



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



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

Rush University Medical Center

Doing Business As

Same

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

1700 West Van Buren Street Room No

Room/suite

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

Chicago, IL 60612

F Name and address of principal officer

Richard W Casey

1700 W Van Buren St

Chicago, IL 60612

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.rush.edu

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation

1905

M State of legal domicile

IL

Part I	Summary
Activities & Governance	1 Briefly describe the organization's mission or most significant activities See Schedule O
	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) 93
	4 Number of independent voting members of the governing body (Part VI, line 1b) 66
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a) 10,070
	6 Total number of volunteers (estimate if necessary) 700
	7a Total unrelated business revenue from Part VIII, column (C), line 12 1,619,994
	7b Net unrelated business taxable income from Form 990-T, line 34
Revenue	8 Contributions and grants (Part VIII, line 1h)
	9 Program service revenue (Part VIII, line 2g)
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 1,478,362,492
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3) 7,648,405
	14 Benefits paid to or for members (Part IX, column (A), line 4) 0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) 748,114,971
	16a Professional fundraising fees (Part IX, column (A), line 11e) 0
	b Total fundraising expenses (Part IX, column (D), line 25) 6,689,476
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) 573,599,064
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25) 1,329,362,440
Net Assets or Fund Balances	19 Revenue less expenses Subtract line 18 from line 12 149,000,052
	20 Total assets (Part X, line 16) 2,583,547,057
	21 Total liabilities (Part X, line 26) 1,301,922,015
	22 Net assets or fund balances Subtract line 21 from line 20 1,281,625,042

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

Date

John P Mordach Senior V P and CFO

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed

Preparer's taxpayer identification number (see instructions)

EIN

Phone no

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

Deloitte Tax LLP

111 S Wacker Drive Chicago IL 60606

Chicago, IL 60606

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2011)

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☐ ☒

1 Briefly describe the organization's mission

See Schedule O

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 \$ 1,068,662,882	including grants of \$	(Revenue \$ 1,127,313,051)
Health Care Rush University Medical Center Rush is an academic medical center that brings together excellence in clinical care and research to address major health problems. In January, Rush opened a new 376-bed hospital building, known as the Tower, which is part of the Medical Centers major renovation of its campus and is the largest new construction health care project in the world to be LEED Gold certified. In FY12, patient care was provided to nearly 31,000 inpatients, and the emergency room had 55,519 visits. Rush offers various financial assistance programs to thousands of patients. A unique combination of research and patient care in FY12 has earned Rush national rankings in 11 of 16 specialty areas. This accomplishment is presented in U.S. News World Reports 2012-13 Americas Best Hospitals issue. Our nurses are at the forefront of our efforts to provide quality care, receiving the four-year Magnet status the highest honor in nursing three times, most recently in 2010.				

4b	(Code)	(Expenses \$ 57,725,596	including grants of \$	5,738,047)	(Revenue \$ 56,960,733)
Education Rush University is home to one of the first medical colleges in the Midwest and one of the nations top-ranked nursing colleges, as well as graduate programs in allied health, health systems management and biomedical research. The Medical Center also offers many highly selective residency and fellowship programs in medical and surgical specialties and subspecialties. Rush's unique practitioner-teacher model for health sciences education and research gives its students the opportunity to learn from world-renowned instructors who practice what they teach. With more than 40 degree and certificate options, Rush educated more than 2,000 students in FY12. The state-of-the-art new hospital building features nursing stations in clear view of the patient rooms and a spacious area for students to confer with practitioner-teachers and other medical staff about current cases.					

4c	(Code)	(Expenses \$ 134,096,172	including grants of \$	(Revenue \$ 107,378,765)
Research Because Rush is an academic medical center, research and clinical care come together in innovative and inspiring ways that have the power to transform lives. Even if research work starts in a lab, it won't stay there. Discoveries in the labs lead to advances in patient care, while observations in clinical settings inspire research studies designed to improve the way we treat patients. This approach, known as translational research, has led to breakthroughs in patient care at Rush throughout the years. Investigators at Rush are involved in more than 1,600 projects, including hundreds of clinical studies to test the effectiveness and safety of new therapies and medical devices, as well as to expand scientific and medical knowledge. Total research awards in FY12 topped 77 million. In June 2012, the Association for the Accreditation of Human Research Protection Programs, Inc. awarded Rush full accreditation with distinction in community programs.				

4d	Other program services (Describe in Schedule O)				
	(Expenses \$ 82,810,972	including grants of \$	2,698,871)	(Revenue \$ 26,751,259)	

4e	Total program service expenses	\$ 1,343,295,622
----	--------------------------------	------------------

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)? <i>If "Yes," complete Schedule A.</i> 	1	Yes
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (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? <i>If "Yes," complete Schedule C, Part I.</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? <i>If "Yes," complete Schedule C, Part II.</i> 	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? <i>If "Yes," complete Schedule C, Part III.</i>	5	
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? <i>If "Yes," complete Schedule D, Part I.</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? <i>If "Yes," complete Schedule D, Part II.</i>	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III.</i>	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? <i>If "Yes," complete Schedule D, Part IV.</i>	9	No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V.</i> 	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, line 10? <i>If "Yes," complete Schedule D, Part VI.</i> 	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? <i>If "Yes," complete Schedule D, Part VII.</i>	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? <i>If "Yes," complete Schedule D, Part VIII.</i>	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? <i>If "Yes," complete Schedule D, Part IX.</i>	11d	No
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i> 	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)? <i>If "Yes," complete Schedule D, Part X.</i>	11f	No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i>	12a	No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i>	12b	No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i>	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Part I.</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 ? <i>If "Yes," complete Schedule F, Part II and IV.</i>	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 ? <i>If "Yes," complete Schedule F, Part III and IV.</i>	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? <i>If "Yes," complete Schedule G, Part I.</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? <i>If "Yes," complete Schedule G, Part II.</i> 	18	Yes
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III.</i> 	19	Yes
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H.</i> 	20a	Yes
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements 	20b	Yes

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	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? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a	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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance						
Check if Schedule O contains a response to any question in this Part V ☐						
		Yes	No			
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. .	1a	1,099			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	4			
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, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.	2a	10,070			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes			
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: <u>CJ</u> See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a				No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b				No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c				
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a				No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b				
7	Organizations that may receive deductible contributions under section 170(c).					
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	Yes			
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	Yes			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c				No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e				No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f				No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g				
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h				
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8				
9	Sponsoring organizations maintaining donor advised funds.					
a	Did the organization make any taxable distributions under section 4966?	9a				
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b				
10	Section 501(c)(7) organizations. Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b				
11	Section 501(c)(12) organizations. Enter					
a	Gross income from members or shareholders.	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b				
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a				
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b				
13	Section 501(c)(29) qualified nonprofit health insurance issuers.					
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state.	13a				
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b				
c	Enter the aggregate amount of reserves on hand.	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a				No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b				

Part VI

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1a	93		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	66
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	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	Yes
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	Yes
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	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 ☒ IL
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. ☒ Richard Casey 1700 West Van Buren Street Suite 15 Chicago, IL 60612 (312) 942-8054

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

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

Form **990** (2011)

Part VII

1b	Sub-Total	▼			
c	Total from continuation sheets to Part VII, Section A	▼			
d	Total (add lines 1b and 1c)	▼	20,366,636		4,187,658

2 Total number of individuals (including but not limited to those listed in Item 1) who received more than \$100,000 of reportable compensation from the organization: 973

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>	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)	(B)	(C)
Name and business address	Description of services	Compensation
ASI LIMITED 4485 S PERRY WORTH ROAD WHITESTOWN, IN 46075	CONSTRUCTION	22,626,796
GURTZ ELECTRIC COMPANY 77 W SEEGER'S ROAD ARLINGTON HEIGHTS, IL 60005	ELECTRICAL CONTRACTORS	17,533,119
GIBSON ELECTRIC & TECHNOLOGIES 3100 WOODCREEK DRIVE DOWNERS GROVE, IL 60515	ELECTRICAL CONTRACTORS	15,447,665
POWERJACOBS 1750 W HARRISON STREET 301 CHICAGO, IL 60612	GENERAL CONTRACTORS	12,786,834
THYSSENKRUPP ELEVATOR 2726 E KEMOER ROAD CINCINNATI, OH 45241	ELEVATOR SERVICING	6,610,381

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 ►108

Part VIII

Statement of Revenue

				(A)	(B)	(C)	(D)
				Total revenue	Related or exempt function revenue	Unrelated business revenue	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	1,676,516			
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	58,857,281			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	57,758,695			
	g	Noncash contributions included in lines 1a-1f \$ 4,238,049					
	h	Total. Add lines 1a-1f		118,292,492			
Program Service Revenue			Business Code				
	2a	Patient Service	900099	406,795,941	406,795,941		
	b	Physician Practices	900099	209,827,261	209,827,261		
	c	Rush University Tuition	900099	56,960,733	56,960,733		
	d	Research	900099	107,378,765	107,378,765		
	e	Medicare/Medicaid Payments	900099	524,175,000	524,175,000		
	f	All other program service revenue		13,266,108	13,266,108		
	g	Total. Add lines 2a-2f		1,318,403,808			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		21,008,920			21,008,920
	4	Income from investment of tax-exempt bond proceeds . . .		968,547			968,547
	5	Royalties					
	6a	Gross rents	(i) Real				
			(ii) Personal				
			9,411,014				
			10,549,141				
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)		-1,138,127		1,156,740	-2,294,867
	7a	Gross amount from sales of assets other than inventory	(i) Securities				
			(ii) Other				
			720,258,000				
			701,187,377				
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)		19,070,623			19,070,623
	8a	Gross income from fundraising events (not including \$ 1,676,516 of contributions reported on line 1c) See Part IV, line 18					
			a	522,534			
	b	Less direct expenses	b	788,386			
	c	Net income or (loss) from fundraising events . . .		-265,852			-265,852
	9a	Gross income from gaming activities See Part IV, line 19					
			a	31,684			
	b	Less direct expenses	b	5,000			
	c	Net income or (loss) from gaming activities . . .		26,684			26,684
	10a	Gross sales of inventory, less returns and allowances					
			a	38,815,158			
	b	Less cost of goods sold . . .	b	25,547,309			
	c	Net income or (loss) from sales of inventory . . .		13,267,849			13,267,849
	Miscellaneous Revenue		Business Code				
	11a	Reference Labs	621500	108,817		108,817	
	b	Vyridian Billing Services	541900	136,035		136,035	
	c	Investment Partnerships	900003	218,362		218,362	
	d	All other revenue		40		40	
	e	Total. Add lines 11a-11d		463,254			
	12	Total revenue. See Instructions		1,490,098,198	1,318,403,808	1,619,994	51,781,904

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	210,450	210,450		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	8,226,468	8,226,468		
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	24,245,270	5,235,416	18,562,986	446,868
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	594,909,424	581,490,019	10,175,906	3,243,499
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	37,541,169	34,709,364	2,542,480	289,325
9	Other employee benefits	68,509,595	63,888,724	4,114,553	506,318
10	Payroll taxes	39,133,080	37,363,022	1,532,399	237,659
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	2,310,544	465,377	1,845,167	
c	Accounting	667,182	11,218	655,964	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	2,222,529		2,222,529	
g	Other	0			
12	Advertising and promotion	3,393,629	2,903,246	487,512	2,871
13	Office expenses	9,042,098	7,598,490	1,242,424	201,184
14	Information technology	11,905,537	10,497,446	1,344,693	63,398
15	Royalties	0			
16	Occupancy	29,956,546	29,520,525	44,463	391,558
17	Travel	3,748,672	3,200,669	456,218	91,785
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	1,584,359	1,384,689	117,155	82,515
20	Interest	21,912,221	21,912,221		
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	85,449,304	80,340,232	5,109,072	
23	Insurance	28,223,089	26,248,411	1,974,678	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	Bad Debt Expense	45,189,158	45,189,158		
b	Equipment Rental and Supplies	212,825,626	212,085,055	725,451	15,120
c	Medicaid Provider Tax	26,306,496	26,306,496		
d	Commissions	29,796,107	24,963,599	3,744,322	1,088,186
e					
f	All other expenses	120,087,170	119,545,327	512,653	29,190
25	Total functional expenses. Add lines 1 through 24f	1,407,395,723	1,343,295,622	57,410,625	6,689,476
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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			127,797,026	1	96,853,654
	2	Savings and temporary cash investments			115,613,164	2	115,712,180
	3	Pledges and grants receivable, net			60,911,403	3	38,695,483
	4	Accounts receivable, net			192,360,429	4	254,235,809
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			15,343,575	8	23,164,154
	9	Prepaid expenses and deferred charges			11,691,016	9	17,124,215
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	2,117,953,841			
	b	Less: accumulated depreciation	10b	861,049,884	1,187,177,788	10c	1,256,903,957
	11	Investments—publicly traded securities			735,509,000	11	730,490,000
	12	Investments—other securities. See Part IV, line 11			111,506,817	12	88,126,064
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			25,636,839	15	36,412,948
16	Total assets. Add lines 1 through 15 (must equal line 34)			2,583,547,057	16	2,657,718,464	
Liabilities	17	Accounts payable and accrued expenses			349,793,290	17	371,010,197
	18	Grants payable			21,209,535	18	20,394,044
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			522,328,612	20	512,339,366
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties			346,978,413	23	370,731,370
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D			61,612,165	25	67,819,005
	26	Total liabilities. Add lines 17 through 25			1,301,922,015	26	1,342,293,982
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			710,640,758	27	790,097,120
	28	Temporarily restricted net assets			343,248,011	28	289,960,735
	29	Permanently restricted net assets			227,736,273	29	235,366,627
	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			1,281,625,042	33	1,315,424,482
	34	Total liabilities and net assets/fund balances			2,583,547,057	34	2,657,718,464

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,490,098,198
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,407,395,723
3	Revenue less expenses Subtract line 2 from line 1	3	82,702,475
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,281,625,042
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-48,903,035
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	1,315,424,482

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?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ 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?	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	Yes	

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 Rush University Medical Center	Employer identification number 36-2174823
--	--

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 Se**section 509(a)(4).**
- 11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

Section A. Public Support						
Calendar year (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	0 %
15	Public Support Percentage for 2010 Schedule A, Part II, line 14	15	
16a	33 1/3% support test—2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization 		
b	33 1/3% support test—2010. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization 		
17a	10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization 		
b	10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization 		
18	Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions 		

Part IIIPart III

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

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

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

Section C. Computation of Public Support Percentage		
15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	0 %
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	0 %
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
b 33 1/3% support tests—2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		

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

Facts And Circumstances Test

Explanation

SCHEDULE 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 Rush University Medical Center	Employer identification number 36-2174823
--	--

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

- 1

Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV
- 2

Political expenditures ▶ \$
- 3

Volunteer hours

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

- 1

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

Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3

If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- 4a

Was a correction made? ☐ Yes ☐ No
- b

If "Yes," describe in Part IV

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

- 1

Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2

Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ \$
- 3

Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ \$
- 4

Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No
- 5

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

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

Part II-A

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

- A
- Check
- ☐
- if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B
- Check
- ☐
- if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		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		
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														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		☐ Yes ☐ No												

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
	a Volunteers?		No	
	b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
	c Media advertisements?		No	
	d Mailings to members, legislators, or the public?		No	
	e Publications, or published or broadcast statements?		No	
	f Grants to other organizations for lobbying purposes?		No	
	g Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
	i Other activities? If "Yes," describe in Part IV		No	
j Total lines 1c through 1i				847,812
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

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

Part III-B

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

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
		2a	
		2b	
		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 1.
Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
II-B	1g	-- Direct contact with legislators and staff in order to influence legislation favorable to the healthcare industry

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
Rush University Medical Center

Employer identification number

36-2174823

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

3

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

4

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

5

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

☐ Yes ☐ No

6

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

7

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

8

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

☐ Yes ☐ No

9

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

Part III

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

1a

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

b

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

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

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

2

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

a

Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b

Assets included in Form 990, Part X

▶ \$ _____

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

Cat No 52283D

Schedule D (Form 990) 2011

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

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

☐ Yes

☐ No

Part IV

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

1a

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

☐ Yes

☐ No

b

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☒ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a Beginning of year balance	439,974,344	380,542,000	350,852,000	415,553,000	
b Contributions	9,454,670	9,238,740	8,853,000	1,282,000	
c Investment earnings or losses	2,456,570	65,348,174	34,538,000	-45,493,000	
d Grants or scholarships	1,796,055	428,631	360,433	556,526	
e Other expenditures for facilities and programs	13,819,062	14,725,939	11,653,992	17,994,356	
f Administrative expenses	412,063		1,686,575	1,939,118	
g End of year balance	435,858,404	439,974,344	380,542,000	350,852,000	

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ 1 000 %

b

Permanent endowment ▶ 54 000 %

c

Term endowment ▶ 45 000 %

3a

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

(i)

unrelated organizations

(ii)

related organizations

3a(i)

Yes

No

3a(ii)

Yes

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		17,190,156		17,190,156
b Buildings		1,646,377,438	596,280,507	1,050,096,931
c Leasehold improvements				
d Equipment		454,386,247	264,769,377	189,616,870
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				1,256,903,957

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
V	4	--The endowments are used to fund professorships 41, research 13, free care 9, student financial aid 12, education and fellowships 12 and other programs 13
X	2	-- Audited financial statements do not include a FIN 48 footnote

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
Rush University Medical Center

Employer identification number
36-2174823

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			Program Services	Charitable Health Care	32,800
Central America and the Caribbean			Program Services	Self Insurance	4,075,000
Central America and the Caribbean			Investments		527,404
East Asia and the Pacific			Program Services	Charitable Health Care	56,569
Europe			Program Services	Charitable Health Care	603,623
Middle East and North Africa			Program Services	Charitable Health Care	15,826
North America			Program Services	Charitable Health Care	1,698,015
Russia and the Newly Independent States			Program Services	Charitable Health Care	11,350
South America			Program Services	Charitable Health Care	1,439
South Asia			Program Services	Charitable Health Care	40
Sub-Saharan Africa			Program Services	Charitable Health Care	4,590
3a Sub-total					7,026,656
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					7,026,656

[illegible]

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.

[illegible]

Part IV Foreign Forms

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926 (see instructions for Form 926)*

☒ Yes ☐ No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If " Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A)*

☐ Yes ☒ No
- 3

Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see instructions for Form 5471)*

☒ Yes ☐ No
- 4

Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621)*

☐ Yes ☒ No
- 5

Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865)*

☐ Yes ☒ No
- 6

Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713).*

☐ Yes ☒ No

Part V **Supplemental Information**

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

Identifier	Return Reference	Explanation
I	3	Column f -- expenditures are actual payments to foreign entities or for foreign travel and are based on the accrual method of accounting

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

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

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization
Rush University Medical Center

Employer identification number
36-2174823

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

1

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

a

☐ Mail solicitations

b

☐ Internet and e-mail solicitations

c

☐ Phone solicitations

d

☐ In-person solicitations

e

☐ Solicitation of non-government grants

f

☐ Solicitation of government grants

g

☐ Special fundraising events

2a

Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

☐ Yes ☐ No

b

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

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

3

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

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. Cat No 50083H Schedule G (Form 990 or 990-EZ) 2011

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

Revenue			(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col (a) through col (c))	
			<u>Rush Neurobehavioral Gala</u>	<u>Womens Board Fashion Show</u>	<u>5</u>		
			(event type)	(event type)	(total number)		
1	Gross receipts	. . .	845,711	752,391	615,182	2,213,284	
2	Less Charitable contributions	. . .	820,241	527,466	328,809	1,676,516	
3	Gross income (line 1 minus line 2)	. . .	25,470	224,925	286,373	536,768	
Direct Expenses	4	Cash prizes	. . .		5,000		5,000
	5	Non-cash prizes	. .			1,031	1,031
	6	Rent/facility costs	. .		70,688	81,446	152,134
	7	Food and beverages	. .	70,626	84,574	148,738	303,938
	8	Entertainment	. . .	12,500	3,680	45,549	61,729
	9	Other direct expenses	.	20,126	160,268	84,160	264,554
	10	Direct expense summary Add lines 4 through 9 in column (d).					(788,386)
	11	Net income summary Combine lines 3 and 10 in column (d).					-251,618

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
					(Add col (a) through col (c))
Revenue	1	Gross revenue		17,450	17,450
	2	Cash prizes		5,000	5,000
Direct Expenses	3	Non-cash prizes			
	4	Rent/facility costs . . .			
	5	Other direct expenses . .			
	6	Volunteer labor	☐ Yes _____ ☐ No	☐ Yes _____ ☐ No	☒ Yes 100.000 % ☐ No
7 Direct expense summary Add lines 2 through 5 in column (d)					(5,000)
8 Net gaming income summary Combine lines 1 and 7 in column (d)					12,450

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

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

b If "No," Explain _____

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

b If "Yes," Explain _____

- 11

Does the organization operate gaming activities with nonmembers?

