See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490

See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

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 07-01-2011 and ending 06-30-2012

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☑ Amended return
- ☐ Application pending

C Name of organization
West Penn Allegheny Health System Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
C/O Tax Dept Two Allegheny Center

City or town, state or country, and ZIP + 4
Pittsburgh, PA 15212

D Employer identification number
25-0969492

E Telephone number
(412) 330-6022

G Gross receipts $ 1,224,373,065

F Name and address of principal officer
Matthew Peterson
Two Allegheny Center 11th Fl
Pittsburgh, PA 15212

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 wpahs org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1848 | **M** State of legal domicile PA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
See Form 990, Page 2, Part III

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	19
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	14
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	9,144
6	Total number of volunteers (estimate if necessary)	**6**	800
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	5,358,237
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	32,207,430	14,889,011
	9 Program service revenue (Part VIII, line 2g)	1,082,525,696	1,043,861,740
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	41,990,794	25,845,934
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	62,177,577	55,875,146
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,218,901,497	1,140,471,831
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	349,751	339,952
	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)	464,543,965	442,137,972
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶222,260		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	636,123,935	641,552,773
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,101,017,651	1,084,030,697
	19 Revenue less expenses Subtract line 18 from line 12	117,883,846	56,441,134

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	1,029,709,145	1,049,793,316
	21 Total liabilities (Part X, line 26)	1,167,217,731	1,341,953,646
	22 Net assets or fund balances Subtract line 21 from line 20	-137,508,586	-292,160,330

Part II Signature Block

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

Sign Here

▶ Signature of officer — 2013-07-16 Date

▶ MATTHEW PETERSON treasurer
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 ▶ GRANT THORNTON LLP
2001 MARKET STREET SUITE 3100
PHILADELPHIA, PA 19103

EIN ▶

Phone no ▶ (215) 561-4200

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

WEST PENN ALLEGHENY HEALTH SYSTEM, INC IS AN ORGANIZATION DEFINED BY OUR TALENTED PEOPLE AN ORGANIZATION COMMITTED TO EXCELLENCE, AN ORGANIZATION WITH ONE PURPOSE AND ONE MISSION OUR ONE PURPOSE IS TO IMPROVE THE HEALTH OF THE PEOPLE IN THE WESTERN PENNSYLVANIA REGION OUR ONE MISSION IS TO PRACTICE MEDICINE, EDUCATE AND CONDUCT RESEARCH AS AN INTEGRATED TEAM OF PHYSICIANS, NURSES AND SUPPORT PROFESSIONALS WHO ARE COMMITTED TO IMPROVING THE HEALTH OF OUR PATIENTS

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 $ 563,873,071 including grants of $ 63,260) (Revenue $ 620,087,120)

See Schedule O - West Penn Allegheny Health System, Inc - Allegheny General Hospital

4b (Code) (Expenses $ 231,396,227 including grants of $ 15,030) (Revenue $ 225,255,674)

See Schedule O - West Penn Allegheny Health System, Inc - The Western Pennsylvania Hospital

4c (Code) (Expenses $ 174,030,251 including grants of $ 5,500) (Revenue $ 198,518,946)

See Schedule O - West Penn Allegheny Health System, Inc - Forbes Regional Hospital

(Code) (Expenses $ 10,038,024 including grants of $ 256,162) (Revenue $)

SYSTEM WIDE SERVICES TO AFFILIATED ORGANIZATIONS

4d Other program services (Describe in Schedule O)

(Expenses $ 10,038,024 including grants of $ 256,162) (Revenue $)

4e **Total program service expenses** ▶ $ 979,337,573

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	Yes	
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b	Yes	
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	999		
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**	9,144			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?			**4a**	Yes	
b	If "Yes," enter the name of the foreign country ▶ CJ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	19		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	14		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .		3	Yes	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4	Yes	
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6		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	Yes	

Section C. Disclosure

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

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 ▶

MATTHEW PETERSON
TWO ALLEGHENY CENTER 11TH FLOOR
Pittsburgh, PA 15212
(412) 330-6012

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)** . . . . . ▶								16,341,940	5,375,388	0

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 ▶ 248

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Allscripts LLC 24630 Network Place CHICAGO, IL 60673	Software App Service	9,848,619
Pricewaterhouse Coopers LLP PO Box 7247-8001 PHILADELPHIA, PA 171708001	Operational Advisors	8,517,800
Clean Care PO Box 40330 PITTSBURGH, PA 15201	Linen Services	3,170,774
Tedco Construction 3824 Northern Pike MONROEVILLE, PA 15146	Construction	3,700,635
Maxit Healthcare LLC PO Box 2589 FORT WAYNE, IN 468012589	Temporary Staffing	2,368,944

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 ▶ 101

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . 1a				
	b	Membership dues 1b				
	c	Fundraising events 1c				
	d	Related organizations . . . 1d				
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f 14,889,011				
	g	Noncash contributions included in lines 1a-1f $ _____				
	h	**Total.** Add lines 1a-1f . . . . . ▶	14,889,011			
Program Service Revenue		Business Code				
	2a	PATIENT SERVICE REVENUE 621110	1,043,861,740	1,040,570,242	3,291,498	
	b					
	c					
	d					
	e					
	f	All other program service revenue				
	g	**Total.** Add lines 2a–2f . . . . . ▶	1,043,861,740			
	3	Investment income (including dividends, interest and other similar amounts) . . . . . ▶	17,514,389			17,514,389
	4	Income from investment of tax-exempt bond proceeds . . ▶	4,993,619	4,993,619		
	5	Royalties . . . . . ▶	0			
		(i) Real / (ii) Personal				
	6a	Gross rents 13,630,235				
	b	Less rental expenses				
	c	Rental income or (loss) 13,630,235				
	d	Net rental income or (loss) . . . . . ▶	13,630,235		2,066,739	11,563,496
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory 86,434,523 / 804,637				
	b	Less cost or other basis and sales expenses 83,771,055 / 130,179				
	c	Gain or (loss) 2,663,468 / 674,458				
	d	Net gain or (loss) . . . . . ▶	3,337,926			3,337,926
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	HIGHMARK INCENTIVE 621110	7,895,330	7,895,330		
	b	MEDICAID EHR PAYMENTS 621110	5,999,927	5,999,927		
	c	PARKING REVENUE 621110	5,620,951	5,620,951		
	d	All other revenue	22,728,703	22,728,703		
	e	**Total.** Add lines 11a–11d . . . . . ▶	42,244,911			
	12	**Total revenue.** See Instructions . . . ▶	1,140,471,831	1,087,808,772	5,358,237	32,415,811

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	323,552	323,552		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	16,400	16,400		
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	14,899,521	12,664,593	2,234,928	
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	365,072,362	310,125,726	54,760,854	185,782
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	16,802,621	14,282,228	2,520,393	
9	Other employee benefits	18,168,219	15,442,986	2,725,233	
10	Payroll taxes	27,195,249	23,107,225	4,079,287	8,737
11	Fees for services (non-employees)				
a	Management	4,661,160		4,661,160	
b	Legal	5,789,085	5,105,315	683,770	
c	Accounting	840,987		840,987	
d	Lobbying	225,684	225,684		
e	Professional fundraising *See Part IV, line 17* . .	0			
f	Investment management fees	1,276,781		1,276,781	
g	Other	58,686,040	52,819,562	5,849,354	17,124
12	Advertising and promotion	8,696,641	7,826,977	869,664	
13	Office expenses	5,163,887	4,647,483	514,702	1,702
14	Information technology	23,701,370	21,331,233	2,370,137	
15	Royalties . .	0			
16	Occupancy	41,442,928	37,298,635	4,144,293	
17	Travel	1,642,325	1,478,309	164,016	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	1,632,425	1,469,181	163,244	
20	Interest	39,956,915	37,863,345	2,093,570	
21	Payments to affiliates	1,856,059	1,670,453	185,606	
22	Depreciation, depletion, and amortization	51,062,360	45,956,124	5,106,236	
23	Insurance	11,914,701	11,762,271	152,430	
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	PATIENT CARE COSTS	222,568,136	222,568,136		
b	REPAIR AND MAINTENANCE	56,353,641	50,718,095	5,635,546	
c	BAD DEBT	55,279,802	55,279,802		
d	PA ACT 49 - QUALITY CARE	21,002,196	21,002,196		
e					
f	All other expenses	27,799,650	24,352,062	3,438,673	8,915
25	**Total functional expenses.** Add lines 1 through 24f	1,084,030,697	979,337,573	104,470,864	222,260
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		3,084,511	1	7,643,373
	2	Savings and temporary cash investments		181,909,129	2	178,332,846
	3	Pledges and grants receivable, net		1,053,360	3	347,307
	4	Accounts receivable, net		109,540,322	4	101,591,409
	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		3,185,000	7	3,585,000
	8	Inventories for sale or use		18,732,275	8	17,821,713
	9	Prepaid expenses and deferred charges		15,612,161	9	11,175,676
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 1,026,497,244			
	b	Less accumulated depreciation	10b 683,103,275	304,140,842	10c	343,393,969
	11	Investments—publicly traded securities		242,957,197	11	233,931,873
	12	Investments—other securities See Part IV, line 11		5,378,609	12	7,015,664
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		16,997,276	14	16,205,002
	15	Other assets See Part IV, line 11		127,118,463	15	128,749,484
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,029,709,145	16	1,049,793,316
Liabilities	17	Accounts payable and accrued expenses		147,239,366	17	131,421,649
	18	Grants payable		0	18	0
	19	Deferred revenue		47,562,530	19	94,707,492
	20	Tax-exempt bond liabilities		736,998,726	20	725,775,485
	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		72,634,969	23	171,253,162
	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		162,782,140	25	218,795,858
	26	**Total liabilities.** Add lines 17 through 25		1,167,217,731	26	1,341,953,646
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		-318,883,645	27	-463,955,658
	28	Temporarily restricted net assets		5,632,423	28	5,214,594
	29	Permanently restricted net assets		175,742,636	29	166,580,734
		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		-137,508,586	33	-292,160,330
	34	Total liabilities and net assets/fund balances		1,029,709,145	34	1,049,793,316

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	1,140,471,831
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,084,030,697
3	Revenue less expenses Subtract line 2 from line 1	3	56,441,134
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-137,508,586
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-211,092,878
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	-292,160,330

Part XII Financial Statements and Reporting

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

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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

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
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

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
West Penn Allegheny Health System Inc	25-0969492

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)	0	0
b Total lobbying expenditures to influence a legislative body (direct lobbying)	154,508	225,684
c Total lobbying expenditures (add lines 1a and 1b)	154,508	225,684
d Other exempt purpose expenditures	1,083,876,189	1,698,163,316
e Total exempt purpose expenditures (add lines 1c and 1d)	1,084,030,697	1,698,389,000
f Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	1,000,000
g Grassroots nontaxable amount (enter 25% of line 1f)	250,000	250,000
h Subtract line 1g from line 1a If zero or less, enter -0-		
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	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures	585,102	418,483	424,588	225,684	1,653,857
d Grassroots non-taxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f Grassroots lobbying expenditures	0	0	0	0	0

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

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

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
Lobbying Expenditures	Form 990, Schedule C, Page 2, Part II-A, Line 1b, Column (a) and (b)	West Penn Allegheny Health System, Inc (WPAHS) has made the IRC Section 501(h) election WPAHS employs an Executive Vice President for External Affairs to lobby issues of importance to the System and all of its members WPAHS also elected to engage the services of outside consultants to assist us in lobbying issues of importance WPAHS directly paid all lobbying expenditures of $225,684 as reflected on Schedule C, Page 2, Part II-A, column (b) The lobbying expenditures of $154,508 attributed to WPAHS on Schedule C, Page 2, Part II-A, column (a) reflect expenditures allocated to WPAHS The difference between total lobbying expenditures of $225,684 and the WPAHS allocated expenditures of $154,508 are reflected on the Form 990, Schedule C, Page 2, Part II-A, column (a) of the affiliated organizations filing Form 990 Schedule C

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

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
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

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	181,375,059	160,822,837	157,081,075	214,329,180	
b Contributions	1,224,584	2,114,402	1,806,358	3,967,020	
c Investment earnings or losses	-56,362	29,373,573	15,402,952	-28,171,702	
d Grants or scholarships					
e Other expenditures for facilities and programs	10,332,607	10,460,295	13,396,153	32,430,060	
f Administrative expenses	415,346	475,458	71,395	613,362	
g End of year balance	171,795,328	181,375,059	160,822,837	157,081,076	

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶ 97 000 %
- c Term endowment ▶ 3 000 %

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		10,091,958		10,091,958
b Buildings		476,673,101	334,085,675	142,587,426
c Leasehold improvements		34,824,301	22,862,193	11,962,108
d Equipment		411,044,327	292,696,488	118,347,839
e Other		93,863,557	33,458,919	60,404,638
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				343,393,969

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) DUE FROM AFFILIATES	102,861,890
(2) INVEST - PASSTHROUGH ENTITIES	2,329,757
(3) CAPITALIZED COSTS	527,889
(4) RECEIVABLES - OTHER	22,371,091
(5) LETTER OF CREDIT	366,000
(6) THE PHYSICIAN CONTRACT	292,857
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	128,749,484

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
ACCRUED PENSION LIABILITY	183,608,190
THIRD PARTY SETTLEMENTS	3,322,127
INSURANCE LIABILITIES	24,632,949
CAPITAL LEASES	1,785,049
ASSET RETIREMENT OBLIGATION	3,911,672
ACCRUED ADVERTISING EXPENSE	331,322
PATIENT A/R CREDIT BALANCE - ESCHEAT	1,181,544
ACCRUED INTEREST - SIEMENS DEBT	23,005
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	218,795,858

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
WPAHS, Inc Inclusion In The Consolidated Audit of WPAHS	Form 990, Schedule D, Part X Question 2, Part XII and XIII	West Penn Allegheny Health System, Inc does not receive its own independent audit It is a member of a regional healthcare system named West Penn Allegheny Health System West Penn Allegheny Health System receives a consolidated audit that includes the operations of West Penn Allegheny Health System, Inc The following analysis represents the reconciliation between the financial statement net income and the net income as reported on Form 990, Page 1, line 19 Net income per financial statements $52,092,113 Plus Income and expense reclassified from restricted net assets on the financial statements to unrestricted income and expense on Form 990 5,174,054 Less Unrealized gain reflected in unrestricted income on the financial statements and reclassified to net assets on Form 990 (825,033) _____ Net income per Form 990 $56,441,134 The following is the footnote to the audited consolidated financial statements of the West Penn Allegheny Health System for FASB ASC 740 WPAHS adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, Income Taxes, which clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements FASB ASC 740 prescribes a more-likely than-not recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken Under FASB ASC 740, tax positions will be evaluated for recognition, derecognition, and measurement using consistent criteria and will provide more information about the uncertainty in income tax assets and liabilities Based on an analysis prepared by WPAHS, it was determined that the application of FASB ASC 740 had no material effect on the recorded assets and liabilities of WPAHS
Intended Use of the Organization's Endowment Funds	Schedule D, Page 2, Part V, Line 4	The intended use of West Penn Allegheny Health System, Inc permanent and term endowments are for, but not exclusive to capital improvements, research, education, departmental needs, operating efficiencies, and overall patient care The earnings off of the permanent amount are expendable, based on the specific use of the fund

Additional Data

Software ID:
Software Version:
EIN: 25-0969492
Name: West Penn Allegheny Health System Inc

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

1 (a) Description of Liability	(b) Amount
ACCRUED PENSION LIABILITY	183,608,190
THIRD PARTY SETTLEMENTS	3,322,127
INSURANCE LIABILITIES	24,632,949
CAPITAL LEASES	1,785,049
ASSET RETIREMENT OBLIGATION	3,911,672
ACCRUED ADVERTISING EXPENSE	331,322
PATIENT A/R CREDIT BALANCE - ESCHEAT	1,181,544
ACCRUED INTEREST - SIEMENS DEBT	23,005

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region/investments in region
Central America and the Caribbean	1		Program Services	Captive Insurance	74,200
3a Sub-total	1				74,200
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)	1				74,200

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

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

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

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

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

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

Part IV Foreign Forms

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

Additional Data

Software ID:
Software Version:
EIN: 25-0969492
Name: West Penn Allegheny Health System Inc

Part V **Supplemental Information**

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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

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
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other _____ %	3b	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit reportduring the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	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)			2,591,662		2,591,662	0 240 %
b Medicaid (from Worksheet 3, column a)			116,771,185	81,864,259	34,906,926	3 220 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			119,362,847	81,864,259	37,498,588	3 460 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			946,257		946,257	0 090 %
f Health professions education (from Worksheet 5)			61,821,824	22,192,002	39,629,822	3 660 %
g Subsidized health services (from Worksheet 6)			289,727,017	276,982,719	12,744,298	1 180 %
h Research (from Worksheet 7)			7,458,172		7,458,172	0 690 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			357,859		357,859	0 030 %
j **Total** Other Benefits			360,311,129	299,174,721	61,136,408	5 650 %
k **Total.** Add lines 7d and 7j			479,673,976	381,038,980	98,634,996	9 110 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing			7,910		7,910	0 010 %
2	Economic development						
3	Community support			135,952		135,952	0 010 %
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building			251,845		251,845	0 020 %
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**			395,707		395,707	0 040 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1	Yes		
2	Enter the amount of the organization's bad debt expense	2	13,989,958		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	5,951,544		
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	177,560,077		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	186,243,509		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-8,683,432		
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	West Penn Amb Surg	Ambulatory Surgery Center	51 000 %		
2	5148 Lib Ave Assoc	Property Rental	50 000 %		
3	Alleg Imag of McCand	Imaging Services	45 000 %		
4	Optima Imaging Inc	Medical Imaging	20 000 %		
5	Forbes Reg Urologic	Equipment Rental	20 000 %		
6	North Shore Endoscop	Endoscopy Services	50 000 %		45 000 %
7	McCandless Endoscopy	Endoscopy Services	50 000 %		50 000 %
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? 3

	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	Allegheny General Hospital 320 East North Avenue Pittsburgh, PA 15224	X	X		X	X	X	X		
2	The Western Pennsylvania Hospital 4800 Friendship Avenue Pittsburgh, PA 15224	X	X		X	X	X	X		
3	Forbes Regional Hospital 2570 Haymaker Road Monroeville, PA 15146	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: Allegheny General Hospital

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 400 %			
	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	Yes	
	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**	Yes	
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: The Western Pennsylvania Hospital

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 %			
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 400 %			
	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	Yes	
	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**	Yes	
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Forbes Regional Hospital

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	**1**		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**		
5 Did the hospital facility make its Needs Assessment widely available to the public?	**5**		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	**7**		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**8**	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	**9**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 %			
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 400 %			
	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	Yes	
	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**	Yes	
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? **29**

	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
Bad Debt Expense Financial Statement Footnote and Costing Methodology	Schedule H, Part III, Question 4	West Penn Allegheny Health System, Inc does not issue separate audited financial statements and therefore a footnote does not exist Bad debt expense is accounted for on a charge basis in our internal financial statements A cost to charge ratio is applied to the internal figures to convert the charge to cost It is the opinion of West Penn Allegheny Health System management that because patients are often reluctant to complete the required charity care paperwork that an unquantifiable amount of charity care results in bad debt Thus, it is our opinion that bad debt expense can be considered a justifiable componet of charity care

Identifier	ReturnReference	Explanation
Medicare Shortfall as a Community Benefit and Costing Methodology	Schedule H, Part III, Question 8	West Penn Allegheny Health System, Inc receives overall reimbursement from Medicare less than the cost of the services provided As such, we consider the shortfall a community benefit The source used to determine the amount reported on Line 6 is the medicare cost report

Identifier	ReturnReference	Explanation
Collection Practices For Patients Who Qualify For Financial Assistance	Schedule H, Part III, Question 9b	Patients that qualify for charity care or financial assistance are provided with an approval letter with the effective dates for the assistance At any time the individual presents for services within a 90 day span of approval, they show the letter and will be registered as a charity care case Charity care cases are designated in the internal computerized systems with unique plan codes that prevent billing to the patient Reports are run to capture the patient accounts registered with the charity care plan codes so they can be written off to charity care

Identifier	ReturnReference	Explanation
Charges For Medical Care	Schedule H, Part V, Section B, Line 19d	West Penn Allegheny Health System offers uninsured patients a fifty percent (50%) discount on total gross charges to all hospital charges The intent of the discount is to standardize charging practices for covered and non covered patients The discount is offered during patient contact for elective/ urgent (non cosmetic) procedures during the financial counseling process, as well as during the patient statement cycle process for services provided (including Emergency services) Patient statements are clearly marked with the uninsured discount, reducing the "amount owed" of the gross charges An uninsured discount of 50% is applied to the patient account either at the time of payment or prior to transferring the account to bad debt upon conclusion of the routine four statement cycle, for any unpaid balances This methodology is applied consistently among the three Hospitals of West Penn Allegheny Health System, Inc

Identifier	ReturnReference	Explanation
Charges Equal To Gross Charges For Patient Services	Schedule H, Part V, Line 21	Each facility offers a variety of procedures For elective and non medically emergent procedures not covered by health plans, individual fee schedules are published and communicated prior to services Patients are contacted in advance of the procedure by financial counselors and are required to pay for services in full based on the fee schedule The patient is required to pay the hospital fee schedule for the technical component and the physician for the professional services rendered This methodology is applied consistently among the three Hospitals of West Penn Allegheny Health System, Inc

Identifier	ReturnReference	Explanation
Health Needs Assessment	Schedule H, Part VI, Line 2	West Penn Allegheny Health System, Inc management and staff utilize multiple strategies to continually monitor and assess the health care needs of the communities it serves One approach to assessing needs involves surveying community members about health needs related to national and state health goals West Penn Allegheny Health System, Inc also acts on expressed community needs by responding to direct community requests for health screenings, outreach events and other health-related activities and by maintaining longstanding programs that are well attended and positively evaluated by community participants In addition, West Penn Allegheny Health System, Inc gathers community input through participation in area rotaries, chambers of commerce, through partnerships with community organizations and other community engagement activities Another means is through reviewing and taking appropriate actions on feedback gathered from the following sources routine market assessments, patient and family satisfaction surveys, Press Ganey surveys, patient, patient family and staffs' suggestions for improving patient safety, medical staff input and physician surveys In addition to the ongoing community health monitoring and assessment, West Penn Allegheny Health System, Inc is actively working towards a formal community health needs assessment (CHNA) for each Hospital that will be completed for the fiscal year end June 30, 2013 This assessment is currently being done separately for each hospital Each hospital will have its personal needs assessment findings published and available to the general public as well as an implementation strategy adopted by the board of directors The needs assessment will involve systematically analyzing demographic and other health-related data, considering local, state and national health goals, understanding existing community health resources and programs, as well as engaging and actively soliciting input from community partners and community members with special knowledge of public health It is expected that the WPAHS, Inc board of directors will approve and implement the CHNA plan prior to June 30, 2013

Identifier	ReturnReference	Explanation
Patient Education For Eligibility For Assistance	Schedule H, Part VI, Line 3	Each West Penn Allegheny Health System, Inc Hospital displays signage in various patient Admission, Registration and Emergency Department areas that alerts that patient to Account Assistance program availability and contact information During the preservice process, patients are evaluated to determine financial assistance options West Penn Allegheny Health System, Inc offers the "Account Assistance Program" which consists of application assistance for governmental eligibility, Charity Care application completion and submission support, as well as uninsured provisions Account Assistance summaries are available on the West Penn Allegheny Health system website www wpahs org under the link titled, "Care for Uninsured" are available to the public The Charity Care application, as well as, a Medical Assistance check list is available for patients who wish to self-apply In addition to the documents, toll free telephone numbers regarding Account Assistance, charity and/or other financial inquiries are available The website also contains a copy of the brochure that summarizes the Account Assistance program, as well as provides various governmental and internal numbers to patients seeking additional support Each Hospital also provides on-site support through Financial Counselor staff who are available to work with patient walk in's Financial Counselors work directly with the patients as well as designated agency support regarding qualifying patients for Medical Assistance Both week day and weekend coverage is available to the patients, as well as field support needed for post discharge follow up needed for application submission The above support is available at no charge to the patient

Identifier	ReturnReference	Explanation
Community Served Information	Schedule H, Part VI, Line 4	West Penn Allegheny Health System, Inc consists of three Hospital Campus locations Two campus locations are in the City of Pittsburgh, located in the North Side and Bloomfield and the third location is in the Municipality of Monroeville Collectively, we provide health care services to the residents of Pittsburgh and Monroeville The City of Pittsburgh has approximately 308,000 residents and the Municipality of Monroeville has approximately 28,000 residents All three Hospital campuses are located in Allegheny County Allegheny County consists of approximately 1,228,000 residents living in a land area of approximately 730 square miles The median housing value in Allegheny County is $118,700

Identifier	ReturnReference	Explanation
Promotion of Community Health	Schedule H, Part VI, Line 5	West Penn Allegheny Health System, Inc promotes the health of the communities we service through the provision of a 24 hour emergency department located at every hospital available 7 days a week for everyone regardless of their ability to pay Allegheny General Hospital's lifeflight provides regional emergency helicopter and critical care ground transportation services for critically ill and injured individuals who need immediate specialized care Lifeflight is available 24 hours a day, 7 days a week The Pennsylvania Trauma Systems Foundation has designated Allegheny General Hospital as a Level I regional resource trauma center The Trauma center has capabilities in patient care, research and education of future medical professions A trauma surgeon is available 24 hours a day, 7 days a week to respond to patient needs We specialize in many forms of highly skilled and technical medical treatment These services are necessary to advance the healthcare of the communities we serve, therefore we undertake and subsidize the services with the understanding that they will result in a financial loss The Board of Directors of West Penn Allegheny Health System, Inc is comprised of a majority of independent community members Further, we apply all surplus funds into the advancement of healthcare for the communities we serve The Hospitals also provide community benefits by contributing support to the community groups as described in the Community Benefit Report contained in Schedule O Please refer to the Community Benefit Report for further information

Identifier	ReturnReference	Explanation
Affiliated Healthcare System	Schedule H, Part VI, Line 6	West Penn Allegheny Health System (WPAHS) is comprised of some of the oldest and best-known names in health care in western Pennsylvania From their inception, the system's hospitals have been in the vanguard of patient care, medical research and health sciences education Comprised of two tertiary and three community hospitals, WPAHS includes Allegheny General Hospital and The Western Pennsylvania Hospital, both in Pittsburgh, Alle-Kiski Medical Center in Natrona Heights, Canonsburg General Hospital in Canonsburg and the Western Pennsylvania Hospital - Forbes Regional Campus in Monroeville Offering a comprehensive range of medical and surgical services, the hospitals serve Pittsburgh and the surrounding five-state area, house nearly 1,600 beds and employ more than 11,000 people Together, the WPAHS hospitals admit nearly 56,000 patients, log over 164,000 emergency visits and deliver more than 3,800 newborns each year Combined, the hospitals are among the leaders in percentages of total surgeries, cardiac surgeries, neurosurgeries and cardiac catheterization procedures performed throughout the region West Penn Allegheny Health System, Inc serves as the flagship for the West Penn Allegheny Health System Through our Allegheny General, Western Pennsylvania and Forbes Regional Campuses we provide exceptional education to the aspiring healthcare professionals of tomorrow We fund research that is conducted through the research arm of the health system, known as Allegheny Singer Research Institute We specialize in areas such as Burn Care at the West Penn Campus and our affiliation with other national organizations such as the Joslin Diabetes Center and the Jones Institute for Reproductive Medicine guarantees the best possible treatment for our patients

Identifier	ReturnReference	Explanation
State Filing of Community Benefit Report	Schedule H, Part VI, Line 7	West Penn Allegheny Health System, Inc files the community benefit report with the state of Pennsylvania as part of our obligation to furnish the state of Pennsylvania with a copy of the IRS Form 990 and related schedules

Additional Data

Software ID:
Software Version:
EIN: 25-0969492
Name: West Penn Allegheny Health System Inc

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? **29** Name and address	Type of Facility (Describe)
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical

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? **29** Name and address	Type of Facility (Describe)
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical
AGH - Suburban General Campus 101 South Jackson Avenue Pittsburgh, PA 15202	Urgent Care - General Medical

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

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
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

Part I General Information on Grants and Assistance

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

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

Part II Grants and Other Assistance to Governments and Organizations in the United States.

