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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
GOOD SAMARITAN HOSPITAL CORVALLIS

Doing Business As
GOOD SAMARITAN REGIONAL MEDICAL CTR

Number and street (or P O box if mail is not delivered to street address) | Room/suite
C/O SHS ACCOUNTING PO BOX 3000

City or town, state or country, and ZIP + 4
CORVALLIS, OR 973393000

D Employer identification number
93-0391573

E Telephone number
(541)768-4773

G Gross receipts $ 331,424,632

F Name and address of principal officer
STEVEN W JASPERSON
3600 NW SAMARITAN DR
CORVALLIS, OR 97330

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 SAMHEALTH ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1948 | **M** State of legal domicile OR

Part I Summary

1 Briefly describe the organization's mission or most significant activities
GOOD SAMARITAN HOSPITAL, CORVALLIS (GSH) ACHIEVES ITS MISSION OF IMPROVING THE HEALTH AND WELL BEING OF THE COMMUNITY THROUGH ITS MEDICAL AND SURGICAL HOSPITAL AND HEALTHCARE CLINICS PROVIDING OUTPATIENT CARE SERVICES AT SEVERAL AREA LOCATIONS

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	12
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	2,099
6	Total number of volunteers (estimate if necessary)	6	251
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	1,201,837
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-38,471

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	1,850,641	475,861
9	Program service revenue (Part VIII, line 2g)	310,274,725	326,487,593
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	598,535	598,145
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,368,336	2,707,367
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	315,092,237	330,268,966

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	283,825	279,287
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)	162,291,614	174,410,975
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶252,344		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	145,888,204	154,878,894
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	308,463,643	329,569,156
19	Revenue less expenses Subtract line 18 from line 12	6,628,594	699,810

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	183,573,666	184,278,626
21	Total liabilities (Part X, line 26)	76,799,467	90,912,653
22	Net assets or fund balances Subtract line 21 from line 20	106,774,199	93,365,973

Part II Signature Block

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

Sign Here

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

DANIEL B SMITH VP FINANCE/CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed	Preparer's taxpayer identification number (see instructions)
JOYLYN ANKENEY		☐	P00366587

Firm's name (or yours if self-employed), address, and ZIP + 4: AKT LLP, 5665 SW MEADOWS RD SUITE 200, LAKE OSWEGO, OR 97035

EIN ▶ 93-0623286

Phone no ▶ (503) 620-4489

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

GOOD SAMARITAN HOSPITAL, CORVALLIS (GSH) IS A MEMBER OF SAMARITAN HEALTH SERVICES (SHS), A REGIONAL NETWORK OF HOSPITALS, PHYSICIANS AND SENIOR CARE FACILITIES THE NETWORK, FORMED IN THE LATE 1990'S, SERVES APPROXIMATELY 290,000 RESIDENTS IN LINN, BENTON, LINCOLN AND PORTIONS OF POLK AND MARION COUNTIES IN OREGON IT IS LOCALLY OWNED, AND ITS BOARDS OF DIRECTORS INCLUDE HOSPITAL LEADERS, PHYSICIANS AND COMMUNITY REPRESENTATIVES GSH PROVIDES HEALTHCARE SERVICES REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, DISABILITY OR AGE THE MISSION OF GSH IS TO ENHANCE COMMUNITY HEALTH AND ACHIEVE HIGH VALUE THROUGH QUALITY SERVICES ACROSS A CONTINUUM OF CARE THE COLLECTIVE VISION OF THE SHS SYSTEM IS TO BE A VALUES-DRIVEN ORGANIZATION GOVERNED BY COMMUNITY MEMBERS, PHYSICIANS AND OTHER HEALTH CARE PROVIDERS SHS SEEKS TO BE THE FIRST CHOICE OF CONSUMERS IN THE REGION AND TO LEAD COLLABORATIVE EFFORTS AMONG THOSE WHO SHARE SIMILAR GOALS

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 $ 282,087,781 including grants of $) (Revenue $ 325,642,209)

GOOD SAMARITAN HOSPITAL CORVALLIS (GSH), THE LARGEST HOSPITAL IN LINN, BENTON AND LINCOLN COUNTIES, OFFERS MORE THAN 22 MEDICAL SPECIALTIES INCLUDING COMPREHENSIVE CANCER CARE, A FULL-SERVICE CARDIOLOGY AND VASCULAR SURGERY PROGRAM, A SLEEP LAB, NEUROSURGERY AND OTHER REGIONAL SERVICES GSH HAS MORE THAN 1,800 EMPLOYEES AND 200 VOLUNTEERS SERVING THE MEDICAL NEEDS OF THE COMMUNITY IT IS LICENSED TO OPERATE 188 BEDS AND IS ONE OF ONLY THREE 'LEVEL 2' TRAUMA CENTERS IN THE STATE DURING 2011, GSH SERVED 9,626 INPATIENTS, HAD 23,213 EMERGENCY DEPARTMENT VISITS, PERFORMED 10,873 SURGERIES AND DELIVERED 1,063 BABIES IN ADDITION, GSH PERFORMED 71,529 IMAGING PROCEDURES, HAD 33,788 HOME HEALTH VISITS, AND HAD 175,611 PHYSICIAN CLINIC VISITS

4b (Code) (Expenses $ 279,287 including grants of $ 279,287) (Revenue $)

GRANTS AND ASSISTANCE PROVIDED BY GOOD SAMARITAN HOSPITAL CORVALLIS TO VARIOUS ORGANIZATIONS AND INDIVIDUALS TO BENEFIT THE COMMUNITY SEE PART IX, LINES 1 AND 2 AND RELATED SCHEDULE I FOR MORE DETAILS

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

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 282,367,068

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		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		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	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**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**	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**	Yes	
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**	7		
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**	2,099			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	12		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	10		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4	Yes	
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9		No

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

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

Section C. Disclosure

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

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 ▶

SAMARITAN HEALTH SERVICES
PO BOX 3000
CORVALLIS, OR 973393000
(541) 768-4773

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BISHOP MICHAEL HANLEY BOARD MEMBER	1 00	X						0	0	0
(2) JAY MCHENRY BOARD MEMBER	1 00	X						0	0	0
(3) NANCY SEIFERT BOARD MEMBER	1 00	X						0	0	0
(4) GILBERT BECK BOARD TREASURER	1 00	X		X				0	0	0
(5) CLIFFORD A HALL MD BOARD MEMBER/PHYSICIAN	8 00	X						18,610	0	0
(6) RICHARD CRONK MD BOARD SECRETARY	1 00	X		X				0	0	0
(7) REVEREND SIMON JUSTICE BOARD MEMBER	1 00	X						0	0	0
(8) CARLYN ROY BOARD SECRETARY	1 00	X		X				0	0	0
(9) SHIRLEY PETERSON BOARD CHAIR	1 00	X		X				0	0	0
(10) JUDY LIST BOARD VICE-CHAIR	1 00	X		X				0	0	0
(11) ERIC THOMPSON BOARD MEMBER	1 00	X						0	0	0
(12) FREDERICK WEISENSEE MD BOARD MEMBER/PHYSICIAN	40 00	X						306,313	0	39,193
(13) TIM HENNESSY BOARD MEMBER	1 00	X						0	0	0
(14) STEVEN W JASPERSON CEO	40 00			X				0	434,923	65,366
(15) DANIEL B SMITH VP FINANCE/CFO	8 00			X				0	320,608	51,431
(16) KATHRYN M HALE VP NURSING	40 00				X			175,948	0	44,618
(17) MICHAEL A MAY MD VP SMH MEDICAL DIRECTOR	40 00				X			296,349	0	67,382

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) SCOTT WILSON VP ANCILLARY & SUPPORT SERVICES	40 00				X			160,067	0	36,598
(19) STEVEN GOODWIN MD PHYSICIAN	40 00					X		632,936	0	44,030
(20) DONALD PENNINGTON DO PHYSICIAN	40 00					X		852,868	0	51,642
(21) TOSHIO NAGAMOTO MD PHYSICIAN	40 00					X		746,778	0	49,158
(22) RANDALL V BREAM MD PHYSICIAN	40 00					X		611,665	0	41,169
(23) LUIS VELA DO PHYSICIAN	40 00					X		764,077	0	46,675

1b	**Sub-Total** . . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . . ▶	4,565,611	755,531	537,262

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 ▶ 240

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

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 ▶ 0

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d	453,330			
	e	Government grants (contributions)	1e	22,531			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f	▶	475,861			
Program Service Revenue			Business Code				
	2a	NET PATIENT REVENUE	900099	320,166,306	320,166,306		
	b	RETAIL PHARMACY	446110	6,321,287	5,257,233	1,064,054	
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f	▶	326,487,593			
	3	Investment income (including dividends, interest and other similar amounts)	▶	483,698			483,698
	4	Income from investment of tax-exempt bond proceeds	▶				
	5	Royalties	▶				
			(i) Real	(ii) Personal			
	6a	Gross rents	723,292				
	b	Less rental expenses	287,484				
	c	Rental income or (loss)	435,808				
	d	Net rental income or (loss)	▶	435,808			435,808
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	850,356	2,655			
	b	Less cost or other basis and sales expenses	685,548	53,016			
	c	Gain or (loss)	164,808	-50,361			
	d	Net gain or (loss)	▶	114,447			114,447
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events	▶				
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities	▶				
	10a	Gross sales of inventory, less returns and allowances	a	238,019			
	b	Less cost of goods sold	b	129,618			
	c	Net income or (loss) from sales of inventory	▶	108,401	108,401		
	Miscellaneous Revenue		Business Code				
	11a	CAFETERIA	722210	1,915,106			1,915,106
	b	MISCELLANEOUS REVENUE	900099	187,721	49,938	137,783	
	c	RELEASE OF INFORMATION	561000	50,654	50,654		
	d	All other revenue		9,677	9,677		
	e	**Total.** Add lines 11a–11d	▶	2,163,158			
	12	**Total revenue.** See Instructions	▶	330,268,966	325,642,209	1,201,837	2,949,059

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	211,903	211,903		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	67,384	67,384		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	1,145,078	948,412	196,666	
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	130,364,560	125,504,874	4,769,498	90,188
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	10,511,946	10,123,497	381,240	7,209
9	Other employee benefits	23,336,212	22,473,867	846,341	16,004
10	Payroll taxes	9,053,179	8,718,636	328,334	6,209
11	Fees for services (non-employees)				
a	Management				
b	Legal	227,478		227,478	
c	Accounting	4,275		4,275	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17*				
f	Investment management fees				
g	Other	5,301,077	5,193,553	91,206	16,318
12	Advertising and promotion	82,114	37,988	35,887	8,239
13	Office expenses	11,117,542	10,663,165	378,621	75,756
14	Information technology	9,415,564		9,415,564	
15	Royalties				
16	Occupancy	3,929,630	3,921,361	3,851	4,418
17	Travel	307,093	298,341	8,752	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	1,040,274	944,127	89,868	6,279
20	Interest	5,278,916	4,962,625	316,291	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	11,311,928	11,025,636	285,586	706
23	Insurance	2,975,299	2,970,607	4,692	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	MEDICAL SUPPLIES	52,107,654	52,107,654		
b	PURCHASED SERVICES	41,648,997	12,127,185	29,501,380	20,432
c	DUES, TAXES, & LICENSES	10,131,053	10,066,253	64,214	586
d					
e					
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	329,569,156	282,367,068	46,949,744	252,344
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	9,434	1	11,479
	2	Savings and temporary cash investments	2,169,481	2	2,030,102
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	38,052,553	4	39,678,514
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	101,427	5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net	441,927	7	380,498
	8	Inventories for sale or use	5,019,356	8	4,787,976
	9	Prepaid expenses and deferred charges	2,072,746	9	2,012,409
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D* — 10a: 229,075,285			
	b	Less accumulated depreciation — 10b: 111,998,939	119,424,458	10c	117,076,346
	11	Investments—publicly traded securities	12,908,435	11	12,452,050
	12	Investments—other securities See Part IV, line 11		12	407,488
	13	Investments—program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	3,373,849	15	5,441,764
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	183,573,666	16	184,278,626
Liabilities	17	Accounts payable and accrued expenses	27,279,338	17	27,472,839
	18	Grants payable		18	
	19	Deferred revenue	31,037	19	21,539
	20	Tax-exempt bond liabilities	3,708,000	20	3,708,000
	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	7,872,081	23	8,549,506
	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	37,909,011	25	51,160,769
	26	**Total liabilities.** Add lines 17 through 25	76,799,467	26	90,912,653
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	106,774,199	27	93,365,973
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	106,774,199	33	93,365,973
	34	Total liabilities and net assets/fund balances	183,573,666	34	184,278,626

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	330,268,966
2	Total expenses (must equal Part IX, column (A), line 25)	2	329,569,156
3	Revenue less expenses Subtract line 2 from line 1	3	699,810
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	106,774,199
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-14,108,036
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	93,365,973

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GOOD SAMARITAN HOSPITAL CORVALLIS

Employer identification number
93-0391573

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

The following joint ventures are consolidated into the financial statements of SHS and in the aggregate have total assets of $6,235 and $7,490 as of December 31, 2011 and 2010, respectively, and contributed earnings of $3,103 and $2,995 in 2011 and 2010, respectively

Ownership
54 5%
50 0
60 0
60 0
65 0
66 7

The following joint ventures are accounted for on the equity method and have in the aggregate contributed earnings of $68 and $97 in 2011 and 2010, respectively, which are included in other income, net in the consolidated statements of operations and changes in unrestricted net assets

Ownership
40 7%
30 0
34 0
20 0
36 8

Rent expense paid to Mid Valley Buildings, LLC totaled $344 and $402 in 2011 and 2010, respectively Rent expense paid to Mid-Valley Medical Property Associates, LLC totaled $161 and $172 in 2011 and 2010, respectively

(15) Functional Expenses

SHS provides healthcare services to residents within its geographic locations Expenses related to providing these services are as follows

	2011	2010
Healthcare services	$ 508,050	485,269
Medical services	88,837	74,581
General and administrative	113,613	101,207
	$ 710,500	661,057

(Continued)

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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
GOOD SAMARITAN HOSPITAL CORVALLIS

Employer identification number
93-0391573

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	4,975,845	4,582,212	3,963,225	4,989,374	
b Contributions	106,549	211,952	107,306	188,135	
c Investment earnings or losses	-131,912	443,652	645,769	-1,015,783	
d Grants or scholarships	191,901	261,971	134,088	198,501	
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	4,758,581	4,975,845	4,582,212	3,963,225	

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

- a Board designated or quasi-endowment ▶ 20 930 %
- b Permanent endowment ▶ 79 070 %
- c Term endowment ▶

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		2,208,871		2,208,871
b Buildings		140,942,257	58,587,826	82,354,431
c Leasehold improvements		2,810,337	418,054	2,392,283
d Equipment		69,441,132	49,181,254	20,259,878
e Other		13,672,688	3,811,805	9,860,883
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				117,076,346

