level			
	b ☐ Asset level			
	c ☐ Medical indigency			
	d ☐ Insurance status			
	e ☑ Uninsured discount			
	f ☐ Medicaid/Medicare			
	g ☐ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☐ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

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

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Ochsner Medical Ctr-West Bank Campus

Name of Hospital Facility:

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☐ Income level			
	b ☐ Asset level			
	c ☐ Medical indigency			
	d ☐ Insurance status			
	e ☑ Uninsured discount			
	f ☐ Medicaid/Medicare			
	g ☐ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☐ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

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

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Ochsner St Anne General Hospital

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 4

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☐ Income level			
	b ☐ Asset level			
	c ☐ Medical indigency			
	d ☐ Insurance status			
	e ☑ Uninsured discount			
	f ☐ Medicaid/Medicare			
	g ☐ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☐ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

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

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Ochsner Medical Center-Baton Rouge

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 5

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☐ Income level			
	b ☐ Asset level			
	c ☐ Medical indigency			
	d ☐ Insurance status			
	e ☑ Uninsured discount			
	f ☐ Medicaid/Medicare			
	g ☐ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☐ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

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

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Ochsner Medical Center-North Shore

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 6

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☐ Income level			
	b ☐ Asset level			
	c ☐ Medical indigency			
	d ☐ Insurance status			
	e ☑ Uninsured discount			
	f ☐ Medicaid/Medicare			
	g ☐ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☐ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

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

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

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

How many non-hospital facilities did the organization operate during the tax year? **43**

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

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 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 Hospital Services for uninsured patients automatically qualify for a discount in 2011, regardless of the patient's financial status The discount for 2011 was 60% at Ochsner Medical Center, Ochsner Hospital-Elmwood, Ochsner Medical Center-West Bank Campus, and Ochsner Medical Center-Baton Rouge and 75% at Ochsner Medical Center-North Shore

Identifier	ReturnReference	Explanation
		Part I, Line 6a The community benefit report prepared by Ochsner Clinic Foundation is representative of the entire health system, including Ochsner Clinic Foundation The amounts reported in Schedule H are those amounts that are either directly incurred by Ochsner Clinic Foundation or those that have been allocated to Ochsner Clinic Foundation as a reimbursement to another organization

Identifier	ReturnReference	Explanation
		Part I, Line 7 For charity care at cost, the ratio of total patient care cost to total charges from Worksheet C of the Medicare cost reports for each hospital was applied to that hospital's total charity care charges from Worksheet S-10 For Research and Education, cost allocation was used Revenue for Research and Education includes both governmental and non-governmental sources

Identifier	ReturnReference	Explanation
		Part I, Line 7, Column (f) The Bad Debt expense included on Form 990, Part IX, Line 25, Column (A), but subtracted for purposes of calculating the percentage in this column is $ 74503546

Identifier	ReturnReference	Explanation
		Part II Ochsner's economic development activities support the education of youths in its service area, which will create more educated, capable adults In one sense, this support will provide the youths the opportunity to get a better education, which will enable them to afford healthcare coverage for their families In another sense, this support enables them to become educated, which allows them to better understand their healthcare Finally, some of those youths will eventually become healthcare professionals, thus enhancing the healthcare available to others An example of an economic development activity is Jefferson Dollars for Scholars, in which Ochsner provides the funding for an average of 10 students per year to earn a college scholarship, as well as providing other academic opportunities throughout the Ochsner system Ochsner's workforce development includes several programs which enable community members to learn about future careers, including healthcare An example of the programs that Ochsner provides is the STAR program, a free, five-week summer program that provides qualified high school students with a unique opportunity to work in a student healthcare laboratory setting Ochsner also works with the Girls Scouts Louisiana-East to provide a free Saturday program for Girl Scouts to earn one of their badges by working with Ochsner employee volunteers on various experiments

Identifier	ReturnReference	Explanation
		Part III, Line 4 Any discounts provided or payments made to a particular patient account are applied to that patient account prior to any bad debt write-off and are thus, not included in bad debt expense The provision for uncollectible accounts is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in health care coverages, and other collection indicators Periodically, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category The results of this review are then used to make modifications to the provision for uncollectible receivables After satisfaction of amounts due from insurance, the System follows established guidelines for placing certain past due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by the system Bad debt expense at cost is calculated by applying the ratio of patient care cost to charges from Worksheet C of the Medicare cost reports for each hospital to the bad debt expense calculated using the above methodology

Identifier	ReturnReference	Explanation
		Part III, Line 8 Medicare shortfall is not considered community benefit Total revenue from Medicare has been taken from the E Series in the Medicare Cost Reports They do not include Medicare Advantage or payments related to Education or Research, in compliance with the instructions Worksheet D Part V Line 202 Column 5 was used for outpatient costs and Worksheet D-1 Part II Line 49, and Worksheet D-1 Part III Line 86, and Worksheet E Part A Line 55 was used for inpatient costs The cost reports for Ochsner Clinic Foundation (Provider No 19-0036) and Ochsner Bayou LLC (Provider No 19-1324) cover the period 1/1/2011 - 12/31/2011 The cost report for Ochsner Medical Center - Baton Rouge (Provider No 19-0202) covers the period 10/1/2010 - 9/30/2011 The cost report for Ochsner Medical Center - North Shore (Provider No 19-0204) covers the period 4/1/2011 - 3/31/2012, however, at the time Schedule H was prepared, the Ochsner Medical Center - North Shore cost report had not yet been filed, so the numbers provided are tentative

Identifier	ReturnReference	Explanation
		Part III, Line 9b Upon granting approval for 100% assistance, all collection efforts for that account will cease, the account will not be turned over to a collection agency, and Ochsner will not impose extraordinary collection efforts such as wage garnishments or liens

Identifier	ReturnReference	Explanation
Ochsner Medical Center		Part V, Section B, Line 19d The maximum amount charged is based on the average of the rates of the two largest commercial insurers

Identifier	ReturnReference	Explanation
Ochsner Hospital-Elmwood		Part V, Section B, Line 19d The maximum amount charged is based on the average of the rates of the two largest commercial insurers

Identifier	ReturnReference	Explanation
Ochsner Medical Ctr-West Bank Campus		Part V, Section B, Line 19d The maximum amount charged is based on the average of the rates of the two largest commercial insurers

Identifier	ReturnReference	Explanation
Ochsner Medical Center-Baton Rouge		Part V, Section B, Line 19d The maximum amount charged is based on the average of the rates of the two largest commercial insurers

Identifier	ReturnReference	Explanation
Ochsner Medical Center-North Shore		Part V, Section B, Line 19d The maximum amount charged is based on the average of the rates of the two largest commercial insurers

Identifier	ReturnReference	Explanation
		Part VI, Line 2 Ochsner serves the needs of the various communities throughout Southeast Louisiana through its commitment is to exemplary patient care, medical research and education Ochsner Clinic Foundation is part of Ochsner Health System, which comprises a total of eight hospitals (including two satellite locations) and approximately 40 health centers in the major population centers of Southeast Louisiana, including New Orleans, Baton Rouge, Bayou, and Northshore regions, when Ochsner Clinic Foundation and Ochsner Community Hospitals (an affiliated 501(c)(3) corporation) are combined Healthcare is provided where people live, work and play With over 12,000 combined employees, Ochsner employees work and live in the communities served Ochsner Clinic Foundation is responsible for six of the eight hospitals, all 40 health centers, and over 11,000 of the employees In order to identify the needs of the community, Ochsner reviews local and state publicly available data regarding the health status and issues in our region Ochsner works with community organizations that collect information on their areas of focus to identify trends and areas where we have expertise that can make an impact Ochsner collaborate with multiple community stakeholders to identify specific community needs in its regions Ochsner then reviews these needs and determines where it can best use its resources and expertise to affect those needs One of Ochsner's main focuses is to develop partnerships to address root causes of issues Ochsner's principles to guide its community service and community benefit decisions as follows 1 Participate or lead in those areas where our presence matters Our contribution to success must be necessary and evident 2 Concentrate on those areas which play to our strengths, so we are more likely to succeed in our efforts 3 Ochsner's approach to community needs is to focus on the correction of root causes of problems rather than on the symptoms of those problems 4 When possible, partner with others, so we can both succeed for the benefit of the community Many of the major problems which confront us are beyond the ability of only one organization to solve To illustrate the implementation of its community benefit principles, Ochsner saw a need to improve the quality healthcare in its service area Areas that needed improvement included more manpower for services, specifically physicians In 2009, Ochsner initiated a partnership with the University of Queensland Medical School Through this program, students from the United States can experience the benefits of both a world class university and a world class healthcare organization The first two years of the program will be in the classrooms at the University of Queensland in Brisbane, Australia The next two years are spent at Ochsner Medical Center, in a multi-dimensional integrated system that will provide experiences across the continuum of healthcare and medical practice, in addition to clinical requirements Many of the physicians that complete the program will return to New Orleans to fill the gap in healthcare that Ochsner identified

Identifier	ReturnReference	Explanation
		Part VI, Line 3 All uninsured patients are screened for Medicaid This process takes place at the time of service, inpatient admissions, and if the patient is not screened at the time, the patient is contacted at home to determine eligibility In 2011, Ochsner was able to obtain Medicaid coverage for approximately 18,000 patients If the patients do not qualify for Medicaid, then they will be evaluated under the financial assistance policy Internal customer service departments and external partners including collection agencies provide patients with financial assistance applications if patients express concerns about the inability to pay outstanding balances Ochsner has placed signs in all facilities with respect to charity care, and brochures and the charity care policy are included in every patient statement Ochsner also offers no interest payment plan options with payment terms ranging from six to 60 months

Identifier	ReturnReference	Explanation
		Part VI, Line 4 Ochsner Clinic Foundation is a multi-specialty healthcare delivery system consisting of six hospitals (including two satellite locations) and over 40 health centers in Louisiana Ochsner Clinic Foundation is part of Ochsner Health System, southeast Louisiana's largest non-profit, academic, multi-specialty, healthcare delivery system with eight hospitals (including two satellite locations) and over 40 health centers in Louisiana (as of December 31, 2011) Ochsner employs over 1,000 physicians in over 80 medical specialties and subspecialties Ochsner Clinic Foundation's patients vary in age, gender, and race due to the multi-specialty nature of the system Overall, the state of Louisiana has the fourth highest poverty level in the nation as of 2011 estimates with a poverty level of 18 0% Ochsner Clinic Foundation's hospitals serve the New Orleans metropolitan area, the greater Baton Rouge area, the North Shore, and the Bayou area Ochsner Medical Center (the Jefferson Highway campus), Ochsner Hospital - Elmwood, and Ochsner Medical Center-Westbank Campus serve the New Orleans metropolitan area The population of the New Orleans region was estimated at approximately 1,191,000 in 2011 The New Orleans metropolitan area has approximately 201,000 uninsured individuals, or approx 16 9% of the total population The original Ochsner facility, Ochsner Medical Center, is located in Jefferson Parish, LA, approximately 1 mile from the western boundary of the city of New Orleans Ochsner Medical Center, a 596-bed hospital, includes acute and sub-acute facilities Ochsner Centers of Excellence include the Ochsner Cancer Institute, Ochsner Multi-Organ Transplant Center and Ochsner Heart and Vascular Institute Ochsner Hospital-Elmwood is a satellite of Ochsner Medical Center, providing inpatient rehabilitation services Ochsner Medical Center-West Bank Campus is a 203-bed satellite of Ochsner Medical Center, providing general medical and surgical acute care, and is located on the West Bank of the Mississippi River within minutes of downtown New Orleans OMC West Bank is easily accessible to three major parishes Jefferson, Orleans and Plaquemines Ochsner Medical Center-West Bank Campus also provides emergency services and obstetrics as well as other hospital services Ochsner Medical Center-Baton Rouge is located in the city of Baton Rouge within East Baton Rouge parish The greater Baton Rouge area population was approximately 802,500 per the 2010 Census, of which approximately 215,000 people were uninsured Ochsner Medical Center-Baton Rouge is a 177-bed acute care facility Ochsner St Anne General Hospital serves the Bayou area which consisted of approximately 273,000 people in 2011, of which approximately 74,000 people were uninsured Ochsner St Anne medical center is a 35-bed acute care hospital that serves Lafourche parish, where it is located, and the surrounding parishes Ochsner Medical Center-North Shore serves the North Shore area, consisting of approximately 503,000 people in 2011, of which approximately 128,000 people were uninsured Ochsner Medical Center-North Shore is a 193-bed acute care facility located in Slidell, LA and serving the north shore of Lake Pontchartrain, North of New Orleans, LA

Identifier	ReturnReference	Explanation
		Part VI, Line 5 Having a diverse representation of the community in the governing boards is an important part of making sure all aspects of the community we serve are being touche d by the mission and vision of the organization The by-laws of both Ochsner Clinic Founda tion and Ochsner Health System call for 10 members of the total 19 board members to be ind ependent community members The Chief Executive Officer serves on the Board by virtue of h is or her office, however, a majority of Board members are prominent multi-disciplinary bu siness and community leaders The remainder of the Board members are senior physician empl oyees of Ochsner Clinic Foundation elected by their peers in accordance with Ochsner Clini c Foundation by-laws Ochsner Clinic Foundation is an educational and research-oriented med ical center, operating one of the nation's largest accredited non-university based graduat e medical education programs, covering 44 different medical, surgical and specialty progra ms Ochsner partners with the Louisiana State University and Tulane University Medical Sch ools, in addition to a consortium relationship with Our Lady of Holy Cross College for all ied health and nursing programs In 2009, Ochsner opened the Ochsner Clinical School in pa rtnership with the University of Queensland, Australia to provide expanded opportunity for medical students that are U S citizens Approximately 350 open clinical research trials i n almost every specialty are ongoing and Ochsner operates ten basic science/transitional r esearch laboratories In addition to the preceding examples, Ochsner provides support in ma ny ways that are not easily quantifiable and thus have not been included in the Community Building Activities in Part II This support includes the following activities, among many others The Ochsner Medical Library holds training sessions on and off site to teach users how to find and evaluate medical information available on the Internet In addition to ho using thousands of resources and answering reference questions in a traditional library se tting, the Ochsner Medical Library actively brings its resources out to its patients and t he community Librarians also round the hospital with a notebook laptop computer and offer the "Outreach Express" service for patients who are in the hospital and have questions ab out their diagnosis, treatment or other issues To help further promote the health of the c ommunity, Ochsner created the Choose Healthy initiative with a local grocery store chain w hich serves the same geographical region to educate shoppers Ochsner nutritionists have i dentified over 500 items in the stores that meet healthy choice standards and these are ma rked with shelf talkers for easy identification on the aisles The Choose Healthy initiati ve offers healthy cooking demonstrations, health screenings, and educational classes in th e stores at no charge There is also a website which offers shopping lists, recipes, healt hy living tips and videos All of this is available to the general public at no charge In addition to providing quality medical care to patients who visit Ochsner's hospitals and clinics, Ochsner has embraced the concept that good health doesn't begin at the doctor's o ffice, it begins where you live, learn, work and play Programs have been developed to pro mote health in our communities through education and provision of healthcare services Som e significant activities are listed below Ochsner provides community health fairs in all o ur regions by organizing its own fairs and by providing staff for events being offered by other organizations Ochsner also hosts educational forums about specific health related t opics through our Hello Health programs These are held in the community as well as on WLA E TV, a public television station in New Orleans Ochsner staff members have also attended numerous community group meetings in order to provide health education information Ochsne r sponsors and participates in multiple programs that address community economic and workf orce development for the greater good These activities support the community by offering Ochsner's expertise andresources, including sponsoring fund raising events of community or ganizations, and providing financial support for scholarship programs Ochsner provides sup port to numerous schools, both public and parochial, throughout Southeast Louisiana, inclu ding three "adopted" schools in the New Orleans/Jefferson Parish area In addition, Ochsne r has developed a dedicated student/outreach lab as an additional resource or training lab for schools in our community Ochsner is providing education and support to the Jefferson parish public school system in nutrition and physical fitness to address the childhood obe sity epidemic in LA, which is ranked the 5th worst state in the nation for childhood obesi ty Ochsner delivers a newsletter which highlights healthy habits to the families of 11,00 0 elementary school students in the fourth and fif