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 11

3 Enter total number of other organizations listed in the line 1 table . . . ▶ 2

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) Scholarships	9	16,400		FMV	

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
Procedures for Monitoring the use of Grant Funds In the US	Form 990, Schedule I, Page 1	West Penn Allegheny Health System, Inc upper management analyzes requests for charitable disbursements on an ongoing basis Disbursements are rewarded to organizations that demonstrate a charitable purpose, a community benefit and who will put the use of the funds towards the charitable mission on which West Penn Allegheny Health System, Inc was founded
Donations to Other Organizations	Schedule I, Page 1, Part II	West Penn Allegheny Health System Inc made the following donations to organizations not recognized under IRC Section 501(c)(3) during the year ended June 30, 2012 Back Alley Productions - A contribution of $10,000 was made payable to Back Alley Productions for the purpose of sponsoring the 2011 GNC Live Well Corporate Challenge in Pittsburgh This challenge features corporate local teams competing in a number different sports challenges for the GNC Championship Cup Proceeds from the challenge benefit local charities Lanterne Rouge, LLC - A contribution of $6,500 was made payable to Lanterne Rouge, LLC as a sponsorship for a weekend of bicycle races in downtown Pittsburgh This event is a one-of-a-kind criterium-style bicycle race through the downtown area of Pittsburgh that helps the community stay active and vibrant while enjoying the benefits of the sport of cycling

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 25-0969492
Name: West Penn Allegheny Health System Inc

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
American Diabetes Association300 Penn Center Blvd Pittsburgh, PA 15235	25-1798379	501(c)(3)	14,500				To further the charitable mission of the organization
American Heart Association5455 North High Street Columbus, OH 43214	13-5613797	501(c)(3)	60,000				To further the charitable mission of the organization

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
Butler Health System Foundation One Hospital Way Butler, PA 16001	23-1352630	501(c)(3)	7,780				To further the charitable mission of the organization
March of Dimes Foundation5168 Campbells Run Road Ste 101 Pittsburgh, PA 15205	54-1605958	501(c)(3)	13,300				To support the charitable mission of the organization

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
Lupus Foundation of America2000 L Street Washington, DC 20036	43-1131436	501(c)(3)	10,000				To support the charitable mission of the organization
Friends of the Riverfront33 Terminal Way Pittsburgh, PA 15219	25-1655056	501(c)(3)	20,000				To support the charitable mission of the organization

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
National Ovarian Cancer Coalition 6507 Wilkins Ave Ste 100 Pittsburgh, PA 15217	25-1845284	501(c)(3)	6,000				To support the charitable mission of the organization
Pittsburgh Arts and Lectures Inc301 South Craig ST Ste 200 Pittsburgh, PA 15213	25-0986052	501(c)(3)	7,500				To support the charitable mission of the organization

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
Leukemia and Lymphoma Society 333 E Carson Street Ste 441 Pittsburgh, PA 15219	13-5644916	501(c)(3)	15,000				To support the charitable mission of the organization
Susan G Komen Breast Cancer Foundation1133 South Braddock Avenue Pittsburgh, PA 15218	13-1673104	501(c)(3)	10,000				To support the charitable mission of the organization

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
Allegheny County Medical Society Foundation713 Ridge Avenue Pittsburgh, PA 15212	25-6064355	501(c)(3)	8,000				To support the charitable mission of the organization
Back Alley Productions727 Allegheny Avenue Oakmont, PA 15139			10,000				See Supplemental Disclosure

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
Lanterne Rouge LLC 439 Peebles Street Pittsburgh, PA 15221			6,500				See Supplemental Disclosure

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

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
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
Questions Regarding Compensation Received by Listed Individuals	Form 990, Schedule J, Page 1, Line 1a	The following represents additional disclosure pertaining to directors, officers and/or key employees listed in Form 990, Part VII, Section A who received a benefit listed on Schedule J, Line 1a from the organization during the year ended December 31, 2011 Housing Allowance or Residence for Personal Use - Muliple individuals listed in Form 990, Part VII, Section A received a housing allowance from the organization during the year ended June 30, 2011 The allowances were included in Box 5 of IRS Form W-2 for all individuals to the extent required Health or Social Club Dues or Initiation Fees - One individual listed in Form 990, Part VII, Section A received social club dues from the organization during the year ended December 31, 2011 The social club dues were included in Box 5 of the IRS Form W-2 for the listed individual Personal Services - One individual listed in Form 990, Part VII, Section A was provided security protection as a result of a bona-fide security risk directly associated with their employment with West Penn Allegheny Health System, Inc Accordingly, pursuant to Internal Revenue Code Section 132, the above security protection was treated as a non-taxable working condition fringe benefit to the individual
Severance Payments Received by Listed Individuals	Schedule J, Page 1, Part I, Line 4a	The following represents additional disclosure for Schedule J, line 4a pertaining to officers and key employees listed in Form 990, Part VII, Section A, Line 1a receiving severance pay during the calendar year ended within the June 30, 2012 fiscal year end Christopher Olivia, MD $625,000 Roy Santarella $117,174 Dawn Gideon $520,867 Sanford Kurtz, MD $334,768 Judy Hlafcsak $259,157 Thomas Albanesi $228,782 Diane Dismukes $166,673 Marian Block, MD $159,458 Gregory Burfitt $188,489 Sherry Zisk $248,810 William Edmondson $ 81,419 Dwight Monson $ 26,494 Mark Barnhart $125,538
Amounts Paid Pursuant to the Initial Contract Exception	IRS Form 990, Schedule J, Page 1, Part I, Line 8	During the June 30, 2012 fiscal year, compensation was paid for certain employees pursuant to their initial contract signed with West Penn Allegheny Health System Accordingly, amounts reported in Form 990, Part VII as well as Schedule J, Part II represent compensation paid subject to the initial contract exception described in Regs Section 53 4958-4(a)(3)
Deferred Compensation Analysis of Listed Individuals	IRS Form 990, Schedule J, Page 2, Part II, Column C	Retirement and other deferred compensation reflect amounts accrued to the benefit of the applicable individuals related to qualified pension and severance plans In this regard, the following individuals have amounts accrued related to future severance payments to be made Christopher Olivia, MD Diane Dismukes Roy Santarella Judy Hlafcsak Thomas Albanesi Sanford Kurtz, MD David Kiehn Gregory Burfitt William Edmondson John Foley Marian Block, MD Mark Barnhart Robert McMullen Dwight Monson

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 25-0969492
Name: West Penn Allegheny Health System Inc

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Diane Dismukes	(I)	413,921	100,000	225,717	833,367	10,967	1,583,972	0
	(II)	0	0	0	0	0	0	0
Patrick Demeo MD	(I)	0	0	0	0	0	0	0
	(II)	863,971	175,000	552	10,819	10,920	1,061,262	0
George Magovern MD	(I)	0	0	0	0	0	0	0
	(II)	612,745	0	1,032	12,250	12,120	638,147	0
James Wilberger	(I)	0	0	0	0	0	0	0
	(II)	819,167	110,000	20,572	78,631	10,498	1,038,868	0
David Parda MD	(I)	0	0	0	0	0	0	0
	(II)	690,246	85,000	552	9,800	14,619	800,217	0
Matthew Peterson	(I)	165,051	12,862	57	7,748	5,141	190,859	0
	(II)	0	0	0	0	0	0	0
David Kiehn	(I)	451,544	90,090	1,584	579,119	12,145	1,134,482	0
	(II)	0	0	0	0	0	0	0
Robert Brandfass	(I)	364,311	60,764	11,493	9,800	19,628	465,996	0
	(II)	0	0	0	0	0	0	0
Gregory Burfitt	(I)	401,523	0	240,276	394,425	9,691	1,045,915	0
	(II)	0	0	0	0	0	0	0
Judy Zedreck	(I)	273,484	40,568	1,025	9,800	5,717	330,594	0
	(II)	0	0	0	0	0	0	0
Denzil Rupert	(I)	336,260	50,508	12,859	9,800	10,785	420,212	0
	(II)	0	0	0	0	0	0	0
Reese Jackson	(I)	337,770	35,880	6,777	9,800	9,761	399,988	0
	(II)	0	0	0	0	0	0	0
Margaret Barron	(I)	275,584	56,404	552	9,800	12,959	355,299	0
	(II)	0	0	0	0	0	0	0
William Edmondson	(I)	163,186	0	86,014	166,684	5,421	421,305	0
	(II)	0	0	0	0	0	0	0
Tony Farah MD	(I)	219,735	0	1,878	3,663	4,703	229,979	0
	(II)	367,162	0	3,138	6,137	7,867	384,304	0
John Foley	(I)	410,277	88,578	1,242	318,474	11,917	830,488	0
	(II)	0	0	0	0	0	0	0
Roy Santarella	(I)	605,727	171,437	194,726	1,301,114	11,650	2,284,654	117,174
	(II)	0	0	0	0	0	0	0
Bart Metzger	(I)	398,176	81,396	41,570	12,250	10,169	543,561	0
	(II)	0	0	0	0	0	0	0

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Thomas Moser	(I)	287,952	34,845	552	9,800	2,154	335,303	0
	(II)	0	0	0	0	0	0	0
Richard Ray MD	(I)	0	0	0	0	0	0	0
	(II)	292,725	0	3,048	14,700	10,766	321,239	0
Mark Rubino MD	(I)	0	0	0	0	0	0	0
	(II)	413,904	50,579	552	9,800	10,378	485,213	0
Thomas Campbell MD	(I)	0	0	0	0	0	0	0
	(II)	353,567	25,000	862	9,800	10,110	399,339	0
Susan Manzi MD	(I)	0	0	0	0	0	0	0
	(II)	421,712	63,750	552	9,800	11,065	506,879	0
James Kanuch	(I)	203,751	27,750	291	7,748	10,863	250,403	0
	(II)	0	0	0	0	0	0	0
Pamela Gallegher	(I)	235,714	28,137	516	9,800	8,104	282,271	0
	(II)	0	0	0	0	0	0	0
Kimberly Sperring	(I)	190,906	29,082	257	11,519	8,075	239,839	0
	(II)	0	0	0	0	0	0	0
Sheran Shipley	(I)	191,784	18,746	2,220	12,827	9,400	234,977	0
	(II)	0	0	0	0	0	0	0
Marian Block MD	(I)	329,219	0	160,382	223,241	7,402	720,244	0
	(II)	0	0	0	0	0	0	0
Mark Barnhart	(I)	207,327	19,619	135,562	209,230	7,482	579,220	0
	(II)	0	0	0	0	0	0	0
Ned Laubacher	(I)	309,922	48,068	360	9,800	9,829	377,979	0
	(II)	0	0	0	0	0	0	0
Paul Kiproff	(I)	309,972	47,500	0	9,800	0	367,272	0
	(II)	0	0	0	0	0	0	0
Robert McMullen	(I)	270,155	37,605	1,584	150,882	9,208	469,434	0
	(II)	0	0	0	0	0	0	0
Christopher Olivia MD	(I)	677,905	2,500,000	930,056	1,884,800	10,553	6,003,314	3,507,618
	(II)	0	0	0	0	0	0	0
Judy Hlafcsak	(I)	0	0	258,918	17,210	240	276,368	258,918
	(II)	0	0	0	0	0	0	0
Sanford Kurtz MD	(I)	329,283	0	353,192	349,468	9,468	1,041,411	334,768
	(II)	0	0	0	0	0	0	0
Dawn Gideon	(I)	0	0	520,867	0	0	520,867	520,867
	(II)	0	0	0	0	0	0	0

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Thomas Albanesi	(I)	50,974	0	266,606	43,578	6,445	367,603	239,282
	(II)	0	0	0	0	0	0	0
Sherry Zisk	(I)	49,222	71,877	270,194	0	7,848	399,141	0
	(II)	0	0	0	0	0	0	0
Dwight Monson	(I)	288,330	57,360	34,476	342,518	13,264	735,948	0
	(II)	0	0	0	0	0	0	0

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	Allegheny County Hospital Development Authority	25-1327925	01728AG83	06-19-2007	758,726,273	Allegheny County Hospital Developm		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	31,200,000			
2	Amount of bonds defeased	0			
3	Total proceeds of issue	758,726,273			
4	Gross proceeds in reserve funds	57,479,549			
5	Capitalized interest from proceeds	1,168,705			
6	Proceeds in refunding escrow	605,198,542			
7	Issuance costs from proceeds	15,174,525			
8	Credit enhancement from proceeds	0			
9	Working capital expenditures from proceeds	0			
10	Capital expenditures from proceeds	136,118,576			
11	Other spent proceeds	0			
12	Other unspent proceeds	0			
13	Year of substantial completion	2012			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?	X							
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X							
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	2 280 %							
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	0 070 %							
6	Total of lines 4 and 5	2 350 %							
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X							

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?	X							
2	Is the bond issue a variable rate issue?		X						
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X						
b	Name of provider	0							
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a GIC?	X							
b	Name of provider	Hypo Public Finance							
c	Term of GIC	3							
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X							
5	Were any gross proceeds invested beyond an available temporary period?	X							
6	Did the bond issue qualify for an exception to rebate?		X						

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

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) Mark Rubino MD	Key Employee	344,854	See Supplemental Sch L Detail		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 Transaction With Interested Party - Mark Rubino, MD	Schedule L, Page 2, Part IV	Mark Rubino, MD is a Key Employee of West Penn Allegheny Health System, Inc Mark Rubino, MD is a partner in a limited partnership that leases office space to West Penn Allegheny Health System, Inc All business conducted between the parties is at arms length and at fair market value

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493198003363

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
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

Identifier	Return Reference	Explanation
Form 990 Amendment - Audited Financial Statements	Form 990 - General Information	West Penn Allegheny Health System, Inc has consummated a formal affiliation on April 29, 2013 to establish a regional integrated health care services delivery system Due to the considerable complexities associated with this affiliation, the audited financial statements were not issued at the date of the filing of the tax return The audit financial statements have now been issued and we are amending this tax return to include the audited financial statements The details of the affiliation are documented in the footnotes to the Audited Financial Statements

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments	Form 990, Page 2, Part III, Line 4a	INTRODUCTION TO WEST PENN ALLEGHENY HEALTH SYSTEM, INC West Penn Allegheny Health System, Inc (WPAHS, Inc) is part of the West Penn Allegheny Health System (WPAHS) Organized in 2000, WPAHS (www wpahs org) is comprised of West Penn Allegheny Health System, Inc (WPAH S, Inc), Alle-Kiski Medical Center (AKMC), Canonsburg General Hospital (CGH), Allegheny M edical Practice Netw ork (AMPN), Allegheny Specialty Practice Netw ork (ASPN), Allegheny-Sin ger Research Institute (ASRI), West Penn Physician Practice Netw ork (WPPPN), West Penn All egheny Oncology Netw ork (WPAON) Canonsburg General Hospital Ambulance Service, Inc (CGH A mbulance), Alle-Kiski Medical Center Trust (AKMC Trust), Forbes Health Foundation (FHF) an d The Western Pennsylvania Hospital Foundation (WPHF) This affiliation ensures that WPAHS , Inc area residents have access to a complete continuum of health care services Through appropriate integration across the System both clinically and operationally, our Hospital s are able to remain a high quality, low-cost provider w ith linkages to the latest medical research and advanced technology West Penn Allegheny Health System, Inc consists of the follow ing three hospital campuses Allegheny General Hospital (WPAHS, Inc - AGH), Forbes Regional Hospital (WPAHS, Inc - FRH) and the Western Pennsylvania Hospital (WPAHS, Inc - WPH) Because each hospital does numerous charitable activities for the communities w e s erve, w e feel best served by presenting the Statement of Program Service Accomplishments f or each hospital separately In total, w e w ill present the Statement of Program Service Ac complishments for WPAHS, Inc - AGH, WPAHS, Inc - WPH and WPAHS, Inc - FRH PURPOSE AND MISSION West Penn Allegheny Health System, Inc is an organization defined by our talented people We are an organization committed to excellence, an organization w ith one purpose and one mission Our purpose is to improve the health of the people in the Western Pennsyl vania region Our mission is to practice medicine, educate and conduct research as an inte grated team of physicians, nurses and support professionals w ho are committed to improving the health of our patients SUPPORT OF RESEARCH The Hospitals of WPAHS, Inc , through its research arm, an affiliated organization named Allegheny Singer Research Institute (ASRI) , EIN 25-1320493, are extremely dedicated to providing financial support in medical resea rch activities During Fiscal 2012 $7,458,172 w as underw ritten by WPAHS, Inc and ASRI in support of research and education ASRI has a distinguished history of pioneering biomedic al research, and its accomplishments are described in greater detail in the filing of its ow n Statement of Program Service Accomplishments SUPPORT OF EDUCATION The hospitals of WP AHS, Inc are extremely dedicated to providing financial support for the education of heal thcare professionals During Fiscal 2012, approximately $38,089,000 w as underw ritten by WP AHS, Inc in support of education Among the activities supported w ere the training of med ical interns, residents and fellow s, nursing school training and training programs for stu dents enrolled in the schools of respiratory, radiology and pharmacy WPAHS, Inc also uph olds an affiliation w ith both Temple University and the Drexel University College of Medic ine in an effort to ensure the solid education of our healthcare professionals of the futu re UNCOMPENSATED CARE To enhance the health status of the community in w hich it operates and consistent w ith its tax-exempt status, WPAHS, Inc provides needed health care service s to individuals regardless of their ability to pay for all or part of the services render ed These services include both inpatient and outpatient services as w ell as an emergency room that is available 24 hours a day Consistent w ith the filing of Schedule H, the compo nents of uncompensated care include charity care at cost and unreimbursed Medicaid WPAHS, Inc provided uncompensated care at an approximate cost of $37,498,588 in Fiscal 2012 SU BSIDIZED HEALTH SERVICES Subsidized health services represent those programs provided to t he community by WPAHS, Inc despite the fact the Hospitals incur a financial loss to do so WPAHS, Inc recognizes the need of its community and voluntarily subsidizes these progra ms in support of its charitable mission Among the subsidized health services provided by WPAHS, Inc is the operation of the emergency department, lifeflight operation, drug and a lcohol abuse treatment and neonatal care Consistent w ith the filing of Schedule H, WPAHS, Inc provided subsidized health services at an approximate cost of $12,744,298 in Fiscal 2012 COMMUNITY BENEFIT ACTIVITIES WPAHS, Inc undertakes various activities that benefit the health and w ell-being of the communities w e serve These activities have little or no reimbursement and are operated at a loss Consistent w ith the filing of Schedule H, WPAHS, Inc provided the follow ing community benefit act

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments	Form 990, Page 2, Part III, Line 4a	ivities at the associated cost during Fiscal 2012 Community Health Improvement Services a nd Community Benefit Operation $946,257 Health Professions Education - Net of Intern, Resi dent, Fellow and School of Nursing $1,541,318 Financial and In-Kind Contributions $357,859 Community Building Activities $395,707 The specific activities associated w ith the cost o f providing community benefit is disclosed in the pages that follow in the Hospital specif ic community benefit reports of Allegheny General Hospital, The Western Pennsylvania Hospi tal and Forbes Regional Hospital INTRODUCTION TO ALLEGHENY GENERAL HOSPITAL Founded in 18 85 on Pittsburgh's historic North Side, West Penn Allegheny Health System, Inc - Alleghen y General Hospital Campus (WPAHS, Inc - AGH) has earned an international reputation for e xcellence and innovation in the care of patients, medical education and research Serving Pittsburgh and the surrounding five-state area, the 631 bed academic health center offers a w ide array of medical and surgical services as w ell as an emergency room open 24 hours a day 7 days a w eek open to everyone regardless of their ability to pay WPAHS, Inc - AGH h as historically w on and continues to w in both national and international recognition and a w ards for its programs in numerous specialty areas Thomson Healthcare has recognized AGH as one of the country's 100 Top Hospitals - and recently named our netw ork of hospitals on e of the best healthcare systems in the nation WPAHS, Inc - AGH also received the Consum er Choice Aw ard for Western Pennsylvania from the National Research Corporation, and Soluc ient Inc , one of the healthcare industry's leading quality research organizations, recogn izes the Hospital as a Top 100 hospital in the country for both orthopaedic surgery and th e treatment of stroke WPAHS, Inc - AGH has been recognized by U S News & World Reports in 9 areas of excellence and has been recognized by U S News & World Report as one of the country's best hospitals The Hospital has also been recognized by the American Heart Ass ociation for the Get w ith the Guidelines Heart Failure Gold Achievement Aw ard and the Coro nary Artery Disease Gold Performance Achievement Aw ard As one of the largest tertiary fac ilities in the region, the 631 bed WPAHS, Inc - AGH main campus and its tw o main outpatie nt campuses, AGH Suburban in nearby Bellevue and AGH McCandless in the North Hills offers the most advanced care available in specialty areas, including colorectal surgery, diagnos tic and interventional radiology, emergency medicine, endocrinology, gastroenterology, gen eral surgery, allergy/immunology, anesthesiology/pain medicine, internal medicine, bariatr ic/w eight loss surgery, minimally invasive surgery, nephrology, gynecology, cardiology, ca rdiothoracic surgery, ophthalmology, otorhinolaryngology, pediatrics, psychiatry, critical care medicine, infectious disease, oncology, pathology and laboratory medicine, reproduct ive medicine and infertility, vascular surgery, urogynecology, maternal and fetal medicine , pulmonary medicine, radiation oncology, rheumatology, transplant surgery, oral and maxil lofacial surgery, dental medicine and nutrition The hospital's highly acclaimed physician s are leaders in a vast array of specialty areas WPAHS, Inc - AGH specialists in cardiol ogy and cardiothoracic surgery have been recognized among the nation's best for their expe rience and achievements in providing superior heart care Through the Gerald McGinnis Card iovascular Institute, these specialists offer a more streamlined pathw ay of care for treat ing cardiac and vascular diseases Patients can receive the latest and most innovative the rapies, as w ell as diagnostic and educational services, in one convenient location

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	Neurologists and neurosurgeons at WPAHS, Inc - AGH are advancing groundbreaking, effectiv e treatments for stroke, epilepsy, movement disorders and disorders of the peripheral nerv es and muscles The Hospital's neuroscience programs w ere collectively recognized as a Neu roscience Center of Excellence Designated as a Primary Stroke Center by the Joint Commiss ion, WPAHS, Inc - AGH offers a dedicated Stroke Unit that serves as the primary destinati on for stroke patients admitted to the hospital, providing highly specialized acute care f or ischemic and hemorrhagic stroke, including the post-operative care of patients w ho unde rgo interventional stroke procedures The WPAHS, Inc - AGH Cancer Center is one of the na tion's most advanced facilities, offering patients access to state-of-the-art programs for the complete spectrum of malignant disease, including centers for lung, esophageal, prost ate, breast, colon and rectal, liver, brain, pancreatic, gynecologic, head and neck, and b lood-borne cancers WPAHS, Inc - AGH is the gatew ay to some of the most prominent researc h into breast and colorectal cancer treatment and prevention through studies conducted by the National Surgical Adjuvant Breast and Bow el Project The cancer research initiative, s upported by the National Cancer Institute, is based on the WPAHS, Inc AGH and coordinates the efforts of more than 6,000 medical professionals in the study of breast and bow el can cer WPAHS, Inc - AGH w as the first in the region to receive designation as a Level I Sho ck Trauma Center, w hich is the highest designation available, and its Life Flight aero med ical service w as the first to fly in the northeastern United States The Hospital's highly regarded sports medicine program serves as the official medical provider for the Pittsbur gh Pirates professional baseball club The Hospital also supports and directs numerous sch olastic sports medicine programs WPAHS, Inc - AGH Suburban offers the best in outpatient services to residents of the northern communities w hile maintaining a close connection w i th the physicians and services at the main campus, w hich is just a few miles aw ay on the c ity's North Side It provides an urgent care center w here board-certified physicians and p ediatricians treat many common emergency injuries and illnesses Outpatient services provi de the residents of Bellevue and surrounding neighborhoods a variety of outpatient service s including outpatient testing, cardiogram (EKG) and lab w ork, GI lab services, outpatient rehabilitation services including physical therapy, speech therapy and occupational thera py, radiology and diagnostic imaging services including CT scan, ultrasound, mammography a nd bone density scanning and cardiology services including echo, stress testing and nuclea r medicine WPAHS, Inc - AGH Suburban provides multiple health screening and educational programs for the Bellevue and surrounding Northern Pittsburgh communities Physicians and other healthcare providers facilitate sessions aimed at improving health and injury preven tion Sessions are offered at the Suburban General Campus as w ell as in collaboration w ith other local community groups and partners WPAHS, Inc - AGH McCandless gives patients in the North Hills easy access to a host of its state-of-the-art services and leading physic ians At WPAHS, Inc - AGH McCandless, the latest in imaging capabilities are available in cluding open bore MRI, CT scans, ultrasound, x-ray, digital mammography, bone densitometry and nuclear medicine From cardiology to rheumatology, general surgery, neurosurgery, thor acic surgery and vascular surgery, WPAHS, Inc - AGH McCandless brings the highly regarded expertise of Allegheny General right into the northern suburbs In addition, there is on- site lab services and free parking A long-standing commitment to education and research r emains a cornerstone of WPAHS, Inc - AGH philosophy, as evidenced by it serving as a regi onal campus of the Philadelphia-based Drexel University College of Medicine and Temple Uni versity School of Medicine and ongoing, innovative research studies in the neurosciences, medical oncology, human genetics, cardiovascular and pulmonary diseases, orthopedics and t rauma During FY 2012, WPAHS, Inc - AGH admitted over 23,000 patients and logged over 51, 000 emergency visits and 24,000 surgical procedures Over 800 physicians and 4,500 employe es share the hospital's commitment to excellence in patient care, medical education and re search COMMUNITY ASSESSMENT Community health improvement services and community benefit o perations include activities carried out to improve community health They extend beyond p atient care to include activities that are subsidized by the Hospital The activities rang e from community health clinics and screenings to health education programs designed to ra ise community aw areness of various healthcare topics and issues As a division of WPAHS, I nc and consistent w ith the filing of the WPAHS, I

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	nc Schedule H, WPAHS, Inc - AGH provided these services at a cost of $394,707 in Fiscal 2012 CHILDREN AND ADOLESCENCE Walk to Win Program - The Walk to Win program aims to promo te physical activity in grade school children and teach them about the dangers of childhoo d obesity and the beneficial effect of walking for exercise The program's goal is to prom ote more physical activity in youths At the conclusion of the program, each participating elementary school is presented with an educational grant to be used in support of physica l education Injury Prevention Program - The WPAHS, Inc AGH Trauma Center, addressed midd le school children at a local school district on the topic of prevention safety The discu ssion centered on prevention of brain and spinal cord injuries This day long program w as offered at no cost to the school participating Community Health and Safety Days - Various staff members and physicians staffed various informational tables and provided demonstrat ions for a community health and safety day event Life Flight Helicopter landed and the cr ew remained available for the duration of the event Emergency staff provided fittings and bicycle helmets w ere distributed to 250 community youth w ith a mountain bike being given aw ay to one youth in attendance The Pittsburgh baseball team mascot, the Pirate Parrot w a s on site to provide entertainment for the children Parents w ere given the opportunity to interact w ith various health care and safety providers, ask questions and to learn about w hat is available in their community Approximately 500 plus community members took advant age of this opportunity Local police, fire and EMS personnel also took part in this event Pediatric Asthma - WPAHS, Inc - AGH professionals provided a lecture that focused on th e causes, diagnoses and treatment of pediatric asthma Special emphasis w as placed on disc ussing the recent rise in cases of pediatric asthma as w ell as options to effectively cont rol the disease This program w as offered at no cost and included educational handouts and a question and answ er session Elementary School Health Fair - Tw o registered dietitians and a dietetic intern provided a variety of nutrition information to the elementary school parents and care givers to promote healthy eating through portion control, healthy snacks and increased activity Destination Wellness - A WPAHS, Inc - AGH Pediatric professional attended this health fair at a local shopping mall and provided numerous handouts and act ivities to promote low calorie foods and recipes as Exercise tips for the entire family w a s given to promote a healthy w eight in children and adolescents SciTech Fair at the Scien ce Center - Schools brought their students to the Pittsburgh area Science Center for a Sci ence Technology Fair A WPAHS, Inc - AGH medical professional w as on hand to teach kids a bout heart health and even brought a Portable EKG machine to hook the children to interpre t the electrical activity of their heart Pumpkin Patch Festival - The WPAHS, Inc - AGH D ivision of Dental Medicine participated in the Annual Pumpkin Patch Festival and provided information and dental supplies to children Discussions w ere conducted w ith the children regarding the importance and value of good oral hygiene Dental bags containing tooth past e and tooth brushes along w ith w ritten educational information that supports the benefits and promotion of good oral hygiene w ere distributed to the children

