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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
POMONA VALLEY HOSPITAL MEDICAL CENTER

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1798 NORTH GAREY AVENUE

City or town, state or country, and ZIP + 4
POMONA, CA 91767

D Employer identification number
95-1115230

E Telephone number
(909) 865-9500

G Gross receipts $ 437,813,844

F Name and address of principal officer
RICHARD YOCHUM
1798 NORTH GAREY AVENUE
POMONA, CA 91767

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 pvhmc org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1903 | **M** State of legal domicile CA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
POMONA VALLEY HOSPITAL MEDICAL CENTER IS A NOT FOR PROFIT, REGIONAL MEDICAL CENTER DEDICATED TO PROVIDING HIGH QUALITY, COST EFFECTIVE HEALTH CARE SERVICES TO RESIDENTS OF THE GREATER POMONA VALLEY

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**	23
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	18
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	3,191
6	Total number of volunteers (estimate if necessary)	**6**	941
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	305,467
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	216,132

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	728,397	1,214,089
	9 Program service revenue (Part VIII, line 2g)	482,569,549	415,543,916
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,191,842	1,930,107
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,597,200	9,167,771
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	488,086,988	427,855,883
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	3,170,390	662,851
	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)	251,616,533	246,021,323
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	209,509,304	160,940,479
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	464,296,227	407,624,653
	19 Revenue less expenses Subtract line 18 from line 12	23,790,761	20,231,230

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	314,509,551	347,604,573
	21 Total liabilities (Part X, line 26)	98,937,235	112,087,056
	22 Net assets or fund balances Subtract line 21 from line 20	215,572,316	235,517,517

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

****** 2012-11-06
Signature of officer — Date

MICHAEL NELSON EXEC VP/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)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ ERNST & YOUNG US LLP
18111 VON KARMAN AVENUE SUITE 1000
IRVINE, CA 92612

EIN ▶

Phone no ▶ (949) 794-2300

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

POMONA VALLEY HOSPITAL MEDICAL CENTER IS A NOT FOR PROFIT, REGIONAL MEDICAL CENTER DEDICATED TO PROVIDING HIGH QUALITY, COST EFFECTIVE HEALTH CARE SERVICES TO RESIDENTS OF THE GREATER POMONA VALLEY SEE SCHEDULE O FOR MORE INFORMATION

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 $ 369,070,428 including grants of $ 585,792) (Revenue $ 424,651,352)

SEE SCHEDULE O

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

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

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 369,070,428

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f		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**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	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**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		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**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	299		
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**	3,191			
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	23		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	18		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	3			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5			No
6	Did the organization have members or stockholders?	6			No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a			No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			No

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

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

Section C. Disclosure

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

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 ▶

JULI HESTER
1798 NORTH GAREY AVENUE
POMONA, CA 91767
(909) 865-9881

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

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

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								3,355,233	0	664,893

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 ▶ 611

			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
PREMIER FAMILY MEDICINE ASSO 1770 N Orange Grove POMONA, CA 91767	MEDICAL SERVICES	5,026,364
HOOPER LUNDY BOOKMAN 1875 Century Park East 1600 LOS ANGELES, CA 90067	LEGAL SERVICES	1,648,007
INLAND VALLEY ANESTHESIOLOGY MED GR PO Box 148 CLAREMONT, CA 91711	MEDICAL SERVICES	574,666
POMONA VALLEY IMAGING MED GRP 1798 N Garey Avenue POMONA, CA 91767	MEDICAL SERVICES	555,062
QUEST DIAGNOSTIC FILE NO 50368 LOS ANGELES, CA 900740368	LAB TESTS	512,361

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 ▶ 40

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 331,872				
	e	Government grants (contributions) 1e 736,156				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f 146,061				
	g	Noncash contributions included in lines 1a-1f $				
	h	**Total.** Add lines 1a-1f	1,214,089			
Program Service Revenue		Business Code				
	2a	PATIENT CARE REVENUE 622110	414,928,401	414,928,401		
	b	NON-PATIENT LAB REVENUE 621511	257,284		257,284	
	c	PHYSICIAN OFFICE RENTAL 621111	310,048	310,048		
	d	S-CORP 531120	48,183		48,183	
	e					
	f	All other program service revenue				
	g	**Total.** Add lines 2a–2f	415,543,916			
	3	Investment income (including dividends, interest and other similar amounts)	1,107,222			1,107,222
	4	Income from investment of tax-exempt bond proceeds . .	0			
	5	Royalties	0			
		(i) Real / (ii) Personal				
	6a	Gross rents 244,534				
	b	Less rental expenses 184,199				
	c	Rental income or (loss) 60,335				
	d	Net rental income or (loss)	60,335			60,335
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory 10,596,647				
	b	Less cost or other basis and sales expenses 9,773,762				
	c	Gain or (loss) 822,885				
	d	Net gain or (loss)	822,885			822,885
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 . .	0			
	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 . . .	0			
	10a	Gross sales of inventory, less returns and allowances . a				
	b	Less cost of goods sold . . b				
	c	Net income or (loss) from sales of inventory . .	0			
		Miscellaneous Revenue / Business Code				
	11a	REBATES REFUNDS 622110	2,986,394	2,986,394		
	b	FOOD SALES 722212	1,164,191	1,164,191		
	c	HEALTH EDUC TRAINING 923110	119,895	119,895		
	d	All other revenue	4,836,956	4,836,956		
	e	**Total.** Add lines 11a–11d	9,107,436			
	12	**Total revenue.** See Instructions . . .	427,855,883	424,345,885	305,467	1,990,442

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	662,851	662,851		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	3,415,220	129,064	3,286,156	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	195,280,045	185,730,639	9,549,406	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	7,959,694	7,561,709	397,985	
9	Other employee benefits	23,327,254	22,100,307	1,226,947	
10	Payroll taxes	16,039,110	15,435,523	603,587	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	2,511,905	265,394	2,246,511	
c	Accounting	304,960		304,960	
d	Lobbying	79,091		79,091	
e	Professional fundraising *See Part IV, line 17* . .	0			
f	Investment management fees	0			
g	Other	33,775,775	29,082,355	4,693,420	
12	Advertising and promotion	680,136	362,170	317,966	
13	Office expenses	13,226,746	11,388,781	1,837,965	
14	Information technology	5,391,407	4,642,227	749,180	
15	Royalties . .	0			
16	Occupancy	8,891,469	7,655,927	1,235,542	
17	Travel	207,416	139,490	67,926	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	413,938	256,927	157,011	
20	Interest	2,630,692	2,312,726	317,966	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	22,695,932	19,542,147	3,153,785	
23	Insurance	3,731,099	3,212,632	518,467	0
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	53,628,975	46,176,791	7,452,184	
b	CA HOSP QLTY ASSURANCE FEE	10,270,456	10,270,456		
c	ALL OTHER EXPENSES	2,500,482	2,142,312	358,170	
d					
e					
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	407,624,653	369,070,428	38,554,225	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		303,064	1	610,613
	2	Savings and temporary cash investments		46,329,435	2	2,658,737
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		68,926,372	4	75,412,793
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	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		0	6	0
	7	Notes and loans receivable, net		608,654	7	283,512
	8	Inventories for sale or use		3,069,071	8	3,672,036
	9	Prepaid expenses and deferred charges		3,429,696	9	6,352,213
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 483,012,595			
	b	Less accumulated depreciation	10b 331,446,913	148,356,443	10c	151,565,682
	11	Investments—publicly traded securities		35,914,405	11	90,159,848
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		-860,436	13	-1,062,527
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		8,432,847	15	17,951,666
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		314,509,551	16	347,604,573
Liabilities	17	Accounts payable and accrued expenses		36,873,769	17	44,793,832
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		46,720,000	20	42,205,000
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		2,939,215	23	2,474,153
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	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		12,404,251	25	22,614,071
	26	**Total liabilities.** Add lines 17 through 25		98,937,235	26	112,087,056
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		214,538,051	27	234,564,608
	28	Temporarily restricted net assets		328,243	28	246,881
	29	Permanently restricted net assets		706,022	29	706,028
		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		215,572,316	33	235,517,517
	34	Total liabilities and net assets/fund balances		314,509,551	34	347,604,573

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	427,855,883
2	Total expenses (must equal Part IX, column (A), line 25)	2	407,624,653
3	Revenue less expenses Subtract line 2 from line 1	3	20,231,230
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	215,572,316
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-286,029
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	235,517,517

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
POMONA VALLEY HOSPITAL MEDICAL CENTER

Employer identification number
95-1115230

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

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

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

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

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

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

_____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test

Explanation

Additional Data

Software ID:
Software Version:
EIN: 95-1115230
Name: POMONA VALLEY HOSPITAL MEDICAL CENTER

Form 990, Special Condition Description:

Special Condition Description

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
BAO TRAN MD DIRECTOR	2 0	X						14,210	0	0
JOHNSON LIGHTFOOTE MD DIRECTOR	2 0	X						0	0	0
A MOHAN MD DIRECTOR	2 0	X						114,854	0	0
RICHARD P CREAN DIRECTOR	2 0	X						0	0	0
ROSANNE BADER DIRECTOR	2 0	X						0	0	0
JAN PAULSON DIRECTOR	2 0	X						0	0	0
DARYL OSBY DIRECTOR	2 0	X						0	0	0
CURTIS W MORRIS DIRECTOR	2 0	X						0	0	0
BERNARD A BERNSTEIN DIRECTOR	2 0	X						0	0	0
BILL STEAD DIRECTOR	2 0	X						0	0	0
REGINALD WEBB DIRECTOR	2 0	X						0	0	0
STEPHEN MORGAN DIRECTOR	2 0	X						0	0	0
BILL MCCOLLUM DIRECTOR	2 0	X						0	0	0
RICHARD FASS DIRECTOR	2 0	X						0	0	0
THOMAS F NUSS DIRECTOR	2 0	X						0	0	0
TONY SPANO DIRECTOR	2 0	X						0	0	0
KEVIN MCCARTHY DIRECTOR	2 0	X						0	0	0
HELLEN RODRIGUEZ MD DIRECTOR	2 0	X						0	0	0
MARCIA PAETAU DIRECTOR	2 0	X						0	0	0
RICHARD YOCHUM PRESIDENT/CEO	36 0	X		X				542,345	0	144,362
ROGER GINSBURG CHAIRMAN	2 0	X		X				0	0	0
RONALD T VERA VICE CHAIRMAN	2 0	X		X				0	0	0
JANE GOODFELLOW VICE CHAIRMAN	2 0	X		X				0	0	0
MICHAEL NELSON TREASURER/CFO	38 0			X				387,305	0	152,977
KURT WEINMEISTER SECRETARY/COO	40 0			X				362,432	0	31,783

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
CHRIS ALDWORTH ASST SEC/VP SATELITE DIVISION	40 0			X				197,023	0	45,455
JULI HESTER ASSISTANT TREASURER/VP FINANCE	38 0			X				203,084	0	33,705
DARLENE SCAFFIDDI VICE PRESIDENT OF NURSING	40 0				X			239,386	0	49,277
KENNETH K NAKAMOTO VP MED STAFF AFF	40 0					X		284,912	0	44,004
KENT HOYOS CIO	40 0					X		263,631	0	43,657
JOSEPH BAUMGARTNER DIRECTOR PHYSICAL THERAPY	40 0					X		263,554	0	46,640
RICHARD ROSSMAN ASST DIRECTOR PHYSICAL THERAPY	40 0					X		247,899	0	46,814
JAMES MCL DALE VP DEVELOPMENT	4 0					X		234,598	0	26,219

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

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

OMB No 1545-0047

2011

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
POMONA VALLEY HOSPITAL MEDICAL CENTER	95-1115230

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		79,091
j	Total lines 1c through 1i			79,091
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
Lobby Expense	SCHEDULE C, PART II-B, QUESTION 1I	LOBBYING EXPENSE IS INCLUDED IN THE ANNUAL DUES FOR HOSPITAL ASSOCIATION OF SOUTHERN CALIFORNIA, CHA/CAHHS, AND P E A C H INC

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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
POMONA VALLEY HOSPITAL MEDICAL CENTER

Employer identification number
95-1115230

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	706,022	706,017	706,011	705,996	
b	Contributions					
c	Investment earnings or losses	6	5	6	15	
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance	706,028	706,022	706,017	706,011	

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

- a Board designated or quasi-endowment ▶ 0 %
- b Permanent endowment ▶ 100 000 %
- c Term endowment ▶ 0 %

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

		Yes	No
(i) unrelated organizations	3a(i)		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	7,643,689	11,054,200		18,697,889
b Buildings		111,561,685	78,266,624	33,295,061
c Leasehold improvements		10,370,092	3,956,066	6,414,026
d Equipment		316,014,267	249,224,223	66,790,044
e Other		26,368,662		26,368,662
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				151,565,682

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

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

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

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

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

(a) Description	(b) Book value
(1) MALPRACTICE RECEIVABLE	1,625,778
(2) WORKERS COMP RECEIVABLE	7,435,466
(3) CARDIAC SECRETARY RECEIVABLE	4,268
(4) RETIREMENT PLAN ASSETS	1,242,694
(5) INTEREST RECEIVABLE	6,824,466
(6) DEFERRED COMPENSATION	818,994
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	17,951,666

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
SELF INSURANCE RESERVES	20,829,665
DEFERRED COMPENSATION	1,784,406
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	22,614,071

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

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
ENDOWMENT FUNDS	SCHEDULE D, PART V, LINE 4	POMONA VALLEY HOSPITAL MEDICAL CENTER HAS A PERMANENTLY RESTRICTED ENDOWMENT FROM A RESTRICTED DONATION RECEIVED THROUGH A UNITRUST, THE INCOME FROM WHICH IS USED TO SUPPORT THE HOSPITAL'S OPERATIONS

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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
POMONA VALLEY HOSPITAL MEDICAL CENTER

Employer identification number
95-1115230

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 **500. %**	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)			11,746,201		11,746,201	2 880 %
b Medicaid (from Worksheet 3, column a)			161,851,504	125,366,931	36,484,573	7 800 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			1,724,266	2,065,755	-341,489	0 %
d **Total** Charity Care and Means-Tested Government Programs			175,321,971	127,432,686	47,889,285	10 680 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)	59	34,317	2,895,227	1,526,657	1,368,570	0 340 %
f Health professions education (from Worksheet 5)	1	1,250	3,192,186	567,576	2,624,610	0 620 %
g Subsidized health services (from Worksheet 6)	12	0	2,499,375	0	2,499,375	0 610 %
h Research (from Worksheet 7)	1	28	70,000	9,400	60,600	0 010 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)	1		585,792	0	585,792	0 140 %
j **Total** Other Benefits	74	35,595	9,242,580	2,103,633	7,138,947	1 720 %
k **Total.** Add lines 7d and 7j	74	35,595	184,564,551	129,536,319	55,028,232	12 400 %

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	1	0	2,160	0	2,160	
3	Community support	2	644	2,525	0	2,525	
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development	1	270	400	0	400	
9	Other	15	18,297	132,376	0	132,376	0 030 %
10	**Total**	19	19,211	137,461	0	137,461	0 030 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1			No
2	Enter the amount of the organization's bad debt expense	2	16,572,250		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	1,533,529		
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	71,632,927
6	Enter Medicare allowable costs of care relating to payments on line 5	6	64,849,117
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	6,783,810
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

	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	Pomona Valley Hospital Medical Center 1798 North Garey Ave Pomona, CA 91767	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)

Name of Hospital Facility: Pomona Valley Hospital Medical Center

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 %			
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 500 % 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? **17**

	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 7B & 7I		THE CALIFORNIA HOSPITAL FEE PROGRAM (THE PROGRAM) WAS SIGNED INTO LAW BY THE GOVERNOR OF CALIFORNIA AND BECAME EFFECTIVE ON JANUARY 1, 2010 AMENDING LEGISLATION, TO CONFORM TO CHANGES REQUESTED BY THE CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS) DURING THE APPROVAL PROCESS, WAS SIGNED INTO LAW BY THE GOVERNOR OF CALIFORNIA AND BECAME EFFECTIVE SEPTEMBER 8, 2010 THE PRIMARY LEGISLATION (AB 1383) AND AMENDING LEGISLATION (AB 1653) CONTAIN TWO COMPONENTS THE QUALITY ASSURANCE FEE ACT GOVERNS THE "HOSPITAL FEE" OR "QUALITY ASSURANCE FEE" (QA FEE) PAID BY PARTICIPATING HOSPITALS THE MEDI-CAL HOSPITAL PROVIDER STABILIZATION ACT GOVERNS SUPPLEMENTAL MEDI-CAL PAYMENTS (SUPPLEMENTAL PAYMENTS) MADE TO PROVIDERS FROM THE FUND HOSPITAL PARTICIPATION IS MANDATORY WITH LIMITED EXCEPTIONS THE PROGRAM WAS APPROVED BY CMS IN DECEMBER 2010 THE AMENDED LEGISLATION ALLOWED CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES (DHCS) TO BEGIN ASSESSING FEES AND MAKING SUPPLEMENTAL PAYMENTS IN SEPTEMBER 2010 DHCS BEGAN ASSESSING FEES IN OCTOBER 2010 POMONA VALLEY HOSPITAL MEDICAL CENTER ("THE HOSPITAL") MADE PAYMENTS TO DHCS FOR THE QA FEE IN THE AMOUNT OF $10,270,456 IN 2011, INCLUDED ON SCHEDULE H, PART I, LINE 7B, COLUMN C THE HOSPITAL ALSO MADE PLEDGE PAYMENTS OF $585,792 TO THE CALIFORNIA HEALTH FOUNDATION AND TRUST IN CONJUNCTION WITH THE PROGRAM, WHICH ARE REPORTED ON SCHEDULE H, PART I, LINE 7I, COLUMN C THE HOSPITAL RECEIVED SUPPLEMENTAL PAYMENTS OF APPROXIMATELY $30,564,784, INCLUDED ON SCHEDULE H, PART I, LINE 7B, COLUMN D OVER THE COURSE OF THE PROGRAM IN 2011, WHICH PERTAINS TO THE PERIOD FROM JANUARY 1, 2011 TO JUNE 30, 2011 THE INCLUSION OF THESE AMOUNTS ON LINE 7B OF PART I IN THE CURRENT YEAR DECREASE THE PERCENTAGE OF TOTAL EXPENSE, AS COMPARED TO 2009 (THE LAST YEAR WHEN THE PROGRAM WAS NOT IN EFFECT)

Identifier	ReturnReference	Explanation
PART I, LINES 7A-7I		COSTING METHODOLOGY USED IS COST-TO-CHARGE RATIO USING WORKSHEETS 1, 2, AND 3

Identifier	ReturnReference	Explanation
PART I, LINE 7G		NONE OF THE MONEY IDENTIFIED UNDER THE SUBSIDIZED HEALTH SERVICES CATEGORY PERTAINS TO A PHYSICIAN CLINIC IN OUR COMMUNITY BENEFIT REPORT