Identifier	ReturnReference	Explanation
		th grades which highlights healthy habits To further help battle childhood obesity, Ochsner provides a customized mobile fitness unit (On the Move) which travels the region encouraging healthy nutrition and active lifestyles for all children On the Move includes strength and cardiovascular circuit workouts, nutrition lectures, and heart-healthy cooking classes and demonstrations by our executive chef and is designed to teach parents and kids how to incorporate healthier foods and behaviors into their lifestyle On the Move engages more than 1,000 children per year at area schools during regularly scheduled visits

Identifier	ReturnReference	Explanation
		Part VI, Line 6 Ochsner Health System is the supporting organization to Ochsner Clinic Foundation and Ochsner Community Hospitals, all related 501(c)(3) corporations While each of the eight hospitals with the System promote the health within the separate geographical communities that they service, many overall community health initiatives are coordinated by Ochsner Health System, which is then reimbursed by the respective entities

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

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

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? **43** Name and address	Type of Facility (Describe)
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
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Form 990 Schedule H, Part V Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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? **43** Name and address	Type of Facility (Describe)
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
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Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
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Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic

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

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? **43** Name and address	Type of Facility (Describe)
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic
Ochsner Health Center-Covington 1000 Ochsner Blvd Covington, LA 70433	Clinic

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

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) Louisiana State University433 Bolivar New Orleans,LA 70112	72-6087770	501(c)(3)	71,930	0			General Support for Diabetes Study

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

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

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

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

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

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 The organization maintains records to substantiate the amount of grants and assistance through a grant application process Grantees' ability to perform is vouched for and credit vouchers of performing persons at respective organizations are obtained Use of grant funds is monitored by the normal accounts payable process that the organization has in place All payments made to grantees are approved by appropriate persons associated with primary grant awards who are knowledgeable of work product on grants In addition to the approval process, the organization has a process in place to ensure that requested payments are in line with approved budgets submitted by subrecipients

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Lines 4a-b	Line 4b Patrick Quinlan, M D , Chief Executive Officer, Warner Thomas, President & Chief Operating Officer, Scott Posecai, Sr Vice President and Chief Financial Officer, and Bobby Brannon, Executive Vice President and Treasurer participate in a Supplemental Executive Retirement Plan (SERP) which is part of the terms and conditions of their employment contracts with Ochsner Health System and Ochsner Clinic Foundation and is based on a targeted replacement of a set percentage of their salary at age 65 The SERP is classified as a Supplemental Non-Qualified Retirement Plan This benefit is funded in a Trust Account with Capital One Bank The increases in actuarial value during 2011 were $0, $854,633, $65,253, and $0, respectively
	Part I, Line 6	The Physician and Executive Compensation Committee of the Ochsner Clinic Foundation Board of Directors reviews and approves all officer executive incentive plans, which include those for the Officers, the CEO, President, CFO, Treasurer, Regional Medical Directors, and Executive Vice Presidents For the 2010 incentive plan, which was paid in 2011, there were four weighted components a System Financial Metric which consists of Operating Margin, a Quality and Patient Satisfaction Metric, a Human Capital Metric that consists of turnover and employee engagement survey results, and a Subjective metric based on their personal performance targets The subjective metric is assigned for the CEO by the Physician and Executive Compensation Committee and assigned for the other executives by the CEO then reviewed by the Physician and Executive Compensation Committee Metrics other than subjective are built on percent improvement year over year The CEO and officers did meet annual targets as set by the terms and conditions of their employment contracts and therefore the compensation committee approved the payment of the Annual Incentive Plan which was recorded as part of their compensation in 2011 All bonus amounts are provided in Schedule J Part II in Column B(ii)
	Part I, Line 7	Subjective components of incentive plan are described in description of Part I, Line 6
Supplemental Information	Part III	Part II, Column B(iii), Other Reportable Compensation for Patrick Quinlan, M D , Chief Executive Officer, Warner Thomas, President & Chief Operating Officer, Scott Posecai, Sr Vice President and Chief Financial Officer, and Bobby Brannon, Executive Vice President, Director of Finance, and Treasurer includes $1,687,861, $628,489, $616,669, and $0, respectively, as amounts includable in income under Section 457(f) due to vesting A portion of this amount attributable to prior years has been reported by Ochsner Clinic Foundation in Column C Retirement and Other Deferred Compensation for the taxable years in which the respective amounts were deferred by the employee by section 457(f) but not substantially vested

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
David E Beck MD	(I)	538,516	21,000	5,314	52,054	13,370	630,254	0
	(II)	0	0	0	0	0	0	0
Joseph L Breault MD	(I)	201,546	11,411	4,476	41,619	20,375	279,427	0
	(II)	0	0	0	0	0	0	0
Joseph R Dalovisio MD	(I)	325,791	49,000	22,235	58,654	10,870	466,550	0
	(II)	0	0	0	0	0	0	0
Francis Dauterive MD	(I)	315,195	18,668	114,310	36,940	17,313	502,426	0
	(II)	0	0	0	0	0	0	0
Dennis Kay MD	(I)	611,548	28,500	2,461	39,902	14,829	697,240	0
	(II)	0	0	0	0	0	0	0
Yvens G Laborde MD	(I)	283,871	60,270	841	42,599	16,537	404,118	0
	(II)	0	0	0	0	0	0	0
Patrick J Quinlan MD	(I)	0	0	0	0	0	0	0
	(II)	898,835	712,800	1,721,669	45,300	10,807	3,389,411	1,687,861
Richard Milani MD	(I)	434,688	85,000	159,639	66,675	19,475	765,477	0
	(II)	0	0	0	0	0	0	0
F R Bobby Rodwig Jr MD	(I)	372,428	45,000	26,237	38,688	16,737	499,090	0
	(II)	0	0	0	0	0	0	0
Warner L Thomas	(I)	0	0	0	0	0	0	0
	(II)	743,094	538,313	647,681	894,433	19,037	2,842,558	628,489
Scott J Posecai	(I)	0	0	0	0	0	0	0
	(II)	517,827	306,250	634,067	110,553	10,044	1,578,741	616,669
Bobby C Brannon	(I)	406,274	245,000	68,706	28,800	14,284	763,064	0
	(II)	0	0	0	0	0	0	0
Joseph E Bisordi MD	(I)	0	0	0	0	0	0	0
	(II)	549,293	443,103	20,322	128,916	11,708	1,153,342	0
Scott Boudreaux	(I)	0	0	0	0	0	0	0
	(II)	278,607	26,250	3,547	24,550	14,990	347,944	0
Lisa S Colletti	(I)	215,701	30,429	3,998	24,042	1,024	275,194	0
	(II)	0	0	0	0	0	0	0
Polly Davenport	(I)	256,172	35,000	3,018	14,550	10,816	319,556	0
	(II)	0	0	0	0	0	0	0
Nancy L Davis	(I)	0	0	0	0	0	0	0
	(II)	265,781	50,271	5,040	43,837	7,664	372,593	0
Steven B Deitelzweig MD	(I)	346,419	41,375	34,354	29,155	17,787	469,090	0
	(II)	0	0	0	0	0	0	0

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Mark French	(I)	204,252	28,783	466	23,300	16,422	273,223	0
	(II)	0	0	0	0	0	0	0
Richard D Guthrie Jr MD	(I)	0	0	0	0	0	0	0
	(II)	361,298	85,000	2,458	45,672	19,927	514,355	0
Robert Hart MD	(I)	279,550	43,065	25,141	45,300	2,541	395,597	0
	(II)	0	0	0	0	0	0	0
Michael F Hulefeld	(I)	0	0	0	0	0	0	0
	(II)	360,478	85,000	9,833	19,050	21,575	495,936	0
Ernest E Martin Jr MD	(I)	283,959	29,875	2,142	32,286	16,427	364,689	0
	(II)	0	0	0	0	0	0	0
Patrick Shannon	(I)	167,350	46,546	392	22,226	2,295	238,809	0
	(II)	0	0	0	0	0	0	0
Mitchell Wasden	(I)	249,011	38,775	2,466	19,050	18,037	327,339	0
	(II)	0	0	0	0	0	0	0
Gregory J Eckholdt MD	(I)	812,514	1,535	1,128	49,742	15,537	880,456	0
	(II)	0	0	0	0	0	0	0
Denis Mello MD	(I)	1,013,503	0	785	23,300	18,037	1,055,625	0
	(II)	0	0	0	0	0	0	0
Jose Mena MD	(I)	694,138	7,509	217,436	36,152	17,037	972,272	0
	(II)	0	0	0	0	0	0	0
Douglas K Mendoza MD	(I)	765,883	250,055	785	19,050	15,537	1,051,310	0
	(II)	0	0	0	0	0	0	0
Alfred G Robichaux III MD	(I)	736,292	111,049	2,437	57,722	18,537	926,037	0
	(II)	0	0	0	0	0	0	0
J Eric McMillen	(I)	141,912	15,069	342	22,160	16,115	195,598	0
	(II)	0	0	0	0	0	0	0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

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	Louisiana Public Facilities Authority	72-0895871	546398VQ8	09-12-2007	371,062,406	RETIRE 02 BDS, FACIL IMPROV		X		X		X
B	Louisiana Public Facilities Authority	72-0895871	546398L48	05-11-2011	148,728,038	FACIL ACQ, CONSTR & RENOV		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds defeased	322,774,046			
3	Total proceeds of issue	371,062,406	148,728,038		
4	Gross proceeds in reserve funds	366,183,746	15,000,004		
5	Capitalized interest from proceeds		9,212,238		
6	Proceeds in refunding escrow	342,030,662			
7	Issuance costs from proceeds	4,054,068	2,365,800		
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds		7,436,402		
10	Capital expenditures from proceeds	47,737,307	29,154,065		
11	Other spent proceeds				
12	Other unspent proceeds		85,559,533		
13	Year of substantial completion	2010			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

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

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation
		Form 8038 for CUSIP # 546398VQ8 was prepared for the issuance of Revenue Bonds (Ochsner Clinic Foundation Project) Series 2007A and Revenue Bonds (Ochsner Community Hospitals Project) Series 2007B The bonds had a total Issue Price of $453,076,501 10 $371,062,405 65 of the Issue Price was issued for the benefit of Ochsner Clinic Foundation (EIN# 72-0502505), and the remaining $82,014,095 45 was issued for the benefit of Ochsner Community Hospitals (EIN# 20-5297040)
Schedule K, Part II, Line 7		100% of line 7 relates to issuance cost
Schedule K, Part III, Line 3a		All contracts meet IRS safe harbor rules per 97-13

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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
Ochsner Clinic Foundation

Employer identification number
72-0502505

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	(c) Corrected? 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? To	(b) Loan to or from the organization? From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) In default? No	(f) Approved by board or committee? Yes	(f) Approved by board or committee? No	(g) Written agreement? Yes	(g) Written agreement? No
(1) Mello Dennis M Forgivable loans for Physician Retention and Recruitment		X	1,000,000	1,000,000		No		No	Yes	
Total . . . . . ▶ $				1,000,000						

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
See Additional Data Table					

Part V **Supplemental Information**

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

Identifier	Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(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
Richard D Guthrie III	Son of Dr Guthrie, a Key Employee of OCF	57,493	Compensation as a RN		No
Elizabeth Guthrie Tucker	Daughter of Dr Guthrie, a Key Employee of OCF	49,396	Compensation as a RN		No
Alexis Guthrie	Daughter-in-Law of Dr Guthrie, a Key Employee of OCF	36,095	Compensation as a RN		No
Renee Reymond MD	Wife of Mr Hulefeld, a Key Employee of OCF	102,089	Compensation as a Physician		No
Kay Belmont	Sister of Mr Posecai, an Officer of OCF	32,704	Compensation as an RN		No
Bruce Posecai Jr	Nephew of Mr Posecai, an Officer of OCF	56,605	Compensation as an RN		No
Jill Dalovisio Fitzpatrick	Daughter of Dr Dalovisio, a Sr Physician Board Member of OCF	12,784	Compensation as a Physician Assistant		No
Lindsay Belmont	Niece of Mr Posecai, an Officer of OCF	15,255	Compensation as an RN		No
Catholic Charities-PACE Program	Mr Hulefeld, a Key Employee, is a Director of Catholic Charities	855,435	PACE contracts with Ochsner to provide hospitalization and specialty care for its patients		No
Tulane University	Independent Contractor	2,492,483	Mr Wisdom, a Director of OCF, is also aBoard Member of Tulane University		No

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

▸Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.
▸ Attach to Form 990.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

Part I Types of Property

		(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining contribution amounts
1	Art—Works of art				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded	X	3	12,360	Fair Market Value
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other				
15	Real estate—Residential	X	1	745,000	Fair Market Value
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles	X	9	12,389	Fair Market Value
19	Food inventory	X	24	25,285	Cost
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▸ (Services)	X	12	29,113	Cost
26	Other ▸ (Special Events)	X	61	17,698	Cost
27	Other ▸ (Miscellaneous)	X	15	5,355	Cost
28	Other ▸ ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . | 29 |

			Yes	No
30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a		No
b	If "Yes," describe the arrangement in Part II			
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	Yes	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?	32a	Yes	
b	If "Yes," describe in Part II			
33	If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II			

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
Third Party Use	Part I, Line 32b	If the organization receives a noncash contribution greater than $5,000, the donor or the organization will hire a third party to complete an appraisal

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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
Ochsner Clinic Foundation

Employer identification number
72-0502505

Identifier	Return Reference	Explanation
Doing Business As	Form 990, Part I, Item C	DBA Ochsner Health Center DBA Ochsner St Anne General Hospital DBA Ochsner Medical Center - Baton Rouge DBA Elmwood Fitness Center (a Service of Ochsner)

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 1	1b The Articles of Incorporation provide that no action of the Board may be resolved unless a majority of the independent directors present approve the matter Thus, even in situations where there is not an absolute majority of independent directors in office, those independent directors in office control Ochsner Health System's activities

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 2	Dr Guthrie and Dr Robichaux have a business relationship Dr Quinlan and Mr Suquet have a business relationship

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 6	Ochsner Clinic Foundation is a wholly-owned subsidiary of Ochsner Health System, a related 501(c)(3) organization Ochsner Health System is the sole member of Ochsner Clinic Foundation Ochsner Clinic Foundation has no capital stock and only one class of membership

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 7a	The Community Directors shall be nominated exclusively by the nominating committee of the board of directors of the Member

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 11	One or more members of senior management reviews the return The return is also reviewed by Deloitte Tax LLP, the company's tax advisors The Audit and Oversight Committee, which is comprised of independent directors, is then provided the return prior to the filing date and given the opportunity to review and discuss the returns with management/staff The meeting to review the 2011 return was held on December 19, 2012 A copy of the return is then provided to each member of the Board of Directors electronically and comments are solicited from the entire Board

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 12c	Officers, directors, trustees, and key employees are required to complete a conflicts of interest disclosure form annually, within 30 days of becoming an employee, or within 10 days of a change in business circumstances not previously disclosed The Vice President of Corporate Integrity reviews disclosures and determines whether action is necessary or if the disclosure needs to be reviewed by the Conflicts of Interest Committee In addition, employees that do not fall within the scope of the Conflict of Interest Disclosure policy annually certify through the Annual Employee Evaluation process their compliance with the Conflict of Interest policy