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	EXERCISE AND NUTRITION National Nutrition Month Activities - WPAHS, Inc - AGH Registered Dietitians provided nutrition information throughout the month to patients and visitors alike An "Ask the Dietitian" event was held with a focus on educating visitors and patients on the US Dietary Guidelines and to "Get Their Plate in Shape" In addition, a grocery store tour was conducted where two WPAHS, Inc - AGH Registered Dietitians and a Dietary Technician provided a grocery store tour and handouts regarding 2010 US Dietary Guidelines to Grocery Store Customers How to Get Started in an Exercise Program - This program is presented by a WPAHS, Inc - AGH physician at no cost to the public and helps people to work past the unpleasant thoughts about exercise such as the painful movements, what you should wear to the gym, or the difficulty of finding time to work out? Most people know they should exercise more, but have trouble figuring out how to get started or how to keep themselves going once they start This lecture educated individuals about the critical role of exercise in preventing or reducing the effects of most American diseases and then give your practical tips about how to fit exercise into your week and how to keep it going Refreshments provided to all participants in attendance Relaxation Techniques for Stress Management - WPAHS, Inc - AGH healthcare professionals gave multiple lectures on the topic of relaxation techniques for stress management Relaxation techniques are mind-focused techniques that use our very powerful mind and body connection to elicit a relaxation response, providing a sense of calm and reversing the adverse effects of stress Breath-focused techniques can be utilized to provide immediate relief in stressful situations and can be done by anyone in a little as a few moments Mindfulness is the practice of being present in the moment and minimizing distractions This class explored the use of breath-focused and mindfulness relaxation techniques to manage stress Refreshments were provided and this program is offered at no cost Discovering Your Exercise Personality - This Health and Wellness lecture was provided at no cost for employees at a local business and covered the topic of "Discovering Your Exercise Personality" This lecture was intended to help individuals discover which types of exercise they will enjoy the most and the many benefits of a regular exercise program Killer Love Handles - WPAHS, Inc - AGH featured an educational lecture at no cost on the topic of healthy eating and loosing unwanted love handles We all know they don't look good, but do you really need to worry about those love handles? Light refreshments were served at the lecture Get Fit, Be Healthy, and Be Happy - This three day community event was held at the AGH - Suburban campus Healthcare professionals were available to answer questions and provide information to community members on the benefits of walking, including distribution of free pedometers and promotional material encouraging attendance at free health and wellness program sponsored at the WPAHS, Inc - AGH Complimentary neck massages were provided on each of the three days of the event What's for Dinner - This seminar was presented by WPAHS, Inc - AGH and was focused around education of healthy eating habits such as a bringing awareness to the fact that diets high in antioxidants are associated with a lower risk of cancer, heart disease, Parkinson's disease and Alzheimer 's disease These same foods are high in fiber, low in saturated fats and cholesterol and are good sources of other vitamins and minerals They also taste great and are easily found in your local supermarket Light refreshments were provided to all in attendance Foods that Fight Disease -This presentation conducted by a WPAHS, Inc - AGH physician taught participants how foods fight disease, what these foods are, and how to identify a few simple changes that can be made in personal eating habits to reduce your risk of disease A socialization period with a question and answer session followed the presentation COMMUNITY HEALTH EDUCATION Life Flight Community Interaction - The WPAHS, Inc - AGH Life flight crew conducts multiple community visits as well as flyovers to commemorate national holidays The community visits often correspond with community gatherings and focus on the benefits that Life Flight brings to the community During the community visits, the Life Flight staff may also provide medical information on a number of topics Health Care Access and Reform - Two WPAHS, Inc - AGH physicians led a patient to physician open discussion regarding the health care access challenges in the Pittsburgh region In addition, the world of healthcare is rapidly changing Discussions took place in an effort to examine the evolution of healthcare over the next several years Community members are invited to share their expectations and thoughts about our current health e

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	nvironment Matters of the Heart - A lecture was provided at a community luncheon by a WPA HS, Inc - AGH physician on the topic of heart disease This informal presentation include s discussion of heart disease followed by a question and answer session When You Can't Sp eak for Yourself - A WPAHS, Inc - AGH physician engages individuals at this seminar conce rning what is and the benefits of a living will The conversation explored the facts you n eed to know to make informed health care decisions Managing Medicine - A WPAHS, Inc - AG H physician lead a discussion on safely managing medication Misuse or abuse of medication s can lead to a wide array of health problems This discussion not only discusses prescrip tion medications, but over-the-counter medications as well Gimmie a Cup of Coffee -The ti tle of this presentation depicts what many individuals feel on a routine basis - sleep dep rivation A healthcare professional provided information on the high prevalence of this di sorder, its causes and basic ways to treat sleep deprivation This presentation will inclu de discussion of the effects of sleep deprivation To Eat Or Not To Eat - When you are act ually ill and cannot eat, what are your options and how do you decide? A WPAHS, Inc - AGH physician led this program which discussed how to properly care for yourself or a loved o ne when ill It Going Down The Wrong Pipe -A WPAHS, Inc - AGH Speech & Language Pathologi st presented the topic of swallowing problems in individuals This presentation included a discussion of symptoms, diagnosis and treatment of swallowing problems What Would a Stro ke Survivor Tell You - A WPAHS, Inc - AGH healthcare professional provided a seminar to e ducate individuals about the warning signs of stroke and what you can do to protect yourse lf AIDS Open Door Program - RD provided nutrition education related to food safety, nutri tion label reading and basic nutrition information to HIV clients participating in a trans itional housing program Other Health Education Activities - The WPAHS, Inc - AGH healthc are professional staff conduct various other health related discussions, forums and semina rs throughout the course of the year These topics include, but are not limited to ask th e health expert educational series, family history and the link to cancer, positive mental wellbeing and the effects on your health, how to ensure your personal choices position yo u to meet your health goals and how to manage high blood-sugar HEALTH SCREENINGS AND IMMU NIZATION Community Health Screenings - WPAHS, Inc - AGH provides screenings to members of the community to advance their health These activities are intended to be preventative a nd include but are not limited to the following hyperglycemia and hypertension, nutrition , stroke risk screenings, blood pressure screenings, prostate cancer screenings for elevat ed PSA levels and oral cancer Hearts to Soles Influenza Vaccine Campaign - An Influenza V accine Campaign was conducted by WPAHS, Inc - AGH Departments of Pharmacy and Employee He alth as part of the Hearts to Soles Campaign held at Catholic Charities in dow ntown Pittsb urgh Forty-seven people were given influenza vaccine during the event at no cost An addi tional eighty influenza vaccine doses and needles were donated to Catholic Charities for t he Catholic Charities Free Health Care Center Multivitamins were also donated to Catholic Charities as part of this event

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III	CANCER Breast Cancer - WPAHS, Inc - AGH recognizes the importance of breast cancer awaren ess, education and prevention As such, the Hospital participated in the following activit ies surrounding breast cancer during the fiscal year educational event entitled the Many Faces of Breast Cancer, breast cancer awareness programs in the local community, breast ca ncer health information and education to local businesses at no cost, grand round particip ation with the Adams County Breast Cancer Coalition, breast cancer lunch, manning booths a nd providing education materials in conjunction with the race for the cure and learn progr ams and screenings An Apple A Day Keeps The Doctor Aw ay - Colon cancer is the second lead ing cause of cancer-related death in America today Prevention strategies and early detect ion are crucial WPAHS, Inc - AGH conducted various presentations focusing on strategies for colon health and prevention of colon cancer Cancer Prevention Study at AGH - WPAHS, I nc - AGH, in conjunction with the American Cancer Society conducted a cancer prevention s tudy at the Hospital The ultimate goal of the study is to enroll men and w omen from vario us racial and ethnic backgrounds from across the U S to better understand the lifestyle, environmental, and genetic factors that cause or prevent cancer and w ill save our lives V arious professional staff volunteered time to help this w orthy cause Skin Cancer - A WPAH S, Inc - AGH physician gave multiple presentations at the Suburban Campus location entitl ed Common Skin Problems in Individuals over Age 65 - Skin Cancer Cancer is the second lea ding cause of death in the United State today Cancer occurs at all ages in all parts of t he body This presentation discussed skin cancer, a common cancer in adults age 65 and ove r A 30 minute socialization period w ith free coffee service occurred before the lecture The lecture includes a question and answ er session afterw ards This program is provided at no cost and is open to any interested member of the community Aw areness of your Family C ancer History - WPAHS, Inc - AGH presented a program on Why Aw areness of Your Family Canc er History is Important to Your Health Often a history of cancer in the family can lead t o an increased risk of contracting the disease This program focuses on the importance of taking preventative measures for those w ho have a family history of cancer ELDERLY AARP D river Safety Refresher Course - WPAHS, Inc - AGH offers multiple four hour driver safety renew al class Students review defensive driving techniques, new traffic laws, and rules o f the road Through interaction w ith one another, they learn how to safely adjust their dr iving to compensate for age-related changes Participants completing the class are eligibl e for a minimum 5% discount on their automobile insurance A minimal cost is charged to ea ch participant and this fee is net against the total cost of this benefit Refreshments ar e provided to all participants courtesy of the Hospital Exercise and Arthritis - WPAHS, I nc - AGH provided presentations to the elderly that helped to answ er questions regarding aches and pains associated w ith arthritis Topics covered included w hen and how to exercis e, the benefit of exercise and how exercise can be a non-surgical treatment option instead of knee replacement Is It Just My Metabolism - Many people notice as they get older that they seem to gain more w eight eating the same foods they ate for years w ithout w eight gai n We have heard that our "metabolism slows as w e age" Did you know that you have the abi lity to increase your metabolic rate? This program offers suggestions on how to increase y our metabolic rate Diverticulitis In The Elderly Population - Diverticulitis is a common gastrointestinal problem in Individuals over Age 65 This lecture provided by a WPAHS, Inc - AGH physician discusses the risk factors that may increase your chances of developing this disease and w hat you can do to prevent or slow the progression of diverticular diseas e This program is offered at no cost and includes a question and answ er session at the en d of the discussion Proven Strategies to Reduce Your Risk of Fall - A fall is the most co mmon cause of visits to the emergency room for adults age 65 and over Strategies have bee n created for the elderly population by health care professionals that have been proven to reduce your risk of fall or injury A series of lectures w ere given by a WPAHS, Inc - AG H professionals for community senior groups Each participant received an illustrated book let at the event This presentation included a virtual tour of the home by a licensed ther apist and a risk to fall screen to any interested attendee This program w as offered at no cost to members of the senior population Cellulitis - A WPAHS, Inc - AGH physician lead multiple discussions of this common infection, often involving the MRSA bacteria This w a s an information presentation including an open fo

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III	rum for question and answer The lecture was preceded by a thirty minute socialization per iod with coffee service and was provided at no cost to the community Normal Aging, Forget ting and Dementia - An WPAHS, Inc - AGH Psychiatrist led a presentation at a local lunche on on the topic of Dementia This presentation focused on how to recognize cognitive menta l loss in individuals beyond what is expected during normal aging Are You Getting Better or Just Older - We all know that practices such as daily exercise, managing stress, eating a healthy diet and exercising portion control will improve our health What about those o f us who are over the age of 70 and dealing with chronic conditions such as hypertension, diabetes and heart disease? Is it too late for us to reap the benefits of healthy lifestyl e practices? This program offered by a WPAHS, Inc - AGH physician attempts to explore the se questions for audience members in attendance Allegheny County Area on Aging Resource F air - WPAHS, Inc - AGH participated in this fair by giving a lecture on Fall Prevention a nd Home Safety Illustrated booklets were provided to participants at no charge to help ga uge potential areas that need home safety improvement What Did You Say? - Why do we hear what we hear? How does the brain work to perceive sound? What happens when the brain is de prived of sound? This presentation will include a brief overview of the human ear, the lat est technology in hearing aids, discussion of who is a candidate for a hearing aid, and ho w to choose the right hearing aid for you This program was provided at a local retirement community at no cost Stroke Education - What can you do to reduce your chance of stroke? What are the warning signs of stroke? What is the magic window of time to seek treatment if you or someone you love experiences symptoms of stroke? Knowing the correct answers to these questions could directly impact your quality of life This program was provided to i ndividuals at a retirement community to help answer these questions to enable the individu al to be better equipped to recognize the onset of a stroke MASS MEDIA COMMUNICATIONS Med ical Frontiers Radio Talk Show - An interactive radio talk show named Medical Frontiers fe ature various WPAHS, Inc - AGC physicians discussing different health topics These talk shows provide patient education and public health awareness Among the topics covered duri ng the talk shows include, but are not limited to breast cancer, heart disease, lung disea se, liver disease, diabetes, heart failure and hip and knee replacement Television Interv iews and News Reports - WPAHS, Inc - AGC provides health information via mass media by ma king its physicians available for interviews and helping to develop health related news re ports Included in the topics discussed on local television include artificial heart impl ants, breast cancer, cardiovascular treatment, grilling and carcinogens, leukemia, kidney cancer, aspirin and cancer understanding clinical trials, robotics in bypass surgery, arth ritis and brain injury Regional and Neighborhood Periodicals - WPAHS, Inc - AGC provided health related educational articles in local newspapers either in print or on-line and ne ighborhood periodicals The topics covered included artificial organ implants, atrial fib rillation, aortic stenosis, SUPPORT GROUPS ALS Support Group - a WPAHS, Inc - AGH physi cian participated in a panel discussion at the ALS (Amyotrophic lateral sclerosis) Society Headquarters during a support group meeting for care givers and patients She discussed t he role of nutrition in enabling patients with ALS to participate in the ADL and to enhanc e quality of life Gilda's Club Presentation - A WPAHS, Inc - AGH health professional del ivered a presentation to Gilda's Club membership regarding genetic counseling The purpose of the presentation was to have an informative discussion on understanding genetic testin g

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	Health Professions Education WPAHS, Inc - AGH provides aspiring health professionals with many educational opportunities to further their career in healthcare In addition to the educational support we provide to interns, residents, fellows, nurses and other allied hea lth professionals, WPAHS, Inc - AGC provides health-profession education to the community in a variety of ways and forums As a division of West Penn Allegheny Health System, Inc (WPAHS, Inc) and consistent with the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - AGC provided these services in addition to the educational support provided to interns, r esidents, fellows, nurses and other allied health professionals at a cost of $835,998 in F iscal 2012 NURSING EDUCATION Nurse Externs - Sixteen senior nursing students are able to work side by side with a nursing preceptor to learn more about how to care for patients T his allows the nursing students to utilize concepts learned in their nursing programs in a real life setting involving patient care Nursing Symposium - The nursing symposium is a forum which allows nurses to present unique experiences, specialized care, special patient experiences, and other similar experiences to fellow nursing students The symposium is o ffered twice a year with an invitation extended to nursing students The symposium allows nursing students to have an opportunity to see what is developing within their chosen fiel d by drawing on the experiences of fellow students Trauma Nursing Education Days - WPAHS, Inc - AGH prepared two lectures that focused on nutrition for trauma patients The lectu re's focused on the administration and monitoring of Tube Feedings, total parenteral nutri tion, as well as the transition to an oral diet Jameson SON Senior Nurse Visit - Jameson SON senior nursing students and their instructors spend a 6 hour day to tour chosen nursin g units to connect the learned concepts of caring for a patient with reality Students wat ch an open heart surgery procedure and then discuss the procedure with medical personnel They visit four nursing units with registered nursing guides Nurses explain the types of patients that they care for, talk about the care of their patient and answer questions Th e day is completed with a post-conference to answer questions and meet the Chief Nursing O fficer Greater Pittsburgh Nursing Research Council - WPAHS, Inc - AGH sponsors the Great er Pittsburgh Nursing Research Council The council highlights and promotes nursing resear ch for the benefit of patients and healthcare practitioners to advance safe and streamline d practices Parenteral Nutrition Support Overview - A WPAHS, Inc Registered Dietitian pr esented an overview of Enteral and Parenteral support to 26 Community College Nursing Stud ents and two instructors OTHER HEALTH PROFESSIONS EDUCATION Emergency Medical Technician Training - WPAHS, Inc is involved in the training of emergency medical technicians (EMS) throughout the region In an effort to ensure our region has the most efficient EMS techni cians possible, we conduct a variety of continuing education and case reviews for our area s EMS providers including, but not limited to advanced stroke life support, pharmacology, ALS skills review, physical assessment, case based program on the science behind cardiac a rrest, Ventilator education, hands on training on the appropriate and safe use of medical helicopters and mock accident drills to prepare for mass casualty WVU Medical Technology Student Clinical Rotation - WPAHS Core Lab provided clinical laboratory training to West V irginia Medical Technologist students for their clinical rotation The clinical rotation i s required for the completion of the Medical Technology Program at WVU Students gain hand s on clinical lab experience that will benefit them as they pursue their clinical lab care ers After graduation, the Medical Technologist sought laboratory positions in the surroun ding communities CCAC Medical Laboratory Technician - WPAHS Core Lab provided clinical la boratory training to Community College of Allegheny College MLT student for their clinical rotation The clinical rotation is required for the completion of the MLT program at CCAC Student gained hands on clinical lab experience that will benefit them as they pursue th eir clinical lab careers After graduation, the MLT student found a laboratory position in the surrounding communities Occupational Therapy Student Affiliation - Occupational Ther apy (OT) students complete required observation and training in the evaluation and treatme nt of patients under direct supervision of a licensed Occupational Therapist WPAHS, Inc - AGH had 2 Level II OT students, 1 Level II OT student, 1 Level I OT student and 3 Level I OT students with a total of 1,487 hours on site CCAC Diet Technician Clinical Rotation - One CCAC diet technician student completed their supervised three week clinical dietetic s experience at WPAHS, Inc - AGH that focused on

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	medical nutrition therapy and nutrition screening The clinical team of registered dietitians and registered diet technicians supervised the student during their clinical experience Pharmacy School Students - WPAHS, Inc - AGH acts as a rotation site for pharmacy students from the University of Pittsburgh The hospital hosted 25 students with varying number of weeks to reach the grand total of 990 weeks of training The hospital pharmacists devoted daily time toward teaching and training the students Clinical Hours for Education/Certification Requirements - Provides a clinical oversight for Community College of Allegheny County students wanting to learn Nuclear Medicine Technology/CT scanning and become registered with the Nuclear Medicine Technology Certification Board or the American Radiologic Registered Technologist These students shadow and perform with direct supervision of an already certified and staff technologist Nuclear had 11 students during this time, CT had 1 student during this time We do not get any reimbursement from this college as there is no additional time requirement for our staff, only additional expertise and explanation during this time Clinical Training of Phlebotomy Students - CCAC South, CCAC Braddock, Bidwell Training Center, Phlebotomy Institute, Eastern Gateway Community College, and WVU - AGH Phlebotomy staff worked with the phlebotomy students to give them the hands on training required to complete the program The students were able to meet the eligibility requirements for certification The healthcare field needs hospitals to provide this hands on training with a qualified staff member to ensure we have the staff we need in the future to provide quality care to all patients Clinical Training - WVU Pathology Assistant Students - AGH Pathologist Assistants provided the hands on experience required for the WVU Path Assistants to be eligible to sit for their national registration exam and to complete their Master of Science degree at WVU The 14 students completed a 3-4 week rotation in the AGH Pathology Department (Gross Room) By providing the needed clinical experience for the students, we will hopefully assist the healthcare field to be better staffed in the near future Slippery Rock University Safety Degree Internship - The Hospital sponsored twelve week internship programs for Slippery Rock Safety Management degree candidates The programs provide practical experience in all aspects of safety management in the healthcare setting Student Affiliations - Physical Therapist (PT) and Physical Therapy Assistant (PTA) students spend time in the clinical setting observing, training and participating in the evaluation and treatment of patients, under the supervision of a licensed Physical Therapist or Physical Therapy Assistant The Hospital also provided a Brain Injury Conference for 35 Duquesne University students The conference provided education on how to treat various levels of brain injured patients Health Information Management Clinical Education - WPAHS, Inc - AGH allow hands on experience to college students that often do not have any prior experience in a Hospital Medical Records Department This experience exposes student to all aspects of the job and helps them apply knowledge learned to actual work processes and thus broadens their exposure to different processes Adagio Health Dietetic Internship Clinical Rotation - Three dietetic interns completed their supervised eight week clinical dietetics experience at WPAHS, Inc - AGH that focused on medical nutrition therapy and the nutrition care plan The staff of registered dietitians supervised this educational experience

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	Volunteer Services Summer Intern - The Volunteer Services Department hosted an intern for 400 hours for educational purposes The under graduate student was studying in the field o f Health Policy and Administration This internship provided the student with training in the field of volunteer administration Student had the opportunity to conduct volunteer in terviews, place and orient volunteers and manage daily operations of the department as wel l as scheduling and coordinating special projects, writing newsletters and data processing Tri-State Area Association of Physicians of Indian Origin - A WPAHS, Inc - AGH register ed dietician addressed the physician group of Indian Origin and discussed US Dietary Guide lines and implications for patients consuming a diet consisting of traditional Asian India n foods Asepsis Classes - Two WPAHS, Inc - AGH operating room registered nurses teach re sidents and medical students how to scrub for the operating room Financial Contributions This category includes cash and in-kind services donated to individuals and the community at large In-kind services include hours donated by staff to the community during hospital w ork hours, overhead expenses of meeting space donated to not-for-profit community groups , and the free provision of food, equipment, supplies and giveaw ays items as w ell as monet ary donations As a division of West Penn Allegheny Health System, Inc (WPAHS, Inc) and consistent w ith the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - AGH provided these services at a cost of $324,170 in Fiscal 2012 Cash Donations - WPAHS, Inc - AGH support s the community through cash contributions made at the discretion of the Hospital and its directors, benefiting not only the non-profit recipient but also ultimately the community as a w hole During the fiscal year ended June 30, 2012, WPAHS, Inc - AGH made cash donati ons to the follow ing organizations American Diabetes Association American Heart Associati on Friends of the Riverfront Leukemia and Lymphoma Society Lupus Foundation of America Mar ch of Dimes Foundation National Ovarian Cancer Coalition Susan G Komen Foundation Pittsbu rgh Arts and Lectures In-kind Donations - In addition to the cash contributions, WPAHS, In c - AGH also made in-kind donations of time and resources to help support various communi ty functions These donations included the follow ing Community Hallow een Parade - WPAHS, Inc - AGH provided Trick or Treat bags for children participating in the Bellevue Borough annual community Hallow een parade In addition, WPAHS, Inc - AGH donated and distributed 200 pumpkins and assisted w ith pumpkin decorating in the park for children AARP Chapter President Meeting - WPAHS, Inc - AGH provided room set up and the use of a Conference Cen ter for a planning meeting of AARP Chapter Presidents Fineview Step Challenge - WPAHS, In c - AGH donated cases of w ater to the Fineview Step-A-Thon Challenge - to be distributed to participants The event encourages physical fitness by encouraging residents to w alk th e hillside steps in Fineview Troy Hill Community Day - WPAHS, Inc - AGH donated 100 hotd ogs for the Troy Hill Citizens Community Day event, providing food for the children w ho at tended Annual Community Light-Up Night -WPAHS, Inc - AGH distributed treat bags to the c hildren participating in the Light-Up Night as part of their visit w ith Santa Northside H ealth Improvement Partnership Meetings - WPAHS, Inc - AGH donates space for the bi-monthl y Northside Partnership (NSIP) committee meetings NSHIP is comprised of various Northside stakeholders in addition to several Hospital staff members Disability Mentoring Day - WP AHS, Inc - AGH provided lunch for students from the United Way Disability Mentoring Day Community Building Activities Community Building Activities include activities engaged in for the purpose of improving or protecting the health, future and w ellbeing of the communi ty As a division of West Penn Allegheny Health System, Inc (WPAHS, Inc) and consistent w ith the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - AGH provided these services a t a cost of $315,777 in Fiscal 2012 Partnership Coordinator salary and operating cost - W PAHS, Inc - AGH subsidizes the salary of the Partnership Coordinator as w ell as operating costs associated w ith the position This position is responsible for coordinating activit ies and interaction betw een the Hospital and local community in an effort to advance the o verall w ell-being of the community Northside Vendor Fair - WPAHS, Inc - AGH hosts annual vendor fairs to encourage individuals to support local businesses The Hospital provides staff support to assist w ith the event, lunch for vendors, as w ell as marketing space Nor thside Youth Summer Guide - WPAHS, Inc - AGH in coordination w ith the Northside Partnersh ip create and distribute a summer guide for youth, w hich is a listing of all summer activi ties aimed at improving the w ell-being of our yout

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	h The Northside Chronicle prints and circulates the guide to Northside residents and Nort hside schools The goal is to offer parents and guardians options to keep their children e ngaged in healthy and educational activities all summer Northside Holiday Party - WPAHS, Inc - AGH provides staffing for the annual Northside Holiday Party, w here disadvantaged N orthside youth receive a gift The party also provides food, activities and crafts for the children in attendance Board of Director Representation - WPAHS, Inc - AGH staff, execu tives and physicians hold positions on the Boards of Directors of various local organizati ons including the American Heart Association, Northside Leadership Conference, Northshore Chamber of Commerce, The Jew ish Healthcare Foundation, Three Rivers Investment Board and t he Crohn's and Colitis Foundation 2012 Community Health Needs Assessment Survey - In conj unction w ith the Northside Health Improvement Partnership (NSHIP), WPAHS, Inc - AGH paid for the supplies, printing, and shipping costs of the 2012 Community Health Needs Assessme nt Survey The survey w as distributed to 6,000 residents and related to questions regardin g health, physical activity, neighborhood safety, and access to health care The results o f the survey w ill be used in crafting the NSHIP's future programming initiatives Disabili ty Mentoring Day - WPAHS, Inc - AGH supported the United Way Disability Mentoring Day w it h the support of seven AGH staff members, providing information and support to the student s regarding medical careers Project MOVE Mentoring - Ten AGH staff members mentor Pittsbu rgh Public School sophomores in training and w orkplace readiness over a 6 w eek period Com munity Clean-Up Day - WPAHS, Inc - AGH helped to organize and also participate in 7 commu nity clean-up days, provided hot dog lunch to volunteers follow ing clean up activity Alle gheny Commons Initiative - WPAHS, Inc - AGH participates in the Allegheny Commons Initiat ive (ACI) ACI is a community based effort to restore the Allegheny Commons Park, Pittsbur gh's first planned Public Park ACI has planted over 100 new trees, restored tw o park segm ents, provided new paths, lighting, turf improvements, park benches, a drinking fountain, and tw o playgrounds in the 80+ acre park Improve the Vue - WPAHS, Inc - AGH sponsored th e second annual Improve the Vue community day of caring The commitment included six month s of planning and organization to identify and organize community improvement projects, in cluding recruiting of know ledgeable and novice volunteers, sponsorship of community hike a nd bike trail projects, planning of a community picnic afterw ards that included music, foo d, drinks and door prizes Three hundred plus volunteers completed eight community project s in an eight hour day Community Event Support - The WPAHS, Inc - AGH Director of Volunt eer Services annually contributes time to coordinate volunteer support for various communi ty events including but not limited to Auxiliary Community Sponsored Events, Fair in the P ark, Pumpkinfest, Blood Drives, Gift Wrapping for Children's Holiday Party and bulk mailin gs for w alks and special community events Weekly Service Parking for Parishioners - The W PAHS, Inc - AGH Parking Department provides parking for members and visitors of the Commu nity House Presbyterian Church and Allegheny Center Alliance Church Parking is provided f or multiple w eekend services for both churches Additionally, parking for special events a t the churches is provided throughout the year Start on Success Program - WPAHS, Inc - A GH w orks w ith the Pittsburgh Public School to provide a w ork place for high school juniors and seniors to get some real w orld experience The students w orked in the Patient Transpo rt Department 2 hours per day They w ere show n good traits and habits that are required fo r w orking in the real w orld Four SOS students w ere supported this past school year