☐

Yes

☒

No
- 12

Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

☐

Yes

☒

No

13

Indicate the percentage of gaming activity operated in

a	The organization's facility	13a	
b	An outside facility	13b	100 000 %

14

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

Name

Ostrow Reisin Berk & Abrams Ltd

Address

455 N Cityfront Plaza Dr Suite 1500
Chicago,IL 60611

- 15a

Does the organization have a contract with a third party from whom the organization receives gaming revenue?

☐

Yes

☒

No
- b

If "Yes," enter the amount of gaming revenue received by the organization \$ and the amount of gaming revenue retained by the third party \$
- c

If "Yes," enter name and address

Name

Address

16

Gaming manager information

Name

Sarah Sliva

Gaming manager compensation

\$

Description of services provided

Record Keeping and Bank Deposit

☐ Director/officer

☒ Employee

☐ Independent contractor

- 17
- Mandatory distributions
- a

Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

☐

Yes

☒

No
- b

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

Part IV

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

Identifier	ReturnReference	Explanation
------------	-----------------	-------------

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
Rush University Medical Center

Employer identification number
36-2174823

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 ☐ Generally tailored to individual hospitals ☐ Applied uniformly to most 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 <i>free</i> care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☒ Other 0000000300.000000000000 ☐ 100% ☐ 150% ☐ 200% _____ % b Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☒ 400% ☐ Other _____ % 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"?		
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b	Yes
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?		
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5a	Yes
6a	Did the organization prepare a community benefit report during the tax year?	5b	Yes
6b	If "Yes," did the organization make it available to the public?	5c	No
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	6a	Yes
		6b	Yes

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)			27,371,439		27,371,439	2 180 %
b Medicaid (from Worksheet 3, column a)			214,234,056	158,348,548	55,885,508	4 450 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			241,605,495	158,348,548	83,256,947	6 630 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			5,739,041	606,402	5,132,639	0 410 %
f Health professions education (from Worksheet 5)			122,048,212	76,931,475	45,116,737	3 590 %
g Subsidized health services (from Worksheet 6)			158,172,453	121,997,806	36,174,647	2 880 %
h Research (from Worksheet 7)			119,852,744	31,457,035	88,395,709	7 040 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			210,450		210,450	0 020 %
j Total Other Benefits			406,022,900	230,992,718	175,030,182	13 940 %
k Total. Add lines 7d and 7j			647,628,395	389,341,266	258,287,129	20 570 %

Part IICommunity 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
1Physical improvements and housing						
2Economic development						
3Community support						
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development						
9Other						
10Total						

Part IIIBad 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?	1Yes	
2	Enter the amount of the organization's bad debt expense	213,409,004	
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.		

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5242,834,224	
6	Enter Medicare allowable costs of care relating to payments on line 5	6231,626,549	
7	Subtract line 6 from line 5. This is the surplus or (shortfall).	711,207,675	
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?	9aYes	
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.	9bYes	

Part IVManagement 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 %
1Rush Surgicenter	Healthcare	52.540 %	5.800 %	41.660 %
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Section A. Hospital Facilities

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

Name and address

[illegible]

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: _____

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

	Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)		
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8 If "Yes," indicate what the Needs Assessment describes (check all that apply)	1	
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? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)	5	
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	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care ____%	9	

Part V

Facility Information (continued)

		Yes	No
10	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care __% If "No," explain in Part VI the criteria the hospital facility used	10	
11	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) a ☐ 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)	11	
12	Explained the method for applying for financial assistance?	12	
13	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a ☐ 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)	13	
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	
15	Check all of the following 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	DDid the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged a ☐ Reporting to credit agency b ☐ Lawsuits c ☐ Liens on residences d ☐ Body attachments e ☐ Other similar actions (describe in Part VI)	16	
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? If "No," indicate why	18	
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? If "Yes," explain in Part VI	20	
21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient? If "Yes," explain in Part VI	21	

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? _____

Name and address		Type of Facility (Describe)
1		
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, 6l, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2
- Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health needs assessments reported in Part V, Section B
- 3
- Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4
- Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5
- Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 6
- Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7
- State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
Part I line 6a		The Community Benefit Report for Rush University Medical Center RUMC is a separate report prepared by Rush. Rush prepares and files the Annual Non-Profit Community Benefit Plan Report with the Attorney General's Office of the State of Illinois which includes Rush University Medical Center and Rush Oak Park Hospital. For the purpose of Schedule H, only financial information for Rush University Medical Center is reported. There is no data included for Rush Oak Park Hospital.

Identifier	ReturnReference	Explanation
Part I line 7		The calculation of the ratio of patient cost to charges was calculated utilizing RUMCs 2012 As-Filed Medicare Cost Report and follows the format based on Worksheet 2 of the Instructions to Schedule H. Medicare revenues and costs were extracted from the FY12 As-Filed Medicare Cost report.

Identifier	ReturnReference	Explanation
Part I line 7		Part I, Line 7g -- RUMC has included subsidized costs attributable to physician clinics totaling 122,091,868

Identifier	ReturnReference	Explanation
Part I line 7		Part I, Line 7, Column F -- Total expenses reported on Form 990, Part IX, line 25, column A include bad debt expense. However, for the purposes of Schedule H this expense has been removed from the denominator when calculating the percent of total expense considered the net community benefit expense and reported on Part I, Line 7, column f. The amount of bad debt expense excluded from this percentage calculation is 45,189,158.

Identifier	ReturnReference	Explanation
Part III line 4		The cost for the total bad debt provision of 45,189,158 was calculated using the cost to charge ratio described above. Rush does not have a footnote in the financial statements that describes bad debt expense. However, Rush provides a significant amount of uncompensated care to uninsured and underinsured patients, which is reported as provision for bad debts. During FY12, Rushs reported provision for bad debts was a total of 45,189,158. The Rush provision combined with the Rush University Medical Group RUMG provision of 7,895,058 equates to 13,409,004 at cost based on an overall cost to charge ratio.

Identifier	ReturnReference	Explanation
Part III line 8		The calculation of the ratio of patient cost to charges was calculated utilizing RUMCs 2012 As-Filed Medicare Cost Report and follows the format based on Worksheet 2 of the Instructions to Schedule H. Medicare revenues and costs were extracted from the FY12 As-Filed Medicare Cost report. There is no reported Medicare shortfall.

Identifier	ReturnReference	Explanation
Part III line 9b		In keeping with RUMCs mission to provide comprehensive, coordinated health care services to our patients, Rush offers several financial assistance programs to help patients with their hospital bill. If Rush is aware that a patient qualifies for financial assistance, these accounts will not be referred to a collection agency. It is the policy of RUMC to offer patients a payment plan and/or charity assistance when it becomes known that a patient needs financial assistance. RUMC works with patients to help determine if there are any third party payers which may be available to help the patient meet their obligations. RUMC works with patients to determine if they qualify for one of a handful of state and federal programs such as the states Medical Assistance Program or the Social Security Disability program and RUMC has specialists on site who assist patients with the application process.

Identifier	ReturnReference	Explanation
Part III line 9b		In the discussion of the RUMCs provision of charity care to our patient population there are several factors which must be considered in addition to the charity care number provided for purposes of Schedule H to obtain a full understanding of the breadth of charity provided by Rush These factors are outlined as follows

Identifier	ReturnReference	Explanation
Part III line 9b		Through utilization of a patient eligibility service RUMC is extremely proactive in enrolling patients who arrive at RUMC without insurance coverage into various state and federal programs that provide health insurance coverage. The maintenance of this service for our patients has a significant impact on decreasing the amount of charity care provided. In addition to achieving appropriate, available coverage for our patients medical services, this eligibility service also obtains eligibility for SSI or SSA benefits for applicable patients. Guiding the patient through this often time consuming and arduous process is extremely beneficial to the patient, as once SSI/SSA eligibility is approved, the patient will begin receiving a monthly assistance check that provides a benefit well beyond their health care at RUMC.

Identifier	ReturnReference	Explanation
Part III line 9b		Due to the process that RUMC and other hospitals must facilitate to prove a patients eligibility for discounted or free care, the precise amount of charity care often can be indistinguishable from other categories of uncompensated care Without the cooperation of the patient in providing appropriate documentation, Rush cannot correctly distinguish patients who meet the defined charity care policies and appropriately categorize those individuals as charity care write-offs Instead, these patient cases are frequently classified as bad debt write-offs due to a lack of support information This creates a reported charity care amount that is not representative of the true amount of free care provided to low income and indigent patients

Identifier	ReturnReference	Explanation
Part III line 9b		During FY 2012, RUMC provided discounts to uninsured patients of 26,644,615. These discounts are not included in Schedule H.

Identifier	ReturnReference	Explanation
Part V		Line 13g -- A summary of the policy is posted on RUMCs website, in the emergency room and in the admissions offices

Identifier	ReturnReference	Explanation
Part V		Line 19d -- Discounts for Limited Income Rush assists families with limited incomes, defined as annual income less than 400 percent of the federal poverty level FPL, who are eligible for a write-off of up to 70 percent of their bill

Identifier	ReturnReference	Explanation
Part V		Line 19d -- Discounts for Self-Pay Patients Rush offers an automatic 68 percent discount for residents of Illinois who do not have a health insurance plan Non Illinois residents who do not have health insurance automatically qualify for a 50 percent discount For patients who cannot pay their portion of the bill at the time of service, financial counselors work closely with them to set up monthly installment payment plans with no interest at an amount with which the patient is comfortable

Identifier	ReturnReference	Explanation
Part V		Line 19d -- State and Federal Programs This service focuses on providing patients who arrive at Rush without insurance with the coverage they are entitled to under various federal and state programs. Financial counselors work with patients and alert them if they qualify for one of a handful of programs such as the state Medical Assistance Non-Grant MANG program or the Social Security Disability program SSDI. Because the paperwork required for these programs can be overwhelming, Rush has specialists on site who assist patients with the application process. Through these efforts, we have qualified individuals for a social security disability who are not age 65, while at the same time ensuring payment for their hospital bill. Rush maintained a patient-eligibility service throughout FY2012 at a cost of 439K.

Identifier	ReturnReference	Explanation
Part V		Line 19d -- Payment plans If requested, interest-free payment plans are available to patients. Payments can be made over at most, 24 months with a minimum payment of 25.00 each month. Rush does not assess interest on unpaid balances.

Identifier	ReturnReference	Explanation
Part V		Line 19d -- Presumptive Charity Care Rush uses an outside service for its financial assistance programs to validate patients ability to pay, and in the event that patients do not contact us or apply for financial assistance, we may extend charity care for that episode of care This applies only to patients who do not inform us of insurance coverage

Identifier	ReturnReference	Explanation
Part V		Line 19d -- Paid in Full Charity Care Patients qualify for the Rush Charity Care program if their income level is at or below 300 percent of the federal poverty level That means that individuals qualify if they earn less than 69,150 and are supporting a family of four These patients are eligible for a full write-off of their bill

Identifier	ReturnReference	Explanation
Part VI Line 2		As an academic medical center, RUMC performs many community benefit activities in neighborhoods within and surrounding the Illinois Medical District IMD and throughout the Chicago area. For the purposes of this plan, the federally required Community Health Needs Assessment and future planning initiatives, RUMCs defined service area consists of communities surrounding the hospital identified through a patient origin zip code analysis. The RUMC service area is comprised of seven zip codes which include the Chicago community areas of Near West Side, Lower West Side, West Town, East Garfield Park, West Garfield Park, North Lawndale, and South Lawndale. These geographical areas encompass the location of the medical center as well as the locations of sites for a significant number of community outreach efforts.

Identifier	ReturnReference	Explanation
Part VI Line 2		The Science and Math Excellence SAME Network supports educational efforts in Chicago Public Schools across the City in more than 40 schools. In addition, RUMCs financial assistance policies apply to all RUMC patients.

Identifier	ReturnReference	Explanation
Part VI Line 2		Chicago, like any large urban city, surveys the health services it provides to its citizens. The Chicago Department of Public Health (CDPH) established a strategic planning process aimed to focus the energies of the department, set organizational priorities and guide the allocation of public health resources.

Identifier	ReturnReference	Explanation
Part VI Line 2		Many of RUMCs community benefits activities align with CDPHs strategic priorities such as health promotion and prevention of chronic disease, promoting access to services, and ensuring Chicago is prepared to quickly and effectively respond to public health emergencies and epidemics. Following a community needs assessment in FY2008, Rush initiated a formal planning process in FY2009 to ensure that future community benefits efforts aligned with the needs of the community. The resulting Community Benefits Plan helped to focus our strengths and available resources on programs that improve and promote the physical, educational and economic health of our communities.

Identifier	ReturnReference	Explanation
Part VI Line 2		To further our efforts to identify and address the existing health needs within our community, RUMC is developing its first Community Health Needs Assessment CHNA and corresponding implementation plan as required by the Internal Revenue Service in compliance with the Affordable Care Act Expected completion date is June 2013 A copy of the CHNA will be available online

Identifier	ReturnReference	Explanation
Part VI Line 3		In keeping with RUMCs mission to provide comprehensive, coordinated health care services to our patients, RUMC offers several financial assistance programs to help patients with their hospital bill

Identifier	ReturnReference	Explanation
Part VI Line 3		Through utilization of a patient eligibility service RUMC is extremely proactive in enrolling patients, who present for service without insurance coverage, for coverage under various state and federal programs. The maintenance of this service for our patients has a significant impact on decreasing the amount of charity care provided. In addition to achieving appropriate, available coverage for our patients medical services, this eligibility service also obtains eligibility for SSI or SSA benefits for applicable patients. Guiding the patient through this often time-consuming and arduous process is extremely beneficial to the patient, as once SSI/SSA eligibility is approved, the patient will begin receiving a monthly assistance check which provided a benefit well beyond their health care at RUMC.

Identifier	ReturnReference	Explanation
Part VI Line 3		To assist the patient in deciding which is the right program for them, RUMC offers the services of Financial Counselors and Billing Customer Service Representatives. These individuals will assist patients in completion of financial application forms, obtaining an estimated cost of anticipated hospital services, providing an explanation and copy of their hospital bill, and notary services. RUMC makes all financial assistance information and policies available on the hospital's website.

Identifier	ReturnReference	Explanation
Part VI Line 4		As state earlier, as an academic medical center, RUMC performs many community benefit activities in neighborhoods within and surrounding the Illinois Medical District IMD and throughout the Chicago area. For the purposes of this plan, the federally required Community Health Needs Assessment and future planning initiatives, RUMCs defined service area consists of communities surrounding the hospital identified through a patient origin zip code analysis. The RUMC service area is comprised of seven zip codes which include the Chicago community areas of Near West Side, Lower West Side, West Town, East Garfield Park, West Garfield Park, North Lawndale, and South Lawndale. These geographical areas encompass the location of the medical center as well as the locations of sites for a significant number of community outreach efforts.

Identifier	ReturnReference	Explanation
Part VI Line 5		RUMC provides a full range of medical services to the community including an emergency department that is never closed and is open to everyone regardless of their ability to pay as well as numerous services that operate at a loss While the emergency department is a key driver of providing care to the uninsured in a hospital setting, RUMC continues to emphasize primary and preventive care for uninsured individuals and families

Identifier	ReturnReference	Explanation
Part VI Line 5		This approach relies on the services provided within physician clinics at RUMC as well as the community service projects operated by patient care staff. In this way, RUMC hopes to have an impact on the health of patients before they get to the point of visiting the emergency department.

Identifier	ReturnReference	Explanation
Part VI Line 5		To ensure that RUMC is delivering on its patient care mission to the diverse communities of Chicago, RUMC incurred 1.2 million in costs to maintain a staff of Spanish language interpreters and to supply other-language and sign language interpreter services. These financial commitments are critical to facilitating accessibility of patient care to the diverse communities of the Chicago area.

Identifier	ReturnReference	Explanation
Part VI Line 5		As a not-for-profit organization, RUMC reinvests any excess revenue after paying expenses back into our institution in order to provide care for patients. A significant part of this reinvestment includes supporting services that benefit patients free care for patients who qualify under our charity care program and care for patients whose government insurance does not pay all of our costs and critical medical services that operate at a financial loss but are necessary for the communitys overall health. As an academic medical center, RUMC subsidizes health and medical research to improve patient care, now and for future generations by covering expenses not funded by private or government grants. We also subsidize the education and training of the next generation of doctors, nurses and other allied health care professionals whose tuition and grants do not fully cover the associated costs. Additionally, we fund a variety of vital outreach programs that address the specific health needs of our community and beyond.

Identifier	ReturnReference	Explanation
Part VI Line 5		RUMC is committed to providing programs to educate and train the health care workforce of the future. It is widely recognized that workforce demands in health care will rapidly escalate as the U.S. population ages. To help meet this need, RUMC trains future physicians, nurses and allied health professionals. During FY2012, RUMC provided 45.1 million in unreimbursed costs to maintain these education programs. It is an essential part of RUMC's corporate mission that education programs continue to receive this operational support in order to supply highly trained physicians, nurses, and allied health professionals to RUMC and to the larger health care community.

Identifier	ReturnReference	Explanation
Part VI Line 5		RUMC is committed to advancing medical care through translational research that aims to bring advances and improvements gained in research as rapidly as possible to the bedside of patients. Investigators at RUMC are involved in numerous clinical studies to test the effectiveness and safety of new therapies and medical devices as well as many basic research studies designed to expand scientific and medical knowledge. Like the academic affiliation between RUMC and Stroger Hospital, there is similar collaboration within research activities. Joint research projects in basic science, clinical science and services, and epidemiology look for new ways to improve the health of vulnerable communities and bridge the widening gaps in the health care system. As an academic medical center, RUMC brings together individuals from diverse backgrounds and experiences to uncover new advances in patient care. In this way, RUMC acts as an incubator for noteworthy breakthroughs in medicine.

Identifier	ReturnReference	Explanation
Part VI Line 5		In addition to dedicating resources to patient care, education and research activities, RUMC has historically placed emphasis on community service activities and relationships with other health care organizations. During FY 2012, RUMC provided over 5.1 million in other community benefits programs and over 3.4 million in volunteer time for various community outreach activities.

Identifier	ReturnReference	Explanation
Part VI Line 6		RUMC has an affiliation with Rush Oak Park Hospital. Rush Oak Park Hospital (ROPH) is a Catholic community hospital consisting of 296 beds located in Oak Park, Illinois and affiliated with RUMC in Chicago, IL and Wheaton Franciscan Healthcare, Inc., in Wheaton, IL. The affiliation between RUMC and Rush Oak Park Hospital provides patients with access to advanced medical treatments without having to leave their neighborhoods. ROPH is committed to balancing clinical excellence with compassionate care and greater community outreach programs in order to provide a lifetime of care for individuals and their entire family. For the purposes of Schedule H, only financial information for RUMC is reported. There is no data included for Rush Oak Park Hospital.

Identifier	ReturnReference	Explanation
Part VI Line 7		Part VI Line 7, IL

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Rush University Medical Center

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

Employer identification number
36-2174823

Part I

General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Snow City Arts1653 W Congress Parkway Chicago,IL 60612	36-4240513	501c3	39,000				General Support
(2) American Heart Association208 S LaSalle St 900 Chicago,IL 606041101	13-5613797	501c3	15,000				General Support
(3) Access Living115 W Chicago Ave Chicago,IL 60610	36-3310774	501c3	13,000				General Support
(4) The Metro Foundation 901 McClintock Drive Burr Ridge,IL 60527	30-0153829	501c3	10,000				General Support
(5) Bears Care1000 Football Drive Lake Forest,IL 60045	20-3902715	501c3	9,500				General Support
(6) Arthritis Foundation35 E Wacker Drive Chicago,IL 60601	26-4639290	501c3	8,500				General Support
(7) Chicago United Inc205 W Wacker Dr 1400 Chicago,IL 60606	36-2770509	501c3	7,500				General Support
(8) Stroger Hospital1901 W Harrison St Chicago,IL 60612	36-6006541	Government		12,000	FMV	Furnishings	General Support

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

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

Part III

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) Scholarships to attend Rush University Medical Center	1097	8,226,468			

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
I	2	-- Rush provides grants and assistance to organizations that are recognized public charities and to individuals primarily associated with the medical field. Rush maintains contact with the grantees through the performance of its exempt purpose.