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

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

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

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

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

(a) Description	(b) Book value
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	
PROFESSIONAL LIABILITY RESERVE	1,436,000
OTHER LIABILITIES	367,913
PAYABLE TO CONTRACTUAL AGENCIES	4,356,273
MINIMUM PENSION LIABILITY	40,601,911
ACCRUED INTEREST	1,233,198
TENANTS DEPOSITS	23,583
ACCOUNTS PAYABLE-AFFILIATES	3,141,891
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	51,160,769

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	330,268,966
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	329,569,156
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	699,810
4	Net unrealized gains (losses) on investments	4	-894,525
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-13,213,511
9	Total adjustments (net) Add lines 4 - 8	9	-14,108,036
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-13,408,226

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	330,327,802
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	308,133		
e	Add lines **2a** through **2d**			2e	308,133
3	Subtract line **2e** from line **1**			3	330,019,669
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	249,297		
c	Add lines **4a** and **4b**			4c	249,297
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	330,268,966

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

1	Total expenses and losses per audited financial statements			1	329,877,289
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	308,133		
e	Add lines **2a** through **2d**			2e	308,133
3	Subtract line **2e** from line **1**			3	329,569,156
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	0
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	329,569,156

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	THE GOOD SAMARITAN HOSPITAL FOUNDATION (GSHF) HOLDS ENDOWMENT FUNDS THAT WILL ULTIMATELY BENEFIT THE HOSPITAL GSHF'S BOARD-DESIGNATED AND GENERAL ENDOWMENTS ARE USED FOR GENERAL HOSPITAL SUPPORT GSHF'S BERNIER ENDOWMENT IS USED FOR STAFF CONTINUING EDUCATION GSHF'S ERKKILA ENDOWMENT IS USED FOR HEALTH AND HUMAN PERFORMANCE RESEARCH AND REHABILITATION GSHF'S MULLINS SCHOLARSHIP ENDOWMENT SUPPORTS EDUCATIONAL SCHOLARSHIPS GSHF'S PASTEGA HOUSE ENDOWMENT HELPS UNDERWRITE THE OPERATING COSTS OF THE MARIO PASTEGA GUEST HOUSE GSHF'S VRTISKA ENDOWMENT SUPPORTS THE HOSPITAL'S LABORATORY FOR EDUCATIONAL PURPOSES
PART XI, LINE 8 - OTHER ADJUSTMENTS		DISTRIBUTIONS TO MINORITY INTEREST CONSOLIDATED JVS -1,360,146 INCREASE IN MINIMUM PENSION LIABILITY -11,856,043 OTHER CHANGES IN FUND BALANCE 2,678 TOTAL TO SCHEDULE D, PART XI, LINE 8 -13,213,511
PART XII, LINE 2D - OTHER ADJUSTMENTS		RENT EXP PER AFS NETTED WITH RENT REV PER TAX RETURN 177,954 RENT REV PER AFS NETTED WITH RENT EXP PER TAX RETURN 130,179
PART XII, LINE 4B - OTHER ADJUSTMENTS		CONTRIBUTION REVENUE - CHANGE IN NET ASSETS PER AFS 249,297
PART XIII, LINE 2D - OTHER ADJUSTMENTS		RENT EXP PER AFS NETTED WITH RENT REV PER TAX RETURN 177,954 RENT REV PER AFS NETTED WITH RENT EXP PER TAX RETURN 130,179

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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
GOOD SAMARITAN HOSPITAL CORVALLIS

Employer identification number
93-0391573

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	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Did the organization prepare a community benefit reportduring the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)	20	8,382	10,908,664		10,908,664	3 310 %
b Medicaid (from Worksheet 3, column a)	8	55,396	41,749,170	37,037,547	4,711,623	1 430 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs	28	63,778	52,657,834	37,037,547	15,620,287	4 740 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)	24	5,873	690,592	6,034	684,558	0 210 %
f Health professions education (from Worksheet 5)	5	4,791	7,629,498	3,029,989	4,599,509	1 400 %
g Subsidized health services (from Worksheet 6)	26	186,489	73,637,280	35,175,333	38,461,947	11 670 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	17	4,367	781,753	177,954	603,799	0 180 %
j **Total** Other Benefits	72	201,520	82,739,123	38,389,310	44,349,813	13 460 %
k **Total.** Add lines 7d and 7j	100	265,298	135,396,957	75,426,857	59,970,100	18 200 %

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						
3 Community support	2	838	5,905		5,905	0 %
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development	1	58	1,819		1,819	0 %
9 Other						
10 **Total**	3	896	7,724		7,724	

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 Healthcare Financial Management Association Statement No 15?		1		No
2	Enter the amount of the organization's bad debt expense	2	4,972,196		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	265,719		
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	43,698,995		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	49,515,854		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-5,816,859		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1 1 CORVALLIS MED BLDGS LLC	REAL PROPERTY RENTAL	54 500 %		18 500 %
2 2 HULL IMAGING LLC	IMAGING SERVICES	60 000 %		40 000 %
3 3 SAMARITAN ENDOSCOPY CENTER	MEDICAL SERVICES	66 670 %		33 330 %
4 4 CORVALLIS MRI A JV	IMAGING SERVICES	50 000 %		50 000 %
5 5 CASCADE VIEW MEDICAL OFFICE BUILDING LLC	REAL PROPERTY RENTAL	34 000 %		31 450 %
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? 1

Name and address

	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	GOOD SAMARITAN HOSPITAL CORVALLIS 3600 NW SAMARITAN DRIVE CORVALLIS, OR 97330	X	X		X			X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

GOOD SAMARITAN HOSPITAL CORVALLIS

Name of Hospital Facility:

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	**1**		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**		
5 Did the hospital facility make its Needs Assessment widely available to the public?	**5**		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	**7**		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**8**	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	**9**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 150 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 200 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? **28**

	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 6A THE FILING ORGANIZATION SUBMITS AN ANNUAL COMMUNITY BENEFIT REPORT TO THE STATE OF OREGON IN ADDITION, THE PARENT ORGANIZATION, SAMARITAN HEALTH SERVICES (SHS) PROVIDES AN ANNUAL REPORT TO THE COMMUNITY THAT INCLUDES COMMUNITY BENEFIT REPORTING FOR THE SYSTEM AS A WHOLE

Identifier	ReturnReference	Explanation
		PART I, LINE 7 THE COSTING METHODOLOGY USED TO CALCULATE THE AMOUNTS REPORTED IN SCHEDULE H, PART I, LINE 7A AND 7B IS A COST-TO-CHARGE RATIO DERIVED USING WORKSHEET 2, RATIO OF PATIENT CARE COST-TO-CHARGES FROM THE SCHEDULE H INSTRUCTIONS FOR LINE 7G, A COMBINATION OF THE COST-TO-CHARGE RATIO AND COST ACCOUNTING SYSTEM CALCULATIONS IS USED SINCE NOT ALL SERVICES ARE TRACKED IN THE COST ACCOUNTING SYSTEM

Identifier	ReturnReference	Explanation
		PART I, LINE 7G PHYSICIAN CLINICS MEETING THE DEFINITION OF SUBSIDIZED HEALTH SERVICES WERE INCLUDED IN THE REPORTING FOR LINE 7G THE PORTION OF NET COMMUNITY BENEFIT EXPENSE RELATED TO THESE CLINICS IS $31,346,209

Identifier	ReturnReference	Explanation
		PART II GSH PROVIDES SERVICES AND ACTIVITIES THAT ARE CLASSIFIED AS COMMUNITY BUILDING THIS INCLUDES LEADING DISASTER PREPAREDNESS DRILLS WITH LOCAL AGENCIES AND STAFF PARTICIPATING IN ONE-ON-ONE MENTORING PROGRAMS AT A LOCAL SCHOOL GSH ALSO PROVIDES OPPORTUNITIES FOR COMMUNITY MEMBERS TO OBTAIN TRAINING ON CIVIC AND CULTURAL ISSUES THAT IMPACT HEALTH SOME OF THE TRAINING OPPORTUNITIES INCLUDED GRANT WRITING AND BOARD DEVELOPMENT GSH STAFF SERVE ON MANY LOCAL COALITIONS AND BOARDS THAT PROMOTE THE HEALTH OF THE COMMUNITY BOARD AFFILIATION INCLUDES, BUT IS NOT LIMITED TO COMMUNITY OUTREACH INC, THE GRACE CENTER, THE CENTER FOR HEALTHY AGING RESEARCH/SCIENTIFIC ADVISORY BOARD, AND THE CARING PLACE ADDITIONALLY GSH STAFF SERVE ON THE OREGON HEALTH POLICY ADVISORY BOARD, THE OREGON HEALTH RESOURCES COMMISSION, THE MEDICAID ADVISORY COMMITTEE AND REGIONAL BOARDS THAT ADDRESS HEALTH CARE ISSUES

Identifier	ReturnReference	Explanation
		PART III, LINE 4 THE COSTING METHODOLOGY USED TO CALCULATE BAD DEBT EXPENSE (AT COST) ON LINE 2 OF PART III IS BASED ON THE FACILITY COST-TO-CHARGE RATIO, IN CONJUNCTION WITH WORKSHEET A FROM THE SCHEDULE H, PART III INSTRUCTIONS LINE 3 REPRESENTS AN ESTIMATE OF THE AMOUNT OF COST INCLUDED IN LINE 2 (BAD DEBT EXPENSE AT COST) THAT REASONABLY COULD BE ATTRIBUTABLE TO PATIENTS WHO LIKELY WOULD QUALIFY FOR FINANCIAL ASSISTANCE UNDER THE ORGANIZATION'S CHARITY CARE POLICY, BUT FOR WHOM THE ORGANIZATION WAS NOT ABLE TO OBTAIN SUFFICIENT INFORMATION TO MAKE A DETERMINATION THE METHODOLOGY USED TO ESTIMATE THIS POTENTIAL CHARITY CARE COST IS BASED ON FINANCIAL ASSISTANCE APPLICATIONS DENIED DUE TO INCOMPLETE DOCUMENTATION, MULTIPLIED BY THE AVERAGE CHARITY CARE WRITE-OFF FOR APPROVED APPLICATIONS GOOD SAMARITAN HOSPITAL (GSH) IS THE LARGEST OF FIVE HOSPITALS OF SAMARITAN HEALTH SERVICES (SHS) AS A NETWORK, SHS PREPARES ITS FINANCIAL STATEMENTS ON A CONSOLIDATED BASIS FOOTNOTE 1(O) FROM THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS ENTITLED "PROVISION FOR BAD DEBTS AND ALLOWANCE FOR DOUBTFUL ACCOUNTS" DESCRIBES BAD DEBT EXPENSE AS FOLLOWS "ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR DOUBTFUL ACCOUNTS IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, SHS ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS AND PROVISION FOR BAD DEBTS MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYOR SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR RECEIVABLES ASSOCIATED WITH SELF-PAY PATIENTS (WHICH INCLUDE PATIENTS WITHOUT INSURANCE), SHS RECORDS A PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE FOR THIRD-PARTY RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD-PARTY COVERAGE, SHS ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS AND A PROVISION FOR BAD DEBTS, WHICH PRIMARILY RELATES TO SELF-PAY PATIENT BALANCES THAT WILL REMAIN AFTER PAYMENTS FROM THE THIRD-PARTY PAYOR HAVE BEEN COLLECTED THE DIFFERENCE BETWEEN THE STANDARD RATES (OR THE DISCOUNTED RATES IF NEGOTIATED) AND THE AMOUNTS ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED OFF AGAINST THE ALLOWANCE FOR DOUBTFUL ACCOUNTS "

Identifier	ReturnReference	Explanation
		PART III, LINE 8 TOTAL MEDICARE ALLOWABLE COSTS REPORTED ON PART III, SECTION B, LINE 6 IS CALCULATED BY UTILIZING WORKSHEET B IN THE SCHEDULE H INSTRUCTIONS IN CONJUNCTION WITH AMOUNTS TAKEN DIRECTLY FROM THE FILING ORGANIZATION'S MEDICARE COST REPORT (CALCULATED BASED ON A COST-TO-CHARGE RATIO) CARING FOR MEDICARE PATIENTS FULFILLS A COMMUNITY NEED, AS THESE PATIENTS TYPICALLY HAVE LOW OR FIXED INCOMES AND GOVERNMENT REIMBURSEMENT IS NOT SUFFICIENT TO COVER THE COSTS OF PROVIDING CARE FOR THESE PATIENTS MEDICARE PATIENTS ARE A GROWING SEGMENT OF THE LOCAL POPULATION, AND MANY ARE BECOMING INCREASINGLY DEPENDENT ON OUR HOSPITAL AND NON-PROFIT AFFILIATES TO PROVIDE FOR THEIR CARE, ESPECIALLY AS OTHER FOR-PROFIT HEALTHCARE PROVIDERS IN THE COMMUNITY DISCONTINUE ACCEPTING MEDICARE PATIENTS THE AMOUNT OF MEDICARE SHORTFALL SHOWN ON LINE 7 OF PART III, SECTION B, IS UNDERSTATED THIS IS PRIMARILY DUE TO THE FACT THAT THE MEDICARE COST REPORT INCLUDES ACTIVITY FOR MEDICARE FEE-FOR-SERVICE PATIENTS BUT NOT MEDICARE MANAGED CARE PATIENTS MEDICARE MANAGED CARE ACCOUNTS FOR ROUGHLY HALF OF OUR MEDICARE ACTIVITY IN ADDITION, CERTAIN COSTS OF PROVIDING HEALTHCARE SERVICES, SUCH AS PHYSICIAN COMPENSATION, ARE NOT ALLOWABLE ON THE MEDICARE COST REPORTS THEREFORE, THE AMOUNT OF MEDICARE SHORTFALL SHOWN ON LINE 7 IS SMALLER THAN THE SHORTFALL CALCULATION USING REVENUE AND COST DATA FOR ALL MEDICARE PATIENT ACTIVITY, AS FOLLOWS NET REV RECEIVED FROM MEDICARE (ALL MEDICARE PATIENT PROGRAMS) 83,236,002MEDICARE COSTS (BASED ON A COST-TO-CHARGE RATIO) 100,898,872UNPAID COST OF PROVIDING SERVICES TO ALL MEDICARE PATIENTS (17,662,870)

Identifier	ReturnReference	Explanation
		PART III, LINE 9B PER HOSPITAL GUIDELINES, IF A PATIENT IS DETERMINED TO QUALIFY FOR FINANCIAL ASSISTANCE PRIOR TO SENDING AN ACCOUNT TO COLLECTIONS, THE CHARITY WRITE-OFF IS PROCESSED AND NO COLLECTION ATTEMPT IS MADE IF AN ACCOUNT IS ALREADY IN COLLECTIONS AND MEDICAID ELIGIBILITY IS DEEMED ACTIVE DURING THE ACCOUNT DATE OF SERVICE, NO FURTHER COLLECTION ATTEMPT WILL BE MADE