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 15	All CEO and officer compensation and benefits arrangements, including salary and bonus incentive plans, are reviewed and approved by the Executive and Senior Physician Compensation Committee of the Board of Directors (Compensation Committee) No substantive change to the compensation or benefits packages is made until Committee approval is granted in accordance with Intermediate Sanctions guidelines The Compensation Committee is without conflicts of interest and uses an independent external consultant Appropriate data is applied to determine the comparability of fair market value pay and all actions are appropriately documented In order to meet the requirements of the IRS Intermediate Sanctions regulations, the Compensation Committee identified the "disqualified individuals" that are in a position to exercise substantial influence over the company's operations These individuals are the members of the Executive Officers Committee (EOC), Regional Medical Directors, physician board members and Section Heads for key departments For disqualified individuals, the compensation review also includes the cost of benefits such as the company portion of medical and dental benefits, malpractice insurance, payments for 401K matching and pension payments A different review process is used for Physicians Annually, the Corporate Integrity department reviews the salary of each employed physician This review includes a comparison of physician salaries against national survey data for their specialty Three surveys are used for the review McGladrey & Pullen, the Medical Group Management Association (MGMA) and American Medical Group Association (AMGA) The Physician Compensation department provides salary data for each physician including base salary, stipends, on-call pay, etc If it is determined that a physician's compensation is higher than the survey data, the total work Relative Value Units (RVUs) are compared to the survey data This review is performed to ensure their pay is comparable to the work performed Comparable benefit survey data is obtained periodically from McGladrey & Pullen Compensation for other non-physician key employees is reviewed by senior executives who take market value research into consideration when determining compensation levels

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section C, line 19	Financial statements for Ochsner Clinic Foundation are made available to the public quarterly via www dacbond com All governing documents, conflict of interest policy, and financial statements are available upon written request to the Corporate Integrity Department

Identifier	Return Reference	Explanation
Joint Venture Procedure	Part VI, Section B, 16b	When the organization evaluates its participation in a joint venture, the transactions are handled carefully to ensure that the organization's tax-exempt status is intact with regard to the arrangement The operations of the joint venture are carefully reviewed by management and legal counsel, and the transaction is not entered into unless it is a reflection of the organization's tax-exempt purpose A clause is inserted into the joint venture agreement that the operations of the joint venture must be performed in a manner that will not jeopardize the organization's tax-exempt status

Identifier	Return Reference	Explanation
	Part VII, Section A, Line 1a, Column E	Other Reportable Compensation for Patrick Quinlan, M D , Chief Executive Officer, Warner Thomas, President & Chief Operating Officer, Scott Posecai, Sr Vice President and Chief Financial Officer, and Bobby Brannon, Executive Vice President, Director of Finance, and Treasurer includes $1,687,861, $628,489, $616,669, and $0, respectively, as amounts includable in income under Section 457(f) due to vesting A portion of this amount attributable to prior years has been reported by Ochsner Clinic Foundation as Other Deferred Compensation for the taxable years in which the respective amounts were deferred by the employee by section 457(f) but not substantially vested

Identifier	Return Reference	Explanation
ADDITIONAL COMPENSATION EXPLANATION	Part VII, Section A, Line 1a	COMPENSATION OF DIRECTORS AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION The amount of time shown for those Directors listed as "Board Member Sr Phys" as "average hours per week devoted to position" on the Form 990 for Ochsner Clinic Foundation (EIN 72-0502505) consists primarily of role as a Senior Physician of Ochsner Clinic Foundation Additional time spent on boards, committees and through fulfilling other responsibilities as a member of one or more Boards of the varied Ochsner organizations is shown as a nominal amount for Ochsner Health System and/or Ochsner Community Hospitals As a Senior Physician Director of an integrated health system, these individuals devote time to board activities of all 501 (c)(3) members of the system to varying degrees including Ochsner Health System, Ochsner Clinic Foundation and Ochsner Community Hospitals Those directors listed as "Board Member Sr Phys" on the Form 990 for Ochsner Clinic Foundation (EIN 72-0502505) are compensated entirely due to their role as a Senior Physician of a member of the integrated health system The amount of time shown for those Directors listed as "Community Directors" for "average hours per week devoted to position" includes time spent on boards, on committees and through fulfilling other responsibilities as a member of the Board of varied Ochsner organizations As a Community Director of an integrated health system, each Community Director devotes time to all 501(c)(3) members of the system to varying degrees including Ochsner Health System, Ochsner Clinic Foundation and Ochsner Community Hospitals

Identifier	Return Reference	Explanation
ADDITIONAL COMPENSATION EXPLANATION	Part VII, Section A, Line 1a	COMPENSATION OF OFFICERS AND SYSTEM-LEVEL KEY EMPLOYEES AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION Compensation and average hours worked for Bobby Brannon include all compensation related to the Ochsner Health System, which includes Ochsner Health System (OHS, EIN 20-5296918), Ochsner Clinic Foundation (OCF, EIN 72-0502505) and Ochsner Community Hospitals (OCH, EIN 20-5297040), all related 501(c)(3) organizations Other members of the Ochsner network are charged a portion of these amounts The amount of time shown for each officer as "average hours per week devoted to position" on this form of the organization that pays the officers directly consists primarily of role as an officer of the integrated health system Additional time spent on boards, committees and through fulfilling other responsibilities as an officer of the integrated health system is shown as a nominal amount on the forms of the related organizations, but in reality the time is more evenly distributed across all entities

Identifier	Return Reference	Explanation
ADDITIONAL COMPENSATION EXPLANATION	Part VII, Section A, Line 1a	KEY EMPLOYEES COMPENSATED BY RELATED ORGANIZATIONS Dr Richard Guthrie and Michael Hulefield were employed and compensated by Ochsner Health System, 20-5296918, 501(c)(3), a related organization Each key employee spent substantially all of his time on duties related to his position with Ochsner Clinic Foundation, and in all other respects met the requirements of a Key Employee of Ochsner Clinic Foundation Nancy Davis and Dr Joseph Bisordi are employed and compensated by Ochsner Health System, 20-5296918, 501(c)(3), a related organization Both, in their duties as leaders of the integrated health system, spend a substantial amount of their time on duties pertaining to Ochsner Clinic Foundation, and in all other respects meet the requirements of Key Employees of Ochsner Clinic Foundation The amount of time shown for each key employee as "average hours per week devoted to position" on this form of the organization that pays the key employees directly consists primarily of role as a key employee of the integrated health system Additional time spent on boards, committees and through fulfilling other responsibilities as a key employee of the Ochsner organizations is shown as a nominal amount on the forms of the related organizations, but in reality the time is more evenly distributed across all entities

Identifier	Return Reference	Explanation
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 5	Net unrealized losses on investments -21,159,381 Investment expenses -459,954 Items from Changes in Fund Balance that are part of 990 Part VIII -6,696,870 Unrestricted Impairments Gain (Loss) -1,358,491 Additional Pension Liability -70,998,060 Net Assets Released for Capital Acquisitions 1,338,396 Other (Miscellaneous and Rounding 17,108 Total to Form 990, Part XI, Line 5 -99,317,252

Identifier	Return Reference	Explanation
	Part XII, Line 2c	The process regarding the committee responsible for the audit, review, or compilation of the organization's financial statements and selection of an independent accountant has not changed from the prior year

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

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
See Additional Data Table					

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) Ochsner Health System 1514 Jefferson Highway New Orleans, LA 70121 20-5296918	Health Care support	LA	501(c)(3)	509(a)(3) Type II	N/A		No
(2) Ochsner Community Hospitals 1514 Jefferson Highway New Orleans, LA 70121 20-5297040	Patient Care	LA	501(c)(3)	170(b)(1) (A)(iii)	Ochsner Health System		No
(3) Brent House Corporation 1512 Jefferson Highway New Orleans, LA 70121 72-0872457	Rents hotel rooms to patients/guests of Ochsner facilities	LA	501(c)(3)	509(a)(3) Type II	Ochsner Clinic Foundation	Yes	
(4) Ochsner System Protection Company 1514 Jefferson Highway New Orleans, LA 70121 27-1170999	Captive Insurance	LA	501(c)(3)	509(a)(3) Type I	Ochsner Clinic Foundation	Yes	

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

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

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

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

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

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

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

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

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

Form 990, Schedule R, Part I - Identification of Disregarded Entities

(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
Deuteron Realty 1514 Jefferson Highway New Orleans, LA 70121 72-1079347	Nominee Real Estate Corporation	LA	0	1,000	N/A
East Baton Rouge Medical Center LLC 17000 Medical Center Dr Baton Rouge, LA 70816 20-1729674	Patient Care	DE	100,400,000	26,839,347	N/A
Foundation Assets LLC 1514 Jefferson Highway New Orleans, LA 70121 77-0589660	Holding of donated interest in fractional share of ground lease-New Orleans	LA	35,810	144,104	N/A
Gulf Coast Physician Network LLC 6341 Lakeland East Dr Flowood, MS 39208 75-3009725	provides healthcare svcs to employees of MS coast casinos	LA	133,000	86,578	N/A
Ochsner Bayou LLC 4608 Highway 1 Raceland, LA 70394 20-4670876	Operation of Ochsner St Anne General Hospital	LA	30,112,000	12,241,966	N/A
Ochsner Clinic LLC 1514 Jefferson Highway New Orleans, LA 70121 72-0276883	Physician Services	LA	690,740,000	135,627,086	N/A
Ochsner Urgent Care LLC 1514 Jefferson Highway New Orleans, LA 70121 72-0502505	Holding of Gulf Coast Outpatient Centers	LA	0	0	Ochsner Clinic LLC
Gulf Coast Outpatient Centers LLC 1514 Jefferson Highway New Orleans, LA 70121 20-8241553	Holding of Gulf Coast Outpatient Centers companies	LA	0	0	Ochsner Urgent Care LLC
Gulf Coast Outpatient Centers -- Westbank LLC 1514 Jefferson Highway New Orleans, LA 70121 20-8241691	Patient Care	LA	0	0	Gulf Coast Outpatient Centers LLC
Gulf Coast Outpatient Centers -- Uptown LLC 1514 Jefferson Highway New Orleans, LA 70121 20-8242525	Patient Care	LA	0	0	Gulf Coast Outpatient Centers LLC
Gulf Coast Outpatient Centers -- Mandeville LLC 1514 Jefferson Highway New Orleans, LA 70121 20-8242348	Patient Care	LA	0	0	Gulf Coast Outpatient Centers LLC
Ochsner Home Medical Equipment LLC 1514 Jefferson Highway New Orleans, LA 70121 72-0502505	Sales of Durable Medical Equipment to Patients	LA	3,390,000	2,533,491	N/A
Ochsner Medical Center - Northshore LLC 1514 Jefferson Highway New Orleans, LA 70121 27-1770321	Patient Care	LA	66,245,000	45,877,847	N/A

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	Brent House Corporation	A	2,047,230	Intercompany Billings - Mkt Value
(2)	Ochsner Community Hospitals	D	119,124,259	Loan Balance
(3)	Ochsner Health System	I	1,172,665	Intercompany Billings - Mkt Value
(4)	Brent House Corporation	J	1,034,856	Intercompany Billings - Mkt Value
(5)	Ochsner Community Hospitals	J	4,578,286	Intercompany Billings - Mkt Value
(6)	Brent House Corporation	K	41,634	Intercompany Billings - Mkt Value
(7)	Ochsner Community Hospitals	K	667,409	Intercompany Billings - Mkt Value
(8)	Ochsner Health System	K	10,540	Intercompany Billings - Mkt Value
(9)	Brent House Corporation	L	1,564,367	Intercompany Billings - Mkt Value
(10)	Ochsner Community Hospitals	L	6,695,153	Intercompany Billings - Mkt Value
(11)	Ochsner System Protection Company	L	2,922,520	Intercompany Billings - Mkt Value
(12)	Brent House Corporation	O	39,480	Intercompany Billings - Mkt Value
(13)	Ochsner Community Hospitals	O	9,739	Intercompany Billings - Mkt Value
(14)	Ochsner Health System	O	104,699,070	Intercompany Billings - Mkt Value
(15)	Brent House Corporation	P	1,473,347	Intercompany Billings - Mkt Value
(16)	Ochsner Community Hospitals	P	7,827,565	Intercompany Billings - Mkt Value
(17)	Ochsner Health System	P	1,849,995	Intercompany Billings - Mkt Value
(18)	Ochsner Community Hospitals	R	392,859	Intercompany Billings - Mkt Value
(19)	Ochsner Health System	R	16,429	Intercompany Billings - Mkt Value

Ochsner Clinic Foundation and Subsidiaries

Consolidated Financial Statements as of and for the Years Ended December 31, 2011 and 2010, and Independent Auditors' Report

OCHSNER CLINIC FOUNDATION AND SUBSIDIARIES

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Deloitte.

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INDEPENDENT AUDITORS' REPORT

Ochsner Clinic Foundation

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

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

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of OCF as of December 31, 2011 and 2010, and the results of its operations, changes in its net assets, and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Effective January 1, 2011, OCF elected to early adopt ASU 2011-07, *Health Care Entities (Topic 954) Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* (see Note 1).

In accordance with *Government Auditing Standards*, we have also issued our report dated April 19, 2012, on our consideration of OCF's internal control over financial reporting and our tests of its compliance and other matters. The purpose of that report is to describe the scope of our testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Deloitte & Touche LLP

April 19, 2012

OCHSNER CLINIC FOUNDATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2011 AND 2010
(In thousands)

	2011	2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 112,617	$ 83,418
Assets limited as to use required for current liabilities	3,640	3,662
Patient accounts receivable — net	143,751	171,709
Accounts receivable other	31,795	16,220
Pledges receivable — net	1,468	1,491
Inventories	30,176	31,391
Prepaid expenses and other current assets	13,856	15,038
Estimated third-party payor settlements — net	9,980	3,680
Total current assets	347,283	326,609
ASSETS LIMITED AS TO USE		
By board for capital improvements, charity, research, and other	313,146	319,779
Under bond indenture agreements	129,043	21,280
Under self-insurance trust fund	9,104	7,490
Donor-restricted long-term investments	43,338	45,391
Total assets limited as to use	494,631	393,940
Less assets limited as to use required for current liabilities	(3,640)	(3,662)
Noncurrent assets limited as to use	490,991	390,278
INVESTMENTS IN UNCONSOLIDATED AFFILIATES, REAL ESTATE, AND OTHER	7,283	7,259
PROPERTY — Net	430,920	428,579
GOODWILL — Net	43,077	43,097
INTANGIBLE ASSETS — Net	11,433	11,556
DUE FROM RELATED PARTIES	166,109	89,885
NOTE RECEIVABLE — Related party	86	25,401
OTHER ASSETS	15,535	15,206
TOTAL	$1,512,717	$1,337,870

See notes to consolidated financial statements

LIABILITIES AND NET ASSETS	2011	2010
CURRENT LIABILITIES		
Accounts payable	$ 59,683	$ 58,994
Deferred revenue	9,818	2,759
Accrued interest	3,658	2,491
Accrued salaries, wages, and benefits	47,561	39,527
Accrued compensation for absences	29,021	26,770
Notes payable	52,969	52,969
Other	32,858	33,528
Pension and postretirement obligations — current portion	344	5,430
Bonds payable — current portion	4,695	4,335
Long-term debt — current portion		1,860
Total current liabilities	240,607	228,663
OTHER LONG-TERM LIABILITIES	14,848	10,647
PENSION AND POSTRETIREMENT OBLIGATIONS	144,614	72,264
BONDS PAYABLE	509,180	364,893
LONG-TERM DEBT	22,297	28,602
Total liabilities	931,546	705,069
COMMITMENTS AND CONTINGENCIES (Notes 5 and 15)		
NET ASSETS		
Unrestricted	528,368	578,585
Temporarily restricted	30,251	31,851
Permanently restricted	22,552	22,365
Total net assets	581,171	632,801
TOTAL	$1,512,717	$1,337,870