Software ID: 11000218
Software Version: 2011.0.0
EIN: 36-2174823
Name: Rush University Medical Center

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
Snow City Arts1653 W Congress Parkway Chicago, IL 60612	36-4240513	501c3	39,000				General Support
American Heart Association208 S LaSalle St 900 Chicago, IL 606041101	13-5613797	501c3	15,000				General Support

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Access Living115 W Chicago Ave Chicago,IL 60610	36-3310774	501c3	13,000				General Support
The Metro Foundation901 McClintock Drive Burr Ridge,IL 60527	30-0153829	501c3	10,000				General Support

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Bears Care1000 Football Drive Lake Forest, IL 60045	20-3902715	501c3	9,500				General Support
Arthritis Foundation35 E Wacker Drive Chicago, IL 60601	26-4639290	501c3	8,500				General Support

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Chicago United Inc 205 W Wacker Dr 1400 Chicago, IL 60606	36- 2770509	501c3	7,500				General Support
Stroger Hospital 1901 W Harrison St Chicago, IL 60612	36- 6006541	Government		12,000	FMV	Furnishings	General Support

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
Rush University Medical Center

Employer identification number

36-2174823

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	☐ 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 or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	☒ Compensation committee ☒ Written employment contract ☒ Independent compensation consultant ☒ Compensation survey or study ☐ Form 990 of other organizations ☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	Yes
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

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.

[illegible]

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
I	1A	- Housing allowance or residence for personal use - Rush owns the Sessions house which is used by the President CEO for Rush business activities. Occasionally there is incidental personal use, the value of which is included in compensation.
I	1A	- Health or social club dues or initiation fees - membership is maintained for the Senior Vice President of Philanthropy, Chief Development Officer at the University Club, the President CEO at the Chicago Club, and the Vice President of Government Affairs at the Executive Club. All memberships are used for Rush fundraising and/or business activities.
I	4B	- Rush offers a supplemental employee retirement plan to all employees who participate in the executive benefits program and whose compensation exceeds the IRS allowable limit for a qualified pension plan. The amount accrued in 2011 was included in income in Schedule J for the following individuals: David A. Ansell, MD-60,813; Cynthia Barginere-13,324; Charles E. Behl-26,401; Cynthia Boyd-16,134; Max D. Brown, JD-100,450; Peter W. Butler-232,215; Paul M. Carvey, PhD-53,932; J. Robert Clapp, Jr.-96,754; Richard Davis-18,690; R. Anthony Davis-13,577; Thomas A. Deutsch, MD-200,177; Bruce M. Elegant-40,680; Brent Estes-16,408; Larry J. Goodman, MD-225,062; Lois K. Halstead, PhD, RN-74,932; Joan E. Kurtenbach-21,213; John Lowenberg-20,153; Sheri L. Marker-23,257; Diane M. McKeever-40,603; Avery S. Miller-203,771; John P. Mordach-70,503; Mike Mulroe-25,475; James L. Mulshine, MD-29,263; Denise Nedza-4,371; Jaime B. Parent-39,437; Terry Peterson-19,688; Mary Ellen Schopp-29,331; David C. Shelledy, PhD-12,551; Julio C. Silva, MD-54,275; Brian T. Smith-31,934; Scott E. Sonnenschein-15,425; Lac Van Tran-59,361; Mick P. Zdeblick-40,790. The amounts paid out from this plan were as follows: Max D. Brown, JD-142,597; Lois K. Halstead, PhD, RN-71,698; and Avery S. Miller-208,813. These amounts are listed in Schedule J, Part II, Column F.
I	7	- Incentive payments are based upon a formula. The amounts are calculated after certain performance and operating goals are achieved. The plan provides limited discretionary parameters if needed.

Software ID: 11000218
Software Version: 2011.0.0
EIN: 36-2174823
Name: Rush University Medical Center

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				
Catherine Dimou MD	(i) (ii)	215,325	35,012	10,312	19,600	20,328	300,577	
David A Ansell MD	(i) (ii)	425,299	89,016	30,955	80,413	714	626,397	
Cynthia Barginere	(i) (ii)	173,807	25,000	2,023	16,809	7,345	224,984	
Charles E Behl	(i) (ii)	254,015	97,007	14,922	46,001	17,424	429,369	
Cynthia Boyd	(i) (ii)	272,052			35,734	1,014	308,800	
Max D Brown JD	(i) (ii)	360,832	64,757	187,463	663,094	14,209	1,290,355	142,597
Peter W Butler	(i) (ii)	713,629	268,634	53,424	251,815	16,735	1,304,237	
Paul M Carvey PhD	(i) (ii)	297,756	69,256	27,489	75,982	22,595	493,078	
J Robert Clapp Jr	(i) (ii)	464,510	169,512	18,837	113,904	25,893	792,656	
Edward W Conway	(i) (ii)	215,593	36,127	1,308	17,150	2,397	272,575	
Richard K Davis	(i) (ii)	237,574	55,360		38,290	27,595	358,819	
R Anthony Davis	(i) (ii)	282,717	105,521	13,200	296,215	10,465	708,118	
Thomas A Deutsch MD	(i) (ii)	541,596	205,370	35,364	222,227	27,529	1,032,086	
Melanie C Dreher PhD RN	(i) (ii)	243,619	52,787		19,584	10,621	326,611	
Bruce M Elegant	(i) (ii)	290,879	49,271	28,025	60,280	17,134	445,589	
Brent Estes	(i) (ii)	295,609	69,339	6,050	33,558	21,040	425,596	
Larry J Goodman MD	(i) (ii)	893,477	410,497	72,045	239,762	22,595	1,638,376	
Lois K Halstead PhD RN	(i) (ii)	170,494	20,232	95,272	89,632	11,355	386,985	71,698

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				
Bradley G Hinrichs	(i) (ii)	226,183	55,711	34,299	14,700	7,355	338,248	
Joan E Kurtenbach	(i) (ii)	233,327	53,739	7,611	35,913	21,025	351,615	
John Lowenberg	(i) (ii)	227,892	43,546	7,620	37,303	714	317,075	
Sheri L Marker	(i) (ii)	212,177	38,046	12,623	45,307	7,604	315,757	
Diane M McKeever	(i) (ii)	273,230	83,425	10,751	62,653	16,809	446,868	
Avery S Miller	(i) (ii)	494,768	186,934	270,527	218,471	15,185	1,185,885	208,813
John P Mordach	(i) (ii)	462,305	109,211	11,917	77,853	19,574	680,860	
Mike J Mulroe	(i) (ii)	208,319	42,177	7,992	42,625	27,530	328,643	
James L Mulshine MD	(i) (ii)	327,089	52,940	22,884	46,413	24,090	473,416	
Denise Nedza	(i) (ii)	218,103	68,101	1,308	19,071	8,155	314,738	
Jaime B Parent	(i) (ii)	251,183	55,667	15,929	56,587	22,593	401,959	
Terry Peterson	(i) (ii)	248,251	49,126	10,452	36,097	7,447	351,373	
Mary Ellen Schopp	(i) (ii)	274,011	58,886		42,761	25,830	401,488	
David C Shelledy PhD	(i) (ii)	185,019	28,783	19,314	27,273	15,277	275,666	
Julio C Silva MD	(i) (ii)	314,094	66,111	16,134	71,425	20,969	488,733	
Brian T Smith	(i) (ii)	333,404	64,709	7,924	46,634	24,758	477,429	
Scott E Sonnenschein	(i) (ii)	264,929	48,510	7,158	32,575	21,679	374,851	
Lac Van Tran	(i) (ii)	356,974	83,803	30,779	78,961	8,707	559,224	

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				
Mick P Zdeblick	(i) (ii)	328,734	115,651	9,365	57,940	22,595	534,285	
Lorenzo Munoz MD	(i) (ii)	566,058	205,852	148,500	14,700	23,672	958,782	
John Polley MD	(i) (ii)	897,040			9,800	12,623	919,463	
Harel Deutsch MD	(i) (ii)	659,982	146,964		14,700	31,090	852,736	
Michael Liptay MD	(i) (ii)	623,563	159,005		14,700	28,855	826,123	
Richard Byrne MD	(i) (ii)	690,024	89,680		17,150	24,090	820,944	

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Rush University Medical Center

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

Employer identification number
36-2174823

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 Illinois Finance Authority	86-1091967	000000000	12-16-2011	56,000,000	Series 2011 see Part VI		X		X		X
B Illinois Finance Authority	86-1091967	45200FYR4	07-29-2009	171,668,452	Series 2009C see Part VI		X		X		X
C Illinois Finance Authority	86-1091967	45200FTX7	02-10-2009	171,147,519	Series 2009A see Sch O		X		X		X
D Illinois Finance Authority	86-1091967	45200FSE0	12-09-2008	50,000,000	Series 2008A Variable see Sch O		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired								
2	Amount of bonds defeased								
3	Total proceeds of issue	56,000,000		172,282,443		171,509,740		50,011,044	
4	Gross proceeds in reserve funds			16,937,678		17,906,292			
5	Capitalized interest from proceeds			1,227,141		115,000		42,012	
6	Proceeds in refunding escrow								
7	Issuance costs from proceeds			2,547,812		2,370,004		874,123	
8	Credit enhancement from proceeds							140,424	
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	56,000,000		151,870,563		156,501,691		48,954,486	
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2012		2012		2012		2012	
14	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No	Yes	No	Yes	No
		X			X		X		
15	Were the bonds issued as part of an advance refunding issue?		X		X		X		
16	Has the final allocation of proceeds been made?	X			X		X		
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III

Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?	X		X		X			
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X		X			
c	Are there any research agreements that may result in private business use of bond-financed property?	X		X		X			
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?	X		X		X			
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 010 %		2 610 %		0 001 %			
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 %		0 020 %		0 001 %			
6	Total of lines 4 and 5	0 010 %		2 630 %		0 %			
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X			

Part IV

Arbitrage

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

Part V

Procedures To Undertake Corrective Action

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

Part VI

Supplemental Information

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

Identifier	Return Reference	Explanation
------------	------------------	-------------

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
Rush University Medical Center

Employer identification number
36-2174823

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 Illinois Finance Authority	86-1091967	45200FHN2	05-28-2008	63,506,719	Series 2006B see Sch O		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired								
2	Amount of bonds defeased								
3	Total proceeds of issue	63,510,382							
4	Gross proceeds in reserve funds	4,991,813							
5	Capitalized interest from proceeds	213,595							
6	Proceeds in refunding escrow								
7	Issuance costs from proceeds	777,914							
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds								
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2008							
		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	
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?				Yes	No	Yes	No	Yes	No	Yes	No
2	Are there any lease arrangements that may result in private business use of bond-financed property?											

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?								
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?								
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government								
6	Total of lines 4 and 5								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?								

Part IV

Arbitrage

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

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
Rush University Medical Center

Employer identification number

36-2174823

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

Part V

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

Identifier	Return Reference	Explanation
------------	------------------	-------------

Additional Data

Software ID: 11000218
Software Version: 2011.0.0
EIN: 36-2174823
Name: Rush University Medical Center

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction \$	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
3M	W James Farrell Robert S Morrison on BOD	361,625	Sale of Goods		No
Abbott Labs	W James Farrell on BOD	2,515,728	Sale of Goods		No
Baxter International	Robert M Davis is Vice President	7,325,705	Sale of Goods		No
Biomet Orthopedics Inc	Jorge O Galante, MD is on BOD	1,225,239	Sale of Goods		No
BMO Financial Group	Christine A Edwards is on BOD	279,167	Services		No
BMO Financial Group (Continued)	William A Downe is President CEO	279,168	Services		No
CDW	Thomas E Richards is President COO	3,626,199	Services		No
Chicago Transit Authority	Alejandro Silva Carole L Brown on BOD	179,996	Services		No
Exelon Corp	Christopher M Crane is President CEO	5,012,512	Services		No
Exelon Corp (continued)	Sue Ling Gin John W Rogers Jr on BOD	5,012,512	Services		No
Harris Financial Corp	Pastora San Juan Cafferty on BOD	130,661	Services		No
Hill-Rom Holdings Inc	Susan R Lichtenstein is Senior VP CLO	1,683,224	Services		No

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction \$	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Navigant Consulting Inc	William M Goodyear is Chairman CEO	117,618	Services		No
Northern Trust Global Investments	Stephen N Potter is President	573,511	Services		No
PricewaterhouseCoopers LLP	Jay L Henderson is Vice Chairman	175,000	Services		No
The Northern Trust Co	Susan Crown Charles Tribbett III on BOD	516,994	Services		No
University Anesthesiologists	Anthony D Ivankovich, MD is a Partner	300,717	Services		No
University Pathologists PC	Robert P DeCresce, MD is an owner	1,640,017	Services		No
University Pathology Consultants LLC	Robert P DeCresce, MD is an owner	145,573	Services		No
VWR International	Robert P DeCresce, MD on BOD	401,964	Services		No
WW Grainger	William K Hall on BOD	485,719	Sale of Goods		No
William Blair & Company LLC	E David Coolidge III on BOD John L Brennen is management	304,575	Services		No

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Rush University Medical Center

Employer identification number
36-2174823

Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	47	4,098,908	FMV
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (<u>Furnishings</u>)	X	1	12,000	Sale of comparable
Anesthesia				
26 Other ► (<u>Machine</u>)	X	1	6,000	Sale of comparable
27 Other ► (<u>Equipment</u>)	X	3	121,141	Sale of comparable
28 Other ► (_____)				

29

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

30a

During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

30a

Yes

No

b

If "Yes," describe the arrangement in Part II

31

Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

31

Yes

32a

Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?

32a

Yes

b

If "Yes," describe in Part II

33

If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II

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

Cat No 51227J

Schedule M (Form 990) 2011

Part III

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

Identifier	Return Reference	Explanation
I	32b	-- State Street Global Advisors manages our charitable gift annuities and our pooled income funds and, in so doing, may process or sell noncash contributions The organization uses the Northern Trust Company to accept into our account, then process and sell noncash contributions

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 Rush University Medical Center	Employer identification number 36-2174823
--	---

Identifier	Return Reference	Explanation
Form 990 Part I	1	-- Rush provides a full range of medical services to the community, including an emergency department that is never closed and is open to anyone regardless of their ability to pay. In addition, Rush is committed, through Rush Medical College and College of Nursing, to provide programs to educate and train the health care workforce of the future. Rush is also a thriving center for basic and clinical research.

Identifier	Return Reference	Explanation
Form 990 Part III	1	-- The mission of Rush University Medical Center is to provide the very best care for our patients. Our education and research endeavors, community service programs and relationships with other hospitals are dedicated to enhancing excellence in patient care for the diverse communities of the Chicago area now and in the future. The true impact of our mission isnt only visible within the boundaries of our Medical Center campus. We also see our mission take shape in the community health clinics, outreach and mentoring programs, and countless other community-based initiatives led by doctors, nurses, students and others at Rush.

Identifier	Return Reference	Explanation
Form 990 Part III	4D	---- Other program services Rush provides various services for the benefit of its patients and visitors, such as parking, food service and interpreter services. Rush also sponsors a number of programs in the community focused on improving health, expanding education in health-related careers, community-based research to reduce health disparities and initiatives to provide economic development and job creation. Rush programs influenced tens of thousands of lives in FY 12.

Identifier	Return Reference	Explanation
Form 990 Part VI	11A	-- The information is compiled and reviewed internally by Corporate Finance. The return is reviewed by Deloitte Tax LLP before being submitted to the Audit Committee of the Board of Directors of Rush for review and approval. The return is distributed to the entire Board of Directors before it is filed.

Identifier	Return Reference	Explanation
Form 990 Part VI	12C	--- Rushs Board of Trustees, corporate officers, employees, faculty, students and members of its medical, nursing, professional and technical staffs must use their best efforts and judgment to avoid any influences which could compromise patient care, research, business transactions, objectivity or integrity. The comprehensive policy statement regarding conflicts of interest is applicable to the Rush Board of Trustees, corporate officers, employees, faculty, students and members of Rushs medical, nursing, professional and technical staffs. All employees are required to make a clear disclosure of any conflict of interest to their immediate supervisor at the earliest possible opportunity before an arrangement is entered into which would result in a conflict or as soon thereafter as the employee becomes aware that such a conflict exists. Supervisors may take action to address a conflict of interest as is consistent with policies of Rush including, but not limited to, the policies of the Department of Human Resources. Conflicts of interest are defined as circumstances that create a risk that professional judgments or actions regarding a primary interest will be unduly influenced by a secondary interest. Conflicts can be more or less severe. The severity of a conflict depends on 1 the likelihood that professional decisions made under the relevant circumstances would be unduly influenced by a secondary interest and 2 the seriousness of the harm or wrong that could result from such influence.

Identifier	Return Reference	Explanation
Form 990 Part VI	12C continued--	Under certain limited circumstances a conflict may be allowed to continue if such conflict cannot otherwise be eliminated, the likelihood of undue influence is minimized and the relationship is appropriately managed to reduce the risk of possible harm. Members of the Rush Board of Trustees and Rush Corporate Officers are required to disclose any conflicts to the Chairman or Vice Chairman or the secretary of the Rush Board of Trustees. An initial review will be undertaken by the Audit Committee of the Board, which shall make such recommendations as it deems appropriate to the Executive Committee of the Board. If time does not permit a full review by the Audit Committee, such initial review may be undertaken by the Chairman of the Board and Chairman of the Audit Committee. Thereafter, the Audit Committee shall submit the material facts of the conflict along with its recommendations to the Executive Committee which shall make a final determination on the matter.

Identifier	Return Reference	Explanation
Form 990 Part VI	15A 15B	-- The Compensation and Human Resources Committee uses an independent review , comparability data and contemporaneous substantiation to establish compensation packages for officers All officer compensation packages are approved by the Compensation and Human Resources Committee

Identifier	Return Reference	Explanation
Form 990 Part VI	18	-- The Form 990 information is made available upon request through the Media Relations office of the Public Relations Department and/or Legal Affairs. The Form 990 is also available on Guidestar and on the Illinois Attorney Generals website.

Identifier	Return Reference	Explanation
Form 990 Part VI	19	--Rush does not make its governing documents or conflict of interest policy available to the public. The financial statements are available through the Illinois Attorney Generals office.