Identifier	ReturnReference	Explanation
GOOD SAMARITAN HOSPITAL, CORVALLIS		PART V, SECTION B, LINE 19D THE MAXIMUM AMOUNT CHARGED BY THE HOSPITAL FACILITY TO FAP-ELIGIBLE INDIVIDUALS IS SET TO BE LESS THAN THE AVERAGE OF ALL NEGOTIATED COMMERCIAL INSURANCE RATES

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 GOOD SAMARITAN HOSPITAL (GSH) ACTIVELY PARTICIPATES IN ASSESSING THE HEALTH NEEDS OF THE COMMUNITY IN CONJUNCTION WITH THE UNITED WAY OF BENTON COUNTY, THE CITY OF CORVALLIS, BENTON COUNTY HEALTH DEPARTMENT, BENTON COUNTY FEDERALLY QUALIFIED HEALTH CENTER, OREGON STATE UNIVERSITY, THE BENTON COUNTY COMMISSION ON CHILDREN AND FAMILIES AND OTHER COMMUNITY PARTNERS, GSH EMPLOYEES AND OTHER SAMARITAN HEALTH SERVICES STAFF ACTIVELY PARTICIPATED IN A COMMUNITY NEEDS ASSESSMENT DURING 2010 THIS PROCESS INCLUDED EXAMINING PRIMARY DATA COLLECTED THROUGH FOCUS GROUPS, COMMUNITY FORUMS AND PERSONAL INTERVIEWS WITH SEVERAL COMMUNITY MEMBERS FROM THROUGHOUT BENTON COUNTY SECONDARY DATA WAS GATHERED FROM STATE AND LOCAL AGENCIES THAT ADDRESS HEALTH NEEDS OF CHILDREN, YOUTH AND FAMILIES AS A RESULT OF THE COMMUNITY NEEDS ASSESSMENT, GSH IS ABLE TO UPDATE THE ANNUAL COMMUNITY BENEFIT PLAN THAT OUTLINES GOALS, OBJECTIVES AND SERVICES THAT EXPAND ACROSS THE SAMARITAN HEALTH SERVICES SYSTEM RESPONDING TO COMMUNITY NEEDS

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 GSH IS COMMITTED TO PROVIDING THE HIGHEST QUALITY HEALTH CARE SERVICES TO ALL, REGARDLESS OF THEIR ABILITY TO PAY IF QUALIFICATIONS ARE MET, PATIENTS' CARE MAY BE PROVIDED FREE OR AT A REDUCED COST THE DETERMINATION IS BASED IN PART ON POVERTY INCOME GUIDELINES ISSUED BY THE U S DEPARTMENT OF HEALTH AND HUMAN SERVICES ONCE A COMPLETED FINANCIAL QUESTIONNAIRE HAS BEEN SUBMITTED, INDIVIDUALS/FAMILIES AT OR BELOW 200 PERCENT OF THE ESTABLISHED FEDERAL POVERTY LEVEL (FPL) COULD BE ELIGIBLE TO RECEIVE FREE OR DISCOUNTED CARE (CHARITY CARE) THE ORGANIZATION INFORMS AND EDUCATES PATIENTS AND COMMUNITY MEMBERS BY PUBLISHING INFORMATION REGARDING ALL FINANCIAL ASSISTANCE OPTIONS ON ITS WEBSITE, IN ADDITION TO IN PERSON AT THE REGISTRATION AREA, AND THROUGH CLEARLY IDENTIFIED MATERIALS LOCATED IN THE REGISTRATION AREA

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 GSH PRIMARILY SERVES THE RESIDENTS OF BENTON COUNTY HOWEVER, RESIDENTS FROM THE ADJOINING COMMUNITIES OF LINCOLN AND LINN COUNTIES ARE ALSO SEEN AT GSH WITH A TOTAL POPULATION OF 85,579 (U S CENSUS 2010), BENTON COUNTY IS DESIGNATED AS AN URBAN COUNTY THE COUNTY INCLUDES THE CITIES OF CORVALLIS AND PHILOMATH AS WELL AS THE SMALL INCORPORATED TOWNSHIPS OF MONROE AND ADAIR VILLAGE APPROXIMATELY 21% OF BENTON COUNTY RESIDENTS LIVE IN RURAL AREAS OF THE COUNTY THE MEDIAN HOUSEHOLD INCOME FOR BENTON COUNTY IS $71,800, AND 16 1% OF THE RESIDENTS LIVE BELOW THE FEDERAL POVERTY LEVEL AS OF DECEMBER 2011, THE OREGON EMPLOYMENT DEPARTMENT REPORTED A 5 9% UNEMPLOYMENT RATE FOR BENTON COUNTY ACCORDING TO THE 2012 COUNTY HEALTH RANKINGS, 17% OF BENTON COUNTY RESIDENTS ARE UNINSURED PORTIONS OF BENTON COUNTY HAVE DESIGNATIONS OF MEDICALLY UNDERSERVED AREAS AND MEDICALLY UNDERSERVED POPULATIONS ACCORDING TO THE HEALTH RESOURCES AND SERVICES ADMINISTRATION, WITH GSH BEING THE ONLY HOSPITAL LOCATED IN BENTON COUNTY

Identifier	ReturnReference	Explanation
		PART VI, LINE 5 GSH'S GOVERNING BOARD IS COMPRISED OF LOCAL-AREA RESIDENTS THE MAJORITY OF THE BOARD MEMBERS ARE INDEPENDENT, MEANING THEY AND THEIR FAMILY MEMBERS ARE NOT EMPLOYEES OF GSH NOR DO THEY HAVE ANY SIGNIFICANT BUSINESS RELATIONSHIPS WITH GSH GSH EXTENDS ITS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS IN THE COMMUNITY GSH APPLIES SURPLUS FUNDS TO IMPROVE PATIENT CARE, MEDICAL EDUCATION AND RESEARCH GSH INVESTS IN UPDATING EQUIPMENT, TECHNOLOGY AND FACILITIES TO IMPROVE PATIENT CARE GSH IS ACCREDITED FOR CONTINUING MEDICAL EDUCATION AND OFFERS WEEKLY PROGRAMS FOR AREA PHYSICIANS AND OTHER HEALTH PROFESSIONALS THE CENTER FOR HEALTH RESEARCH AND QUALITY, A DEPARTMENT OF GSH'S PARENT COMPANY, SAMARITAN HEALTH SERVICES (SHS), PROVIDES ADMINISTRATIVE OVERSIGHT FOR HEALTH AND CLINICAL RESEARCH, QUALITY IMPROVEMENT PROJECTS AND STUDIES, AND OTHER SPONSORED ACTIVITIES FOR GSH AND ITS AFFILIATED HOSPITALS GSH ALSO CONTRIBUTES FINANCIALLY TO THE LINN-BENTON COMMUNITY COLLEGE NURSING PROGRAM

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 "BUILDING HEALTHIER COMMUNITIES TOGETHER" IS THE COMMITMENT OF, AND THE MOTIVATION FOR, SAMARITAN HEALTH SERVICES (SHS), A NETWORK OF OREGON HOSPITALS, PHYSICIANS, AND SENIOR CARE FACILITIES THAT SERVES THE HEALTH CARE NEEDS OF PEOPLE IN THE MID-WILLAMETTE VALLEY AND THE CENTRAL OREGON COAST AS THE INDIVIDUAL ENTITIES OF SHS CAME TOGETHER TO BUILD HEALTHIER COMMUNITIES, THEY WERE DRAWN BY A SHARED MISSION "TO ENHANCE COMMUNITY HEALTH AND ACHIEVE HIGH VALUE THROUGH QUALITY SERVICES ACROSS THE CONTINUUM OF CARE " THAT MEANS SHS LOOKS CAREFULLY AT LOCAL HEALTH CARE NEEDS, AND IT GIVES THOUGHTFUL CONSIDERATION TO THE MOST EFFECTIVE WAYS TO MEET THOSE NEEDS THE RESULT IS A RICH MIX OF LOCAL AND CENTRALIZED REGIONAL SERVICES WHICH PROVIDE HIGH VALUE AND EXCELLENT HEALTHCARE FOR PEOPLE AT ALL STAGES OF THEIR LIVES SERVICES ARE PROVIDED TO ALL INDIVIDUALS, REGARDLESS OF THEIR ABILITY TO PAY THE COLLECTIVE VISION OF SHS IS TO SUCCESSFULLY OPERATE AS A VALUES-DRIVEN, CHURCH-RELATED ORGANIZATION GOVERNED BY A PARTNERSHIP OF COMMUNITY MEMBERS, PHYSICIANS AND OTHER HEALTH CARE PROVIDERS SHS SEEKS TO LEAD COLLABORATIVE EFFORTS AMONG PROVIDERS, EMPLOYERS, HEALTH PLANS AND CONSUMERS WHO SHARE SIMILAR GOALS AND VALUES TO MEET THE CHALLENGES OF THE FUTURE GSH IS THE FLAGSHIP HOSPITAL OF SHS IT PRIMARILY SERVES RESIDENTS OF BENTON COUNTY OTHER AFFILIATED HOSPITALS ARE SAMARITAN ALBANY GENERAL HOSPITAL AND SAMARITAN LEBANON COMMUNITY HOSPITAL, SERVING RESIDENTS OF LINN COUNTY, AND SAMARITAN NORTH LINCOLN HOSPITAL AND SAMARITAN PACIFIC COMMUNITIES HOSPITAL, SERVING RESIDENTS OF LINCOLN COUNTY

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

Additional Data

Software ID:
Software Version:
EIN: 93-0391573
Name: GOOD SAMARITAN HOSPITAL CORVALLIS

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? **28** Name and address	Type of Facility (Describe)
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
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SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
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SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
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SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY
SAMARITAN REGIONAL CANCER CENTER 501 NW ELKS DR CORVALLIS, OR 97330	RADIATION ONCOLOGY

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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
GOOD SAMARITAN HOSPITAL CORVALLIS

Employer identification number
93-0391573

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) COMMUNITY OUTREACH865 REIMAN AVENUE CORVALLIS,OR 97330	93-0602094	501(C)(3)	77,148				MEDICAL, DENTAL, MENTAL HEALTH CLINICS
(2) OLD MILL CENTER1650 SW 45TH PLACE CORVALLIS,OR 97333	93-0722603	501(C)(3)	43,750				SUPPORT FOR HIGH RISK INFANTS
(3) ALBANY HELPING HANDSPO BOX 2252 ALBANY,OR 97321	93-1244271	501(C)(3)	7,150				SUPPORT FOR HOMELESS PEOPLE
(4) CENTER AGAINST RAPE & DOMESTIC VIOLENCEPO BOX 914 CORVALLIS,OR 97339	93-0792125	501(C)(3)	35,000				TRANSITIONAL HOUSING SERVICES FOR DOMESTIC VIOLENCE SURVIVORS
(5) DIAL A BUS605 NW 27TH STREET CORVALLIS,OR 97330	26-4836268	501(C)(3)	5,800				TRANSPORTATION SUBSIDIES FOR NEEDY PATIENTS
(6) ALSEA RURAL HEALTH CARE INCPO BOX 229 ALSEA,OR 97324	93-0773246	501(C)(3)	15,000				RURAL HEALTHCARE SUPPORT
(7) BENTON COUNTY HEALTH DEPARTMENT530 NW 27TH ST CORVALLIS,OR 97330	93-6002285	GOV'T	11,040				ORAL HEALTH SUPPORT
(8) CORVALLIS DAYTIME DROP-IN CENTER316 SW WASHINGTON AVE STE 410 CORVALLIS,OR 97330	80-0019915	501(C)(3)	9,100				SUPPORT FOR THE COMMUNICABLE DISEASE PREVENTION PROJECT

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 8

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
(1) TRANSPORTATION	506	24,627			
(2) MEDICAL ASSISTANCE	8		283	BOOK	MEDICAL SUPPLIES
(3) SHELTER	21	576			
(4) MEALS FOR FAMILY MEMBERS OF PATIENTS	626		6,261	BOOK	MEALS
(5) ACCOMODATIONS - PASTEGA HOUSE	6493		35,637	BOOK	TEMPORARY HOUSING FOR HEALTH CARE RECIPIENTS

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 AGENCIES IN THE COMMUNITY ARE INVITED TO SUBMIT GRANT PROPOSALS THROUGH AN APPLICATION PROCESS A COMMITTEE REVIEWS THE APPLICATIONS TO DETERMINE IF THE FUNDS REQUESTED WILL BE USED TO ADDRESS THE ORGANIZATION'S ESTABLISHED COMMUNITY HEALTH PRIORITIES, IDENTIFIED NEEDS, AND SUPPORTS THE ORGANIZATION'S MISSION ONCE APPROVED AND FUNDED, AGENCIES MUST SUBMIT A COMPLETE ANNUAL REPORT DESCRIBING HOW THE FUNDS WERE USED, THE NUMBER OF CLIENTS SERVED, AND HOW OUTCOMES WERE ACHIEVED

Additional Data

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Software ID:
Software Version:
EIN: 93-0391573
Name: GOOD SAMARITAN HOSPITAL CORVALLIS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
COMMUNITY OUTREACH865 REIMAN AVENUE CORVALLIS,OR 97330	93-0602094	501(C)(3)	77,148				MEDICAL, DENTAL, MENTAL HEALTH CLINICS
OLD MILL CENTER 1650 SW 45TH PLACE CORVALLIS,OR 97333	93-0722603	501(C)(3)	43,750				SUPPORT FOR HIGH RISK INFANTS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ALBANY HELPING HANDSPO BOX 2252 ALBANY,OR 97321	93-1244271	501(C)(3)	7,150				SUPPORT FOR HOMELESS PEOPLE
CENTER AGAINST RAPE & DOMESTIC VIOLENCEPO BOX 914 CORVALLIS,OR 97339	93-0792125	501(C)(3)	35,000				TRANSITIONAL HOUSING SERVICES FOR DOMESTIC VIOLENCE SURVIVORS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
DIAL A BUS605 NW 27TH STREET CORVALLIS,OR 97330	26-4836268	501(C)(3)	5,800				TRANSPORTATION SUBSIDIES FOR NEEDY PATIENTS
ALSEA RURAL HEALTH CARE INCPO BOX 229 ALSEA,OR 97324	93-0773246	501(C)(3)	15,000				RURAL HEALTHCARE SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
BENTON COUNTY HEALTH DEPARTMENT530 NW 27TH ST CORVALLIS,OR 97330	93-6002285	GOV'T	11,040				ORAL HEALTH SUPPORT
CORVALLIS DAYTIME DROP-IN CENTER316 SW WASHINGTON AVE STE 410 CORVALLIS,OR 97330	80-0019915	501(C)(3)	9,100				SUPPORT FOR THE COMMUNICABLE DISEASE PREVENTION PROJECT

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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
GOOD SAMARITAN HOSPITAL CORVALLIS