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	City High Charter School Internship Program - WPAHS, Inc - AGH hosts students from the Ci ty High Charter School in Pittsburgh for their senior internship Students are placed in v arious areas of the hospital for a hands-on learning approach This project is coordinated through the Volunteer Services Department This is a w onderful learning experience for th e youth w ho are considering a career in the healthcare field Propel High School Student S hadow ing Experience - WPAHS, Inc - AGH hosted four senior high school students from Prope l High School that shadow ed nurses for 28 hours per student to determine if this is the ca reer for them Nursing schools had suggested that the students volunteer or shadow people in the health field before they apply for their program The days w ere structured w ith a p re-meeting and a post-conference to allow the students to ask questions about w hat they ex perienced INTRODUCTION TO THE WESTERN PENNSYLVANIA HOSPITAL Founded in 1848 as Pittsburgh 's first chartered public hospital, West Penn Allegheny Health System, Inc - West Penn Ho spital (WPAHS, Inc - WPH) has earned an international reputation for excellence and innov ation in the care of patients, medical education and research Today, WPAHS, Inc - WPH is an academic medical center that serves Pittsburgh and the surrounding five-state area WP AHS, Inc - WPH is comprised of 292 licensed beds WPAHS, Inc - WPH is also recognized fo r nursing excellence It w as the first hospital in w estern Pennsylvania (2006) to be aw ard ed Magnet recognition status from the American Nurses Credentialing Center (ANCC) In 2012 , it w as the first in the region to receive re-designation status setting it among the top six percent of all healthcare facilities in the w orld recognized by the ANCC The ANCC's Magnet Recognition Program recognizes health care organizations that provide not only exce llence in nursing, but the highest quality of patient care at all levels throughout the ho spital A Magnet hospital attracts and retains professional nurses w ho experience a high d egree of professional and personal satisfaction in their practice They also exhibit impro ved patient outcomes, enhanced nursing practice, increased staff morale and improved recru itment and retention The Magnet Recognition Program also provides consumers w ith the ulti mate benchmark to measure the quality of care that they can expect to receive WPAHS, Inc - WPH offers a sophisticated level of care, bringing the latest in clinical expertise and medical technology serving patients w ith the most complex of needs Specialty services in clude anesthesiology, asthma and immunology, bariatric surgery, bone marrow stem cell tran splant, breast care, burn care, cancer services, diabetes care through the Joslin Diabetes Center, diagnostic and interventional radiology, endocrinology, family medicine, foot and ankle, gastroenterology, gynecology, gynecologic oncology, oncology, internal medicine, l upus care through the Lupus Center for Excellence, maternal and fetal medicine, medical on cology, minimally invasive surgery, neonatology, nephrology, neurosurgery, obstetrics, onc ology, pathology and laboratory medicine, pain medicine, pelvic floor disorders, orthopaed ic surgery, plastic & reconstructive surgery, primary care medicine, pulmonary medicine, r eproductive medicine and infertility, rheumatology and more The Hospital's highly regarde d Women's and Infant's Services features a Level III Neonatal Intensive Care Unit, one of only tw o in the region, a high-risk labor and delivery center along w ith reproductive medi cine offered through the Jones Institute for Reproductive Medicine WPC's Burn Center cont inues to be a leader in burn care in the region as is the region's first and only American Burn Association, American College of Surgeons - verified center for care of both adults and children A long-standing commitment to education and research remains a cornerstone o f WPAHS, Inc - WPH's mission The Hospital sponsors medical residency and fellowship prog rams and provides clinical training to third- and fourth-year medical students of the Phil adelphia-based Temple University School of Medicine The Hospital also offers a School of Nursing diploma program as w ell as educational opportunities in respiratory therapy, radio logy technology and nursing through affiliations w ith Indiana University of Pennsylvania, Pennsylvania State University and Clarion University The hospital is also home to Star St imulation, Teaching and Academic Research Center, and is a site of the Allegheny-Singer Re search Institute, an affiliated 501(c)(3) organization COMMUNITY ASSESSMENT Community hea lth improvement services and community benefit operations include activities carried out t o improve community health They extend beyond patient care to include activities that are subsidized by the Hospital The activities range from community health clinics and screen ings to health education programs designed to rais

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	e community awareness of various healthcare topics and issues As a division of West Penn Allegheny Health System, Inc (WPAHS, Inc) and consistent with the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - WPH provided these services at a cost of $391,700 in FY 2012 BURN CARE Burn Center - The Western Pennsylvania Hospital provides exceptional, specialized patient care to burn victims in its Burn Center This internationally recognized treatment center for burn victims not only deals with the immediate crisis of the burn injury, but also the important psychosocial dynamics of a burn victim's rehabilitation and return to the community More than 300 patients were admitted in fiscal year 2012 and approximately 500 new patients were seen as outpatients, of these individuals, 53 were under the age of 18 The following details highlight the Center's efforts toward burn care Burn Care and Prevention Program - The Hospital sponsors a Burn Care and Prevention Program The outreach coordinator provides educational programs to the surrounding communities In fiscal year 2012, the outreach coordinator and staff conducted multiple burn prevention presentations at 6 sites, and provided 86 health fairs and exhibitions The programs covered Allegheny, Beaver and Fayette counties in Pennsylvania Approximately 1,500 children and adults attended the programs, with countless others attending the health fairs Summer Burn Camp - A five-day summer camp, sponsored by Aluminum Cans for Burned Children (ACBC), is held each year to provide young campers with an opportunity to share their concerns about having been burned and talk about difficult issues involved in their recovery 27 children attended camp in fiscal year 2012 The Hospital provides the multidisciplinary staff for the camp , which includes registered nurses and other staff from the burn center along with other volunteers from the Hospital and community There were 18 volunteer counselors throughout the week. There is no charge for children to attend summer camp COMMUNITY HEALTH EDUCATION Little Italy Days - WPAHS, Inc - WPH was a sponsor of the Bloomfield Business Association's Little Italy Days festival The Hospital provided staffing for a booth with educational information for the public Maternal Child Women's Health at The Nursing Caf - This activity was started in an effort to provide support to new nursing mothers delivering their babies at WPAHS, Inc - WPH and in the surrounding community Mothers attending the Caf are provided with a warm, supportive atmosphere where they come to learn how to nurse their babies and get questions answered by a board-certified lactation consultant The Caf is a free service to the community The group size varies but averages 6-10 moms who attend regularly at any given week. The emotional and health benefits for the nursing infant and community at large extend beyond the prevention of common infections and allergies to an impressive reduction in the incidence of more serious illnesses including diabetes and childhood obesity Perhaps more easily observable however is the close emotional relationship nursing mothers and babies enjoy and the feelings of accomplishment moms express when they receive the support they need to successfully nurse their babies American Diabetes Association's Diabetes Expo - WPAHS, Inc - WPH in coordination with the American Diabetes Association (ADA) sponsored a booth at the Healthy for Life Exposition The estimated attendance at the Exposition was 510,000 people WPAHS, Inc - WPH certified diabetes educators staffed the booth where the participants could learn about healthy eating, the food content of fast food and portion control

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	HOMELESS, ELDERLY AND SPECIAL NEEDS Homeless Health Services - WPAHS, Inc - WPH Health Ca re for the Homeless Program seeks to remove barriers to accessing care by bringing prevent ive comprehensive care into community facilities that serve the homeless One such facilit y is the Jubilee Kitchen located on Fifth Avenue in the City of Pittsburgh The homeless p opulation is especially at risk for trauma, drug and alcohol abuse, diseases related to ex posure, and infectious diseases such as tuberculosis and sexually transmitted diseases Th is population is also at risk for chronic disease, including hypertension, heart disease a nd exposure to HIV Primary care services are provided to the homeless on-site at the Jubi lee Kitchen tw o-days each w eek Services include medical evaluation and screening, podiatr y exams, lab testing and all medical supplies A registered nurse conducts tuberculin scre enings and administers free influenza vaccines A physician and a resident evaluate w alk-i n patients Patients are admitted to the hospital as needed for acute episodic care and ha ve no payment obligations for the services rendered Volunteer Services for Special Needs - The Hospital acknow ledges the benefits of helping adults w ith special needs The Hospita l w orks w ith the Achieva Agency, Friendship Academy and United Cerebral Palsy to benefit i ndividuals that are mentally challenged or handicapped Hospital employees w ork w ith the i ndividuals and allow them to lend assistance w ith some tasks SUPPORT GROUPS The Healing J ourney - This free program for cancer survivors and their primary caregivers, provided att endees w ith practical tips for coping w ith the stresses of cancer and offers an inspiratio nal speaker Nearly 330 people benefited from this program Child Loss Bereavement Support Group - A bereavement support group for w omen w ho have lost a baby early in pregnancy is held by Social Services monthly The group support helps w omen cope and learn coping skill s from w omen w ho have had similar experiences Child Loss Memorial Service - Chaplains fro m the Pastoral Care department assist w ith the planning and participation in the National Child Loss Memorial Service The event provides a forum for grieving family members to exp ress their grief for the loss of a child Cancer Survivor Talk - A WPAHS, Inc - WPH socia l w ork manager participated in a talk w ith cancer survivors The talk focused on moving fo rw ard in life after going through the difficult battle w ith cancer STAR Ambulance Communi ty Safety Fair - The STAR Center provided the STAR Ambulance for the Community Days Safety Fair at Forbes Regional Hospital The Fair provides unique events that entertain, inspire and motivate visitors from the region and beyond to learn safety techniques and explore s cience and technology PATIENT ASSISTANCE Temporary Housing for the Underprivileged - West Penn Hospital provides housing for underprivileged out of tow n patients during treatment, including cab fare, and cafeteria vouchers for food Parking and Shuttle Services - WPAHS , Inc - WPH Security and Parking department provides free parking and shuttle services to patients and family members by utilizing a parking lot close to the Hospital w hich the Ho spital controls and maintains Health Professions Education WPAHS, Inc - WPH provides asp iring health professionals w ith many educational opportunities to further their career in healthcare In addition to the educational support w e provide to interns, residents, fello w s, nurses and other allied health professionals, WPAHS, Inc - WPH provides health-profes sion education to the community in a variety of w ays and forums As a division of West Pen n Allegheny Health System, Inc (WPAHS, Inc) and consistent w ith the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - WPH provided these services in addition to the educational support provided to interns, residents, fellow s, nurses and other allied health professio nals at a cost of $93,461 in Fiscal 2011 Observation and Shadow ing - The Hospital promote s health care careers throughout the region In an effort to do this, the Hospital provide s individuals w ith the opportunity to observe the medical staff in areas such as Pediatric s, Burn Unit, OBGYN, Pharmacy, Nursing, Occupational Therapy, Surgery, Radiology, Medical Genetics, Ophthalmology and Ultrasound There w ere a total of 87 participants Neonatal Re suscitation Course - Five neonatal resuscitation courses w ere conducted free of charge at community medical centers by the WPAHS, Inc - WPH maternal child coordinator and a physic ian 12 nurses, 8 Certified Registered Nurse Assistants and 14 physicians benefited from t he course Infant Abstinence Update - This one day complimentary course w as conducted at L aw rence County Child and Youth Services by the maternal child coordinator and a neonatolog ist from WPAHS, Inc - WPH Eight nurses, eight physicians and four social w orkers benefit ed from the course Ultrasound Techniques Course -

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	West Penn staff taught a class for 8 physicians at Jameson hospital on the newest techniques in ultrasound technology The STAR Center (Simulation, Teaching, Academic, and Research) - The STAR Center at WPAHS, Inc - WPH is dedicated to achieving excellence in patient care through the pursuit of lifelong learning, research and innovation Using state-of-the-art mannequins that mimic symptoms of a wide range of health conditions, the STAR Center provides hands-on learning opportunities to allow aspiring practicing health professionals to perfect their skills in situations closely resembling the clinical environment In conjunction with Emergency Medical Services (EMS) Week, the STAR Center holds a competition for EMS providers Prizes are awarded to both the 1st and 2nd place teams There are no fees for this competition, however, pre-registration is mandatory for planning STAR supports SciTech, which inspires diverse audiences of students and general public to support and participate in science and technology development to benefit themselves and the region by growing the knowledge economy The program provides unique destination events that entertain, inspire and motivate visitors from the region and beyond to explore discoveries, innovations and issues regarding science and technology in the 21st century It provides content links that empower visitors to explore topics and participate in public discussion beyond SciTech, and contributes to the national priority to increase interest and participation in science and technology careers STAR participated in the Youth Link Career Fair, the "Become A Heart Saver for Valentine's Day" program, Shaler High School Health Careers Day, the Alle-Kiski Medical Center and Destination Wellness Annual Mall-Wide Health Fair STAR also provides CPR classes for the Community These classes are designed for the general public to receive convenient, free and adult learner friendly CPR training and valuable life-saving skills Courses were held three times during the year and lasted two hours Learners received training in Adult CPR, Child CPR, Obstructed Airway Techniques, and in the use of an Automatic External Defibrillator (AED) Learners benefitted from a low student to instructor ratio, allowing them to become comfortable with the necessary skills As part of the East Side Neighborhood Employment Center's youth initiative, STAR demonstrated to students how an interest in medicine, health, nutrition, and fitness can translate into a fulfilling career The STAR Simulation encouraged youth to ask questions and enable them to experience what it is like to work in a hospital by hosting the event at its facility with West Penn Hospital The STAR Center fostered a relationship with the Pittsburgh Public Schools The program consisted of multiple sessions that were designed to prepare students for healthcare studies and jobs Students spend six to eight weeks and learn topics from first aid, nutrition, child birth, vital signs, bed pans, elastic stockings, skills assessments, and communication skills

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	Financial Contributions This category includes monetary donations and in-kind services don ated to individuals and the community at large As a division of West Penn Allegheny Healt h System, Inc (WPAHS, Inc) and consistent with the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - WPH provided these services at a cost of $24,489 in Fiscal Year 2012 Cash Donations - WPAHS, Inc - WPH supports the community through cash contributions made at th e discretion of the Hospital and its directors, benefiting not only the non-profit recipie nt but also ultimately the community as a w hole During the fiscal year ended June 30, 201 2, WPAHS, Inc - WPH made cash donations to the follow ing organizations Butler Health Sys tem Foundation Jew ish Community Center of Greater Pittsburgh Alle-Kiski Medical Center Tru st In-kind Donations - In addition to the cash contributions, WPAHS, Inc - WPC also made in-kind donations of time and resources to help support various community functions These donations included the follow ing Printing of Publications and Flyers - The Hospital prod uces publications and flyers for various organizations to promote community activities at the request of Bloomfield Development Corporation and Bloomfield Garfield Association Blo omfield Development Corporation - WPAHS, Inc - WPH provides the free use of space to the Bloomfield Development Corporation The Bloomfield Development Corporation w as formed to a ddress the residential and business issues in the Bloomfield Community Community Building Activities Community Building Activities include activities engaged in for the purpose of improving or protecting the health, future and w ellbeing of the community As a division of West Penn Allegheny Health System, Inc (WPAHS, Inc) and consistent w ith the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - WPH provided these services at a cost of $38,17 0 in Fiscal 2012 Crime Prevention Day - The Security department sponsored Crime Preventio n Day for patients, visitors, and community personnel More than 350 individuals w ere educ ated on how not to become a victim of crime Escort Service - Security personnel transport ed 400 patients, visitors, and community personnel to off-site locations This service hel ps to insure the safety, decrease stress and ease the financial impact of those staying or needing to visit off-site locations Gatew ay Medical Society Allied Health Training Acade my - This nine w eek course is designed for 6th grade students w ho are interested in pursui ng a career in the allied health field In this course, students are introduced to various allied health careers through didactic teaching, guest lecturers, and hands-on simulated experiences In this engaging course, students are active learners, learning about medical careers w ith their eyes, ears, and hands The course begins by show ing 16 students variou s pieces of common medical equipment and teaching them about their uses Students are then introduced to careers by listening to nursing and medical students' first-hand accounts o f w hat it really means to embark on a journey to achieve a medical career They also hear first-hand from medical professionals, w ho are already w orking in the field, w hat typical w ork days involve Simulated activities are sprinkled throughout the program and highlight the importance of team building and w orking together effectively as a team This course p rovides the future health care leaders of tomorrow w ith a solid introduction to many healt h care careers Gatew ay Medical Society Allied Health Training Academy - This five w eek co urse is designed for 7th grade students w ho have satisfactorily completed the 6th grade Ga tew ay Medical Society Allied Health Training Academy In this course, 15 students refine t he skills they learned during the previous year and also learn new skills through didactic teaching, videos, and hands-on simulated experiences In this engaging course, students a re active learners, learning about medical careers w ith their eyes, ears, and hands Stude nts learn the skills necessary to attain an American Heart Association Heartsaver completi on card and practice many aspects of first aid This course provides the future health car e leaders of tomorrow w ith a solid introduction to many health care career choices Shaler High School Health Careers Day - In this engaging event, students w ere active learners, l earning about medical careers w ith their eyes, ears, and hands Taking first-responder sim ulation to the next level, STAR's Mobile Ambulance enabled the students to achieve the pin nacle of simulation for first responders, resuscitation under real-life conditions Scienc e, Technology, Engineering, Math, Medicine (STEMM) Program - This is a one-day seminar des igned for high school juniors and seniors w ho are enrolled in the Science, Technology, Eng ineering, Mathematics, and Medicine (STEMM) program This course introduces students to si mulation training and its role in medical educatio

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	n Students receive a tour of the STAR Center, listen to simulation experts, watch videos, and participate in small-group learning sessions These educational sessions cover the following five topics Mock Resuscitation Demonstration, Simulation Technology, Airway Manag ement Lab, Patient Communications, and Mannequin Technology INTRODUCTION TO FORBES REGION AL HOSPITAL WPAHS, Inc - FRH has continuously provided health care services to residents of eastern Allegheny and Westmoreland Counties since 1978 Forbes Regional ow ns and operat es a 350-bed acute care hospital located in Monroeville, and is licensed by the Pennsylvan ia Department of Health It is also accredited by the Joint Commission Forbes Regional Ho spital offers a complete array of surgical, medical and inpatient rehabilitation services The facility offers care in the follow ing specialty areas back surgery, cardiac surgery, cardiology, colon and rectal surgery, diabetes, diagnostic imaging, emergency medicine, e ndocrinology, family medicine, foot and ankle surgery, gastroenterology, general surgery, gynecology, hospice care, neurology, neurosurgery, obstetrics, oncology, orthopedics, outp atient surgery, pediatrics, psychiatry and urology The hospital features an affiliate off ice of the w orld renow ned Joslin Diabetes Center and operates an emergency room open to al l persons w ithout regard to their ability to pay Forbes Hospice, located in Bloomfield, i s Pittsburgh's oldest and most respected end-of-life and palliative care program, providin g care for families from Allegheny, Beaver, Butler, Washington and Westmoreland counties Forbes Hospice has a w ealth of experience in delivering comprehensive hospice care to the community and feature nationally- recognized leadership, including a full-time medical dir ector, board certified in hospice and palliative medicine Forbes Hospice's team of caregi vers offers a compassionate, loving approach to meeting the needs of our patients and thei r families At a time w hen families are faced w ith the burden of care giving and emotional stress, Forbes Hospice is there to help them in their time of need The focus of our hosp ice care is to create a comfortable and peaceful environment in w hich the patient may live each day to the fullest At Forbes Hospice it is understood that a serious illness affect s the entire family and our compassionate support and guidance are offered to them as w ell After their loss, spiritual and psychological support is provided through the Bereavemen t Program As life comes to a close, w e open our hearts When a cure is no longer possible , w e are able to provide comfort When you don't know w hat to expect, w e w ill be there to help you every step of the w ay WPAHS, Inc - FRH admits more than 15,000 patients annuall y, logs more than 48,000 emergency visits, and performs nearly 12,000 surgical procedures each year More than 600 physicians and 1,300 employees share the hospital's commitment to excellence in patient care

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	COMMUNITY ASSESSMENT Community health improvement services and community benefit operation s include activities carried out to improve community health They extend beyond patient c are to include activities that are subsidized by the Hospital The activities range from c ommunity health clinics and screenings to health education programs designed to raise comm unity awareness of various healthcare topics and issues As a division of WPAHS, Inc and consistent with the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - FRH provided these services at a cost of $159,850 in Fiscal 2012 COMMUNITY HEALTH EDUCATION Diabetes Educat ion - WPAHS, Inc - FRH understands that many individuals live with diabetes or are at ris k for developing diabetes As such, the Hospital provides education to those living and at risk for diabetes The educational activities conducted by the Hospital include, but are not limited to educational seminars, radio interviews, talks on meal planning, presentatio ns on the impact of a disease management report card on lab tests assessing the average le vel of blood sugar and participation in the American Diabetes Expo The nature and scope o f the American Diabetes Expo w as to provide specific diabetes health and w ellness topics, health care access, counseling and screenings Over 1,000 people benefitted from our effor ts tow ards diabetes education Health Education For Women - WPAHS, Inc - FRH conducts man y educational activities geared tow ards w omen's health Included in these activities are l ectures, discussions on advanced life support for obstetrics, childbirth education classes and breast cancer education and outreach Health Education For Children - WPAHS, Inc - F RH psychologist taught health classes to students at Gatew ay School District The school d oes not employ a full-time health teacher and relies on guest speakers to teach health cla sses to fifth graders Lectures on Issues for Elderly - Staff from WPAHS, Inc - FRH prese nted lectures on dementia and health concerns for the elderly at a Senior Center and the H ospital These lectures included information on the signs and symptoms of dementia and com mon concerns of the elderly and their families Advanced Stroke Life Support Class - The S troke Center at WPAHS, Inc - FRH provided a presentation on advanced stoke life support Early and accurate identification of stroke and quicker treatment w ill reduce the disabili ty associated w ith stroke The course not only provides the assessment tools for stroke de tection, but also provides insight into to the treatment and care of the stroke patients b eyond the emergency room Heart and Vascular Presentations - The WPAHS, Inc - FRH Heart a nd Vascular department often fills requests to speak at different organizations or events In FY12, this included presentations at community colleges, senior living centers and var ious local Emergency Medical Services (EMS) providers Lecture on PTSD - Staff from WPAHS, Inc - FRH presented a lecture on the effects of Post-Traumatic Stress Disorder (PTSD) on individuals w ho have been exposed to stressful events in service to our country The lect ure w as held at the 911th Air Base in Moon Tow nship w ith approximately 200 people in atten dance International Integrative Medicine Day - WPAHS, Inc - FRH presented a day-long con ference on alternate methods of healing and treating patients Topics included meditation, mindful eating, art therapy, osteopathic manipulation therapy The event w as open to the community and hospital employees HEALTH FAIRS Free Care For The Uninsured - WPAHS, Inc - FRH physicians provided medical coverage and services in a not-for-profit community healt h center in a local community They provided free medical care to patients w ho do not have insurance or medical coverage Medical Mission Trips - Staff from WPAHS, Inc - FRH volun teered time to provide medical care in clinics in Haiti and Jamaica Care included prevent ative medicine, medical care and minor surgical procedures and biopsies Protecting Our Pr otectors - The Hospital provided free health screenings for emergency medical service prov iders Included in the screening w as lab w ork, electrocardiograms, hearing screenings and a review of all information w ith a cardiologist Celebrate Monroeville - WPAHS, Inc - FRH w as a sponsor of Celebrate Monroeville, w hich took place at the Monroeville Convention Ce nter The Hospital provided health and w ellness information, medical screenings, medical a nd health information and help w ith providing access to health and medical information Th is event benefited the community by helping to provide resources and also helped the commu nity obtain information about their health care needs More than 3,000 people attended thi s event Participation in Other Health Fairs - WPAHS, Inc - FRH participated in numerous health fairs during the course of Fiscal 2012 Education, information and community benefi ts provided at these health fairs included but w er

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	e not limited to diabetes education, free lunches, flu shots, various screenings and stoke education SUPPORT GROUPS Bereavement Support Groups - Five monthly support groups were p rovided by WPAHS, Inc - FRH designed to serve the age-range specific bereavement care need s not only of families whose loved ones have died on the Forbes Hospice program, but as we ll the bereavement care needs of any members of the community who wish to attend or partic ipate Each of these monthly support groups are jointly facilitated by a member of the For bes Hospice professional clinical staff and a volunteer trained by the hospice bereavement care coordinator Over 300 people benefitted from this activity Fetal and Neonatal Grief Loss Support Services - Women who have experienced fetal or neonatal loss require ongoing support in order to regain homeostasis Available WPAHS, Inc - FRH grief counselors prov ide women and families the opportunity to talk through their grief Counselors are able to make additional appropriate referrals, based on potential problems Diabetes Support Grou p - This support group meets monthly and is supported and sponsored by WPAHS, Inc - FRH The group's average monthly attendance is 30 The purpose of the support group is to provi de a forum for patients with diabetes to meet and discuss issues pertaining to diabetes T his will ultimately help them to maintain and improve their overall care The speakers at the meetings range from physicians, dietitians, pharmacists, pharmaceutical representative s, insurance counselors and actual patients Stroke Support Group - The WPAHS, Inc - FRH Stroke Rehabilitation Department conducts a monthly Stroke Support Group at the hospital The intention of this group is to help stroke victims and the loved ones by providing a fo rum for which they can communicate experiences and concerns with individuals and families who have suffered through similar circumstances

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	Individual/Family Counseling - The WPAHS, Inc - FRH Forbes Hospice Bereavement Care Coordinator routinely fields phone calls of inquiry about available support services from members of the community at large and either guides them in process of referral support or, when able to provide direct service support through in-house therapy sessions or extended phone conversations of a quality equal to such service provided families whose loved ones have died on the Forbes Hospice program Approximately 110 individuals benefitted from these services Journeys Bereavement Newsletter - This monthly publication is written by and purchased from The Hospice Foundation of America WPAHS, Inc - FRH Forbes Hospice sends this monthly newsletter for one year to every family that has lost a loved one on the Forbes Hospice program This service supplements strong bereavement care support and benefitted approximately 1,200 families Community Memorial Services - WPAHS, Inc - FRH Forbes Hospice has a community-wide memorial services for bereaved family members twice a year The Hospital provides food, printing, mailings, and mementos to support this activity Health Professions Education WPAHS, Inc - FRH provides aspiring health professionals with many educational opportunities to further their career in healthcare In addition to the educational support we provide to interns, residents and fellows, WPAHS, Inc - FRH provided health professions education to the community in a variety of ways and forums As a division of West Penn Allegheny Health System, Inc and consistent with the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - FRH provided these services in addition to the educational support provided to interns, residents and fellows at a cost of $611,859 in Fiscal 2012 Student Nursing Clinical Internships - Various departments of WPAHS, Inc - FRH have nursing students from several area institutions of higher learning perform internships, clinical experience and professional shadowing throughout the year Staff from Hospital departments spend s time providing explanations, education and sometimes supervision of various procedures or projects the nursing students complete as part of their rotations The internships are to help prepare them for the work environment upon graduation Hospital staff is readily available to teach and assist these students approximately 40 weeks out of the year The students are assigned intermittently to 10 different clinical units including Psychology, Emergency Department, Intensive Care Unit and OBGYN The students also rotate to specialty areas such as the Cardiac Catherization Lab and the operating room for observation days Supervision of Master's Level Interns - The WPAHS, Inc - FRH Forbes Hospice Bereavement Care Coordinator routinely trains interns from several area universities in skills of counseling of dying patients and their families and in bereavement Two interns within the same training period were provided this in-depth supervision, which necessarily includes monitoring of all hours of their internship Forbes Hospice Health Professions Education - Part of the WPAHS, Inc - FRH Forbes Hospice's mission is "to support education and research" In keeping with its mission, Forbes Hospice invites students and professionals to learn about end-of-life care Included in this education is direct one on one instruction from the Forbes Hospice Medical Director, lectures to non-affiliated hospital groups and education to healthcare professionals at senior centers Clinical Education for Physical Therapy, Occupational Therapy & Speech Language Pathology - WPAHS, Inc - FRH Rehabilitation Services offers extensive clinical education to students from a number of local universities and colleges Clinical experiences range from one week to four months with a therapists spending time each day on education and supervision There were 21 students using these services in Fiscal 2012 Phlebotomy Training - The Lab at WPAHS, Inc - FRH provided phlebotomy and processor training to five students from local Community Colleges The students were instructed and supervised to perform the practices of blood drawing skills The program prepares the students to function as a phlebotomist in a clinical setting Job Shadowing - Students from local colleges, technical schools, high schools, and some elementary schools are provided opportunities to do job shadowing to learn about various professions and the duties and responsibilities of these professions This job shadowing occurs in nursing, labor and delivery, nursery, diagnostic imaging, respiratory therapy, surgery, cardiology, the Joslin Diabetes Center, family practice, laboratory, Gastrointestinal lab, and rehab services In Fiscal 2012, more than 80 students were provided a job shadowing experience High School College Prep Program - WPAHS, Inc - FRH aids high school seniors prepare for their career choice with a specific department in the Ho