OCHSNER CLINIC FOUNDATION AND SUBSIDIARIES

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

	2011	2010
UNRESTRICTED REVENUES		
Patient service revenue — net of contractual allowances and discounts	$ 1,379,980	$ 1,304,719
Provision for bad debts	(74,504)	(109,853)
Net patient service revenue, less provision for bad debts	1,305,476	1,194,866
Premium revenue	298,222	287,442
Other operating revenue	46,039	69,850
Net assets released from restrictions used for operations	3,531	3,413
Total unrestricted revenues	1,653,268	1,555,571
EXPENSES		
Salaries and wages	752,424	691,246
Benefits	112,057	103,836
Depreciation and amortization	53,630	49,504
Interest	23,699	21,588
Medical services to outside providers	129,687	131,099
Medical supplies and services	244,570	231,126
Other operating expenses	307,699	270,420
Total expenses	1,623,766	1,498,819
OPERATING INCOME	29,502	56,752
NONOPERATING GAINS AND LOSSES — Investment and other gains — net	11,067	14,167
EXCESS OF REVENUES OVER EXPENSES	40,569	70,919
CHANGE IN NET UNREALIZED (LOSSES) GAINS	(21,126)	15,176
NET ASSETS RELEASED FROM RESTRICTIONS USED FOR CAPITAL ACQUISITIONS	1,338	3,542
INCREASE IN UNRESTRICTED NET ASSETS BEFORE EFFECT OF PENSION RELATED CHANGES OTHER THAN NET PERIODIC PENSION COSTS	20,781	89,637
PENSION RELATED CHANGES OTHER THAN NET PERIODIC PENSION COSTS	(70,998)	(13,502)
OTHER		(120)
(DECREASE) INCREASE IN UNRESTRICTED NET ASSETS	$ (50,217)	$ 76,015

See notes to consolidated financial statements

OCHSNER CLINIC FOUNDATION AND SUBSIDIARIES

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

	2011	2010
UNRESTRICTED NET ASSETS		
Excess of revenues over expenses	$ 40,569	$ 70,919
Change in net unrealized (losses) gains	(21,126)	15,176
Net assets released from restrictions used for capital acquisitions	1,338	3,542
Pension related changes other than net periodic pension costs	(70,998)	(13,502)
Other		(120)
(Decrease) increase in unrestricted net assets	(50,217)	76,015
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	4,402	10,211
Investment (loss) income — net of payments to beneficiaries	(1,133)	3,172
Net assets released from restrictions		
Operations	(3,531)	(3,413)
Capital acquisitions	(1,338)	(3,542)
(Decrease) increase in temporarily restricted net assets	(1,600)	6,428
PERMANENTLY RESTRICTED NET ASSETS — Contributions	187	342
Increase in permanently restricted net assets	187	342
(DECREASE) INCREASE IN NET ASSETS	(51,630)	82,785
NET ASSETS — Beginning of year	632,801	550,016
NET ASSETS — End of year	$581,171	$632,801

See notes to consolidated financial statements

OCHSNER CLINIC FOUNDATION AND SUBSIDIARIES

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

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
(Decrease) increase in net assets	$ (51,630)	$ 82,785
Adjustments to reconcile (decrease) increase in net assets to net cash provided by operating activities		
Pension related changes other than net periodic pension costs	70,998	13,502
Depreciation and amortization	53,630	49,504
Provision for bad debts	74,504	109,853
Contributions restricted for long-term investments	(187)	(342)
Net realized and unrealized gains (losses) on investments	13,733	(18,908)
Gain on Ochsner Medical Center — Northshore, LLC (Note 2)		(3,327)
Loss on disposal of fixed assets	122	111
Changes in operating assets and liabilities		
Accounts receivable	(60,368)	(115,916)
Other current assets	(79,959)	(22,256)
Other assets	(4,657)	720
Accounts payable	2,360	22,595
Accrued interest and other liabilities	18,308	(991)
Net cash provided by operating activities	36,854	117,330
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of assets whose use is limited and other investments	(217,555)	(76,360)
Sales and maturities of assets whose use is limited and other investments	103,107	40,329
Capital expenditures	(57,288)	(60,060)
Proceeds received from the sale of property and equipment	843	626
Acquisition of Ochsner Medical Center — Northshore, LLC (Note 2)		(10,886)
Acquisition of Ochsner HME, LLC (Note 2)		(730)
Net cash used in by investing activities	(170,893)	(107,081)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of bonds payable and long-term debt	(13,585)	(3,754)
Proceeds from long-term borrowings	148,757	
Repayments of note receivable from Ochsner Community Hospitals	25,315	13,072
Proceeds from contributions restricted for long-term investments	187	342
Payments of bond issue costs	2,564	
Net draws on notes payable		20,000
Net cash provided by financing activities	163,238	29,660
NET INCREASE IN CASH AND CASH EQUIVALENTS	29,199	39,909
CASH AND CASH EQUIVALENTS — Beginning of year	83,418	43,509
CASH AND CASH EQUIVALENTS — End of year	$ 112,617	$ 83,418
SUPPLEMENTAL DISCLOSURE — Cash paid for interest (net of amounts capitalized)	$ 20,092	$ 20,574
SUPPLEMENTAL NONCASH INVESTING AND FINANCING ACTIVITIES		
Property purchases included in accounts payable	$ 5,148	$ 3,477

The purchase of Ochsner Medical Center — Northshore LLC in April 2010 was funded partially by $23,640,000 in external financing

In 2011 and 2010, OCF transferred equipment to OHS and OCF recorded a corresponding non cash increase in due from related parties of $168,000 and $283,000, respectively (Note 5)

See notes to consolidated financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization — Ochsner Clinic Foundation (formerly Alton Ochsner Medical Foundation or Foundation), located in New Orleans, Louisiana, is a not-for-profit institution reporting its activities in the following net asset categories

Unrestricted
- Foundation Activities
- Ochsner Foundation Hospital ("Hospital")
- Ochsner Foundation Hospital — Westbank Campus
- Research
- Education
- Elmwood Fitness Center
- Brent House Corporation
- Ochsner Clinic LLC ("Clinic")
- Gulf Coast Physician Network LLC (GCPN)
- Ochsner Bayou LLC
- East Baton Rouge Medical Center LLC ("Ochsner Medical Center — Baton Rouge")
- Ochsner HME LLC (formerly Ochsner DME, LLC)
- Ochsner System Protection Company
- Ochsner Medical Center — Northshore LLC (formed April 2010)

Temporarily restricted
- Foundation Activities
- Research
- Education

Permanently restricted
- Foundation Activities
- Research
- Education

During 2006, Ochsner Health System (OHS), a not-for-profit, non stock membership corporation was formed as the parent company of Ochsner Clinic Foundation (OCF or "Ochsner") OCF amended its articles of incorporation and by-laws to provide that OHS is its sole member of OCF with the authority to appoint the community directors of OCF, constituting a majority of its OCF board of directors Ochsner Health System is also the sole member of Ochsner Community Hospitals (OCH), a not-for-profit entity formed in 2006, whose consolidated financial statements include the accounts of Ochsner Medical Center — Kenner LLC, Ochsner Medical Center — Westbank LLC, and Ochsner Baptist Medical Center LLC

The consolidated financial statements of Ochsner Clinic Foundation include the accounts of the Ochsner Foundation Hospital — Main Campus, Ochsner Foundation Hospital — Westbank Campus, the Clinic, and the Foundation's wholly owned not-for-profit subsidiaries, Gulf Coast Physician Network LLC, Brent House Corporation, Ochsner HME LLC, Ochsner Bayou LLC, East Baton Rouge Medical Center LLC (dba Ochsner Medical Center — Baton Rouge), Ochsner System Protection Company, and Ochsner Medical Center — Northshore LLC

On August 31, 2001, the Foundation and the Clinic effected a merger transaction resulting in the net assets of Ochsner Clinic LLC being acquired by Alton Ochsner Medical Foundation Ochsner Clinic LLC is a multi-specialty group physician practice operating out of three primary locations and several satellite clinics in the New Orleans and Baton Rouge areas In connection therewith, the name of Alton Ochsner Medical Foundation was changed to Ochsner Clinic Foundation (OCF), and the Clinic became a wholly owned subsidiary of OCF As part of the merger transaction, the Foundation purchased the membership interests of the former members of the Clinic and the Foundation became the sole member of the Clinic

The Hospital's medical and teaching staffs consist of physicians associated with the Clinic, a group practice of over 800 physicians OCF also engages in a wide range of medical research, which is conducted by the Clinic's physicians The Foundation established the Brent House Corporation to acquire and operate the Brent House Hotel for the general benefit of the patients of the Ochsner Health System

In 2009, OCF formed Southeast Louisiana Homecare LLC (SLH), a joint venture with a third party Coincident therewith, OCF sold 100% of the assets of Ochsner Home Health Corporation and St Anne Home Health, including related licenses, to SLH and received a 25% membership interest in SLH SLH operates as a home health agency and is being accounted for on the equity method of accounting by OCF subsequent to the sale Also in 2009, Ochsner HME LLC and Ochsner System Protection Company LLC were established Ochsner HME LLC was formed for the purpose of selling and leasing durable medical equipment and Ochsner System Protection Company LLC operates as a wholly-owned captive insurance company domiciled in the state of Louisiana

In 2010, OCF purchased Northshore Regional Medical Center from Tenet Healthcare Corporation and Healthcare Property Partners The facility operates as Ochsner Medical Center — Northshore (see Note 2)

Basis of Presentation and Principles of Consolidation — The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America The consolidated financial statements include the accounts of the Foundation and its wholly owned subsidiaries All intercompany accounts and transactions have been eliminated

Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements Estimates also affect the reported amounts of revenues and expenses during the reporting period Of particular significance to OCF's financial statements are pension assumptions, allowances for doubtful accounts and estimates of amounts to be received under government healthcare and other provider contracts Actual results could differ from those estimates

Cash and Cash Equivalents — Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less when purchased, excluding amounts whose use is limited by board designation or under bond indenture agreements

Inventories — Inventories are stated at the lower of first-in, first-out cost or market

Pledges Receivable — Unconditional promises to give are recognized as revenues at their fair values in the period received Pledges receivable are recorded net of necessary discounts and allowances

Pledges receivable for the years ended December 31, 2011 and 2010 are expected to be realized as follows

	2011	2010
In one year or less	$ 1,577	$ 1,550
Between one and five years	2,995	3,699
Greater than five years	1,125	1,650
	5,697	6,899
Less discount (ranging from and 1 25% - 4 50% and 1 00% - 4 63% at December 31, 2011 and 2010, respectively) and allowance for uncollectible pledges	(637)	(725)
Pledges receivable — net	$ 5,060	$ 6,174

Investments — Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets Investments also include investments in private equity funds, hedge funds, real estate funds, offshore fund vehicles, funds of funds and common/collective trust funds structured as limited liability corporations or partnerships or trusts These investments are termed alternative investments in the notes to the financial statements and those without readily marketable fair values are accounted for under the equity method, which approximates fair value Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of revenues over expenses in unrestricted net assets (performance indicator) unless the income or loss is restricted by donor or law Unrealized gains and losses on investments are excluded from the excess of revenues over expenses If management believes a decline in the value of a particular investment is temporary, the decline is included in unrealized losses on the consolidated statements of operations If the decline is evaluated as being "other than temporary," the carrying value of the investment is written down and a realized loss is recorded in the consolidated statements of operations OCF recorded impairment charges on investment securities of approximately $3,301,000 and $813,000 for the years ended December 31, 2011 and 2010, respectively

Assets Limited as to Use — Assets limited as to use primarily include assets held by trustees under indenture agreements, investments restricted by donors, and designated assets set aside by the Board of Trustees primarily for future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes Amounts required to meet current liabilities of the Foundation have been classified in the consolidated balance sheets as current assets

Property — Net — Property improvements and additions are recorded at cost and capitalized and depreciated on the straight-line basis over the following estimated useful lives of the assets, as follows

	Years
Land improvements	5–25
Buildings	10–40
Leasehold improvements	12–20
Equipment, furniture, and fixtures	2–20

Impairment of Long-Lived Assets — OCF periodically evaluates the carrying value of long-lived assets to be held and used when events and circumstances warrant such a review The carrying value of a

Professional liability claims are limited by Louisiana statute to $500,000 per occurrence, the first $100,000 of which is payable by the health care provider and the remainder of which is payable by the Patient's Compensation Fund for participants in the fund OCF has made contributions to a trust fund held by a financial institution The amount to be contributed to this fund is determined annually by an independent actuary Disbursements are made from the fund for self-insured professional and general liability claims, claims administration costs and legal fees The trust fund assets total approximately $9,104,000 and $7,490,000 at December 31, 2011 and 2010, respectively The estimated liability recorded by OCF for claims at December 31, 2011 and 2010, based on the actuarial report mentioned above and discounted at 3 0% and 3 5%, respectively, is approximately $12,857,000 with estimated recoveries of $113,000 and $11,152,000 with estimated recoveries of $179,000, respectively Amounts accrued relate to funding for fiscal 2011 and, upon payment, will increase the fund to a balance which approximates the actuarial liability If the risk management program is terminated, the trust fund balance, if any, reverts to OCF after satisfaction of outstanding claims Any proceeds from such a reversion would be used to reduce future costs for liability coverage

In 1975, the State of Louisiana enacted the Medical Malpractice Act The Act established the Patient's Compensation Fund and limited recovery in medical malpractice cases to $500,000 OCF participates in the Patient's Compensation Fund The limitation on recovery has been challenged and, to date, successfully defended in the courts Expenditures recorded by OCF for participation in the Patient's Compensation Fund for the years ended December 31, 2011 and 2010, were approximately $18,256,000 and $20,209,000, respectively

Estimated Workers' Compensation and Employee Health Claims — OCF is self-insured for workers' compensation and employee health claims. The estimated liability for workers' compensation and employee health claims, totaling $8,895,000 and $7,529,000 at December 31, 2011 and 2010, respectively, include estimates for the ultimate costs for both reported claims and claims incurred but not reported in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 450, *Contingencies* These estimates incorporate OCF's past experience, as well as other considerations, including the nature of claims, industry data, relevant trends, and the use of actuarial information

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

Consolidated Statement of Operations — For purposes of presentation, all revenues and expenses are reported as operating except for investment income and other gains — net, which is reported as nonoperating

Net Patient Service Revenue — Net patient service revenue is recognized as services are performed and 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 Amounts OCF receives for treatment of patients covered by governmental programs such as Medicare and Medicaid and other third-party payors such as health maintenance organizations, preferred provider organizations and other private insurers are generally less than the OCF's established billing rates Additionally, to provide for accounts receivable that could become uncollectible in the future, OCF establishes an allowance for doubtful accounts to reduce the carrying value of such receivables to their estimated net realizable value Third party liability accounts are pursued until all payment and adjustments are posted to the patient account For those accounts with a patient balance after third party liability is finalized or accounts for uninsured patients, the patient receives statements and collection letters Patients that express an inability to pay are reviewed for potential sources of financial assistance including our charity care policy If the patient is deemed unwilling to pay, the

account is written-off as bad debt and transferred to an outside collection agency for additional collection effort Accordingly, the revenues and accounts receivable reported in OCF's consolidated financial statements are recorded at the net amount expected to be received

Retroactively calculated contractual adjustments arising under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and are adjusted as final settlements are determined

Charity Care — OCF provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Records of charges foregone for services and supplies furnished under the charity care policy are maintained to identify and monitor the level of charity care provided Because OCF does not pursue collection of amounts determined to qualify as charity care, they are not reported in net patient revenue or in the provision for doubtful accounts OCF estimates its costs of care provided under its charity care programs by applying a ratio of direct and indirect costs to charges to gross uncompensated revenue associated with providing care to charity patients OCF's gross charity care revenue includes only services provided to patients who are unable to pay and qualify under OCF's charity care policies The ratio of cost to charges is calculated based on OCF's total expenses divided by gross patient revenue During the year ended December 31, 2011 and 2010, OCF's gross uncompensated charity revenue was approximately $29,614,000 and $2,149,000, respectively, and the estimated costs incurred by OCF to provide care to patients who met certain criteria under its charity care policy were approximately $18,502,000 and $1,343,000, respectively, in 2011 and 2010