Employer identification number
93-0391573

Part I Questions Regarding Compensation

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

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) FREDERICK WEISENSEE MD	(i)	288,599	2,632	15,082	23,736	15,457	345,506	0
	(ii)	0	0	0	0	0	0	0
(2) STEVEN W JASPERSON	(i)	0	0	0	0	0	0	0
	(ii)	375,305	29,000	30,618	38,497	26,869	500,289	0
(3) DANIEL B SMITH	(i)	0	0	0	0	0	0	0
	(ii)	285,276	28,000	7,332	20,228	31,203	372,039	0
(4) KATHRYN M HALE	(i)	163,469	9,665	2,814	25,290	19,328	220,566	0
	(ii)	0	0	0	0	0	0	0
(5) MICHAEL A MAY MD	(i)	280,513	10,600	5,236	36,172	31,210	363,731	0
	(ii)	0	0	0	0	0	0	0
(6) SCOTT WILSON	(i)	140,093	7,440	12,534	11,929	24,669	196,665	0
	(ii)	0	0	0	0	0	0	0
(7) STEVEN GOODWIN MD	(i)	625,653	6,000	1,283	20,228	23,802	676,966	0
	(ii)	0	0	0	0	0	0	0
(8) DONALD PENNINGTON DO	(i)	846,558	5,500	810	20,228	31,414	904,510	0
	(ii)	0	0	0	0	0	0	0
(9) TOSHIO NAGAMOTO MD	(i)	725,968	3,500	17,310	20,228	28,930	795,936	0
	(ii)	0	0	0	0	0	0	0
(10) RANDALL V BREAM MD	(i)	590,223	4,800	16,642	20,228	20,941	652,834	0
	(ii)	0	0	0	0	0	0	0
(11) LUIS VELA DO	(i)	748,467	14,800	810	20,228	26,447	810,752	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	PART I, LINE 1A	IN CONNECTION WITH ITS EMPLOYEE WELLNESS PROGRAM, THE ORGANIZATION HAS A GYM REIMBURSEMENT BENEFIT THAT IS AVAILABLE TO ALL EMPLOYEES WHO WORK AT LEAST 32 HOURS PER MONTH THE EMPLOYEE MUST ATTEND THE GYM FOR 6 CONSECUTIVE MONTHS, AT LEAST 50 TIMES, IN ORDER TO QUALIFY FOR REIMBURSEMENT THIS GYM REIMBURSEMENT BENEFIT IS INCLUDED IN THE EMPLOYEE'S TAXABLE WAGES AND IS SUBJECT TO STATE/FEDERAL WITHHOLDING TAX ONE OFFICER AND TWO KEY EMPLOYEES RECEIVED THIS BENEFIT IN 2011
	PART I, LINE 5	VARIOUS PHYSICIAN COMPENSATION METHODOLOGIES ARE UTILIZED AND, DEPENDING ON SPECIALTY, RELATIVE VALUE UNITS (RVU'S) MAY BE USED IN DETERMINING A PORTION OF OR ALL OF THEIR COMPENSATION

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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
GOOD SAMARITAN HOSPITAL CORVALLIS

Employer identification number
93-0391573

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) From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) No	(f) Approved by board or committee? Yes	(f) No	(g) Written agreement? Yes	(g) No
Total . . . . . ▶ $										

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV **Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) TANIA MAY	FAM MBR, M MAY	117,886	EMP BY ORG		No

Part V **Supplemental Information**

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

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GOOD SAMARITAN HOSPITAL CORVALLIS

Employer identification number
93-0391573

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 4	SECTION 7 1 5 OF THE ORGANIZATION'S BYLAWS WERE AMENDED WHEREBY THE BOARD DEVELOPMENT COMMITTEE IS TO BE RESPONSIBLE FOR REVIEWING THE PERFORMANCE OF THE DIRECTORS ALSO, THE RESTRICTION NOT ALLOWING BOARD DEVELOPMENT COMMITTEE MEMBERS TO ALSO SERVE AS OFFICERS OF THE BOARD WAS REMOVED

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 6	GOOD SAMARITAN HOSPITAL CORVALLIS HAS A SOLE CORPORATE MEMBER, SAMARITAN HEALTH SERVICES, INC , WHICH IS A SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7A	GOOD SAMARITAN HOSPITAL CORVALLIS ELECTS MEMBERS OF ITS BOARD OF DIRECTORS THOSE ELECTED MEMBERS ARE THEN SUBMITTED TO THE SOLE CORPORATE MEMBER FOR APPROVAL

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7B	THE SOLE CORPORATE MEMBER HAS SEVERAL RESERVED POWERS OVER THE ORGANIZATION THESE RESERVED POWERS INCLUDE, BUT ARE NOT LIMITED TO, APPROVAL AT CERTAIN THRESHOLD LEVELS THE BORROWING OF FUNDS, MERGERS AND ACQUISITIONS, AND SALES OR TRANSFERS OF ASSETS IN ADDITION, THE SOLE CORPORATE MEMBER MUST APPROVE ANY CHANGE IN THE MISSION OF THE ORGANIZATION, THE ANNUAL BUDGET, AND ANY AMENDMENTS TO THE ARTICLES OF INCORPORATION OR BYLAWS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	A COPY OF THE ORGANIZATION'S FINAL FORM 990 (INCLUDING REQUIRED SCHEDULES), AS ULTIMATELY FILED WITH THE IRS, WAS PROVIDED TO EACH VOTING MEMBER OF THE SAMARITAN HEALTH SERVICES (SHS) AUDIT AND COMPLIANCE COMMITTEE PRIOR TO ITS FILING WITH THE IRS SHS IS A 501(C)(3) CORPORATION AND IS THE SOLE MEMBER OF THE FILING ORGANIZATION SHS'S CHIEF FINANCIAL OFFICER CONDUCTED THE FORM 990 REVIEW WITH THE COMMITTEE AND PROVIDED TIME FOR QUESTIONS FROM THE GROUP A FORMAL REPORT OF THIS COMMITTEE HAS BEEN MADE TO THE FULL BOARD OF DIRECTORS OF SHS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	BOARD MEMBER CONFLICTS OF INTEREST THE MEMBERS OF THE BOARD MUST ANNUALLY COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE, WHICH REQUIRES DISCLOSURE OF ANY CONFLICTS OR POTENTIAL CONFLICTS OF INTEREST THE COMPLETED QUESTIONNAIRES ARE REVIEWED BY THE CHIEF FINANCIAL OFFICER AND CORPORATE COMPLIANCE OFFICER IF A CONFLICT IS DISCLOSED THAT COULD PROHIBIT A MEMBER FROM SERVING ON THE BOARD, THIS IS EVALUATED BY THE AUDIT AND COMPLIANCE COMMITTEE OF THE SAMARITAN HEALTH SERVICES (SHS) BOARD OF DIRECTORS TO DETERMINE WHETHER THE MEMBER SHOULD CONTINUE TO SERVE ON THE BOARD IF A CONFLICT IS DISCLOSED THAT DOES NOT PROHIBIT A MEMBER FROM SERVING ON THE BOARD, THE CONFLICT IS MANAGED THROUGH A PROCESS SET FORTH IN THE ORGANIZATION'S BYLAWS THE BYLAWS PROHIBIT ANY BOARD MEMBER FROM VOTING ON AN ACTION WHERE AN INDIVIDUAL MEMBER HAS A CONFLICT OF INTEREST EMPLOYEE CONFLICTS OF INTEREST THE SHS CODE OF ETHICS AND CONDUCT POLICY REQUIRES THAT ALL SHS EMPLOYEES COMPLETE AN ANNUAL DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST THROUGH THE HUMAN RESOURCES SOFTWARE, PERFORMANCE MANAGER, THE DISCLOSURE REQUIREMENT NOTICE IS ASSIGNED TO ALL EMPLOYEES AND BY YEAR END ALL TASKS ARE TO BE COMPLETED IF THERE IS A PERCEIVED CONFLICT OF INTEREST IT IS REVIEWED BY THE CORPORATE COMPLIANCE OFFICER, LEGAL COUNSEL AND/OR SENIOR MANAGEMENT ACTUAL CONFLICTS OF INTEREST ARE REVIEWED AND DISCUSSED BY THE AUDIT AND COMPLIANCE COMMITTEE OF THE SAMARITAN HEALTH SERVICES BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	FINANCIAL STATEMENTS ARE MADE AVAILABLE UPON REQUEST SYSTEM-WIDE SUMMARIZED DATA IS ALSO PROVIDED IN THE ANNUAL REPORT TO THE COMMUNITY THIS REPORT IS MADE AVAILABLE IN ALL KIOSKS AND HIGH-TRAFFIC AREAS OF ALL HOSPITALS AND PHYSICIAN CLINICS, AS WELL AS COMMUNITY PLACES SUCH AS THE PUBLIC LIBRARY IT IS ALSO DISTRIBUTED TO THE BOARDS OF DIRECTORS AND DIRECTLY MAILED TO DONORS AND NEW RESIDENTS IN THE COMMUNITY ADDITIONALLY, THE REPORT IS MADE AVAILABLE AT ALL EVENTS, COMMUNITY OUTREACH PROJECTS, AND SCREENINGS ATTENDED THROUGHOUT THE YEAR GOVERNING DOCUMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST

Identifier	Return Reference	Explanation
STEVEN W JASPERSON	FORM 990, PART VII - COMPENSATION EXPLANATION	MR JASPERSON'S COMPENSATION WAS PAID BY A RELATED ORGANIZATION FOR WORK DONE FOR THE FILING ORGANIZATION

Identifier	Return Reference	Explanation
DANIEL B SMITH	FORM 990, PART VII - COMPENSATION EXPLANATION	MR SMITH WORKED 40 HOURS PER WEEK FOR SEVERAL RELATED ORGANIZATIONS HIS COMPENSATION WAS PAID BY A RELATED ORGANIZATION FOR WORK DONE FOR THE FILING ORGANIZATION AND SEVERAL RELATED ORGANIZATIONS

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -894,525 DISTRIBUTIONS TO MINORITY INTEREST CONSOLIDATED JVS -1,360,146 INCREASE IN MINIMUM PENSION LIABILITY -11,856,043 OTHER CHANGES IN FUND BALANCE 2,678 TOTAL TO FORM 990, PART XI, LINE 5 -14,108,036

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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
GOOD SAMARITAN HOSPITAL CORVALLIS

Employer identification number
93-0391573

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

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

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

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

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) SAMARITAN HEALTH PLANS INC 3600 NW SAMARITAN DRIVE CORVALLIS, OR 97330 93-0860860	HEALTH INSURANCE CARRIER FOR THE COMMUNITY	OR	SAMARITAN HEALTH SERVICES	C			

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	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i	Yes	
j Lease of facilities, equipment, or other assets from related organization(s)	1j	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	Yes	
n Sharing of paid employees with related organization(s)	1n	Yes	
o Reimbursement paid to related organization(s) for expenses	1o	Yes	
p Reimbursement paid by related organization(s) for expenses	1p	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	

Schedule R (Form 990) 2011

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 93-0391573
Name: GOOD SAMARITAN HOSPITAL CORVALLIS

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity	g Section 512(b)(13) controlled organization	
ALBANY GENERAL HOSPITAL PO BOX 3000 CORVALLIS, OR 973393000 93-0110095	HOSPITAL SERVICES FOR THE COMMUNITY	OR	501(C)(3)	3	SAMARITAN HEALTH SERVICES		No
ALBANY GENERAL HOSPITAL FOUNDATION 1046 SIXTH AVENUE SW ALBANY, OR 97321 93-0712890	TO SUPPORT ALBANY GENERAL HOSPITAL	OR	501(C)(3)	7	ALBANY GENERAL HOSPITAL		No
FIRSTCARE HEALTH FOUNDATION PO BOX 3000 CORVALLIS, OR 973393000 93-0900124	TO SUPPORT AFFILIATED EXEMPT ENTITIES	OR	501(C)(3)	11B, II	SAMARITAN HEALTH SERVICES		No
FIRSTCARE MEDICAL FOUNDATION PO BOX 3000 CORVALLIS, OR 973393000 93-0932697	PROVIDER OF MEDICAL SERVICES FOR THE COMMUNITY	OR	501(C)(3)	9	SAMARITAN HEALTH SERVICES		No
GOOD SAMARITAN HOSPITAL AUXILIARY 3600 NW SAMARITAN DRIVE CORVALLIS, OR 973393000 93-6024034	TO SUPPORT GOOD SAMARITAN HOSPITAL	OR	501(C)(3)	11D, III-O	N/A	Yes	
GOOD SAMARITAN HOSPITAL FOUNDATION PO BOX 1068 CORVALLIS, OR 97339 23-7252406	TO SUPPORT GOOD SAMARITAN HOSPITAL	OR	501(C)(3)	7	GOOD SAMARITAN HOSPITAL	Yes	
INTERCOMMUNITY HEALTH PLANS INC PO BOX 3000 CORVALLIS, OR 973393000 93-1124326	SERVE OREGON HEALTH PLAN FOR MEDICAID	OR	501(C)(4)	N/A	SAMARITAN HEALTH SERVICES		No
LEBANON COMMUNITY HOSPITAL FOUNDATION PO BOX 739 LEBANON, OR 97355 93-1260080	TO SUPPORT LEBANON COMMUNITY HOSPITAL	OR	501(C)(3)	7	MID-VALLEY HEALTHCARE INC		No
MID-VALLEY HEALTHCARE INC PO BOX 3000 CORVALLIS, OR 973393000 93-0396847	HOSPITAL SERVICES FOR THE COMMUNITY	OR	501(C)(3)	3	SAMARITAN HEALTH SERVICES		No
PARADIGM INDEMNITY CORPORATION PO BOX 3000 CORVALLIS, OR 973393000 73-1668317	PURE NON-PROFIT CAPTIVE INSURANCE COMPANY	HI	501(C)(3)	11A, I	SAMARITAN HEALTH SERVICES		No
SAMARITAN HEALTH SERVICES INC PO BOX 3000 CORVALLIS, OR 973393000 93-0951989	PROVIDE HEALTHCARE SUPPORT SERVICES	OR	501(C)(3)	11C, III-FI	N/A		No
SAMARITAN NORTH LINCOLN HOSPITAL 3043 NE 28TH STREET LINCOLN CITY, OR 97367 93-1305493	HOSPITAL SERVICES FOR THE COMMUNITY	OR	501(C)(3)	3	SAMARITAN HEALTH SERVICES		No
SAMARITAN PACIFIC HEALTH SERVICES 930 SW ABBEY STREET NEWPORT, OR 97365 93-1329784	HOSPITAL SERVICES FOR THE COMMUNITY	OR	501(C)(3)	3	SAMARITAN HEALTH SERVICES		No
SAMARITAN SENIOR CARE INC PO BOX 3000 CORVALLIS, OR 973393000 93-1245534	PROVIDE HEALTHCARE FOR SENIORS	OR	501(C)(3)	9	SAMARITAN HEALTH SERVICES		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income ($)	(g) Share of end-of-year assets ($)	(h) Disproprtionate allocations?		(i) Code V-UBI amount on Box 20 of K-1 ($)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
SAMARITAN ENDOSCOPY CENTER LLC 3600 NW SAMARITAN DR CORVALLIS, OR 97330 20-2860067	MEDICAL SERVICES	OR	GOOD SAMARITAN HOSPITAL	RELATED	478,423	781,103		No		Yes		66 660 %
CORVALLIS MEDICAL BUILDINGS LLC 3600 NW SAMARITAN DRIVE CORVALLIS, OH 97330 93-1257913	REAL ESTATE RENTAL	OR	GOOD SAMARITAN HOSPITAL	EXCLUDED	139,168	1,471,777		No		Yes		54 500 %
EAST LINN MRI LLC 3600 NW SAMARITAN DRIVE CORVALLIS, OR 97330 32-0229399	IMAGING	OR	MID-VALLEY HEALTHCARE INC	N/A				No			No	
HULL IMAGING LLC 3600 NW SAMARITAN DRIVE CORVALLIS, OR 97330 20-3255479	IMAGING	OR	GOOD SAMARITAN HOSPITAL	RELATED	744,862	155,129		No		Yes		60 000 %
CBA-SAM LLC PO BOX 433 LINCOLN CITY, OR 97367 93-1314523	REAL ESTATE RENTAL	OR	N/A	N/A				No			No	
CORVALLIS MRI A JOINT VENTURE 3615 NW SAMARITAN DRIVE CORVALLIS, OR 97330 93-0949704	IMAGING	OR	GOOD SAMARITAN HOSPITAL	RELATED	456,705	459,736		No		Yes		50 000 %
MID-VALLEY MEDICAL PROPERTIES ASSOC LLC 1046 SIXTH AVE SW ALBANY, OR 97321 30-0508747	REAL ESTATE RENTAL	OR	ALBANY GENERAL HOSPITAL	N/A				No			No	
MID-VALLEY MEDICAL BUILDINGS LLC PO BOX 557 LEBANON, OR 97355 93-1126353	REAL ESTATE RENTAL	OR	N/A	N/A				No			No	
NORTHWEST MEDICAL ISOTOPES LLC 815 NW 9TH ST STE 256 CORVALLIS, OR 97330 27-3007752	RESEARCH	OR	SAMARITAN HEALTH SERVICES	N/A				No			No	
2750 HARRISON BLVD LLC 413 SW 13TH AVE STE 300 PORTLAND, OR 97205 27-4665571	REAL ESTATE RENTAL	OR	N/A	N/A				No			No	
CASCADE VIEW MEDICAL OFFICE BUILDING LLC PO BOX 3000 CORVALLIS, OR 973393000 30-0658805	REAL ESTATE RENTAL	OR	GOOD SAMARITAN HOSPITAL	EXCLUDED	-2,371	885,058		No		Yes		34 000 %