Identifier	Return Reference	Explanation
Form 990 Part VI	1a	--The Executive Committee, between meetings of the trustees, shall have and exercise all of the authority of the voting trustees in the management of the corporation except to the extent, if any, that such authority shall be limited by resolution of the voting trustees and except for a amending the articles of incorporation b amending, altering or repealing the by-laws c adopting a plan of merger or consolidation with another corporation d authorizing the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the corporation e authorizing the voluntary dissolution of the corporation f adopting a plan for the distribution of the assets of the corporation g electing, appointing or removing any trustee or officer of the corporation or h amending, altering or repealing any resolution of the voting trustees which by its terms provides that it shall not be amended, altered or repealed by the executive committee The delegation of authority to the Executive Committee shall not operate to relieve the voting trustees or any single voting trustee of any responsibility imposed upon him or her by law The Executive Committee shall consist of not fewer than 22 and not more than 28 voting trustees, including the Chairman, the Vice Chairmen and the Chief Executive Officer The voting members of the Executive Committee shall be elected at the annual meeting of the voting trustees provided that any vacancy occurring or existing in the Executive Committee may be filled by an election held at any regular or special meeting of the voting trustees Members of the Executive Committee shall serve until their successors have been elected

Identifier	Return Reference	Explanation
Form 990 Part VI	2	-- W James Farrell and Robert S Morrison had a business relationship -- Thomas A Donahoe and William K Hall had a business relationship -- W James Farrell and Thomas J Wilson had a business relationship -- Christine Edwards and William A Downe had a business relationship -- H John Gilbertson and Carl W Stern had a business relationship -- John W Rogers Jr had a business relationship with Robert S Morrison, , Gloria Santona, Esq , Michael J OConnor and Michael F OBrien, Christopher Cane and Sue Ling Gin -- Carole L Brown and Alejandro Silva had a business relationship -- Sue Ling Gin, John W Rogers Jr and Christopher M Crane had a business relationship -- Thomas J Wilson and Charles L Evans, PhD had a business relationship -- Susan Crown, Robert S Morrison and David B Speer had a business relationship -- Pastora San Juan Cafferty had a business relationship with John W Higgins, William Downe and Charles A Schrock -- Sheila A Penrose, John W Rogers Jr and Gloria Santona, Esq had a business relationship -- Donald G Lubin, Esq had a business relationship with Fred A Krehbiel, Gloria Santona, Richard Jaffee, William Goodyear, E David Coolidge II, John Willis, Stephen Potter and John Brennen --Susan Crown and Charles A Tribbett, III had a business relationship

Identifier	Return Reference	Explanation
Form 990 Part VI	2 continued	--- Matthew Bergman and Christine A Edwards had a business relationship - Jesse H Ruiz had a business relationship with Christopher Crane, Sue Ling Gin, and John Rogers -- Richard K Davis and R Anthony Davis have a family relationship

Identifier	Return Reference	Explanation
Form 990 Part VII	1a	-- Payments to Robert A Balk, MD, Robert P DeCresce, MD, Catherine Dimou, MD, Margaret Faut-Callahan, PhD, Larry J Goodman, MD and Anthony D Ivankovich, MD were for their roles as employees not as trustees

Identifier	Return Reference	Explanation
Form 990 Part XI	5	--Other changes in net assets consists of Recovery of impaired endow ment corpus - 233,222 post retirement related changes - 43,618,677 unrealized restricted gain on investments - 8,215,318, non-controlling interest in subsidiary - 4,155,783 and unrealized unrestricted gain on investments - 991,606

Identifier	Return Reference	Explanation
Form 990		Schedule K, Part I, - Rush University Medical Centers RUMC long-term debt is issued under a master trust indenture which established the Rush University Medical Center obligated group OG which, as of 6/30/12, was comprised of RUMC and Copley Memorial Hospital, Inc Copley and its affiliates The OG is jointly and severally liable for the obligations issued under the master trust indenture Each OG member is expected to pay its allocated share of the debt issued on its behalf The debt listed on lines A-D were issued for RUMC

Identifier	Return Reference	Explanation
Form 990		Schedule K, Part I, line C, Column f proceeds of the series 2009A bonds were used to finance and refinance healthcare and related facilities The remainder of the proceeds was used to refund a taxable loan used to refund 2006A bonds

Identifier	Return Reference	Explanation
Form 990		Schedule K, Part I, Line D, Column f RUMC is using the proceeds of the series 2008A bonds to finance healthcare and related facilities

Identifier	Return Reference	Explanation
Form 990		Schedule K, Part III, Column A Part III has not been completed with respect to the Series 2011 and Series 2006B bonds because the original projects being refinanced by such bonds are traceable to bonds issued before 2003 Had completion of Part II been required, line 7 would have been answered Yes for these bonds

Identifier	Return Reference	Explanation
Form 990		Schedule K, Part IV, Line 3b, Column D the providers of the hedge concerning the bond issue are Morgan Stanley Capital Services, Inc and Citibank, NA The terms of the hedge are 27 3 years from Morgan Stanley and 29 2 years from Citibank

Identifier	Return Reference	Explanation
Form 990		Schedule K2, Part I, Line A, Column f the series 2006B fixed rate bonds were used to finance and refinance healthcare and related facilities The proceeds were used to refinance the remainder of the series 1998A bonds

Identifier	Return Reference	Explanation
		Form 990 Part I Line 1 -- Rush provides a full range of medical services to the community, including an emergency department that is never closed and is open to anyone regardless of their ability to pay. In addition, Rush is committed, through Rush Medical College and College of Nursing, to provide programs to educate and train the health care workforce of the future. Rush is also a thriving center for basic and clinical research. Form 990 Part II Line 1 -- The mission of Rush University Medical Center is to provide the very best care for our patients. Our education and research endeavors, community service programs and relationships with other hospitals are dedicated to enhancing excellence in patient care for the diverse communities of the Chicago area now and in the future. The true impact of our mission isn't only visible within the boundaries of our Medical Center campus. We also see our mission take shape in the community health clinics, outreach and mentoring programs, and countless other community-based initiatives led by doctors, nurses, students and others at Rush. Form 990 Part III Line 4D ---- Other program services. Rush provides various services for the benefit of its patients and visitors, such as parking, food service and interpreter services. Rush also sponsors a number of programs in the community focused on improving health, expanding education in health-related careers, community-based research to reduce health disparities and initiatives to provide economic development and job creation. Rush programs influenced tens of thousands of lives in FY12. Form 990 Part VI Section B Line 11A -- The information is compiled and reviewed internally by Corporate Finance. The return is reviewed by Deloitte Tax LLP before being submitted to the Audit Committee of the Board of Directors of Rush for review and approval. The return is distributed to the entire Board of Directors before it is filed. Form 990 Part VI Section B Line 12C --- Rush's Board of Trustees, corporate officers, employees, faculty, students and members of its medical, nursing, professional and technical staffs must use their best efforts and judgment to avoid any influences which could compromise patient care, research, business transactions, objectivity or integrity. The comprehensive policy statement regarding conflicts of interest is applicable to the Rush Board of Trustees, corporate officers, employees, faculty, students and members of Rush's medical, nursing, professional and technical staffs. All employees are required to make a clear disclosure of any conflict of interest to their immediate supervisor at the earliest possible opportunity before an arrangement is entered into which would result in a conflict or as soon thereafter as the employee becomes aware that such a conflict exists. Supervisors may take action to address a conflict of interest as is consistent with policies of Rush including, but not limited to, the policies of the Department of Human Resources. Conflicts of interest are defined as circumstances that create a risk that professional judgments or actions regarding a primary interest will be unduly influenced by a secondary interest. Conflicts can be more or less severe. The severity of a conflict depends on 1 the likelihood that professional decisions made under the relevant circumstances would be unduly influenced by a secondary interest and 2 the seriousness of the harm or wrong that could result from such influence. Form 990 Part VI Section B Line 12C continued-- Under certain limited circumstances a conflict may be allowed to continue if such conflict cannot otherwise be eliminated, the likelihood of undue influence is minimized and the relationship is appropriately managed to reduce the risk of possible harm. Members of the Rush Board of Trustees and Rush Corporate Officers are required to disclose any conflicts to the Chairman or Vice Chairman or the secretary of the Rush Board of Trustees. An initial review will be undertaken by the Audit Committee of the Board, which shall make such recommendations as it deems appropriate to the Executive Committee of the Board. If time does not permit a full review by the Audit Committee, such initial review may be undertaken by the Chairman of the Board and Chairman of the Audit Committee. Thereafter, the Audit Committee shall submit the material facts of the conflict along with its recommendations to the Executive Committee which shall make a final determination on the matter. Form 990 Part VI Section B Line 15A 15B -- The Compensation and Human Resources Committee uses an independent review, comparability data and contemporaneous substantiation to establish compensation packages for officers. All officer compensation packages are approved by the Compensation and Human Resources Committee. Form 990 Part VI Section C Line 18 -- The Form 990 information is made available upon request through the Media Relations office of the Public Relations Department and/or Legal Aff.

Identifier	Return Reference	Explanation
		airs The Form 990 is also available on Guidestar and on the Illinois Attorney Generals website Form 990 Part VI Section C Line 19 --Rush does not make its governing documents or conflict of interest policy available to the public The financial statements are available through the Illinois Attorney Generals office Form 990 Part VI Section A Line 1a --The Executive Committee, between meetings of the trustees, shall have and exercise all of the authority of the voting trustees in the management of the corporation except to the extent , if any, that such authority shall be limited by resolution of the voting trustees and except for a amending the articles of incorporation b amending, altering or repealing the by -laws c adopting a plan of merger or consolidation with another corporation d authorizing the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the corporation e authorizing the voluntary dissolution of the corporation f adopting a plan for the distribution of the assets of the corporation g electing, appointing or removing any trustee or officer of the corporation or h amending, altering or repealing any resolution of the voting trustees which by its terms provides that it shall not be amended , altered or repealed by the executive committee The delegation of authority to the Executive Committee shall not operate to relieve the voting trustees or any single voting trustee of any responsibility imposed upon him or her by law The Executive Committee shall consist of not fewer than 22 and not more than 28 voting trustees, including the Chairman, the Vice Chairmen and the Chief Executive Officer The voting members of the Executive Committee shall be elected at the annual meeting of the voting trustees provided that any vacancy occurring or existing in the Executive Committee may be filled by an election held at any regular or special meeting of the voting trustees Members of the Executive Committee shall serve until their successors have been elected Form 990 Part VI Section A Line 2 -- W James Farrell and Robert S Morrison had a business relationship -- Thomas A Donahoe and William K Hall had a business relationship -- W James Farrell and Thomas J Wilson had a business relationship -- Christine Edwards and William A Downe had a business relationship -- H John Gilbertson and Carl W Stern had a business relationship -- John W Rogers Jr had a business relationship with Robert S Morrison, , Gloria Santona, Esq , Michael J OConnor and Michael F OBrien, Christopher Cane and Sue Ling Gin -- Carole L Brown and Alejandro Silva had a business relationship -- Sue Ling Gin, John W Rogers Jr and Christopher M Crane had a business relationship -- Thomas J Wilson and Charles L Evans, PhD had a business relationship -- Susan Crown, Robert S Morrison and David B Speer had a business relationship -- Pastora San Juan Cafferty had a business relationship with John W Higgins, William Downe and Charles A Schrock -- Sheila A Penrose, John W Rogers Jr and Gloria Santona, Esq had a business relationship -- Donald G Lubin, Esq had a business relationship with Fred A Krehbiel, Gloria Santona, Richard Jaffee, William Goodyear, E David Coolidge II, John Willis, Stephen Potter and John Brennen --Susan Crown and Charles A Tribbett, III had a business relationship Form 990 Part VI Section A Line 2 continued --- Matthew Bergman and Christine A Edwards had a business relationship - Jesse H Ruiz had a business relationship with Christopher Crane, Sue Ling Gin, and John Rogers -- Richard K Davis and R Anthony Davis have a family relationship Form 990 Part VII Section A Line 1a -- Payments to Robert A Balk, MD, Robert P DeCresce, MD, Catherine Dimou, MD, Margaret Faut-Callahan, PhD, Larry J Goodman, MD and Anthony D Ivankovich, MD were for their roles as employees not as trustees Form 990 Part XI Line 5 --Other changes in net assets consists of Recovery of impa

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
Rush University Medical Center

Employer identification number
36-2174823

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) Health Delivery Management 1700 W Van Buren Street Chicago, IL 60612 36-4085751	Healthcare	IL	2,030,616	146,864	N/A
(2) Vyndian 820 W Jackson Blvd Chicago, IL 60607 36-4208577	Billing services	IL	6,951,744	522,346	N/A

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?		(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	
(1) Circle Imaging Partners LP 1725 W Harrison Street Chicago, IL 60612 36-3539382	Healthcare	IL	Circle Imaging Management Inc	Related	2,746,847	2,067,517		No			No	71 430 %
(2) Oak Park Imaging 610 South Maple Street Oak Park, IL 60304 36-4437483	Healthcare	IL	N/A	Related	736,311	369,129		No			No	60 000 %
(3) Rush Surgicenter at the Professional Office Building LP 1725 West Harrison Street Chicago, IL 60612 36-3853026	Healthcare	IL	N/A	Related	5,616,821	4,890,746		No		Yes		52 540 %

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) Room Five Hundred 1700 West Van Buren Street Chicago, IL 60612 23-7139832	Dining Room	IL	N/A	C Corp	2,030,616	146,854	100 000 %
(2) Rush University Medical Center Insurance Co PO Box 1051 Grand Cayman CJ	Insurance	CJ	N/A	C Corp	50,000	7,689,400	100 000 %
(3) Rush Copley Medical Group NFP(Copley Services) 2000 Ogden Ave Aurora, IL 60504 36-3235315	Healthcare	IL	N/A	C Corp			
(4) Rush Health 1653 W Congress Parkway Chicago, IL 60612 36-3972171	Healthcare	IL	N/A	C Corp	6,054,700	5,627,594	50 000 %

Part V

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

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

1

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

a

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

b

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

c

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

d

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

e

Loans or loan guarantees by related organization(s)

f

Sale of assets to related organization(s)

g

Purchase of assets from related organization(s)

h

Exchange of assets with related organization(s)

i

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

j

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

k

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

l

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

m

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

n

Sharing of paid employees with related organization(s)

o

Reimbursement paid to related organization(s) for expenses

p

Reimbursement paid by related organization(s) for expenses

q

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

r

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

Yes

No

1a

Yes

1b

No

1c

Yes

1d

No

1e

Yes

1f

No

1g

No

1h

No

1i

Yes

1j

Yes

1k

Yes

1l

Yes

1m

Yes

1n

Yes

1o

Yes

1p

Yes

1q

Yes

1r

Yes

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

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

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

[illegible]

Part VII

Supplemental Information

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

Identifier	Return Reference	Explanation	
------------	------------------	-------------	--

Software ID: 11000218

Software Version: 2011.0.0

EIN: 36-2174823

Name: Rush University Medical Center

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	
Rush Copley Health Care System Inc 2000 Ogden Ave Aurora, IL 60504 36-3584043	Healthcare	IL	501c3	11A	Rush University Medical Center	Yes	
Copley Ventures 2000 Ogden Ave Aurora, IL 60504 36-3370216	Property Healthplex Owner	IL	501c3	3	Rush Copley Medical Center Inc	Yes	
Rush Copley Foundation 2000 Ogden Ave Aurora, IL 60504 36-3093877	Contribution Solicitation	IL	501c3	7	Rush Copley Medical Center Inc	Yes	
Copley Memorial Hospital 2000 Ogden Ave Aurora, IL 60504 36-2170840	Healthcare	IL	501c3	3	Rush Copley Medical Center Inc	Yes	
Rush Copley Medical Center Inc 2000 Ogden Ave Aurora, IL 60504 36-3193787	Healthcare	IL	501c3	11A	Rush Copley Health Care System Inc	Yes	
Rush Oak Park Hospital 520 S Maple Ave Oak Park, IL 60304 36-2183812	Healthcare	IL	501c3	3	Synergon Health System Inc	Yes	
Rush System for Health 1653 W Congress Parkway Chicago, IL 60612 36-4046278	Healthcare	IL	501c3	11C	Rush University Medical Center	Yes	
Riverside-Rush Corp 350 N Wall Street Kankakee, IL 60901 32-0329257	Healthcare	IL	501c3	11A	Rush University Medical Center	Yes	
Riverside Health System 350 N Wall Street Kankakee, IL 60901 36-3167726	Healthcare	IL	501c3	11C	Riverside Rush Corporation	Yes	
Oakside Corporation 350 N Wall Street Kankakee, IL 60901 36-3166804	Healthcare	IL	501c3	11B	Riverside Rush Corporation	Yes	
Riverside Medical Center 350 N Wall Street Kankakee, IL 60901 36-2414944	Healthcare	IL	501c3	3	Riverside Rush Corporation	Yes	
Riverside Senior Living Center 350 N Wall Street Kankakee, IL 60901 36-3670744	Healthcare	IL	501c3	9	Riverside Rush Corporation	Yes	
Riverside Medical Health Care Foundation 350 N Wall Street Kankakee, IL 60901 36-3166033	Healthcare	IL	501c3	11B	Riverside Rush Corporation	Yes	
The Core Foundation 2020 W Harrison Street Chicago, IL 60612 36-3991833	Real Estate Holding	IL	501c3	11A	N/A	Yes	
Synergon Health System Inc 520 S Maple Ave Oak Park, IL 60304 36-3739067	Healthcare	IL	501c3	3	Rush University Medical Center	Yes	
Rush Presbyterian St Lukes Medical Center Professional Liability Trust 1700 W Van Buren Street Chicago, IL 60612 36-6673233	Insurance	IL	501c3	11C	Rush University Medical Center	Yes	
RML Health Providers LP (Db a RML Specialty Hospital) 5801 S County Line Road Hinsdale, IL 60521 36-4113692	Healthcare	IL	501c3	3	RMLHP Corporation	Yes	
RMLHP Corporation 5801 S County Line Road Hinsdale, IL 60521 36-4160869	Healthcare	IL	501c3	11B	N/A	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)	Oak Park Imaging	c	234,000	FMV
(2)	Circle Imaging	l	140,691	FMV
(3)	Circle Imaging	p	1,692,359	FMV
(4)	Circle Imaging	c	1,928,571	FMV
(5)	Rush Master Retirement Trust	q	43,500,000	FMV
(6)	Copley Memorial Hospital	p	389,171	FMV
(7)	Copley Memorial Hospital	e	90,161	FMV
(8)	Copley Memorial Hospital	a	6,987,970	FMV
(9)	CORE Foundation	n	756,321	FMV
(10)	CORE Foundation	m	200,000	FMV
(11)	Rush University Medical Center Insurance Co	q	4,075,000	FMV
(12)	Rush Surgicenter	l	667,830	FMV
(13)	Rush Surgicenter	c	2,175,000	FMV
(14)	Rush Surgicenter	p	117,470	FMV
(15)	Rush System for Health	k	130,520	FMV
(16)	Rush System for Health	o	538,387	FMV
(17)	Rush System for Health	l	88,491	FMV
(18)	Rush System for Health	n	418,441	FMV
(19)	Rush Health	l	4,726,526	FMV
(20)	Rush Health	p	7,416,981	FMV

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
(21)	Rush Health	r	5,393,670	FMV
(22)	Rush Oak Park Hospital	j	2,024,780	FMV
(23)	Rush Oak Park Hospital	i	835,072	FMV
(24)	Rush Oak Park Hospital	p	4,692,226	FMV
(25)	Rush Oak Park Hospital	o	3,240,720	FMV

Rush University Medical Center and Subsidiaries

Consolidated Financial Statements as of and for the Years Ended
June 30, 2012 and 2011, and Independent Auditors' Report



RUSH UNIVERSITY MEDICAL CENTER AND SUBSIDIARIES

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2012 AND 2011	
Balance Sheets	2
Statements of Operations and Changes in Net Assets	3-4
Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6-37

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Rush University Medical Center

We have audited the accompanying consolidated balance sheets of Rush University Medical Center and Subsidiaries ("Rush") as of June 30, 2012 and 2011, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These consolidated financial statements are the responsibility of Rush's 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 consolidated 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 Rush's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, the financial position and results of operations of Rush-Copley Medical Center have been excluded from Rush's accompanying consolidated financial statements. Accounting principles generally accepted in the United States of America require consolidation of this entity.

In our opinion, except for the matter discussed in the preceding paragraph, such consolidated financial statements present fairly, in all material respects, the financial position of Rush as of June 30, 2012 and 2011, and the consolidated results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the consolidated financial statements, Rush adopted the presentation and disclosure requirements of Accounting Standards Update No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, and changed its presentation of the provision for bad debts.