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments - Continued	Form 990, Page 2, Part III, Line 4a	spital The students can choose to work as an intern in a department or service that they are considering pursuing after graduation The intern is supervised by an advisor associat ed with the chosen profession The student receives a grade for this work as recommended b y the hospital advisor The Hospital provided internships to a total of 7 students during Fiscal 2012 Code O From Drills to Skills - A Forbes Family Medicine attending physician presented information on the management of common obstetrical emergencies to several hundr ed physicians at a national conference EMS Regional Conference - The Forbes Regional Stro ke Center Medical Director presented at the annual EMS regional conference on the signs an d symptoms of stroke The presentation focused on how EMS can make an important impact on patients suffering a stroke including treatment options Financial Contributions This cate gory includes funds and in-kind services donated to individuals and the community at large In-kind services include hours donated by staff to the community during hospital work ho urs, overhead expenses of meeting space donated to not-for-profit community groups, and th e free provision of food, equipment, supplies and giveaw ays items as well as monetary dona tions As a division of West Penn Allegheny Health System, Inc (WPAHS, Inc) and consiste nt with the filing of the WPAHS, Inc Schedule H, WPAHS, Inc - FRH provided these contrib utions at a cost of $9,200 in Fiscal 2012 Cash Donations - WPAHS, Inc - FRH supports the community through cash contributions made at the discretion of the Hospital and its direc tors, benefiting not only the non-profit recipient but also ultimately the community as a w hole During Fiscal 2012, WPAHS, Inc - FRH made cash contributions to the follow ing orga nizations Monroeville Rotary Scholarship Fund In-kind Donations - In addition to the cash contributions, WPAHS, Inc - FRC also made in-kind donations of time and resources to hel p support various community functions The in-kind donations included the follow ing Globa l Links - WPAHS, Inc - FRH Forbes Hospice donated health care supplies to Global Links in an effort to provide adequate care for patients throughout the region Central Blood Bank Blood Drives - WPAHS, Inc - FRH hosted four blood drives for the Central Blood Bank The hospital provided space and hospital staff and volunteers help man the table The hospita l also provided refreshments to participants in the blood drive Community Building Activi ties Community Building Activities include activities engaged in for the purpose of improv ing or protecting the health, future and w ellbeing of the community As a division of West Penn Allegheny Health System, Inc and consistent with the filing of the WPAHS, Inc Sche dule H, WPAHS, Inc - FRH provided these services at a cost of $41,760 in Fiscal 2012 App lication Assistance - A WPAHS, Inc - FRH nurse manager and clinical staff assist low inco me pregnant w omen with the completion and submission of Presumptive Eligibility paperw ork to qualify for free prenatal care through the Pennsylvania Department of Health Educator in the Workplace - A learning support teacher and 6 students from local schools came to WP AHS, Inc - FRH to learn about various health careers and the preparation required This h elps to prepare the teachers and their students to become better equipped to become w orkin g members of the community The students and their teacher w ere here for 8 hours a w eek fo r approximately 36 w eeks and w orked with various Hospital staff

Identifier	Return Reference	Explanation
Investment of Tax Exempt Bonds Beyond A Temporary Period Exception	Form 990, Page 4, Part IV, Line 24b	On June 19, 2007 the System's Series 2007 Project Fund was funded with proceeds from a tax-exempt bond issue The President and Chief Executive Officer of the System resigned shortly thereafter Since that time, the System has recognized four different individuals as President and Chief Executive Officer Because of this turnover in the leadership of the System a delay was experienced in the capital spending until each new president and chief executive officer began to implement the capital spending which he or she deemed to be necessary This delay caused the Series 2007A Project Fund to be spent down in a time period extending beyond the temporary period exemption These proceeds have been spent down completely as of June 30, 2012

Identifier	Return Reference	Explanation
Operational Oversight By A Third Party Management Company	Form 990, Page 6, Part VI, Section A, Line 3	West Penn Allegheny Health System, Inc (WPAHS, Inc) is a member of the West Penn Allegheny Health System (System) The System consists of thirteen operational IRC Section 501(c)(3) organizations WPAHS, Inc is the parent organization for the other twelve operational IRC Section 501(c)(3) organizations The board of directors of WPAHS, Inc is comprised of a majority of independent members Effective November 7, 2011 (Effective Date), the board of directors of WPAHS, Inc engaged Alvarez & Marsal Healthcare Industry Group, LLC (A&M) to assign an Interim Chief Executive Officer of the System, Interim Chief Operating Officer of the System and Interim Chief Financial Officer of the System All individuals appointed to their respective positions are under the employment of A&M and have daily oversight of all matters pertinent to the operation of the System as a whole and all organizations on an independent basis All interim management personnel under the employment of A&M are responsible to and report to the WPAHS, Inc board of directors The term of the engagement is to last one year from the effective date with the option to renew the engagement beyond the initial one year term During the course of the engagement, the WPAHS, Inc board of directors upon written notice may cause any individual employed by A&M to be removed from their respective position and replaced by another similarly qualified individual WPAHS, Inc directly compensated A&M for their management services The decision was made to allocate a portion of the expenditures of WPAHS, Inc to other affiliated organizations Thus the amount reflected on Form 990, Page 10, Line 11a, Column A does not reflect the entire cash outlay paid by WPAHS, Inc for the A&M services The affiliated organizations also reflect a component of the overall expenditure by WPAHS, Inc for the A&M management services As of the date of the filing of this tax return, A&M continues to provide management oversight to WPAHS, Inc and the System under the supervision of the WPAHS, Inc board of directors

Identifier	Return Reference	Explanation
Changes To The West Penn Allegheny Health System, Inc Bylaws	Form 990, Page 6, Part VI, Section A, Line 4	The following changes were made to the bylaws of West Penn Allegheny Health System, Inc during the year ended June 30, 2012 Article VII - Other Standing Committees of the Board of Directors, Section 8 Governance and Nominating Committee - The general purpose of the Governanace and Nominating Committee are to support Board functions by (a) guiding the Board in the development and observance of sound corporate governance policies and practices as necessary or advisable to fulfill applicable legal requirements and societal expectations, (b) conducting assessments of Board effectiveness in the performance of its functions, and (c) recommending to the Board candidates for election to all Director positions in the Corporation and its Subsidiaries In carrying out these purposes, the Governance and Nominating Committee shall have the specific authority and responsibilities conferred and delegated to it by the Charter for the Committee, to be adopted by resolution of the Board

Identifier	Return Reference	Explanation
Form 990 Review Process	Form 990, Page 6, Part VI, Section B, Line 11a	Form 990 is prepared internally by an employee of the West Penn Allegheny Health System, Inc (Health System) Tax Department who is a certified public accountant The document is then reviewed internally by top management officials of the Health System A detailed external review is conducted by Health System external tax advisors, who sign the return as preparer The Chair of the organization's Board of Directors, or another Board Member otherwise designated by the Chair, along with members of the Audit and Compliance committee of the Health System Board review the Form 990 and recommend changes or accept the document as presented A copy of the Form 990 is made available to every board member for review prior to filing the document with the Internal Revenue Service

Identifier	Return Reference	Explanation
Monitoring and Enforcement of the Conflict of Interest Policy	Form 990, Page 6, Part VI, Section B, Line 12c	West Penn Allegheny Health System, Inc is a member of the West Penn Allegheny Health System (WPAHS) WPAHS has a corporate compliance department that monitors and oversees compliance with the conflict of interest policy of all organizations in the health system The following describes the manner in which the corporate compliance department monitors and oversees compliance with the conflict of interest policy for West Penn Allegheny Health System, Inc as well as the other WPAHS affiliates Conflict of Interest disclosure forms are completed on an annual basis by all board members, officers, employees who have a title of Manager and above, physicians in leadership roles, Pharmacy and Therapeutic Committee members, all employees of the System's Compliance and Internal Audit Departments as well as personnel involved with contracting in the Corporate Purchasing Department Upon completion of the above disclosure statement by all applicable individuals, a report is generated listing all individuals that have reported a conflict The System Compliance Officer and General Counsel review the conflicts disclosed Those that require additional information or clarification receive a letter from the Compliance Officer requesting such Once received, all additional information is added to the report and again reviewed by the Compliance Officer and General Counsel Those conflicts that require a mitigation plan are sent to the respective organization's senior management for development of the mitigation plan The organization's senior management is responsible to discuss the mitigation plan with the individual as needed and monitor compliance with the mitigation plan Once mitigation is received, a final report is reviewed with the System Executive Compliance Council and finally the Audit & Compliance Committee of the Board

Identifier	Return Reference	Explanation
Process Used To Determine Executive Compensation	Form 990, Page 6, Part VI, Section B, Line 15b	The West Penn Allegheny Health Systems (WPAHS) process for determining compensation for executive positions (including officers, key employees and other management positions) within West Penn Allegheny Health System, Inc is covered by the WPAHS Executive Compensation Policy This policy was approved by the West Penn Allegheny Health System, Inc Board of Directors It is the policy of WPAHS and its Board of Directors to compensate its executives in accordance with the market and in relation to the experience, service and accomplishments of the individual both prior to and during their service with WPAHS The Compensation Committee of the West Penn Allegheny Health System, Inc Board of Directors approves the compensation for WPAHS senior executives The Compensation Committee approves the initial compensation for newly hired senior executives, which shall include all compensation components, including without limitation, base compensation, incentive compensation, deferred compensation, fringe and other benefits, as well as the total compensation It shall also approve all base compensation adjustments and all incentive compensation awards, as well as material changes to deferred compensation, fringe, or other benefits The Compensation Committee uses comparability data provided by the System Human Resources Department, which may include industry surveys, expert compensation studies, documented compensation of persons holding similar positions, or other comparable data in approving any executive compensation The Compensation Committee shall periodically retain the services of an independent compensation consultant to provide an expert opinion report as to the reasonableness of total compensation of West Penn Allegheny Health System, Inc officers and key employees Each Compensation Committee member voting on a senior executive's compensation arrangement ensures that he or she has no conflict of interest, including that he or she (a) does not economically benefit from the proposed employment, (b) does not receive compensation subject to the approval of the proposed employee, and (c) has no material financial interest affected by the transaction The Compensation Committee consists of five independent Board Members of West Penn Allegheny Health System, Inc All decisions of the Compensation Committee regarding executive compensation matters are documented

Identifier	Return Reference	Explanation
Public Availability of Organizational Documents	Form 990, Page 6, Part VI, Section C, Line 19	West Penn Allegheny Health System, Inc (WPAHS, Inc) does not make its governing documents available to the public WPAHS, Inc is a member of the West Penn Allegheny Health System (WPAHS) The WPAHS makes available their annual and quarterly financial statements through the use of a dissemination agent These financial statements are on a consolidated basis with WPAHS, Inc being one of the consolidated entities In addition, the WPAHS annual report and quarterly financial results are available on the WPAHS website WPAHS has adopted a conflict of interest policy that is uniformly applied to all organizations of the health system, including WPAHS, Inc A condensed version of this conflict of interest policy is available on the WPAHS website

Identifier	Return Reference	Explanation
Compensation Reported For Individuals Serving Less Than a Full Year	Form 990, Page 7, Part VII, Section A, Column A	The following individuals served as Directors, Officers or Key Employees of West Penn Allegheny Health System, Inc without serving a consecutive twelve month period in the position in which they are being reported The following lists these individuals along with the dates served during the year ended June 30, 2012 Directors George Eichley 07-01-2011 - 01-31-2012 Officers Diane Dismukes 07-01-2011 - 10-31-2011 David Kiehn 07-01-2011 - 12-30-2011 Kathleen Sirkoch 07-01-2011 - 01-31-2012 Keith Ghezzi, MD 11-07-2011 - 06-30-2012 Douglas Womer 11-07-2011 - 06-30-2012 Matthew Peterson 01-31-2012 - 06-30-2012 Robert Brandfass 01-31-2012 - 06-30-2012 Colleen Grimm 01-31-2012 - 06-30-2012 Key Employees William Edmondson 07-01-2011 - 09-02-2011 Gregory Burfitt 07-01-2011 - 10-28-2011 Roy Santarella 07-01-2011 - 11-01-2011 Dwight Monson 07-01-2011 - 12-05-2011 John Foley 07-01-2011 - 02-17-2012 Judy Zedreck 10-29-2011 - 06-30-2012

Identifier	Return Reference	Explanation
Health System Chief Executive and Chief Financial Officer	Form 990, Page 7, Part VII, Section A, Column A	Effective on November 7, 2011, Keith Ghezzi, MD and Douglas Womer were appointed as the System Chief Executive Officer and System Chief Financial Officer respectively Neither Keith Ghezzi, MD nor Douglas Womer are employees of West Penn Allegheny Health System, Inc or any of its affiliated organizations Both are employees of Alvarez & Marsal Healthcare Industry Group, LLC (A&M), a management company engaged by the West Penn Allegheny Health System, Inc Board of Directors to provide management oversight services to West Penn Allegheny Health System, Inc and its affiliated organizations Accordingly, no compensation is reported for Keith Ghezzi, MD or Douglas Womer on Form 990, Page 7, Part VII, Section A, Column (A) Please refer to the narrative in Schedule O corresponding to Form 990, Page 6, Part VI, Section A, Line 3 for a further understanding of the relationship between West Penn Allegheny Health System, Inc and its affiliated organizations and A&M and Form 990, Page 10, Part IX, Line 11a for information related to the cost for West Penn Allegheny Health System, Inc and its affiliated organizations to engage A&M for management oversight services

Identifier	Return Reference	Explanation
Officer, Director and Key Employee Hour Allocation	Form 990, Page 7, Part VII, Section A, Column B	West Penn Allegheny Health System, Inc (WPAHS, Inc) is part of an integrated healthcare delivery system named West Penn Allegheny Health System Individuals employed by one organization may be assigned to provide management for an affiliated organization As such, many individuals play key roles or serve as officers or directors on multiple affiliated organizations Each individual will be assigned forty hours to the organization of their actual employment If the individual is employed by one organization and appointed as an officer, director or key employee of affiliated organizations the hour allocation on Form 990, Part VII, Page 7, Column (B) takes various factors into account when attempting to assign hours in a reasonable manner Thus, it is possible for a single individual to have hours assigned in excess of forty hours per week if all affiliated organization IRS Forms 990 is taken into account Directors who are not employed and volunteer their services are assigned one hour of service The actual time served for all individuals disclosed in IRS Form 990 can vary based upon the need of the organization

Identifier	Return Reference	Explanation
Rental Expense	Form 990, Page 9, Part VIII, Line 6b	West Penn Allegheny Health System, Inc does not account for rental expense in a manner that would allow for a direct offset to rental income The components of rental expense are reported on Form 990, Page 10, Part IX, Statement of Functional Expense

Identifier	Return Reference	Explanation
Purpose Of Tax Exempt Bond Issuance	Form 990, Page 11, Part X, Line 20	The purpose of the issue of the Allegheny County Hospital Development Authority (ACHDA) Hospital Revenue Bonds, Series 2007 A is to refund the outstanding ACHDA Series 2000A and B Bond Issues, refund the Dauphin County General Authority (DCGA) Series 1992A and B Hospital Bonds, the Pennsylvania Higher Education Facility Authority (PHEFA) Series 1991A Revenue Bonds, the Monroeville Hospital Authority (MHA) Series 1992 and 1995 Revenue Bonds, the funding of a project fund for certain prior and future capital expenditures and to pay the cost of issuing Series 2007A Debt

Identifier	Return Reference	Explanation
Other Changes In Net Assets	Form 990, Page 12, Part XI, Line 5	The following is a reconciliation of the Other Changes in Net Assets of West Penn Allegheny Health System, Inc for the year ended June 30, 2012 Net Asset Transfers to Affiated Organizations $(133,859,448) Change in Minimum Pension Liability (63,341,898) Unrealized Gain on Investments (5,584,464) Net Assets Released From Restrictions To The Balance Sheet (8,307,068) _____ Other Changes In Net Assets $(211,092,878)

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493198003363

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
West Penn Allegheny Health System Inc

Employer identification number
25-0969492

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) West Penn Allegheny Foundation LLC 4800 Friendship Avenue Pittsburgh, PA 15224 20-1107650	Capital Acq	PA	3,954,186	28,769,373	WPAHS Inc

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) West Penn Ambulatory Surgical Co LLC 15305 Dallas Parkway Addison, TX 75001 27-2344847	Healthcare	PA	WPAHS Inc	Related	-217,997	16,209		No			No	51 000 %

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) Burn Care Associates 4800 Friendship Avenue Pittsburgh, PA 15224 23-2899534	Healthcare	PA	WPAHS Inc	C Corporation	0	9,338	100 000 %
(2) Medical Center Clinic 4800 Friendship Avenue Pittsburgh, PA 15224 23-2894939	Healthcare	PA	WPAHS Inc	C Corporation	0	51,063	100 000 %
(3) West Penn Corporate Medical Services 4800 Friendship Avenue Pittsburgh, PA 15224 25-1437405	Healthcare	PA	WPAHS Inc	C Corporation	4	29,538	100 000 %
(4) West Penn Neurosurgery 4800 Friendship Avenue Pittsburgh, PA 15224 25-1630719	Inactive	PA	WPAHS Inc	C Corporation	0	0	100 000 %
(5) Friendship Insurance Company Barclay House Shedden Road Grand Cayman, Cayman Islands CJ 98-0116952	Captive Insur	CJ	WPAHS Inc	C Corporation	0	844,311	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.)

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

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

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

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

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

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

Schedule R (Form 990) 2011

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation
Contributions to Allegheny Specialty Practice Network	IRS Form 990, Schedule R, Part V, Line 1b	West Penn Allegheny Health System, Inc (WPAHS, Inc) reflects a contribution to Allegheny Specialty Practice Network (ASPN), EIN 25-1838458, an affiliated 501(c)(3) organization in the amount of $124,195,903 for the year ended June 30, 2012 ASPN provides healthcare practice services to Western Pennsylvania in fields such as cardiology, neurology, oncology, allergy and asthma, anesthesiology, orthopaedics, pediatrics and gynecology among others WPAHS, Inc subsidizes the operations of ASPN through transfers of net assets No repayment obligation exists between WPAHS, Inc and ASPN

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 25-0969492
Name: West Penn Allegheny Health System Inc

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity	g Section 512(b)(13) controlled organization	
Allegheny Medical Practice Network 4800 Friendship Avenue Pittsburgh, PA 15224 25-1838457	Healthcare	PA	501(c)(3)	3	WPAHS Inc	Yes	
Allegheny Specialty Practice Network 320 East North Avenue Pittsburgh, PA 15212 25-1838458	Healthcare	PA	501(c)(3)	3	WPAHS Inc	Yes	
Allegheny Singer Research Institute 320 East North Avenue Pittsburgh, PA 15212 25-1320493	Sci Research	PA	501(c)(3)	4	WPAHS Inc	Yes	
Alle-Kiski Medical Center 1301 Carlisle Street Natrona Heights, PA 15065 25-1875178	Healthcare	PA	501(c)(3)	3	WPAHS Inc	Yes	
Alle-Kiski Medical Center Trust 1301 Carlisle Street Natrona Heights, PA 15065 20-5855753	Fundraising	PA	501(c)(3)	11-I	AKMC		No
Canonsburg General Hospital 100 Medical Boulevard Canonsburg, PA 15317 25-1737079	Healthcare	PA	501(c)(3)	3	WPAHS Inc	Yes	
CGH Ambulance Service Inc 100 Medical Boulevard Canonsburg, PA 15317 23-2939715	Emer Response	PA	501(c)(3)	9	WPAHS Inc	Yes	
Forbes Health Foundation 2570 Haymaker Road Monroeville, PA 15146 25-1798379	Fundraising	PA	501(c)(3)	7	WPAHS Inc	Yes	
Suburban Health Foundation 100 South Jackson Avenue Pittsburgh, PA 15202 25-1472073	Fundraising	PA	501(c)(3)	11-I	WPAHS Inc	Yes	
West Penn Allegheny Oncology Network 4800 Friendship Avenue Pittsburgh, PA 15224 11-3683376	Healthcare	PA	501(c)(3)	11-III FL	WPAHS Inc	Yes	
West Penn Hospital Foundation 4800 Friendship Avenue Pittsburgh, PA 15224 25-1470766	Fundraising	PA	501(c)(3)	11-I	WPAHS Inc	Yes	
West Penn Physician Practice Network 4800 Friendship Avenue Pittsburgh, PA 15224 25-1494317	Healthcare	PA	501(c)(3)	9	WPAHS Inc	Yes	
West Allegheny Hospital 100 Medical Boulevard Pittsburgh, PA 15317 25-1054206	Inactive	PA	501(c)(3)	3	NA	Yes	
Greater Canonsburg Health System 100 Medical Boulevard Canonsburg, PA 15317 25-1488089	Inactive	PA	501(c)(3)	11-I	NA	Yes	
Canonsburg HealthHospital Foundation 100 Medical Boulevard Canonsburg, PA 15317 25-1818505	Inactive	PA	501(c)(3)	11-I	NA	Yes	

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	Allegheny Specialty Practice Network	1b	124,195,903	GAAP Accounting
(2)	Allegheny Medical Practice Network	1b	5,372,814	GAAP Accounting
(3)	Allegheny Singer Research Institute	1b	6,478,329	GAAP Accounting
(4)	West Penn Physician Practice Network	1b	1,093,250	GAAP Accounting
(5)	Suburban Health Foundation	1b	36,126	GAAP Accounting
(6)	The Western Pennsylvania Hospital Foundation	1b	26,812	GAAP Accounting
(7)	West Penn Alleghney Oncology Network	1c	2,860,726	GAAP Accounting
(8)	Forbes Health Foundation	1o	11,961	GAAP Accounting
(9)	Canonsburg General Hospital Ambulance Service	1o	140,627	GAAP Accounting
(10)	Allegheny Singer Research Institute	1o	94,062	GAAP Accounting
(11)	Allegheny Specialty Practice Network	1o	821,741	GAAP Accounting
(12)	Friendship Insurance Company	1p	44,345	GAAP Accounting
(13)	Alle-Kiski Medical Center	1p	60,913,223	GAAP Accounting
(14)	Canonsburg General Hospital	1p	19,386,588	GAAP Accounting
(15)	West Penn Corporate Medical Services	1p	110	GAAP Accounting
(16)	Burn Care Associates Ltd	1p	48,222	GAAP Accounting
(17)	West Penn Allegheny Oncology Network	1p	1,560	GAAP Accounting
(18)	West Penn Physician Practice Network	1p	815,199	GAAP Accounting
(19)	Allegheny Medical Practice Network	1p	120,137	GAAP Accounting
(20)	The Western Pennsylvania Hospital Foundation	1p	18,259	GAAP Accounting

KPMG

WEST PENN ALLEGHENY HEALTH SYSTEM, INC. AND SUBSIDIARIES

Consolidated Financial Statements and
Supplementary Information

June 30, 2012 and 2011

(With Independent Auditors' Report Thereon)

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Table of Contents

	Page(s)
Independent Auditors' Report	1
Consolidated Balance Sheets	2 – 3
Consolidated Statements of Operations	4
Consolidated Statements of Changes in Net Deficit	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7 – 44
Independent Auditors' Report on Supplementary Information	45
Consolidating Balance Sheet Information	46 – 47
Consolidating Statement of Operations Information	48
Consolidating Statement of Changes in Net Deficit	49

KPMG LLP
BNY Mellon Center
Suite 2500
500 Grant Street
Pittsburgh, PA 15219-2598

Independent Auditors' Report

The Board of Directors
West Penn Allegheny Health System, Inc

We have audited the accompanying consolidated balance sheets of West Penn Allegheny Health System, Inc and Subsidiaries (WPAHS) as of June 30, 2012 and 2011, and the related consolidated statements of operations, changes in net deficit, and cash flows for the years then ended These consolidated financial statements are the responsibility of WPAHS' management Our responsibility is to express an opinion on these consolidated financial statements based on our audits

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of West Penn Allegheny Health System, Inc and Subsidiaries as of June 30, 2012 and 2011, and the results of their operations, their changes in net deficit, and their cash flows for the years then ended, in conformity with U S generally accepted accounting principles

As discussed in note 3(r) to the consolidated financial statements, WPAHS adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries* effective July 1, 2011 and retrospectively applied the provisions to June 30, 2011

KPMG LLP

July 15, 2013

KPMG LLP is a Delaware limited liability partnership
the U S member firm of KPMG International Cooperative
(KPMG International) a Swiss entity

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2012 and 2011

(Amounts in thousands)

Assets		2012	2011
Current assets			
Cash and cash equivalents	$	193,816	164,595
Short-term investments		5,108	5,075
Assets limited or restricted as to use		5,744	5,464
Receivables			
Patient accounts – net of allowance for uncollectible accounts of $44,116 and $30,592 in 2012 and 2011, respectively		141,964	132,154
Other		25,094	32,845
Estimated third-party payor settlements		—	13,563
Inventories		21,289	22,554
Prepaid expenses		15,193	19,619
Total current assets		408,208	395,869
Assets limited or restricted as to use		395,487	425,554
Property and equipment, net		406,936	369,218
Other assets, net		75,296	80,008
Total assets	$	1,285,927	1,270,649

(Continued)

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2012 and 2011

(Amounts in thousands)

Liabilities and Net Deficit		2012	2011
Current liabilities			
Current portion of long-term debt	$	15,866	14,742
Accounts payable		94,317	106,879
Accrued expenses		17,445	15,855
Accrued interest		6,699	4,954
Accrued salaries and vacation		55,843	63,309
Current portion of deferred revenue		59,941	10,699
Current portion of self-insurance liabilities		2,954	2,610
Estimated third-party payor settlements		1,163	—
Other current liabilities		12,197	11,855
Total current liabilities		266,425	230,903
Deferred revenue		42,560	42,772
Self-insurance liabilities		77,744	83,229
Long-term debt		878,836	792,492
Accrued pension obligation		278,663	196,256
Other noncurrent liabilities		23,168	24,090
Total liabilities		1,567,396	1,369,742
Net (deficit) assets			
Unrestricted		(527,751)	(356,631)
Temporarily restricted		23,210	23,425
Permanently restricted		223,072	234,113
Total net deficit		(281,469)	(99,093)
Total liabilities and net deficit	$	1,285,927	1,270,649

See accompanying notes to consolidated financial statements

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Consolidated Statements of Operations

Years ended June 30, 2012 and 2011

(Amounts in thousands)