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)	INTERCOMMUNITY HEALTH PLANS INC	K	16,272,088	COST
(2)	SAMARITAN ENDOSCOPY CENTER LLC	A	344,718	COST
(3)	SAMARITAN ENDOSCOPY CENTER LLC	N	144,100	COST
(4)	SAMARITAN ENDOSCOPY CENTER LLC	O	144,100	COST
(5)	SAMARITAN ENDOSCOPY CENTER LLC	R	444,891	COST
(6)	CORVALLIS MEDICAL BUILDINGS LLC	A	47,689	COST
(7)	CORVALLIS MEDICAL BUILDINGS LLC	R	76,300	COST
(8)	CORVALLIS MEDICAL BUILDINGS LLC	J	427,566	COST
(9)	HULL IMAGING LLC	A	168,100	COST
(10)	HULL IMAGING LLC	N	638,937	COST
(11)	HULL IMAGING LLC	R	858,000	COST

KPMG

SAMARITAN HEALTH SERVICES, INC.

Consolidated Financial Statements

December 31, 2011 and 2010

(With Independent Auditors' Report Thereon)

KPMG LLP
Suite 3800
1300 South West Fifth Avenue
Portland, OR 97201

Independent Auditors' Report

The Board of Directors
Samaritan Health Services, Inc

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

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

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

Our audits were made for the purpose of forming an opinion on the consolidated financial statements as a whole The supplementary information included in schedules I and II is presented for purposes of additional analysis and is not a required part of the consolidated financial statements Such information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements as a whole

KPMG LLP

March 23, 2012

SAMARITAN HEALTH SERVICES, INC.

Consolidated Balance Sheets

December 31, 2011 and 2010

(Dollars in thousands)

Assets		2011	2010
Current assets			
Cash and cash equivalents	$	138,551	96,220
Short-term investments		7,078	11,026
Patient accounts receivable, net of allowance for uncollectible accounts of $18,580 in 2011 and $22,732 in 2010		60,697	62,414
Other receivables		14,168	9,616
Inventories		10,943	11,732
Other current assets		6,516	5,080
Total current assets		237,953	196,088
Assets limited as to use			
Restricted by donor for capital acquisition		3,754	3,727
Restricted by donor for permanent endowment		4,193	4,074
Held by trustee		24,630	32,462
Statutory deposits		2,236	1,865
Total assets limited as to use		34,813	42,128
Long-term investments		51,932	50,874
Property, plant, and equipment, net		239,919	233,412
Other assets		11,778	8,482
Total assets	$	576,395	530,984

(Continued)

SAMARITAN HEALTH SERVICES, INC.

Consolidated Balance Sheets

December 31, 2011 and 2010

(Dollars in thousands)

Liabilities and Net Assets		2011	2010
Current liabilities			
Accounts payable	$	30,086	26,735
Accrued salaries, wages, and benefits		43,924	37,528
Estimated third-party payor settlements		8,592	6,496
Liability for unpaid medical claims		10,829	11,018
Other current liabilities		4,720	4,998
Current portion of long-term debt		6,097	5,967
Total current liabilities		104,248	92,742
Long-term debt, less current portion		155,688	156,959
Professional liability, less current portion		9,539	8,283
Pension liability		40,602	27,758
Other liabilities		13,659	13,710
Total liabilities		323,736	299,452
Net assets			
Unrestricted		238,231	217,453
Unrestricted, noncontrolling interest		1,715	1,961
Temporarily restricted		8,520	8,044
Permanently restricted		4,193	4,074
Total net assets		252,659	231,532
Total liabilities and net assets	$	576,395	530,984

See accompanying notes to consolidated financial statements

SAMARITAN HEALTH SERVICES, INC.

Consolidated Statements of Operations and Changes in Unrestricted Net Assets

Years ended December 31, 2011 and 2010

(Dollars in thousands)

	2011	2010
Revenues		
Patient service revenue, net of contractual allowances and discounts	$ 549,306	532,228
Provision for bad debts	(32,782)	(29,589)
Net patient service revenue, less provision for bad debts	516,524	502,639
Premium revenue	169,798	144,140
Other operating revenue	27,905	23,231
Total revenues	714,227	670,010
Expenses		
Salaries and wages	320,348	306,903
Employee benefits	52,242	47,336
Medical services	88,837	74,581
Supplies	112,025	106,481
Purchased services	63,015	58,813
Utilities, insurance and other	39,658	34,718
Depreciation	26,586	25,118
Interest and amortization	7,789	7,107
Total expenses	710,500	661,057
Excess of revenues over expenses from operations	3,727	8,953
Other income, net		
Investment income	2,336	3,106
Other income	28,870	548
Total other income, net	31,206	3,654
Excess of revenues over expenses	34,933	12,607
Change in net unrealized gains and losses on investments	(2,280)	1,934
Net assets released from restrictions used for capital acquisition	1,273	1,631
Change in pension liability	(11,856)	(2,753)
Funding from noncontrolling interest in joint ventures	—	45
Distributions to noncontrolling interest in joint ventures	(1,538)	(1,452)
Change in unrestricted net assets	$ 20,532	12,012

See accompanying notes to consolidated financial statements

SAMARITAN HEALTH SERVICES, INC.

Consolidated Statements of Changes in Net Assets

Years ended December 31, 2011 and 2010

(Dollars in thousands)

	Unrestricted net assets		Temporarily	Permanently	
	Controlling interest	Noncontrolling interest	restricted net assets	restricted net assets	Total net assets
December 31, 2009	$ 205,493	1,909	8,254	3,797	219,453
Excess of revenues over expenses	12,607	—	—	—	12,607
Change in net unrealized gains and losses on investments	1,934	—	237	—	2,171
Net assets released from restrictions	1,631	—	(2,409)	—	(778)
Change in pension liability	(2,753)	—	—	—	(2,753)
Noncontrolling interest in earnings of consolidated joint ventures	(1,459)	1,459	—	—	—
Funding from noncontrolling interest in consolidated joint ventures	—	45	—	—	45
Distributions to noncontrolling interest in consolidated joint ventures	—	(1,452)	—	—	(1,452)
Contributions	—	—	1,962	277	2,239
Change in net assets	11,960	52	(210)	277	12,079
December 31, 2010	217,453	1,961	8,044	4,074	231,532
Excess of revenues over expenses	34,933	—	—	—	34,933
Change in net unrealized gains and losses on investments	(2,280)	—	(215)	—	(2,495)
Net assets released from restrictions	1,273	—	(2,128)	—	(855)
Change in pension liability	(11,856)	—	—	—	(11,856)
Noncontrolling interest in earnings of consolidated joint ventures	(1,292)	1,292	—	—	—
Distributions to noncontrolling interest in consolidated joint ventures	—	(1,538)	—	—	(1,538)
Contributions	—	—	2,819	119	2,938
Change in net assets	20,778	(246)	476	119	21,127
December 31, 2011	$ 238,231	1,715	8,520	4,193	252,659

See accompanying notes to consolidated financial statements

SAMARITAN HEALTH SERVICES, INC.

Consolidated Statements of Cash Flows

Years ended December 31, 2011 and 2010

(Dollars in thousands)

		2011	2010
Cash flows from operating activities			
Change in net assets	$	21,127	12,079
Adjustments to reconcile change in net assets to net cash from operating activities			
Depreciation and amortization		27,667	25,875
Net realized and unrealized gains on investments		2,297	(2,640)
Gain on disposal of assets and business		(27,920)	(197)
Equity income on joint ventures		(68)	(99)
Net funding from/distributions to noncontrolling interest		1,538	1,407
Restricted contributions		(687)	(1,093)
Changes in operating assets and liabilities			
Patient accounts receivable		1,717	1,967
Other receivables		(5,053)	(19)
Supplies inventory		789	(1,040)
Other assets		(1,892)	(1,821)
Accounts payable		5,404	5,064
Accrued salaries, wages, and benefits		6,396	4,549
Estimated third-party payor settlements		2,096	(94)
Liability for unpaid medical claims		(189)	2,345
Professional liability, net of current portion		1,256	2,089
Pension liability		12,844	3,125
Other liabilities		(329)	(957)
Net cash from operating activities		46,993	50,540
Cash flows from investing activities			
Purchase of property, plant, and equipment		(36,382)	(44,461)
Proceeds from sale of property, plant, and equipment and business		28,749	425
Investment in joint ventures, net		(313)	80
Purchase of investments		(44,908)	(69,639)
Proceeds from sale of investments		52,816	45,362
Net cash from investing activities		(38)	(68,233)
Cash flows from financing activities			
Proceeds from long-term debt		2,307	124,942
Principal payments on long-term debt		(6,048)	(72,819)
Restricted contributions		687	1,093
Payment of financing fees		(32)	(2,087)
Funding from noncontrolling interest in joint ventures		—	45
Distributions to noncontrolling interest in joint ventures		(1,538)	(1,452)
Net cash from financing activities		(4,624)	49,722
Increase in cash and cash equivalents		42,331	32,029
Cash and cash equivalents, beginning of year		96,220	64,191
Cash and cash equivalents, end of year	$	138,551	96,220
Supplemental disclosure of cash flow information			
Cash paid for interest	$	8,499	6,906
Noncash transactions			
Equipment acquired under capital lease arrangements	$	2,600	1,626
Investments in equity method joint ventures acquired by transfer of property		2,301	—
Change in accounts payable related to acquisition of property, plant, and equipment		(2,053)	(2,554)

See accompanying notes to consolidated financial statements

(1) Organization and Basis of Consolidation

Samaritan Health Services, Inc (SHS) is an Oregon nonprofit corporation formed for the purpose of providing a comprehensive system of healthcare and healthcare related services to residents of the Willamette Valley, the Oregon coast and other Oregon communities The consolidated financial statements include SHS and its direct affiliates, the most significant of which are

- Good Samaritan Regional Medical Center (GSRMC)
- Mid-Valley Healthcare, Inc (MVH)
- Samaritan Albany General Hospital (SAGH)
- Samaritan North Lincoln Hospital (SNLH)
- Samaritan Pacific Communities Hospital (SPCH)
- FirstCare Medical Foundation dba FirstCare Physicians (FCP)
- Samaritan Dialysis Services, LLC (SDS)
- Samaritan Senior Care, Inc dba Samaritan Heart of the Valley (SHOV)
- InterCommunity Health Plans (IHP)
- Paradigm Indemnity Corporation (PIC)
- Samaritan Health Plans, Inc (SH Plans)
- Albany General Hospital Foundation (AGHF)
- Good Samaritan Hospital Foundation Corvallis (GSHF)
- Lebanon Community Hospital Foundation (LCHF)

The Obligated Group, which was formed to facilitate borrowing within the health system, includes SHS, GSRMC, MVH, SAGH, and SHOV

All material interaffiliate accounts and transactions have been eliminated upon consolidation

In September 2011, SHS sold a portion of its business The sale generated a $26,499 gain, which is included in other income in the consolidated statement of operations and changes unrestricted in net assets for the year ended December 31, 2011

(2) Summary of Significant Accounting Policies

(a) Use of Estimates

The preparation of consolidated financial statements in conformity with U S generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period Key estimates include the valuation allowances for patient accounts, fair value of investments, third-party payor settlements, liability for unpaid medical claims, professional liability, and pension liability Actual results could differ from those estimates

(b) Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid investments with original maturities of three months or less The balance of cash was $137,627 and $94,748 as of December 31, 2011 and 2010, respectively

SHS maintains cash and cash equivalents on deposit at financial institutions, which often exceeds the limits insured by the Federal Deposit Insurance Corporation This exposes SHS to potential risk of loss in the event the financial institution becomes insolvent

(c) Inventories

Inventories, consisting principally of surgical, pharmacy and biomedical supplies, and home medical equipment, are carried at the lower of cost or market value

(d) Investments

Investments are measured at fair value in the consolidated balance sheets Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in excess of revenues over expenses unless the income or loss is restricted by donor or by law Unrealized gains and losses on investments are excluded from excess of revenues over expenses

A decline in fair value of a security below cost that is deemed to be other than temporary is recorded as an impairment loss and is included in excess of revenues over expenses A new cost basis is then established for the security To determine whether impairment is other than temporary, SHS considers whether it has the ability and intent to hold the investment until a market price recovery and whether evidence indicating the cost of the investment is recoverable outweighs evidence to the contrary Evidence considered in this assessment includes the reasons for the impairment, the severity and duration of the impairment, and the general market conditions in the geographic area or industry in which the investee operates

(e) Assets Limited as to Use

Assets limited as to use include assets restricted by donors for capital acquisition and permanent endowment funds, assets held by trustees under indenture agreements, and statutory deposits for IHP and SH Plans

(f) Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost Maintenance and repairs are expensed as incurred When properties are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is recorded as operating income or expense

Depreciation is computed using the straight-line method over estimated useful lives as follows: land improvements, 5 to 20 years; building and improvements, 5 to 40 years; equipment, 3 to 20 years. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation in the consolidated statements of operations and changes in unrestricted net assets.

Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. During 2011 and 2010, $672 and $1,308 of interest cost was capitalized.

(g) Deferred Financing Costs

Financing costs associated with long-term debt have been deferred and are amortized over the life of the related debt using the effective interest method.

(h) Liability for Unpaid Medical Claims and Medical Services Expense

Medical services expense is recognized in the period in which services are provided. The liability for unpaid medical claims includes an estimate of the cost of services provided which have been incurred but not reported, which is based on actuarial projections of costs using historical paid claims data. Estimates are regularly monitored and reviewed and, as settlements are made or estimates adjusted, differences are reflected in current operations. Such estimates are subject to the impact of changes in the regulatory environment and economic conditions. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided. While the ultimate amount of paid claims is dependent on future developments, management is of the opinion that the liability for claims is adequate to cover such claims.

(i) Professional Liability

The accrual for estimated professional liability claims includes an estimate of the ultimate costs for both reported claims and claims which have been incurred but not reported, which is based on actuarial projections of costs using historical paid claims data. Estimates are regularly monitored and reviewed and, as settlements are made or estimates adjusted, differences are reflected in current operations. Such estimates are subject to the impact of changes in the regulatory environment and economic conditions. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided. While the ultimate amount of paid claims is dependent on future developments, management is of the opinion that the liability for claims is adequate to cover such claims.

(j) Long-Lived Assets

Long-lived assets, such as property, plant, and equipment, and purchased intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment has been recognized in 2011 or 2010.

(Continued)

(k) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose Permanently restricted net assets have been restricted by donors to be maintained in perpetuity Income from temporarily and permanently restricted net assets is accounted for in accordance with donor instructions

(l) Excess of Revenues over Expenses from Operations

Excess of revenues over expenses from operations excludes certain items that SHS deems to be outside the scope of its primary business Investment income includes interest income, dividends, and realized gains and losses on investments Other income primarily includes rental income and gains related to the sale of a portion of SHS' business during 2011

(m) Excess of Revenues over Expenses

The performance indicator is 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, permanent transfers of assets to and from affiliates for other than goods and services, contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets), and change in pension liability

(n) Net Patient Service Revenue and Charity Care

SHS has agreements with third-party payors that provide for payments at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments Patient service revenue is reported net of contractual allowances and discounts at the estimated net realizable amounts from patients, third-party payors and others for services rendered

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

SHS provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its charity care policy Since SHS does not pursue collection of amounts determined to qualify as charity care, they are excluded from patient service revenue

(o) Provision for Bad Debts and Allowance for Doubtful Accounts

Accounts receivable are reduced by an allowance for doubtful accounts In evaluating the collectability of accounts receivable, SHS analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts

For receivables associated with self-pay patients (which include patients without insurance), SHS records a provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible

For third-party receivables associated with services provided to patients who have third-party coverage, SHS analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, which primarily relates to self-pay patient balances that will remain after payments from the third-party payor have been collected

The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts

(p) Premium Revenue

Premium revenue from IHP and SH Plans consists of premiums paid by individuals and agencies of the federal and state governments for healthcare services Premium revenue is recognized during the month for which the premium is associated Medicare premiums include revenue based on predetermined prepaid rates under Medicare contracts and are subject to audit and possible retroactive adjustments Provision has been made for estimated retroactive adjustments

In 2011 and 2010, premium revenue includes $1,350 and $(771), respectively, relating to favorable (unfavorable) settlements of prior years' reimbursement from Medicare

IHP had approximately 30,506 and 28,235 enrollees and SH Plans had approximately 5,439 and 5,352 enrollees at December 31, 2011 and 2010, respectively

(q) Income Taxes

SHS and its affiliates are exempt from taxation under the provisions of the Internal Revenue Code and are generally not subject to federal or state income taxes, except for SH Plans, which is a taxable Oregon nonprofit corporation Income tax benefit of $319 and $364 in 2011 and 2010, respectively, has been recorded as a component of excess of revenues over expenses from operations in the consolidated statements of operations and changes in unrestricted net assets

In addition, SHS is subject to income taxes on any net income that is derived from a trade or business, regularly carried on, and not in furtherance of the purposes for which it was granted exemption No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the consolidated financial statements taken as a whole

(r) Donor-Restricted Gifts

Unconditional promises to give cash and other assets to SHS and its affiliates are reported at fair value at the date the promise is received Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received The gifts are reported as either

temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in unrestricted net assets as net assets released from restrictions Donor-restricted contributions whose restrictions are met within the same year as received are recorded as unrestricted contributions

(s) Recently Adopted Accounting Standards

In July 2011, the FASB issued amendments to FASB ASC Subtopic 954-310, *Health Care Entities—Receivables*, and Subtopic 954-605, *Health Care Entities—Revenue Recognition*, (Subtopics 954-310 and 605) The amendments to Subtopics 954-310 and 605 require certain health care entities to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts) Additionally, those health care entities are required to provide enhanced disclosure about their policies for recognizing revenue and assessing bad debts The amendments also require disclosures of patient service revenue (net of contractual allowances and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts The amendments to Subtopics 954-310 and 605 are effective for SHS for the year ended December 31, 2012, with early adoption permitted for the year ended December 31, 2011 The early adoption of the amendments to Subtopics 954-310 and 605 resulted in a reclassification of the provision for bad debts of $29,589 for the year ended December 31, 2010 from expenses to a component of net patient service revenue

In August 2010, the FASB issued Accounting Standards Update (ASU) No 2010-23, *Health Care Entities (Topic 954) Measuring Charity Care for Disclosure* This ASU is intended to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care This ASU requires that cost, including direct and indirect costs, be used as the measurement basis for charity care disclosure purposes and that the method used to identify or determine such costs be disclosed This ASU was effective for SHS on January 1, 2011 SHS previously reported charity care at cost for disclosure purposes and the adoption of this standard did not have a material impact on its disclosures

In August 2010, the FASB issued ASU No 2010-24, *Health Care Entities (Topic 954) Presentation of Insurance Claims and Related Insurance Recoveries* This ASU prohibits a healthcare entity from netting insurance recoveries against related claim liabilities for reporting purposes Additionally, this ASU requires that the amount of the claim liability be determined without consideration of insurance recoveries This ASU is effective for SHS on January 1, 2011 The adoption of this standard did not have a material impact on SHS' consolidated balance sheet

(3) Net Patient Service Revenue

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

- Medicare

  Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries at GSRMC and SAGH are paid based on prospectively determined rates. These rates vary according to a patient classification system that is based on the resources used to treat Medicare patients in those classifications. Disproportionate share hospital and graduate medical education adjustments are reimbursed at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary.

  Three of SHS' facilities (MVH, SPCH, and SNLH) are Critical Access Hospitals (CAH). CAHs are exempt from both inpatient and outpatient prospective payment systems. Inpatient and outpatient services rendered to Medicare program beneficiaries at CAHs are reimbursed based on costs. CAHs are reimbursed based on tentative rates with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. Under Medicare, CAH cost reimbursement is not subject to the lower of costs or charges.

- Medicaid

  Inpatient services rendered to Medicaid program beneficiaries at GSRMC and SAGH are paid at prospectively determined rates. Outpatient services rendered to Medicaid program beneficiaries are reimbursed at 80% of costs. The hospitals are reimbursed at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the state's Medicaid agency.

  Inpatient and outpatient services rendered to Medicaid program beneficiaries at CAHs are reimbursed based on costs. CAHs are reimbursed based on tentative rates with final settlement determined after submission of annual cost reports and audits thereof by the state's Medicaid agency. Under Medicaid, CAH cost reimbursement is subject to the lower of costs or charges.

Revenue from the Medicare and Medicaid programs accounted for approximately 35% and 12%, respectively, of SHS' net patient service revenue in 2011 and 36% and 10%, respectively, of SHS' net patient service revenue in 2010. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a possibility that recorded estimates will change by a material amount in the near term. In 2011 and 2010, net patient service revenue includes $1,829 and $4,899, respectively, relating to favorable settlements of prior years' reimbursement from the Medicare and Medicaid programs.

SHS also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Patient service revenue consists of the following

	2011		
	Third-party payors	Self-pay	All payors
Gross patient charges	$ 807,878	67,400	875,278
Deductions from gross patient charges			
Contractual allowances and discounts	272,458	11,461	283,919
Charity allowances, based on charges	16,322	25,731	42,053
Provision for bad debts	8,601	24,181	32,782
	297,381	61,373	358,754
Total	$ 510,497	6,027	516,524

	2010		
	Third-party payors	Self-pay	All payors
Gross patient charges	$ 779,466	74,396	853,862
Deductions from gross patient charges			
Contractual allowances and discounts	266,264	15,503	281,767
Charity allowances, based on charges	12,602	27,265	39,867
Provision for bad debts	6,744	22,845	29,589
	285,610	65,613	351,223
Total	$ 493,856	8,783	502,639

SHS grants credit without collateral to its patients, most of whom are local residents and insured under third-party payor agreements The mix of net receivables from patients and third-party payors consists of the following at December 31

	2011	2010
Medicare	27%	27%
Medicaid	14	14
Patients	1	5
Other third-party payors, primarily commercial	58	54
	100%	100%

SHS has contracted to sell certain patient accounts receivable accounts to a third party The contracts include a right for the third party to recourse the receivables to SHS in the event of patient default SHS has estimated a reserve for such recourse of $3,793 and $3,498, respectively, at December 31, 2011 and 2010

(Continued)

As a result of recently enacted federal health care reform legislation, substantial changes are anticipated in the U S health care system Such legislation includes numerous provisions affecting the delivery of health care services, the financing of health care costs, payments to health care providers, and the legal obligations of health insurers, providers and employers These provisions are currently slated to take effect at specified times over approximately the next decade

(4) Samaritan North Lincoln Affiliation Agreement

On January 1, 2001, SHS entered into a long-term lease of a hospital facility and certain equipment with North Lincoln Health District (NLH-District) whereby SHS operates the hospital as Samaritan North Lincoln Hospital (SNLH) SHS has agreed to lease SNLH from NLH-District for a period of 30 years, with a termination date of December 31, 2030 Both parties have the right to terminate the lease without cause with five years' written notice at any time after December 31, 2005 Both parties have the right to terminate the lease for cause with one year's written notice

Effective January 1, 2001, NLH-District made a net working capital transfer to SHS of certain current assets and current liabilities related to the operation of SNLH Upon termination of the lease agreement, SHS is required to remit the balance of the adjusted net working capital account back to NLH-District Neither party has elected to terminate the contract as of December 31, 2011 The net working capital transfer balance of $3,966 and $3,859 is included in other liabilities in the consolidated balance sheets as of December 31, 2011 and 2010, respectively

All payments made by SHS to NLH-District as a contribution towards maintaining the SNLH facility and equipment are to be held in a Capital Improvement and Replacement Fund (CIRF) The CIRF, as well as equipment purchased through the CIRF, is the property of NLH-District, however, under the terms of the agreement, SHS has the right to direct the use of CIRF funds to purchase equipment and other capital additions for SNLH Effective in 2009, SNLH agreed to transfer 10% of net income to NLH-District to fund the CIRF SNLH has recorded $0 and $113 in other current liabilities in the consolidated balance sheets as of December 31, 2011 and 2010, respectively

As provided by the agreement, NLH-District is required to make payments to SHS for 90% of NLH-District's maximum annual authorized property tax operating levy SNLH has recorded $1,005 and $1,009 as other operating revenue related to these property tax operating levy amounts provided by NLH-District during 2011 and 2010, respectively SNLH has recorded $619 and $597 related to this operating tax levy in other receivables in the consolidated balance sheets as of December 31, 2011 and 2010, respectively

(5) Samaritan Pacific Communities Affiliation Agreement

On January 1, 2002, SHS entered into a long-term management agreement with Pacific Communities Health District (PCH-District) whereby SHS operates the hospital as Samaritan Pacific Health Services dba Samaritan Pacific Communities Hospital (SPCH) SHS has agreed to operate SPCH for a period of 30 years, with a termination date of December 31, 2031 Both parties have the right to terminate the agreement without cause with five years' written notice at any time after December 31, 2006 Both parties have the right to terminate the lease for cause with one year's written notice

(Continued)

Effective January 1, 2002, PCH-District made a net working capital transfer to SHS of certain current assets and current liabilities related to the operation of SPCH. Upon termination of the agreement, SHS is required to remit the balance of the adjusted net working capital account back to PCH-District and sell PCH-District all fixed assets acquired after commencement of the agreement at half of net book value. Neither party has elected to terminate the contract as of December 31, 2011. The net working capital transfer balance of $4,880 and $4,898 is included in other liabilities in the consolidated balance sheets as of December 31, 2011 and 2010, respectively.

As provided by the agreement, PCH-District is required to make payments to SHS for 70% of PCH-District's maximum annual authorized property tax operating levy. SPCH has recorded $786 and $739 as other operating revenue related to the property tax operating levy amount provided by PCH-District during 2011 and 2010, respectively. Receivables of $490 and $467 related to this operating tax levy are included in other receivables in the consolidated balance sheets as of December 31, 2011 and 2010, respectively.

(6) Charity Care and Other Community Benefit Services

As part of its charitable mission to enhance and improve health in the community, SHS provides healthcare services to people in need, including charity care for those patients needing financial assistance and services to patients covered by Medicare, Medicaid, and other public programs where the costs of care exceed reimbursement from these programs. In addition, SHS sponsors other activities that benefit the community.