Deloitte & Touche LLP

October 25, 2012

RUSH UNIVERSITY MEDICAL CENTER AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	As of June 30,	
	2012	2011
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 96,854	\$ 127,797
Short-term investments	115,712	115,613
Accounts receivable for patient services - net of allowance for doubtful accounts of \$53,783 and \$42,035 as of June 30, 2012 and 2011, respectively	202,455	136,511
Other accounts receivable - net of reserves of \$1,461 and \$930 as of June 30, 2012 and 2011, respectively	51,781	55,850
Self-insurance trust - current portion	23,904	24,467
Other current assets	40,288	27,035
Total current assets	<u>530,994</u>	<u>487,273</u>
ASSETS LIMITED AS TO USE AND INVESTMENTS		
Investments - less current portion	263,332	263,659
Limited as to use by donor or time restriction	433,013	478,561
Self insurance trust - less current portion	97,255	101,123
Debt service reserve fund	39,807	40,119
Total assets limited as to use and investments	<u>833,407</u>	<u>883,462</u>
PROPERTY AND EQUIPMENT - net of accumulated depreciation of \$861,050 and \$789,273 as of June 30, 2012 and 2011, respectively	1,256,904	1,187,178
OTHER ASSETS	36,413	25,635
TOTAL ASSETS	<u>\$ 2,657,718</u>	<u>\$ 2,583,548</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 90,167	\$ 122,270
Accrued expenses	119,779	121,448
Student loan funds	20,394	21,210
Estimated third-party settlements payable	123,282	106,076
Current portion of accrued liability under self-insurance program	31,877	29,773
Current portion of long-term debt	5,905	4,550
Total current liabilities	<u>391,404</u>	<u>405,327</u>
LONG-TERM LIABILITIES		
Accrued liability under self-insurance program - less current portion	160,736	143,674
Postretirement and pension benefits	169,875	138,904
Long-term debt - less current portion, net	512,339	517,779
Obligations under capital lease and other financing arrangements	40,121	34,627
Other long-term liabilities	67,819	61,612
Total long-term liabilities	<u>950,890</u>	<u>896,596</u>
Total liabilities	<u>1,342,294</u>	<u>1,301,923</u>
NET ASSETS		
Unrestricted	790,097	710,641
Temporarily restricted	289,960	343,248
Permanently restricted	235,367	227,736
Total net assets	<u>1,315,424</u>	<u>1,281,625</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,657,718</u>	<u>\$ 2,583,548</u>

See notes to consolidated financial statements

RUSH UNIVERSITY MEDICAL CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

(Dollars in thousands)

	For the Year Ended June 30,	
	2012	2011
REVENUE		
Patient service revenue (net of contractual allowances and discounts)	\$ 1,263,415	\$ 1,221,455
Provision for uncollectible accounts	(41,578)	(38,768)
Net patient service revenue	1,221,837	\$ 1,182,687
University services		
Tuition and educational grants	56,961	52,171
Research and other operations	107,487	106,754
Other revenue	63,623	60,841
Total revenue	1,449,908	1,402,453
EXPENSES		
Salaries, wages, and employee benefits	764,272	747,988
Supplies, utilities, and other	432,637	413,128
Insurance	28,223	10,932
Purchased services	63,908	58,869
Depreciation and amortization	88,740	73,023
Interest expense	21,912	15,015
Total expenses	1,399,692	1,318,955
OPERATING INCOME	50,216	83,498
NONOPERATING INCOME (EXPENSE)		
Investment income and other	6,461	18,999
Unrestricted contributions	6,933	7,093
Fundraising expenses	(6,689)	(6,395)
Change in fair value of interest rate swaps	(5,435)	1,442
Loss on extinguishment of debt	(960)	-
Total nonoperating income	310	21,139
EXCESS OF REVENUE OVER EXPENSES	\$ 50,526	\$ 104,637

(Continued)

RUSH UNIVERSITY MEDICAL CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(Dollars in thousands)

	For the Year Ended June 30,	
	2012	2011
UNRESTRICTED NET ASSETS		
Excess of revenue over expenses	\$ 50,526	\$ 104,637
(Funding) recovery of impaired endowment corpus	(233)	2,446
Net assets released from restrictions used for purchase of property and equipment	68,626	34,870
Postretirement-related changes other than net periodic postretirement cost	(43,619)	89,800
Other	4,156	-
INCREASE IN UNRESTRICTED NET ASSETS	<u>79,456</u>	<u>231,753</u>
RESTRICTED NET ASSETS		
TEMPORARILY RESTRICTED NET ASSETS		
Pledges, contributions, and grants	44,499	50,882
Net assets released from restrictions	(99,555)	(64,268)
Net realized and unrealized gains on investments	1,768	5,665
(DECREASE) INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>(53,288)</u>	<u>4,279</u>
PERMANENTLY RESTRICTED NET ASSETS		
Pledges and contributions	9,580	9,238
Change in unrealized (losses) gains impacting endowment corpus	(233)	2,446
Recovery (replenishment) of impaired endowment corpus	233	(2,446)
Investment (losses) gains on trustee-held investments	(1,949)	4216
INCREASE IN PERMANENTLY RESTRICTED NET ASSETS	<u>7,631</u>	<u>13,454</u>
INCREASE IN NET ASSETS	33,799	290,486
NET ASSETS — Beginning of year	<u>1,281,625</u>	<u>991,139</u>
NET ASSETS — End of year	<u>\$ 1,315,424</u>	<u>\$ 1,281,625</u>
See notes to consolidated financial statements		<i>(Concluded)</i>

RUSH UNIVERSITY MEDICAL CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)

	For the Year Ended June 30,	
	2012	2011
OPERATING ACTIVITIES:		
Increase in net assets	\$ 33,799	\$ 290,486
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	88,740	73,192
Postretirement-related changes other than net periodic postretirement cost	43,619	(89,800)
Provision for uncollectible accounts	41,578	38,768
Change in fair value of interest rate swaps	5,435	(1,442)
Net unrealized and realized losses (gains) on investments	3,081	(70,031)
Restricted contributions and investment income received	(64,806)	(36,534)
Investment losses (gains) on trustee-held investments	1,949	(4,216)
Loss on extinguishment of debt	960	-
Loss on disposal of equipment and other	4,642	-
Changes in operating assets and liabilities		
Accounts receivable for patient services	(107,522)	(48,134)
Accounts payable and accrued expenses	(1,658)	(4,037)
Estimated third-party settlements payable	17,206	(15,723)
Postretirement and pension benefits	(12,648)	(2,601)
Accrued liability under self-insurance program	19,166	(31,147)
Other changes in operating assets and liabilities	(2,331)	10,446
Net cash provided by operating activities	<u>71,210</u>	<u>109,227</u>
INVESTING ACTIVITIES:		
Additions to property and equipment	(186,355)	(256,696)
Purchase of investments	(696,899)	(725,954)
Sale of investments	720,258	815,578
Net cash used in investing activities	<u>(162,996)</u>	<u>(167,072)</u>
FINANCING ACTIVITIES:		
Proceeds from restricted contributions and investment income	69,332	39,613
Proceeds from issuance of long-term debt	56,000	-
Refunding of long-term debt	(56,000)	-
Payment of bond issuance costs	(380)	-
Payment of long-term debt	(4,550)	(7,593)
Payment of obligations under capital lease and other financing arrangements	(3,559)	(3,157)
Net cash provided by financing activities	<u>60,843</u>	<u>28,863</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(30,943)	(28,982)
CASH AND CASH EQUIVALENTS — Beginning of year	<u>127,797</u>	<u>156,779</u>
CASH AND CASH EQUIVALENTS — End of year	<u>\$ 96,854</u>	<u>\$ 127,797</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid for interest — including capitalized interest of \$13,326 and \$21,487 for the years ended June 30, 2012 and 2011, respectively	\$ 35,611	\$ 36,489
Noncash additions to property and equipment	\$ 9,955	\$ 187

See notes to consolidated financial statements

RUSH UNIVERSITY MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

(Dollars in thousands)

1. ORGANIZATION AND BASIS OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of Rush University Medical Center and Subsidiaries ("Rush"). Rush owns and operates an academic medical center located in Chicago, Illinois. Rush is an Illinois not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Rush's operations consist of several diverse activities with a shared mission of patient care, education, research, and community service, and include the following:

Rush University Hospital (RUH) — Consists of an acute care hospital and the Johnson R. Bowman Health Center for the Elderly, a rehabilitation and psychiatric facility, licensed in total for 731 beds. RUH also includes a faculty practice plan, Rush University Medical Group, which employed 415 physicians as of June 30, 2012.

Rush University — A health sciences university that educates students in health-related fields. This includes Rush Medical College, the College of Nursing, the College of Health Sciences, and the Graduate College. Rush University also includes a research operation with \$134,096 and \$137,974 in annual research expenditures during fiscal years 2012 and 2011, respectively.

Rush Oak Park Hospital (ROPH) — A 296-licensed bed acute care, rehabilitation, and skilled nursing hospital located in Oak Park, Illinois, eight miles west of RUH, which includes an employed medical group with 40 physicians as of June 30, 2012. Rush, through a joint venture arrangement with a third party, is responsible for the operations and management of ROPH. As a result, Rush controls and has an economic interest in ROPH. Substantially all assets, liabilities, and net assets, as well as all revenue and expenses, of ROPH are consolidated with the financial results of Rush. All significant intercompany transactions have been eliminated in consolidation.

RUH and ROPH together own 50% of Rush Health, a network of providers whose members include the hospitals and approximately 770 physicians and 115 allied health providers who are on the medical staff of the member hospitals, with the other 50% owned by the physicians. The financial results of Rush Health are not consolidated with the financial results of Rush and are accounted for using the equity method of accounting (see Note 18).

Rush has an affiliation with Rush-Copley Medical Center (RCMC), an acute care facility located in Aurora, Illinois, that covers governance and other organizational relationships. Pursuant to the Amended and Restated Master Trust Indenture dated August 1, 2006, Rush and RCMC established an Obligated Group of which both are members. Rush and RCMC are jointly and severally liable for certain debt issued through the Illinois Finance Authority (IFA) (see Note 9). Under accounting principles generally accepted in the United States of America (GAAP), as a result of these affiliations and financial interdependency, the financial accounts of RCMC should be consolidated with Rush, but have been excluded from the accompanying consolidated financial statements.

If the financial statements of RCMC had been consolidated with Rush, financial information as of and for the years ended June 30, 2012 and 2011, would have been as follows

	2012	2011
Total assets	\$ 3,070,451	\$ 2,943,532
Total liabilities	<u>1,561,867</u>	<u>1,486,456</u>
Total net assets	<u>\$ 1,508,584</u>	<u>\$ 1,457,076</u>
Total revenue	\$ 1,746,660	\$ 1,676,334
Total expenses	<u>1,677,675</u>	<u>1,578,251</u>
Operating income	68,985	98,083
Nonoperating (expense) income	<u>(1,547)</u>	<u>33,383</u>
Excess of revenue over expenses	<u>\$ 67,438</u>	<u>\$ 131,466</u>
Increase in unrestricted net assets	<u>\$ 96,682</u>	<u>\$ 258,606</u>
Net cash provided by (used in)		
Operating activities	\$ 113,462	\$ 151,290
Investing activities	(198,260)	(193,569)
Financing activities	<u>61,193</u>	<u>28,264</u>
Net decrease in cash and cash equivalents	<u>\$ (23,605)</u>	<u>\$ (14,015)</u>

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Except for the matter discussed in Note 1 related to the consolidation of RCMC, the accompanying consolidated financial statements have been presented in conformity with GAAP as recommended in the audit and accounting guide for health care organizations published by the American Institute of Certified Public Accountants

Basis of Consolidation

Included in Rush's consolidated financial statements are all of its wholly owned or controlled subsidiaries. All significant intercompany transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and investments having an original maturity of 90 days or less when purchased are considered to be cash and cash equivalents. These securities are so near maturity that they present insignificant risk of changes in value.

Net Patient Service Revenue, Patient Accounts Receivable, and Allowance for Doubtful Accounts

Net patient service revenue is reported at the estimated net realizable amounts from third-party payors, patients, and others for services rendered. Rush has agreements with third-party payors that provide for payments at amounts different from established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, per diem payments, and discounted charges, including estimated retroactive settlements under payment agreements with third-party payors.

Rush recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. Provisions for adjustments to net patient service revenue are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. For uninsured patients that do not qualify for charity care, Rush recognizes revenue based on its discounted rates. On the basis of historical experience, a significant portion of Rush's uninsured patients will be unable or unwilling to pay for the services provided. Thus, Rush records a significant provision for uncollectible accounts related to uninsured patients in the period the services are provided.

Patient accounts receivable are based on gross charges and stated at net realizable value. Accounts receivable are reduced by an allowance for contractual adjustments, based on expected payment rates from payors under current reimbursement methodologies, and also by an allowance for doubtful accounts. In evaluating the collectibility of accounts receivable, Rush analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate appropriate allowance for doubtful accounts and provision for uncollectible accounts based upon management's assessment of historical and expected net collections considering business and economic conditions, trends in health care coverage, and other collection indicators. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for contractual adjustments and the allowance for doubtful accounts.

For receivables associated with services provided to patients who have third-party coverage, Rush analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for uncollectible accounts (for example, for expected uncollectible deductibles and co-payments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and co-payment balances due for which third-party coverage exists for part of the bill), Rush records a significant provision for uncollectible accounts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible.

The difference between the discounted rates and the amounts actually collected after all reasonable collection efforts have been exhausted is written off against the allowance for doubtful accounts in the period they are determined uncollectible.

Rush's allowance for doubtful accounts for self-pay patients increased from 75% of self-pay accounts receivable at June 30, 2011, to 79% of self-pay accounts receivable as of June 30, 2012. The increase was the result of unfavorable trends experienced in the collection of amounts from self-pay patients in fiscal year 2012. In addition, Rush's self-pay write-offs totaled \$26,659 and \$27,624 for fiscal years 2012 and 2011, respectively. Rush does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors.

Charity Care

It is an inherent part of Rush's mission to provide necessary medical care free of charge, or at a discount, to individuals without insurance or other means of paying for such care. As the amounts determined to qualify for charity care are not pursued for collection, they are not reported as net patient service revenue. Patients who would otherwise qualify for charity care but who do not provide adequate information would be characterized as bad debt and included in the provision for uncollectible accounts.

Inventory

Medical supplies, pharmaceuticals, and other inventories are stated at the lower of cost or market and are included in other current assets on the accompanying consolidated balance sheets

Fair Value of Financial Instruments

Financial instruments consist of cash and cash equivalents, investments, derivative instruments, accounts receivable, accounts payable, accrued expenses, estimated third-party settlements, and debt. The fair value of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, and estimated third-party settlements approximated their financial statement carrying amount as of June 30, 2012 and 2011, because of their short-term maturity. The fair value of the other instruments is discussed in Notes 6 and 9.

Assets Limited as to Use and Investments

Assets limited as to use consist primarily of investments limited as to use by donors, unconditional promises to contribute, assets held by trustees under debt or other agreements and for self-insurance, and board designated assets set aside for a specified future use.

Investments in equity and debt securities with readily determinable fair values are measured at fair value using quoted market prices or model-driven valuations. Short-term investments having an original maturity greater than 90 days that are available for current operations are reported as current assets. Rush also held an interest in a collective business trust that invested primarily in international equity and equity-related securities. The trust was valued and priced daily, and liquidity was available on a daily basis. Rush sold its interest in the trust during fiscal year 2012.

Alternative investments consist of limited partnerships that invest primarily in marketable securities (hedge funds), real estate, and limited partnerships that invest in nonmarketable securities (private equity). Investments in hedge funds are measured at fair market value based on Rush's interest in the net asset value (NAV) of the respective fund. The estimated valuations of hedge fund investments are subject to uncertainty and could differ had a ready market existed for these investments. Such differences could be material. Investments in private equity funds are reported at cost, adjusted for impairment losses, based on information provided by the respective partnership when Rush's ownership percentage is minor (less than 5%). Investments in private equity funds where Rush's ownership percentage is more than minor, but consolidation is not required (5% to 50%), are accounted for on the equity basis. These investments are periodically assessed for impairment. The financial statements of hedge funds and private equity funds are audited annually, generally on December 31. Investments in hedge funds and private equity funds are generally not marketable and may be divested only at specified times. Real estate investments are carried at a mortgaged cost. Rush's risk in alternative investments is limited to its capital investment and any future capital commitments (see Note 5).

Investment income or loss (including interest, dividends, realized and unrealized gains and losses, and changes in cost-based valuations) is reported within excess of revenue over expenses, unless the income or loss is restricted by donor or interpretation of law. Investment gains and losses on Rush's endowment are recognized within temporarily restricted net assets until appropriated for use (see Note 7). Investment gains and losses on permanently restricted assets are allocated to purposes specified by the donor either as temporarily restricted or unrestricted, as applicable. Income earned on tax-exempt borrowings for specific construction projects is offset against interest expense capitalized for such projects.

Unconditional Promises to Contribute

Unconditional promises to contribute (pledges receivable) are recorded at the net present value of their estimated future cash flows. Estimated future cash flows due after one year are discounted using interest rates commensurate with the time value of money concept. Rush maintains an estimated allowance for uncollectible pledges based upon management's assessment of historical and expected net collections considering business and economic conditions and other collection indicators. Net unconditional promises to contribute are reported in assets limited as to use by donor or time restriction on the accompanying consolidated balance sheets and amounted to \$38,695 and \$60,912 as of June 30, 2012 and 2011, respectively (see Note 16).

Derivative Instruments

Derivative instruments, specifically interest rate swaps, are recorded in the consolidated balance sheets as either assets or liabilities at their respective fair values. The change in the fair value of derivative instruments is reflected in nonoperating income (expense) in the accompanying consolidated statements of operations and changes in net assets. Net cash settlements and payments, representing the realized changes in the fair value of the interest rate swaps, are included in interest expense in the accompanying consolidated statements of operations and changes in net assets and as operating cash flows in the accompanying consolidated statements of cash flows (see Note 10).

Property and Equipment

Property and equipment are recorded at cost or, if donated, at fair market value at the date of receipt. Expenditures that substantially increase the useful life of existing property and equipment are capitalized. Routine maintenance and repairs are expensed as incurred. Depreciation expense, including amortization of capital leased assets, is recognized over the estimated useful lives of the assets using the straight-line method.

Costs of computer software developed or obtained for internal use, including external direct costs of materials and services, payroll, and payroll-related costs for employees directly associated with internal-use software development projects, and interest costs incurred during the development period are expensed or capitalized depending on whether the costs are incurred in the preliminary project stage, development stage, or operational stage. Capitalized costs of internal-use computer software are included in property and equipment in the accompanying consolidated balance sheets.

Capitalized Interest

Interest expense from bond proceeds, net of interest income, incurred during the construction of major projects is capitalized during the construction period. Such capitalized interest is amortized over the depreciable life of the related assets on a straight-line basis. Interest expense of \$13,326 and \$21,487 was capitalized during the years ended June 30, 2012 and 2011, respectively.

Asset Impairment

Rush continually evaluates the recoverability of the carrying value of long-lived assets by reviewing long-lived assets for impairment. When circumstances indicate the remaining estimated useful life of long-lived assets may not be recoverable, Rush adjusts the carrying value of a long-lived asset to fair value if an estimate of the undiscounted cash flows over the remaining life are less than the carrying value of the asset. During the years ended June 30, 2012 and 2011, no such provision was deemed necessary.

Asset Retirement Obligations

Rush recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which it is incurred if a reasonable estimate of the fair value of the obligation can be made. When the liability is initially recorded, Rush capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset. The liability is accreted to its present value each period, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to settle an asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations and changes in net assets.

Ownership Interests in Other Health-Related Entities

Rush has a majority ownership interest in a number of subsidiaries, which provide outpatient surgical and imaging services. An ownership interest of more than 50% in another health-related entity in which Rush has a controlling interest is consolidated. As of June 30, 2012 and 2011, non-controlling interests in consolidated subsidiaries amounted to \$4,156 and \$4,050, respectively. The amounts related to non-controlling interests are recorded in unrestricted net assets, and as the amounts are not material, they are not separately presented in the accompanying consolidated

financial statements. Rush also has affiliations with, and interests in, other organizations that are not consolidated. These organizations primarily provide outpatient health care and managed care contracting services. An ownership interest in another health-related entity of at least 20%, but not more than 50%, in which Rush has the ability to exercise significant influence over the operating and financial decisions of the investee, is accounted for on the equity basis (see Note 18), and the income (loss) is reflected in other revenue. An ownership interest in a health-related entity of less than 20%, in which Rush does not have the ability to exercise significant influence over the operating and financial decisions of the investee, is carried at cost or estimated net realizable value, which is not material to the consolidated financial statements.

Deferred Financing Costs

Debt issuance costs, net of amortization computed on the straight-line basis over the life of the related debt, are reported within other assets on the accompanying consolidated balance sheets. The straight-line basis approximates the effective interest method, which is required under GAAP. Unamortized debt issuance costs amounted to \$8.428 and \$9.179 as of June 30, 2012 and 2011, respectively.

Other Long-Term Liabilities

Other long-term liabilities include asset retirement obligations, employee benefit plan liabilities for certain defined contribution and supplemental retirement plans other than defined benefit pension plans (see Note 12), liabilities for derivative instruments, and other long-term obligations.

Net Assets

Resources of Rush are designated as permanent, temporary, or unrestricted. Permanently restricted net assets include the original value of contributions that are required by donors to be permanently retained, including any accumulations to the permanent endowment made in accordance with the direction of the applicable gift instrument. Temporarily restricted net assets include contributions and accumulated investment returns whose use is limited by donors for a specified purpose or time period or by interpretations of law. Unrestricted net assets include the remaining resources of Rush that are not restricted and arise from the general operations of the organization.

Contributions

Unconditional promises to contribute cash and other assets are reported at fair value at the date the promise is received. Conditional gifts are reported at fair value when the conditions have been substantially met. Contributions are either reported as temporarily or permanently restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as other revenue (if time restricted or restricted for operating purposes) or reported in the consolidated statements of changes in net assets as net assets released from restrictions used for purchase of property and equipment (if restricted for capital acquisitions). Donor-restricted contributions for operating purposes whose restrictions are met within the same year as received are reported as other revenue in the accompanying consolidated statements of operations and changes in net assets.

Rush is the beneficiary of several split-interest agreements, primarily perpetual trusts held by others. Rush recognizes its interest in these trusts based on either Rush's percentage of the fair value of the trust assets or the present value of expected future cash flows to be received from the trusts, as appropriate, based on each trust arrangement.

Excess of Revenue over Expenses

The consolidated statements of operations and changes in net assets include excess of revenue over expenses as a performance indicator. Excess of revenue over expenses includes all changes in unrestricted net assets, except for permanent transfers of assets to and from affiliates for other than goods and services, contributions of (and assets released from donor restrictions related to) long-lived assets, and other items that are required by GAAP to be

reported separately (such as extraordinary items, the effect of discontinued operations, postretirement-related changes other than net periodic postretirement costs, and the cumulative effect of changes in accounting principle)

Nonoperating Income (Expense)

Nonoperating income (expense) includes items not directly associated with patient care or other activities not relating to the core operations of Rush. Nonoperating income (expense) consists primarily of unrestricted investment returns on the endowment investment pool when appropriated for use, the difference between total investment return and a amount allocated to operations for investments designated for self-insurance programs, investment income or loss (including interest, dividends, and realized and unrealized gains and losses) on all other investments unless restricted by donor or interpretation of law, changes in the fair value of interest rate swaps, losses on extinguishment of debt, net gains (losses) on sales, unrestricted contributions, losses on impaired assets, and fundraising expenses.