Identifier	ReturnReference	Explanation
COMMUNITY BUILDING ACTIVITIES	PART II	POMONA VALLEY HOSPITAL MEDICAL CENTER SUPPORTS THE ECONOMIC DEVELOPMENT OF THE COMMUNITY BY ALLOWING A LOCAL NOT-FOR-PROFIT ORGANIZATION TO PARTICIPATE IN CREATING A SPONSORSHIP AD FOR THEIR ORGANIZATION IN OUR HOSPITAL'S PROGRAM BOOKS FOR COMMUNITY EVENTS THE COSTS AND PERSONS SERVED ARE REFLECTED ON LINE 2 OF PART II AS ECONOMIC DEVELOPMENT POMONA VALLEY HOSPITAL MEDICAL CENTER PARTICIPATES ON THE STEERING COMMITTEE FOR THE LOS ANGELES COUNTY SERVICE PLANNING AREA (SPA 3'S) HEALTH PLANNING GROUP AND SPECIALTY CARE COALITION WE PARTICIPATE TO LOOK AT ACCESS TO CARE, PROMOTION OF HEALTH AND ACCESS AND AVAILABILITY OF SPECIALTY CARE THE COSTS AND PERSONS SERVED ARE REFLECTED ON LINE 3 OF PART II AS COMMUNITY SUPPORT POMONA VALLEY HOSPITAL MEDICAL CENTER IS ONE OF 13 DESIGNATED DISASTER RESOURCE CENTERS (DRC) IN LOS ANGELES COUNTY AS PART OF THE NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM AS THE DRC FOR THE REGION, POMONA VALLEY HOSPITAL MEDICAL CENTER IS RESPONSIBLE FOR 10 "UMBRELLA" FACILITIES IN THE AREA AND COORDINATES DRILLS, TRAINING, AND SHARING OF PLANS TO BRING TOGETHER THE COMMUNITY AND OUR RESOURCES FOR DISASTER PREPAREDNESS THE COSTS AND PERSONS SERVED ARE REFLECTED ON LINE 3 OF PART II AS COMMUNITY SUPPORT POMONA VALLEY HOSPITAL MEDICAL CENTER WORKS WITH LOCAL AREA MIDDLE AND HIGH SCHOOLS AS WELL AS GIRL SCOUTS AND SCHOOL GROUPS TO INTRODUCE CAREERS IN HEALTH CARE BY INVITING THEM TO TOUR OUR HOSPITAL AND BY VISITING THEM ON THEIR CAMPUS (CLAREMONT HIGH SCHOOL CAREER DAY) THE COSTS AND PERSONS SERVED ARE REFLECTED ON LINE 3 OF PART II AS COMMUNITY SUPPORT POMONA VALLEY HOSPITAL MEDICAL CENTER ASSISTS LOCAL SCHOOLS (E G CHAFFEY COLLEGE, WESTERN UNIVERSITY OF HEALTH SCIENCES, MOUNT SAN ANTONIO COLLEGE, CITRUS COLLEGE) IN MEETING REQUIREMENTS FOR THEIR NURSING PROGRAMS AND OUR EDUCATION DEPARTMENT SERVES ON THE ADVISORY BOARDS TO THESE SCHOOLS THE COSTS AND PERSONS SERVED ARE REFLECTED ON LINES 3 & 8 OF PART II AS COMMUNITY SUPPORT As AND WORKFORCE DEVELOPMENT CASH AND IN-KIND CONTRIBUTIONS - OUR HOSPITAL PROVIDES SUPPORT TO VARIOUS LOCAL COMMUNITY SERVICE ORGANIZATIONS INCLUDING THE HOUSE OF RUTH (SERVICES AND ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE), PROJECT SISTER (SEXUAL ASSAULT CRISIS AND PREVENTION SERVICES), AND YMCA IN-KIND CONTRIBUTIONS TO OUR PATIENTS AND TO THE COMMUNITY INCLUDE TOYS GIVEN TO PEDIATRIC SURGERY PATIENTS THE FACILITIES DEPARTMENT PARTICIPATES IN THE CITY-WIDE CLEAN BY DONATING STAFF AND SUPPLIES FOOD AND NUTRITION SERVICES "MEALS ON WHEELS" PROGRAM PROVIDES FOOD TO HOMEBOUND MEMBERS OF OUR COMMUNITY AND DONATES CANNED FOODS TO THE SALVATION ARMY "PROJECT SHIELD & SHELTER " OUR VOLUNTEER SERVICES DEPARTMENT GIVES INFANT LAYETTES AND CAR SEATS TO NEEDY FAMILIES THE CANCER CARE CENTER GIVES WIGS TO PATIENTS AT NO COST

Identifier	ReturnReference	Explanation
PART III, LINE 4		THE HOSPITAL'S FINANCIAL STATEMENT INCLUDES A BAD DEBT FOOTNOTE REGARDING FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) ISSUED ACCOUNTING STANDARDS UPDATE(ASU) NO 2011-07, "HEALTH CARE ENTITIES" (TOPIC 954) REGARDING THE PRESENTATION AND DISCLOSURE OF PATIENT SERVICE REVENUE, PROVISION FOR BAD DEBTS, AND THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR CERTAIN HEALTH CARE ENTITIES ASU 2011-07 IS EFFECTIVE FOR FISCAL YEARS AND INTERIM PERIODS BEGINNING AFTER DECEMBER 31, 2011, WITH EARLY ADOPTION PERMITTED THE HOSPITAL MADE THE PRESENTATION CHANGES OF PROVISION FOR BAD DEBTS RELATED TO PATIENT SERVICE REVENUE IN 2011 BAD DEBT EXPENSE IS ESTIMATED APPLYING HISTORICAL PERCENTAGES (BASED ON THE PRIOR YEARS' BAD DEBT ACTIVITY) TO THE CURRENT ACCOUNTS RECEIVABLE PATIENT RESPONSIBILITY PAYOR CLASSES PATIENTS WITHOUT INSURANCE ARE OFFERED A PROMPT PAY DISCOUNT, GREATLY DISCOUNTING THEIR BALANCE IF PAID WITHIN 30 DAYS ALL DISCOUNTS AND PAYMENTS ARE APPLIED TO THE BAD DEBT ACCOUNT BEFORE THE ACCOUNT IS WRITTEN OFF WHEN A FINANCIAL ASSISTANCE APPLICATION IS RECEIVED FROM A PATIENT, THE PATIENT'S ACCOUNT IS ASSIGNED A SPECIFIC USER DEFINED CODE THIS CODE ALLOWS THE HOSPITAL TO IDENTIFY ALL ACCOUNTS PENDING FINANCIAL ASSISTANCE REVIEW AND PREVENTS THE ACCOUNT FROM PROGRESSING THROUGH THE NORMAL COLLECTION PROCESS AFTER THE FINANCIAL ASSISTANCE APPLICATION AND THE PATIENT'S REQUIRED SUPPORTING DOCUMENTATION IS REVIEWED, THE PATIENT IS INFORMED OF THE RESULTS OF THE REVIEW OF THEIR APPLICATION IF THE PATIENT'S APPLICATION IS APPROVED, THE ACCOUNT BALANCE IS ADJUSTED ACCORDING TO THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY IF THE PATIENT DOES NOT QUALIFY FOR FINANCIAL ASSISTANCE, THE USER DEFINED CODE IS REMOVED AND THE ACCOUNT PROCEEDS THROUGH THE NORMAL COLLECTION CYCLE WHICH ENDS IN A TRANSFER TO A COLLECTION AGENCY IF THE PATIENT FAILS TO PAY THEIR BALANCE IN FULL ACCOUNTS RETURNED FROM THE COLLECTION AGENCY ARE WRITTEN OFF TO BAD DEBT EXPENSE LINE 3 CONSISTS OF THE ACCOUNTS WRITTEN OFF, WHICH WERE ALSO DECLINED FOR FINANCIAL ASSISTANCE PER THE HISTORICAL ACCOUNT RECORDS

Identifier	ReturnReference	Explanation
PART III, LINE 8		THE COSTING METHOD USED IS COST TO CHARGE RATIO THE SOURCE OF INFORMATION IS THE MEDICARE COST REPORT

Identifier	ReturnReference	Explanation
PART III, LINE 9B		THE CREDIT & COLLECTIONS DEPARTMENT SENDS A STATEMENT TO EACH PATIENT/GUARANTOR AS NOTIFICATION OF THE PATIENT RESPONSIBILITY AND AMOUNT DUE IF THE PATIENT HAS INSURANCE COVERAGE, THE CHARGES INCURRED ARE BILLED TO THE INSURANCE PLAN/CARRIER PROVIDED BY THE PATIENT AND VERIFIED AS ELIGIBLE COVERAGE BY POMONA VALLEY HOSPITAL MEDICAL CENTER STAFF THE AMOUNT BILLED TO THE PATIENT IS THE AMOUNT DETERMINED BY THE INSURANCE CARRIER AS PATIENT RESPONSIBILITY FOR UNINSURED PATIENTS, A COMPLETE ITEMIZED STATEMENT OF CHARGES IS MAILED TO THE PATIENT THE HOSPITAL SENDS FIRST PARTY LETTERS TO THE PATIENT WHEN BILLING THE PATIENT THEIR PORTION AFTER INSURANCE HAS PAID OR THEIR BALANCE IF UNINSURED FIRST PARTY LETTERS ARE GENERATED FROM THE PATIENT ACCOUNTING FINANCIAL SYSTEM AND MAILED TO EACH PATIENT/GUARANTOR IN AN EFFORT TO COLLECT MONIES OWED THE LETTER SERIES CONSISTS OF THREE SYSTEM GENERATED LETTERS EACH LETTER MAILED INDICATES THE AMOUNT OWED AND INSTRUCTS THE PATIENT TO CONTACT THE BUSINESS OFFICE TO DISCUSS THEIR OPTIONS AND/OR MAKE PAYMENT ARRANGEMENTS IF THE PATIENT CALLS AND EXPRESSES AN INABILITY TO PAY, THE BUSINESS OFFICE ASSOCIATE WILL EXPLAIN THE OPTIONS AVAILABLE INCLUDING 1) A MONTHLY INSTALLMENT OPTION AT NO INTEREST IF PAID WITHIN 12 MONTHS OR AN AGREED UPON PERIOD, 2) PATIENTS WITHOUT INSURANCE ARE OFFERED A PROMPT PAY DISCOUNT, GREATLY DISCOUNTING THEIR BALANCE IF PAID WITHIN 30 DAYS, AND 3) WHEN A PATIENT EXPRESSES AN INABILITY TO PAY, THE PATIENT IS INFORMED OF THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM AND IF THE PATIENT IS INTERESTED, A FINANCIAL ASSISTANCE APPLICATION IS MAILED TO THE PATIENT IF THE PATIENT FAILS TO RESPOND TO THE FIRST STATEMENT/ LETTER MAILED TO THE PATIENT, A PHONE CALL IS PLACED DURING THE CALL, THE OPTIONS ABOVE ARE SHARED WITH THE PATIENT IF THE COLLECTOR IS UNABLE TO CONTACT THE PATIENT BY PHONE DUE TO A DISCONNECTED PHONE NUMBER, AN "UNABLE TO REACH BY PHONE" LETTER IS SENT TO THE PATIENT THIS LETTER INFORMS THE PATIENT OF PAYMENT ARRANGEMENT OPTIONS AND OTHER FINANCIAL ASSISTANCE PROGRAMS AVAILABLE TO ASSIST THEM WITH THEIR FINANCIAL OBLIGATIONS A SECOND STATEMENT IS MAILED TO THE PATIENT ADVISING THE PATIENT TO CONTACT THE BUSINESS OFFICE IF THE PATIENT IS UNABLE TO REMIT THE FULL AMOUNT DUE IF AND WHEN A PATIENT CALLS THE BUSINESS OFFICE IN RESPONSE TO PVHMC'S COLLECTION CORRESPONDENCE, THE PATIENT IS INFORMED OF THE VARIOUS FINANCIAL ASSISTANCE OPTIONS IN THE EVENT A PATIENT HAS A QUESTION IN COMPLETING THE APPLICATION, THE BUSINESS OFFICE SUPERVISOR, MANAGER AND/OR DIRECTOR ARE AVAILABLE TO ASSIST THE PATIENT IN COMPLETING THE APPLICATION PART V, LINE 13G THE HOSPITAL FACILITY PUBLICIZED THE FINANCIAL ASSISTANCE POLICY BY MAKING A SUMMARY AVAILABLE IN THE FOLLOWING WAYS - ATTACHING TO BILLING INVOICES - POSTING IN THE EMERGENCY/WAITING ROOMS - POSTING IN THE ADMISSIONS OFFICES - PROVIDING, IN WRITING, TO PATIENTS ON ADMISSION TO THE HOSPITAL - PROVIDING THE POLICY UPON REQUEST

Identifier	ReturnReference	Explanation
PART V, LINE 19		THE MAXIMUM INPATIENT RATES CHARGED TO PATIENTS ELIGIBLE FOR THE HOSPITAL'S FAP PROGRAM ARE ON A SLIDING SCALE 200% OR BELOW ARE FULLY WRITTEN OFF 200-300% PRICING COMPARABLE TO MEDI-CAL RATES 300-400% PRICING BASED ON MEDICARE FEE SCHEDULE 400-500% PRICING BASED ON WORKERS COMP FEE SCHEDULE SINCE THE HOSPITAL'S FAP COVERS PATIENTS WITH INCOME UP TO 500% FPG AND THE CALIFORNIA GOVERNMENT REQUIREMENT IS 350% FPG, WE PROVIDE FAP TO MORE PATIENTS THAN WE ARE REQUIRED TO

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	PART VI, LINE 2	IN 2012, A COMMUNITY NEEDS ASSESSMENT WAS COMPLETED BY RESEARCHERS FROM A LOCAL UNIVERSITY OUR METHODOLOGY INCLUDED COLLECTING PRIMARY DATA FROM A RANDOM SAMPLE OF RESIDENTS LIVING IN THE HOSPITAL'S PRIMARY SERVICE AREA THROUGH TELEPHONE SURVEYS GIVEN IN BOTH ENGLISH AND SPANISH INFORMATION GATHERED FROM THE NEEDS ASSESSMENT INCLUDED DEMOGRAPHIC PROFILE AND SELF-REPORTED HEALTH EVALUATION, HEALTH INSURANCE COVERAGE, BARRIERS TO RECEIVING NEEDED HEALTH SERVICES, UTILIZATION OF HEALTH CARE SERVICES FOR ROUTINE PRIMARY/PREVENTATIVE CARE, UTILIZATION OF URGENT CARE SERVICES, NEED FOR SPECIALTY HEALTH CARE, AND EXPERIENCE WITH POMONA VALLEY HOSPITAL MEDICAL CENTER (INCLUDING VISITS TO THE EMERGENCY DEPARTMENT, OR THROUGH EDUCATION) THE COSTS AND PERSONS SERVED ASSOCIATED WITH CONDUCTING OUR NEEDS ASSESSMENT ARE REFLECTED ON LINE 3 & 8 OF PART II AS COMMUNITY SUPPORT

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	PART VI, LINE 3	PUBLIC NOTICE PUBLIC NOTICES ARE POSTED IN PVHMC'S REGISTRATION AND BILLING AREAS NOTIFYI NG PATIENTS, FAMILY AND GENERAL PUBLIC THAT WE OFFER CHARITABLE ASSISTANCE TO THOSE WHO QU ALIFY THE NOTICE PROVIDES A BUSINESS OFFICE PHONE NUMBER WHERE THEY MAY CONTACT A BUSINES S OFFICE REPRESENTATIVE TO OBTAIN ADDITIONAL INFORMATION ABOUT THE HOSPITAL'S FINANCIAL AS SISTANCE PROGRAMS THE NOTICES ARE POSTED IN BOTH ENGLISH AND SPANISH THESE PUBLIC POSTIN GS ARE LOCATED IN THE AREAS LISTED BELOW - ADMITTING REGISTRATION SITE I - ADMITTING REGI STRATION SITE II - ADMITTING REGISTRATION LAB - ADMITTING REGISTRATION PRE OPERATIVE UNIT - CASHIERS OFFICE - ADMITTING SOUTH REGISTRATION - ADMITTING WOMEN'S CENTER REGISTRATION - ADMITTING EMERGENCY REGISTRATION - OFF-SITE INSURANCE VERIFICATION - CONTRACTS BILLING SU ITE 120 AND 160 - BUSINESS SERVICES SYSTEMS - GOVERNMENT AND PATIENT BILLING FINANCIAL COU NSELING - EMERGENCY SERVICES AN ELIGIBILITY LIAISON IS STAFFED IN THE EMERGENCY SERVICES DEPARTMENT AT TIMES WHEN HIGH VOLUMES ARE EXPECTED, SUNDAY THROUGH FRIDAY, 12 00 PM TO 10 30 PM, TO ASSIST OUR UNINSURED OR UNDERINSURED PATIENTS WITH POSSIBLE LINKS TO MEDI-CAL, T HE STATE OF CALIFORNIA'S MEDICAID PROGRAM OR REFERRALS TO CHARITY ASSISTANCE - PRIOR TO E LECTIVE SERVICE FINANCIAL COUNSELORS FROM OUR INSURANCE VERIFICATION DEPARTMENT ARE AVAIL ABLE TO MEET WITH PATIENTS PRIOR TO RENDERING MEDICAL SERVICES TO DISCUSS POSSIBLE LINKS T O GOVERNMENT PROGRAMS SUCH AS MEDI-CAL, HEALTHY FAMILIES, MEDICARE OR OTHER FINANCIAL ASSI STANCE PROGRAMS OFFERED BY PVHMC FINANCIAL COUNSELORS MAY REFER PATIENTS TO PVHMC'S ELIGI BILITY SERVICES DEPARTMENT FOR ASSISTANCE IN APPLYING FOR GOVERNMENT PROGRAMS FINANCIAL C OUNSELORS ALSO DISTRIBUTE AND ASSIST PATIENTS IN COMPLETING THE UNCOMPENSATED CARE APPLICA TION FOR THOSE PATIENTS WHO HAVE THE ABILITY TO PAY, FINANCIAL OPTIONS ARE DISCUSSED AND PAYMENT ARRANGEMENTS ARE ESTABLISHED - DURING A PATIENT'S CONFINEMENT FINANCIAL COUNSELO RS ARE ALSO ASSIGNED TO ALL UNINSURED OR UNDERINSURED PATIENTS ADMITTED TO PVHMC IF FINANC IAL COUNSELING DID NOT OCCUR IN ADVANCE OF THE ADMISSION OR DURING THE EMERGENCY VISIT TH E FINANCIAL COUNSELOR PROVIDES THE SAME LEVEL OF SERVICE TO THESE PATIENTS AS DESCRIBED AB OVE UNDER "PRIOR TO ELECTIVE SERVICE " ELIGIBILITY SERVICES PATIENTS MAY BE REFERRED TO O UR ELIGIBILITY SERVICES TEAM WHO ASSIST OUR PATIENTS WITH LINKS TO MEDI-CAL AND THE HEALTH FAMILIES PROGRAMS THE ELIGIBILITY SERVICES REPRESENTATIVES ASSIST THE PATIENT IN COMPLET ING THE PROGRAM APPLICATION(S) AND SUBMIT THE COMPLETED APPLICATION TO THE APPLICABLE PROG RAM ON BEHALF OF THE PATIENT IF THE PATIENT DOES NOT QUALIFY FOR MEDI-CAL OR THE HEALTHY FAMILIES PROGRAM, THE PATIENT IS PROVIDED INFORMATION REGARDING THE FOLLOWING ASSISTANCE P ROGRAMS - ACCESS FOR INFANTS & MOTHERS (AIM) COVERS OBSTETRIC PATIENTS WHO ARE AT HIGHER INCOME LEVELS AND ARE NOT ELIGIBLE FOR MEDI-CAL - OUTPATIENT REDUCED-COST SIMPLIFIED APPL ICATION (ORSA) LOS ANGELES COUNTY PROGRAM FOR ADULTS WHO DO NOT QUALIFY FOR MEDI-CAL AND RESIDE WITHIN LOS ANGELES COUNTY - PUBLIC PRIVATE PARTNERSHIP PROGRAM (PPP ALSO KNOWN AS T HE PCC PROGRAM) LOS ANGELES COUNTY PROGRAM FOR ADULTS WHO DO NOT QUALIFY FOR MEDI-CAL AND RESIDE WITHIN LOS ANGELES COUNTY IN POMONA AND SURROUNDING COMMUNITIES - MEDICALLY INDIGE NT ADULT PROGRAM (MIA) FOR ADULTS WHO DO NOT QUALIFY FOR MEDI-CAL AND RESIDE WITHIN SAN B ERNARDINO COUNTY BILLING FIRST PARTY LETTERS ARE GENERATED FROM THE PATIENT ACCOUNTING FI NANCIAL SYSTEM AND MAILED TO EACH PATIENT/GUARANTOR IN AN EFFORT TO COLLECT MONIES OWED T HE LETTERS PROVIDE THE PHONE NUMBER AND BUSINESS HOURS OF THE HOSPITAL'S BUSINESS OFFICE THE CUSTOMER SERVICE REPRESENTATIVES IN THE BUSINESS OFFICE ARE AVAILABLE TO DISCUSS THE H OSPITAL'S FINANCIAL ASSISTANCE PROGRAMS AND MAKE PAYMENT ARRANGEMENTS A CHARITY LIAISON I S ALSO AVAILABLE TO ASSIST PATIENTS IN COMPLETING THE FINANCIAL ASSISTANCE APPLICATION EN GLISH AS A SECOND LANGUAGE ALL FINANCIAL ASSISTANCE FORMS ARE AVAILABLE IN SPANISH IN ADDI TION TO THE AVAILABILITY OF BILINGUAL STAFF IN ALL ADMITTING AND REGISTRATION AREAS, ELIGI BILITY SERVICES AND THE BUSINESS OFFICE THE STAFF IN ALL PATIENT ACCESS AND BILLING AREAS HAS BEEN TRAINED ON ACCESSING EXTERNAL INTERPRETATIVE SERVICES WHEN PATIENTS SPEAK A LANG UAGE OTHER THAN ENGLISH AND SPANISH TRAINING IN DECEMBER 2007, ALL PATIENT ACCESS AND BI LLING OFFICE STAFF WERE TRAINED ON THE REQUIREMENTS OF AB774 AND THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY THE STAFF IS UPDATED ON THE HOSPITAL'S POLICY ON AN AS NEEDED BASIS BE GINNING IN 2010, KEY PATIENT ACCESS STAFF AND PATIENT COLLECTION STAFF WILL BE UPDATED ON BOTH THE FINANCIAL ASSISTANCE AND CREDIT AND COLLECTION POLICIES AT LEAST ANNUALLY ANNUAL REVIEW OF FINANCIAL ASSISTANCE PROGRAM THE PATIENT FINANCIAL ASSISTANCE PROGRAM POLICY I S REVIEWED ANNUALLY FOR ANY SIGNIFICANT CHANGES TO THE DISCOUNT PAYMENT, CHARITY, ELIGIBIL ITY PROCEDURES AND REVIEW PROCESS THE BUSINESS OF