The following represents the estimated cost of providing these services and activities, along with descriptions of selected activities during 2011 and 2010:

	2011		
	Community benefit costs	Offsetting revenue	Net community benefit costs
Charity care and public programs			
Charity care	$ 20,623	—	20,623
Medicaid	80,921	70,940	9,981
Medicare	271,139	212,257	58,882
Other public programs	7,566	5,025	2,541
	380,249	288,222	92,027
Other benefits to the community			
Community health improvement services	1,538	340	1,198
Health professions education	4,024	9	4,015
Subsidized health services	60,470	39,973	20,497
Cash and in-kind contributions to charitable organizations	2,359	89	2,270
Other community benefit activities	2,105	578	1,527
	70,496	40,989	29,507
Total	$ 450,745	329,211	121,534

(Continued)

	2010		
	Community benefit costs	Offsetting revenue	Net community benefit costs
Charity care and public programs			
Charity care	$ 19,791	—	19,791
Medicaid	66,928	48,398	18,530
Medicare	238,379	193,231	45,148
Other public programs	7,445	5,183	2,262
	332,543	246,812	85,731
Other benefits to the community			
Community health improvement services	1,154	208	946
Health professions education	5,364	8	5,356
Subsidized health services	50,245	35,307	14,938
Cash and in-kind contributions to charitable organizations	2,542	177	2,365
Other community benefit activities	1,443	240	1,203
	60,748	35,940	24,808
Total	$ 393,291	282,752	110,539

(a) Charity Care and Public Programs

Charity care Consistent with its charitable mission, SHS provides medically necessary patient care services that are discounted or free of charge to uninsured or underinsured persons who qualify for assistance due to insufficient resources The criteria for charity care assistance is determined based on eligibility for insurance coverage, household income, qualified assets, catastrophic medical events, eligibility for other means-tested government programs, and/or other information supporting a patient's inability to pay for services provided In addition to a 10% discount for all uninsured patients, SHS makes full subsidies available for patients whose household income is at or below 150% of the federal poverty level (FPL), for patients above 150% of the FPL but below 200%, discounts are available on a sliding scale

Medicaid, Medicare, and Other Public Programs In addition to charity care, SHS provides services under various public programs for financially needy patients The cost of providing services to Medicaid beneficiaries, including patients covered by Oregon's and other states' Medicaid programs, generally exceeds the reimbursement from these programs SHS serves a significant population of Medicare beneficiaries, including those covered under traditional Medicare as well as Medicare managed care programs The cost of treating these Medicare patients at certain of SHS' hospitals exceeds government payments received Other public programs include Tricare, Veteran's Administration, and other government-sponsored programs The cost of healthcare services for patients covered under these programs generally exceeds reimbursement

(Continued)

The estimated cost of services provided under these programs is determined based on the relationship of total operating costs to gross charges, called the cost-to-charge ratio Total operating costs for purposes of this ratio exclude the provision for doubtful accounts as well as costs associated with community benefit activities, such as community health services, medical education, and cash or in-kind contributions to other charitable organizations, as described below Total cost is then offset with any related reimbursements to arrive at net community benefit cost

(b) Other Benefits to the Community

Community health improvement services include community health education and clinics, such as classes and workshops on health topics for little or no charge, health screenings, support groups, resource centers and medical libraries

Health professions education includes programs to train medical students, nurses, and other health professionals, including students in imaging, pharmacy, physical rehabilitation, laboratory, and other areas

Subsidized health services are clinical programs provided despite a financial loss (after excluding the cost of charity care, bad debt, and unreimbursed cost of Medicaid and Medicare) because the service is needed in the community Examples include emergency and trauma care, hospice and home health care, women's and children's services, behavioral health services, and outpatient clinic services

Cash and in-kind contributions to charitable organizations include grants to community organizations that are selected by SHS through an application process through each hospital's social accountability committee Applications from community organizations are evaluated based on meeting identified community health needs Organizations that receive funding are required to report on their use of the funds Cash contributions also include funds donated to community organizations that provide health related services in the hospital service areas In-kind contributions include providing free medications to individuals in need who are identified through community outreach programs and regular free health clinics

Other community benefit activities include research, community building activities, and community benefit operations Research includes health-related studies or trials whose results benefit the public Community building activities include community support, leadership development for community members, coalition building, and workforce development activities Community benefit operations include SHS staff whose function is to coordinate and lead efforts to promote and track the organization's community benefit activities

(7) Investments

Investments comprise the following at December 31

	2011	2010
Cash and cash equivalents	$ 14,560	4,531
Certificates of deposit	2,009	8,729
Mutual funds		
Domestic equities	18,407	23,137
International equities	4,648	3,591
Domestic debt securities	13,064	10,996
Fixed income		
U S agency obligations	23,765	36,235
Domestic corporate bonds	15,114	15,279
International corporate bonds	920	297
Real estate properties	735	618
Hedge fund	601	615
	93,823	104,028
Less		
Short-term investments	7,078	11,026
Assets limited as to use	34,813	42,128
Long-term investments	$ 51,932	50,874

Assets limited as to use that are held by trustee include funds received from bond issuances, which are released as the projects for which the bonds were issued are completed Additionally, this includes amounts held for future interest and principal payments of $1,550 and $1,033 at December 31, 2011 and 2010, respectively, as well as a debt reserve fund of $10,259 and $9,946 at December 31, 2011 and 2010, respectively

IHP, as required by the Oregon Health Plan, has deposits with the state of Oregon of $1,932 and $1,590 as of December 31, 2011 and 2010, respectively SH Plans is required to keep investments on deposit in the states where it is licensed and has deposits of $275 as of December 31, 2011 and 2010

(Continued)

Investment income is comprised of the following for the years ended December 31

		2011	2010
Investment income, net			
Interest income	$	2,138	2,637
Net realized gains and losses on sales of investments		198	469
	$	2,336	3,106
Other changes in net assets			
Change in net unrealized gains and losses on investments	$	(2,495)	2,171

Gross unrealized losses and fair value, which have been in a continuous unrealized loss position at December 31, 2011 and 2010

	December 31, 2011								
	Less than twelve months			Twelve months or longer			Total		
	No of investments	Fair value	Unrealized losses	No of investments	Fair value	Unrealized losses	No of investments	Fair value	Unrealized losses
Real estate properties	—	$ —	—	1	$ 730	308	1	$ 730	308
Mutual funds									
International equities	1	4,647	111	—	—	—	1	4,647	111
Total	1	$ 4,647	111	1	$ 730	308	2	$ 5,377	419

	December 31, 2010								
	Less than twelve months			Twelve months or longer			Total		
	No of investments	Fair value	Unrealized losses	No of investments	Fair value	Unrealized losses	No of investments	Fair value	Unrealized losses
Real estate properties	—	$ —	—	1	$ 606	399	1	$ 606	399
Total	—	$ —	—	1	$ 606	399	1	$ 606	399

At December 31, 2011 and 2010, the unrealized losses included in the tables above are considered temporary due to SHS' intent and ability to hold the investment until a market price recovery

(Continued)

(8) Property, Plant, and Equipment

Property, plant, and equipment comprise the following at December 31

	2011	2010
Land and land improvements	$ 30,398	26,911
Buildings and leasehold improvements	258,636	214,784
Furniture and equipment	163,668	137,099
Equipment under capital lease obligations	27,147	39,365
Construction in progress	16,615	49,188
	496,464	467,347
Less accumulated depreciation	256,545	233,935
	$ 239,919	233,412

There were capital expenditure purchase commitments outstanding as of December 31, 2011 for various construction and equipment projects The estimated cost to complete such projects at December 31, 2011 was $39,687 of which $31,531 was contractually committed

(9) Line of Credit

SHS may borrow up to $16,000 under its line of credit agreement No amounts were borrowed during 2011 and there were no outstanding balances at December 31, 2011 Interest is payable at 3 25% at December 31, 2011

(10) Long-Term Debt

Long-term debt comprises the following at December 31

	2011	2010
Oregon Facilities Authority Revenue Refunding Bonds, Series 2010, 4.00% to 5.25%, principal maturing in varying annual amounts, due October 2040, secured by an interest in gross revenues	$ 122,055	122,055
Hospital Facilities Authority of Benton County, Oregon Revenue and Refunding Bonds, Series 1998, 3.70% to 5.10%, principal maturing in varying annual amounts, due October 2028, secured by an interest in gross revenues	6,180	6,180
Oregon Facilities Authority, SNAP Revenue Bond, Series A, 4.355% resetting every five years, principal maturing in varying monthly amounts, due September 2034, unsecured	14,259	15,118
Loan payable, 6.37%, payable in monthly installments of $62, due December 2017, secured by real estate	3,238	3,759
Loan payable, 5.97%, payable in monthly installments of $42, due September 2020, secured by real estate	3,444	3,734
Loan payable, 2.19%, interest payable monthly, due November 2012, secured by real estate	2,307	—
Obligations under capital leases, secured by related equipment	9,472	11,024
Other debt	830	1,056
	161,785	162,926
Less current portion	6,097	5,967
	$ 155,688	156,959

The Obligated Group is required to satisfy certain measures of financial performance as long as the bonds are outstanding under the Master Trust Indenture At December 31, 2011 and 2010, management believes that the Obligated Group was in compliance with the terms of its debt agreements

The Oregon Facilities Authority Revenue Refunding Bonds, Series 2010 (2010 Bonds), were issued in March 2010 in the amount of $122,055 Interest payments on the 2010 Bonds are made monthly to an account held by the trustee Interest is paid semi-annually and principal is paid annually beginning October 2014 and carry interest rates ranging from 4.00% to 5.25% The 2010 Bonds maturing in the years 2030, 2035 and 2040 (the 2010 Term Bonds) are subject to mandatory redemption and sinking fund requirements beginning October 1, 2026 The proceeds from the 2010 Bonds were used to refund a portion of the Hospital Facilities Authority of Benton County Bonds Oregon Revenue and Refunding Bonds, Series 1998 (1998 Bonds), refinance other long-term and short-term debt obligations, finance certain capital construction projects, primarily an ambulatory surgery building on the GSRMC campus, and to pay expenses incurred with the issuance SHS recognized a loss of $541 related to the refinancing transactions

(Continued)

under the 2010 Bonds, which is included in interest and amortization in the consolidated statement of operations and changes in unrestricted net assets for the year ended December 31, 2010

The Oregon Facilities Authority SNAP Revenue Bond, Series A bonds (Samaritan Health Services Project) (2009 Bonds) were issued in September 2009 in the amount of $15,800 Payments on the 2009 Bonds are made monthly and carry an initial interest rate of 4 355% The rate is reset every five years beginning December 30, 2017 based on the change in the five year U S Treasury Constant Maturity Note Index over the period plus a base rate of 4 46% The proceeds from the 2009 Bonds were restricted for capital expenditures, primarily the construction of a facility that is owned by SHS and leased to Western University Health Sciences, and to pay expenses incurred with the issuance

Included in long-term debt is a short-term obligation construction loan in the amount of $2,307 Due to SHS' intent and ability to refinance this obligation on a long-term basis in 2012 and in accordance with FASB ASC 470-10-45, this amount has been excluded from the current portion of long-term debt

Total interest cost in 2011 and 2010 was $8,753 and $8,817, respectively

Scheduled principal repayments on long-term debt and payments on capital lease obligations are as follows

	Long-term debt	Capital lease obligations
Obligations excluded from current portion of long-term debt	$ 2,307	4,410
2012	2,024	3,005
2013	2,124	1,334
2014	2,744	896
2015	2,865	428
2016	3,023	—
Thereafter	137,226	—
	$ 152,313	10,073
Less amount representing interest under capital lease obligations		(601)
		$ 9,472

(Continued)

(11) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at December 31

		2011	2010
Operating programs support	$	2,858	3,249
Capital acquisition		4,980	3,727
Other		682	1,068
Total temporarily restricted net assets	$	8,520	8,044

The foundations' endowments consist of ten individual funds established for a variety of purposes The endowments include both donor-restricted endowment funds and unrestricted funds designated by the boards of trustees of each of the foundations to function as endowments Net assets associated with endowment funds, including funds designated by the boards of trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions The foundations have adopted investment and spending policies for endowment assets to ensure appropriations for distributions are consistent with the foundations' objective of maintaining the corpus

(12) Retirement Plans

(a) Retirement Plan

Employees aged 18 or older and having completed one year of service (12 months with at least 1,000 hours) are eligible to participate in the Samaritan Health Services Retirement Plan (SHS Retirement Plan), a defined contribution pension plan Employer contributions are 4% of gross earnings, with an additional 4% of earnings in excess of the FICA wage base

Employer contributions under this plan were $10,503 and $9,691 in 2011 and 2010, respectively, and are included in employee benefits in the consolidated statements of operations and changes in unrestricted net assets

(b) Tax Sheltered Annuity Plan

Employees aged 18 or older and having completed one year of service (12 months with at least 1,000 hours) are eligible to participate in the Samaritan Health Services Tax Sheltered Annuity Plan (SHS TSA Plan) The level of contribution depends on, among other things, the level of employee contributions to individual tax sheltered annuity accounts, matching up to 2% of the employees' gross earnings SHS suspended the employer match to the SHS TSA Plan for all noncontractual employees for a period of time during 2010

Employer contributions under this plan were $4,445 and $2,959 in 2011 and 2010, respectively, and are included in employee benefits in the consolidated statements of operations and changes in unrestricted net assets

(Continued)

(c) Defined Benefit Plan

GSRMC has a noncontributory defined benefit pension plan (the Plan) covering GSRMC employees hired prior to 2001 who elected not to join the SHS Retirement Plan The Plan benefits are based on years of service and the employees' compensation during the term of employment Contributions are intended to provide for benefits attributed to service to date and for those expected to be earned in the future GSRMC's policy has been to contribute for each plan year an amount between the minimum and maximum contribution allowed under Internal Revenue Service (IRS) regulations

The retirement benefits of all participants in the Plan were frozen effective December 31, 2011 (Freeze Date) No benefit service after the Freeze Date will be taken into account in determining a participant's retirement benefits After the Freeze Date, future retirement benefits will be provided by the SHS Retirement Plan and the SHS TSA Plan

SHS recognizes the funded status of the defined benefit pension as a net asset or liability on its consolidated balance sheets Actuarial gains and losses are generally amortized subject to the corridor, over the average remaining service life of the employees

The following table sets forth the Plan's funded status at December 31, 2011 and 2010

		2011	2010
Change in projected benefit obligation			
Projected benefit obligation at beginning of year	$	86,422	74,583
Service cost		2,344	2,217
Interest cost		4,580	4,343
Actuarial loss		16,426	6,889
Benefits paid		(1,814)	(1,610)
Current plan amendments		(7,339)	—
Projected benefit obligation at end of year		100,619	86,422
Change in fair value of plan assets			
Fair value of plan assets at beginning of year		58,664	49,950
Actual return on plan assets		(879)	6,070
Employer contributions		4,200	4,382
Administrative expenses		(154)	(128)
Benefits paid		(1,814)	(1,610)
Fair value of plan assets at end of year		60,017	58,664
Funded status	$	(40,602)	(27,758)

(Continued)

		2011	2010
Amounts recognized in the consolidated balance sheets consist of			
Recognized accrued pension asset	$	3,717	2,729
Actuarial loss not yet recognized as a component of net periodic benefit cost		36,885	25,029
Total pension liability		40,602	27,758
Net amount recognized	$	40,602	27,758
Amounts recognized as changes in net assets consist of			
Actuarial loss	$	14,362	4,697
Amortization of net loss		(2,506)	(1,944)
Net amount recognized	$	11,856	2,753
Accumulated benefit obligation at end of year	$	100,619	80,146

The following table sets forth the components of net periodic benefit cost in 2011 and 2010, which is included in employee benefits in the consolidated statements of operations and changes in unrestricted net assets