New Accounting Pronouncements

Rush adopted Financial Accounting Standards Board (FASB) guidance related to the presentation and disclosure of patient service revenue, provision for uncollectible accounts, and the allowance for doubtful accounts for certain health care entities for the year ended June 30, 2012. The standard establishes accounting and disclosure requirements for health care entities that recognize significant amounts of patient service revenue at the time services are rendered even though the entity does not assess a patient's ability to pay. Specifically, the guidance requires that health care entities present bad debt expense associated with net patient service revenue as an offset to net patient service revenue within the consolidated statements of operations and changes in net assets. Additionally, the guidance requires enhanced disclosure of the policies for recognizing revenue and assessing bad debts, as well as qualitative and quantitative information about changes in the allowance for doubtful accounts. The guidance requires retrospective application to all prior periods presented.

In August 2010, the FASB issued new guidance to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care. Specifically, this guidance 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. Furthermore, this amendment requires the disclosure of the method used to identify or determine the costs. Rush adopted this guidance for the fiscal year ended June 30, 2012. The adoption of this guidance did not impact revenue recognition in the consolidated financial statements since Rush does not recognize revenue when charity care is provided.

Also in August 2010, the FASB issued new guidance related to the accounting by health care entities for medical malpractice claims and similar liabilities and their related anticipated insurance recoveries. Specifically, this amendment clarifies that a health care entity should not net insurance recoveries against a related claim liability. Additionally, the amount of the claim liability should be determined without consideration of insurance recoveries. Rush adopted this guidance for the fiscal year ended June 30, 2012. The adoption of this guidance resulted in an increase in insurance recovery receivable of \$7.187 with an offsetting increase in accrued liability under self-insurance programs as of June 30, 2012. Rush elected not to apply the guidance retrospectively.

Consideration of Events Subsequent to the Consolidated Balance Sheet Date

Rush has evaluated events occurring subsequent to the consolidated balance sheet date through October 25, 2012, the date the consolidated financial statements were issued.

3. NET PATIENT SERVICE REVENUE

The mix of patient service revenue, net of contractual allowances and discounts (but before the provision for uncollectible accounts), recognized during the years ended June 30, 2012 and 2011, by major payor source, was as follows

	<u>2012</u>		<u>2011</u>	
Medicare	\$ 336,729	27 %	\$ 309,879	25 %
Medicaid	187,446	15	183,821	15
Blue Cross	378,106	30	356,156	29
Managed care	281,927	22	280,255	23
Commercial, self-pay and other	<u>79,207</u>	<u>6</u>	<u>91,344</u>	<u>8</u>
Total patient service revenue	<u>\$ 1,263,415</u>	<u>100 %</u>	<u>\$ 1,221,455</u>	<u>100 %</u>

Changes in estimates relating to prior periods increased net patient service revenue by \$6,793 and \$13,000 in fiscal years 2012 and 2011, respectively. Laws and regulations governing government and other payment programs are complex and subject to interpretation. As a result, there is a reasonable possibility that recorded estimated third-party settlements could change by a material amount.

Rush has filed formal appeals relating to the settlement of certain prior-year Medicare cost reports. The outcome of such appeals cannot be determined at this time. Any resulting gains will be recognized in the consolidated statements of operations and changes in net assets when realized.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity continues with respect to investigations and allegations concerning possible violations of regulations by health care providers, which could result in the imposition of significant fines and penalties, as well as significant repayment of previously billed and collected revenues from patient services. Management believes that Rush is in substantial compliance with current laws and regulations.

4. CHARITY CARE

Rush has an established charity care policy and maintains records to identify and monitor the level of charity care it provides. Rush provides free care to all patients whose family income is 300% of the federal poverty level or less and a 68% discount to all uninsured patients (increased from 65% for the period July 1, 2011 to March 31, 2012) regardless of ability to pay, and provides further discounts for patients with a family income up to 400% of the federal poverty level. Charity care includes the estimated cost of unreimbursed services provided and supplies furnished under its charity care policy and the excess of cost over reimbursement for Medicaid patients. The estimated cost of charity care provided is determined using a ratio of cost to gross charges and multiplying that ratio by the gross unreimbursed charges associated with providing care to charity patients.

In December 2008, the Centers for Medicare and Medicaid Services approved the Illinois Hospital Assessment Program (the "Program") to improve Medicaid reimbursement for Illinois hospitals. The Program increased net patient service revenue in the form of additional Medicaid payments and increased supplies, utilities, and other expense through a tax assessment from the state of Illinois. The net benefit to Rush from the Program was \$16,565 during each of the years ended June 30, 2012 and 2011. For each of the years ended June 30, 2012 and 2011, the Medicaid payment of \$42,871 was included in net patient service revenue, representing 4% of the net patient service revenue, and the tax assessment of \$26,306 was included in supplies, utilities, and other expenses. The Program is approved through June 30, 2014, however, the future of the Program is uncertain.

The following table presents the level of charity care provided for the years ended June 30, 2012 and 2011

	2012	2011
Excess of allocated cost over reimbursement for services provided to hospital Medicaid patients — net of net benefit under the Program	\$ 57,154	\$ 50,497
Estimated costs and expenses incurred to provide charity care in the hospitals	<u>26,615</u>	<u>19,123</u>
Total	<u>\$ 83,769</u>	<u>\$ 69,620</u>

The total number of patients that were either provided charity care directly by Rush or that were covered by the Program represented 23% and 22% of Rush's total patients in fiscal years 2012 and 2011, respectively

Beyond the cost to provide charity care and unreimbursed services to hospital Medicaid patients, Rush also provides substantial additional benefits to the community, including educating future health care providers, supporting research into new treatments for disease, and providing subsidized medical services in response to community and health care needs, as well as other volunteer services. These community services are provided free of charge or at a fee below the cost of providing them.

5. ASSETS LIMITED AS TO USE AND INVESTMENTS

Assets limited as to use and investments consist primarily of marketable equity and debt securities, which are held in investment pools to satisfy the investment objectives for which the assets are held or to satisfy donor restrictions. Rush also holds certain investments in alternative securities consisting of hedge funds, real estate investments, and private equity funds (see Note 2). Assets limited as to use by donor or time restriction also include unconditional promises to contribute (see Note 16).

Following is a summary of the composition of assets limited as to use and investments as of June 30, 2012 and 2011

	2012	2011
Marketable securities and short-term investment funds	\$ 93,978	\$ 67,388
Fixed income securities, including commingled funds	489,936	519,596
Equity securities, including commingled funds	219,996	245,703
World asset allocation funds	44,328	42,902
Hedge fund of funds	25,416	26,329
Private equity	31,797	29,702
Real estate	3,290	3,474
	<u>908,741</u>	<u>935,094</u>
Beneficial interest in trusts	<u>25,587</u>	<u>27,536</u>
Total assets limited as to use and investments — excluding pledges receivable	934,328	962,630
Net pledges receivable	<u>38,695</u>	<u>60,912</u>
Total assets limited as to use and investments	973,023	1,023,542
Less amount reported as current assets	<u>(139,616)</u>	<u>(140,080)</u>
Assets limited as to use and investments — noncurrent	<u>\$ 833,407</u>	<u>\$ 883,462</u>

The table above comprises all of Rush's investments, including those measured at fair value as well as certain alternative investments in private equity partnerships or real estate measured under the cost or equity method of accounting. The fair value of private equity investments, as estimated by management of the limited partnerships based on audited financial statements and other relevant factors, was \$37.724 and \$34.932 as of June 30, 2012 and 2011, respectively. Rush's private equity investments have diverse strategies, consisting of the following as of June 30, 2012 and 2011:

Private Equity Fund Allocations	2012	2011
Buyout and growth capital	23%	33%
Distressed debt and special situations	34	35
Diversified private equity fund of funds	24	18
Venture capital	16	12
Direct equity	2	2
Co-investment private equity	1	-
	<u>100%</u>	<u>100%</u>

Investments in private equity funds recorded on the equity basis amounted to \$921 and \$803 as of June 30, 2012 and 2011, respectively. As many factors are considered in arriving at the estimated fair value, Rush routinely monitors and assesses methodologies and assumptions used in valuing these partnerships. As of June 30, 2012 and 2011, commitments for additional contributions to private equity partnerships totaled \$13.158 and \$16.167, respectively.

It is Rush's intent to maintain a long-term investment portfolio to support its self-insurance program. Accordingly, the total return on investments restricted for the self-insurance program is reported in the consolidated statements of operations and changes in net assets in two income statement line items. The investment return allocated to operations, reported in other revenue, is determined by a formula designed to provide a consistent stream of investment earnings to support the self-insurance provision reported in insurance expense in the accompanying consolidated statements of operations and changes in net assets. This allocated return, 5% for the years ended June

30, 2012 and 2011, approximates the real return that Rush expects to earn on its investments over the long term and totaled \$6,074 and \$6,681 for the years ended June 30, 2012 and 2011, respectively. The difference between the total investment return and the amount allocated to operations is reported in nonoperating income and totaled \$810 and \$8,381 for the years ended June 30, 2012 and 2011, respectively. There is no guarantee that the investment return expected by management will be realized. For the years ended June 30, 2012 and 2011, the total annual investment return was approximately 5.9% and 11.8%, respectively.

The composition and presentation of investment income and the realized and unrealized gains and losses on all investments for the years ended June 30, 2012 and 2011, are as follows:

	2012	2011
Interest and dividends	\$ 18,395	\$ 18,075
Net realized gains on sales of securities	4,055	24,913
Unrealized (losses) gains — unrestricted	(992)	7,579
Unrealized (losses) gains — restricted	<u>(8,215)</u>	<u>41,659</u>
	<u>\$ 13,243</u>	<u>\$ 92,226</u>
Reported as		
Other operating revenue	\$ 7,196	\$ 7,900
Nonoperating income	6,461	18,999
Restricted net assets — net realized and unrealized (losses) gains on investments	<u>(414)</u>	<u>65,327</u>
	<u>\$ 13,243</u>	<u>\$ 92,226</u>

Rush reported gains and losses on its alternative investments as of June 30, 2012 and 2011, as follows:

	2012	2011
Reported as		
Nonoperating income	\$ 28	\$ 83
Restricted net assets — net realized and unrealized gains on investments	<u>2,349</u>	<u>6,858</u>
	<u>\$ 2,377</u>	<u>\$ 6,941</u>

6. FAIR VALUE MEASUREMENTS

As of June 30, 2012 and 2011, Rush held certain assets and liabilities that are required to be measured at fair value on a recurring basis, including marketable securities and short-term investments, certain restricted, trustee and other investments, derivative instruments, and beneficial interests in trusts. Certain alternative investments measured using either the cost or equity method of accounting are excluded from the fair value disclosure provided herein.

Valuation Principles

Under FASB guidance on fair value measurements, fair value is defined as an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The valuation techniques used to measure fair value are based upon observable and unobservable inputs. Observable inputs generally reflect market data from independent sources and are supported by market activity, while unobservable inputs are generally unsupported by market activity. The three-level valuation hierarchy, which prioritizes the inputs used in measuring fair value of an asset or liability at the measurement date, includes:

Level 1 inputs — Quoted prices (unadjusted) for identical assets or liabilities in active markets. Securities typically priced using Level 1 inputs include listed equities and exchange-traded mutual funds.

Level 2 inputs — Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in inactive markets, and model-driven valuations whose inputs are observable for the asset or liability, either directly or indirectly. Securities typically priced using Level 2 inputs include government bonds (including U.S. treasuries and agencies), corporate and municipal bonds, collateralized obligations, interest rate swaps, commercial paper and currency options, and commingled funds where NAV is corroborated with observable data.

Level 3 inputs — Unobservable inputs for which there is little or no market data available and are based on the reporting entity's own judgment or estimation of the assumptions that market participants would use in pricing the asset or liability. The fair values for securities typically priced using Level 3 inputs are determined using model-driven techniques, which include option-pricing models, discounted cash flow models, and similar methods. The Level 3 classification primarily includes Rush's interest in hedge funds and beneficial interests in trusts.

Fair Value Measurements at the Consolidated Balance Sheet Date

The following tables present Rush's fair value hierarchy for its financial assets and liabilities measured at fair value on a recurring basis as of June 30, 2012 and 2011

Fair Value Measurements as of June 30, 2012	Level 1	Level 2	Level 3	Total Fair Value
Assets				
Marketable securities and short-term investments	\$ 1 549	\$ 92 429	\$ -	\$ 93 978
Fixed income securities				
U.S. government and agency securities	-	169 779	-	169 779
Corporate bonds	-	49 166	-	49 166
Fixed income mutual funds	621	101 210	-	101 831
Collateralized securities and other	78	160 059	-	160 137
U.S. equity securities	138 014	-	-	138 014
International equity securities	26 228	42 501	-	68 729
World asset allocation funds	21 905	16 121	6 302	44 328
Moderate allocation mutual funds {a}	20 240	-	-	20 240
Alternative investments				
Hedge fund of funds	-	-	25 416	25 416
Accrued interest and other	-	2 036	-	2 036
Beneficial interest in trusts	-	-	25 587	25 587
Total assets at fair value	\$ 208 635	\$ 633 301	\$ 57 305	\$ 899 241
Liabilities				
Obligations under interest rate swap agreements	\$ -	\$ 14 801	\$ -	\$ 14 801
Total liabilities at fair value	\$ -	\$ 14 801	\$ -	\$ 14 801

{a} This class includes investments in mutual funds that allocate assets among equity and fixed income investments and includes \$6 987 (35%) in fixed income securities and \$13 253 (65%) in equity securities as of June 30, 2012

Fair Value Measurements as of June 30, 2011	Level 1	Level 2	Level 3	Total Fair Value
Assets				
Marketable securities and short-term investments	\$ 7 901	\$ 59 487	\$ -	\$ 67 388
Fixed income securities				
U.S. government and agency securities	-	173 261	-	173 261
Corporate bonds	-	83 446	-	83 446
Fixed income mutual funds	1 023	73 664	-	74 687
Collateralized securities and other	106	180 145	-	180 251
U.S. equity securities	169 807	-	-	169 807
International equity securities	22 416	36 959	-	59 375
World asset allocation funds	-	36 969	5 933	42 902
Moderate allocation mutual funds {a}	21 464	-	-	21 464
Alternative investments				
Hedge fund of funds	-	-	26 329	26 329
Accrued interest and other	-	3 008	-	3 008
Beneficial interest in trusts	-	-	27 536	27 536
Total assets at fair value	\$ 222 717	\$ 646 939	\$ 59 798	\$ 929 454
Liabilities				
Obligations under interest rate swap agreements	\$ -	\$ 9 366	\$ -	\$ 9 366
Total liabilities at fair value	\$ -	\$ 9 366	\$ -	\$ 9 366

{a} This class includes investments in mutual funds that allocate assets among equity and fixed income investments and includes \$4 943 (23%) in fixed income securities and \$16 521 (77%) in equity securities as of June 30, 2011

Valuation Techniques and Inputs for Level 2 and Level 3 Instruments

The Level 2 and Level 3 instruments listed in the preceding fair value tables use the following valuation techniques and inputs as of the valuation date

Marketable Securities and Short-term Investments – Marketable securities classified as Level 2 are invested in a short-term collective fund that serves as an investment vehicle for cash reserves. Fair value was determined using the calculated NAV as of the valuation date, based on a constant price. These funds are invested in high-grade and short-term money market instruments with daily liquidity.

U.S. Government and Agency Securities – The fair value of investments in U.S. government and agency securities classified as Level 2 was primarily determined using techniques consistent with the market approach, including matrix pricing. Significant observable inputs to the market approach include institutional bids, trade data, broker and dealer quotes, discount rates, issuer spreads, and benchmark yield curves.

Corporate Bonds and Fixed Income Mutual Funds – The fair value of investments in corporate bonds of U.S. and international issuers, including mutual and commingled funds that invest primarily in such bonds, classified as Level 2 was primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yield curves, reported trades, observable broker or dealer quotes, issuer spreads, and security-specific characteristics. Significant unobservable inputs may be used, including bid or ask/offer quotes that are uncorroborated, which results in a Level 3 classification.

Collateralized Securities and Other – This class encompasses collateralized bond obligations, collateralized loan obligations, collateralized mortgage obligations, and any other asset-backed securities, including government asset-backed securities. This class also includes international government securities and agencies, municipal bonds, convertible equity, real estate funds, and some commercial paper. The fair value of collateralized and other obligations classified as Level 2 was determined using techniques consistent with the market and income approach, such as discounted cash flows and matrix pricing. Significant observable inputs include prepayment spreads, discount rates, reported trades, benchmark yield curves, volatility measures, and quotes. Significant unobservable inputs may be used, including bid or ask/offer quotes that are uncorroborated, which results in a Level 3 classification.

U.S. and International Equity Securities – The fair value of U.S. and foreign equity securities classified as Level 2 was primarily determined using the calculated NAV at the valuation date under a market approach. This includes investments in commingled funds that invest primarily in domestic and foreign equity securities whose underlying values are based on Level 1 inputs. The NAV is often corroborated through ongoing redemption or subscription activity. Certain common and preferred stocks held by Rush under this classification may not have available current market quotes and were primarily valued using techniques consistent with the market approach utilizing significant observable inputs, such as mid, bid, and ask or offer quotes.

World Asset Allocation Funds – This category includes investments in fund of funds that seek to provide both capital appreciation and income by investing primarily in both traditional and alternative asset funds. The asset allocation is driven by the fund manager's long-range forecasts of asset-class real returns. Investments representing the majority of the fair value in this category, which are invested in mutual funds, are priced as of the New York Stock Exchange (NYSE) close on each day the NYSE is open. Investments in this category classified as Level 2 are held in a commingled fund that invests primarily in global equity and bond mutual funds. The fair value of this commingled fund is based upon the calculated NAV at the valuation date under a market approach (Level 2 inputs). Investments in this category classified as Level 3, which are invested in a multi-strategy hedge fund, are priced on the last business day of each calendar month. The values for underlying investments are estimated based on many factors, including operating performance, balance sheet indicators, growth, and other market and business fundamentals (Level 3 inputs). The underlying investment strategies can include long-short, global macro, fixed income and currency hedges, and other tactical opportunity-related strategies. Redemption proceeds for approximately 50% of these investments are daily. Redemption proceeds for the remaining 50% of these investments are monthly and require at least 14 business days' advance notice.

Hedge Fund of Funds – This class includes diversified investments in hedge fund of funds with diverse strategies, including equity long/short, credit long/short, event-driven, relative value, global opportunities, and other.

multi-strategy funds. Hedge fund of funds investments are valued based on Rush's ownership interest in the NAV of the respective fund as estimated by the general partner, which approximates fair value. Rush routinely monitors and assesses methodologies and assumptions used in valuing these interests. The values for underlying investments are estimated either internally or by an external fund manager based on many factors, including operating performance, balance sheet indicators, growth, and other market and business fundamentals. Hedge fund investments also include certain liquidity restrictions that may require 65 to 95 days advance notice for redemptions. Due to significant unobservable inputs used in estimating the NAV and liquidity restrictions, Rush classifies all hedge fund investments as Level 3.

Beneficial Interest in Trusts – The fair value of beneficial interests in perpetual and charitable trusts classified as Level 3 was determined using an income approach based on the present value of expected future cash flows to be received from the trust or based on Rush's beneficial interest in the investments held in the trust measured at fair value. Since Rush is unable to liquidate the funds held and benefits only from the distributions generated off of such investments, the interest in such trusts are all shown in Level 3.

Obligations Under Interest Rate Swap Agreements – The fair value of Rush's obligations under interest rate swap agreements classified as Level 2 is valued using a market approach. The valuation is based on a determination of market expectations relating to the future cash flows associated with the swap contract using sophisticated modeling based on observable market-based inputs, such as interest rate curves. The fair value of the obligation reported in Rush's consolidated balance sheets includes an adjustment for the Obligated Group's credit risk but may not be indicative of the value Rush would be required to pay upon early termination of the swap agreements.

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

Level 3 Rollforward

A rollforward of the amounts in the consolidated balance sheets for financial instruments classified by Rush within Level 3 of the fair value hierarchy is as follows:

	Hedge Fund of Funds	Corporate Bonds	Asset-Backed Securities & Other	Beneficial Interest in Trusts	Total Assets at Fair Value
Fair value — June 30, 2010	\$ 24,433	\$ 369	\$ 462	\$ 23,320	\$ 48,584
Actual return on investments —					
Realized and unrealized gains	1,948	15	89	4,216	6,268
Purchases	5,881	-	-	-	5,881
Sales	<u>-</u>	<u>(384)</u>	<u>(551)</u>	<u>-</u>	<u>(935)</u>
Fair value — June 30, 2011	32,262	-	-	27,536	59,798
Actual return on investments —					
Realized and unrealized losses	(538)	-	-	(1,949)	(2,487)
Purchases	453	-	-	-	453
Sales	<u>(459)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(459)</u>
Fair value — June 30, 2012	<u>\$ 31,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,587</u>	<u>\$ 57,305</u>

For the year ended June 30, 2012, realized and unrealized losses pertaining to Level 3 investments include \$9 reported within excess of revenue over expenses and \$528 and \$1,949 reported within temporarily and permanently restricted net assets under investment losses, respectively. For the year ended June 30, 2011, realized and unrealized gains pertaining to Level 3 investments include \$128 reported within excess of revenue over expenses and \$1,924 and \$4,216 reported within temporarily and permanently restricted net assets under investment gains, respectively.