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	PART VI, LINE 3	FICE IS RESPONSIBLE FOR THE ELECTRONIC SUBMISSION OF THE APPROVED POLICY AND ANY APPLICABL E CHANGES TO OSHPD IN ACCORDANCE TO TITLE 22, SECTIONS 96040-96050

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION	PART VI, LINE 4	OUR MISSION - PVHMC IS A NOT-FOR-PROFIT REGIONAL MEDICAL CENTER DEDICATED TO PROVIDING HIGH QUALITY, COST EFFECTIVE HEALTH CARE SERVICES TO RESIDENTS OF THE GREATER POMONA VALLEY THE MEDICAL CENTER OFFERS A FULL RANGE OF SERVICES FROM LOCAL PRIMARY ACUTE CARE TO HIGHLY SPECIALIZED REGIONAL SERVICE SELECTION OF ALL SERVICES IS BASED ON COMMUNITY NEED, AVAILABILITY OF FINANCING AND THE ORGANIZATION'S TECHNICAL ABILITY TO PROVIDE HIGH QUALITY RESULTS BASIC TO OUR MISSION IS OUR COMMITMENT TO STRIVE CONTINUOUSLY TO IMPROVE THE STATUS OF HEALTH BY REACHING OUT AND SERVING THE NEEDS OF OUR DIVERSE ETHNIC, RELIGIOUS AND CULTURAL COMMUNITY OUR COMMUNITY - PVHMC IS DEDICATED TO MEETING THE HEALTH CARE DEMANDS OF THE GROWING POPULATIONS OF LOS ANGELES AND SAN BERNARDINO COUNTIES OUR PRIMARY SERVICE AREA IS DEFINED AS THE CITIES OF POMONA, CLAREMONT, CHINO, CHINO HILLS, LA VERNE, MONTCLAIR, ONTARIO, RANCHO CUCAMONGA, ALTA LOMA, UPLAND AND SAN DIMAS AND MAKE UP A POPULATION OF 840,789 IN 2010 AS DERIVED FROM THE STATISTICS REPORTED BY THE U S CENSUS BUREAU, THE ETHNIC DIVERSITY REPRESENTED BY THE DEMOGRAPHICS OF THE CITY OF POMONA IN 2010 WAS SUCH THAT 33 6% IS HISPANIC OR LATINO, 14 4% IS WHITE, 7 3% IS BLACK/AFRICAN-AMERICAN, 8 5% IS ASIAN, 1 2% IS AMERICAN INDIAN, 0 2% HAWAIIAN/PACIFIC ISLANDER, 30 3% IS OTHER, AND 4 5% IS TWO OR MORE RACES, ACCORDING TO THE U S CENSUS BUREAU THE AVERAGE INCOME OF THE POMONA VALLEY COMMUNITY WAS $50,426 AND THE PERCENTAGE OF COMMUNITY RESIDENTS WITH INCOME BELOW THE FEDERAL POVERTY LINE WAS 30 46%

Identifier	ReturnReference	Explanation
PROMOTION OF COMMUNITY HEALTH	PART VI, LINE 5	POMONA VALLEY HOSPITAL MEDICAL CENTER IS GOVERNED BY A BOARD OF DIRECTORS WHOSE MEMBERS ARE REPRESENTATIVE OF THE COMMUNITY, HOSPITAL AND MEDICAL STAFF LEADERSHIP CONSISTENT WITH THE IRS "COMMUNITY BENEFIT STANDARD" A MAJORITY OF THE BOARD OF DIRECTORS ARE NEITHER EMPLOYEES, CONTRACTORS OR FAMILY MEMBERS OF THE ORGANIZATION POMONA VALLEY HOSPITAL MEDICAL CENTER IS A COMMUNITY BASED, DISPROPORTIONATE SHARE HOSPITAL IN ADDITION, WE PARTICIPATE IN MEDICARE, MEDI-CAL, CHAMPUS, AND TRICARE POMONA VALLEY HOSPITAL MEDICAL CENTER IS AN OPEN MEDICAL STAFF, EXTENDING STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS FOR ALL AREAS AND DEPARTMENTS OF OUR FACILITY POMONA VALLEY HOSPITAL MEDICAL CENTER IS HOME TO THE ONLY 24-HOURS-A-DAY, FULL SERVICE EMERGENCY DEPARTMENT (ED) IN POMONA OUR ED TREATS ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY, POMONA VALLEY HOSPITAL MEDICAL CENTER PROVIDES EMERGENCY SERVICES TO ALL PATIENTS WITH OUR WITHOUT INSURANCE THE EMERGENCY DEPARTMENT'S DEDICATED STAFF IS EXPERIENCED IN PROVIDING PROMPT, ACCURATE DIAGNOSIS AND SKILLFUL MEDICAL TREATMENT THIS EXPERT TEAM INCLUDES BOARD-CERTIFIED EMERGENCY PHYSICIANS, PHYSICIAN ASSISTANTS, BOARD CERTIFIED NURSES, EMERGENCY MEDICAL TECHNICIANS, RESPIRATORY THERAPISTS AND OTHER HIGHLY TRAINED EMERGENCY CARE PROFESSIONALS ALL ARE DEDICATED TO PROVIDING TECHNOLOGICALLY ADVANCED, LIFESAVING MEDICAL SERVICES WITH COMPASSIONATE, CULTURALLY APPROPRIATE CARE

Identifier	ReturnReference	Explanation
AFFILIATED HEALTH CARE SYSTEM	PART VI, LINE 6	POMONA VALLEY HOSPITAL MEDICAL CENTER IS A STAND ALONE HOSPITAL, NOT PART OF A HEALTH CARE SYSTEM

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	PART VI, LINE 7	CALIFORNIA

Additional Data

Software ID:
Software Version:
EIN: 95-1115230
Name: POMONA VALLEY HOSPITAL MEDICAL CENTER

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? **17** Name and address	Type of Facility (Describe)
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
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PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER
PVHMC Imaging Claremont 1601 Monte Vista Avenue CLAREMONT, CA 91711	DIAGNOSTIC CENTER

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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
POMONA VALLEY HOSPITAL MEDICAL CENTER

Employer identification number
95-1115230

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) CALIFORNIA HEALTH FOUNDATION & TRUST 1215 K STREET STE 800 SACRAMENTO,CA 95814	94-1498697	501(C)(3)	585,792				HOSPITAL FEE PROGRAM
(2) BOYS REPUBLIC1907 BOYS REPUBLIC DR CHINO HILLS,CA 91709	95-1647813	501(C)(3)	11,409				PROGRAM SUPPORT
(3) YES FOR SCHOOLS 22100 RIM FIRE LANE DIAMOND BAR,CA 91765	52-2178069	501(C)(3)	10,000				DONATIONS FOR SCHOOLS IN THE POMONA UNIFIED SHOOL DISTRICT
(4) POMONA COMMUNITY CLINIC750 PARK AVE POMONA,CA 91767	22-3914738	501(C)(3)	40,000				PROGRAM SUPPORT

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

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

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

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

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

Identifier	Return Reference	Explanation
DESCRIPTION OF ORGANIZATION'S PROCEDURES FOR MONITORING THE USE OF GRANTS	FORM 990, SCHEDULE I, PART I, LINE 2	THE CALIFORNIA HOSPITAL FEE PROGRAM (THE PROGRAM) WAS SIGNED INTO LAW BY THE GOVERNOR OF CALIFORNIA AND BECAME EFFECTIVE ON JANUARY 1, 2010 THE HOSPITAL MADE PLEDGE PAYMENTS (GRANT) TO THE CALIFORNIA HEALTH FOUNDATION & TRUST TOTALING $585,792 IN CONJUNCTION WITH THIS PROGRAM NO MONITORING IS COMPLETED AFTER THE GRANT IS MADE

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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
POMONA VALLEY HOSPITAL MEDICAL CENTER

Employer identification number
95-1115230

Part I Questions Regarding Compensation

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

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) RICHARD YOCHUM	(i)	532,827	0	9,518	121,741	22,621	686,707	0
	(ii)	0	0	0	0	0	0	0
(2) MICHAEL NELSON	(i)	378,518	0	8,787	130,341	22,636	540,282	0
	(ii)	0	0	0	0	0	0	0
(3) KURT WEINMEISTER	(i)	356,143	0	6,289	14,700	17,083	394,215	0
	(ii)	0	0	0	0	0	0	0
(4) CHRIS ALDWORTH	(i)	185,401	0	11,622	14,832	30,623	242,478	0
	(ii)	0	0	0	0	0	0	0
(5) JULI HESTER	(i)	197,316	0	5,768	11,346	22,359	236,789	0
	(ii)	0	0	0	0	0	0	0
(6) DARLENE SCAFFIDDI	(i)	223,706	0	15,680	17,306	31,971	288,663	0
	(ii)	0	0	0	0	0	0	0
(7) KENNETH K NAKAMOTO	(i)	264,030	0	20,882	12,250	31,754	328,916	0
	(ii)	0	0	0	0	0	0	0
(8) KENT HOYOS	(i)	259,887	0	3,744	11,903	31,754	307,288	0
	(ii)	0	0	0	0	0	0	0
(9) JOSEPH BAUMGARTNER	(i)	212,414	47,054	4,086	16,498	30,142	310,194	0
	(ii)	0	0	0	0	0	0	0
(10) RICHARD ROSSMAN	(i)	199,010	42,733	6,156	14,899	31,915	294,713	0
	(ii)	0	0	0	0	0	0	0
(11) JAMES MCL DALE	(i)	223,058	0	11,540	3,615	22,604	260,817	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
SUPPLEMENTAL COMPENSATION INFORMATION	SCHEDULE J, PART I, LINE 4B	THE HOSPITAL HAS EMPLOYMENT CONTRACTS WITH MR YOCHUM AND MR NELSON THE CONTRACTS PROVIDE FOR A PAYMENT OF 5 24 FOR MR NELSON AND 4 77 FOR MR YOCHUM TIMES ANNUAL CASH COMPENSATION IF THE EXECUTIVE REMAINS EMPLOYED UNTIL THE END OF THE CONTRACT EMPLOYMENT REQUIREMENTS ARE 36 YEARS FOR MR YOCHUM AND 34 YEARS FOR MR NELSON IN THE EVENT OF VOLUNTARY TERMINATION OR TERMINATION FOR CAUSE, ALL BENEFITS UNDER THE CONTRACT ARE FORFEITED IN THE EVENT OF EARLY TERMINATION BECAUSE OF DEATH OR DISABILITY, A PRORATED BENEFIT WOULD BE PAID THE CONTRACT AFFIRMS THE THE BOARD OF DIRECTORS HAS THE RIGHT TO TERMINATE THE CONTRACT, WITH OR WITHOUT CAUSE, AT ITS DISCRETION, AND PROVIDES A FORMULA FOR CALCULATING THE SEVERANCE PAYMENT IN THE EVENT OF INVOLUNTARY TERMINATION ONCE THE EMPLOYEE HAS MET ALL VESTING REQUIREMENTS, AND THE AMOUNT IS NOT SUBJECT TO SUBSTANTIAL RISK OF FORFEITURE, THE AMOUNT IS INCLUDED IN OTHER REPORTABLE COMPENSATION (SCHEDULE J, PART II, B(III)) SCHEDULE J, PART II, C INCLUDES DEFERRED COMPENSATION OF $102,141 FOR MR YOCHUM AND $110,741 FOR MR NELSON
NON-FIXED PAYMENTS	SCHEDULE J, PART I, LINE 7	CERTAIN MEMBERS OF MANAGEMENT ARE AWARDED INCENTIVE COMPENSATION IN RECOGNITION OF SIGNIFICANT CONTRIBUTIONS TO ACHEIVING CORPORATE GOALS THESE AMOUNTS ARE LISTED IN SCHEDULE J, PART II, COUMN B(II)

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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

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Name of the organization
POMONA VALLEY HOSPITAL MEDICAL CENTER

Employer identification number
95-1115230

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) POMONA VALLEY IMAGING MED GRP	SEE PART V	690,784	COMPENSATION FOR SERVICES		No
(2) POMONA VALLEY IMAGING MED GRP	SEE PART V	555,062	PRINCIPAL & INT ON CAP LEASE		No
(3) SAN GABRIEL VALLEY PERINATAL MED GR	SEE PART V	200,000	COMPENSATION FOR SERVICES		No
(4) GREGORY DALY	SEE PART V	126,273	COMPENSATION FOR SERVICES		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
BUSINESS TRANSACTIONS WITH INTERESTED PERSONS	SCHEDULE L, PART IV	1 & 2 JOHNSON LIGHTFOOTE, MD, A DIRECTOR OF THE ORGANIZATION'S BOARD, IS A GREATER THAN 5% OWNER OF POMONA VALLEY IMAGING MEDICAL GROUP 3 HELLEN RODRIGUEZ, MD, A DIRECTOR OF THE ORGANIZATION'S BOARD IS A GREATER THAN 5% OWNER OF SAN GABRIEL VALLEY PERINATAL MEDICAL GROUP 4 GREGORY DALY IS THE BROTHER OF DARLENE SCAFFIDDI, A KEY EMPLOYEE OF THE ORGANIZATION

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
POMONA VALLEY HOSPITAL MEDICAL CENTER

Employer identification number
95-1115230

Part I Types of Property

		(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining contribution amounts
1	Art—Works of art				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded				
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other				
15	Real estate—Residential				
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▸ (MEDICAL EQUIPMENT)	X	1	0	NONE
26	Other ▸ ( )				
27	Other ▸ ( )				
28	Other ▸ ( )				

29	Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement	29	0

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

Part II

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

Identifier	Return Reference	Explanation
NON-CASH CONTRIBUTIONS	SCHEDULE M, PART I, LINE 25	MEDICAL EQUIPMENT WAS DONATED TO THE HOSPITAL BY THE POMONA VALLEY HOSPITAL MEDICAL CENTER FOUNDATION, A RELATED ORGANIZATION THE DONATION WAS NOT RECORDED ON THE HOSPITAL'S BOOKS

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493312008282

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
POMONA VALLEY HOSPITAL MEDICAL CENTER

Employer identification number
95-1115230

Identifier	Return Reference	Explanation
ORGANIZATION'S MISSION	FORM 990, PART III, LINE 1	POMONA VALLEY HOSPITAL MEDICAL CENTER IS A NOT FOR PROFIT, REGIONAL MEDICAL CENTER DEDICATED TO PROVIDING HIGH QUALITY, COST EFFECTIVE HEALTH CARE SERVICES TO RESIDENTS OF THE GREATER POMONA VALLEY THE MEDICAL CENTER OFFERS A FULL RANGE OF SERVICES FROM LOCAL PRIMARY ACUTE CARE TO HIGHLY SPECIALIZED REGIONAL SERVICES SELECTION OF ALL SERVICES IS BASED UPON COMMUNITY NEED, AVAILABILITY OF FINANCING, AND THE ORGANIZATION'S TECHNICAL ABILITY TO PROVIDE HIGH QUALITY RESULTS BASIC TO OUR MISSION IS OUR COMMITMENT TO STRIVE CONTINUOUSLY TO IMPROVE THE STATUS OF HEALTH BY REACHING OUT AND SERVING THE NEEDS OF OUR DIVERSE COMMUNITY

Identifier	Return Reference	Explanation
PROGRAM SERVICE ACCOMPLISHMENTS	FORM 990, PART III, LINE 4A	A NATIONALLY RECOGNIZED, NOT-FOR-PROFIT FACILITY, THE HOSPITAL'S SERVICES INCLUDE CENTERS OF EXCELLENCE IN ONCOLOGY AND CANCER CARE, CARDIAC AND VASCULAR CARE, WOMEN'S AND CHILDREN 'S SERVICES, AND KIDNEY STONES SPECIALIZED SERVICES INCLUDING CENTERS FOR BREAST HEALTH, SLEEP DISORDERS, A NEONATAL ICU, A PERINATAL CENTER, PHYSICAL THERAPY/SPORTS MEDICINE, A F ULL-SERVICE EMERGENCY DEPARTMENT WHICH INCLUDES OUR LOS ANGELES COUNTY AND SAN BERNARDINO COUNTY STEMI RECEIVING CENTER DESIGNATION, ROBOTIC SURGERY, AND THE FAMILY MEDICINE RESIDE NCY PROGRAM AFFILIATED WITH UCLA SATELLITE CENTERS IN CHINO HILLS, CLAREMONT AND POMONA P ROVIDE A WIDE RANGE OF OUTPATIENT SERVICES INCLUDING PHYSICAL THERAPY, URGENT CARE, RADIOL OGY AND OCCUPATIONAL HEALTH WE HAVE RECENTLY EARNED OUR PRIMARY STROKE CENTER CERTIFICATI ON THE JOINT COMMISSION RECENTLY NOTIFIED US THAT WE HAVE EARNED THE GOLD SEAL OF APPROVA L FOR CERTIFICATION AS A PRIMARY STROKE CENTER FOR LOS ANGELES COUNTY, ALONG WITH BEING NA MED ONE OF THOMSON REUTER'S 2011 50 TOP CARDIO HOSPITALS IN THE NATION DEMONSTRATES WHAT W E HAVE BEEN DOING ALL ALONG, PROVIDING QUALITY CARDIOVASCULAR CARE IN THE HEART OF OUR COM MUNITY AS A COMMUNITY HOSPITAL, WE CONTINUOUSLY REFLECT UPON OUR RESPONSIBILITY TO PROVID E HIGH QUALITY HEALTH CARE SERVICES, ESPECIALLY TO OUR MOST VULNERABLE POPULATIONS IN NEED , AND TO RENEW OUR COMMITMENT WHILE FINDING NEW WAYS TO FULFILL OUR CHARITABLE PURPOSE PA RT OF THAT COMMITMENT IS SUPPORTING ADVANCED LEVELS OF TECHNOLOGY, STAFFING, TRAINING, EQU IPMENT, AND FACILITIES PVHMC WORKS VIGOROUSLY TO MEET OUR ROLE IN MAINTAINING A HEALTHY C OMMUNITY BY IDENTIFYING HEALTH-RELATED PROBLEMS AND DEVELOPING WAYS TO ADDRESS THEM PVHMC DEMONSTRATES ITS PROFOUND COMMITMENT TO ITS LOCAL COMMUNITY, BOTH HISTORICALLY AND ON A C ONTINUING BASIS PVHMC HAS WELCOMED THIS OCCASION TO FORMALIZE, ENHANCE AND DOCUMENT THE M ULTITUDE OF COMMUNITY BENEFIT INITIATIVES IN WHICH THE HOSPITAL IS IMMERSED OUR EMERGENCY DEPARTMENT (ED) IS ONE OF THE FOCUSES FOR THIS YEAR'S COMMUNITY BENEFIT PLAN IN RECOGNIZ ING THAT OVERCROWDED ED'S IS A NATIONWIDE CRISIS, PVHMC WANTED TO EXPLORE HOW THE HOSPITAL MET THE NEEDS OF OUR COMMUNITY AND WHAT THE HOSPITAL WAS DOING FOR THE FUTURE TO DETER MU CH OF THE PRESSURE BEING PLACED ON OUR OVERCROWDED ED THE EMERGENCY DEPARTMENT IS OFTEN S TILL THE SOURCE OF PRIMARY HEALTH CARE FOR MANY OF OUR RESIDENTS, ALTHOUGH WE CONTINUE TO PROVIDE OUTREACH AND EDUCATE THE COMMUNITY ON OTHER RESOURCES AVAILABLE TO THEM THE ED AT PVHMC IS A VITAL COMPONENT OF THE WELL-BEING OF OUR COMMUNITY RESIDENTS AS A PRIVATE COM MUNITY SAFETY NET HOSPITAL, ALSO WITH THE DESIGNATION AS A DISPROPORTIONATE SHARE HOSPITAL (''DSH''), WE CARE FOR A GREATER POPULATION OF LOW-INCOME, MEDICALLY VULNERABLE PATIENTS T HEY OFTEN REQUIRE AN INCREASED NEED OF ACCESSIBLE, HIGH QUALITY, AND COST-EFFECTIVE HEALTH CARE SERVICES WE DELIVER CARE TO ALL PATIENTS IN OUR ED, WITH OR WITHOUT INSURANCE. THE NECESSITY TO IMPROVE AND BUILD UPON THE EFFICIENCY OF OUR ED IS CRITICAL FOR PVHMC IN ORDE R FOR US TO KEEP UP WITH THE GROWING DEMANDS BEING PLACED UPON OUR SYSTEM EVERY DAY IN AD DITION TO THE EMERGENCY DEPARTMENT AS A FOCUS FOR THIS YEAR'S COMMUNITY BENEFIT PLAN WE WI LL BE EXPLORING COMMUNITY REQUESTS FOR MORE CLASSES AND SUPPORT GROUPS ON A VARIETY OF HEA LTH RELATED TOPICS IN 2012, A COMMUNITY NEEDS ASSESSMENT WAS COMPLETED THE ASSESSMENT IS INTENDED TO BE A RESOURCE FOR PVHMC TO BECOME INVOLVED WITH DEVELOPING AND MAINTAINING AC TIVITIES AND PROGRAMS THAT CAN HELP IMPROVE THE HEALTH AND WELL-BEING OF THE RESIDENTS OF POMONA VALLEY THE RESEARCH OBJECTIVES WERE TO LOOK AT THE DEMOGRAPHIC PROFILE OF THE COMM UNITY, HEALTH INSURANCE COVERAGE, HEALTH ACCESS BARRIERS, UTILIZATION OF HEALTH CARE SERVI CES FOR ROUTINE PRIMARY/PREVENTATIVE CARE, UTILIZATION OF URGENT CARE SERVICES, NEED FOR S PECIALTY HEALTH CARE AND EXPERIENCE WITH PVHMC INCLUDING CLASSES, SUPPORT GROUPS, AND THE EMERGENCY ROOM IN THE 2012 FINDINGS, OUT OF 138 RESPONSES, 99 (OR 73 3%) OF THE PATIENTS WHO VISITED THE EMERGENCY DEPARTMENT (ED) SAID THEY DID NOT TRY TO SEE THEIR DOCTOR BEFORE GOING TO THE ED THE MAIN REASONS GIVEN FOR NOT TRYING TO SEE THEIR DOCTOR FIRST WERE BEC AUSE IT WAS AFTER HOURS (32 OR 36%), IT WAS AN EMERGENCY SITUATION (22 OR 24 7%), OR THEY WERE BROUGHT BY AMBULANCE (15 OR 16 9%) MORE PATIENTS USED THE ED WHEN IT SEEMED APPROPRI ATE AS IT RELATED TO THE DAY AND TO THE EXTENT OF THE EMERGENCY COMPARED TO THE 2008 COMMU NITY NEEDS ASSESSMENT WE ARE DOING A BETTER JOB OF INFORMING OUR COMMUNITIES OF THE DIFFE RENCES BETWEEN EMERGENT SITUATIONS AND WHAT CAN WAIT FOR A VISIT WITH THEIR PRIMARY CARE P HYSICIAN, AND THE USE OF URGENT CARE SERVICES IN ADDITION, WE CAN DO MORE TO MAKE USE OF OUR PRIMARY CARE AND URGENT CARE SERVICES TO MEET THE NEEDS OF OUR COMMUNITY AND OFFLOAD A LARGE PROPORTION OF THE PRESSURE ON OUR EMERGENCY DEPARTMENT MANY OF THE ACTIVITIES AND PROGRAMS IN OUR COMMUNITY BENEFIT PLAN ADDRESS IDE