		2011	2010
Service cost	$	2,344	2,217
Interest cost		4,580	4,343
Expected return on plan assets		(4,243)	(3,750)
Amortization of actuarial loss		2,506	1,944
Net periodic benefit cost	$	5,187	4,754

The estimated net actuarial loss that will be amortized from net assets into net periodic pension cost during 2012 is $4,133

Assumptions used to determine benefit obligations at December 31 were as follows

	2011	2010
Benefit obligation		
Discount rate	4 23%	5 37%
Rate of increase in future compensation levels	n/a	5 00
Net periodic benefit cost		
Discount rate	5 37%	5 90%
Expected long-term rate of return on plan assets	7 10	7 25
Rate of increase in future compensation levels	5 00	5 00

(Continued)

The expected long-term rate of return on plan assets is the expected weighted average rate of return on the funds invested currently and on funds to be invested in the future in order to provide for the benefits included in the projected benefit obligation The assumptions are based on capital market assumptions and the Plan's target asset allocation SHS monitors the expected long-term rate of return to determine if changes in those parameters cause the estimate to be outside of a reasonable range of expected returns, or if actual Plan returns over an extended period of time suggest that general market assumptions are not representative of expected Plan results

The Plan's asset allocation at December 31 was as follows

	2011	2010
Cash	3%	2%
Domestic equities	40	40
International equities	13	17
Domestic debt securities	30	27
Real estate properties	8	5
Hedge fund	6	9
Total	100%	100%

Pension plan assets are managed according to an investment policy adopted by the Samaritan Health Services, Inc Retirement Plan Trustees The board of directors establishes overall investment objectives and delegates the authority for executing the policy to the Retirement Plan Trustees Professional investment managers are retained to manage specific asset classes and professional consulting is utilized for investment performance reporting The primary objective is to achieve the highest possible total return commensurate with safety and preservation of capital in real, inflation adjusted terms The objective includes having funds invested for the long-term, which protects the principal and produces returns sufficient to meet future benefit obligations The investment policy provides for an asset allocation that includes equities, fixed income instruments, real estate, and market neutral hedge funds The target allocation of these asset classes are 53% equity, 27% fixed income, 10% real estate, and 10% market neutral hedge funds

(Continued)

In accordance with FASB ASC 820-10-50, financial assets and financial liabilities measured at fair value are grouped in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to estimate fair value These levels and associated valuation methodologies are described in note 16 The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011

	Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 1,927	1,927	—	—
Mutual funds				
International equities	8,020	8,020	—	—
Domestic debt securities	18,103	18,103	—	—
Common and collective trusts				
Domestic equities	23,477	—	23,477	—
Real estate properties	3,442	—	—	3,442
Hedge fund	5,048	—	—	5,048
	$ 60,017	28,050	23,477	8,490

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010

	Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 937	937	—	—
Mutual funds				
International equities	10,260	10,260	—	—
Domestic debt securities	15,947	15,947	—	—
Common and collective trusts				
Domestic equities	23,288	—	23,288	—
Real estate properties	3,019	—	—	3,019
Hedge fund	5,213	—	—	5,213
	$ 58,664	27,144	23,288	8,232

The following table presents a reconciliation of the beginning and ending balances of Level 3 assets

	2011	2010
Balance, beginning of year	$ 8,232	7,614
Realized and unrealized gains, net	417	798
Purchases, issuances, and settlements, net	(159)	(180)
Balance, end of year	$ 8,490	8,232

(Continued)

SHS expects to contribute $3,858 to the Plan in 2012

The following benefit payments are expected to be paid as follows

2012	$ 2,737
2013	3,286
2014	3,778
2015	4,264
2016	4,698
2017 – 2020	29,026
	$ 47,789

(13) Commitments and Contingencies

(a) Professional Liability and Other Claims

SHS is self-insured for professional and general liability coverage through PIC, a captive insurance company wholly owned by SHS Insurance coverage in excess of self-insured levels is carried through outside excess commercial reinsurers on a claims-made basis

There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted arising from services provided to patients SHS has employed independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims The amount recorded as a liability for estimated losses from professional liability incidents, claims, and other was $11,776 and $9,791 as of December 31, 2011 and 2010, respectively, and, in management's opinion, provides an adequate reserve for loss contingencies

(b) Litigation

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

The healthcare industry is governed by various laws and regulations of federal, state, and local governments These laws and regulations are subject to ongoing government review and interpretation, and include matters such as licensure, accreditation, reimbursement for patient services, and referrals for Medicare and Medicaid beneficiaries Compliance with these laws and regulations is required for participation in government healthcare programs Certain governmental agencies routinely investigate and pursue allegations concerning possible overpayments resulting from violation of fraud and abuse statutes by healthcare providers These investigations may result in settlements involving fines and penalties as well as repayment of improper reimbursement

(c) Operating Lease Commitments

SHS leases various equipment and facilities under operating leases expiring at various dates through November 2019. Total rental expense in 2011 and 2010 for all operating leases was $5,209 and $5,666, respectively.

Future minimum lease payments under noncancelable operating leases with terms in excess of one year are as follows for the year ending December 31:

2012	$ 2,906
2013	2,550
2014	1,703
2015	963
2016	383
Thereafter	224
	$ 8,729

(d) Collective Bargaining Agreements

Approximately 35% of SHS employees are covered under collective bargaining agreements, including nurses, professional employees, and service employees, with 17% of SHS employees under contracts expiring in 2012.

(14) Related-Party Disclosures

SHS has invested in certain joint ventures. During 2011, a new joint venture, Cascade View Medical Office Building, LLC, was created between GSRMC and several other parties to develop a medical office building on the GSRMC campus.

Additionally during 2011, a new joint venture, 2750 Harrison Blvd, LLC, was created between SHS and several other parties to develop a mixed-use building comprised of apartments for student housing. SHS ownership in this venture was obtained with the investment of property owned by SHS that formerly housed SHOV at a value of $2,301 free of all structures, demolition debris, and any environmental liability. SHS is obligated to demolish and abate the property and has recorded an estimated liability of $800 for such demolition, which is recorded in accounts payable in the consolidated balance sheet as of December 31, 2011.

(Continued)

(16) Fair Value of Financial Instruments

FASB ASC 820 provides the framework for measuring fair value That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements) The three levels of the fair value hierarchy under FASB ASC 820 are described as follows

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that SHS has the ability to access

Level 2 – Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability, and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs

Following is a description of the valuation methodologies used for assets measured at fair value There have been no changes in the methodologies used at December 31, 2011 and 2010

Cash and Cash Equivalents Valued at fair value based on face value or cost plus accrued interest, which approximates fair value because of the short maturity of these investments

Certificates of Deposit Valued at fair value based on quoted market prices

Mutual Funds Valued at the net asset value of shares held by at year end, based on published market quotations on active markets

Fixed Income Valued at fair value based on quoted market prices in an active market

Real Estate Properties Valued at fair value based on the net asset value of units held at year end and expressed in units

Hedge Fund Valued at fair value of the underlying investments

Long-Term Debt Valued at fair value using interest rates that SHS would receive on essentially risk free assets

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values Furthermore, while SHS believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date

The following table presents the balances of financial assets and liabilities measured at fair value on a recurring basis at December 31, 2011

	Fair value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 14,560	14,560	—	—
Certificates of deposit	2,009	—	2,009	—
Mutual funds				
Domestic equities	18,407	18,407	—	—
International equities	4,648	4,648	—	—
Domestic debt securities	13,064	13,064	—	—
Fixed income				
U S government obligations	23,765	23,765	—	—
Domestic corporate obligations	15,114	—	15,114	—
International corporate obligations	920	—	920	—
Real estate properties	735	—	—	735
Hedge fund	601	—	—	601
Total assets	$ 93,823	74,444	18,043	1,336
Liabilities				
Long-term debt	$ 167,568	—	167,568	—
Total liabilities	$ 167,568	—	167,568	—

(Continued)

The following table presents the balances of financial assets and liabilities measured at fair value on a recurring basis at December 31, 2010

	Fair value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 4,531	4,531	—	—
Certificates of deposit	8,729	—	8,729	—
Mutual funds				
Domestic equities	23,137	23,137	—	—
International equities	3,591	3,591	—	—
Domestic debt securities	10,996	10,996	—	—
Fixed income				
U S government obligations	36,235	36,235	—	—
Domestic corporate obligations	15,279	—	15,279	—
International corporate obligations	297	—	297	—
Real estate properties	618	—	—	618
Hedge fund	615	—	—	615
Total assets	$ 104,028	78,490	24,305	1,233
Liabilities				
Long-term debt	$ 156,199	—	156,199	—
Total liabilities	$ 156,199	—	156,199	—

The following table presents a reconciliation of the beginning and ending balances of Level 3 assets for the years ended December 31, 2011 and 2010

	2011	2010
Balance, beginning of year	$ 1,233	1,892
Realized and unrealized gain (loss)		
Included in earnings	—	26
Included in changes in net assets	77	177
Purchases, issuances, and settlements, net	26	(862)
Balance, end of year	$ 1,336	1,233

(17) Subsequent Events

SHS evaluated subsequent events after the balance sheet date of December 31, 2011 through March 23, 2012, which was the date the consolidated financial statements were issued Management is not aware of any subsequent events requiring disclosure

Schedule I

SAMARITAN HEALTH SERVICES, INC.

Supplementary Schedule – Balance Sheet Information

December 31, 2011 and 2010

(Dollars in thousands)

Assets	Obligated Group	Nonobligated Group	Eliminating entries	2011	2010
Current assets					
Cash and cash equivalents	$ 114,339	24,212	—	138,551	96,220
Short-term investments	—	7,078	—	7,078	11,026
Patient accounts receivable, net of allowance	59,182	10,879	(9,364)	60,697	62,414
Other receivables	5,918	8,995	(745)	14,168	9,616
Receivable from affiliates	23,482	(23,482)	—	—	—
Inventories	8,021	2,922	—	10,943	11,732
Other current assets	5,319	1,197	—	6,516	5,080
Total current assets	216,261	31,801	(10,109)	237,953	196,088
Assets limited as to use					
Restricted by donor for capital acquisition	—	3,754	—	3,754	3,727
Restricted by donor for permanent endowment	—	4,193	—	4,193	4,074
Held by trustee	24,630	—	—	24,630	32,462
Statutory deposits	29	2,207	—	2,236	1,865
Total assets limited as to use	24,659	10,154	—	34,813	42,128
Long-term investments	24,020	27,912	—	51,932	50,874
Property, plant, and equipment, net	230,801	9,118	—	239,919	233,412
Other assets	21,754	971	(10,947)	11,778	8,482
Total assets	$ 517,495	79,956	(21,056)	576,395	530,984

(Continued)

Schedule I

SAMARITAN HEALTH SERVICES, INC.

Supplementary Schedule – Balance Sheet Information

December 31, 2011 and 2010

(Dollars in thousands)

Liabilities and Net Assets	Obligated Group	Nonobligated Group	Eliminating entries	2011	2010
Current liabilities					
Accounts payable	$ 27,900	2,931	(745)	30,086	26,735
Accrued salaries, wages, and benefits	35,069	8,855	—	43,924	37,528
Estimated third-party payor settlements	6,878	1,714	—	8,592	6,496
Liability for unpaid medical claims	4,142	16,051	(9,364)	10,829	11,018
Other current liabilities	2,201	2,519	—	4,720	4,998
Current portion of long-term debt	5,453	644	—	6,097	5,967
Total current liabilities	81,643	32,714	(10,109)	104,248	92,742
Long-term debt, less current portion	153,590	2,098	—	155,688	156,959
Professional liability, less current portion	2,254	7,285	—	9,539	8,283
Pension liability	40,602	—	—	40,602	27,758
Other liabilities	4,340	9,319	—	13,659	13,710
Total liabilities	282,429	51,416	(10,109)	323,736	299,452
Net assets					
Unrestricted	222,404	15,827	—	238,231	217,453
Unrestricted, noncontrolling interest	1,715	—	—	1,715	1,961
Temporarily restricted	7,836	8,520	(7,836)	8,520	8,044
Permanently restricted	3,111	4,193	(3,111)	4,193	4,074
Total net assets	235,066	28,540	(10,947)	252,659	231,532
Total liabilities and net assets	$ 517,495	79,956	(21,056)	576,395	530,984

See accompanying independent auditors' report

Schedule II

SAMARITAN HEALTH SERVICES, INC.

Supplementary Schedule – Statement of Operations Information

Years ended December 31, 2011 and 2010

(Dollars in thousands)

	Obligated Group	Non obligated Group	Eliminating entries	2011	2010
Revenues					
Patient service revenue, net contractual allowances and discounts	$ 509,475	112,550	(72,719)	549,306	532,228
Provision for bad debts	(23,490)	(9,292)	—	(32,782)	(29,589)
Net patient service revenue, less provision for bad debts	485,985	103,258	(72,719)	516,524	502,639
Premium revenue	19,364	162,216	(11,782)	169,798	144,140
Other operating revenue	37,322	13,101	(22,518)	27,905	23,231
Total revenues	542,671	278,575	(107,019)	714,227	670,010
Expenses					
Salaries and wages	250,281	72,610	(2,543)	320,348	306,903
Employee benefits	42,072	21,952	(11,782)	52,242	47,336
Medical services	33,271	126,331	(70,765)	88,837	74,581
Supplies	93,685	19,477	(1,137)	112,025	106,481
Purchased services	47,626	29,073	(13,684)	63,015	58,813
Utilities, insurance and other	34,507	12,232	(7,081)	39,658	34,718
Depreciation	24,370	2,243	(27)	26,586	25,118
Interest and amortization	7,549	240	—	7,789	7,107
Total expenses	533,361	284,158	(107,019)	710,500	661,057
Excess of revenues over expenses from operations	9,310	(5,583)	—	3,727	8,953
Other income, net					
Investment income	1,335	1,001	—	2,336	3,106
Other income	23,010	5,860	—	28,870	548
Total other income, net	24,345	6,861	—	31,206	3,654
Excess of revenues over expenses	33,655	1,278	—	34,933	12,607
Change in net unrealized gains and losses on investments	(1,518)	(762)	—	(2,280)	1,934
Net assets released from restrictions used for capital acquisition	3	1,270	—	1,273	1,631
Net assets transferred for capital	575	(575)	—	—	—
Intercompany transfers	10,956	(10,956)	—	—	—
Change in pension liability	(11,856)	—	—	(11,856)	(2,753)
Funding from noncontrolling interest in joint ventures	—	—	—	—	45
Distributions to noncontrolling interest in joint ventures	(1,538)	—	—	(1,538)	(1,452)
Change in unrestricted net assets	$ 30,277	(9,745)	—	20,532	12,012

See accompanying independent auditors' report

Additional Data

Software ID:
Software Version:
EIN: 93-0391573
Name: GOOD SAMARITAN HOSPITAL CORVALLIS

Form 990, Special Condition Description:

Special Condition Description