	2012	2011
Unrestricted revenues and other support		
Net patient service revenue	$ 1,479,569	1,503,824
Other revenue	80,980	87,359
Net assets released from restrictions	3,652	4,900
Total unrestricted revenues and other support	1,564,201	1,596,083
Expenses		
Salaries, wages, and fringe benefits	866,488	848,956
Patient care supplies	279,937	275,392
Professional fees and purchased services	164,437	158,043
General and administrative	172,515	171,162
Provision for bad debts	80,805	69,092
Depreciation and amortization	65,740	60,507
Interest	40,335	37,941
Restructuring	8,841	26,782
Total expenses	1,679,098	1,647,875
Operating loss	(114,897)	(51,792)
Investment income	14,242	17,884
Gifts and donations	14,045	50,652
Gain from divestiture	—	9,606
Gain (loss) in joint venture investment	1,863	(5,908)
(Deficiency) excess of revenues over expenses	(84,747)	20,442
Net assets released for property acquisitions and donated capital	781	2,400
Pension changes other than periodic benefit cost	(86,954)	55,707
Other transfers	(200)	(183)
(Decrease) increase in unrestricted net assets	$ (171,120)	78,366

See accompanying notes to consolidated financial statements

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Consolidated Statements of Changes in Net Deficit

Years ended June 30, 2012 and 2011

(Amounts in thousands)

		2012	2011
Unrestricted net deficit			
(Deficiency) excess of revenues over expenses	$	(84,747)	20,442
Net assets released for property acquisitions and donated capital		781	2,400
Pension changes other than periodic benefit cost		(86,954)	55,707
Other transfers		(200)	(183)
(Increase) decrease in unrestricted net deficit		(171,120)	78,366
Temporarily restricted net assets			
Contributions		3,081	3,562
Investment income		882	1,168
Net assets released from restrictions used for			
Operations		(3,652)	(4,900)
Acquisition of equipment		(781)	(2,400)
Change in net unrealized gains on other than trading securities		—	803
Other transfers		255	(407)
Decrease in temporarily restricted net assets		(215)	(2,174)
Permanently restricted net assets			
Contributions		4	447
Investment income		7,205	8,632
Change in net unrealized (losses) gains other than trading securities		(8,574)	27,475
Transfers out of endowments/participating trust to investment income and operations		(9,695)	(9,911)
Other transfers		19	369
(Decrease) increase in permanently restricted net assets		(11,041)	27,012
(Increase) decrease in net deficit		(182,376)	103,204
Net deficit – beginning of year		(99,093)	(202,297)
Net deficit – end of year	$	(281,469)	(99,093)

See accompanying notes to consolidated financial statements

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended June 30, 2012 and 2011

(Amounts in thousands)

	2012	2011
Cash flows from operating activities		
(Increase) decrease in net deficit	$ (182,376)	103,204
Adjustments to reconcile (increase) decrease in net deficit to net cash (used in) provided by operating activities		
Depreciation and amortization	65,740	60,507
Unrealized losses (gains) on unrestricted investments	1,286	(4,519)
Gain from divesture	—	(9,606)
Noncash premium amortization	(299)	(304)
Change in pension liability	86,954	(55,707)
Noncash pension expense	27,492	29,850
Provision for bad debts	80,805	69,092
Unrealized losses (gains) on restricted investments	8,574	(28,278)
Realized gains on investments	(7,359)	(6,913)
Restricted contributions	(3,085)	(4,009)
Increase (decrease) in cash from changes in		
Receivables	(82,864)	(48,043)
Prepaid expenses	4,426	(5,301)
Inventories	1,265	1,747
Accounts payable and accrued expenses	(31,253)	17,819
Estimated third-party payor settlements	14,726	(6,366)
Deferred revenue	49,030	2,981
Self-insurance liabilities	(5,141)	1,723
Pension contributions	(32,039)	(75,710)
Other assets	3,877	2,832
Other liabilities	(580)	(248)
Net cash (used in) provided by operating activities	(821)	44,751
Cash flows from investing activities		
Acquisition of property and equipment	(88,063)	(101,050)
Proceeds from divestiture	—	10,245
Purchase of assets limited or restricted as to use and short-term investments	(449,149)	(657,230)
Sales of assets limited or restricted as to use and short-term investments	476,402	700,539
Net cash used in investing activities	(60,810)	(47,496)
Cash flows from financing activities		
Repayments of long-term debt	(15,370)	(12,980)
Proceeds from issuance of long-term debt	103,137	7,643
Proceeds from restricted contributions	3,085	4,009
Net cash provided by (used in) financing activities	90,852	(1,328)
Net increase (decrease) in cash and cash equivalents	29,221	(4,073)
Cash and cash equivalents – beginning of year	164,595	168,668
Cash and cash equivalents – end of year	$ 193,816	164,595
Supplemental disclosures		
Cash paid for interest – net of amounts capitalized of $2,984 and $3,440 for 2012 and 2011, respectively	$ 38,560	34,572
Property additions in accounts payable and other liabilities	25,037	10,477

See accompanying notes to consolidated financial statements

(1) Organization

West Penn Allegheny Health System, Inc and Subsidiaries (WPAHS or the System) is a Pennsylvania nonprofit charitable corporation that provides routine and tertiary healthcare services

WPAHS operates Allegheny General Hospital (AGH), The Western Pennsylvania Hospital (WPH) and Forbes Regional Hospital (FRH) In addition, the System consists of the following entities, with WPAHS as the sole member of these entities

- Alle-Kiski Medical Center (AKMC) and its wholly owned subsidiary, Alle-Kiski Medical Center Trust (AKMC Trust)
- Canonsburg General Hospital (CGH) and its wholly owned subsidiary, Canonsburg General Hospital Ambulance Service (CGH Ambulance)
- West Penn Allegheny Foundation, LLC (WPAF)
- The Western Pennsylvania Hospital Foundation (WPHF)
- Forbes Health Foundation (FHF)
- Allegheny Medical Practice Network (AMPN)
- Allegheny Specialty Practice Network (ASPN)
- West Penn Physician Practice Network (WPPPN)
- West Penn Allegheny Oncology Network (WPAON)
- Allegheny Singer Research Institute (ASRI)
- Suburban Health Foundation (SHF)
- West Penn Corporate Medical Services, Inc (WPCMSI)
- Friendship Insurance Company, Ltd * (FIC)

* since dissolved

Each member of the Obligated Group (the Obligated Group) is jointly and severally liable for the satisfaction of the outstanding bond debt of WPAHS (note 11) All members of the System with the exception of FIC, AKMC Trust, and WPAF are members of the Obligated Group

(2) Significant Developments and Other Considerations

WPAHS has seen continued operating losses throughout the last several fiscal years, including through the first three quarters of its fiscal year 2013 In addition to these recurring losses, WPAHS has experienced a significant decline in volumes within a challenging service area that includes significant competition and declining demographics Based on these experiences, management has developed and the board of directors approved a strategy to expand and adjust operations, a key component of which was to affiliate with Highmark Health Services (formerly known as Highmark Inc)

On June 28, 2011, WPAHS announced its intention, via the signing of a term sheet, to pursue an affiliation with Highmark Health Services On October 31, 2011, WPAHS, Highmark Health Services and various other parties executed an Affiliation Agreement pursuant to which Highmark Health Services and WPAHS agreed to establish a new integrated health system to improve quality and access to care in the Western

Pennsylvania region under the common control of a new nonprofit parent company, Highmark (formerly known as Ultimate Parent Entity (UPE)), subject to satisfaction of stated closing conditions (the Transaction) Upon the closing of the Transaction on April 29, 2013, Highmark became the parent company of Highmark Health Services and Allegheny Health Network (formerly known as UPE Provider Sub) and Allegheny Health Network became the sole member of WPAHS Highmark has certain reserved powers in WPAHS and seventy-five percent of the board of directors of WPAHS is appointed by Highmark, the remaining twenty-five percent is self-perpetuating

In accordance with the terms of the Affiliation Agreement, through June 30, 2012, Highmark Health Services has provided $200,000 in the form of loans and unrestricted payments to WPAHS Included in this total is an initial $50,000 unrestricted payment, which was made upon the signing of the Term Sheet and is included in gifts and donations as of June 30, 2011 on the accompanying consolidated statement of operations When the Affiliation Agreement was signed on October 31, 2011 an additional $100,000, comprised of a $50,000 unrestricted payment (which is included as deferred revenue as of June 30, 2012 on the accompanying consolidated balance sheet) and a $50,000 note payable (see note 11), was provided by Highmark Health Services On April 27, 2012, a loan of $50,000 (see note 11) was made to WPAHS by Highmark Health Services On April 29, 2013, an additional loan of $100,000 was made to WPAHS and an additional $75,000, less advances of $19,158 and certain accounts payable of $16,240, was paid to WPAHS in the form of an unconditional, unrestricted grant All loans from Highmark Health Services are secured by security interests in and mortgages of real and personal property of WPAHS and certain of its affiliates An additional $100,000 in the form of loans is expected to be made on April 30, 2014 Under the terms of the Affiliation Agreement, WPAHS will remain the primary obligor for repayment of its obligations

On April 29, 2013, Highmark Health Services acquired $604,170 of the outstanding 2007A Bonds in a cash tender offer At the same time, the master indenture and related bond indenture for the 2007A Bonds were amended to, among other changes, eliminate debt service coverage ratio, days cash on hand and certain other covenants of WPAHS, defer interest and principal payments on certain maturities of the tendered bonds, and to permanently waive prior defaults Additionally, the Highmark Health Services note payable loan agreements (see note 11) were amended to, among other changes, forgive interest on the related notes if certain conditions are met Highmark may, at its discretion, implement additional deferrals on the repayment options for WPAHS, including the pursuit of alternative financing arrangements The Board of Directors of Highmark has authorized WPAHS to enter into agreements that would refinance the 2007A bonds that Highmark Health Services currently holds WPAHS has received commitments from several financial institutions to consummate this refinancing plan WPAHS anticipates that closing on the financing agreements will occur in the first quarter of fiscal year 2014, subject to receipt of approval by the Pennsylvania Insurance Department These actions should provide WPAHS the financial flexibility required to permit management to implement additional turnaround initiatives, which may include consolidating lines of service among Highmark's provider operations, increasing patient volumes through continued recruitment of primary care and specialty physicians, designing new insurance products with Highmark Health Services, and implementing certain revenue cycle improvement plans, among other initiatives Management believes that these initiatives coupled with the financial flexibility provided by the

Affiliation will continue to improve the operating results of WPAHS, although there can be no assurance that this will occur

Subsequent to the signing of the Affiliation Agreement there was turnover in WPAHS senior management Beginning November 7, 2011, WPAHS' daily operations were managed by interim executives from a turnaround firm, including its interim chief executive officer, interim chief operating officer and interim chief financial officer positions The interim management team was in place through April 29, 2013, the date of the Closing of the Affiliation Since April 29, 2013, WPAHS has been under new management and Allegheny Health Network is providing management and administrative support to WPAHS These executives are continuing to execute the turnaround initiatives discussed above

(3) Summary of Significant Accounting Policies

The significant accounting policies applied in preparing the accompanying consolidated financial statements are summarized below

(a) Basis of Accounting

WPAHS maintains its accounts on the accrual basis of accounting

(b) Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the entities identified in note 1 Joint venture investments, investments in limited partnerships, and investments with an ownership interest greater than 20% where control is not demonstrated are accounted for using the equity method

All significant intercompany balances and transactions have been eliminated in consolidation

(c) Use of Estimates in the Preparation of Consolidated Financial Statements

The preparation of consolidated financial statements in conformity with U S generally accepted accounting principles (U S GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

Investment securities and pension obligations are exposed to various risks, such as interest rate, market, and credit risks Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities and interest rates, it is at least reasonably possible that these changes in risks in the near term could materially affect the amounts reported in the accompanying consolidated balance sheets, statements of operations, and statements of changes in net assets

(Continued)

(d) Net Patient Service Revenue

WPAHS has agreements with third-party payors that provide for payments to WPAHS at amounts different from its established rates Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services as they are rendered and includes estimated retroactive revenue adjustments due to future retrospective audits, reviews, and investigations Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations A summary of the payment arrangements with major third-party payors is as follows

Medicare – Inpatient acute care services and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates WPAHS is reimbursed for services rendered at a tentative rate with a final settlement determined after submission of annual cost reports by WPAHS and audits thereof by the Medicare fiscal intermediary As of June 30, 2012, WPAHS' entities' Medicare cost reports have been audited by the Medicare fiscal intermediary through the year ended June 30, 2007 for all hospitals Through the subsequent events period, WPAHS' entities' Medicare cost reports were audited by the Medicare fiscal intermediary through the year ended June 30, 2009 for all hospitals

Medical Assistance – Inpatient care and outpatient services rendered to Medical Assistance eligible patients are paid at prospectively determined rates

Blue Cross – Inpatient and outpatient services rendered to Blue Cross subscribers are reimbursed at prospectively determined rates

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

During the years ended June 30, 2012 and 2011, net patient service revenue increased $4,313 and $1,917, respectively, due to prior year retroactive adjustments in excess of amounts previously estimated

Revenue from the Medicare and Medical Assistance programs accounted for approximately 42% and 8%, respectively, of WPAHS' net patient service revenue for the year ended June 30, 2012, and 39% and 8%, respectively, for the year ended June 30, 2011 Laws and regulations governing the Medicare and Medical Assistance programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term

On July 9, 2010, the Pennsylvania General Assembly passed the Medicaid Modernization and Hospital Fair Payment Act (Act 49), and as a result, healthcare providers in Pennsylvania are subject to a statewide hospital assessment (known as the Quality Care Assessment) dependent upon the

conditions and requirements specified in Act 49 during the three-year period July 1, 2010 through June 30, 2013 Act 49 has the following goals provide savings to the Commonwealth of Pennsylvania and to provide fairness and accuracy in payments to hospitals for inpatient services by funding the All Patient Refined-Diagnostic Related Groups (APR-DRG) prospective payment system

Revenues generated from the assessment under Act 49 requires the Department of Public Welfare (DPW) to use a new prospective payment system (APR-DRG) to pay hospitals in the Medical Assistance fee-for-service program for inpatient services provided on or after July 1, 2010 In addition, it requires DPW to make supplemental payments to hospitals, such as inpatient disproportionate share and medical and health professional education hospitals, in accordance with the state plan approved by the federal government

The net patient services revenue impact of Act 49 on WPAHS in fiscal year 2012 was $29,242, while the expense impact of the assessment on WPAHS in fiscal year 2012 was $23,588 The net patient services revenue impact of Act 49 on WPAHS in fiscal year 2011 was $30,827, while the expense impact of the assessment on WPAHS in fiscal year 2011 was $21,610 These amounts are included in patient service revenue and general administrative expenses, respectively

WPAHS grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements The mix of net receivables from patients and third-party payors at June 30, 2012 and 2011 is as follows

	2012	2011
Medicare	31%	36%
Medical assistance	14	11
Blue Cross	19	21
Other third-party payors	34	30
Patients	2	2
	100%	100%

WPAHS was a party to a settlement agreement dated April 5, 2012 with the United States Department of Health and Human Services (HHS), the Secretary of HHS and the Centers for Medicare & Medicaid Services (CMS) WPAHS, along with a group of other Medicare providers, challenged HHS's calculation of the rural floor budget neutrality adjustment for the Medicare Program's inpatient prospective payment system pursuant to the Balanced Budget Act of 1997 Under the settlement agreement, WPAHS received $9,170 during the year ended June 30, 2012 and recognized this amount as net patient services revenue in the accompanying consolidated statements of operations Related professional fees of $917 are included in professional fees and purchased services in the accompanying consolidated statements of operations

(e) Excess (Deficiency) of Revenues over Expenses

The consolidated statements of operations and changes in net assets include an excess (deficiency) of revenues over expenses as a performance indicator Changes in unrestricted net deficit, which are excluded from deficiency of revenues over expenses for the year ended June 30, 2012 and an excess of revenues over expenses at June 30, 2011, consistent with industry practice, include changes in permanent transfers of assets to and from affiliates for other than goods and services, pension liability adjustments not reflected in pension expense, and contributions of long-lived assets (including assets acquired using contributions, which, by donor restriction, were to be used for the purposes of acquiring such assets)

(f) Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments purchased with original maturities of three months or less Cash equivalents are stated at cost, which approximates fair value

(g) Inventories

Inventories, consisting of drugs and medical supplies, are stated at the lower of cost (first-in, first-out) or market value

(h) Investments and Assets Limited or Restricted as to Use

Investments classified as assets limited or restricted as to use in the accompanying consolidated balance sheets primarily include assets held by trustees under indenture agreements, temporarily and permanently restricted assets, and designated assets set aside by the board of directors for future capital improvements, over which the board retains control and may use for other purposes at its discretion Amounts required to meet current liabilities have been included in current assets in the accompanying consolidated balance sheets at June 30, 2012 and 2011 Short-term investments include certificates of deposit with original maturities of greater than three months that will come due in one year or less

Investment income or loss (including realized gains and losses on investments, interest and dividends, and unrealized gains and losses on investments) is included in the excess (deficiency) of revenues over expenses unless this income or loss is restricted by donor or law Investment income (including realized gains and losses on investments and unrealized gains and losses on temporarily and permanently restricted gifts) is recorded based on donor restriction as part of the corresponding net asset class within the consolidated statements of changes in net assets

Debt and equity securities are recorded at fair value Beneficial interests in perpetual trusts are recorded at the fair value of the underlying assets in the trust The present value of the estimated future cash receipts from the trusts approximates the fair value

(i) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use has been limited by donors for a specific purpose or time period. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity, except as provided by the provisions of Section 8113 of the Pennsylvania Probate, Estate, and Fiduciaries Code (note 5). Temporarily restricted net assets released from restriction, as their specific purpose or time period has been met during the reporting period, are reflected in the accompanying consolidated statements of operations.

(j) Property and Equipment

Property and equipment acquisitions are recorded at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related asset, which are as follows:

	Life
Description of assets	
Buildings and building improvements	10 – 40 years
Equipment	3 – 30 years
Leasehold improvements	5 – 25 years
Land improvements	10 – 20 years

(k) Other Assets

Deferred financing costs are being amortized over the respective terms of the related bond issues utilizing the effective-interest method. Other assets include noncompete arrangements and signing bonuses, which are amortized over the life of the respective arrangement.

(l) Long-Lived Assets and Goodwill

WPAHS reviews long-lived assets and certain identifiable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Goodwill is reviewed for impairment at least annually. Management has reviewed the carrying amount of these assets and has determined that they are not currently impaired.

(m) Donor-Restricted Gifts

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

assets released from restrictions Donor-restricted contributions, whose restrictions are met within the same year as received, are reported as unrestricted contributions in the accompanying consolidated statements of operations

(n) Income Taxes

WPAHS and all other member entities, with the exception of WPCMSI, WPAF, and FIC, are not-for-profit corporations that have been recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code (IRC) WPCMSI is a taxable corporation WPAF is a single member limited liability corporation FIC is registered under the laws of the Cayman Islands

WPAHS adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, *Income Taxes*, which clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements FASB ASC 740 prescribes a more-likely than-not recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken Under FASB ASC 740, tax positions will be evaluated for recognition, de-recognition, and measurement using consistent criteria and will provide more information about the uncertainty in income tax assets and liabilities Based on an analysis prepared by WPAHS, it was determined that the application of FASB ASC 740 had no material effect on the recorded tax assets and liabilities of WPAHS

(o) Other Revenue

Other revenue is derived from services other than providing healthcare services to patients Included in other revenue are meaningful use incentive payments, grants, rent, parking, cafeteria, tuition, contract revenue, and sale leaseback gain amortization

CMS has implemented provisions of the American Recovery and Reinvestment Act of 2009 to provide incentive payments for the meaningful use of certified electronic health record (EHR) technology CMS has defined meaningful use as meeting certain objectives and clinical quality measures based on current and updated technology capabilities over predetermined reporting periods as established by CMS The Medicare EHR incentive program provides annual incentive payments to eligible professionals, hospitals, and critical access hospitals that are meaningful users of certified EHR technology The Medicaid EHR incentive program provides annual payments to eligible professionals and hospitals for efforts to adopt, implement, and meaningfully use certified EHR technology WPAHS utilized a grant accounting model to recognize EHR incentive revenues WPAHS records EHR incentive revenue ratably throughout the incentive reporting period when it is reasonably assured that it will meet the meaningful use objectives for the required reporting period and that the grants will be received The EHR reporting period for the hospitals is based on the federal fiscal year, which runs from October 1 through September 30 In 2012, WPAHS recorded $4,442 of Medicare revenues and $5,350 of Medicaid revenues, for a total of $9,792 in EHR incentives Such amounts are included in other revenue on the consolidated statements of operations

(p) Asset Retirement Obligations (ARO)

WPAHS accounts for asset retirement obligations in accordance with FASB ASC 410, *Asset Retirement and Environmental Obligations* FASB ASC 410 clarifies an entity is required to recognize a liability and capitalize costs for the fair value of a conditional ARO when incurred if the fair value of the liability can be reasonably estimated or when the entity has sufficient information to reasonably estimate the fair value of the ARO FASB ASC 410 requires an ARO liability be recognized at its net present value, with a corresponding increase to the carrying amount of the long-lived asset to which the ARO relates The ARO liability is accreted through periodic charges to accretion expense The initially capitalized ARO long-lived asset cost is depreciated over the useful life of the related long-lived asset

In the normal course of operations, WPAHS performs repairs and maintenance on its buildings Additionally, WPAHS is involved in ongoing construction and renovation projects WPAHS has identified costs that may be incurred for asbestos abatement, which would be legally required, if exposed as a result of such construction and renovation projects

The significant assumptions and estimates used in the calculation of the AROs are based on the facts and circumstances reasonably known at that time of estimation They include the estimated settlement date of the obligation, the estimated retirement obligation cost, the assumed inflation rate, and the discount rate

WPAHS has an ARO liability to recognize the costs associated with future asbestos removal This represents the present value of the expected future cash flows based on various potential settlement possibilities, including normal repairs and maintenance and currently known renovation plans between 2013 and 2049, which represents management's estimated time period for removal The liability was $4,280 and $4,038 at June 30, 2012 and 2011, respectively WPAHS has incurred costs of $130 and $548 in 2012 and 2011, respectively, relating to asbestos removal Accretion expense and estimate revisions were $372 in 2012 and $364 in 2011 The ARO liability has been discounted using a rate of 9 0% as of the date of adoption

(q) Restructuring Expenses

WPAHS has incurred various costs associated with its turnaround plans described in note 2 and has included these expenses as a separate caption on the consolidated statements of operations These expenses primarily consist of severance, consulting and other professional services

(r) Recently Issued Accounting Pronouncements

In July 2011, the FASB issued Accounting Standards Update (ASU) No 2011-07 (ASU 2011-07), *Health Care Entities* (Topic 954) *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* ASU 2011-07 requires health care entities that recognize significant amounts of patient service revenue at the time the services are rendered, even though they do not assess the patient's ability to pay, to present the provision for bad debts related to patient service revenue as a deduction from

patient service revenue (net of contractual allowances and discounts) on their statement of operations ASU 2011-07 will reclassify the provision for bad debts from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts) Additional disclosures are required related to policies for recognizing revenue and assessing bad debts and disclosures of patient service revenue (net of contractual allowances and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts This ASU is effective for the System on July 1, 2012 The System is currently evaluating the impact on its disclosures from the adoption of this pronouncement

In May 2011, the FASB issued ASU No 2011-04 (ASU 2011-04), *Fair Value Measurement* (Topic 820) *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U S GAAP and IFRSs* ASU 2011-04 resulted in common fair value measurement and disclosure requirements in U S GAAP and International Financial Reporting Standards (IFRSs) ASU 2011-04 is intended to clarify requirements in Topic 820, but also includes amendments where a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements has changed For many of the requirements, this ASU is not intended to result in a change in the application of the requirements in Topic 820 This ASU is effective for the System on July 1, 2012 The adoption of this guidance is not expected to have a material effect on the System's consolidated financial statements

In August 2010, the FASB issued ASU No 2010-23 (ASU 2010-23), *Health Care Entities* (Topic 954) *Measuring Charity Care for Disclosure* ASU 2010-23 is intended to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care ASU 2010-23 requires that cost be used as the measurement basis for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing the charity care, and requires disclosure of the method used to identify or determine such costs This ASU is effective for the System on July 1, 2011 The System adopted the provisions of this standard on July 1, 2011 and retrospectively applied the provisions to all periods presented The adoption had no impact on the previously reported excess of expenses over revenues or net assets

In August 2010, the FASB issued ASU No 2010-24, *Health Care Entities* (Topic 954) *Presentation of Insurance Claims and Related Insurance Recoveries* The amendments in the ASU clarify that a healthcare entity may not net insurance recoveries against related claim liabilities In addition, the amount of the claim liability must be determined without consideration of insurance recoveries (see notes 9 and 15) This ASU is effective for the System on July 1, 2011 The System adopted the provisions of this standard on July 1, 2011 and retrospectively applied the provisions to all periods presented The adoption had no impact on the previously reported excess of expenses over revenues or net assets

In January 2010, the FASB issued ASU No 2010-06 (ASU 2010-06), *Fair Value Measurements and Disclosures*, which clarifies certain existing fair value measurement disclosure requirements of ASC Topic 820 (Topic 820) *Fair Value Measurement* (formerly SFAS No 157, *Fair Value Measurements*) and also requires additional fair value measurement disclosures Specifically, ASU 2010-06 clarifies that assets and liabilities must be categorized by major class, or level, of asset

or liability, and provides guidance regarding the identification of such major classes Additionally, disclosures are required about valuation techniques and the inputs to those techniques, for those assets or liabilities designated as Level 2 or Level 3 instruments Disclosures regarding transfers between Level 1 and Level 2 assets and liabilities are required, as well as a deeper level of disaggregation of activity within existing rollforwards of the fair value of Level 3 assets and liabilities These additional fair value measurement disclosure requirements are applicable for interim and annual periods beginning after December 15, 2009, excluding the additional requirements related to Level 3 rollforward activity This ASU is effective for the System on July 1, 2011 The System adopted the provisions of this standard on July 1, 2011 and retrospectively applied the provisions to all periods presented The adoption had no impact on the previously reported excess of expenses over revenues or net assets

(s) Reclassifications

Certain amounts included in the 2011 consolidated financial statements have been reclassified to conform with the 2012 presentation

(4) Uncompensated Care and Community Service Benefits

To improve the health of the people of the Western Pennsylvania region and consistent with its tax-exempt status, WPAHS provides needed healthcare services to individuals regardless of their ability to pay for all or part of the services rendered These services include both inpatient and outpatient services as well as maintaining five emergency departments that are available 24 hours a day, including a Level I regional resource trauma center, air and ground emergency transportation, and many primary care and specialty care practices that provide services to the community without regard to the ability to pay for services rendered

WPAHS maintains a written charity care policy that defines the levels of household income that would qualify for various levels of charity care Patients can qualify for charity care with household incomes of up to four times the federal poverty guidelines WPAHS does not pursue collection of amounts that qualify as charity care in accordance with the policy, and as a result, these amounts are not reported as revenue The cost for services and supplies provided for those individuals who applied for and qualified under the system charity care policy amount to $4,832 and $4,649 for the years ended June 30, 2012 and 2011, respectively The System estimated these costs by applying the cost of total direct and indirect costs of each procedure to the individual charity care cases Patients are required to apply for the charity care discount, but often do not complete the necessary paperwork to determine if they qualify As a result, there is an unquantifiable amount of uncompensated services that would potentially be considered charity care under the policy, but rather are ultimately reflected in bad debt expense

In addition to uncompensated care, WPAHS provides free and below cost services and programs for the benefit of the community The cost of these programs is included in salaries, wages, and fringe benefits, patient care supplies, professional fees and purchased services, and other expense lines in the accompanying consolidated statements of operations

Services are also provided to beneficiaries of government-sponsored programs, including state Medical Assistance and indigent care programs Reimbursement from these programs is often less than the cost of providing these services

(5) Cash, Short-Term Investments, and Assets Limited or Restricted as to Use

Cash, short-term investments, and assets limited or restricted as to use as of June 30, 2012 and 2011 consist of the following components