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PROGRAM SERVICE ACCOMPLISHMENTS	FORM 990, PART III, LINE 4A	NTIFIED PUBLIC HEALTH NEEDS THE MAJORITY OF OUR SERVICES ARE TIED INTO PROVIDING INFORMAT ION AND EDUCATION TO THE COMMUNITY REGARDING AVAILABILITY AND ACCESSIBILITY TO HEALTH AND SOCIAL SERVICES BY FOSTERING GREATER COORDINATION AND COLLABORATION AMONG LOCAL SERVICE P ROVIDERS, WE ARE ABLE TO CONTINUE TO OFFER COMPREHENSIVE MEDICAL SERVICES AND PROGRAMS TO A LARGE COMMUNITY OUR SERVICES SHOW HOW THE COMMUNITY'S NEEDS DRIVE THE CONCEPTION AND ES TABLISHMENT OF THE SERVICES WE PROVIDE AND CONTRIBUTE TO ITS GROWTH AND IMPROVEMENT EVERY ACTIVITY AND PROGRAM IS BUDGETED TO MANAGE THE USE OF AVAILABLE RESOURCES OUR COMMITMENT TO THESE VITAL SERVICES IS DEMONSTRATED THROUGH THE CONCERTED EFFORTS OF EACH DEPARTMENT TO ENSURE THAT ESSENTIAL SERVICES CONTINUE TO BE PROVIDED TO THE COMMUNITY OUR COMMUNITY IS CENTRAL TO US, AND IT IS REPRESENTED IN ALL OF THE WORK WE DO PVHMC HAS SERVED THE POM ONA VALLEY FOR OVER 100 YEARS, AND WE VALUE MAINTAINING THE HEALTH OF OUR COMMUNITY BY PRO VIDING ACCESSIBLE, HIGH QUALITY MEDICAL CARE THANK YOU FOR TAKING THE TIME TO ALLOW US TO SHARE WITH YOU OUR COMMUNITY ACTIVITIES AND PROGRAMS FOR THE MOST RECENT YEAR

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ABOUT PVHMC		PRESIDENT/CHIEF EXECUTIVE OFFICER, RICHARD E. YOCHUM AND CHAIRMAN, BOARD OF DIRECTORS, ROG ER GINSBURG OUR ORGANIZATIONAL STRUCTURE - PVHMC IS GOVERNED BY A BOARD OF DIRECTORS WHOS E MEMBERS ARE REPRESENTATIVE OF THE COMMUNITY, HOSPITAL AND MEDICAL STAFF LEADERSHIP OUR MISSION - PVHMC IS A NOT-FOR-PROFIT REGIONAL MEDICAL CENTER DEDICATED TO PROVIDING HIGH QU ALITY, COST EFFECTIVE HEALTH CARE SERVICES TO RESIDENTS OF THE GREATER POMONA VALLEY THE MEDICAL CENTER OFFERS A FULL RANGE OF SERVICES FROM LOCAL PRIMARY ACUTE CARE TO HIGHLY SPE CIALIZED REGIONAL SERVICE. SELECTION OF ALL SERVICES IS BASED ON COMMUNITY NEED, AVAILABIL ITY OF FINANCING AND THE ORGANIZATION'S TECHNICAL ABILITY TO PROVIDE HIGH QUALITY RESULTS BASIC TO OUR MISSION IS OUR COMMITMENT TO STRIVE CONTINUOUSLY TO IMPROVE THE STATUS OF HE ALTH BY REACHING OUT AND SERVING THE NEEDS OF OUR DIVERSE ETHNIC, RELIGIOUS AND CULTURAL C OMMUNITY OUR COMMUNITY - PVHMC IS DEDICATED TO MEETING THE HEALTH CARE DEMANDS OF THE GRO WING POPULATIONS OF LOS ANGELES AND SAN BERNARDINO COUNTIES OUR PRIMARY SERVICE AREA IS D EFINED AS THE CITIES OF POMONA, CLAREMONT, CHINO, CHINO HILLS, LA VERNE, MONTCLAIR, ONTARI O, RANCHO CUCAMONGA, ALTA LOMA, UPLAND AND SAN DIMAS AND MAKE UP A POPULATION OF 840,789 IN 2010 AS DERIVED FROM THE STATISTICS REPORTED BY THE U S CENSUS BUREAU THE ETHNIC DIVE RSITY REPRESENTED BY THE DEMOGRAPHICS OF THE CITY OF POMONA IN 2010 WAS SUCH THAT 33 6% IS HISPANIC OR LATINO, 14 4% IS WHITE, 7 3% IS BLACK/AFRICAN-AMERICAN, 8 5% IS ASIAN, 1 2% I S AMERICAN INDIAN, 0 2% HAWAIIAN/PACIFIC ISLANDER, 30 3% IS OTHER, AND 4 5% IS TWO OR MORE RACES, ACCORDING TO THE U S CENSUS BUREAU COMMUNITY BENEFIT PLAN FOCUS STUDY - DURING T HE SUMMER OF 2009, THE EMERGENCY DEPARTMENT RECEIVED A MODERATE COSMETIC RECONSTRUCTION TH AT INCLUDED A REFRESH OF THE WAITING ROOM THE CHANGE PROVIDED MORE COMFORT FOR OUR PATIEN TS AS WE EXPAND OUR SERVICES PVHMC RECOGNIZES THE IMPORTANCE OF EMERGENCY CARE SERVICES T O THE COMMUNITY AND WE ARE COMMITTED TO MEETING THE NEEDS OF OUR PATIENTS OUR HOSPITAL HA S LEARNED FROM EVALUATIONS OF THE ED THAT THE NECESSITY TO IMPROVE AND BUILD UPON THE EFFI CIENCY OF OUR ED IS CRITICAL IN ORDER TO KEEP UP WITH THE GROWING DEMANDS BEING PLACED UPO N OUR SY STEM EVERY DAY OUR ED HAS BEEN ENHANCED WITH ROUND THE CLOCK PHY SICIAN COVERAGE OF FULL-TIME LABORISTS (HOSPITAL-BASED OBSTETRICS/GY NECOLOGY PHY SICIANS WHO DO DELIVERIES), A HOSPITALIST TEAM, AND A DEDICATED INTENSIVIST PROGRAM IN THE INTENSIVE CARE UNIT (ICU) A FULL SERVICE ED BACK UP CALL PROVIDES ADEQUATE COVERAGE OF SPECIALISTS WHICH IS CRITICAL TO THE ABILITY OF THE HOSPITAL TO PROVIDE SPECIALTY MEDICINE TO PATIENTS THE CALIFORNIA EMERGENCY PHY SICIAN GROUP (CEP) AT POMONA VALLEY HOSPITAL MEDICAL CENTER HAS DEVELOPED AND PIONEERED A NUMBER OF PROVEN BEST PRACTICES REFERRED TO COLLECTIVELY AS THE RAPID MEDICAL EVALUATION (RME) METHODOLOGY TO EXPEDITE ED CARE AND THROUGHPUT THIS ALLOWS THE PROVIDER TO EVALUATE THE PATIENT AND BEGIN TREATMENT AS QUICKLY AS POSSIBLE. IT ALLOWS FOR PARALLE L PROCESSING OF ED PATIENT THUS IMPROVING OPERATIONAL EFFICIENCY, PATIENT FLOW, AND PATIEN T'S SATISFACTION, WHILE DECREASING DIVERSION TIME AND ED OVERCROWDING GOALS OF THE RME PR OGRAM INCLUDE - INITIAL PROVIDER EVALUATION WILL OCCUR IMMEDIATELY UPON A PATIENT'S ARRIV AL, - ORDERS WILL BE INITIATED IMMEDIATELY, AND, - BED AVAILABILITY WILL NOT DELAY A PATIE NT FROM SEEING A PROVIDER IMMEDIATELY AS ED VOLUME CONTINUED TO INCREASE, THE ED HAS ADDE D ADDITIONAL NURSING STAFF (A TOTAL OF 23 LICENSED AS COMPARED TO 19 IN 2009) AS WELL AS A DDITIONAL PROVIDER (PHY SICIAN/PHY SICIAN ASSISTANT) COVERAGE TO HAVE A PROVIDER IN TRIAGE D URING THE TIMES OF HEAVIEST PATIENT VOLUMES SHIFTS ARE FROM 10 00 AM TO 10 00 PM WE HAVE REDUCED THE PERCENT OF "LEFT WITHOUT BEING SEEN" TO 1 07% FOR 2011 (COMPARED WITH THE NAT IONAL AVERAGE OF 1 4%) WE HAVE DECREASED OUR AVERAGE "DOOR-TO-PROVIDER TIME" IN 2011 TO 2 5-MINUTES AND REACHED OUR GOAL OF 40-MINUTES (CALIFORNIA EMERGENCY PHY SICIAN GROUP) WHICH CONTINUES TO BE OUR GOAL FOR 2012 AS A DESIGNATED STEMI RECEIVING CENTER (SRC) IN BOTH LO S ANGELES AND SAN BERNARDINO COUNTIES, PVHMC BECAME THE FIRST HOSPITAL IN THE REGION WITH DUAL COUNTY DESIGNATION AN ACUTE HEART ATTACK CAUSED BY BLOOD CLOTS IS CALLED AN ST-ELEVA TED MY OCARDIAL INFARCTION, OR STEMI WITHOUT RAPID ANGIOPLASTY, HEART MUSCLE IS PERMANENTL Y DAMAGED IN ORDER TO QUALIFY FOR THIS DESIGNATION, HOSPITALS ARE REQUIRED TO PROVIDE ANG IOPLASTY TREATMENT IN LESS THAN 90 MINUTES CURRENTLY, PVHMC AVERAGES 50-MINUTE DOOR-TO-BA LLOON TIMES, RANKING IN THE TOP 5 PERCENT NATIONALLY THE STEAD HEART AND VASCULAR CENTER OFFERS ONE OF THE MOST COMPLETE LINES OF CARDIOVASCULAR AND STROKE SERVICES IN LOS ANGELES AND SAN BERNARDINO COUNTIES STROKE IS A MAJOR PUBLIC HEALTH CONCERN FOR OUR COMMUNITY A S THE 2ND LEADING CAUSE OF DEATH, IN THE SAN GABRIEL VALLEY, PVHMC RECOGNIZED THAT OUR COM MUNITY WAS SIGNIFICANTLY UNDERSERVED WITH REGARD T

Identifier	Return Reference	Explanation
ABOUT PVHMC		O STROKE CARE, CARING FOR MORE THAN 500 STROKE PATIENTS ANNUALLY PVHMC BEGAN TO WORK WITH THE LOS ANGELES COUNTY EMS AGENCY TO ADDRESS THIS NEED IN 2009 LOS ANGELES COUNTY EMS AG ENCY ESTABLISHED A PRIMARY STROKE CENTER APPROACH, DIRECTING EMS PROVIDERS TO BYPASS LOCAL COMMUNITY HOSPITALS AND TAKE STROKE VICTIMS TO PRIMARY STROKE CENTERS PRIMARY STROKE CEN TERS ARE REQUIRED TO ABIDE BY THE REGULATORY GUIDELINES SET FORTH BY THE JOINT COMMISSION IN 2010 ONLY 13 PRIMARY STROKE CENTERS WERE RECOGNIZED BY LOS ANGELES COUNTY, ALL MORE TH AN THIRTY MILES WEST OF THE POMONA VALLEY, WITH TRANSPORT TIMES DURING PEAK COMMUTE TRAFFI C OF MORE THAN 60 MINUTES THE COORDINATION OF CARE FOR SAN BERNARDINO COUNTY STROKE VICTI MS WAS EVEN MORE DISMAL WITH VERY LIMITED SERVICES SPREAD ACROSS THE LARGEST COUNTY IN AME RICA IN 2011 PVHMC BECAME ONE OF THE FIRST TWO PRIMARY STROKE CENTER FOR SAN BERNARDINO C OUNTY, PRIMARY STROKE CENTERS POMONA VALLEY HOSPITAL MEDICAL CENTER DEVELOPED AND CONTINU ES TO SUPPORT A PRIMARY STROKE CENTER PROGRAM IMPLEMENTING CARE COORDINATION TO MEET THE N EEDS OF OUR COMMUNITY - CALL COVERAGE CONTRACT TO ADDRESS 24/7/365 RAPID AND TIMELY RESPO NSE OF OUR NEUROLOGISTS * $172,500/YEAR CALL COVERAGE - CONDUCTED A MINIMUM OF 8 HOURS OF TRAINING FOR ALL NURSING STAFF IN STROKE UNITS WITHIN THE HOSPITAL (OVER 300 NURSES) * $9 6,000/ YEAR OF MANDATED TRAINING - MANDATED NATIONAL INSTITUTE OF HEALTH STROKE SCALE TRAI NING AND CERTIFICATION OF ALL ED STAFF NURSES AND STROKE UNIT CHARGE NURSES (APPROX 150 NURSES) * $24,000/YEAR OF MAINTAINED CERTIFICATION - PROVIDE 3 ANNUAL PHYSICIAN CME/EDUCAT IONAL FORUMS * $12,000/YEAR - DEVELOPED A STROKE COORDINATOR POSITION TO PROVIDE CARE COOR DINATION, PROGRAM IMPLEMENTATION AND COMPLIANCE * $120,000/YEAR - PROVIDE 20 COMMUNITY EDU CATION FORUMS, SYMPOSIUMS AND OUTREACH ANNUALLY * $3,900/YEAR - DEVELOPED EDUCATIONAL AND OUTREACH MATERIAL TO EDUCATE THE COMMUNITY OF THE EARLY WARNING SIGNS OF STROKE * $15,000/ YEAR - PROVIDE MONTHLY EMS AGENCY EDUCATION PROGRAMS * $7,800 - PRIMARY STROKE CENTER CERT IFICATION FEES * $5,000/ YEAR THE JOINT COMMISSION FEE * $20,000/YEAR SAN BERNARDINO PRIMA RY STROKE CENTER DESIGNATION FEE