Investments in Entities that Report Fair Value Using NAV

Included within the fair value table above are investments in certain entities that report fair value using a calculated NAV or its equivalent, and are classified as Level 2 or Level 3 investments. The following table summarizes the attributes relating to the nature and risk of such investments as of June 30, 2012.

Entities that Report Fair Value Using NAV	Fair Value (In Thousands)	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Short-term collective funds (marketable securities and short-term investments)	\$92,429	None	Daily	None
International equity commingled funds	42,501	None	Daily	1–7 days
World asset allocation commingled funds	22,423	None	Weekly Monthly	1–14 days
Hedge fund of funds	25,416	None	Quarterly	65–95 days
Fixed income mutual funds	101,210	None	Daily	1–7 days

7. ENDOWMENT FUNDS

Rush's endowment consists of over 380 individual funds, which are established for a variety of purposes. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

Rush has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring preservation of the original value of the gift as of the gift date absent explicit donor stipulations to the contrary. As a result of this interpretation, Rush classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of any subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable gift instrument at the time the accumulation is added to the fund. The portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standards of prudence under UPMIFA. In accordance with UPMIFA, Rush considers the following factors in making a determination to appropriate or accumulate donor restricted funds:

- a The duration and preservation of the fund
- b The purposes of the organization and the donor-restricted endowment fund
- c General economic conditions

- d The possible effect of inflation and deflation
- e The expected total return from income and the appreciation of investments
- f Other resources of the organization
- g The investment policies of the organization

Endowment Investment and Spending Policies

Rush has adopted endowment investment and spending policies to preserve purchasing power over the long-term and provide stable annual support to the programs supported by the endowment, including professorships, research and education, free care, student financial aid, scholarships, and fellowships. Approximately 17% of Rush's endowment is available for general purposes.

The Investment Committee of the Board is responsible for defining and reviewing the investment policy to determine an appropriate long-term asset allocation policy. The asset allocation policy reflects the objective with allocations structured for capital growth and inflation protection over the long-term. The current asset allocation targets and ranges as well as the asset allocation as of June 30, 2012 and 2011, are as follows:

Asset Class	Target Allocation and Range		Percentage of Endowment Assets	
	June 30, 2012	June 30, 2011	2012	2011
Global equity	40%(+/-5%)	45%(+/-5%)	41 %	45 %
World asset allocation	10%(+/-5%)	10%(+/-5%)	10	10
Hedge funds	5%(+/-5%)	5%(+/-5%)	6	6
Private equity	10%(+/-5%)	10%(+/-5%)	9	8
Real estate	5%(+/-5%)	--	5	5
Fixed income	30%(+/-5%)	30%(+/-5%)	29	26

To achieve its long-term rate of return objectives, Rush relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends). The expected long-term rate of return target of the endowment given its current asset allocation structure is approximately 7.5%. Actual returns in any given year may vary from this amount. Rush has established market-related benchmarks to evaluate the endowment fund's performance on an ongoing basis.

The Finance Committee of the Board approves the annual spending policy for program support. In establishing the annual spending policy, Rush's main objectives are to provide for intergenerational equity over the long term, the concept that future beneficiaries will receive the same level of support as current beneficiaries on an inflation-adjusted basis, and to maximize annual support to the programs supported by the endowment. The spending rate was 4.0% for the fiscal years ended June 30, 2012 and 2011, and income from the endowment fund provided \$16.0 million and \$15.6 million of support for Rush's programs during the fiscal years ended June 30, 2012 and 2011, respectively. The spending rate for fiscal years 2011 was based on a three-year moving average of ending market values for pooled assets. Effective September 30, 2011, Rush changed the spending policy to lengthen the smoothing period from a three-year moving average to a five-year moving average and also added an inflation component to provide more consistent spending growth.

Composition of Endowment Fund and Reconciliation

The endowment net asset composition by type of fund as of June 30, 2012, consisted of the following

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 196,065	\$ 235,367	\$ 431,432
Board-designated endowment funds	<u>4,427</u>	<u>-</u>	<u>-</u>	<u>4,427</u>
Total funds	<u>\$ 4,427</u>	<u>\$ 196,065</u>	<u>\$ 235,367</u>	<u>\$ 435,859</u>

Changes in endowment net assets for the fiscal year ended June 30, 2012, consisted of the following

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets — beginning of year	<u>\$ 4,715</u>	<u>\$ 207,523</u>	<u>\$ 227,736</u>	<u>\$ 439,974</u>
Investment return				
Investment (loss) income	(92)	7,712	-	7,620
Funding of endowment impairment	-	-	233	233
Net depreciation (realized and unrealized)	<u>(71)</u>	<u>(3,555)</u>	<u>(2,183)</u>	<u>(5,809)</u>
Total investment return	(163)	4,157	(1,950)	2,044
Contributions	(125)	-	9,581	9,456
Transfer of unrestricted endowment appreciation	<u>-</u>	<u>(15,615)</u>	<u>-</u>	<u>(15,615)</u>
Endowment net assets — end of year	<u>\$ 4,427</u>	<u>\$ 196,065</u>	<u>\$ 235,367</u>	<u>\$ 435,859</u>

The endowment net asset composition by type of fund as of June 30, 2011, consisted of the following

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 207,523	\$ 227,736	\$ 435,259
Board-designated endowment funds	<u>4,715</u>	<u>-</u>	<u>-</u>	<u>4,715</u>
Total funds	<u>\$ 4,715</u>	<u>\$ 207,523</u>	<u>\$ 227,736</u>	<u>\$ 439,974</u>

Changes in endowment net assets for the fiscal year ended June 30, 2011, consisted of the following

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets — beginning of year	<u>\$ 4,155</u>	<u>\$ 162,105</u>	<u>\$ 214,282</u>	<u>\$ 380,542</u>
Investment return				
Investment (loss) income	(103)	6,750	-	6,647
Replenishment of endowment impairment	-	-	(2,446)	(2,446)
Net appreciation (realized and unrealized)	<u>663</u>	<u>53,823</u>	<u>6,662</u>	<u>61,148</u>
Total investment return	560	60,573	4,216	65,349
Contributions	-	-	9,238	9,238
Transfer of unrestricted endowment appreciation	<u>-</u>	<u>(15,155)</u>	<u>-</u>	<u>(15,155)</u>
Endowment net assets — end of year	<u>\$ 4,715</u>	<u>\$ 207,523</u>	<u>\$ 227,736</u>	<u>\$ 439,974</u>

Fund Deficiencies

Rush monitors the accumulated losses on permanently restricted investments to determine whether the endowment corpus has been impaired and restores these losses through unrestricted net assets as necessary. During the year ended June 30, 2012, funding of \$233 was required to restore the endowment corpus balance. During the year ended June 30, 2011, \$2,446 was recovered and replenished through unrestricted net assets representing accumulated losses on permanently restricted investments incurred during fiscal year 2010.

8. PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2012 and 2011, consisted of the following

	2012	2011
Land and buildings	\$ 1,642,310	\$ 1,048,648
Equipment	454,386	382,155
Construction in progress	<u>21,258</u>	<u>545,648</u>
	2,117,954	1,976,451
Less accumulated depreciation	<u>(861,050)</u>	<u>(789,273)</u>
Property and equipment, net	\$ 1,256,904	\$ 1,187,178

Property and equipment, net, includes \$59,573 and \$51,626 in leased buildings and equipment as of June 30, 2012 and 2011, respectively. Accumulated depreciation on leased property and equipment amounted to \$26,750 and \$23,326 as of June 30, 2012 and 2011, respectively.

In January 2012, Rush placed its new hospital building, the Tower, into service and recognized a transfer of \$611,632 out of construction in progress into buildings and equipment within property and equipment.

9. LONG-TERM DEBT AND CREDIT ARRANGEMENTS

Rush's long-term debt is issued under a Master Trust Indenture, which established an Obligated Group comprised of Rush and RCMC. The Obligated Group is jointly and severally liable for the obligations issued under the Master Trust Indenture. Each Obligated Group member is expected to pay its allocated share of the debt issued on its behalf. Total Obligated Group debt as of June 30, 2012 and 2011, was \$614,370 and \$618,920, respectively. As of June 30, 2012 and

2011, such issuances are secured by a pledge of gross receipts and a mortgage on primary health care facilities, as defined, of the Obligated Group members

A summary of Rush's long-term debt as of June 30, 2012 and 2011, is as follows

			Amount Outstanding at June 30,	
	Interest Rates	Final Maturity Date	2012	2011
Illinois Finance Authority Revenue Bonds				
Fixed rate revenue bonds				
Series 2009C D	6.375% to 6.625%	November 1, 2039	\$ 173,800	\$ 173,800
Series 2009 A B	5.0% to 7.25%	November 1, 2038	176,265	176,265
Series 2006B	5.0% to 5.75%	November 1, 2028	67,050	67,050
Series 1998A	5.0% to 5.25%	November 1, 2024	-	60,550
Total fixed rate debt			417,115	477,665
Variable rate revenue bonds				
	Average of 0.13% and 0.22% in FY2012 and FY2011, respectively	November 1, 2045	50,000	50,000
Series 2008A				
Series 2011, Tax-Exempt Private Placement with a commercial bank	Average of 1.41% in FY2012	November 1, 2024	56,000	-
Total variable rate debt			106,000	50,000
Total par value of debt			523,115	527,665
Less current portion of long-term debt			(5,905)	(4,550)
Net discount			(4,871)	(5,336)
Long-term debt			\$ 512,339	\$ 517,779
Estimated fair value based on quoted market prices and other relevant information			\$ 579,220	\$ 567,317

Under its various indebtedness agreements, the Obligated Group is subject to certain financial covenants, including maintaining a minimum historical debt service coverage and maximum annual debt service coverage ratios, maintaining minimum levels of days cash on hand, maintaining debt to capitalization at certain levels, limitations on selling, leasing, or otherwise disposing of Obligated Group property, and certain other nonfinancial covenants. The Obligated Group was in compliance with its debt covenants as of June 30, 2012 and 2011.

Annual maturities of outstanding long-term debt, adjusted to reflect the refinancing of the amounts borrowed on a taxable line of credit (described below), are as follows

Years Ending June 30

2013	\$ 5,905
2014	11,320
2015	12,140
2016	6,320
2017	8,805
Thereafter	<u>478,625</u>
Total	<u>\$ 523,115</u>

Letters of Credit Arrangements

The Obligated Group's variable rate revenue bonds are subject to remarketing provisions that require the Obligated Group to repurchase the bonds if they cannot be sold to a third party. The Obligated Group entered into letters of credit with commercial banks to provide funding for such repurchases, as necessary. Any amounts borrowed under these letters of credit are due and payable more than one year from the date of such borrowing. The letters of credit related to the Series 1989A variable rate revenue bonds and the Series 1985 C, D, and F pool loans expired during fiscal year 2011 when the final principal payment was made on each series. The letter of credit related to the Series 2008A Variable Rate Demand Bonds (the "Series 2008A Bonds") expires in February 2015. In the absence of such agreement, the Obligated Group would be required to replace it with a similar credit arrangement, convert the related debt from variable to fixed interest rate, or fund required repurchases from available funds. Draws are routinely made from the letter of credit to pay off principal and interest and are reimbursed to the commercial bank on the following business day. As of June 30, 2012 and 2011, there were outstanding draws against the letter of credit related to the Series 2008A Bonds representing interest paid to the bondholders on July 1, 2012 and 2011, of \$7 and \$6, respectively.

Recent Financing Activity

On December 16, 2011, the IFA issued \$56 million of revenue refunding bonds on behalf of the Obligated Group (the "Series 2011 bonds"). The Series 2011 bonds were purchased by a commercial bank in a tax-exempt private placement, the proceeds of which were lent to Rush and used to redeem all outstanding Series 1998A bonds. The Series 2011 bonds mature November 1, 2024, and bear interest at a tax-exempt variable rate for a 10-year period, which resets monthly. Rush is party to an additional covenants agreement with the commercial bank relating to the Series 2011 bonds. This agreement requires various reporting, operating, and financial covenants to be maintained. During the year ended June 30, 2012, Rush recognized a loss on debt extinguishment of \$960 related to the Series 1998A bond redemption.

Lines of Credit Arrangements

The Obligated Group had a \$50 million short-term line of credit with a bank as of June 30, 2012 and 2011, which matures on December 31, 2012. As of June 30, 2012 and 2011, the Obligated Group had no amounts outstanding on this line of credit.

The Obligated Group also had a \$100 million short-term line of credit with a bank as of June 30, 2012 and 2011, which matures December 31, 2014. Any borrowings on this short-term line of credit are due and payable in 180 days. As of June 30, 2012 and 2011, the Obligated Group had no amounts outstanding on this line of credit.

10. DERIVATIVES

Derivatives Policy

The Obligated Group uses derivative instruments, specifically interest rate swaps, to manage its exposure to changes in interest rates on variable rate borrowings. The use of derivative instruments exposes the Obligated Group to additional risks related to the derivative instrument, including market risk, credit risk, and termination risk, as described below, and the Obligated Group has defined risk management practices to mitigate these risks.

Market risk represents the potential adverse effect on the fair value and cash flow of a derivative instrument due to changes in interest rates or rate spreads. Market risk is managed through ongoing monitoring of interest rate exposure based on set parameters regarding the type and degree of market risk that the Obligated Group will accept. Credit risk is the risk that the counterparty on a derivative instrument may be unable to perform its obligations during the term of the contract. When the fair value of a derivative contract is positive (an asset to the Obligated Group), the counterparty owes the Obligated Group, which creates credit risk. Credit risk is managed by setting stringent requirements for qualified counterparties at the date of execution of a derivative transaction and requiring counterparties to post

collateral in the event of a credit rating downgrade or if the fair value of the derivative contract exceeds a negotiated threshold. Termination risk represents the risk that the Obligated Group may be required to make a significant payment to the counterparty if the derivative contract is terminated early. Termination risk is assessed at onset by performing a statistical analysis of the potential for a significant termination payment under various scenarios designed to encompass expected interest rate changes over the life of the proposed contract. The test measures the ability to make a termination payment without a significant impairment to the Obligated Group's ability to meet its debt or liquidity covenants.

Board approval is required to enter or modify any derivatives transaction. Management periodically reviews existing derivative positions as its risk tolerance and cost of capital changes over time.

Interest Rate Swap Agreements

The Obligated Group has two interest rate swap agreements (the "Swap Agreements"), which were designed to synthetically fix the interest payments on the Series 2006A bonds, which were later refinanced. Under the Swap Agreements, the Obligated Group makes fixed rate payments equal to 3.945% to the swap counterparties and receives variable rate payments equal to 68% of LIBOR (0.246% as of June 30, 2012, and 0.186% as of June 30, 2011) from the swap counterparties, each calculated on the notional amount of the Swap Agreements. As of June 30, 2012 and 2011, the Swap Agreements had a notional amount of \$96.750 outstanding (\$48.375 in notional amount with each counterparty), of which \$67.050 is attributable to Rush. Following the refinancing of the Series 2006A Bonds, the Obligated Group used \$50.000 in notional amount of the Swap Agreements to synthetically fix the interest on the Series 2008A bonds. The Swap Agreements each expire on November 1, 2035, and amortize annually commencing in November 2012. The Swap Agreements are secured by obligations issued under the Master Trust Indenture.

The Swap Agreements also require either party to post collateral in the form of cash and certain cash equivalents to secure potential termination payments. The amount of collateral that is required to be posted is based on the relevant party's long-term credit rating. Based on its current rating, the Obligated Group is required to post collateral with the Swap Counterparties in the event that the market value of the Swap Agreements exceeds \$(25,000) or \$(12,500) for each Swap Agreement. As of June 30, 2012, the Obligated Group had \$3.570 in collateral posted under Swap Agreements, of which \$2.058 is attributable to Rush.

The fair value of Rush's share of the Swap Agreements was as follows as of June 30, 2012 and 2011:

Reported As		June 30	
		2012	2011
Obligations under swap agreements	Other long-term liabilities	\$ (14,801)	\$ (9,366)
Collateral posted under swap agreements	Other current assets	2,058	-
Obligations under swap agreements, net		(12,743)	(9,366)

The fair value of the Swap Agreements reported in Rush's balance sheets as of June 30, 2012 and 2011, includes an adjustment for the Obligated Group's credit risk and may not be indicative of the termination value that Rush would be required to pay upon early termination of the Swap Agreements. The fair value of the Swap Agreements for the Obligated Group amounted to \$25.261 and \$14.505 as of June 30, 2012 and 2011, respectively.

Management has not designated the Swap Agreements as hedging instruments. Amounts recorded in the accompanying consolidated statements of operations and changes in net assets for the Swap Agreements allocated to Rush for the fiscal years ended June 30, 2012 and 2011, were as follows:

		Fiscal Year Ended June 30	
	Reported As	2012	2011
Change in fair value of interest rate swaps	Nonoperating (expense) income	\$ (5.435)	\$ 1.442
Net cash payments on interest rate swaps	Interest expense	(2.533)	(2.528)

11. OBLIGATIONS UNDER CAPITAL LEASE AND DEFERRED FINANCING ARRANGEMENTS

Rush is party to certain capital lease and long-term financing arrangements relating to medical and office equipment and buildings. Expiration of leases ranges from 2013 to 2026. Annual interest expense under these lease agreements was \$3,082 and \$3,197 for the years ended June 30, 2012 and 2011, respectively. Assets acquired under capital lease arrangements are included in property and equipment, net on the accompanying consolidated balance sheets.

Future minimum lease payments under noncancelable capital leases and other financing arrangements are as follows:

Years Ending June 30	
2013	\$ 7.498
2014	6.873
2015	6.700
2016	6.679
2017	7.921
Thereafter	<u>26.415</u>
Total minimum payments	62.086
Less amount representing interest	<u>(17.729)</u>
Net present value of obligations under capital lease and other financing arrangements	44.357
Less current portions included in accounts payable	<u>(4.236)</u>
Long-term portion of obligations under capital lease and other financing arrangements	<u>\$ 40.121</u>

12. PENSION AND OTHER POSTRETIREMENT BENEFIT PLANS

Rush maintains a defined benefit pension plan, defined contribution plans, and other postretirement benefit plans that together cover substantially all of Rush's employees

Prior to January 1, 2012, Rush had two defined benefit pension plans, the Retirement Plan and the Pension Plan (collectively, the "Defined Benefit Pension Plans"), covering substantially all of its employees. Benefits are based on the years of service and the employee's final average earnings, as defined. Plan assets and obligations are measured as of June 30 (the "Measurement Date") each year.

Effective as of the close of business on December 31, 2011, the Pension Plan, representing certain union employees, was amended to freeze benefit accruals for all participants. No additional benefits will accrue, and no additional individuals will become plan participants in the Pension Plan as of January 1, 2012. Also effective December 31, 2011, the Pension Plan was merged into the Retirement Plan with all accrued benefits of the Pension Plan participants preserved as part of the merger. Effective January 1, 2012, the Retirement Plan was amended to include eligible union members previously covered by the Pension Plan.

In addition to the pension programs, Rush also provides postretirement health care benefits for certain employees (the "Postretirement Healthcare Plans"). Further benefits under the Postretirement Healthcare Plans have been curtailed.

Obligations and Funded Status

The table below sets forth the accumulated benefit obligation, the change in the projected benefit obligation, and the change in the plan assets of the Defined Benefit Pension Plan(s) and Postretirement Healthcare Plans (collectively, the "Plans"). The table also reflects the funded status of the Plans as of the Measurement Date and amounts recognized in Rush's consolidated balance sheets as of June 30, 2012 and 2011.