		2012	2011
Cash and cash equivalents	$	193,816	164,595
Short-term investments		5,108	5,075
Assets limited or restricted as to use			
Unrestricted			
Designated by board of directors for			
Capital improvements		32,754	31,570
Foundation		41,088	39,693
Capital project funds		—	26,899
Debt service reserve		57,479	57,175
Self-insurance		12,331	6,517
Grant funds and other		11,297	11,626
Total unrestricted		154,949	173,480
Temporarily restricted		23,210	23,425
Permanently restricted		223,072	234,113
Total assets limited or restricted as to use and beneficial interest in perpetual trust		401,231	431,018
Less current portion		5,744	5,464
Assets limited or restricted as to use, including beneficial interests in perpetual trusts – net of current portion		395,487	425,554
Total cash, short-term investments and assets limited or restricted as to use	$	600,155	600,688

(Continued)

Cash, short-term investments, and assets limited or restricted as to use by investment type as of June 30, 2012 and 2011 consisted of the following

	Fair value	
	2012	2011
Cash and short-term investments	$ 237,258	245,625
Government and corporate obligations	158,118	125,633
Marketable equity securities	165	2,520
Endowments managed by donor selected trustees	196,062	207,020
Collective funds and fund of funds	122	4,506
Tactical asset allocation fund	165	7,137
Pledges receivable	828	1,032
Certificates of deposit	7,437	7,215
	$ 600,155	600,688

The System's investments in collective funds and fund of funds are valued using net asset value (NAV) as a practical expedient for fair value As of June 30, 2012 and 2011, there are no unfunded commitments to these investments The conditions of withdrawal vary by individual investment and generally require a minimum notification of 90 days for withdrawal of funds as of quarterly measurement dates Certain investments contain lock-up provisions for the first twelve months

Investment income for the years ended June 30, 2012 and 2011 consisted of the following

	2012		
	Unrestricted	Temporarily restricted	Permanently restricted
Dividends and interest – net of trustee fees	$ 11,546	872	3,838
Net realized gains on investments	3,982	10	3,367
Net unrealized losses	(1,286)	—	(8,574)
	$ 14,242	882	(1,369)

	2011		
	Unrestricted	Temporarily restricted	Permanently restricted
Dividends and interest – net of trustee fees	$ 11,162	1,057	4,033
Net realized gains on investments	2,203	111	4,599
Net unrealized gains	4,519	803	27,475
	$ 17,884	1,971	36,107

(Continued)

The recognition of unrealized gains and losses on investments that are restricted as to use are recorded directly to temporarily and permanently restricted net assets as required by donor or regulation These investments consist primarily of marketable equity securities, federal agency mortgages, corporate bonds, and U S Treasury obligations All unrealized gains and losses on unrestricted investments are recognized as part of investment income within the consolidated statements of operations

During May 2000, the Orphan's Court of Pennsylvania permitted the election of a fixed investment income distribution under the provisions of Section 8113 (the Election) of the Pennsylvania Probate, Estate, and Fiduciaries Code for certain trust accounts, which name applicable WPAHS entities as the sole beneficiary The Pennsylvania legislature enacted legislation with respect to charitable Trusts, which permits a Trustee of a charitable Trust to adopt a total return investment policy and, by doing so, to redefine income as a percentage of a rolling average market value of the charitable Trust as averaged over a period of at least three years, provided, however, that such election is not in contravention of the terms of the charitable Trust agreement and is consistent with the long term preservation of the principal value of the charitable Trust

The provisions of the law governing these changes are found at 20 PA C S A 8113 and took effect December 21, 1998 If an election is made under this law, the percentage of the market value of the charitable Trust to be treated as income and the rolling time period upon which the percentage is based is to be redetermined annually by the Trustee, such election is to be in writing Further, the percentage that may be elected is limited to a range between 2% – 7% Lastly, the statute contains language that cautions against electing the highest ranges of 6% and 7% on a regular basis Distributions from these charitable Trusts are included in investment income in the accompanying consolidated statements of operations and totaled $5,620 and $7,013 for the years ended June 30, 2012 and 2011, respectively Under the provisions of the Election, there is no settlement required with the Trustee should the Trustee be permitted to revoke the Election

(6) Fair Value Measurements and the Fair Value Option

The following methods and assumptions were used in estimating the fair value of WPAHS' financial instruments

(a) Fair Value of Financial Instruments

Cash and Cash Equivalents – The carrying value reported in the consolidated balance sheets for cash and cash equivalents approximates their fair value

Marketable Securities, Short-Term Investments, and Assets Limited or Restricted as to Use – Fair values of the securities are reported in the consolidated balance sheets and are based on quoted market prices, if available, or estimated using quoted market prices for similar securities Certain investments are considered alternative investments are reported at NAV, which is used as a practical expedient for fair value

Accounts Payable and Other Accrued Liabilities – The carrying value reported in the consolidated balance sheets for these obligations approximates their fair value

Self-Insurance Liabilities – The carrying and fair values of the self-insurance liabilities are actuarially determined

Long-Term Debt – Fair value of WPAHS' revenue bonds and notes are based on current traded value The fair value and carrying amounts of the Series 2007 A bonds were $605,825 and $725,775, respectively, at June 30, 2012 and $622,731 and $736,999, respectively, at June 30, 2011 WPAHS has determined that it is not practical to estimate the fair value of the Floating Rate Restructuring Certificates and the Series 2006 A and B notes without incurring excessive costs as a quoted market price is not available The fair value of the mortgage loan approximates its carrying value as it is a resettable rate debt The fair value of the Highmark Health Services Note Payable approximates its carrying value

Endowments Managed by Donor-Selected Trustees – Permanently restricted net assets consist of amounts held in perpetuity as designated by donors, including the System's portion of beneficial interests in several endowments managed by donor-selected trustees The interest in these trusts is measured at the fair market value of the underlying investments, which approximates the present value of the expected future cash flows, for which the System is an income beneficiary

Pledges Receivable – Pledges receivable are recorded upon receipt of written correspondence from the donor for the original amount of the pledge, less a reserve for potential uncollectible amounts estimated by management This amount is assumed to approximate the fair value of the pledge receivable balance

(b) Fair Value Hierarchy

ASC 820, *Fair Value Measurement* establishes a framework in generally accepted accounting principles for measuring fair value and expands disclosures about fair value measurements Although it does not require any new fair value measurements, ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and should be determined based on the assumptions that market participants would use in pricing the asset or liability

ASC 820 establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values The hierarchy gives the highest priory to unadjusted quoted prices in active markets (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements) The three levels of fair value hierarchy are as follows

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

Level 2 – Observable inputs other than quoted prices in Level 1 Inputs such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar liabilities that are not active, or other inputs that are observable or can be corroborated by observable market data

Level 3 – Unobservable inputs that are significant to the valuation of assets or liabilities and are supported by little or no market data

Quoted market prices are used when available to determine the fair value of investment securities and these are categorized as Level 1. The inputs used to fair value Level 1 instruments are unadjusted quoted prices derived from stock exchanges as provided by the trustee. Level 1 instruments primarily consist of cash and cash equivalents, domestic equities, foreign equities, exchange traded funds, regulated investment companies, and exchange traded American deposit receipts and certain government securities.

Investments in Level 2 primarily comprise corporate bonds, international bonds, and asset-backed securities and agency bonds. Level 2 inputs primarily consist of contract prices, quotes from independent pricing vendors based on recent trading activity and other relevant information including matrix pricing, market corroborated pricing, yield curves and other indices, which are used as provided by the trustee when Level 1 inputs are not available.

Investments classified as Level 3 in the fair value hierarchy include collective funds, the tactical asset allocation fund, and fund of funds. These assets are valued using inputs such as the funds' net asset value as of year-end as a practical expedient for the fair value of the investment.

The following table presents assets that are measured at fair value on a recurring basis at June 30, 2012:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Cash and cash equivalents	$ 237,019	239	—	237,258
Government and corporate obligations	71,222	86,896	—	158,118
Marketable equity securities	165	—	—	165
Endowments managed by donor selected trustees	—	—	196,062	196,062
Collective funds and fund of funds	—	—	122	122
Tactical asset allocation fund	—	—	165	165
Pledges receivable	—	—	828	828
Certificates of deposit	7,437	—	—	7,437
Total assets measured at fair value	$ 315,843	87,135	197,177	600,155

(Continued)

The following table presents assets that are measured at fair value on a recurring basis at June 30, 2011

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Cash and cash equivalents	$ 245,332	293	—	245,625
Government and corporate obligations	60,070	65,563	—	125,633
Marketable equity securities	2,520	—	—	2,520
Endowments managed by donor selected trustees	—	—	207,020	207,020
Collective funds and fund of funds	—	—	4,506	4,506
Tactical asset allocation fund	—	—	7,137	7,137
Pledges receivable	—	—	1,032	1,032
Certificates of deposit	7,215	—	—	7,215
Total assets measured at fair value	$ 315,137	65,856	219,695	600,688

WPAHS holds assets valued using unobservable inputs (Level 3) at June 30, 2012 These assets increased (decreased) as a result of the changes below

	Tactical asset allocation fund	Collective funds and fund of funds	Endowments managed by donor selected trustees	Pledges receivable	Total
Beginning balance	$ 7,137	4,506	207,020	1,032	219,695
Realized and unrealized gains	425	214	7,211	—	7,850
Realized and unrealized losses	(425)	(470)	(8,474)	—	(9,369)
Disbursements and transfers out	(6,972)	(4,128)	(9,695)	(17)	(20,812)
Contributions and transfers in	—	—	—	131	131
Collection of pledges	—	—	—	(318)	(318)
Ending balance	$ 165	122	196,062	828	197,177

(Continued)

WPAHS holds assets valued using unobservable inputs (Level 3) at June 30, 2011. These assets increased (decreased) as a result of the changes below:

	Tactical asset allocation fund	Collective funds and fund of funds	Endowments managed by donor selected trustees	Pledges receivable	Total
Beginning balance	$ 5,689	8,150	181,508	2,004	197,351
Realized and unrealized gains	1,448	1,252	38,639	—	41,339
Realized and unrealized losses	—	—	(3,269)	—	(3,269)
Disbursements and transfers out	—	(4,896)	(9,911)	—	(14,807)
Contributions and transfers in	—	—	53	389	442
Collection of pledges	—	—	—	(1,361)	(1,361)
Ending balance	$ 7,137	4,506	207,020	1,032	219,695

(c) Fair Value Option

WPAHS elected the fair value option for its unrestricted investments effective July 1, 2008. As a result, all unrealized gains and losses on unrestricted investments are included in the excess (deficiency) of revenues over expenses. The System has recorded $1,286 of net unrealized losses and $4,519 of net unrealized gains (included in investment income) in 2012 and 2011, respectively.

(7) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets at June 30, 2012 and 2011 are available for the following purposes:

	2012	2011
Capital expansion and renovation	$ 9,651	9,488
Clinical programs	13,559	13,937
	$ 23,210	23,425

Temporarily restricted net assets for capital expansion and renovation represent donations, gifts, and pledges made for specific capital projects at WPAHS hospitals and other facilities. Temporarily restricted net assets for clinical programs represent donations, gifts, and pledges made to support specific clinical programs or departments at WPAHS hospitals.

(Continued)

Permanently restricted net assets totaling $223,072 and $234,113 at June 30, 2012 and 2011, respectively, are restricted to be invested in perpetuity. Income distributions generated from these net assets are either classified as unrestricted and may be used for any purpose or are classified as temporarily restricted based on donor restrictions. At June 30, 2012, permanently restricted net assets consist of endowments managed by donor-selected trustees of $196,062 and endowments managed by the System of $27,010. Collectively, all these funds are included as permanently restricted assets within limited or restricted as to use. The System has determined that all such funds are donor restricted.

Changes in System-Managed Endowment Net Assets

		2012	2011
Beginning balance	$	27,093	25,593
Investment return			
Interest and dividend income		25	55
Realized (losses) gains		(31)	25
Unrealized (losses) gains		(100)	657
Total investment (losses) gains		(106)	737
Contributions		4	447
Other transfers		19	316
Ending balance	$	27,010	27,093

(8) Property and Equipment

Property and equipment at June 30, 2012 and 2011 consist of the following:

		2012	2011
Buildings and building improvements	$	597,888	595,211
Equipment		547,174	477,916
Leasehold improvements		43,203	37,377
Total depreciable assets		1,188,265	1,110,504
Less accumulated depreciation and amortization		(862,496)	(811,276)
Net depreciable assets		325,769	299,228
Land and land improvements		29,228	28,755
Construction in progress		51,939	41,235
Property and equipment – net	$	406,936	369,218

WPAHS capitalizes interest on certain assets that require a period of time to prepare for their intended use. The amount capitalized is based on the weighted average outstanding borrowing rate of WPAHS'

(Continued)

indebtedness During the years ended June 30, 2012 and 2011, WPAHS capitalized $2,984 and $3,440, respectively, of related interest costs Depreciation expense was $64,905 and $59,156 for the years ended June 30, 2012 and 2011, respectively

(9) Other Assets

Other assets at June 30, 2012 and 2011 consist of the following

		2012	2011
Prefunded insurance deductible (note 15)	$	25,510	26,407
Deferred bond financing costs – net of accumulated amortization of $3,965 and $3,200, respectively		13,154	13,919
Note receivable in CHA RRG		3,185	3,185
Investment in CHA RRG (note 15)		4,465	2,602
Intangibles – net of accumulated amortization of $10,587 and $10,105, respectively		5,223	5,705
Insurance recoveries (note 15)		18,960	23,525
Other		4,799	4,665
Total	$	75,296	80,008

(10) Medical Resident FICA Refund

In March 2010, the Internal Revenue Service (IRS) issued an administrative determination to accept the position that physicians in graduate medical education programs are excepted from FICA taxes based on the resident exception for tax periods ending prior to April 1, 2005 The System had previously remitted such FICA taxes to the IRS, but had also filed protective claims pending the IRS administrative determination The System has filed perfected claims with the IRS and has recorded $16,652 and $23,307 as the anticipated employer refund, including accrued interest This amount is included in other receivables at June 30, 2012 and 2011, respectively The System also recorded amounts payable to the former residents of approximately $7,700 within other current liabilities at June 30, 2012 and 2011

(Continued)

(11) Long-Term Debt

Long-term debt as of June 30, 2012 and 2011 consists of the following

		2012	2011
Allegheny County Hospital Development Authority (ACHDA) – Series 2007 A with maturity dates through November 15,2040, and interest rates ranging from 5 00% to 5 375%, including a net unamortized premium of $4,605 and $4,904 at June 30, 2012 and 2011, respectively	$	725,775	736,999
Floating Rate Restructuring Certificates (FRRC) – payable based on attainment of defined income and cash levels, with a variable interest rate of the three-month London InterBank Offered Rate (LIBOR), plus 0 25% (0 72% and 0 50% at June 30, 2012 and 2011, respectively), thereafter until maturity on June 30, 2030		37,084	37,084

		2012	2011
Series 2006 B Health Facilities Revenue Notes – payable in monthly principal and interest payments through October 2015, with interest rates ranging from 4 55% to 4 61%	$	18,450	19,741
Series 2006 A Health Facilities Revenue Notes – payable in monthly principal and interest payments through December 2016, at a fixed interest rate of 5 25% for all payments		1,811	2,450
Highmark Notes Payable – principal is payable in two $50,000 payments due in 2023 and 2024 with interest payable semi-annually based on the prime rate plus 2 00% (5 25% at June 30, 2012)		100,000	—
Equipment Notes – payable in monthly principal and interest payments through June 2016, with interest rates ranging from 7 00% to 7 55%		8,516	7,466
Mortgage loan		3,066	3,205
Other		—	289
Total		894,702	807,234
Less current portion		15,866	14,742
Total long-term debt	$	878,836	792,492

(a) Series 2007 A

In June 2007, the System issued $752,400 of Allegheny County Hospital Development Authority (ACHDA) Health System Revenue Bonds (West Penn Allegheny Health System Series 2007 A, the Series 2007 A bonds) Proceeds of the Series 2007 A bonds were used to advance refund the

(Continued)

outstanding Allegheny County Hospital Development Authority Series 2000 A and B bond issues and to current refund the Dauphin County General Authority Series 1992 A and B Hospital Revenue Bonds, the Pennsylvania Higher Education Facility Authority Series 1991 A Revenue Bonds, the Monroeville Hospital Authority Series 1992 and 1995 Revenue Bonds, and partially refund an outstanding loan from Highmark Health Services (formerly Highmark Inc)

The Series 2007 A bonds are a liability of the Obligated Group Each member of the Obligated Group is jointly and severally liable for payment of this obligation

The Series 2007 A bonds are subject to mandatory redemption on November 15, 2017, November 15, 2028, and November 15, 2040, based on the mandatory sinking fund dates as disclosed in the official statement They are subject to redemption prior to their respective stated maturity dates, in part, or by lot, on variable dates as disclosed in the official statement at the discretion of WPAHS and the ACHDA Under the Master Indenture of Trust (MIT), interest is payable to the bondholders semiannually on each May 15 and November 15

The Series 2007 A bonds are secured by (i) first mortgage liens on certain real property, (ii) security interests in certain equipment and other tangible and intangible personal property of the Obligated Group, and (iii) gross revenues of the Obligated Group Debt service reserve accounts in the amount of $51,735 and $51,711 at June 30, 2012 and 2011, respectively, exist for the Series 2007 A bonds, which must be maintained at required reserve levels

Prior to the Transaction (see note 2), the Obligated Group had covenants under the MIT including, but not limited to, a long-term debt service coverage ratio of 1 1 and days cash on hand of 35 (both measured annually at June 30) As of June 30, 2012 (most recent measurement date), WPAHS was not in compliance with all required covenants See discussion in note 2 of waiver and modification of debt covenants

In connection with the Transaction (see note 2), an Amendment to Bond Indenture (ABI) was executed to create a separate subaccount (Highmark Bonds Subaccount of the Reserve Fund (HBSRF)) within the debt service reserve fund This newly created subaccount was required to equal a certain balance as defined by the ABI The balance was allowed to equal zero if written notice was given by the holders of the bonds tendered by Highmark Health Services (Highmark Bonds) The ABI further provided that upon delivery of such notice, all monies on deposit in the HBSRF would be transferred to a project fund, and the balance in the HBSRF would be zero Such a notice was given at the closing of the Transaction and all funds in the HBSRF were transferred to a project fund The Debt Service Reserve Fund for untendered bonds will be maintained

The principal of and interest owed on the bonds tendered to and acquired by Highmark Health Services as part of the Transaction (see note 2) is deferred until November 15, 2015 (fiscal year 2016) and is reflected accordingly in the schedule of principal payments at 11(e)

(b) FRRCs

In 2000, certain creditors of AGH and its affiliates restructured approximately $114,000 of indebtedness by exchanging such indebtedness for approximately $76,900 in cash and approximately $37,100 in principal amount of FRRCs Initially, no interest accrued on the FRRCs Beginning July 1, 2003, the FRRCs bear interest at the three-month LIBOR plus 0 25% Payment of interest is contingent upon AGH achieving certain profitability thresholds and maintaining specified liquidity levels AGH has never been required to make an interest payment The Highmark Health Services loan documents contemplate that no payments will be made on the FRRCs until all loans made by Highmark Health Services have been paid in full Management believes the probability of future interest payments on the FRRCs to be remote and has, therefore, not recorded interest to date

Subject to the FRRC Cap (as defined by the FRRC indenture), if applicable, the owners of the FRRCs are entitled to receive an annual single payment of 25% (30% if unenhanced indebtedness of any other member of the Obligated Group is rated A or better) of the adjusted net operating income of the Obligated Group as defined in the FRRC indenture, calculated as of each June 30 commencing June 30, 2004 Payments are also contingent upon achieving and maintaining specified liquidity levels No payments have been due under the FRRCs

(c) Series 2006 B & A

In December 2006, WPAF entered into two agreements with respect to the issuance of Series 2006 B notes in the amount of $24,000 and Series 2006 A note in the amount of $4,950 to purchase four new helicopters and hospital beds, respectively The notes are collateralized by the acquired helicopters and beds, respectively

The Series 2006 B Health Facilities Revenue Notes (Series 2006 B Notes), and the Series 2006 A Health Facilities Revenue Note (Series 2006 A Note), and the mortgage loan are solely the obligation of WPAF

(d) Highmark Health Services Notes Payable

In October 2011, WPAHS received $50,000 in the form of an unsecured loan from Highmark Health Services, evidenced by a note payable with principal payments of $25,000 each due in 2023 and 2024 In April 2012, WPAHS received an additional $50,000 unsecured loan from Highmark Health Services, evidenced by a note payable with principal payments of $25,000 each due in 2023 and 2024 Prior to the closing of the Transaction, interest on both notes was payable semi-annually based on the prime rate plus 2 00% (subject to a 6% cap) Upon closing, interest became payable annually

In connection with the Transaction, the unsecured loans from Highmark Health Services became secured (see note 2) Additionally, WPAHS received a new $100,000 secured loan from Highmark Health Services, evidenced by a note payable with principal payments of $50,000 each due in 2025 and 2026 Interest on this note is payable annually based on the prime rate plus 2 00% (subject to a 6% cap)

Interest accruing on all the above notes in any fiscal year, commencing with fiscal year 2013, will be forgiven if WPAHS' debt service coverage is less than 3 to 1 for such fiscal year Mandatory prepayments of the notes is required if at any time the WPAHS Days Cash on Hand exceeds 100 days at the end of any fiscal quarter or at the end of the last month immediately preceding the end of any fiscal year

(e) Other Long-Term Debt

The System has entered into other notes and mortgages to finance various capital purchases The interest and principal on these instruments are payable through 2026 at interest rates ranging from 2 16% to 7 55%

Scheduled principal repayments and sinking fund requirements on all long-term debt for the next five years and thereafter as of June 30, 2012 are as follows

	Total obligated group	WPAF	Total consolidated group
Year ending June 30			
2013	$ 13,764	2,102	15,866
2014	4,237	1,959	6,196
2015	4,270	8,958	13,228
2016	35,734	7,844	43,578
2017	14,134	340	14,474
Thereafter	794,631	2,124	796,755
	$ 866,770	23,327	890,097

(Continued)

(12) Deferred Revenue

Deferred revenue at June 30, 2012 and 2011 consists of the following

		2012	2011
Deferred revenue from Affiliation Agreement (see note 2)	$	50,000	—
Deferred grant revenue		8,044	9,176
Unamortized gains		707	707
Other		1,190	816
Total current deferred revenue		59,941	10,699
Prepaid patient service revenue		25,000	25,000
Deferred grant revenue		14,905	14,319
Unamortized gains		2,416	3,123
Other		239	330
Total noncurrent deferred revenue		42,560	42,772
Total	$	102,501	53,471

In December 2006, WPAHS entered into a long-term contract with a commercial payor whereby System facilities and providers would make available healthcare services to the payor's members at discounted amounts for a period of approximately 10 years The System received $35,000 in connection with this agreement, which has been reflected as deferred revenue in the accompanying consolidated financial statements and is being amortized on a straight-line basis over the life of the related contracts consistent with the earnings process At June 30, 2010, $23,333 received from the agreements was included in deferred revenue within the accompanying consolidated balance sheets During 2011 the agreement between the commercial payor and the System was terminated The terms of the termination agreement allowed the System to retain the remaining unamortized deferred revenue The remaining unamortized deferred revenue of $23,333 was recognized into income as other revenue on the consolidated statements of operations

In April 2011, WPAHS received an advance in the amount of $25,000 from a commercial payor This amount will be used to offset future reimbursements from the commercial payor The terms of this agreement and the term for recognition have not been finalized

The System records deferred revenue as nongovernmental grant monies are received Revenue is subsequently recognized as grant proceeds are expended During the years ended June 30, 2012 and 2011, grant proceeds of $23,092 and $21,461, respectively, were expended and recognized as other revenue The System also records, as deferred revenue, governmental grant monies received for the acquisition of property and equipment The amount deferred is amortized over the estimated useful life of the assets acquired At June 30, 2012 and 2011, $22,949 and $23,495, respectively, of grant funds are included in deferred revenue within the accompanying consolidated balance sheets

(Continued)

During the years ended June 30, 1997 and 1996, AGH sold certain nonclinical assets, which are being leased back by AGH over 20 years These transactions resulted in gains, which have been deferred and will be amortized on a straight-line basis into income over the lease terms The annual amortization is included in other revenue in the accompanying consolidated statements of operations Unamortized gains of $3,123 and $3,830 are included in deferred revenue at June 30, 2012 and 2011, respectively

(13) Commitments

Rental expense consists of amounts paid to lease property for physician offices, a network of ambulatory locations, parking garages, and administrative offices In addition, WPAHS leases clinical and administrative equipment Equipment leases involve both noncancelable operating leases as well as ordinary month-to-month rentals for items that are used as the need arises based on the volume or mix of procedures and, therefore, are not practical to purchase The components of rental expense, which are recorded within general and administrative on the consolidated statements of operations for the years ended June 30, 2012 and 2011, are as follows

		2012	2011
Property rentals	$	32,031	28,194
Equipment rentals and other		16,515	17,558
Total	$	48,546	45,752

The future minimum lease payments under noncancelable operating leases entered into as of June 30, 2012 are as follows

Year ending June 30		
2013	$	30,353
2014		25,967
2015		22,518
2016		21,719
2017		15,189
Thereafter		77,517
Total minimum payments	$	193,263

The System renewed a noncancelable sponsorship and advertising agreement in 2010 that includes performance obligations that requires the System to spend an additional $21,805 through 2020

During 2011, the System renegotiated its previous agreements that provided the core clinical and decision support software licensing and related computer system maintenance for most of the WPAHS entities and subsequently entered into one Master agreement committing approximately $43,500 Of this amount, approximately $16,000 has been expended at June 30, 2012 The new Master agreement is in effect until 2018, however the agreement includes certain provisions for early termination by WPAHS after March 2012

(Continued)

Approximately, 22% of employees are covered by collective bargaining agreements through participation in nine bargaining units These bargaining units have expiration dates ranging between 2013 and 2015

WPAHS has employment agreements with physicians, specialists, and others These agreements are for periods up to 10 years and require services to be performed

(14) Income Taxes

No provision for income taxes has been recognized in the accompanying consolidated financial statements as WPCMSI has incurred net operating losses in most years prior to fiscal year 2012, which are available to offset current and future taxes payable A valuation allowance of approximately $18,000 has been established to fully reserve the deferred tax asset associated with the cumulative net operating losses of approximately $44,500, which expires between 2013 and 2031, as future earnings are not estimated to be sufficient to realize the asset before the net operating loss carry forward expires

(15) Insurance

(a) Workers' Compensation

Prior to 1999, WPAHS was self-insured for workers' compensation claims From 1999 through October 14, 2004, WPAHS purchased occurrence-based commercial insurance for workers' compensation claims The coverage was for $250 per claim at AKMC, CGH, and FRC and $350 per claim at AGH and WPH From October 15, 2004, through October 15, 2011, WPAHS was self-insured for workers' compensation claims and purchased excess insurance coverage of $350 per claim for all of its hospitals on an occurrence-basis On October 15, 2011, WPAHS purchased high-deductible occurrence-based commercial insurance for workers' compensation claims The coverage requires WPAHS to pay the first $350 per claim During the 12 months ended June 30, 2012 and 2011, WPAHS' workers' compensation expense was $3,415 and $2,875, respectively, and is recorded within the consolidated statements of operations A liability for WPAHS' self-insured workers' compensation of $9,799 and $9,301 as of June 30, 2012 and 2011, respectively, this amount includes a related insurance recovery of $3,160 and $3,325, which is included in other assets

(b) General and Professional Liability

Beginning in 2003, the System has been insured through Community Health Alliance Reciprocal Risk Retention Group (CHA), a Vermont domiciled risk retention group The System owns 53% of CHA and has a 20% voting interest The investment in CHA is accounted for using the equity method The System's share of equity income or loss from CHA is included as a nonoperating income or loss CHA provides medical professional liability and general liability coverages to the System and its physicians The coverages provided are comprised of several layers, as described below

The primary layer provides claims made medical professional liability coverage with limits of $500 per occurrence for hospitals and physicians with annual aggregates of $2,500 per hospital and $1,500 per physician The System records an actuarially determined reserve for aggregate primary layer losses in excess of the annual aggregate The primary layer also provides occurrence basis general

liability coverage to hospitals of $1,000 per occurrence and $3,000 in the annual aggregate Defense costs do not erode the coverage limits provided within the primary layer Policies in this layer are subject to various retroactive dates The policy offers tail coverage to departing physicians for an additional premium The coverage provided in the primary layer is retained 100% by CHA