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POMONA VALLEY HOSPITAL MEDICAL CENTER NOW SERVES MORE THAN 650 STROKE AND	TIA VICTIMS ANNUALLY	ANOTHER ACCOMPLISHMENT IN THE ED IS THE ADDITION OF BIOSITE CARDIAC/SHORTNESS OF BREATH LA BORATORY POINT-OF-CARE TESTING THIS ALLOWS FOR A FASTER, RELIABLE BEDSIDE LAB TEST FOR AN Y PATIENTS THAT COME TO THE ED PRESENTING WITH CHEST PAIN AND SHORTNESS OF BREATH USING B IOSITE REDUCES THE TIME TO RECEIVE RESULTS FROM 1-1 5 HOURS TO 15 MINUTES AND REDUCES A PA TIENT'S OVERALL TURN-AROUND TIME BY AS MUCH AS AN HOUR INITIALLY ESTABLISHED IN 2009, WE CONTINUE TO UTILIZE THE ED SURGE CAPACITY PLAN CALLED "CAPACITY ALERT" THIS ALERT IS INIT IATED DURING PERIODS OF HIGH ED CENSUS AND ESTABLISHES A HOSPITAL WIDE RESPONSE TO ASSIST IN FACILITATING ED ADMISSIONS TO THE FLOOR AND THEREBY RESTORING ED CAPACITY ALONG WITH T HE PROGRESS WE HAVE MADE TO IMPROVE EMERGENCY CARE SERVICES ON OUR MAIN CAMPUS, AND RECOGN IZING THAT THE ED IS STILL A SOURCE OF PRIMARY HEALTH CARE FOR THE COMMUNITY, WE HAVE INCR EASED ACCESS TO PRIMARY HEALTH CARE SERVICES OUTSIDE OF THE HOSPITAL'S ED WE ADDRESSED TH E NEED FOR ADDITIONAL ACCESS THROUGH THE DEVELOPMENT OF OUR FAMILY MEDICINE RESIDENCY PROG RAM IN THE MID 1990'S TO HELP ADDRESS THE LOOMING SHORTAGE IN PRIMARY CARE PROVIDERS OVER TIME, PVHMC AND THE RESIDENCY FACULTY MEDICAL GROUP WORKED TOGETHER TO PROVIDE ADDITIONAL ACCESS POINTS THROUGHOUT OUR COMMUNITY IN ADDITION TO THE POMONA BASED FAMILY HEALTH CENT ER THROUGH THE RECRUITMENT OF GRADUATING RESIDENTS WE OPENED AND STAFFED THE POMONA VALLE Y HEALTH CENTER IN CHINO HILLS (OPENED IN 2003, REPLACING A SMALLER OFFICE THAT HAD OPENED IN 1999), THE POMONA VALLEY HEALTH CENTER AT CROSSROADS (ALSO IN CHINO HILLS, OPENED IN 2 007) AND THE POMONA VALLEY HEALTH CENTER IN CLAREMONT (OPENED IN 2009) IN TOTAL, THESE NE TWORKED CENTERS OFFER FAMILY MEDICINE, URGENT CARE, PHYSICAL THERAPY AND REHABILITATION, S LEEP MEDICINE AND WIDE RANGING IMAGING SERVICES THESE SITES ARE DIGITALLY CONNECTED THROU GH AN ELECTRONIC MEDICAL RECORD THAT ALLOWS ACCESS TO PATIENT HISTORY THROUGHOUT THE SYSTE M ANOTHER PROJECT TO EXPAND ACCESS TO PRIMARY CARE SERVICES IN OUR COMMUNITY IS THE GROWT H OF THE POMONA COMMUNITY HEALTH CENTER BEGINNING IN THE MID 1990'S, AND PARTNERING WITH A GRADUATING FAMILY MEDICINE RESIDENT, THE HOSPITAL WORKED WITH LOS ANGELES COUNTY AND OTH ER COMMUNITY PARTNERS TO OPEN THE POMONA COMMUNITY HEALTH CENTER WITHIN THE L A COUNTY DE PARTMENT OF PUBLIC HEALTH THIS SMALL, TWO EXAM ROOM CLINIC, OFFERED FREE PRIMARY CARE TO UNINSURED COUNTY RESIDENTS AS AN OUTPATIENT SERVICE OF THE HOSPITAL IN 2010, THE CLINIC A ND HOSPITAL ORCHESTRATED A SUCCESSFUL SEPARATION OF THE CLINIC INTO ITS OWN NOT-FOR-PROFIT COMMUNITY CLINIC AND BEGAN A PROCESS THAT WOULD ALLOW IT TO BE ACCREDITED AS A FEDERALLY QUALIFIED HEALTH CENTER WHILE EMBARKING ON A CAPITAL GRANT CAMPAIGN TO ALLOW FOR EXPANSION TO BOTH ADD CAPACITY AND ALLOW FOR IT TO SERVE UN AND UNDERINSURED RESIDENTS OF SAN BERNA RDINO COUNTY AS WELL IN OCTOBER OF 2011 THE PCHC RECEIVED THEIR FEDERAL DESIGNATION, AND A SUCCESSFUL CAPITAL CAMPAIGN HAS ALLOWED FOR THE RECENT COMPLETION AND FURNISHING OF A 13 BED FEDERALLY QUALIFIED HEALTH CENTER THE NEW SITE IS LOCATED IN POMONA, IN A MULTI SERV ICES MALL OWNED BY THE POMONA UNIFIED SCHOOL DISTRICT, AND SITS A FEW HUNDRED YARDS FROM T HE SAN BERNARDINO COUNTY LINE, ALLOWING FOR EASY ACCESS THE SITE IS SCHEDULED TO OPEN IN MID-2012 AND IS SIZED TO PROVIDE A MEDICAL HOME THAT HAS THE CAPACITY FOR 25,000 ANNUAL PA TIENT VISITS THAT WILL BE TARGETED TO THE LOW INCOME COMMUNITY THE HOSPITAL CONTINUES TO PROVIDE GAP OPERATIONAL FUNDING FOR THE PROGRAM IN THE FORM OF A COMMUNITY BENEFIT GRANT O F UP TO $1 5 MILLION PER YEAR SINCE THE OPENING OF THESE NEW SITES WE HAVE SEEN YEAR OVER YEAR GROWTH IN OUR PRIMARY CARE AND URGENT CARE BASE THE ADDITION OF THESE 29 URGENT CAR E BEDS TO THE REGION HAS HELPED RELIEVE PVHMC'S EMERGENCY ROOM BURDEN BY OFFERING A MORE D ISEASE APPROPRIATE SETTING FOR MANY PRIMARY CARE NEEDS THE INTEGRATED PRIMARY CARE COMPON ENTS, LICENSED AS COMMUNITY HEALTH CENTERS, ARE THEN AVAILABLE TO SERVE AS PRIMARY CARE HO MES FOR PATIENTS WHO MAY HAVE SEEN THE EMERGENCY ROOM AS THEIR PRIMARY SOURCE OF HEALTH CA RE COMMUNITY BENEFIT ACTIVITIES AND PROGRAMS - THE EXAMPLES PRESENTED IN THIS REPORT ARE INSIGHTS INTO A COMMUNITY ACTIVELY INVOLVED IN IMPROVING THE HEALTH STATUS OF RESIDENTS LI VING IN THE POMONA VALLEY COMMUNITY HEALTH IMPROVEMENT SERVICES AND COMMUNITY BENEFIT OPE RATIONS-IN ADDITION TO THE ASSISTANCE IN OPENING THE POMONA COMMUNITY HEALTH CENTER THE HO SPITAL ALSO HAS OTHER IMPORTANT COMMUNITY BASED PROGRAMS THE NEWBORN ABANDONMENT PREVENTI ON LAW ALLOWS A PARENT OF A NEWBORN LESS THAN 72 HOURS OF AGE TO RELINQUISH THEIR BABY ANO NYMOUSLY TO AN EMPLOYEE AT ANY HOSPITAL ED WITHIN THE STATE OF CALIFORNIA PVHMC CREATED A PRIVATE AREA OUTSIDE OF THE ED FOR THIS PURPOSE, THE SAFE SURRENDER PROGRAM THE PROGRAM HAS BEEN SHARED WITH LOCAL SCHOOLS AND COMMUNITY PROGRAMS, HOWEVER, THE NEED TO INCREASE A WARENESS IS CRUCIAL TO THE ONGOING SUCCESS OF THE

Identifier	Return Reference	Explanation
POMONA VALLEY HOSPITAL MEDICAL CENTER NOW SERVES MORE THAN 650 STROKE AND	TIA VICTIMS ANNUALLY	PROGRAM MANY DEPARTMENTS IN THE HOSPITAL OFFER CLASSES TO THE COMMUNITY AND SUPPORT GROUP S WITH TRAINED PROFESSIONALS IN WOMEN'S AND CHILDREN'S SERVICES, MANY OF THE CLASSES (''CH ILDBIRTH PREPARATION'', ''YOUR CESAREAN'', ''BIG BROTHER/BIG SISTER'') OFFERED AT THE HOSPITAL ARE NOT AVAILABLE AT NEIGHBORING HOSPITALS PVHMC OFFERS FREE SUPPORT GROUPS (''BOOTCAMP FO R DADS'', ''MOMMY N ME'') A HEALTH NEWSLETTER ''REGARDING WOMEN'' IS DISTRIBUTED QUARTERLY TO RESIDENTS IN THE COMMUNITY AT THE ROBERT AND BEVERLY LEWIS FAMILY CANCER CARE CENTER (CCC), THERE ARE PATIENT WORKSHOPS (''LAUGHTER YOGA''), AND SUPPORT GROUPS (''LOOK GOOD FEEL BE TTER'', ''LIVING IN THE HERE & NOW'') WE ALSO HAVE A SPECIAL ''KIDS GROUP'' FOR AGES 7 THROUGH 17 WHO HAVE A PARENT OR LOVED ONE WITH CANCER TO PROVIDE UNDERSTANDING AND COPING SKILLS THE STEAD HEART AND VASCULAR CENTER (SHVC) OFFERS HEART FAILURE EDUCATION AND AWARENESS T O RECOGNIZE RISK FACTORS, SIGNS AND SY MPTOMS THERE IS ALSO A HEART FAILURE PROGRAM THAT H ELPS PATIENTS IN MAINTAINING THEIR DISEASE AND PROVIDES SUPPORT LEADING TO DECREASED SUBSE QUENT HOSPITALIZATIONS THE STEAD HEART FOR WOMEN PROGRAM PROVIDES EDUCATION, SUPPORT AND RESOURCES SPECIFICALLY ON HEART DISEASE AND STROKE PREVENTION WE RECOGNIZE THE IMPORTANCE OF PREVENTIVE HEALTH AND WE PARTICIPATE AND ORGANIZE COMMUNITY HEALTH FAIRS WITH HEALTH C ARE INFORMATION AND HEALTH SCREENINGS THE VOLUNTEER SERVICES DEPARTMENT ORGANIZES FLU SHO TS IN A DRIVE-THRU SETTING WITH THE HELP OF PVHMC'S NURSES PVHMC WORKS WITH LA COUNTY AND LOCAL NOT-FOR-PROFIT ORGANIZATIONS TO PUT TOGETHER AN ANNUAL KIDS HEALTH FAIR PROVIDING F REE HEALTH SCREENINGS, IMMUNIZATIONS AND MEDICAL INFORMATION FOR UNINSURED AND UNDER-INSUR ED CHILDREN AGES TWO MONTHS TO 18 YEARS THE CCC OFFERS EARLY DETECTION (SKIN SCREENINGS) AND PREVENTION THE EPIDEMIOLOGY AND INFECTION CONTROL DEPARTMENT EDUCATES THE COMMUNITY O N INFECTION CONTROL AWARENESS, HAND HY GIENE AND DEMONSTRATION, AND HOME CLEANLINESS THEY ALSO OFFER EDUCATION TO THE COMMUNITY REGARDING FLU SEASON AND COUGH ETIQUETTE THE SLEEP CENTER PROVIDES AWAKE MEETINGS TO EDUCATE THE COMMUNITY ON NEW MASKS AND MACHINES THE RES PIRATORY SERVICES DEPARTMENT OFFERS FREE ASTHMA EDUCATION, AVAILABLE IN SPANISH, AND A SMO KING CESSATION PROGRAM BREATHING BUDDIES IS A SUPPORT GROUP FOR SENIORS WHO HAVE CHRONIC LUNG DISEASE BY PROVIDING THE LATEST HEALTH INFORMATION, REVIEWING THEIR MEDICATIONS, AND PROVIDING INSTRUCTION (E G , ON HOW TO TRAVEL WITH OXYGEN) THE FOOD AND NUTRITION SERVICE S DEPARTMENT OFFERS POR LA VIDA NUTRITION CLASSES FOR SPANISH SPEAKING COMMUNITY MEMBERS T O LEARN ABOUT HEALTHY EATING HEALTH PROFESSIONS EDUCATION - OUR HOSPITAL PROVIDES MANY TR AINING OPPORTUNITIES THROUGH THE VARIOUS DEPARTMENTS THAT WORK WITH THE LOCAL COLLEGES AND HEALTH PROFESSIONAL PROGRAMS PVHMC IS A CLINICAL SITE FOR NURSING STUDENTS IN PROGRAMS A T THE LOCAL COMMUNITY COLLEGES AND UNIVERSITIES THE PARISH NURSE PROGRAM THROUGH THE SHVC EDUCATES AND TRAINS BOTH CLINICAL AND NON-CLINICAL SUPPORT STAFF PVHMC'S FMRP TRAINS NUR SE PRACTITIONER AND MEDICAL STUDENTS AT THE FHC FNS PROVIDES OPPORTUNITIES FOR DIETETIC S TUDENTS TO DO THEIR INTERNSHIP ROTATIONS AT PVHMC WHERE THEY LEARN ABOUT FOOD PRODUCTION A ND MANAGEMENT THE HOSPITAL IS ALSO A TRAINING LOCATION FOR PHLEBOTOMY, PHY SICIAN BILLING, RESPIRATORY AND SURGICAL TECH STUDENTS IN RADIOLOGY, OUR HOSPITAL IS A TRAINING SITE FOR RADIOLOGIC TECHNOLOGY, ULTRASOUND AND NUCLEAR MEDICINE STUDENTS WE ALSO WELCOME CHAPLAIN S IN THE COMMUNITY TO RECEIVE CLINICAL CHAPLAIN TRAINING AT PVHMC FOR THE MEDICAL COMMUNI TY, THE HOSPITAL ORGANIZES WEEKLY CONTINUING MEDICAL EDUCATION AT NO COST TO PHY SICIANS W E OFFER A PERINATAL SY MPOSIUM WHICH IS LABOR AND DELIVERY AND NEONATAL EDUCATION THE CCC OFFERS SEMINARS ON LUNG AND GASTROINTESTINAL CANCERS

Identifier	Return Reference	Explanation
SUBSIDIZED HEALTH SERVICES		PVHMC IS A MAJOR PROVIDER IN OUR REGION, PARTICULARLY FOR MEDI-CAL AND INDIGENT PATIENTS IN BOTH LOS ANGELES AND SAN BERNARDINO COUNTIES IT IS ESSENTIAL FOR OUR HOSPITAL'S ED TO HAVE ADEQUATE COVERAGE OF SPECIALISTS TO PROVIDE NEEDED SPECIALTY MEDICINE TO PATIENTS IN ADDITION, WE HAVE ROUND THE CLOCK PHYSICIAN COVERAGE OF FULL-TIME LABORISTS (HOSPITAL-BASED OB/GYN PHYSICIANS WHO DO DELIVERIES), A HOSPITALIST TEAM, AND A DEDICATED INTENSIVIST PROGRAM IN THE INTENSIVE CARE UNIT RESEARCH - THE ROBERT AND BEVERLY LEWIS FAMILY CANCER CARE CENTER OF PVHMC PARTICIPATES IN CLINICAL RESEARCH STUDIES IN BREAST CANCER, GASTROINTESTINAL CANCERS, HEAD & NECK CANCERS, LUNG CANCER, PROSTATE CANCER, AND SYMPTOM MANAGEMENT CASH AND IN-KIND CONTRIBUTIONS - OUR HOSPITAL PROVIDES SUPPORT TO VARIOUS LOCAL COMMUNITY SERVICE ORGANIZATIONS INCLUDING THE HOUSE OF RUTH (SERVICES AND ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE), PROJECT SISTER (SEXUAL ASSAULT CRISIS AND PREVENTION SERVICES), AND YMCA IN-KIND CONTRIBUTIONS TO OUR PATIENTS AND TO THE COMMUNITY INCLUDE TOYS GIVEN TO PEDIATRIC SURGERY PATIENTS THE FACILITIES DEPARTMENT PARTICIPATES IN THE CITY-WIDE CLEAN BY DONATING STAFF AND SUPPLIES FOOD AND NUTRITION SERVICES "MEALS ON WHEELS" PROGRAM PROVIDES FOOD TO HOMEBOUND MEMBERS OF OUR COMMUNITY AND DONATES CANNED FOODS TO THE SALVATION ARMY "PROJECT SHIELD & SHELTER" OUR VOLUNTEER SERVICES DEPARTMENT GIVES INFANT LAYETTES AND CAR SEATS TO NEEDY FAMILIES THE CANCER CARE CENTER GIVES WIGS TO PATIENTS AT NO COST COMMUNITY BUILDING ACTIVITIES - PVHMC WORKS WITH LOCAL AREA MIDDLE AND HIGH SCHOOLS AS WELL AS GIRL SCOUTS AND SCHOOL GROUPS TO INTRODUCE CAREERS IN HEALTH CARE BY INVITING THEM TO TOUR OUR HOSPITAL AND BY VISITING THEM ON THEIR CAMPUS (CLAREMONT HIGH SCHOOL CAREER DAY) PVHMC PARTICIPATES IN LA COUNTY SERVICE PLANNING AREA 3'S HEALTH PLANNING GROUP ON THE STEERING COMMITTEE AND THE SPECIALTY CARE COALITION PVHMC IS A ONE OF 13 DESIGNATED DISASTER RESOURCE CENTERS (DRC) IN LOS ANGELES COUNTY AS PART OF THE NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM AS THE DRC FOR THE REGION, PVHMC IS RESPONSIBLE FOR 10 "UMBRELLA" FACILITIES IN THE AREA AND COORDINATES DRILLS, TRAINING, AND SHARING OF PLANS TO BRING TOGETHER THE COMMUNITY AND OUR RESOURCES FOR DISASTER PREPAREDNESS PLANS FOR 2012/2013 PUBLIC REVIEW - PVHMC PLANS TO CONTINUE SUPPORTING ITS VARIED COMMUNITY BENEFIT ACTIVITIES AND PROGRAMS CURRENTLY IN PLACE THE COMMUNICATION OF OUR COMMUNITY BENEFIT IS A COMBINATION OF PRESENTATIONS GIVEN TO VARIOUS ORGANIZATIONS INCLUDING THE CITY GOVERNMENT, AND DISTRIBUTION OF COPIES OF THE REPORT TO ALL INTERESTED MEMBERS (COMMUNITY COLLABORATORS, LIBRARIES, COMMUNITY CENTERS, AND BUSINESSES) WITHIN OUR COMMUNITY UPON THEIR REQUEST PVHMC'S CHARITY CARE POLICY - PVHMC POSTS NOTICES INFORMING THE PUBLIC OF THE FINANCIAL ASSISTANCE PROGRAM SUCH NOTICES ARE POSTED IN HIGH VOLUME INPATIENT, AND OUTPATIENT SERVICE AREAS OF THE HOSPITAL, INCLUDING BUT NOT LIMITED TO THE EMERGENCY DEPARTMENT, INPATIENT ADMISSION AND OUTPATIENT REGISTRATION AREAS OR OTHER COMMON PATIENT WAITING AREAS OF THE HOSPITAL NOTICES ARE POSTED AT ANY LOCATION WHERE A PATIENT MAY PAY THEIR BILL NOTICES INCLUDE CONTACT INFORMATION ON HOW A PATIENT MAY OBTAIN MORE INFORMATION ON FINANCIAL ASSISTANCE AS WELL AS WHERE TO APPLY FOR SUCH ASSISTANCE THESE NOTICES ARE POSTED IN ENGLISH AND SPANISH AND ANY OTHER LANGUAGES THAT ARE REPRESENTATIVE OF 5% OR GREATER OF PATIENTS IN THE HOSPITAL'S SERVICE AREA A COPY OF THE FINANCIAL ASSISTANCE POLICY IS MADE AVAILABLE TO THE PUBLIC ON A REASONABLE BASIS

Identifier	Return Reference	Explanation
DESCRIBE THE PROCESS USED BY MANAGEMENT &/OR GOVERNING BODY TO REVIEW 990	FORM 990, PART VI, LINE 11B	A COPY OF THE TAX RETURN ALONG WITH A NARRATIVE FROM ERNST & YOUNG, THE HOSPITAL'S EXTERNAL ACCOUNTING FIRM, IS DISTRIBUTED TO THE BOARD OF DIRECTORS PRIOR TO FILING IN NOVEMBER 2012 THE INTERNAL PROCESS INCLUDES PREPARATION OF THE FINANCIAL DATA BY HOSPITAL PERSONNEL, SURVEYS OF DIRECTORS, OFFICERS AND KEY EMPLOYEES REGARDING INFORMATION IN RESPONSE TO QUESTIONS IN PART IV, AND DISCLOSED IN SCHEDULE L THE COMPLETE 990 IS REVIEWED FOR OVERALL COMPLETENESS AND ACCURACY BY THE CEO AND CFO

Identifier	Return Reference	Explanation
WRITTEN CONFLICT OF INTEREST POLICY ENFORCEMENT	FORM 990, PART VI, SECTION B, LINE 12C	EACH YEAR OFFICERS, DIRECTORS, AND KEY EMPLOYEES SUBMIT CONFLICT OF INTEREST STATEMENTS PURSUANT TO HOSPITAL POLICY THE STATEMENTS ARE THEN REVIEWED BY THE OFFICERS OF THE BOARD (THE CHAIRMAN AND THE TWO VICE CHAIRMEN) BEFORE PRESENTED TO THE FULL BOARD AT THE ANNUAL ORGANIZATIONAL MEETING OF THE BOARD ANY CONFLICTS OF CONCERN ARE ADDRESSED BY THE OFFICERS AND DISCUSSED BY THE FULL BOARD AT THE ORGANIZATIONAL MEETING THEREAFTER, IT IS THE RESPONSIBILITY OF EACH MEMBER TO RAISE AN ISSUE OF POTENTIAL CONFLICT TO THE BOARD AND/OR ITS OFFICERS FOR DISPOSITION IF A CONFLICT IS DEEMED TO EXIST, THE MEMBER IS EXCUSED FROM THE MEETING AND/OR TOPIC WHERE THE CONFLICT EXISTS

Identifier	Return Reference	Explanation
DETERMINATION OF COMPENSATION FOR CEO	Form 990, Part VI, SECTION B, LINE 15A	THE BOARD OF DIRECTORS HAS A COMPENSATION COMMITTEE WHO ANNUALLY REVIEW AND DETERMINE THE COMPENSATION FOR THE CEO THEIR REVIEW DETERMINATION OF THE CEO'S COMPENSATION IS BASED UPON INDEPENDENT REVIEW OF THE CEO COMPENSATION COMPARED TO INDUSTRY PRACTICE IN 2011 THE COMPENSATION COMMITTEE USED THE HAY GROUP FOR THIS PURPOSE THE COMPENSATION REVIEW PROCESS IS DOCUMENTED IN THE MINUTES OF THE COMPENSATION COMMITTEE

Identifier	Return Reference	Explanation
DETERMINATION OF COMPENSATION FOR OTHER KEY EMPLOYEES	FORM 990, PART VI, SECTION B, LINE 15B	FOR OTHER OFFICERS AND KEY EMPLOYEES, THE SAME PROCESS IS USED AS ABOVE, WITH THE EXCEPTION, THAT THE CEO PRESENTS HIS RECOMMENDATION FOR COMPENSATION TO THE COMPENSATION COMMITTEE BASED UPON THE REPORT FOR TOTAL COMPENSATION COMPARISONS SUPPLIED BY THE HAY GROUP THE POSITIONS COVERED BY THE PROCESS ARE THE COO, CFO, VP SATELLITES, VP NURSING, VP MEDICAL STAFF AFFAIRS, VP HUMAN RESOURCES, CHIEF INFORMATION OFFICER, VICE PRESIDENT OF FINANCE, VP SUPPORT SERVICES, DIRECTOR OF MANAGED CARE, COMPLIANCE OFFICER, DIRECTOR OF UTILIZATION MANAGEMENT THIS PROCESS WAS LAST COMPLETED IN 2011 FOR THE VICE PRESIDENT OF FINANCE DUE TO PROMOTION AND WAS ALSO DOCUMENTED IN THE MINUTES OF THE COMPENSATION COMMITTEE.