In 2010, OCF revised its charity care policy to include a graduated scale which allows partial charity care for the patient based on the patient's income level and family size as a percentage of the Federal Poverty Guidelines During the fourth quarter of 2010 and the first quarter of 2011, procedures were implemented that streamlined efforts to properly classify patients as charity care within the revised OCF charity care policy guidelines, while providing enhanced supporting documentation with respect to the patient These efforts resulted in an increase in the classification of charity care provided with a corresponding reduction in bad debt expense in 2011

Community Benefit — Since December 2010, Ochsner and four other health care providers formed collaborations with the State and several units of local government in Louisiana (Jefferson Parish Hospital Service District No 1, Jefferson Parish Hospital Service District No 2, Natchitoches Hospital District No 1, Jefferson Parish Human Services Authority) to more fully fund the Medicaid program (the "Program") and ensure the availability of quality healthcare services for the low income and needy population Ochsner and the four other health care providers formed five non-profit organizations with the purpose to create a vehicle to provide services to low income and needy patients Expenditures recorded by OCF to fund these programs for the year ended December 31, 2011, was $13,110,000

Provision and Allowance for Doubtful Accounts — Effective January 1, 2011, OCF adopted the provisions of ASU No 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* (ASU 2011-07) ASU 2011-07 requires the presentation of revenues net of the provision for doubtful accounts Previously, OCF's provision for doubtful accounts was included as a component of operating expenses

The impact of the adoption of ASU 2011-07 on the income statement for the year ended December 31, 2010, is as follows (in thousands)

	As Originally Reported	Adjustments for the Adoption of ASU 2011-07	As Currently Reported
Total unrestricted revenues	$ 1,665,424	$ (109,853)	$ 1,555,571
Total expenses	1,608,672	(109,853)	1,498,819
Operating loss	$ 56,752	$ -	$ 56,752

To provide for accounts receivable that could become uncollectible in the future, OCF establishes an allowance for doubtful accounts to reduce the carrying value of such receivables to their estimated net realizable value The primary uncertainty lies with uninsured patient receivables and deductibles, co-payments or other amounts due from individual patients Payment pressure from managed care/indemnity payors also affects OCF's provision for doubtful accounts Although OCF typically experiences ongoing managed care payment delays and disputes, OCF continues to work with these payors to obtain adequate and timely reimbursement for services provided There are various factors that can impact collection trends, such as changes in the economy, which in turn have an impact on unemployment rates and the number of uninsured and underinsured patients, the volume of patients through OCF's emergency departments, the increased burden of co-payments and deductibles to be made by patients with insurance, and business practices related to collection efforts These factors continuously change and can have an impact on collection trends and the estimation process

OCF has an established process to determine the adequacy of the allowance for doubtful accounts that relies on a number of analytical tools and benchmarks to arrive at a reasonable allowance No single statistic or measurement determines the adequacy of the allowance for doubtful accounts Some of the analytical tools that OCF utilizes include, but are not limited to, historical cash collection experience, revenue trends by payor classification and revenue days in accounts receivable Accounts receivable are written off after collection efforts have been followed in accordance with OCF's policies

Excess of Revenues over Expenses — The consolidated statements of operations and changes in net assets include excess of revenues over expenses Changes in unrestricted net assets, which are excluded from excess of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments, contributions of property and equipment, contributions used to acquire property and equipment, pension related changes other than net periodic pension costs, other, and cumulative effect of change in accounting principle

Donor-Restricted Gifts — Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost 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 consolidated statements of operations as net assets released from restrictions

long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset Fair market value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved Losses on long-lived assets to be disposed of are determined in a similar manner, except that fair market values are reduced for the cost to dispose There were no impairment charges for the years ended December 31, 2011 and 2010

Capitalization of Interest — OCF capitalizes interest expense on qualifying construction in progress expenditures based on an imputed interest rate estimating the OCF's average cost of borrowed funds for the project Such capitalized interest becomes part of the cost of the related asset and is depreciated over its estimated useful life Capitalized interest costs totaled $4,126,000 and $278,000 for the years ended December 31, 2011 and 2010, respectively

Goodwill and Intangible Assets — Goodwill and intangible assets, consisting primarily of trade name and employment contracts, were recorded as a result of the Foundation's merger with the Clinic in 2001 Goodwill represents the excess of the fair value of the consideration conveyed in the acquisition over the fair value of net assets acquired Goodwill arising from business combinations is not amortized Goodwill and indefinite-lived intangible assets are required to be evaluated for impairment at the same time every year and when an event occurs or circumstances change such that it is reasonably possible that an impairment may exist OCF has selected December 31 as its annual testing date

Deferred Revenue — OCF engages in research activities funded by contracts from U S government agencies and other private sources Revenue related to grants and contracts is recognized as the related costs are incurred

Deferred Financing Costs — In connection with the series 2007 and 2011 bonds (see Note 9), financing costs approximating $4,488,000 and $2,564,000, respectively, were capitalized and are being amortized over the respective lives of the bonds Accumulated amortization of these deferred financing costs approximate $540,000 and $373,000 at December 31, 2011 and 2010, respectively

Professional and General Liability Insurance — Professional and general liability claims have been asserted against OCF by various claimants The claims are in various stages of processing and some may ultimately be brought to trial Incidents occurring through December 31, 2011, may result in the assertion of additional claims OCF participates in a risk management program to provide for professional and general liability coverage Under this program, OCF carries professional and general liability insurance coverage for up to $40 million each of annual aggregate claims subject to certain deductible provisions

OCF, with the exception of Ochsner Medical Center — West Bank, Ochsner Medical Center — North Shore, and Ochsner Medical Center — Baton Rouge, is self-insured with respect to the first $3,000,000 of each claim for professional liability with an aggregate exposure of $6,000,000 General liability claims are subject to a retention of $1,000,000 per claim and $2,000,000 aggregate (up to an annual combined aggregate of $8,000,000) For Ochsner Medical Center — West Bank and Ochsner Medical Center — Northshore LLC, the retention is reduced to $100,000 for each individual general and professional liability claim

Ochsner Medical Center — Baton Rouge has its own policy for professional liability claims, which does not include a retention The estimated liability recorded by Ochsner Medical Center — Baton Rouge for claims at December 31, 2011 and 2010, based on the actuarial report discounted at 4 0% is approximately $590,000 and $531,000, respectively

Fair Value of Financial Instruments — The following methods and assumptions were used by OCF in estimating the fair value of its financial instruments

Current Assets and Liabilities — OCF considers the carrying amounts of financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair values

Investments — The fair values of OCF's marketable equity and debt securities are based on quoted market prices in an active market The carrying amounts reported in the consolidated balance sheets for OCF's other investments approximate fair value (see Note 3)

Bonds Payable — The fair values of OCF's revenue bonds are based on currently traded values of similar financial instruments as disclosed in Note 9

Notes Payable and Long-Term Debt — OCF considers the carrying value of its notes payable and long-term debt to approximate fair value at December 31, 2011 due to the variable nature of the interest rate

Related Party Receivables — Because of the related party nature of the due from related parties and notes receivable — related party, a determination of the fair value is not considered meaningful

Income Taxes — OCF and its subsidiaries qualify as tax exempt organizations under Section 501 (c)(3) and/or 509 (a)(3) of the Internal Revenue Code and are exempt from Federal and State income taxes

Concentration of Credit Risk — OCF grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements

Risks and Uncertainties — OCF's business could be impacted by continuing price pressure on new and renewal business, OCF's ability to effectively control health care costs, additional competitors entering OCF's markets, and Federal and State legislation in the area of health care reform Changes in these areas could adversely impact OCF's operations in the future

Reclassifications — We have recast certain amounts for prior periods to conform to our 2011 presentation Premium revenue of $287,442,000 was reclassified from net patient service revenue

Correction of 2010 Financial Statement Amounts — Subsequent to the issuance of the 2010 financial statements, OCF discovered a misclassification in the current and noncurrent portion of pledge receivables based on the terms of the pledge agreements As a result, management corrected the 2010 presentation and $4,700,000 in pledge receivables that were previously reported as current are reported as other assets – long-term in the 2010 consolidated balance sheet There was no change in the amounts previously reported for total assets and total net assets for the year ended December 31, 2010

New Accounting Pronouncements — Effective January 1, 2011, OCF adopted ASU 2010-24, *Health Care Entities (Topic 954) Presentation of Insurance Claims and Related Insurance Recoveries*, which clarifies that a health care entity should not net insurance recoveries against a related claim liability The adoption of ASU 2010-24 did not have a material impact on the 2011 and 2010 consolidated financial statements

Effective January 1, 2011, OCF adopted ASU 2010-23, *Health Care Entities (Topic 954) Measuring Charity Care for Disclosure*, which requires that costs be used as the measurement basis of charity care disclosures and that cost be identified as the direct and indirect cost of providing the charity care The adoption of ASU 2010-23 resulted in additional disclosures included in Note 1

In January 2010, the FASB issued ASU 2010-06, which amends Fair Values (Topic 954), to add new disclosure requirements about recurring and non-recurring fair value measurements including significant transfers into and out of Level 1 and Level 2 fair value measurements and information on purchases, sales, issuances, and settlements on a gross basis in the reconciliation of Level 3 fair value measurements It also clarifies existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value This guidance is effective for reporting periods beginning after December 15, 2009, except for the Level 3 reconciliation disclosures which are effective for reporting periods beginning after December 15, 2010 OCF adopted this guidance beginning January 1, 2011 and the adoption of ASU 2010-06 did not have a material impact on the 2011 and 2010 consolidated financial statements

In April 2011, the FASB issued ASU 2011-04, *Fair Value Measurement (Topic 820) Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U S GAAP and IFRSs* The guidance provided in this ASU is effective for fiscal years beginning after December 15, 2011 The adoption of ASU 2011-04 did not have a material impact on the 2011 and 2010 consolidated financial statements

In September 2011, the FASB issued ASU 2011-08, *Testing Goodwill for Impairment (Topic 350)*, which simplifies how entities test goodwill for impairment Previous guidance required an entity to perform a two-step goodwill impairment test at least annually by comparing the fair value of a reporting unit with its carrying amount, including goodwill, and recording an impairment loss if the fair value is less than the carrying amount This ASU allows an entity to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount If an entity determines after that assessment that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step impairment test is not required ASU 2011-08 is required to be applied to interim and annual goodwill impairment tests performed for fiscal years beginning after December 15, 2011, and will be adopted by OCF in 2012 The adoption of ASU 2011-08 is not expected to have a material impact on the consolidated financial statements

A variety of proposed or otherwise potential accounting standards are currently under study by standard-setting organizations Because of the tentative and preliminary nature of such proposed standards, OCF has not yet determined the effect, if any, that the implementation of such proposed standards would have on the consolidated financial statements

2. BUSINESS COMBINATION AND PURCHASE ACCOUNTING

Ochsner Medical Center — Northshore LLC — On April 1, 2010, OCF purchased Northshore Regional Medical Center in Slidell, Louisiana from Tenet Healthcare Corporation and Healthcare Property Partners The facility will operate as Ochsner Medical Center — Northshore LLC

Total purchase price for the facility was approximately $32,800,000 in addition to net asset adjustments and closing costs of $617,000 The acquisition was funded through cash on hand at the date of acquisition as well as through external financing As part of the acquisition, OCF allocated the purchase price to the acquired assets and liabilities

The financial statements of the facility acquired primarily consist of property, plant, and equipment and working capital items The following is a summary of the funding sources for these transactions (in thousands)

Cash	$ 10,886
External financing	23,640
Total sources of acquisition funding	$ 34,526

The following is a summary of the estimated fair values of the assets acquired and liabilities assumed as of the date of the acquisitions (in thousands)

Inventory	$ 1,648
Prepaid expenses and other current assets	114
Property, plant, and equipment	32,800
Other assets	1,404
Total assets acquired	35,966
Total liabilities assumed	1,440
Purchase price	$ 34,526

Ochsner HME LLC — On December 27, 2010, OCF purchased Total Health Solutions, a healthcare products, supply and solutions business licensed to provide durable medical equipment from Healthcare Development Group, L L C The entity will operate as Ochsner Home Medical Equipment, L L C (Ochsner HME LLC)

Total purchase price for the facility was approximately $730,000 in addition to net asset adjustments The acquisition was funded through cash on hand at the date of acquisition As part of the acquisition, OCF allocated the purchase price to the acquired assets and liabilities

The following is a summary of the estimated fair values of the assets acquired and liabilities assumed as of the date of the acquisitions (in thousands)

Inventory	$ 214
Property, plant, and equipment	132
Goodwill	384
Total assets acquired	730
Purchase price	$ 730

3. INVESTMENTS AND ASC 820-10, FAIR VALUE MEASUREMENTS AND DISCLOSURES

ASC 820, *Fair Value Measurement and Disclosures* (ASC 820), establishes a common definition for fair value to be applied to U S generally accepted accounting principles requiring use of fair value, establishes a framework for measuring fair value and expands disclosures about such fair value measurements ASC 820 establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values ASC 820 requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories

Level 1 — Unadjusted quoted market prices in active markets for identical assets or liabilities

Level 2 — Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices are observable for the asset or liability

Level 3 — Unobservable inputs for the asset or liability

OCF endeavors to utilize the best available information in measuring fair value Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement

Assets and Liabilities Measured at Fair Value —

Recurring Fair Value Measurements — The fair value of assets and liabilities measured at estimated fair value on a recurring basis, including those items for which OCF has elected the fair value option, are estimated as described in the preceding section These estimated fair values and their corresponding fair value hierarchy in accordance with ASC 820 are summarized as follows (in thousands)

	December 31, 2011			
	Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
Money market funds (a)	$ 169,484	$ -	$ -	$ 169,484
Fixed income investments (a)	78,084			78,084
Marketable equity securities (a)	148,746	33,849		182,595
Absolute return (d)			11,669	11,669
Private equity/Venture capital (d)			8,024	8,024
Natural resources (b)	17,449	20,620	4,883	42,952
Real estate (c)		6,188		6,188
Unconsolidated affiliates (e)			2,914	2,914
Other			4	4
Total	$ 413,763	$ 60,657	$ 27,494	$ 501,914

	December 31, 2010			
	Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
Money market funds (a)	$ 96,724	$ -	$ -	$ 96,724
Fixed income investments (a)	80,266			80,266
Marketable equity securities (a)	127,053	26,295		153,348
Absolute return (d)			11,985	11,985
Private equity/venture capital (d)			5,864	5,864
Natural resources (b)	22,439	14,392	3,550	40,381
Real estate (c)		5,441		5,441
Unconsolidated affiliates (e)			2,892	2,892
Treasury inflation protected securities (a)	4,293			4,293
Other			5	5
Total	$330,775	$46,128	$24,296	$401,199

(a) Valuation of these securities classified as Level 1 is based on unadjusted quoted prices in active markets that are readily and regularly available Marketable equity securities classified as Level 2 are principally valued using the market and income approaches Valuation is based primarily on quoted prices in markets that are not active, or using matrix pricing or other similar techniques that use standard market observable inputs such as benchmark yields, spreads off benchmark yields, new issuances, issuer rating, duration, and trades of identical or comparable securities

(b) Represents funds invested in common/collective trust funds Investments classified as Level 1 represent a fund that is publicly traded Valuation of this fund is based on unadjusted quoted prices in active markets that are readily and regularly available Level 2 classification represents a fund invested in a common/collective trust fund that invests in futures and forward contracts, options, and securities sold not yet purchased The estimated fair value is based upon reported Net Asset Value (NAV) provided by fund managers and this value represents the amount at which transfers into and out of the fund are affected This fund provides reasonable levels of price transparency and can be corroborated through observable market data

(c) Represents OCF's investments in real estate located in the New Orleans area The estimated fair value is based on market prices for similar assets as these assets are not priced in active markets