The limits within the primary layer are subject to a self-funded $250 per occurrence deductible The deductible paid by the System in any policy year is limited by a stop loss point This stop loss point is calculated as two times the actuarially determined estimated deductible layer losses The losses estimated to reach the deductible layer have been paid to CHA by the System The amounts paid in for the deductible layer may be assessed in future years for additional amounts in the event that the System has loss experience pertaining to the deductible layer over and above the amounts paid in Additional amounts charged in future periods will not exceed the stop loss point Furthermore, these deposits may be refunded if the System's loss experience applied against the deductible layer is less than the amounts paid in

The coverages provided by CHA are subjected to MCARE (Medical Care Availability and Reduction of Error Fund) Participation in the MCARE fund is required for all Pennsylvania hospitals and hospital physicians System hospitals and physicians are required to pay assessments into the MCARE fund on an annual basis The MCARE fund provides medical professional liability coverage in excess of the required primary layer coverages as described above The coverage provided by the MCARE fund is $500 per occurrence and $1,500 in the annual aggregate for both hospitals and physicians Claims, which penetrate the MCARE fund's limits, are filed directly with the Commonwealth of Pennsylvania CHA bills the System for MCARE assessment and remits the entire amount to the MCARE Fund

The first excess layer provides claims made medical professional liability coverage and occurrence based general liability coverage to the System in excess of the primary and MCARE layers Additionally, the first excess layer provides occurrence basis coverage for employer's liability in excess of the System's third party coverage Limits on coverage are the difference between $2,000 plus the remaining amount of the underlying coverage per occurrence and $5,000 in the annual aggregate for the System with a shared maximum annual aggregate of $10,000 for CHA The annual aggregate and shared annual aggregate is shared among all lines of coverage noted above Coverage is subject to various retroactive dates Defense costs erode the coverage limits provided in the first excess layer and coverage is 100% retained by CHA

The second excess layer provides claims made medical professional liability coverage and occurrence based general liability coverage to hospitals in excess of the primary, MCARE and first excess layers Additionally, the second excess layer provides occurrence basis coverage for employer's liability in excess of the System's third party coverage and the first excess layer Limits on coverage are $9,000 per occurrence and $18,000 in the annual aggregate for the System This coverage is subject to a shared maximum annual aggregate of $45,000 for CHA The annual aggregate and shared annual aggregate is shared among all lines of coverage noted above Coverage is subject to various retroactive dates Defense costs erode the coverage limits provided in the excess layer Reinsurance has been obtained by CHA for the second excess layer from two commercial

reinsurers The reinsurance agreement provides for coverage of $9,000 per occurrence with a shared maximum annual aggregate of $27,000 in excess of an $18,000 shared maximum annual aggregate retention by the CHA Reinsurance coverage includes defense costs and a one-year extended reporting period option

The System's first and second excess layers are subject to a self-insured retention layer of $5,000 The System records an actuarially determined reserve for estimated losses in the self-insured retention layer

The third excess layer provides claims made medical professional liability coverage and occurrence based general liability coverage to hospitals in excess of the primary, MCARE, first and second excess layers Additionally, the third excess layer provides employers' liability occurrence basis coverage in excess of the System's third party coverage and the first and second excess layers Limits on coverage are $10,000 per occurrence and $10,000 in the annual aggregate for the System with a shared maximum annual aggregate of $30,000 for CHA The annual aggregate and shared annual aggregate is shared among all lines of coverage noted above Coverage is subject to various retroactive dates Defense costs erode the coverage limits provided in this excess layer This layer is 100% reinsured by CHA in the commercial market with one reinsurer Reinsurance coverage includes defense costs

The unaudited financial statement information as of and for the year ended June 30, 2012 and 2011 of CHA RRG, which has a calendar year-end, is as follows

		2012	2011
Total assets	$	135,070	142,079
Total liabilities		117,940	128,171
Total equity		17,131	13,908
Total revenue		19,209	19,045
Total expense		16,162	30,091
Net income (loss) (including federal income tax benefit)		3,047	(11,046)

WPAHS provides for the costs associated with general and professional liability claims based on actuarially determined projected settlements, which include estimates for claims incurred but not reported There exists, however, inherent risks in the areas of general and professional liability insurance that stem from, among other things, coverage availability and the financial viability of the underlying insurance carrier

During the 12 months ended June 30, 2012 and 2011, WPAHS' general and professional liability expense was $22,060 and $25,578, respectively WPAHS' self-insured general and professional liability was $70,899 and $76,538, as of June 30, 2012 and 2011, respectively, this amount includes a related insurance recovery of $15,800 and $20,200, which is included in other assets

(16) Pension Plans

(a) Defined Benefit Plans

WPAHS maintains a defined benefit cash balance pension plan for its employees Under this cash balance plan, pension accruals are determined using a defined percentage of an employee's current compensation based upon the employee's age and years of service Each employee's individual retirement benefit is defined within the plan's obligation as notational cash balance retirement accounts and is credited with interest based upon a defined interest rate

WPAHS' investment policy is to provide for the benefit obligations earned by employees during their career at the System Plan assets are invested to generate earnings over an extended time period to help fund the cost of benefits under the plan while controlling investment fees

WPAHS' funding policy is to contribute such amounts, as necessary, on an actuarial basis to provide the plan with assets sufficient to meet benefits to be paid to retirees or their beneficiaries, and to satisfy minimum funding requirements of Employee Retirement Income Security Act of 1974, and the IRC Plan assets are invested primarily in corporate common stocks, fixed income obligations of the United States government and corporations, and interests in collective trusts and mutual funds

(Continued)

The funded status at measurement dates of June 30, 2012 and 2011 and amounts recognized in the consolidated financial statements at June 30, 2012 and 2011, relating to employee retirement benefits are as follows

		2012	2011
Accumulated benefit obligation, including vested benefits of $581,106 and $560,472 in 2012 and 2011, respectively	$	756,539	641,481
Change in projected benefit obligation			
Projected benefit obligation – beginning	$	652,597	673,336
Service cost		21,198	22,269
Interest cost		33,447	33,281
Plan participants' contributions		205	—
Actuarial loss (gain)		104,744	(19,937)
Benefits paid		(43,638)	(56,352)
Projected benefit obligation – ending		768,553	652,597
Change in plan assets			
Fair value plan assets – beginning		456,341	375,513
Actual gain on plan assets		44,943	61,470
Employer contributions		32,039	75,710
Plan participants' contributions		205	—
Benefits paid		(43,638)	(56,352)
Fair value of plan assets – ending		489,890	456,341
Projected benefit obligation in excess of fair value of plan assets	$	278,663	196,256
Weighted average assumption used to determine benefit obligations			
Discount rate		3 90%	5 30%
Rate of compensation increase		2 9% – 6 1% Graded	2 9% – 6 1% Graded

(Continued)

	2012	2011
Components of net periodic pension costs		
Service cost	$ 21,198	22,269
Interest cost	33,447	33,281
Expected return on plan assets	(37,909)	(37,258)
Amortization of actuarial losses	17,194	18,332
Amortization of prior service cost	(6,438)	(6,773)
Net periodic pension cost	$ 27,492	29,851
Weighted average assumptions used to determine net cost		
Discount rate	5 30%	5 20%
Expected long-term return on plan assets	7 65	7 65
Rate of compensation increase	2 9% – 6 1% Graded	2 9% – 6 1% Graded

The net actuarial loss and prior service cost (credit) not yet recognized into net periodic pension cost was $353,363 and $(40,902), respectively, at June 30, 2012 The net actuarial loss and prior service cost (credit) not yet recognized into net periodic pension cost was $272,852 and $(47,340), respectively, at June 30, 2011 The net actuarial losses and prior service costs (credits) that were amortized from unrestricted deficit into net periodic pension cost were $17,194 and $(6,439) in 2012 and $18,332 and $(6,773) in 2011 The net actuarial loss and prior service cost (credit) that will be amortized from unrestricted deficit into net periodic pension cost in 2013 is $25,141 and $(5,713)

The System is required to abide by the minimum funding requirements of Section 412 of the IRC Based on most recent actuarial estimates, the System is required to fund $37,651 during the year ending June 30, 2013

The discount rate used to value plan liabilities is a weighted average spot rate generated by bond yield curves, rounded down to the next five basis points

The long-term expected rate of return on pension investments is developed by independent estimates of forward looking rates of return by investment category, multiplied by the target investment allocation mix

(Continued)

WPAHS' pension plan weighted average asset allocation at June 30, 2012 and 2011 by asset category are as follows

	Actual 2012	Actual 2011	Target ranges
Plan assets			
Domestic equity securities and funds	37%	40%	35% – 45%
Debt securities and funds	40	40	35% – 45%
International equity securities and funds	11	17	8% – 18%
Alternative investment fund of funds	—	—	4% – 10%
Cash, cash equivalents, and others	12	3	0% – 10%
Total	100%	100%	

The adoption of Topic 715 required that the fair value hierarchy disclosures as defined by FASB ASC 820 be applied to assets held within the Plan Refer to note 6 for Level definitions

The following table presents assets that are measured at fair value on a recurring basis at June 30, 2012

	Level 1	Level 2	Level 3	Total
Plan assets				
Domestic equity securities and funds	$ 185,450	—	—	185,450
Debt securities and funds	54,480	137,268	—	191,748
International equity securities and funds	51,739	—	—	51,739
Alternative investment fund of funds	—	—	1,568	1,568
Cash and cash equivalents	—	59,385	—	59,385
Total	$ 291,669	196,653	1,568	489,890

(Continued)

The following table presents assets that are measured at fair value on a recurring basis at June 30, 2011

	Level 1	Level 2	Level 3	Total
Plan assets				
Domestic equity securities and funds	$ 184,134	—	—	184,134
Debt securities and funds	49,266	132,338	—	181,604
International equity securities and funds	76,324	—	—	76,324
Alternative investment fund of funds	—	—	1,568	1,568
Cash and cash equivalents	—	12,711	—	12,711
Total	$ 309,724	145,049	1,568	456,341

The Plan holds certain alternative investments including hedge fund of funds and global real estate Refer to note 6 for asset valuation information The Plan holds assets valued using unobservable inputs (Level 3) at June 30, 2012 These assets did not fluctuate materially in value during the year ended June 30, 2012

The Plan held assets valued using unobservable inputs (Level 3) at June 30, 2011 These assets increased (decreased) as a result of the changes below

	International equity securities and funds	Tactical asset allocation fund	Alternative investment fund of funds	Total
Beginning balance	$ 16,558	52,971	30,506	100,035
Realized and unrealized gains	9,219	13,248	1,881	24,348
Realized and unrealized losses	(5,882)	(1,776)	(1,128)	(8,786)
Contributions and cash receipts	—	—	2	2
Disbursements and transfers out	(19,895)	(64,443)	(29,693)	(114,031)
Ending balance	$ —	—	1,568	1,568

WPAHS maintains no significant concentrations of a single investment within the plan assets

(Continued)

The following benefit payments, which reflect future service, as appropriate, are expected to be paid by WPAHS

	Total pension benefits
Year ending June 30	
2013	$ 42,361
2014	43,521
2015	46,266
2016	48,933
2017	52,758
2018 – 2022	310,691

Plan Changes

Two changes in plan provisions were made to the Union Plan effective January 1, 2012

- Members of Local Union 95 IUOE bargained to cease benefit accruals As a result, employees of Suburban Hospital who are and who become employees of AGH by merger do not receive annual retirement credits for service after July 14, 2011 Additionally, employees of WPH who are members of Local Union 95 IUOE do not receive Annul Retirement credits for service after November 23, 2010
- A change was also made to the prior vesting service for employees of Western Penn Medical Associates, PC, so that these participants now receive prior vesting service credit for periods before November 30, 2010

These plan changes had a negligible effect on the results of the valuation

There were no material changes to the plans for the year ended June 30, 2011

(b) Defined Contribution Plans

WPAHS sponsors a defined contribution savings plan, which is available to substantially all employees in order to provide additional security during retirement by creating an incentive for employees to make regular contributions on their own behalf Under these plans and as determined on an individual basis, WPAHS contributed an amount equal to 50% of an employee's contribution up to 2 5% of such employee's base salary in a given year WPAHS suspended their contribution to this plan in April 2009 for nonrepresented employees Such expense related to these plans was based on actual contributions made

WPAHS' expense associated with its contributions to these savings plans was $629 and $535 for the years ended June 30, 2012 and 2011, respectively

(17) Functional Expenses

WPAHS provides general healthcare services Expenses related to such services for the years ended June 30, 2012 and 2011 are as follows

	2012	2011
Healthcare services	$ 1,496,720	1,465,136
General	158,425	161,961
Research	21,895	18,475
Fund-raising and other	2,058	2,303
Total	$ 1,679,098	1,647,875

(18) Gain on Divestiture

On August 2, 2010 WPAHS entered into an agreement for the sale of the assets and inventory of its dialysis business with total book value of $639 The dialysis business was sold for $10,245, resulting in a net gain of $9,606 in fiscal year 2011

(19) Legal Matters

The United States Securities and Exchange Commission (SEC or Commission) recently concluded a formal investigation into the consolidated financial statement adjustments reported by WPAHS in July 2008 and certain disclosures made by WPAHS in 2009 WPAHS cooperated fully with the Commission during its investigation, and has been informed that the staff of the SEC has no intentions, at this time, to recommend any enforcement action with respect to WPAHS

Specifically, the Commission began its inquiry in August 2008, and, on November 27, 2012, the Staff of the SEC issued a "Wells Notice" to WPAHS, which is neither a formal allegation of wrongdoing nor a determination of wrongdoing, indicating it may recommend that the Commission institute a civil injunctive action or public administrative proceeding against the System The notice provided the System with an opportunity to provide the Commission with information as to why such action or proceeding should not be brought against the System WPAHS furnished a "Wells Submission" to the Commission on December 28, 2012, setting forth the bases for the System's belief that such action or proceeding was not warranted On May 20, 2013, WPAHS received notice from the SEC stating the investigation has been concluded

In April 2009, a putative collective action was filed in the United States District Court for the Western District of Pennsylvania alleging claims under ERISA, RICO, and the Fair Labor Standards Act against WPAHS, certain of its related entities, and certain WPAHS executives The suit alleges that current and former employees did not receive compensation for all hours worked A companion class action suit alleging various state court claims was filed in the Court of Common Pleas of Allegheny County In late December 2011, the District Court for the Western District of Pennsylvania denied the certification of the class action suit and the case is currently pending before the federal Third Circuit Court of Appeals In the state suit, the judge dismissed the meal break claims but preserved potential nonmeal break wage claims That case is stayed pending the outcome of the federal appeal Although WPAHS believes the matter will

be resolved without any material adverse impact on WPAHS' financial condition, particularly in light of the district court's decision to deny collective action certification to the federal action, the final outcome and effect on WPAHS is unknown at this time

In 2010, the System was informed by Highmark Health Services that it took exception to the conversion of several oncology infusion centers from free-standing to hospital-based In August 2010, Highmark Health Services exercised its right under its provider contract to submit the dispute to binding arbitration The System believes that the conversions of all of these sites are permissible under the provider contract and believes its position will prevail in the arbitration At June 30, 2010, the System reserved $8,500 of incremental revenue received from Highmark Health Services as a result of these conversions In October 2011, Highmark Health services dismissed with prejudice all claims asserted against WPAHS in the arbitration, which resolution included Highmark Health Service's agreement not to dispute past payments nor adjust ongoing payments for disputed claims prior to the resolution date

WPAHS has conducted an investigation of its leasing activity with independent physicians Certain of these arrangements potentially implicate the federal anti-kickback statute (42 U S C § 1320a-7b(b)), the civil monetary penalty authorities (42 U S C § 1320a-7a), and the physician self-referral law (42 U S C § 1395nn) (the Stark law) WPAHS submitted a preliminary self-disclosure report of certain of these arrangements to the HHS Office of Inspector General (OIG) pursuant to the OIG's self-disclosure protocol on December 20, 2012 WPAHS received a letter from the OIG dated February 27, 2013 accepting the submission into the OIG's self-disclosure protocol WPAHS submitted a supplemental disclosure report to the OIG on March 22, 2013, identifying certain additional lease arrangements that it requests to be included in the self-disclosure protocol On May 31, 2013, WPAHS disclosed certain other lease arrangements involving potential noncompliance with the Stark law to the Centers for Medicare and Medicaid Services (CMS) These disclosure reports are not an admission of liability with respect to the disclosed matters, but are intended to facilitate a resolution by settlement of potential violations of the aforementioned laws WPAHS may be subject to fines and penalties with respect to the lease arrangements that are the subject of the disclosures At June 30, 2012, the System recorded an estimated liability of $2,200 in the accompanying consolidated balance sheet for potential fines and penalties related to the OIG self-disclosure WPAHS is unable to determine a reasonable estimate of any financial liability that may result from its self-disclosure report to CMS at this time WPAHS cannot be assured that the amount provided in the financial statements relating to these matters will be sufficient to address all potential liabilities given that the outcomes of these self-disclosures are unknown as of the opinion date Accordingly, the impact to the consolidated financial statements could be material

WPAHS is additionally subject to various legal proceedings and claims consistent with an organization of its size arising in the ordinary course of its business and not yet adjudicated

Based upon information known to WPAHS, and after consultation with legal counsel, the ultimate outcome of the lawsuits and claims discussed above are unlikely to have a material adverse effect on the consolidated balance sheet, results of operations, or cash flows of WPAHS

(20) Subsequent Events

WPAHS has evaluated subsequent events through July 15, 2013, the date the financial statements were issued See also discussion of subsequent events in note 2 and note 19

KPMG LLP
BNY Mellon Center
Suite 2500
500 Grant Street
Pittsburgh, PA 15219-2598

Independent Auditors' Report on Supplementary Information

The Board of Directors
West Penn Allegheny Health System, Inc

We have audited the consolidated financial statements of West Penn Allegheny Health System, Inc and Subsidiaries as of and for the years ended June 30, 2012 and 2011, and have issued our report thereon dated July 15, 2013 and December 29, 2011, respectively, which contained an unmodified opinion on those consolidated financial statements Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole The supplementary information is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole

KPMG LLP

July 15, 2013

KPMG LLP is a Delaware limited liability partnership
the U S member firm of KPMG International Cooperative
(KPMG International) a Swiss entity

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Consolidating Balance Sheet Information

June 30, 2012

(Amounts in thousands)

Assets		Total obligated	Total nonobligated	Eliminations	Total consolidated
Current assets					
Cash and cash equivalents	$	192,688	1,128	—	193,816
Short-term investments		5,108	—	—	5,108
Assets limited or restricted as to use		5,744	—	—	5,744
Receivables					
Patient accounts – net of allowance for uncollectible accounts of $44,116		141,964	—	—	141,964
Other		24,431	315	348	25,094
Inventories, net		21,289	—	—	21,289
Prepaid expenses		15,188	5	—	15,193
Total current assets		406,412	1,448	348	408,208
Assets limited or restricted as to use		393,269	2,218	—	395,487
Property and equipment, net		380,728	26,208	—	406,936
Other assets, net		75,376	1,541	(1,621)	75,296
Total assets	$	1,255,785	31,415	(1,273)	1,285,927

(Continued)

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Consolidating Balance Sheet Information

June 30, 2012

(Amounts in thousands)

Liabilities and Net Deficit		Total obligated	Total nonobligated	Eliminations	Total consolidated
Current liabilities					
Current portion of long-term debt	$	13,764	2,102	—	15,866
Accounts payable		94,268	49	—	94,317
Accrued expenses		17,441	4	—	17,445
Accrued interest		6,597	102	—	6,699
Accrued salaries and vacation		55,838	5	—	55,843
Current portion of deferred revenue		59,941	—	—	59,941
Current portion of self-insurance liabilities		2,954	—	—	2,954
Estimated third-party payor settlements		1,163	—	—	1,163
Other current liabilities		11,804	393	—	12,197
Due to affiliate, net		—	(348)	348	—
Total current liabilities		263,770	2,307	348	266,425
Deferred revenue		42,560	—	—	42,560
Self-insurance liabilities		76,352	1,392	—	77,744
Long-term debt		857,611	21,225	—	878,836
Accrued pension obligation		278,663	—	—	278,663
Other noncurrent liabilities		21,212	1,956	—	23,168
Total liabilities		1,540,168	26,880	348	1,567,396
Net (deficit) assets					
Unrestricted		(529,797)	3,667	(1,621)	(527,751)
Temporarily restricted		22,687	523	—	23,210
Permanently restricted		222,727	345	—	223,072
Total net (deficit) assets		(284,383)	4,535	(1,621)	(281,469)
Total liabilities and net (deficit) assets	$	1,255,785	31,415	(1,273)	1,285,927

See accompanying independent auditors' report

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Consolidating Statement of Operations Information

Year ended June 30, 2012

(Amounts in thousands)

	Total obligated	Total nonobligated	Eliminations	Total consolidated
Unrestricted revenues and other support				
Net patient service revenue	$ 1,479,569	—	—	1,479,569
Other revenue	80,942	3,954	(3,916)	80,980
Net assets released from restrictions	3,643	9	—	3,652
Total unrestricted revenues other support	1,564,154	3,963	(3,916)	1,564,201
Expenses				
Salaries, wages, and fringe benefits	866,306	182	—	866,488
Patient care supplies	279,937	—	—	279,937
Professional fees and purchased services	164,415	22	—	164,437
General and administrative	176,334	97	(3,916)	172,515
Provision for bad debts	80,805	—	—	80,805
Depreciation and amortization	64,001	1,739	—	65,740
Interest	39,013	1,322	—	40,335
Restructuring	8,841	—	—	8,841
Total expenses	1,679,652	3,362	(3,916)	1,679,098
Operating (loss) income	(115,498)	601	—	(114,897)
Investment income	14,242	—	—	14,242
Gifts and donations	13,878	167	—	14,045
Gain in joint venture investment	1,863	—	—	1,863
(Deficiency) excess of revenues over expenses	$ (85,515)	768	—	(84,747)

See accompanying independent auditors' report

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
AND SUBSIDIARIES

Consolidating Statement of Changes in Net Deficit

Year ended June 30, 2012

(Amounts in thousands)

	Total obligated	Total nonobligated	Eliminations	Total consolidated
Unrestricted net (deficit) assets				
(Deficiency) excess of revenues over expense	$ (85,515)	768	—	(84,747)
Net assets released for property acquisitions and donated capital	557	224	—	781
Pension liability adjustments	(86,954)	—	—	(86,954)
Other transfers	23	(223)	—	(200)
(Increase) decrease in unrestricted net (deficit) assets	(171,889)	769	—	(171,120)
Temporarily restricted net assets				
Contributions	2,917	164	—	3,081
Investment income	881	1	—	882
Net assets released from restrictions used for				
Operations	(3,643)	(9)	—	(3,652)
Acquisition of equipment	(557)	(224)	—	(781)
Other transfers	253	2	—	255
Decrease in temporarily restricted net assets	(149)	(66)	—	(215)
Permanently restricted net assets				
Contributions	4	—	—	4
Investment income	7,205	—	—	7,205
Change in net unrealized gains on other than trading securities	(8,574)	—	—	(8,574)
Transfers out of endowments participating trust to investment income and operations	(9,695)	—	—	(9,695)
Other transfers	21	(2)	—	19
Decrease in permanently restricted net assets	(11,039)	(2)	—	(11,041)
(Increase) decrease in net (deficit) assets	(183,077)	701	—	(182,376)
Net (deficit) assets – beginning of period	(101,306)	3,834	(1,621)	(99,093)
Net (deficit) assets – end of period	$ (284,383)	4,535	(1,621)	(281,469)

See accompanying independent auditors' report

Additional Data

Software ID:
Software Version:
EIN: 25-0969492
Name: West Penn Allegheny Health System Inc

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

4d. Other program services

(Code) (Expenses $ 10,038,024 including grants of $ 256,162) (Revenue $)
SYSTEM WIDE SERVICES TO AFFILIATED ORGANIZATIONS

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			
John Isherwood Chairman of the Board	1 0	X		X				0	0	0
Daniel Brailer Vice Chair	1 0	X		X				0	0	0
Paul Dimmick Vice Chair	1 0	X		X				0	0	0
Emanuel Dinatale Director	1 0	X						0	0	0
Robert Kampmeinert Director	1 0	X						0	0	0
Basil Cox Director	1 0	X						0	0	0
Theodore Neighbors Director	1 0	X						0	0	0
Joseph Platt Director	1 0	X						0	0	0
Sandra Usher Director	1 0	X						0	0	0
David Burstin Director	1 0	X						0	0	0
David McClenahan Director	1 0	X						0	0	0
Gerd Mueller Director	1 0	X						0	0	0
George Eichley Director	1 0	X						0	0	0
Joseph Macerelli Ex Officio Director	1 0	X						0	0	0
Russell Evans Ex-Officio Director	1 0	X						0	0	0
Keith Ghezzi MD System Interim President & CEO	4 0 0	X		X				0	0	0
Diane Dismukes Health System President & CEO	4 0 0	X		X				739,638	0	0
Patrick Demeo MD Director	1 0	X						0	1,039,523	0
George Magovern MD Director	1 0	X						0	613,777	0
James Wilberger Director	1 0	X						0	949,739	0
David Parda MD Director	1 0	X						0	775,798	0
Matthew Peterson Treasurer	4 0 0			X				177,970	0	0
David Kiehn Assistant Treasurer	4 0 0			X				543,218	0	0
Robert Brandfass Secretary	4 0 0			X				436,568	0	0
Kathleen Sirkoch Secretary	4 0 0			X				69,218	0	0

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			
Colleen Grimm Assistant Secretary	40			X				52,878	0	0
Douglas Womer System Interim CFO	40			X				0	0	0
Gregory Burfitt AGH and WPH President & CEO	40				X			641,799	0	0
Judy Zedreck AGH Interim President & CEO	40				X			315,077	0	0
Denzil Rupert WPH President & CEO	40				X			399,627	0	0
Reese Jackson FRH President & CEO	40				X			380,427	0	0
Margaret Barron EVP of External Affairs	40				X			332,540	0	0
William Edmondson EVP of Strategic Planning	40				X			249,200	0	0
Tony Farah MD WPAHS Chief Medical Officer	40				X			221,613	370,300	0
John Foley System Chief Information Ofcr	40				X			500,097	0	0
Roy Santarella EVP & Chief Admin Officer	40				X			971,890	0	0
Bart Metzger System Chief HR Officer	40				X			521,142	0	0
Thomas Moser FRH Chief Operations Officer	40				X			323,349	0	0
Richard Ray MD AGH Chief Medical Officer	40				X			0	295,773	0
Mark Rubino MD FRH Chief Medical Officer	40				X			0	465,035	0
Thomas Campbell MD System Chair of Emergency Med	40				X			0	379,429	0
Susan Manzi MD System Chair Dept of Medicine	40				X			0	486,014	0
James Kanuch WPH VP of Finance	40				X			231,792	0	0
Pamela Gallegher FRH VP of Finance	40				X			264,367	0	0
Kimberly Sperring Vice President	40				X			220,245	0	0
Sheran Shipley Vice President	40				X			212,750	0	0
Dwight Monson VP-Strategic & Business Plans	40				X			380,166	0	0
Marian Block MD Physician	40					X		489,601	0	0
Mark Barnhart Physician Organization COO	40					X		362,508	0	0
Ned Laubacher AKMC President & CEO	40					X		358,350	0	0

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			
Paul Kiproff Physician	40					X		357,472	0	0
Robert McMullen Vice President	40					X		309,344	0	0
Christopher Olivia MD Health System President & CEO							X	4,107,961	0	0
Judy Hlafcsak Secretary							X	258,918	0	0
Thomas Albanesi Assistant Treasurer							X	317,580	0	0
Sanford Kurtz MD President & CEO Physician Org							X	682,475	0	0
Dawn Gideon Executive Vice President							X	520,867	0	0
Sherry Zisk WPH Chief Operating Officer							X	391,293	0	0