Identifier	Return Reference	Explanation
REASON WHY FORMS ARE NOT MADE AVAILABLE TO THE PUBLIC	FORM 990, PART VI, QUESTION 18	THE HOSPITAL IS NOT REQUIRED TO MAKE ITS FORM 1023 AVAILABLE AS IT FILED FOR TAX EXEMPT STATUS PRIOR TO JULY 15, 1987 THE HOSPITAL MAKES ITS 990 AND 990T AVAILABLE TO THE PUBLIC UPON REQUEST

Identifier	Return Reference	Explanation
AVAIL OF GOV DOCS, CONFLICT OF INTEREST POLICY, & FIN STMTS TO GEN PUBLIC	FORM 990, PART VI, QUESTION 19	THE HOSPITAL MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST THE AUDITED FINANCIAL STATEMENTS ARE ALSO ATTACHED TO THIS FORM 990, IN ACCORDANCE WITH THE IRS INSTRUCTIONS

Identifier	Return Reference	Explanation
HOURS DEVOTED TO RELATED ORGANIZATIONS	FORM 990, PART VII	HELLEN RODRIGUEZ, MD, BERNARD A BERNSTEIN, CURTIS W MORRIS, JAN PAULSON, JANE GOODFELLOW, KEVIN MCCARTHY, RICHARD P CREAN AND ROSANNE BADER DEVOTE TWO HOURS PER WEEK SERVING ON THE BOARD OF POMONA VALLEY HOSPITAL MEDICAL CENTER FOUNDATION RICHARD Y OCHUM DEVOTES 4 HOURS PER WEEK SERVING ON THE BOARD OF POMONA VALLEY HOSPITAL MEDICAL CENTER FOUNDATION MICHAEL NELSON AND JULI HESTER DEVOTE 2 HOURS PER WEEK SERVING AS TREASURER/CFO AND ASSISTANT TREASURER, RESPECTIVELY, FOR POMONA VALLEY HOSPITAL MEDICAL CENTER FOUNDATION JAMES MCL DALE DEVOTES 36 HOURS PER WEEK SERVING AS THE SECRETARY/VP OF DEVELOPMENT FOR POMONA VALLEY HOSPITAL MEDICAL CENTER FOUNDATION

Identifier	Return Reference	Explanation
RECONCILIATION OF NET ASSETS	FORM 990, PART XI, LINE 5	NET UNREALIZED GAIN(LOSS) FROM INVESTMENTS $ 570,169 EFFECT OF ADOPTION OF FASB STATEMENT 158 $(339,272) LOSS FROM SUBSIDIARIES $(468,742) S-CORP K1 $(48,183) ROUNDING $(1) ---------- TOTAL OTHER CHANGES IN NET ASSETS OR FUND BALANCES $(286,029)

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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
POMONA VALLEY HOSPITAL MEDICAL CENTER

Employer identification number
95-1115230

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) Pomona Valley Hospital Medical Ctr Fdn 1798 North Garey Avenue Pomona, CA 91767 95-3403287	SUPPORT PVHMC	CA	501(C)(3)	7	NA		No
(2) Pomona Valley Hospital Medical Ctr Aux 1798 North Garey Avenue Pomona, CA 91767 95-6053224	Support PVHMC	CA	501(C)(3)	11, I	PVHMC	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) Pomona Valley Medical Plaza 1798 NORTH GAREY AVENUE POMONA, CA 91767 95-4175295	LEASING	CA	PVHMC	RELATED	-436,695	4,429,560		No	0		No	90 000 %

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) Pomona Valley Health Facilities 1798 North Garey Avenue Pomona, CA 91767 95-4104554	R E OPERATION	CA	PVHMC	C CORP	31,776	-60,746	100 000 %
(2) Pomona North Medical Building Inc 1798 North Garey Avenue Pomona, CA 91767 95-2629873	R E Rental	CA	PVHMC	S CORP	48,183	576,118	100 000 %

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

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

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a	Yes	
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i		No
j Lease of facilities, equipment, or other assets from related organization(s)	1j	Yes	
k Performance of services or membership or fundraising solicitations for related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations by related organization(s)	1l		No
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	Yes	
n Sharing of paid employees with related organization(s)	1n		No
o Reimbursement paid to related organization(s) for expenses	1o		No
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) POMONA VALLEY NORTH MEDICAL BUILDING	J	165,460	ACCRUAL METHOD
(2) POMONA VALLEY NORTH MEDICAL BUILDING	P	68,100	ACCRUAL METHOD
(3) POMONA VALLEY MEDICAL PLAZA	A - (	463,961	ACCRUAL METHOD
(4) POMONA VALLEY MEDICAL PLAZA	A - (	90,321	ACCRUAL METHOD
(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

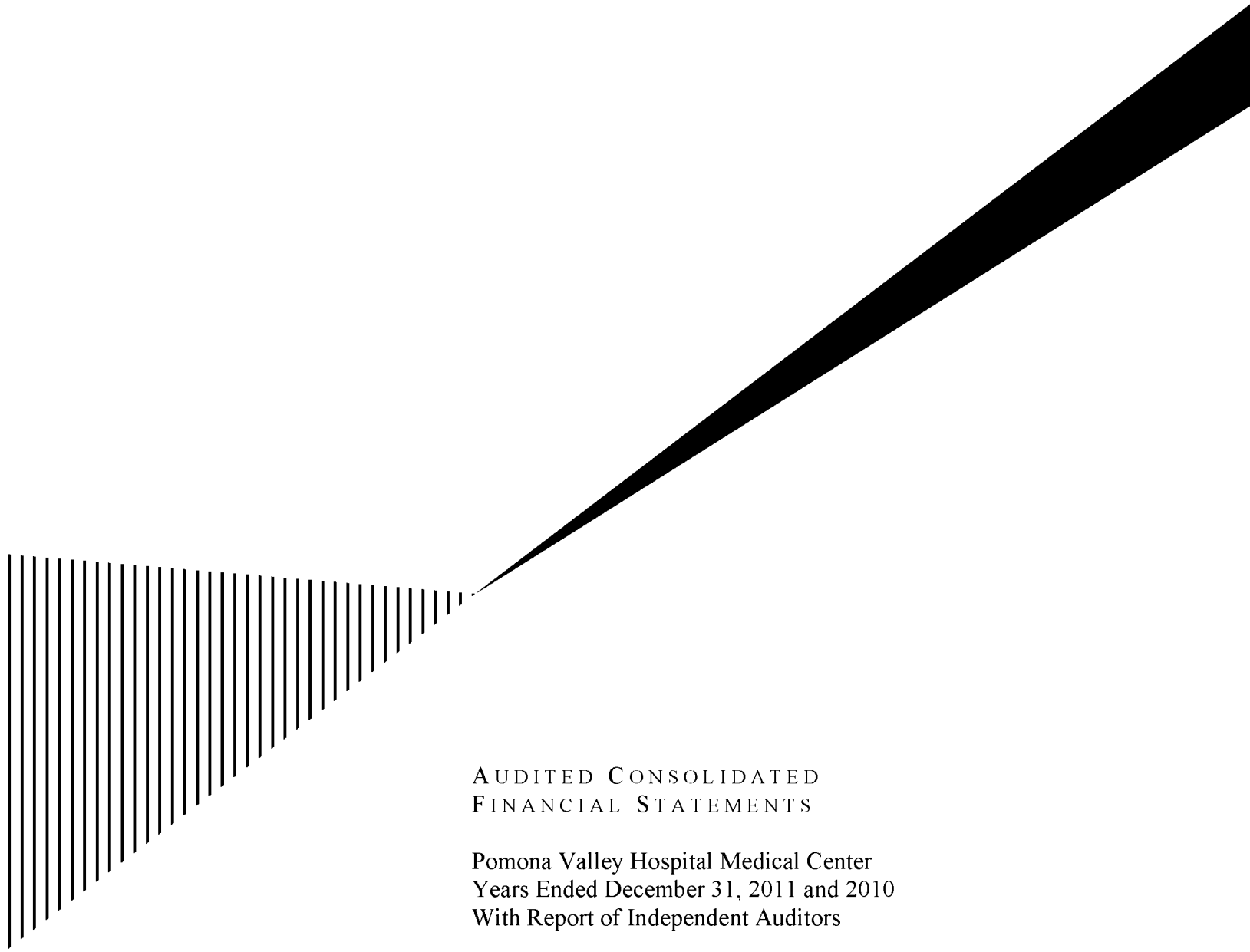
(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(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
IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS A PARTNERSHIP	SCHEDULE R, PART III, COLUMN (A)	POMONA VALLEY MEDICAL PLAZA 1798 NORTH GAREY AVENUE POMONA, CA 91767 EIN 95-4175295



AUDITED CONSOLIDATED FINANCIAL STATEMENTS

Pomona Valley Hospital Medical Center
Years Ended December 31, 2011 and 2010
With Report of Independent Auditors

Ernst & Young LLP

ERNST & YOUNG

Pomona Valley Hospital Medical Center

Audited Consolidated Financial Statements

Years Ended December 31, 2011 and 2010

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Report of Independent Auditors

The Board of Directors
Pomona Valley Hospital Medical Center

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Pomona Valley Hospital Medical Center at December 31, 2011 and 2010, and the consolidated results of its operations, changes in its net assets, and cash flows for the years then ended, in conformity with U S generally accepted accounting principles

As discussed in Note 1 to the consolidated financial statements, the Medical Center changed (1) its method of accounting for insurance claims and related insurance recoveries and (2) its classification of the provision for doubtful accounts in the accompanying consolidated statements of operations These changes are the result of the adoption of amendments to the FASB Accounting Standards Codification resulting from Accounting Standards Update (ASU) No 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, effective January 1, 2011, and ASU No 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, applied retroactive to January 1, 2010

Ernst & Young LLP

April 20, 2012

Pomona Valley Hospital Medical Center

Consolidated Balance Sheets

	December 31	
	2011	**2010**
	(In Thousands)	
Assets		
Current assets		
Cash and cash equivalents	**$ 3,102**	$ 46,051
Patient accounts receivable (less allowance for uncollectible accounts of $52,781 in 2011 and $53,933 in 2010)	**75,413**	68,927
Amounts receivable under reimbursement agreements	**2,855**	8,182
Current portion of assets whose use is limited	**3,585**	3,587
Inventories	**3,672**	3,069
Prepaid expenses and other assets	**5,545**	4,865
Total current assets	**94,172**	134,681
Assets whose use is limited, less current portion		
By board	**86,981**	32,612
Under deferred compensation agreements	**819**	825
By donor	**953**	1,034
Total assets whose use is limited, less current portion	**88,753**	34,471
Property, plant, and equipment, net	**148,056**	145,323
Property held for future expansion	**7,644**	7,404
Interest in net assets of the Foundation	**18,041**	17,496
Deferred financing fees	**868**	984
Other assets	**11,026**	9,168
	185,635	180,375
Total assets	**$ 368,560**	$ 349,527

	December 31	
	2011	**2010**
	(In Thousands)	
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued expenses	**$ 16,263**	$ 15,359
Employee compensation payable	**30,244**	30,786
Interest payable	**1,200**	1,330
Current portion of long-term debt	**5,280**	4,980
Total current liabilities	**52,987**	52,455
Other liabilities		
Long-term debt, less current portion	**39,399**	44,679
Accrued workers' compensation and medical malpractice insurance claims, less current portion	**20,830**	18,250
Amounts payable pursuant to deferred compensation agreements	**1,784**	1,074
Total other liabilities	**62,013**	64,003
Net assets		
Unrestricted	**234,565**	214,538
Temporarily restricted	**13,163**	13,415
Permanently restricted	**5,832**	5,116
Total net assets	**253,560**	233,069
Total liabilities and net assets	**$ 368,560**	$ 349,527

See accompanying notes.

Pomona Valley Hospital Medical Center

Consolidated Statements of Operations

	Year Ended December 31	
	2011	**2010**
	(In Thousands)	
Unrestricted revenues, gains, and other support		
Patient service revenue	**$ 401,193**	$ 408,870
Provision for bad debts	**(16,572)**	(29,149)
Net patient service revenue less provision for bad debts	**384,621**	379,721
California hospital fee supplemental payments	**30,565**	73,819
Other operating revenue	**9,554**	2,946
Unrestricted donations	**562**	317
Net assets released from restrictions	**733**	468
Total unrestricted revenues, gains, and other support	**426,035**	457,271
Expenses		
Salaries	**201,737**	206,152
Employee benefits	**47,976**	48,670
Physicians' compensation	**12,765**	12,783
Professional fees	**4,630**	3,626
Supplies	**64,117**	64,490
Purchased services	**21,177**	20,035
Other direct expenses	**10,202**	10,086
California hospital fee quality assurance fee and pledge payments	**10,856**	33,530
Leases and rentals	**4,955**	4,908
Insurance	**3,918**	5,479
Expenses before depreciation, amortization, and interest	**382,333**	409,759
Operating income before capital costs	**43,702**	47,512
Capital costs		
Depreciation and amortization	**22,863**	22,844
Interest	**2,631**	2,881
Total capital costs	**25,494**	25,725
Total expenses	**407,827**	435,484
Operating income	**18,208**	21,787
Investment income	**1,588**	1,551
Excess of revenue over expense	**19,796**	23,338
Change in pension asset	**(339)**	(216)
Net unrealized gain on investments	**570**	404
Increase in unrestricted net assets	**$ 20,027**	$ 23,526

See accompanying notes.

Pomona Valley Hospital Medical Center

Consolidated Statements of Changes in Net Assets

	Year Ended December 31	
	2011	**2010**
	(In Thousands)	
Net assets at beginning of year	**$ 233,069**	$ 207,929
Unrestricted net assets		
Excess of revenue over expense	**19,796**	23,338
Change in pension asset	**(339)**	(216)
Net unrealized gain on investments	**570**	404
Increase in unrestricted net assets	**20,027**	23,526
Temporarily restricted net assets		
Contributions	**357**	327
Net assets released from restrictions	**(439)**	(430)
Distribution from the Foundation	**(294)**	(38)
Change in net assets of the Foundation	**124**	1,720
(Decrease) increase in temporarily restricted net assets	**(252)**	1,579
Permanently restricted net assets		
Change in net assets of the Foundation	**716**	35
Increase in permanently restricted net assets	**716**	35
Increase in net assets	**20,491**	25,140
Net assets at end of year	**$ 253,560**	$ 233,069

See accompanying notes.

Pomona Valley Hospital Medical Center

Consolidated Statements of Cash Flows

	Year Ended December 31	
	2011	**2010**
	(In Thousands)	
Operating activities		
Increase in net assets	**$ 20,491**	$ 25,140
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	**22,863**	22,844
Net unrealized gain on investments	**(570)**	(404)
Change in net assets of the Foundation	**(545)**	(1,717)
Change in pension asset	**339**	216
Changes in operating assets and liabilities		
Patient accounts receivable	**(6,486)**	(2,884)
Inventories and other assets	**(3,362)**	529
Amounts receivable/payable pursuant to deferred compensation agreements	**710**	(729)
Amounts payable under reimbursement agreements	**5,327**	(17,496)
Accounts payable and other liabilities	**2,812**	3,857
Net cash provided by operating activities	**41,579**	29,356
Investing activities		
Purchases of property, plant, and equipment, net	**(25,596)**	(18,130)
Purchases of property held for future expansion	**(240)**	(655)
Changes in assets whose use is limited	**(53,712)**	26,813
Net cash (used in) provided by investing activities	**(79,548)**	8,028
Financing activities		
Principal payments on long-term debt	**(4,530)**	(4,268)
Payments on capitalized lease obligation	**(450)**	(451)
Net cash used in financing activities	**(4,980)**	(4,719)
Net (decrease) increase in cash and cash equivalents	**(42,949)**	32,665
Cash and cash equivalents at beginning of year	**46,051**	13,386
Cash and cash equivalents at end of year	**$ 3,102**	$ 46,051
Noncash activities		
Assets under capital lease	**$ 1,788**	$ 2,503
Capital lease obligation	**$ 2,302**	$ 2,756

See accompanying notes.

Pomona Valley Hospital Medical Center

Notes to Consolidated Financial Statements
(Dollar amounts expressed in thousands)

December 31, 2011

1. Organization and Summary of Significant Accounting Policies

Organization and Mission

Pomona Valley Hospital Medical Center (the Medical Center) is organized as a not-for-profit corporation under the laws of the state of California, and is a tax-exempt organization under the provisions of the Internal Revenue Code and applicable California Franchise Tax Code

The Medical Center's purpose is to serve the health care needs of the Pomona Valley and surrounding areas As such, fundraising conducted to support the activities of the Medical Center and investment earnings, all of which are used exclusively for health-related services provided by the Medical Center, are considered operating activities

Principles of Consolidation and Basis of Presentation

The accompanying consolidated financial statements include the accounts of the Medical Center and its wholly owned subsidiaries, Pomona Valley Health Facilities (PVHF), Pomona Valley Medical Plaza (PVMP), and Pomona North Medical Building, Inc (PNMB)

The Medical Center is affiliated with Pomona Valley Hospital Medical Center Foundation (the Foundation), which raises funds for the benefit of the Medical Center The Medical Center and the Foundation are financially interrelated organizations as defined under the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities* The Foundation reports an asset and contribution revenue when it receives assets from donors for the benefit of the Medical Center As the specified beneficiary, the Medical Center reports its interest in the net assets of the Foundation in its balance sheets The Medical Center also periodically adjusts its interest for its share of the change in the net assets of the Foundation

Community Benefit and Charity Care

In furtherance of its charitable purpose, the Medical Center provides a wide variety of benefits to the community, including various community-based social service programs, such as free clinics, health screenings, immunizations, social service and support counseling for patients and families, and the donation of space for use by community groups Additionally, a large number of health-related educational programs are provided for the benefit of the community, including health enhancements and wellness

(Dollar amounts expressed in thousands)

1. Organization and Summary of Significant Accounting Policies (continued)

A patient is classified as a charity patient by reference to certain established policies of the Medical Center Essentially, these policies define charity services as those services for which no payment is anticipated at admission No revenue is recorded for services performed if the patient qualifies for charity care The costs and expenses incurred in providing charity care are included in the Medical Center's operating expenses It is the Medical Center's policy to treat emergency patients regardless of their ability to pay Charity care provided in 2011 and 2010, measured at established rates, approximated $70,127 and $45,480, respectively The costs related to these programs and activities are as follows

Year Ended December 31, 2011	Net Community Benefit Expense
Charity care at cost	$ 11,753
Unreimbursed cost - Medicaid	32,451
Unreimbursed costs – other government programs	(340)
Total	$ 43,864

Year Ended December 31, 2010	Net Community Benefit Expense
Charity care at cost	$ 8,675
Unreimbursed cost - Medicaid	31,162
Unreimbursed costs – other government programs	81
Total	$ 39,918

Net Patient Service Revenue

Net patient service revenue is reported on the accrual basis in the period in which services are provided, net of third-party contractual allowances for Medicare, Medi-Cal, managed care, and other programs Contractual allowances include differences between established billing rates and amounts estimated by management as reimbursable under various cost reimbursement formulas or contracts in effect Net revenues from the Medicare and Medi-Cal programs were 23 2% and

1. Organization and Summary of Significant Accounting Policies (continued)

31 0% in 2011, respectively, and 21 8% and 36 6% in 2010, respectively The Medi-Cal percentage of revenue included revenues received under the California Hospital Fee Program as further described in Note 10 following Management recognizes a provision for doubtful accounts based on the Medical Center's historical collection experience, adjusted for current environment risks and trends The administrative procedures related to the Medicare cost reimbursement programs in effect generally preclude final determination of amounts due or payable by the Medical Center until cost reports are audited or otherwise reviewed and settled upon by the applicable administrative agencies Normal estimation differences between final settlements and amounts accrued in previous years are reported as current year contractual allowances

Laws and regulations governing the Medicare and Medi-Cal programs are complex and subject to interpretation The Medical Center believes that it is in compliance with all applicable laws and regulations, and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing, except that the Medical Center has made a self-disclosure to the Centers for Medicare and Medicaid Services pursuant to the self-disclosure protocol under the Ethics in Patients Referrals Act of potential violations of the Act While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, and exclusion from the Medicare and Medi-Cal programs