(d) In general, investments classified within Level 3 use many of the same valuation techniques and inputs as described above However, if key inputs are unobservable, or if the investments are less liquid and there is very limited trading activity, the investments are generally classified as Level 3 The use of independent non-binding broker quotations to value investments generally indicates there is a lack of liquidity or the general lack of transparency in the process to develop the valuation estimates generally causing these investments to be classified in Level 3 This category includes funds that are invested in hedge fund and private equity investments that provide little or no price transparency due to the infrequency with which the underlying assets trade and generally require additional time to liquidate in an orderly manner Accordingly, the values of these alternative asset classes are based on inputs that cannot be readily derived from or corroborated by observable market data and are based on investments balances provided by fund managers and adjusted for contributions and distributions in the event such balances pertain to an interim date The investment return for the period in question is benchmarked against investment vehicles which management determines reasonably approximates the composition/nature of selected Level 3 investment

(e) Represents OCF's 25% interest in Southeast Louisiana Homecare LLC, a joint venture with a third party formed in 2009 Fair value is based on the operations of the joint venture

A rollforward of the fair value measurements for all assets and liabilities measured at estimated fair value on a recurring basis using significant unobservable (Level 3) inputs for year ended December 31, 2011 and 2010 is as follows (in thousands)

Total Realized/Unrealized Gains (Losses) Included in:					
Balance, December 31, 2010	Gains	Other Comprehensive Gains	Purchases, Sales, Issuances and Settlements	Transfer In and/or Out of Level 3	Balance, December 31, 2011
$24,296	$521	$727	$1,929	$21	$27,494

Total Realized/Unrealized Gains (Losses) Included in:					
Balance, December 31, 2009	Gains	Other Comprehensive Gains	Purchases, Sales, Issuances and Settlements	Transfer In and/or Out of Level 3	Balance, December 31, 2010
$20,214	$188	$1,814	$2,137	$ (57)	$24,296

The FASB issued a standards update pertaining to Fair Value Measurements and Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share in September 2009 Fair values are determined by the use of calculated net asset value per ownership share In complying with the update, the following disclosures regarding OCF's investments at December 31, 2011 that feature net asset value per share in Level 2 and Level 3

	Fair Value (In thousands)	Unfunded Commitments	Redemption Frequency if Currently Eligible	Redemption Notice Period
Emerging Market — City of London (f)	$21,077	$ -	Monthly	30 days
Natural Resources (g)	20,620		Monthly	By the 22nd business day prior to redemption
Hedge Fund (h)	11,669		Quarterly	90 days
Small Cap Growth (i)	6,436		15th and end of the month	5 business days prior to redemption
Total	$59,802	$ -		

(f) This is a commingled fund invested in equities
(g) This category includes an investment in a common trust fund comprised of approximately 55% equity, 25% commodity and 20% fixed income
(h) This category includes investments in commingled hedge funds which invest in multi-strategy arbitrage, opportunities, distressed investment and long short strategies
(i) This is a commingled fund invested in small-cap growth equities

Investment income and other gains and losses are classified as nonoperating and are comprised of interest and dividend income of $5,934,000 and $9,477,000 (net of expenses of $992,000 and $845,000 for the years ended December 31, 2011 and 2010, respectively) and realized net gains on sales of securities of $5,133,000 and $4,690,000 for the years ended December 31, 2011 and 2010, respectively

Alternative Investments — Alternative investments include private equity funds, hedge funds, real estate funds, offshore fund vehicles, funds of funds and common/collective trust funds structured as limited liability corporations or partnerships or trusts These funds invest in certain types of financial instruments, including, among others, futures and forward contracts, options, and securities sold not yet purchased, intended to hedge against changes in the market value of investments These financial

instruments, which involve varying degrees of off-balance-sheet risk, may result in loss due to changes in the market (market risk)

Investment Impairment — The investment securities on which the impairment charge was recorded were primarily equity securities, which are carried at fair value with changes in unrealized gains and losses generally being recorded as adjustments below the performance indicator The fair value of investments is based on quoted market prices Upon management's review and evaluation of the individual investment securities, management deemed the market decline for certain investment securities to be "other-than-temporary", primarily due to OCF's lack of ability to hold the securities until recovery due to the use of an investment manager to execute investment transactions and decisions The related adjustment to fair value for these investment securities was recognized in realized losses as a part of the performance indicator

As of December 31, 2011 and 2010, there were no investments with a decline in fair value from cost as all amounts were considered other than temporary impairments and, as noted above, were recognized as realized losses as a part of the performance indicator

Investment in Equity Investees — OCH's investment in unconsolidated affiliate totaling $2,914,000 and $2,892,000 at December 31, 2011 and 2010, respectively, represents its 25% ownership interest in Southeast Louisiana Homecare LLC Equity in income of equity investees total $74,000 and $200,000 for the years ended December 31, 2011 and 2010, respectively

4. PATIENT ACCOUNTS RECEIVABLE

At December 31, 2011 and 2010, OCF's patient accounts receivable balances were due from the following sources (in thousands)

	2011	2010
Government agencies	$ 75,280	$ 71,227
Patients	37,765	61,854
Managed care/indemnity	118,865	141,790
Total	231,910	274,871
Less allowance for doubtful accounts	(88,159)	(103,162)
Patient accounts receivable — net	$ 143,751	$ 171,709

5. RELATED-PARTY TRANSACTIONS

Due from OHS and OCH — OCF pays fees to OHS for administrative support and oversight Fees incurred totaled $104,743,000 and $103,559,000 for the years ended December 31, 2011 and 2010, respectively, and are included in salaries and wages, benefits, depreciation and amortization, medical supplies and services, and other operating expenses in the consolidated statements of operations and changes in net assets OCF also advanced interest free funds for operations to OHS and OCH Such amounts relate to payment for payroll, rent, and invoices made by OCF on behalf of OHS and OCH and are included in due from related parties in the accompanying balance sheets OCF advanced $58,740,000 and $8,130,000 to OHS for the years ended December 31, 2011 and 2010, respectively OCF advanced $17,484,000 and $19,998,000 to OCH for the years ended December 31, 2011 and 2010, respectively At December 31, 2011 and 2010, amounts owed from OHS and OCH total $98,242,000 and

$39,503,000 and $67,867,000 and $50,382,000 respectively, and are included in due from related parties in the accompanying balance sheets

Note Receivable — OCF has a note receivable with OCH in the original principal amount of $60 million which was primarily used to redeem the OCH Revenue Note Series 2006 bonds Amounts advanced under the note receivable bear interest at the Prime Rate (3 25% at December 31, 2011 and 2010) Interest payments are due monthly and principal, accrued interest, and other charges are due and payable on demand The note is secured by a Mortgage and Security Agreement Securing Future Advances granted by OCH During 2011 and 2010, OCF recorded interest income totaling $393,000 and $916,000, respectively The note receivable balance as of December 31, 2011 and 2010, is $86,000 and $25,401,000, respectively, and is recorded as notes receivable — related party in the accompanying consolidated balance sheets

Financial Support Arrangement with OCH — Since commencing operations in 2006, OCH's operations and capital expenditures have been primarily funded (i) through the issuance of long-term notes payable and bonds payable of $44,469,000 and $76,260,000, respectively, at December 31, 2011, and $45,372,000 and $77,025,000, respectively, at December 31, 2010 to third parties guaranteed by OCF, and (ii) by cash advances and the issuance of notes payable due on demand of $86,000 and $25,401,000 respectively, at December 31, 2011 and 2010 from OCF (a related party under common ownership and control) (as noted above) OCH incurred a net operating loss of $4,626,000 and $8,749,000 for the years ended December 31, 2011 and 2010, respectively, and has liabilities that exceed assets by $103,005,000 and $98,466,000 at December 31, 2011 and 2010, respectively OCF has committed to OCH to continue to provide or maintain financial support through the continuation of financing to enable OCH to meet and discharge its liabilities in the normal course of business for the next 12 months through January 1, 2013, as well as, committed not to demand repayment of the note payable due on demand during this time

Insurance Coverage — Beginning May 31, 2010, OCF and OCH participate in a captive insurance program with OSPC which provides for certain of its property coverages accessed via the reinsurance market Premiums paid by OCF total $3,356,000 and $2,528,000 for the years ended December 31, 2011 and 2010, respectively, and eliminate upon consolidation

6. PROPERTY — NET

OCF's investment in property at December 31, 2011 and 2010, is as follows (in thousands)

	2011	2010
Land and improvements	$ 68,690	$ 68,823
Buildings	621,955	603,921
Leasehold improvements	52,441	42,404
Equipment, furniture, and fixtures	382,098	361,856
Building and building improvements held for lease	3,155	3,155
Construction in progress	20,928	21,087
Total property — at cost	1,149,267	1,101,246
Less accumulated depreciation	(718,347)	(672,667)
Property — net	$ 430,920	$ 428,579

Depreciation and amortization expense totaled approximately $53,630,000 and $48,406,000 respectively, for the years ended December 31, 2011 and 2010

At December 31, 2011 and 2010, OCF has purchase commitments totaling approximately $28,070,000 and $10,685,000, respectively, toward additional capital expenditures

7. GOODWILL AND INTANGIBLE ASSETS — NET

As stated in Note 1, on August 31, 2001, the Foundation and the Clinic effected a merger transaction resulting in the net assets of the Clinic being acquired by Alton Ochsner Medical Foundation

The cost to acquire the Clinic was allocated to the assets acquired and liabilities assumed according to their estimated fair values In addition, the carrying values of certain other assets and liabilities ofthe Clinic were changed to reflect management's estimate of fair value under purchase accounting

Amounts recorded as goodwill and indefinite-lived intangible assets as of December 31, 2011 and 2010, are (in thousands)

	2011	2010
Goodwill — net	$43,077	$43,097
Trade name	$11,433	$11,433
Other		123
Intangible assets — net	$11,433	$11,556

Prior to January 1, 2010, OCF amortized goodwill and intangible assets on a straight line basis using 20 years as the useful lives In January 2010, the FASB issued Accounting Standards Update (ASU) 2010-07, which codifies ASC 350, *Intangibles — Goodwill and Other* OCF adopted ASU 2010-07 on January 1, 2010 and as a result, goodwill and trade name were no longer amortized

In 2010, OCF recorded an additional $384,000 of goodwill in connection with the acquisition of Ochsner HME LLC (see Note 2)

8. NOTES PAYABLE

OCF has a loan agreement with a bank which provides a credit line The loan agreement was amended on September 29, 2009 to establish the interest rate on outstanding borrowings as the 30 day LIBOR index plus one hundred (100) basis points (1 00%) and set an expiration/renewal date of September 28, 2010 On March 31, 2010, the note was further amended to increase the amount available under the note from $33,000,000 to $53,000,000, modified the interest rate to 30 day LIBOR index plus one hundred fifty (150) basis points (1 50%), and set an expiration/renewal date of March 29, 2011 The line of credit was renewed through May 29, 2012 Borrowings under the arrangement are unsecured, however OCF must meet certain financial covenants OCF was in compliance with these covenants at December 31, 2011 and 2010 At December 31, 2011 and 2010, OCF had borrowings outstanding under this arrangement of $52,969,000 At December 31, 2011 and 2010, the amount of line of credit reserved for three standby letters of credit with a utility provider amounted to $31,500 The interest rate on outstanding borrowings is based on LIBOR and, consequently, fluctuates from month to month The rate on outstanding indebtedness under this arrangement was 1 77% and 1 76% at December 31, 2011 and 2010, respectively All amounts are classified as current at December 31, 2011 and 2010

9. BONDS PAYABLE

At December 31, 2011 and 2010, bonds payable consist of the following tax-exempt revenue bonds issued by the Louisiana Public Facilities Authority (LPFA) on behalf of OCF for the purpose of refunding the Series 2002A and 2002B bonds as well as providing funding for capital projects (in thousands)

	2011	2010
Series 2007-A issued September 2007, due serially 2009–2047, annual interest rates ranging from 5 00% to 5 50%	$373,115	$377,450
Series 2011 issued May 2011, due serially 2017-2023, then on term in 2031, 2037, and 2041, at annual interest rates ranging from 4 00% to 6 75%	150,000	
Less unamortized net bond discount	(9,240)	(8,222)
Total bonds	513,875	369,228
Less current portion	(4,695)	(4,335)
Noncurrent portion of bonds payable	$509,180	$364,893

The OCF Series 2007-A bonds were issued by the LPFA on behalf of OCF for the purpose of advance refunding the Series 2002A and 2002B bonds as well as providing funding for capital projects The $380,030,000 Revenue Bonds were issued at fixed rates through the LPFA at a discount of approximately $9,000,000

The OCF Series 2011 bonds were issued by the LPFA on behalf of OCF for the purpose of providing funding for capital projects The $150,000,000 Revenue Bonds were issued at fixed rates through the LPFA at a discount of approximately $1,300,000

Under the terms of the bond indentures, OCF is required to make certain deposits of principal and interest with a trustee Such deposits are included with assets limited as to use in the financial statements The bond indentures also place limits on the incurrence of additional borrowings and requires that OCF satisfy certain measures of financial performance as long as the bonds are outstanding OCF is currently in compliance with these requirements

The Series 2007 and Series 2011 bonds are general obligations of OCF, and all present and future accounts receivable are pledged to repayment of the bonds

At December 31, 2011, scheduled repayments of principal and sinking fund installments to retire the bonds payable are as follows (in thousands)

Years Ending December 31	
2012	$ 4,695
2013	4,785
2014	5,475
2015	5,880
2016	6,260
Thereafter	496,020
	$523,115

The estimated fair value of OCF's 2007-A and 2011 Series bonds as of December 31, 2011 and 2010 is approximately $528,759,000 and $329,736,000 respectively

10. LONG-TERM DEBT

A summary of long-term debt at December 31, 2011 and 2010, is as follows (in thousands)

	2011	2010
Working capital note, due May 2016, including accrued interest	$ 8,141	$ 8,029
Loans on land and building, due April 2015	15,640	15,640
Less unamortized discount	(1,484)	(2,568)
Total loans on land and building	14,156	13,072
Equipment loan, due December 2011		1,566
Equipment loan, refinanced in 2011 bond issue		7,795
Total long-term debt	22,297	30,462
Less current portion of long-term debt		(1,860)
Noncurrent portion of long-term debt	$22,297	$28,602

St. Anne — On May 1, 2006, OCF entered into lease and management services agreements with Lafourche Parish Hospital Service District No 2 ("Lafourche"), who owns and operates St Anne General Hospital and related facilities ("St Anne") of Raceland, Louisiana Under the agreements, OCF leases the St Anne buildings and facilities, purchased working capital and certain equipment of St Anne's and operates the hospital for a specified period of time (see further discussion at Note 15) As part of the agreement, OCF entered into an unsecured note payable with Lafourche for the purchase of its working capital and equipment On December 31, 2010, OCF and Lafourche executed an amendment in which the principal and all accrued and unpaid interest of $8,029,000 became the new principal amount of the note and the note was extended for five years to a maturity date of May 1, 2016 The interest rate on the working capital note, based on the 5-Year Yield Tax Exempt Insured Revenue Bond

The following table sets forth the changes in benefit obligations, changes in plan assets, and components of net periodic benefit cost (in thousands)

	2011	2010
Change in benefit obligation		
Benefit obligation — beginning of year	$ 398,230	$366,112
Service cost	1,596	1,550
Interest cost	21,928	22,088
Actuarial loss	52,276	23,960
Benefits paid	(18,669)	(15,480)
Benefit obligation — end of year	455,361	398,230
Change in plan assets		
Fair value of plan assets — beginning of year	328,557	300,319
Actual return on plan assets	6,324	35,665
Employer contributions	5,030	8,053
Benefits paid	(18,669)	(15,480)
Fair value of plan assets — end of year	321,242	328,557
Funded status	$(134,119)	$ (69,673)

	2011	2010
Amounts recognized in the consolidated balance sheets consist of		
Pension and postretirement obligations — current portion	$ -	$ -
Pension and postretirement obligations — noncurrent portion	(134,119)	(69,673)
Accumulated unrestricted net assets	N/A	N/A
Amounts recognized in accumulated unrestricted net assets		
Net actuarial loss	$ 167,222	$ 95,954
Prior service credit	(146)	(209)
Total amounts recognized	$ 167,076	$ 95,745
Other changes in plan assets and benefit obligations recognized in accumulated unrestricted net assets		
Net gain	$ 73,007	$ 14,942
Recognized loss	(1,739)	(1,534)
Recognized prior service credit	63	63
Total amounts recognized	$ 71,331	$ 13,471

Weighted-average assumptions used to determine projected benefit obligations at December 31, 2011 and 2010, were as follows

	2011	2010
Weighted-average discount rate	4 85 %	5 70 %
Rate of compensation increase	Graded	Graded

Net periodic pension cost for the years ended December 31, 2011 and 2010, includes the following component (in thousands)

	2011	2010
Service cost	$ 1,596	$ 1,551
Interest cost	21,928	22,088
Expected return on plan assets	(27,054)	(26,647)
Amortization of net loss	1,739	1,533
Recognized prior service credit	(63)	(63)
Net periodic pension benefit	$ (1,854)	$ (1,538)

Weighted average assumptions used to determine net periodic pension cost for the years ended December 31, 2011 and 2010, were as follows

	2011	2010
Weighted average discount rate	5 70 %	6 15 %
Expected return on plan assets	8 40	9 00
Rate of compensation increase	Graded	Graded

The defined benefit pension plan assets were $321,242,000 and $328,557,000 at December 31, 2011 and 2010, respectively. The fair values of the pension plan assets at December 31, 2011 and 2010 are as follows (in thousands)

	December 31, 2011			
	Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
Money market funds (a)	$ 9,603	$ -	$ -	$ 9,603
Fixed income investments (a)	115,768			115,768
Marketable equity securities (a)	60,967	18,198		79,165
Absolute return (c)			23,978	23,978
Private equity/venture capital (c)			44,989	44,989
Natural resources (b)	11,561	12,507	5,269	29,337
Other	28		18,374	18,402
Total	$ 197,927	$ 30,705	$ 92,610	$ 321,242

	December 31, 2010			
	Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
Money market funds (a)	$ 4,626	$ -	$ -	$ 4,626
Fixed income investments (a)	110,542			110,542
Marketable equity securities (a)	70,388	23,787		94,175
Absolute return (c)			24,595	24,595
Private equity/venture capital (c)			43,613	43,613
Natural resources (b)	14,588	13,216	3,950	31,754
Other			19,252	19,252
Total	$ 200,144	$ 37,003	$ 91,410	$ 328,557

(a) Valuation of these securities classified as Level 1 is based on unadjusted quoted prices in active markets that are readily and regularly available. Marketable equity securities classified as Level 2 are principally valued using the market and income approaches. Valuation is based primarily on quoted prices in markets that are not active, or using matrix pricing or other similar techniques that use standard market observable inputs such as benchmark yields, spreads off benchmark yields, new issuances, issuer rating, duration, and trades of identical or comparable securities

(b) Represents funds invested in common/collective trust funds Investments classified as Level 1 represent a fund that is publicly traded Valuation of this fund is based on unadjusted quoted prices in active markets that are readily and regularly available Level 2 classification represents a fund invested in a common/collective trust fund that invests in futures and forward contracts, options, and securities sold not yet purchased The estimated fair value is based upon reported Net Asset Value (NAV) provided by fund managers and this value represents the amount at which transfers into and out of the fund are affected This fund provides reasonable levels of price transparency and can be corroborated through observable market data

(c) In general, investments classified within Level 3 use many of the same valuation techniques and inputs as described above However, if key inputs are unobservable, or if the investments are less liquid and there is very limited trading activity, the investments are generally classified as Level 3 The use of independent non-binding broker quotations to value investments generally indicates there is a lack of liquidity or the general lack of transparency in the process to develop the valuation estimates generally causing these investments to be classified in Level 3 This category includes funds that are invested in hedge fund and private equity investments that provide little or no price transparency due to the infrequency with which the underlying assets trade and generally require additional time to liquidate in an orderly manner Accordingly, the values of these alternative asset classes are based on inputs that cannot be readily derived from or corroborated by observable market data and are based on investments balances provided by fund managers and adjusted for contributions and distributions in the event such balances pertain to an interim date The investment return for the period in question is benchmarked against investment vehicles which management determines reasonably approximates the composition/nature of selected Level 3 investment

The defined benefit pension plan asset allocation as of the measurement date (December 31, 2011 and December 31, 2010) and the target asset allocation, presented as a percentage of total plan assets, were as follows

	2011	2010	Target Allocation
Debt securities	36 %	34 %	25%–30%
Equity securities	25	41	37%–59%
Private equity/venture capital	14	2	0%–7%
Hedge funds	13	13	10%–15%
Natural Resources/REITs	9	10	3%–10%
Other	3	1	- %

Asset allocations and investment performance are formally reviewed at regularly scheduled meetings several times during the year by the Investment Committee of OCF OCF utilizes an investment consultant and multiple managers for different asset classes The Investment Committee takes into account liquidity needs of the plan to pay benefits in the short-term and the anticipated long-term obligations of the plan

The primary financial objectives of the plan are to (1) provide a stream of relatively predictable, stable, and constant earnings in support of the plan's annual benefit obligations, and (2) preserve and enhance the real (inflation-adjusted) value of the assets of the plan The long-term investment objectives of the plan are to (1) attain the average annual total return assumed in the plan's most recent actuarial assumptions (net of investment management fees) over rolling five-year periods, (2) outperform the plan's custom benchmark, and (3) outperform the median return of a pool of retirement funds to be identified in conjunction with OCF's investment consultant

The asset allocation is designed to provide a diversified mix of asset classes including U S and foreign equity securities, fixed income securities, real estate investment trusts, natural resources, cash, and funds to hedge against deflation and inflation Risk management practices include various criteria for each asset class including measurement against several benchmarks, achievement of a positive risk adjusted return, and investment guidelines for each class of assets which enumerate types of investment allowed in each category

The OCF Retirement Plan Statement of Investment Policies and Objectives provides for a range of minimum and maximum investments in each asset class to allow flexibility in achieving expected long-term rate of return Historical return patterns and correlations, consensus return forecast and other relevant financial factors are analyzed to check for reasonableness and appropriateness of the asset allocation to assure that the probability of meeting actuarial assumptions is reasonable OCF Treasury staff oversees the day-to-day activities involving assets of the Plan and the implementation of any changes adopted by the Investment Committee

OCF currently expects to make a contribution to the defined benefit pension plan of approximately $15 7 million in 2012

For 2011 and 2010, OCF's defined benefit plan had accumulated benefit obligations of approximately $452,884,000 and $395,047,000, respectively

The estimated net gain/loss and prior service cost for the defined benefit pension plan that will be amortized from accumulated unrestricted net assets into net periodic benefit cost over the next fiscal year is $3,938,000 and $1,812,000, respectively

Future benefit payments expected to be paid in each of the next five fiscal years and in the aggregate for the following five years as of December 31, 2011, are as follows (in thousands)

Years Ending December 31	
2012	$ 20,372
2013	21,640
2014	23,097
2015	24,274
2016	25,612
2017–2021	142,213
	$ 257,208

Defined Contribution Plans — All employees of OCF meeting eligibility requirements may participate in the Ochsner Clinic Foundation 401(k) Plan (the "Plan") Effective for the 2010 Plan year, OCF may annually elect to make a retirement contribution on behalf of eligible employees in an amount up to 2% of the participant's annual eligible compensation In addition, OCF may annually elect to make a match for eligible employees 50% of the first 4% the employees contribute into their 401(k) At December 31, 2011 and 2010, OCF has accrued $16,257,000 and $13,673,000 for matching contributions to the plan for the 2011 and 2010 fiscal years, respectively The 2010 contribution was remitted to the Trustee in April 2011 and the 2011 contribution were remitted in April 2012

Rate published by Bloomberg, was 1 08% and 1 49% at December 31, 2011 and 2010, respectively All amounts are classified as non-current at December 31, 2011 and December 31, 2010 and are included in long-term debt on the consolidated balance sheets

Ochsner Medical Center — Northshore LLC — OCF's purchase of Northshore Regional Medical Center on April 1, 2010 was partially financed by an $8,000,000 equipment loan bearing interest at 8% per annum and a $15,640,000 loan on the land and buildings The equipment loan which had an original term of 60 months with a balloon payment due on April 1, 2015 was refinanced by the 2011 bond issue on May 1, 2011 (see Note 9) The loan on land and buildings is due on April 1, 2015 and bears interest at 1% per annum

Equipment Loan — In November 2009, OCF entered into an agreement to finance equipment purchases in the amount of $3,917,000 Equipment purchases were received by OCF in March 2010 Principal payments are due in semi-annual installments which commenced on December 31, 2009 and matured in December 2011

At December 31, 2011, scheduled repayments of long-term debt are as follows (in thousands)

Years Ending December 31	
2015	$ 15,640
2016	8,141
	$ 23,781

11. EMPLOYEE BENEFIT PLANS

Defined Benefit Pension Plan — Certain employees of OCF and its subsidiaries are covered under a defined benefit pension plan The plan is noncontributory and provides benefits that are based on the participants' credited service and average compensation during the last five years of covered employment As of December 31, 2006, benefit accruals ceased for all plan participants under age 40 and those over 40 who elected to freeze their retirement plan benefits OCF made an additional change to the plan and as of December 31, 2009 benefit accruals cease for all plan participants under age 55 with less than 10 years of service (rounded to the nearest 6 months) Physician/executive participants are frozen as of December 31, 2009, regardless of age and service Participants who are not frozen as of December 31, 2009 can accrue benefits until the earlier of age 65 or December 31, 2014 No new participants are allowed to enter the plan 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 OCF makes contributions to its qualified plan that satisfies the minimum funding requirements under Employee Retirement Income Security Act of 1974 These contributions are intended to provide not only for benefits attributed to services rendered to date but also those expected to be earned in the future

Certain OCF employees are also covered under a 457(f) plan The 457(f) plan was created to replace 100% of the benefit target for employees under age 65 as of December 31, 2009 whose benefits in the defined benefit pension plan were frozen The participant pays taxes at vesting and payout occurs at the later of age 65 or retirement Participants of the 457(f) plan also participate in the 401(k) contributions OCF's consolidated balance sheets reflect a liability of $6,286,000 and $3,433,000 for the 457(f) plan at December 31, 2011 and 2010, respectively

Other Postretirement Benefits — OCF also provides certain health care and life insurance benefits for retired employees OCF funds these benefits on a pay-as-you-go basis

The following table sets forth the plan's funded status and expense recognized by OCF as of and for the years ended December 31, 2011 and 2010, using the projected unit credit method (in thousands)

	2011	2010
Change in benefit obligation		
Benefit obligation — beginning of year	$ 2,680	$ 2,518
Interest cost	133	147
Benefits paid	(208)	(210)
Actuarial (loss) gain	(90)	225
Benefit obligation — end of year	$ 2,515	$ 2,680
Change in plan assets		
Fair value of plan assets — beginning of year	$ -	$ -
Employer contributions	208	210
Benefits paid	(208)	(210)
Fair value of plan assets — end of year	$ -	$ -
Funded status	$ (2,515)	$ (2,680)
Amounts recognized in the consolidated balance sheets consist of		
Pension and postretirement obligations — current portion	$ (204)	$ (241)
Pension and postretirement obligations — noncurrent portion	(2,311)	(2,439)
Accumulated unrestricted net assets	N/A	N/A
Amounts recognized in accumulated unrestricted net assets		
Net actuarial loss	$ 836	$ 978
Prior service credit	(123)	(143)

Components of net periodic cost at December 31, 2011 and 2010, are as follows (in thousands)

	2011	2010
Service cost	$ -	$ -
Interest cost	133	146
Recognized prior service cost	(20)	(20)
Recognized actuarial loss	52	57
Net periodic cost	$ 165	$ 183

	2011	2010
Weighted average assumptions — December 31:		
Discount rate on benefit obligation	4 85 %	5 70 %
Discount rate on net periodic cost	5 70	6 15

The estimated net gain/loss and prior service cost for the defined benefit pension plan that will be amortized from accumulated unrestricted net assets into net periodic benefit cost over the next fiscal year is $62,000 and $76,000, respectively

OCF currently expects to make a contribution to the other postretirement benefit plan of approximately $209,000 in 2012

Future benefit payments expected to be paid in each of the next five fiscal years and in the aggregate for the following five years as of December 31, 2011, are as follows (in thousands)

Years Ending December 31	
2012	$ 209
2013	217
2014	209
2015	205
2016	207
2017–2021	972
	$2,019

For measurement purposes, a 9% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2010 The rate was assumed to decrease gradually to 5 5% by 2012 and remain at that level thereafter (in thousands)

	One Percentage Point Increase	One Percentage Point Decrease
Effect on total of service and interest cost	$ 7	$ (6)
Effect on postretirement benefit obligation	$ 129	$ (114)

Executive Benefit Plan — Certain former Alton Ochsner Medical Foundation executives participate in an Executive Benefit Plan The expense associated with this plan was $69,000 and $78,000, respectively, for the years ended December 31, 2011 and 2010 OCF's consolidated balance sheets reflect a liability of $1,338,000 and $1,272,000 for this plan at December 31, 2011 and 2010, respectively

12. ENDOWMENT FUNDS AND TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

OCF has 598 temporarily restricted funds and 61 permanently restricted funds established for a variety of purposes These funds are classified and reported based on the existence or absence of donor-imposed restrictions Restricted net assets include funds dedicated to Medical Education, Nursing Education, Pastoral Care, Biomedical Research, Cancer Research, Cardiology Research, Transplant Research and Alzheimer's Research

ASC Topic 205-958-45, *Presentation — Not for Profit* Entities provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), which the state of Louisiana enacted on July 1, 2010 UPMIFA requires OCF to classify the portion of each donor-restricted endowment fund that is not classified as permanently restricted net assets as temporarily restricted net assets (time restricted) until appropriated for expenditure During 2010, OCF retroactively adopted UPMIFA as of January 1, 2009

UPMIFA also requires that OCF preserve the historic dollar value of the donor restricted endowed funds Therefore, permanently restricted net assets contain the aggregate fair market value of (1) an endowment fund at the time it became an endowment fund, (2) each subsequent donation to the fund at the time it is made, and (3) each accumulation made pursuant to a direction in the applicable gift instrument at the time the accumulation is added to the fund

Restricted Net Assets as of December 31, 2011 by Purpose

	Temporarily Restricted	Permanently Restricted	Total
Research	$ 5,134	$ 16,511	$ 21,645
Education	3,548	2,691	6,239
Other	21,569	3,350	24,919
Total	$ 30,251	$ 22,552	$ 52,803

Restricted Net Assets as of December 31, 2010 by Purpose

	Temporarily Restricted	Permanently Restricted	Total
Research	$ 6,994	$ 16,474	$ 23,468
Education	3,845	2,627	6,472
Other	21,012	3,264	24,276
Total	$ 31,851	$ 22,365	$ 54,216

Endowment Net Asset Composition by Type of Fund as of December 31, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted funds	$ -	$ 1,614	$ 22,553	$ 24,167
Board-designated funds	2,283			2,283
Total	$ 2,283	$ 1,614	$ 22,553	$ 26,450

Endowment Net Asset Composition by Type of Fund as of December 31, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted funds	$ -	$ 4,066	$ 22,365	$ 26,431
Board-designated funds	2,571			2,571
Total	$ 2,571	$ 4,066	$ 22,365	$ 29,002

Changes in Endowment Net Assets for the Year Ended December 31, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning balance	$ 2,571	$ 4,066	$ 22,365	$ 29,002
Investment loss	(181)	(1,093)		(1,274)
Contributions			188	188
Appropriations for expenditures	(107)	(1,359)		(1,466)
Ending balance	$ 2,283	$ 1,614	$ 22,553	$ 26,450