Allowances for Doubtful Accounts

In July 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No 2011-07, "Health Care Entities" (Topic 954) *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* (ASU 2011-07) ASU 2011-07 is effective for fiscal years and interim periods beginning after December 31, 2011, with early adoption permitted Changes to the presentation of the provision for bad debts related to patient service revenue in the accompanying consolidated statements of operations should be applied retrospectively to all prior periods presented ASU 2011-07 states that a health care entity that recognizes significant amounts of patient service revenue at the time the services are rendered even though it does not assess the patient's ability to pay must present the allowance for doubtful accounts as a reduction

(Dollar amounts expressed in thousands)

1. Organization and Summary of Significant Accounting Policies (continued)

of net patient revenue and not include it as a separate item in operating expenses The Medical Center early adopted this guidance effective January 1, 2011, and applied this presentation retrospectively to the Medical Center's 2010 Statement of Operations The change in presentation and additional disclosures, as required by ASU 2011-07, are reflected in the Medical Center's consolidated statements of operations

Patient service revenue is reduced by the provision for bad debts and accounts receivable are reduced by an allowance for uncollectible accounts These amounts are based on management's assessment of historical and expected net collections for each major payor source, considering business and economic conditions, trends in healthcare coverage, and other collection indicators Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts On the basis of historical experience, a significant portion of the Medical Center's uninsured patients will be unable or unwilling to pay for the services provided Thus, the Medical Center records a significant provision for bad debts in the period services are provided related to self-pay patients, including both uninsured patients and patients with deductible and copayment balances due for which third-party coverage exists for a portion of their balance For receivables associated with patients who have third-party coverage, the Medical Center analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for bad debts, if necessary Accounts receivable are written off after collection efforts have been followed in accordance with the Corporation's policies The Medical Center has not changed its charity care or uninsured patient discount policies during calendar years 2011 or 2010 A summary of the Medical Center's allowance for doubtful accounts activity during the years 2011 and 2010 is as follows

	December 31	
	2011	**2010**
Allowance for doubtful accounts – beginning balance	**$ 53,933**	$ 44,184
Provision for bad debts	**16,572**	29,149
Bad debt writeoffs, net of recoveries	**(17,724)**	(19,400)
Allowance for doubtful accounts – ending balance	**$ 52,781**	$ 53,933

(Dollar amounts expressed in thousands)

1. Organization and Summary of Significant Accounting Policies (continued)

The Medical Center serves certain patients whose medical care costs are not paid at established rates These patients include those sponsored under government programs such as Medicare and Medi-Cal, those sponsored under private contractual agreements, charity patients, and other uninsured patients who have limited ability to pay Patient service revenue is reported at estimated net realizable amounts for services rendered The Medical Center recognizes patient service revenue associated with patients who have third-party payor coverage on the basis of contractual rates for the services rendered For uninsured patients that do not qualify for charity care, net revenue is recognized based on a range between the Medical Center's prompt payment discounted rates the patient has agreed to pay and total charges further reduced by the Medical Center's estimated bad debt and charity provision

Patient service revenues, net of contractual allowances and discounts and before the provision for bad debts, recognized from major payor sources for the years ended December 31, 2011 and 2010, are as follows

	December 31,			
	2011	**%**	**2010**	**%**
Medicare	**$ 71,360**	**18.6%**	$ 78,863	20 8%
Medicare – Managed care	**25,940**	**6.7%**	20,551	5 4%
Medi-Cal (including DSH SB 1100)	**64,422**	**16.7%**	58,033	15 3%
Medi-Cal – Managed care	**30,379**	**7.9%**	34,832	9 2%
Managed care and other insurers	**183,423**	**47.7%**	184,266	48 5%
Self-pay	**25,669**	**6.7%**	32,325	8 5%
Patient service revenues before Provision for bad debts	**401,193**		408,870	
Provision for bad debts	**(16,572)**	**(4.3%)**	(29,149)	(7 7%)
Net patient service revenues	**$ 384,621**	**100.0%**	$ 379,721	100 0%

Capitation Revenue and Expenses

The Medical Center has agreements with various health maintenance organizations (HMO) to provide medical services to subscribing participants, the most significant of which was with Inter Valley Health Plan, Inc (see Note 5) Under these arrangements, the Medical Center receives

1. Organization and Summary of Significant Accounting Policies (continued)

monthly capitation payments based on the number of participants, regardless of services actually performed by the Medical Center or other health care providers Such payments are recorded as net patient service revenue in the month the enrollees are entitled to receive services, and totaled $38,497 and $36,281 in 2011 and 2010, respectively

The cost of medical services, rendered by other health care providers to the HMO participants under the capitation arrangements, includes administrative costs, out-of-area or emergency services, and services contracted for but not provided by the Medical Center These costs are accrued in the period in which the services are provided based in part on estimates, including an accrual for services provided by others but not reported to the Medical Center at the balance sheet date

Payor Instability and Insolvency

The Medical Center contracts with managed care payors (including certain medical groups) to provide health care services to their enrollees, and is at risk for uncompensated medical costs if these payors become financially unstable or insolvent The Medical Center monitors the financial condition of its payors and records an insolvency charge in the period that the related accounts receivable are deemed uncollectible At December 31, 2011 and 2010, management does not believe that such risks were significant

Property, Plant, and Equipment

Property, plant, and equipment are carried at cost Donated items are recorded at fair value on the date of donation Depreciation is computed using the straight-line method over the estimated useful lives of the assets and includes depreciation related to capital lease assets The general range of useful lives estimated for buildings and improvements is 10 to 40 years and 5 to 25 years for equipment Repairs and maintenance costs are expensed as incurred

1. Organization and Summary of Significant Accounting Policies (continued)

Long-Lived Asset Impairment

Situations may arise where the carrying value of a long-lived asset may exceed the undiscounted value of the expected cash flows associated with that asset In such circumstances, the asset is impaired The Medical Center reviews its long-lived assets for impairment on an annual basis, as well as when events or changes in business conditions suggest potential impairment Impaired assets are written down to fair value The Medical Center has determined that no long-lived assets are impaired at December 31, 2011 and 2010

Inventories

Inventories of drugs and supplies are stated at cost (by the first-in, first-out method), which is not in excess of market

Insurance Programs

The Medical Center maintains professional and general liability insurance under a claims-made policy for losses up to $5,000 per claim and $15,000 in the aggregate The policy has a self-insured retention of $250 per claim and an annual aggregate retention of $3,000 Accruals for uninsured claims and claims incurred but not reported are estimated by an actuary based upon the Medical Center's claims experience Accrued liabilities totaling $6,255 and $5,432 at December 31, 2011 and 2010, respectively, were estimated using a discount factor of 2% As of December 31, 2011 and 2010, the Medical Center recorded a receivable for insurance recoveries of $2,425 and $1,268, respectively

The Medical Center is self-insured for workers' compensation claims Accrued liability for uninsured claims and claims incurred but not reported of $19,466 and $19,403 at December 31, 2011 and 2010, respectively, are estimated by management and its actuary based upon the Medical Center's claims experience Accruals were estimated using a discount factor of 2% As of December 31, 2011 and 2010, the Medical Center recorded a receivable for insurance recoveries of $8,710 and $8,029, respectively The Medical Center's claims obligations at December 31, 2011 and 2010, are secured by a guarantee issued by the Self Insurer's Security Fund Alternative Deposit Program in the amount of $16,018 and $11,918, respectively

1. Organization and Summary of Significant Accounting Policies (continued)

In August 2010, the FASB issued ASU No 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries* ASU 2010-24 concluded that health care entities should no longer net insurance recoveries against a related claim liability, the claim liability should be determined without consideration of insurance recoveries The Medical Center adopted ASU 2010-24 on January 1, 2011, and elected to retrospectively apply the new presentation to its 2010 consolidated financial statements The impact of adopting ASU 2010-24 at December 31, 2011, was the establishment of the full estimated liability associated with the Medical Center's self-insurance programs for workers' compensation and professional (medical malpractice) and general claims, as compared to the Medical Center's past practice of presenting such liabilities net of anticipated insurance recoveries This resulted in a $11 1 million and $9 3 million increase to the Medical Center's estimated self-insurance liabilities at December 31, 2011 and 2010, respectively, and a comparable $11 1 million and $9 3 million increase to assets representing anticipated insurance recoveries (primarily recorded within other assets)

Deferred Financing Fees

Prepaid financing fees are amortized over the period in which the related debt is outstanding using the effective-interest method

Cash Equivalents

Cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less when purchased, and exclude assets whose use is limited

Marketable Securities

Marketable securities, included in assets whose use is limited, are comprised of U S Treasury Notes and obligations of government-sponsored enterprises (GSEs), which include mortgage-backed securities issued or guaranteed by the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) All marketable securities are readily tradable in active markets and are stated at fair market value based on published quotes The Medical Center has designated its marketable securities as other than trading Investment income includes interest, dividends, and realized gains and losses on

1. Organization and Summary of Significant Accounting Policies (continued)

investments Investment income is included in operating income unless the income is restricted by donor or law Unrealized gains and losses are excluded from operating income Gains and losses with respect to disposition of marketable securities are based on the specific-identification method Realized gains and losses in 2011 and 2010 were not significant

Physician Recruitment Agreements

The Medical Center provides physician recruitment agreements to certain physicians who agree to relocate to its communities to fill a need in the Medical Center's service areas and commit to remain in practice there Under these agreements, the Medical Center makes loans available to the physicians consisting of advances for amounts in excess of the earnings of their practice up to the amount stipulated in the agreement The assistance periods range from 12 to 24 months Such payments plus interest are recoverable from the physicians, if they do not fulfill their commitment period to the community, which is typically three years The carrying amount of the asset and liability for the Medical Center's obligations under these guarantees, pursuant to ASC 460, *Guarantees* (pre-codification FASB Interpretation 45-3, *Application of FASB Interpretation No. 45 to Minimum Revenue Guarantees to a Business or Its Owners)*, are not significant The advances made pursuant to these agreements are earned by the physicians as they fulfill their commitment period to the community, otherwise, any remaining amounts are payable back to the Medical Center

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements Estimates also affect the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates Significant accounting estimates include allowances for contractual discounts and uncollectible accounts, Medicare cost report settlements, liabilities under risk sharing agreements, incurred but not reported claims, self insured liabilities, and the outcome of litigation

1. Organization and Summary of Significant Accounting Policies (continued)

Concentrations of Credit Risk

Financial instruments that potentially subject the Medical Center to concentrations of credit risk consist primarily of investments, cash and cash equivalents, and accounts receivable Investments are managed within guidelines established by the board of directors which, as a matter of policy, limit the amounts which may be invested with one issuer The Medical Center's funds are invested in a portfolio of government and government agency securities that trade in active markets with low liquidity or credit risks The Medical Center maintains substantially all its cash with one financial institution and may be exposed from time to time to credit risk with bank deposits in excess of the FDIC insurance limits The Medical Center evaluates the financial viability of these depository institutions periodically There have been no losses in such accounts, and management does not believe that credit risk on cash and cash equivalents is significant Concentrations of credit risk with respect to accounts receivable are limited, except with respect to programs under contract with federal and state governments, due to the large number of payors comprising the Medical Center's customer base Net patient receivables due from Medicare and Medi-Cal were $8,399 and $19,361, respectively, at December 31, 2011, and $9,718 and $20,896, respectively, at December 31, 2010

Donations and Donor-Restricted Net Assets

Donations are generally made to the Foundation for the benefit of the Medical Center To the extent expenditures are to be made for the purpose intended, funds are transferred from the Foundation Unrestricted donations received directly by the Medical Center are included in unrestricted revenues, gains, and other support Resources restricted by donors for specific time periods or operating purposes are recorded as temporarily restricted net assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets used in operations are reclassified as unrestricted net assets and reported in the accompanying consolidated statements of operations as net assets released from restrictions Resources temporarily restricted by donors for additions to property, plant, and equipment whose purpose has been met are recorded as net assets released from restriction accompanying consolidated statements of operations Donor-restricted contributions whose restrictions are met within the same year as received are recorded as unrestricted donations Resources restricted by donors to be maintained by the Medical Center in perpetuity are recorded as permanently restricted net assets

1. Organization and Summary of Significant Accounting Policies (continued)

Donor-restricted net assets of the Medical Center are primarily restricted for purchases of property, plant and equipment Of the total temporarily and permanently restricted net assets at December 31, 2011 and 2010, $4,022 and $4,713, respectively, were held under charitable remainder trusts at the Foundation The use of these funds is restricted by donors for specific purposes and/or for specified time periods until the trusts mature

Fair Value of Financial Instruments

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

Cash and Cash Equivalents, Patient Accounts Receivable, Accounts Payable, and Accrued Expenses

The carrying amount reported in the accompanying consolidated balance sheets for cash and cash equivalents, patient accounts receivable, accounts payable, and accrued expenses approximates its fair value, given the relatively short period of time between the origination of these instruments and their expected realization or liquidation

Marketable Securities and Assets Whose Use is Limited

Investments are stated at fair value in the accompanying consolidated balance sheets, based on quoted prices in active markets Fair value approximates historical costs Refer to Note 4 for further discussion

Long-Term Debt and Other Noncurrent Liabilities

The fair value of the Medical Center's long-term debt is estimated using current broker quoted prices for the debt obligation (refer to Note 3 for further discussion) The estimated fair value takes into consideration the discounted cash flows, liquidity of the investment, nonperformance risks, the Medical Center's credit rating, and changes in credit spreads Accrued self-insurance liabilities are carried at the estimated present value of such obligations using appropriate discount factors

1. Organization and Summary of Significant Accounting Policies (continued)

The Medical Center measures fair value for financial and nonfinancial assets and liabilities in accordance with ASC 820, *Fair Value Measurements and Disclosures* Fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability Fair value is based on the exchange price that would be received to sell an asset or paid to transfer a liability (i e , an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market accompanying participants at the measurement date As a basis for considering such assumptions, the Medical Center uses a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows

Level 1 Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets and liabilities Therefore, a reliable fair market value exists

Level 2 Observable prices that are based on inputs not quoted on active markets, but corroborated by market data This includes quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets, or liabilities in markets that are not active and models for which all significant inputs are observable or can be corroborated directly or indirectly by observable market data

Level 3 Unobservable inputs are used when little or no market data is available These include pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs

Assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in the tables below

a Market approach Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities

b Cost approach Amount that would be required to replace the service capacity of an asset (replacement cost)

c Income approach Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing, and excess earnings models)

(Dollar amounts expressed in thousands)

1. Organization and Summary of Significant Accounting Policies (continued)

The following table provides the method used to fair value certain assets as of December 31, 2011 Only assets measured at fair value are shown in the three-tier fair value hierarchy

	Fair Value at December 31, 2011	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Valuation Technique (a, b, c)
Cash and cash equivalents	$ 8,889	$ 8,889	$ –	$ –	(a)
Debt securities					
U S government treasury notes	73,841	73,841	–	–	(a)
Mortgage-backed securities					
(U S government agency)	12,276	12,276	–	–	(a)
Interest receivable and other	434	434	–	–	(a)
	$ 95,440	$ 95,440	$ –	$ –	

The following table provides the method used to fair value certain assets as of December 31, 2010 Only assets measured at fair value are shown in the three-tier fair value hierarchy

	Fair Value at December 31, 2010	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Valuation Technique (a, b, c)
Cash and cash equivalents	$ 50,907	$ 50,907	$ –	$ –	(a)
Debt securities					
U S government treasury notes	25,655	25,655	–	–	(a)
Mortgage-backed securities					
(U S government agency)	7,341	7,341	–	–	(a)
Interest receivable and other	206	206	–	–	(a)
	$ 84,109	$ 84,109	$ –	$ –	

The fair value of the Medical Center's long-term debt is estimated based on current market rates for debt of the same risk and maturities (Level 2 inputs) Refer to Note 3

1. Organization and Summary of Significant Accounting Policies (continued)

Collective Bargaining Agreements (Unaudited)

At December 31, 2011 and 2010, 1,006 and 1,023, respectively, of the Medical Center's registered nurses are subject to collective bargaining agreements The percentage of the total labor force covered under collective bargaining agreements as of December 31, 2011 and 2010, was approximately 34% The collective bargaining agreements in effect at May 31, 2011, will expire on November 30, 2012

Performance Indicator

Management considers excess of revenue over expense to be the Medical Center's performance indicator Operating income includes all changes in unrestricted net assets, except for changes in unrealized gains or losses on investments, and change in pension asset

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation

Subsequent Events

The Medical Center evaluated subsequent events occurring through April 20, 2012, the date the financial statements were available for issuance

New Accounting Standards

In August 2010, the FASB issued Accounting Standards Update (ASU) No 2010-23, *Measuring Charity Care for Disclosure* ASU 2010-23 provides guidance regarding the measurement basis for charity care disclosure purposes Under this guidance, the charity care disclosure should be measured based on the direct and indirect costs of providing these services The Medical Center adopted this guidance effective January 1, 2011 The adoption did not have a material impact on the Medical Center's consolidated financial statements

In May 2011, the FASB issued ASU No 2011-04 (ASU 2011-04), *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRS* ASU 2011-04 amended ASC 820 to converge the fair value measurement guidance in U S generally

(Dollar amounts expressed in thousands)

1. Organization and Summary of Significant Accounting Policies (continued)

accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRS) Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC-820 In addition, ASU 2011-04 requires additional fair value disclosures, although certain of these new disclosures will not be required for nonpublic entities The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011 The Medical Center is currently evaluating the effect that the provisions of ASU 2011-04 will have on its financial statements

2. Property, Plant, and Equipment

Property, plant, and equipment is summarized as follows

	December 31	
	2011	**2010**
Buildings and improvements	**$ 120,753**	$ 119,241
Leasehold improvements	**10,370**	10,319
Equipment	**316,099**	303,681
	447,222	433,241
Accumulated depreciation and amortization	**(336,778)**	(313,786)
	110,444	19,455
Construction-in-progress	**26,369**	14,625
Land	**11,243**	11,243
	$ 148,056	$ 145,323

Unamortized computer software costs are $8,060 and $4,793 as of December 31, 2011 and 2010, respectively The expenses recorded for amortization of capitalized computer software costs are $3,255 in 2011 and $3,168 in 2010

(Dollar amounts expressed in thousands)

3. Long-Term Debt

Long-term debt is summarized as follows

	December 31 2011	2010
1997 Series A Revenue Bonds, principal payment of $4,770 due in 2012, $21,850 due by 2016 and $15,585 is due by 2019 Interest is payable semiannually at 5 50% to 5 75%	**$ 42,205**	$ 46,720
Notes payable secured by property, principal payments due monthly through 2018 Interest is payable monthly at 8 67% to 10%	**133**	147
Capital lease obligations secured by property, principal payments due monthly through 2016 Interest is payable monthly at 9 27%	**2,341**	2,792
	44,679	49,659
Less current portion	**5,280**	4,980
	$ 39,399	$ 44,679

In May 1997, $84,000 of Fixed Rate Series A Insured Refunding Revenue Bonds (1997 Bonds) were issued through the California Health Facilities Financing Authority (the Authority) The Authority has a security interest in the gross revenue of the Medical Center to secure the loan repayments of the 1997 Bonds The master trust indenture contains restrictions on additional debt and the maintenance of certain financial ratios At December 31, 2011 and 2010, the Medical Center has complied with all financial ratios

Total interest costs were $2,898 and $3,129 for 2011 and 2010, respectively, of which $267 and $248 was capitalized as part of construction-in-progress in 2011 and 2010, respectively Interest costs paid during 2011 and 2010 were $2,781 and $3,013, respectively

(Dollar amounts expressed in thousands)

3. Long-Term Debt (continued)

Maturities of long-term debt, excluding capital lease obligations and notes payable, subsequent to December 31, 2011, are as follows

2012	$ 4,770
2013	5,030
2014	5,305
2015	5,600
2016	5,915
Thereafter	15,585
	$ 42,205

Please refer to Note 9 for capital lease payments

Estimated fair values for long-term debt are as follows

1997 Series A Revenue Bonds	$ 42,329
Notes payable	133
Capital lease obligation	2,341
Total	$ 44,803

Estimated fair values are based on current broker quotes for the Series A Bonds and/or rates currently available to the Medical Center for debt with similar terms and remaining maturities

4. Assets Whose Use is Limited

Assets whose use is limited include board-designated funds, donor-restricted funds held directly by the Medical Center, funds held by trustee under bond indentures to secure the payment of principal and interest, and funds held pursuant to deferred compensation agreements The current portion of assets whose use is limited includes trust funds, which will be used to pay principal and interest due the following year