Changes in Endowment Net Assets for the Year Ended December 31, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning balance	$ 2,745	$ 2,777	$ 22,023	$ 27,545
Investment (loss) income	(47)	2,687		2,640
Contributions			342	342
Appropriations for expenditures	(127)	(1,398)		(1,525)
Ending balance	$ 2,571	$ 4,066	$ 22,365	$ 29,002

Funds with Deficiencies — From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or current law requires OCF to retain as a fund of perpetual duration In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported in unrestricted net assets Such deficiencies totaled $1,382,000 and $0 as of December 31, 2011 and 2010, respectively Any such deficiencies resulted from unfavorable market fluctuations

Return Objectives and Risk Parameters — OCF has investment and spending practices for endowment assets that intend to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets Endowment assets include those assets of donor-restricted funds that OCF must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds The policy allows the endowment assets to be invested in a manner that is intended to produce results that exceed the price and yield results of the allocation index while assuming a moderate level of investment risk OCF expects its endowment funds to provide a rate of return that preserves the gift and generates earnings to achieve the endowment purpose

Strategies Employed for Achieving Objectives — To satisfy its long-term rate-of-return objectives, OCF relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and interest and dividend income OCF uses a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints to preserve capital

Spending Policy and How the Investment Objectives Relate to Spending Policy — It is OCF's objective to establish a payout rate from endowment accounts that provides a stable, predictable level of spending for the endowed purposes that will increase with the rate of inflation, and to continue to invest in accordance with policy goals of providing for a rate of growth in the endowment earnings that meets or exceeds the rate of inflation The annual spending appropriation will be subject to a minimum rate of 4% and a maximum rate of 7% of each endowment funds' current market value Temporarily restricted net assets, along with other donor restricted funds, include the spending appropriation and investment income of the endowments and are pending appropriation for expenditure consistent with the specific purpose of the fund

13. NET PATIENT SERVICE REVENUE

Net patient service revenue is recognized when services are provided OCF has agreements with third-party payors that provide for payments to OCF at amounts different from its established rates Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered

A summary of the significant payment arrangements with major third-party payors follows

Medicare and Medicaid — Inpatient acute care services and defined capital costs related 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 Medicare inpatient rehabilitation services are also paid at prospectively determined rates per discharge, based on a patient classification system Psychiatric services rendered to Medicare beneficiaries are reimbursed on a prospectively determined rate per day Outpatient services to Medicare beneficiaries are paid on a prospectively determined amount per procedure Medicare skilled nursing care is paid on a prospectively determined amount per diem based on a patient classification system The Medicare program's share of indirect medical education costs is reimbursed based on a stipulated formula The Medicare program's share of direct medical education costs is reimbursed based on a prospectively determined amount per resident Inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined per diem rates Outpatient services rendered to Medicaid program beneficiaries are reimbursed on a cost basis subject to certain limits

OCF records retroactive Medicare and Medicaid settlements based upon estimates of amounts that are ultimately determined through annual cost reports filed with and audited by the fiscal intermediary The difference between estimated and audited settlements is recorded as an adjustment to net patient service

revenue in the year a determination is made The favorable resolution of Medicare reimbursement issues under appeal by OCF is reported as an increase in net patient service revenue in the year the issue is resolved The Medicare cost reports of the Hospital, Ochsner Bayou LLC, and Ochsner Medical Center — Baton Rouge have been settled by the fiscal intermediary through December 31, 2003, December 31, 2009, and September 30, 2006, respectively The Medicaid cost reports of the Hospital, Ochsner Bayou LLC, and Ochsner Medical Center — Baton Rouge have been settled by the fiscal intermediary through December 31, 2002, December 31, 2009, and September 30, 2006, respectively

As a result of retroactive settlements of certain prior year cost reports, OCF recorded changes in estimates during the year ended December 31, 2011 and 2010 Operating revenues increased approximately $3,121,000 and $7,071,000 in 2011 and 2010, respectively

Estimated amounts due to OCF for Medicare and Medicaid services are included in receivables at year end Net revenue from government health care programs included in net patient service revenue in 2011 and 2010, approximated $463,442,000 and $411,021,000, respectively

Upper Payment Limit Program — Since December 2010, Ochsner and four other health care providers formed collaborations with the State and several units of local government in Louisiana (Jefferson Parish Hospital Service District No 1, Jefferson Parish Hospital Service District No 2, Natchitoches Hospital District No 1, Jefferson Parish Human Services Authority) to more fully fund the Medicaid program (the "Program") and ensure the availability of quality healthcare services for the low income and needy population Ochsner and these four other health care providers formed five non-profit organizations, Louisiana Clinical Services, Inc (LCS), Southern Louisiana Clinical Services, Inc (SLCS), Eastern Louisiana Clinical Services, Inc (ELCS), Natchitoches Clinical Services, Inc (NCS), and Jefferson Clinical Services, Inc , with the purpose to create a vehicle to provide services to low income and needy patients in the providers' communities These collaborations enable the governmental entities to increase support for the state Medicaid program up to federal Medicaid Upper Payment Limits (UPL) Each State's UPL methodology must comply with its State plan and be approved by the Centers for Medicare & Medicaid Services (CMS) Federal matching funds are not available for Medicaid payments that exceed UPLs Under the agreement between the collaborative members, the Program became effective on December 1, 2010, and the first year of the Program runs from December 1, 2010 to November 30, 2011 Ochsner received $8,000,000 from the State of Louisiana on December 31, 2010 for the first year of the Program Because the program was not fully operational until fiscal 2011, Ochsner recorded this amount as deferred revenue in the 2010 consolidated balance sheet In 2011, OCF recognized $24,274,000 in Medicaid net revenue related to this program and recorded deferred revenue of $2,483,000 at December 31, 2011

Humana Inc. — OCF entered into a provider contract with Humana Inc to provide services for its commercial and senior members The commercial members are reimbursed on a fee-for-service basis for physician services and at prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates for hospital services OCF provided services to the senior members under a capitation contract for both physician and hospital services Net revenue from Humana Inc , net of medical services to outside providers, in 2011 and 2010 approximated $280,300,000 and $300,191,000 respectively

Managed Care — OCF has also entered into contractual arrangements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations Inpatient and outpatient services rendered to managed care subscribers are reimbursed at prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates

OCF recognizes net patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered For uninsured patients that are not eligible for charity care, OCF 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) Based on historical experience, a significant portion of OCF's uninsured patients will be incapable or reluctant to pay for the services provided Therefore, OCF records a significant provision for bad debts related to uninsured patients in the period the services are provided For the years ended December 31, 2011 and December 31, 2010, OCF recorded a provision for bad debt of $74,504,000 and $109,853,000, respectively

In 2010, OCF revised its charity care policy to include a graduated scale which allows partial charity care for the patient based on the patient's income level and family size as a percentage of the Federal Poverty Guidelines During the fourth quarter of 2010 and the first quarter of 2011, procedures were implemented that streamlined efforts to properly classify patients as charity care within the revised OCF charity care policy guidelines, while providing enhanced supporting documentation with respect to the patient These efforts resulted in an increase in the classification of charity care provided with a corresponding reduction in bad debt expense in 2011

The table below shows the sources of patient service revenue (net of contractual allowances and discounts), before provision for bad debts (in thousands)

	2011	2010
Government agencies	$ 463,442	$ 411,021
Patients	75,212	83,732
Managed care/indemnity	841,326	809,966
Patient service revenue, net of contractual allowances and discounts	$1,379,980	$1,304,719

14. FUNCTIONAL EXPENSES

OCF provides general health care services primarily to residents within its geographic location Expenses related to providing these services for the years ended December 31, 2011 and 2010, are as follows (in thousands)

	2011	2010
Health care services	$1,199,822	$1,097,507
General and administrative	363,910	342,003
Medical education	34,847	34,251
Research	10,369	10,499
Fitness center	11,728	11,808
Hotel	3,090	2,751
	$1,623,766	$1,498,819

15. COMMITMENTS AND CONTINGENCIES

Operating Lease Commitments — OCF leases assets under various rental agreements The following schedule summarizes OCF's future annual minimum rental commitments on leases with a remaining term, as of December 31, 2011, in excess of one year (in thousands)

Years Ending December 31	
2012	$ 17,956
2013	13,127
2014	6,194
2015	2,378
2016	1,364
Thereafter	12,446
Total	$ 53,465

Rent expense, which relates primarily to cancelable or short-term operating leases for equipment and buildings, was $38,955,000 and $35,410,000, respectively, for the years ended December 31, 2011 and 2010

Transfer of Westbank to OCF — On September 14, 2008, OCH executed a bill of sale, assignment and assumption agreement with OCF to transfer the operations of the Westbank facility to OCF Coincident therewith, a 10-year lease was executed to lease the Westbank facility building to OCF, and, subsequent thereto, the facility is being operated and licensed as a remote satellite campus of OCF Amounts incurred related to this lease agreement were $3,229,000 for the years ended December 31, 2011 and 2010 and are included in other operating expenses in the accompanying statement of operations OCF's future annual minimum rental commitments related to this lease as of December 31, 2011 are as follows (in thousands)

Years Ending December 31	
2012	$ 3,148
2013	3,210
2014	3,275
2015	3,340
2016	3,407
Thereafter	5,971
Total	$ 22,351

St. Anne's Transaction — On May 1, 2006, OCF entered into certain lease and management service agreements with Lafourche Parish Hospital Service District No 2 ("Lafourche") to 1) lease the 35-bed hospital it owns and operates known as St Anne General Hospital and its facilities ("St Anne") located in Raceland, Louisiana, 2) purchase certain assets and liabilities of St Anne, and 3) provide managerial, administrative, financial, and technical support services to operate the hospital Under the lease agreement, OCF is required to pay $4 6 million in base rental payments for the use of the St Anne buildings as well as make capital improvements to the facility based on predetermined levels of financial performance during the initial 15 year term Total required rent payments, including the base rent and

required capital improvements cannot exceed $15 million over the initial term of the lease Amounts due under the terms of this agreement may be reduced through certain credits against required payments and capital improvements All amounts owed under this agreement are payable on the last day of the lease term, but can be discharged, in whole or in part, before the end of the period The term of the agreement is through 2021 with two options for renewal periods up to an additional 30 years The building lease is accounted for as an operating lease under ASC 840, *Leases*, and lease commitments are included in the lease commitment schedule above

In connection with the lease of the buildings, OCF purchased certain equipment and fixtures and the working capital of the hospital by issuing a note payable to Lafourche of $7 1 million (see Note 10) The note payable is due to Lafourche In addition, OCF assumed Lafourche's outstanding bonds payable of $2 7 million which were subsequently paid in full by OCF As noted above, OCF is required to make certain capital improvements over the term of the lease Upon termination of the lease agreement, OCF is required to sell, and Lafourche is required to purchase, the assets included in the initial purchase, including any additional and replacement equipment similar to the type originally purchased, for a cash purchase price equal to the net book value of the assets as of the date of the lease termination Revenues and expenses generated by St Anne's operations since the inception of the lease are included in the consolidated statements of operations of OCF

OCH Debt Guaranty — OCF has provided a joint and several Guarantee Agreement for Ochsner Community Hospital's $83,910,000 LPFA bonds issued in 2007 The guaranty provided by OCF is secured by a mortgage and security interest in certain of OCH's assets as well as a pledge of revenues OCF has also provided a joint and several Guarantee Agreement ("Guarantee Agreement") for OCH's notes payable of $22,000,000 and $25,000,000 issued in 2008 and 2007, respectively The Guarantee Agreement provided by OCF is on parity with the guarantee above and secured by a mortgage and security interest in certain of OCH's assets as well as a pledge of revenues Under this Guarantee Agreement, OCF will be obligated to pay the guaranteed bonds and notes payable should OCH fail to pay The maximum exposure OCF has on its Guarantee Agreement for OCH's debt as of December 31, 2011 is $121,265,000, the amount of the outstanding debt, plus any accrued and unpaid interest OCH is obligated to reimburse OCF for any amount OCF has to pay under the Guarantee Agreement, and the reimbursement obligation is secured by a mortgage and security interest on certain assets of OCH

Contingencies — The health care industry as a whole is subject to numerous laws and regulations of federal, state, and local governments Compliance with these laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at the time Such compliance with laws and regulations in the health care industry has come under increased government scrutiny OCF and its subsidiaries are parties to various legal proceedings and potential claims arising in the ordinary course of its business Management of OCF believes the reserves it has established for these issues are adequate and does not believe, based on current facts and circumstances and after review with counsel, that these matters will have a material adverse effect on OCF's consolidated statements of financial position or results of operations

In September 2009, OCF indefinitely suspended operations at its in vitro fertilization (IVF) center due to the mislabeling of frozen embryos There are 50 patients who have either filed a lawsuit or a claim before the Louisiana Patient Compensation Fund (PCF) alleging mishandling in the labeling and storage of embryos between 2004 and 2009 The Louisiana Patient's Compensation Fund has taken the position that this liability is not covered by the PCF However, these cases are covered by Ochsner's professional liability coverage Eight cases have been settled, one is currently in mediation, and six are scheduled for mediation in May 2012 The plaintiffs requested class certification for four classes of plaintiffs 1) all patients who ever underwent IVF at Ochsner, 2) all patients who had FDA issues with respect to donor eggs, 3) all patients who had frozen embryos at Ochsner Fertility Center when it closed and 4) all

patients with certain types of errors in documentation The court denied class certification for 1 and 2 and granted class certification for 3 and 4 Both sides have filed appeals OCF is in the process of submitting briefs

Tax Relief and Health Care Act of 2006 authorized a permanent program involving the use of third-party recovery audit contractors ("RACs") to identify Medicare overpayments and underpayments made to providers RACs are compensated based on the amount of both overpayments and underpayments they identify by reviewing claims submitted to Medicare for correct coding and medical necessity Payment recoveries resulting from RAC reviews are appealable through administrative and judicial processes The Affordable Care Act expanded the RAC program's scope by requiring all states to enter into contracts with RACs by December 31, 2010 to audit payments to Medicaid providers CMS issued a letter to state Medicaid directors on October 1, 2010 that (1) provided preliminary guidance to states on the implementation of Medicaid RAC programs, (2) created a deadline of December 31, 2010 for states to establish RAC programs, and (3) established a deadline of April 1, 2011 for states to fully implement their RAC programs On February 1, 2011, CMS issued a notice temporarily suspending the requirement that states implement their RAC programs until the final Medicaid RAC rule is issued In September 2011, CMS issued a final rule requiring all states to implement a Medicaid RAC program effective January 1, 2012 Historically, RACs have conducted claims reviews on a post-payment basis In February 2012, CMS announced that it was moving forward with a RAC prepayment demonstration in 11 states OCF has established protocols to respond to RAC requests and payment denials Payment recoveries resulting from RAC reviews are appealable through administrative and judicial processes, and management intends to pursue the reversal of adverse determinations where appropriate In addition to overpayments that are not reversed on appeal, OCF will incur additional costs to respond to requests for records and pursue the reversal of payment denials OCF expects the RACs will continue to seek CMS approval to review additional issues

Management cannot predict with certainty the impact of the Medicare and Medicaid RAC program on OCF's future results of operations or cash flows

During 2010, OCF was selected for review by RAC auditors which is on-going as of December 31, 2011 Management of OCF believes that the reserves it has established based on preliminary results are adequate but cannot predict with certainty the impact of the Medicare and Medicaid RAC program on future results of operations or cash flows

16. OTHER OPERATING REVENUE

The state of Louisiana, through its Medicaid program, appropriated funds for fiscal year 2008 through 2010 to hospitals demonstrating substantial financial and operational challenges in the aftermath of Hurricane Katrina OCF received federal disaster relief funds of $26,000,000 for the year ended December 31, 2010, which is included in other operating revenue No such amounts were received in 2011

17. SUBSEQUENT EVENTS

OCF completed its subsequent events review through April 19, 2012, the date on which the financial statements were available to be issued

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