Trust funds maintained under the terms of the bond indentures totaled $3,585 and $3,587 at December 31, 2011 and 2010, respectively, are invested in cash and cash equivalents, and are reflected in current assets

(Dollar amounts expressed in thousands)

4. Assets Whose Use is Limited (continued)

Board-designated assets comprise unrestricted resources, which have been appropriated or designated by the board of directors for the replacement or acquisition of property, plant, and equipment

The noncurrent portion of assets whose use is limited are stated at fair market value and summarized as follows

	December 31 2011	2010
Cash	**$ 2,202**	$ 1,269
U S government treasury notes	**73,841**	25,655
Mortgage-backed securities (U S government agency)	**12,276**	7,341
Interest and other receivables	**434**	206
	$ 88,753	$ 34,471

Management continually reviews its investment portfolio and evaluates whether declines in the fair market value of the securities should be considered other-than-temporary Factored into this evaluation are the general markets conditions, the recommendation of investment advisors, credit risks associated with the investments and their issuers, the length of time the market value has been less than cost and the magnitude of the decline During the years ended December 31, 2011 and 2010, the Medical Center concluded that there was no other-than-temporary decline in the fair value of its investments

The following table summarizes investments designated as other-than-trading with unrealized losses held at December 31, 2011

	Less than Twelve Months		Twelve Months or Longer		Total	
Description of Securities	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**
U S Treasury obligations	$ 20,891	$ 138	$ –	$ –	$ 20,891	$ 138
Federal agency mortgage-backed securities	3,531	41	–	–	3,531	41
Total	$ 24,422	$ 179	$ –	$ –	$ 24,422	$ 179

4. Assets Whose Use is Limited (continued)

Investments with unrealized gains are excluded from the tables above The unrealized losses noted above result from interest rate changes, not from a decline in credit quality As management has the ability and intent to hold the investments to recovery of the fair value, no other-than-temporary declines were recorded during the years ended December 31, 2011 There were no investments designated as other-than-trading with unrealized losses held at December 31, 2010

5. Related-Party Transactions

Inter Valley Health Plan, Inc (IVHP) is a nonprofit corporation and a federally qualified health maintenance organization IVHP contracts with the Medical Center to provide inpatient and outpatient services as prescribed by participating physicians to the plan's enrollees Five representatives from the Medical Center serve on IVHP's 17-member board Total capitation premium revenue from IVHP in 2011 and 2010 was $32,103 and $30,304, respectively, and is included in net patient service revenue in the accompanying consolidated statements of operations

Pomona Valley Imaging, LLP (PVI) is the lessor of a capital lease on radiology equipment with the Medical Center One of the co-owners of PVI also serves on the Compliance Board of the Medical Center The unpaid capital lease obligation as of 2011 and 2010 is included in long-term debt in the accompanying consolidated balance sheets and totaled $2,341 and $2,792, respectively Total capital lease payments made to PVI in 2011 and 2010 were $691 and $691, respectively

6. Retirement Plans

The Medical Center has a frozen defined-benefit retirement plan applicable to employees participating in the plan as of December 31, 1977 All benefits for active employees were made 100% vested as of that date Since the plan had no funding deficiency and the plan assets, consisting of unallocated insurance contracts, exceeded the projected benefit obligation (present value of vested accrued benefits), there was no expense or contribution required for the plan years ended December 31, 2011 and 2010 The plan's actuary does not anticipate any future funding

(Dollar amounts expressed in thousands)

6. Retirement Plans (continued)

The Medical Center accounts for the defined-benefit plan in accordance with ASC 715, *Compensation-Retirement Benefits*, which requires a plan sponsor to recognize the funded status of its defined-benefit pension plan (the difference between the fair value of plan assets and the projected benefit obligations) as an asset or liability in the consolidated balance sheets The Medical Center measures the fair value of the plan assets and benefit obligations that determine its funded status as of the end of the Medical Center's fiscal year The Medical Center recorded a pension asset of $1,242 and $1,469 at December 2011 and 2010, respectively, which was included in other noncurrent assets in the accompanying consolidated balance sheets

Unrecognized actuarial gains included in unrestricted net assets at December 31, 2011 and 2010, were $298 and $637, respectively These amounts will be subsequently recognized as net periodic pension cost pursuant to the Medical Center's historical accounting policy for amortizing such amounts Further, actuarial gains and losses that arise in subsequent periods and are not recognized as net periodic benefit cost in the same periods will be recognized as a component of unrestricted net assets and will be subsequently recognized as a component of net periodic pension cost on the same basis as the amounts recognized in unrestricted net assets Of the $298 prior actuarial gain included in unrestricted net assets at December 31, 2011, $0 is expected to be recognized in net periodic pension cost during the fiscal year ended December 31, 2012

For purposes of determining the net periodic benefit cost, results are measured by consulting actuaries as of the beginning of each year The plan's funded status, as measured at the end of each year, a reconciliation of the beginning and ending balances of the projected benefit obligation and the fair value of plan assets and the accumulated benefit obligation, amounts recognized in the balance sheets, weighted-average assumptions to determine the benefit obligation, and other benefit information are as follows

	2011	2010
Change in projected benefit obligation		
Projected benefit obligation at beginning of year	**$ 2,964**	$ 3,077
Interest cost	**163**	174
Actuarial loss/(gain)	**119**	(29)
Benefits paid	**(554)**	(292)
Plan amendments	**–**	34
Liability gain due to settlement	**(8)**	–
Projected benefit obligation at end of year	**$ 2,684**	$ 2,964

(Dollar amounts expressed in thousands)

6. Retirement Plans (continued)

	2011	2010
Change in plan assets		
Fair value of plan assets at beginning of year	**$ 4,432**	$ 4,621
Investment returns	**48**	103
Benefits paid	**(554)**	(292)
Fair value of plan assets at end of year	**3,926**	4,432
Projected and accumulated benefit obligation	**(2,684)**	(2,964)
Funded status (pension asset)	**$ 1,242**	$ 1,468
Amounts recognized in unrestricted net assets		
Unrecognized actuarial gain at beginning of year	**$ 637**	$ 853
Current year actuarial loss	**(301)**	(150)
Amortization of actuarial gain (included in net periodic benefit cost)	**(40)**	(32)
Prior service cost	**2**	(34)
Unrecognized actuarial gain at end of year	**$ 298**	$ 637
Net periodic benefit cost recognized		
Interest cost	**$ 163**	$ 174
Expected return on plan assets	**(237)**	(283)
Net gain amortization	**2**	(32)
Net periodic benefit cost (reduction of expense)	**$ (72)**	$ (141)

The overfunded status of the plan of $1,242 and $1,469 at December 31, 2011 and 2010, respectively, is recognized in the accompanying consolidated balance sheets as other asset No plan assets are expected to be returned to the Medical Center during the fiscal year ended December 31, 2012 The following are key assumptions used to estimate the projected benefit obligation

	2011	2010
Weighted-average assumptions		
Discount rate (used for funded status)	**5.95%**	6 49%
Discount rate (used for pension cost)	**6.50%**	5 96%
Expected return on plan assets (based on historical investment returns)	**5.90%**	6 50%

(Dollar amounts expressed in thousands)

6. Retirement Plans (continued)

The expected rate of return on plan assets assumption is based on the weighted-average expected return of the assets in the plan's portfolio as discussed below, developed using historical asset return performance as well as current market conditions such as inflation and interest rates

The following benefit payments are expected to be paid during the years ended December 31

2012	$	289
2013		275
2014		256
2015		244
2016 through 2020		1,210
	$	2,274

The plan assets are held in unallocated insurance contracts with Aetna Life Insurance Company (Aetna), which are guaranteed investment contracts (GICs) with stable returns The assets are recorded at contract value as determined by Aetna, which approximates fair value Contract value represents contributions made under the contract, plus interest at the contract rate, less funds used to pay retirement benefits, the insurance company's administrative expenses, and other expenses of the plan The insurance contracts include certain restrictions related to payments, withdrawals, and fund transfers

Aetna maintains the plan's assets in a fund which earns interest at guaranteed rates The rates applicable to the unallocated insurance contracts are subject to change each year, when changed, the new rate applies only to contributions from the date of change The investment objectives are designed to generate returns that will enable the plan to meet its future obligations The amount for which these obligations will be settled depends on future events, including the life expectancy of the participants and probability of payment between the valuation date and expected date of payment The obligations are estimated using actuarial assumptions, current economic assumptions, and discount rates to reflect the time value of money and retirement annuity prices provided by Aetna

The Medical Center also maintains defined-contribution plans for its employees Employer contributions are based on participant contributions and compensation The Medical Center's expense for these defined-contribution plans was $7,635 and $7,758 in 2011 and 2010, respectively

(Dollar amounts expressed in thousands)

7. Pomona Valley Hospital Medical Center Foundation

The Foundation was established to engage in the solicitation, receipt, and administration of contributions for the benefit of the Medical Center, which is its sole beneficiary The Foundation's unrestricted net assets are distributed to the Medical Center in amounts and in periods determined by the Foundation's board of directors, which may restrict the use of these funds for Medical Center specific purposes Temporarily and permanently restricted net assets are held or distributed to the Medical Center at the donor's request These transfers are recorded as a reduction in the Medical Center's interest in the net assets of the Foundation In 2011 and 2010, $454 and $214 in unrestricted funds were transferred to the Medical Center, respectively The net assets of the Foundation have been included in the accompanying consolidated financial statements of the Medical Center using the equity method of accounting

The Foundation's financial position and results of operations are summarized as follows

	December 31	
	2011	**2010**
Assets	**$ 21,347**	$ 21,426
Liabilities	**$ 3,306**	$ 3,930
Net assets	**18,041**	17,496
Total liabilities and net assets	**$ 21,347**	$ 21,426

	Year Ended December 31	
	2011	**2010**
Revenues, gains, and other support	**$ 562**	$ 2,327
Expenses	**(800)**	(717)
Transfers to the Medical Center	**(454)**	(214)
(Decrease) increase in unrestricted net assets	**(692)**	1,396
Increase in restricted net assets	**1,237**	321
Net assets, beginning of year	**17,496**	15,779
Net assets, end of year	**$ 18,041**	$ 17,496

8. Endowments

Permanently restricted net assets represent endowments that are required by donors to be held in perpetuity, the income from which is expendable to support health care services in general (unrestricted) or is restricted for a donor specified purpose or specified time period (temporarily restricted) Endowments are intended to provide a permanent source of income to the Medical Center The Medical Center also maintains a board-designated endowment fund, which is included in assets limited as to use by the board and are classified as unrestricted net assets since the restrictions can be removed or redesignated at any time by the board of directors

The Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) adds certain prudent spending measures to the Uniform Management of Institutional Funds Act (UMIFA), the predecessor to UPMIFA ASC 958, *Not-for-Profit Entities*, provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of UPMIFA The adoption of the net assets classification under UPMIFA did not have a significant effect on the Medical Center's consolidated financial position and results of operations

Endowment The Medical Center's donor-restricted endowments are included in assets limited as to use by donor and are classified as permanently restricted net assets Donor-restricted endowments held at the Foundation are included in interest in net assets of the Foundation

Funds with Deficiencies From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Medical Center to retain as a fund of perpetual duration Deficiencies of this nature are reported as decreases in unrestricted net assets unless the income from such endowment funds is restricted as to use in which case such amounts are reflected in temporarily restricted net assets There were no such deficiencies as of December 31, 2011 and 2010

Return Objectives and Risk Parameters The Medical Center has investment policies that attempt to provide a predictable stream of funding to programs supported by operations as well as endowment donations Assets are invested in a manner that is intended to produce results that exceed the respective benchmark while assuming a moderate level of investment risk Actual returns in any given year may vary from this amount

8. Endowments (continued)

Strategies Employed for Achieving Objectives To satisfy its long-term rate-of-return objectives, the Medical Center relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends) The Medical Center targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints

Interpretation of Relevant Law The Medical Center has interpreted UMIFA, the predecessor to UPMIFA, as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary As a result of this interpretation, the Medical Center classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as unrestricted net assets (generally the appreciation and investment earnings) if the funds can be used at the discretion of the Medical Center, or as temporarily restricted net assets until the donor's restriction is met The Medical Center typically appropriates temporarily restricted net assets for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA at the time the donor's restriction is met No changes to the Medical Center's policies are required

At December 31, 2011 and 2010, the endowment net asset composition by type of fund is as follows (in thousands)

	Unrestricted	Permanently Restricted*	Total
Donor-restricted endowment funds*	**$ –**	**$ 5,553**	**$ 5,553**
Board-designated endowment funds	**2,933**	**–**	**2,933**
Total funds at December 31, 2011	**$ 2,933**	**$ 5,553**	**$ 8,486**
Donor-restricted endowment funds*	$ –	$ 4,778	$ 4,778
Board-designated endowment funds	3,142	–	3,142
Total funds at December 31, 2010	$ 3,142	$ 4,778	$ 7,920

*Amount excludes $279 and $337 in charitable remainder trust net assets at December 31, 2011 and 2010, respectively

8. Endowments (continued)

The changes in endowment net assets for the years ended December 31, 2011 and 2010, are as follows (in thousands)

	Unrestricted	Permanently Restricted	Total
Endowment net assets, end of year December 31, 2009	$ 2,536	$ 4,760	$ 7,296
Investment return			
Investment income	–	95	95
Net appreciation (realized and unrealized)	512	–	512
Total investment return	512	95	607
Contributions	–	18	18
Other changes			
Transfers to create-board designated endowment funds	95	(95)	–
Endowment net assets, end of year December 31, 2010	3,143	4,778	7,921
Investment return			
Investment income	–	**106**	–
Net depreciation (realized and unrealized)	**(316)**	–	**(316)**
Total investment return	**(316)**	**106**	**(210)**
Contributions	–	**775**	**775**
Other changes			
Transfers to create-board designated endowment funds	**106**	**(106)**	–
Endowment net assets, end of year December 31, 2011	**$ 2,933**	**$ 5,553**	**$ 8,486**

(Dollar amounts expressed in thousands)

9. Contingencies

Litigation

The Medical Center is a defendant in various legal actions arising from the normal conduct of business Management believes that the ultimate resolution of the various proceedings will not have a material adverse effect upon the financial position, results of operations, or cash flows of the Medical Center

Future Minimum Lease Payments

The Medical Center leases various equipment and office space All leases, except for one equipment lease, are classified as operating leases and have expiration dates ranging from 2010 to 2019 and can generally be renewed, based on the fair market value at the end of the lease term, for one to three years Rent expense for operating leases was $4,955 and $4,908 for 2011 and 2010, respectively

The Medical Center has a capital lease on radiology imaging equipment that has a seven-year term commencing February 1, 2009, with a bargain purchase option at the end of the lease term

Future minimum lease payments under the capital and operating leases for the years subsequent to December 31, 2011, are as follows

	Capital Leases	Operating Leases
2012	$ 691	$ 4,245
2013	691	3,993
2014	691	3,408
2015	691	3,301
2016	57	2,288
Thereafter	–	3,441
Total minimum lease payments	2,821	$ 20,676
Less interest	(480)	
Present value of future minimum capital lease payments	2,341	
Less current obligation under capital lease	(494)	
Long-term capital lease obligation	$ 1,847	

9. Contingencies (continued)

Seismic Retrofit

The Medical Center is required to comply with the California Hospital Safety Act (SB 1953), which regulates seismic performance standards for all hospital facilities in California SB 1953 requires hospitals that include any existing Structural Performance Category SPC-1 buildings be replaced or structurally improved to higher seismic safety standards (SPC-2 or higher) no later than January 1, 2013 (or at later dates with previously reviewed and approved extension) SB 1953 imposes current and long range California Building Code compliance deadlines for facility seismic safety assessments, proposed design improvements, submission for appropriate agency review and approval processing of proposed corrective improvements and construction and retrofitting, or replacement of the Medical Center's existing facilities ensuring compliance with all required seismic performance standards The Medical Center is currently engaged in the FEMA (Federal Emergency Management Agency) developed, and California adopted, HAZUS (Hazards USA) computerized analysis modeling for existing structures managed by the State of California Office of Statewide Health Planning and Development (OSHPD) regulatory agency The Medical Center has currently received tentative review and OSHPD SPC-2 approval reclassification for the 1961 Main Tower, 1953 Pediatrics, 1963 Cafeteria and 1972 Boiler Room buildings The 1972 / 1963 Inpatient building seismic structural improvement construction project is currently under way with anticipated construction completion by mid-year 2012, and will be reclassified as SPC-2 by December 31, 2012 The 1961 Dining Building seismic improvement design has been OSHPD reviewed for construction and the work is anticipated to be completed by September 2012, and also reclassified SPC-2 by December 31, 2012 The existing 1913 / 1928, 1958 Lobby and Emergency buildings use-occupancy are being submitted for reclassification as non-inpatient facilities by December 31, 2012 The Medical Center expects to be compliant with SB 1953 safety requirements by January 1, 2013 and will allow all existing inpatient facilities to continue uninterrupted services until December 31, 2029 These requirements are expected to result in minimum operational impacts and capital expenditures

Conditional Asset-Retirement Obligation

The Medical Center accounts for conditional asset-retirement obligations in accordance with ASC 410, *Asset Retirement and Environment Obligations* A conditional asset-retirement obligation refers to a legal obligation to perform an asset-retirement activity in which the timing and/or method of settlements are conditional on a future event that may or may not be within the control of the entity Under ASC 410, an entity must record a liability for a conditional asset-

9. Contingencies (continued)

retirement obligation if the fair value of the obligation can be reasonably estimated The Medical Center is currently evaluating the renovation and replacement needs for its acute care facilities in order to comply with the California seismic safety standards The existing facilities include certain aged buildings that, by law, would require asbestos abatement should they be demolished or undergo significant retrofit In addition, the Medical Center may be required to reduce the depreciation periods or carrying values of those buildings that will be demolished and replaced before their original useful lives expire The Medical Center's renovation plans are not yet complete as of December 31, 2011, and the date and amounts for which the asset-retirement obligation would be settled are unknown As such, the Medical Center concluded it could not reasonably estimate the fair value of the obligation, and, consequently, no amounts have been recorded in the accompanying consolidated balance sheets Upon completion, the plan will provide the Medical Center with sufficient information to assess the fiscal impacts of this potential obligation There are no plans to sell, remodel, or otherwise dispose of the facilities, which would otherwise result in a determinable settlement date and require the Medical Center to estimate and record the fair value of these obligations prior to that time

10. The California Hospital Fee Program

The California Hospital Fee Program (the Program) was signed into law by the Governor of California and became effective on January 1, 2010 Amending legislation, to conform to changes requested by the Centers for Medicare & Medicaid Services (CMS) during the approval process, was signed into law by the Governor of California and became effective September 8, 2010 The primary legislation (AB 1383) and amending legislation (AB 1653) contain two components The Quality Assurance Fee Act governs the "hospital fee" or "Quality Assurance Fee" (QA Fee) paid by participating hospitals The Medi-Cal Hospital Provider Stabilization Act governs supplemental Medi-Cal payments (Supplemental Payments) made to providers from the fund Hospital participation is mandatory with limited exceptions

The Medical Center made payments to DHCS for the QA Fee in the amount of $10,270 in 2011 and $30,359 in 2010 and recorded the QA Fee The Medical Center also made Pledge payments of $586 in 2011 and $3,171 in 2010 The QA fee and pledge payments are recorded in California hospital fee quality assurance fee and pledge payments within the accompanying consolidated statements of operations The Medical Center recognized supplemental payments of approximately $30,565 in 2011 and $73,819 in 2010, which pertains to the period January 1, 2011 to June 30, 2011, and from April 1, 2009 to December 31, 2010, respectively, and recorded the Supplemental Payments as revenue within the accompanying consolidated statements of operations

(Dollar amounts expressed in thousands)

11. Electronic Health Record Incentive Payments

The American Recovery and Reinvestment Act of 2009 included provisions for implementing health information technology under the Health Information Technology for Economic and Clinical Health Act (HITECH) The provisions were designed to increase the use of electronic health record (EHR) technology and establish the requirements for a Medicare and Medicaid incentive payment program beginning in 2011 for eligible providers that adopt and meaningfully use certified EHR technology The Medical Center applied for Initial Medicaid Incentive payments, which are available to providers that adopt, implement or upgrade certified EHR technology As a result of having met specific meaningful-use requirements in 2011, PVHMC recorded $4 7 million within other operating revenue in 2011 to recognize Initial Medicaid Incentive payments from Medi-Cal Providers must demonstrate meaningful use of such technology in subsequent years to qualify for additional Medicaid incentive payments

12. Functional Expenses

The Medical Center provides general health care services to residents within its geographic location Expenses related to providing these services are as follows

	Year Ended December 31	
	2011	**2010**
Health care services	**$ 388,466**	$ 427,377
General and administrative	**19,361**	8,107
	$ 407,827	$ 435,484

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