Obligations and Funded Status	Defined Benefit Pension Plan(s)		Postretirement Healthcare Plans	
	2012	2011	2012	2011
Actuarial present value of benefit obligations — accumulated benefit obligation	<u>\$932,358</u>	<u>\$796,003</u>	<u>\$ 9,350</u>	<u>\$ 8,730</u>
Change in projected benefit obligations:				
Projected benefit obligation — beginning of measurement period	\$797,320	\$798,568		
Service costs	18,825	17,648		
Interest costs	42,980	42,732		
Plan amendments	-	(14,657)		
Actuarial losses (gains)	106,648	(18,599)		
Benefits paid	<u>(31,999)</u>	<u>(28,372)</u>		
Projected benefit obligation — end of measurement period	<u>\$933,774</u>	<u>\$797,320</u>		
Change in plan assets:				
Fair value of plan assets — beginning of measurement period	\$666,327	\$575,670	\$ -	\$ -
Actual return on plan assets	101,037	84,603	-	-
Employer contributions	36,978	34,427	442	459
Plan participant contributions	-	-	575	560
Benefits paid	<u>(31,999)</u>	<u>(28,372)</u>	<u>(1,017)</u>	<u>(1,019)</u>
Fair value of plan assets — end of measurement period	<u>\$772,343</u>	<u>\$666,328</u>	<u>\$ -</u>	<u>\$ -</u>
Accrued benefit liability	<u>\$161,431</u>	<u>\$130,992</u>	<u>\$ 9,350</u>	<u>\$ 8,730</u>

The actuarial cost method used to compute the Defined Benefit Pension Plan(s) liabilities and expenses is the projected unit credit method.

The components of net periodic pension cost for the Plans were as follows

Components of Net Periodic Pension Cost Year Ended June 30	Defined Benefit Pension Plans		Postretirement Healthcare Plans	
	2012	2011	2012	2011
Net periodic pension cost comprised the following				
Service cost	\$ 18,825	\$ 17,648	\$ 168	\$ 159
Interest cost on projected benefit obligation	42,980	42,732	458	474
Expected return on plan assets	(51,282)	(47,408)	-	-
Amortization of prior service cost and other actuarial amounts	(2,265)	(165)	(294)	(294)
Recognized actuarial loss (gain)	<u>16,994</u>	<u>20,390</u>	<u>(724)</u>	<u>(1,075)</u>
Net periodic pension cost (credit)	<u>\$ 25,252</u>	<u>\$ 33,197</u>	<u>\$ (392)</u>	<u>\$ (736)</u>

In accordance with FASB guidance regarding accounting for defined benefit pension and other postretirement plans, all previously unrecognized actuarial losses and prior service costs are reflected in the consolidated balance sheets. The postretirement related charges other than net periodic benefit cost related to the pension and postretirement healthcare plans are included as a separate charge to unrestricted net assets and total \$(43.619) and \$89.800 for fiscal years 2012 and 2011, respectively. For fiscal year 2012, this amount includes actuarial losses arising during fiscal year 2012 of \$(57.330) and a reclassification adjustment for losses reflected in periodic expense in fiscal year 2012 of \$13.711. For fiscal year 2011, this amount includes actuarial gains arising during fiscal year 2011 of \$56.286, unrecognized prior service cost of \$14.657, and a reclassification adjustment for losses reflected in periodic expense in fiscal year 2011 of \$18.857.

The table below sets forth the change in the accrued benefit liability of the Plans

Accrued Benefit Liability	Defined Benefit Pension Plans		Postretirement Healthcare Plans	
	2012	2011	2012	2011
Accrued benefit liability — beginning of year	\$130,992	\$222,898	\$ 8,730	\$ 9,049
Fiscal year activity				
Net periodic pension cost	25,252	33,197	(392)	(736)
Employer contributions	(36,978)	(34,427)	(442)	(459)
Unrecognized prior service cost	-	(14,657)	-	-
Postretirement-related changes other than net periodic postretirement cost				
Actuarial loss (gain)	56,894	(55,794)	436	(492)
Reclassification adjustment for losses reflected in periodic expense	<u>(14,729)</u>	<u>(20,225)</u>	<u>1,018</u>	<u>1,368</u>
Accrued benefit liability — end of year	<u>\$161,431</u>	<u>\$130,992</u>	<u>\$ 9,350</u>	<u>\$ 8,730</u>
Recognized in the consolidated balance sheets as follows				
Accrued expenses	\$ -	\$ -	\$ 906	\$ 818
Noncurrent liabilities	<u>161,431</u>	<u>130,992</u>	<u>8,444</u>	<u>7,912</u>
	<u>\$161,431</u>	<u>\$130,992</u>	<u>\$ 9,350</u>	<u>\$ 8,730</u>

Assumptions

The actuarial assumptions used to determine benefit obligations at the measurement date and net periodic benefit cost for the Plans are as follows

Assumptions Used to Determine Benefit Obligations and Net Periodic Benefit Cost	Defined Benefit Pension Plans		Postretirement Healthcare Plans	
	2012	2011	2012	2011
Discount rate — benefit obligation	4.60 %	5.50 %	4.60 %	5.50 %
Discount rate — pension expense	5.50	5.45	5.50	5.45
Rate of increase in compensation levels	5.38	5.38-4.89*	-	-
Expected long-term rate of return on plan assets	7.50	7.75	-	-
Health care cost trend rate (initial)	-	-	7.80	8.00

* Represents rate of increase in compensation levels on the Retirement Plan and Pension Plan, respectively

The discount rate used is based on a spot interest rate yield curve based on a broad group of corporate bonds rated AA or better as of the Measurement Date under either a bond modeling or cash flow matching approach. Rush uses this yield curve and the estimated payouts of the Plans to develop an aggregate discount rate. The estimated payouts are the sum of the payouts under the Defined Benefit Pension Plan(s) and the Postretirement Healthcare Plans. For fiscal year 2012, the discount rate was estimated under a bond model approach, which is based on a hypothetical bond portfolio whose cash flow from coupons and maturities match the year-by-year Plans' cash flows using bonds rated AA or better. For fiscal year 2011, the discount rate was estimated under a cash flow matching approach based on expected Projected Benefit Obligation cash flows, which are matched to the Mercer yield curve on the measurement date of each fiscal year. Had the Mercer yield curve continued to be used in fiscal year 2012, the discount rate would have been approximately 4% and the liability would have been higher by approximately \$75 million.

Rush's overall expected long-term rate of return on assets is 7.50% for 2012 and 7.75% for 2011. For the years ended June 30, 2012 and 2011, the actual rate of return on plan assets was 15.7% and 15.3%, respectively.

Plan Assets

Rush's investment objective for its Defined Benefit Pension Plans is to achieve a total return on plan assets that meets or exceeds the return on the plan's liability over a full market cycle with consideration of the plan's current funded status. Investment risk is effectively managed through diversification of assets for a mix of capital growth and capital protection across various investment styles. The asset allocation policy reflects this objective with allocations to return generating assets (e.g., equity and alternative investments, consisting of hedge funds and limited partnerships) and interest rate hedging assets (e.g., fixed income securities).

All of the plan's assets are measured at fair value, including alternative investments. Fair value methodologies used to assign plan assets to levels of FASB's valuation hierarchy are consistent with the inputs described in Note 6. Fair value methodologies used to value interests in private equity limited partnerships that hold restricted securities and are not publicly traded are based on Rush's ownership interest in the NAV of the respective fund as estimated by the general partner, which approximates fair value. Rush routinely monitors and assesses methodologies and assumptions used in valuing these interests. Due to significant unobservable inputs used in estimating the NAV of private equity limited partnerships, Rush classifies all such investments as Level 3.

The fair value of the Defined Benefit Pension Plan assets as of June 30, 2012 and 2011, are as follows

	Level 1	Level 2	Level 3	Total Fair Value
Fair Value Measurements as of June 30, 2012				
Cash, cash equivalents, and short-term investments	\$ 2.275	\$ 19.624	\$ -	\$ 21.899
Fixed income securities				
U S government securities and agencies	-	129.167	-	129.167
International government securities	-	16.941	-	16.941
Corporate bonds	-	258.943	-	258.943
Collateralized securities and other	-	48.181	-	48.181
U S equity securities	133.951	-	-	133.951
International equity securities	-	53.287	-	53.287
World asset allocation funds	39.333	28.651	11.202	79.186
Alternative investments				
Private equity partnerships {a}	-	-	25.418	25.418
Accrued interest and other	1.125	4.178	67	5.370
Total plan assets	<u>\$ 176.684</u>	<u>\$ 558.972</u>	<u>\$ 36.687</u>	<u>\$ 772.343</u>
Fair Value Measurements as of June 30, 2011				
Cash, cash equivalents, and short-term investments	\$ 3.675	\$ 5.562	\$ -	\$ 9.237
Fixed income securities				
U S government securities and agencies	-	127.183	-	127.183
International government securities	-	17.228	-	17.228
Corporate bonds	-	205.958	1.868	207.826
Collateralized securities and other	-	28.496	-	28.496
U S equity securities	129.192	-	-	129.192
International equity securities	16.389	48.716	-	65.105
World asset allocation funds		18.847	7.119	25.966
Alternative investments				
Hedge fund of funds	-	-	28.434	28.434
Private equity partnerships	-	-	22.795	22.795
Accrued interest and other	1.060	3.795	11	4.866
Total plan assets	<u>\$ 150.316</u>	<u>\$ 455.785</u>	<u>\$ 60.227</u>	<u>\$ 666.328</u>

{a} This class includes investments in funds with diverse strategies, including approximately 28% in buyout and growth capital, 32% in diversified fund of funds, 16% in distressed debt and special situations, 22% in venture capital, and 2% in co-investment private equity funds

A rollforward of the amounts in the Plans for financial instruments classified by Rush within Level 3 of the fair value hierarchy is as follows

<u>Rollforward of Level 3 Investments</u>	<u>Corporate Bonds and Accrued Interest and Other</u>	<u>Hedge Fund of Funds</u>	<u>Private Equity Partnerships</u>	<u>Total Assets at Fair Value</u>
Fair value at June 30, 2010	\$ 479	\$ 26,390	\$ 21,106	\$ 47,975
Actual return on plan assets				
Realized and unrealized gains	182	2,106	648	2,936
Purchases	-	7,057	3,527	10,584
Sales	-	-	(248)	(248)
Settlements	-	-	(2,238)	(2,238)
Transfers in to Level 3	<u>1,218</u>	<u>-</u>	<u>-</u>	<u>1,218</u>
Fair value at June 30, 2011	1,879	35,553	22,795	60,227
Actual return on plan assets				
Realized and unrealized gains (losses)	27	(6,359)	1,452	(4,880)
Purchases	69	3,971	3,520	7,560
Sales	(40)	(13,533)	-	(13,573)
Settlements	-	(8,430)	(2,349)	(10,779)
Transfers out of Level 3	<u>(1,868)</u>	<u>-</u>	<u>-</u>	<u>(1,868)</u>
Fair value at June 30, 2012	<u>\$ 67</u>	<u>\$ 11,202</u>	<u>\$ 25,418</u>	<u>\$ 36,687</u>

Cash Flows

Rush expects to make estimated contributions to and benefit payments from its Defined Benefit Pension Plans and Postretirement Healthcare Plans for the years ending June 30 as follows

	<u>Defined Benefit Pension Plans</u>	<u>Postretirement Healthcare Plans</u>
Expected contributions in 2013	\$ 27,148	\$ 906
<u>Estimated Benefit Payments</u>		
2013	\$ 36,590	\$ 906
2014	39,746	904
2015	44,233	887
2016	48,188	865
2017	51,185	850
2018 through 2022	<u>303,868</u>	<u>3,726</u>
Total	<u>\$ 523,810</u>	<u>\$ 8,138</u>

Other Postretirement Benefit Plans

Rush maintains a voluntary tax-deferred retirement savings plan. Under this plan, employees may elect to contribute a percentage of their salary, which may be matched in accordance with the provisions of the plan. Other provisions of the plan may provide for employer contributions to the plan based on eligible earnings regardless of whether the employee elects to contribute to the plan. Maximum annual contributions are limited by federal regulations. Employer contributions to this plan were \$10,439 and \$9,172 in the years ended June 30, 2012 and 2011, respectively.

Rush also sponsors a noncontributory defined contribution plan covering selected employees ("457(b) Plan"). Contributions to the 457(b) Plan are based on a percentage of qualifying compensation up to certain limits as defined

by the provisions of the 457(b) Plan. The 457(b) Plan assets and liabilities totaled \$10,497 and \$9,586 as of June 30, 2012 and 2011, respectively, and are included in investments – less current portion and other long-term liabilities on the accompanying consolidated balance sheets. The assets of the 457(b) Plan are subject to the claims of the general creditors of Rush.

Rush also sponsors a supplemental retirement plan for certain management employees (“Supplemental Plan”). The Supplemental Plan is noncontributory and annual benefits are credited to each participant’s account based on a percentage of qualifying compensation as defined by the provisions of the plan. Assets set aside to fund the Supplemental Plan amounted to \$9,743 and \$11,172 as of June 30, 2012 and 2011, respectively, and are included in investments – less current portion on the accompanying consolidated balance sheets. This supplemental retirement plan is currently funded at 100% of benefits accrued.

Rush also maintains a frozen nonqualified supplemental defined benefit retirement plan for certain management employees, which is unfunded. Benefits under the supplemental defined benefit plan, which were curtailed as of December 31, 2004, are paid when incurred from operating funds.

It is Rush’s policy to meet the requirement of the Employee Retirement Income Security Act of 1974 and the Pension Protection Act of 2006.

13. CONCENTRATION OF CREDIT RISK

Rush 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 patient accounts receivable from patients and third-party payors as of June 30, 2012 and 2011, was as follows:

	2012	2011
Medicare	10 %	10 %
Medicaid	31	13
Managed care	49	65
Commercial	2	3
Self-pay	8	9
	<u>100 %</u>	<u>100 %</u>
Total		

Products sponsored by Blue Cross Blue Shield of Illinois, the largest health insurer in the market, accounted for 36.7% of managed care net patient accounts receivable and 18.1% of net patient accounts receivable of Rush for the fiscal year ended June 30, 2012.

During the year ended June 30, 2012, Rush and other Illinois hospitals have experienced a significant delay in payment by the state of Illinois for amounts due under Medicaid and other state-funded programs, which has resulted in a substantial increase in Medicaid net patient accounts receivable from June 30, 2011 to June 30, 2012.

14. COMMITMENTS AND CONTINGENCIES

Professional Liability

Rush maintains insurance programs, including both self-insured and purchased insurance arrangements, for certain professional liability claims. Self-insured risks are retained in varying amounts according to policy year and entity. For the years ended June 30, 2012 and 2011, Rush retained self-insured risk of \$20,000 on the first case, \$15,000 on the second case, and \$10,000 on any additional cases. Rush also maintains excess liability insurance coverage with combined limits of \$80,000 per occurrence and in the aggregate. Rush has an established trust fund to pay claims and related costs.

Rush has employed an independent actuary to estimate the ultimate costs of claim settlements. Self-insured liabilities are based on the actuarial estimate of losses using Rush's actual payout patterns and various other assumptions. Rush's self-insured liabilities of \$192,613 and \$173,447 as of June 30, 2012 and 2011, respectively, are recorded as noncurrent and current liabilities on the accompanying consolidated balance sheets, as appropriate, and based on the estimated present value of self-insured claims that will be settled in the future. If the present value method was not used, Rush's liability for self-insured claims would be approximately \$27,112 and \$30,652 higher than the amounts recorded in the consolidated balance sheets as of June 30, 2012 and 2011, respectively. The discount rates used in calculating the present value was 4% for fiscal years ended June 30, 2012 and 2011. As of June 30, 2012, insurance recoveries are presented separately within noncurrent and current assets on the accompanying consolidated balance sheet, as appropriate.

During fiscal year 2011, actual experience on Rush's self-insured claims was better than projected and Rush experienced a significant reserve adjustment in its self-insurance liability of \$29,297 in the year ended June 30, 2011, which reduced insurance expense. During fiscal year 2012, actual experience on Rush's self-insurance claims was as projected.

Rush is subject to various other regulatory investigations, legal proceedings, and claims which are incidental to its normal business activities. In the opinion of management, the amount of ultimate liability with respect to professional liability matters and other actions will not have a material adverse effect on the consolidated financial position or results of operations of Rush.

Obligations under Operating Leases

Rush is party to various noncancelable operating leases with third parties. Rental expense was approximately \$11,409 and \$9,935 for the years ended June 30, 2012 and 2011, respectively, and was included in supplies, utilities, and other expenses in the accompanying consolidated statements of operations and changes in net assets. Total minimum payments under noncancelable operating leases as of June 30, 2012, are as follows:

Years Ending June 30	
2013	\$ 9,075
2014	5,702
2015	3,217
2016	2,514
2017	2,321
Thereafter	<u>10,036</u>
Total	<u>\$ 32,865</u>

15. CAMPUS TRANSFORMATION COMMITMENTS

In fiscal year 2004, Rush began a Campus Transformation project that currently includes the addition of new facilities, including a new hospital and the renovation of existing facilities. The project is driven by a redesign of patient care processes to improve efficiency and patient safety and to provide a more inviting environment to physicians, patients, and visitors. The project is estimated to cost approximately \$1.1 billion to complete over a 13-year period (fiscal year 2004 to fiscal year 2016). As of June 30, 2012, \$966,731 has been spent on the campus redevelopment plan, and construction commitments outstanding were \$24,223.

16. PROMISES TO CONTRIBUTE

Included in assets limited by donor or time restriction are the following unconditional promises to contribute as of June 30, 2012 and 2011

Restricted to future periods	<u>1.887</u>	<u>1.887</u>
Unconditional promises to contribute before unamortized discount and allowance for uncollectibles	41,843	67,443
Less unamortized discount	(1,878)	(4,808)
Less allowance for uncollectibles	<u>(1,270)</u>	<u>(1,723)</u>
Net unconditional promises to contribute	<u>\$ 38,695</u>	<u>\$ 60,912</u>
Amounts due in		
Less than one year	\$ 13,677	\$ 27,241
One to five years	22,266	22,695
More than five years	<u>5,900</u>	<u>17,507</u>
Total unconditional promises to contribute	<u>\$ 41,843</u>	<u>\$ 67,443</u>

In addition, Rush has received conditional promises to contribute that are not recognized as assets in the consolidated balance sheets as of June 30, 2012 and 2011. The total is not considered material to the consolidated financial statements.

17. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily and permanently restricted net assets were available for the following purposes as of June 30, 2012 and 2011

	2012	2011
Temporarily Restricted Net Assets		
Construction and purchase of equipment	\$ 11,516	\$ 30,020
Health education	9,367	6,357
Research, charity, and other	226,749	262,817
Unappropriated endowment appreciation available for operations	<u>42,328</u>	<u>44,054</u>
Total temporarily restricted net assets	<u>\$ 289,960</u>	<u>\$ 343,248</u>
Permanently Restricted Net Assets, income from which is expendable to support		
Health education	\$ 148,614	\$ 141,246
Research, charity, and other	55,855	54,889
Operations	<u>30,898</u>	<u>31,601</u>
Total permanently restricted net assets	<u>\$ 235,367</u>	<u>\$ 227,736</u>

During fiscal years 2012 and 2011, net assets were released from donor restrictions for purchasing property and equipment of \$68,626 and \$34,870, respectively, and incurring expenses of \$30,929 and \$29,398, respectively, both of which satisfied the restricted purposes of the donors. Net assets released from restriction used in operations are included in other revenue in the accompanying consolidated statements of operations and changes in net assets.

18. JOINT VENTURES AND OTHER AFFILIATIONS

Investments in unconsolidated joint ventures, accounted for on the equity method, totaled \$2,357 and \$2,190 as of June 30, 2012 and 2011, respectively, and are included in other assets in the accompanying consolidated balance sheets. Loss recognized from these joint ventures, reported in other revenue, was \$324 and \$44 during the years ended June 30, 2012 and 2011, respectively.

19. FUNCTIONAL EXPENSES

Expenses related to the patient care, education, and research services provided by Rush for the years ended June 30, 2012 and 2011, were as follows:

	2012	2011
Health care	\$ 1,124,153	\$ 1,040,197
University services, including research	191,822	193,474
General and administrative	57,411	58,978
Illinois Medicaid hospital assessment	<u>26,306</u>	<u>26,306</u>
Total	<u>\$ 1,399,692</u>	<u>\$ 1,318,955</u>

20. FICA TAX REFUND SETTLEMENT

Rush has historically paid FICA tax on medical residents as if they were employees. In March 2010, the Internal Revenue Service (IRS) made an administrative determination that teaching hospitals and medical residents are exempt from paying FICA taxes under the student exception for time spent in a residency program between 1994 and April 1, 2005, when new IRS regulations imposing a specific FICA requirement for medical residents were put into place. Teaching hospitals and residents are eligible for a refund of FICA taxes paid, plus interest. As of June 30, 2010, Rush recorded a FICA tax receivable of \$19,690, representing the recovered cost of FICA taxes previously paid and expensed, which is reported in other assets in the accompanying consolidated balance sheets as of June 30, 2012 and 2011. No amounts have been received related to the FICA refund during the years ended June 30, 2012 and 2011. The FICA refund was reported in salaries, wages, and employee benefits in the accompanying consolidated statements of operations and changes in net assets during fiscal year 2010. Rush has elected not to record any income related to the interest component of the FICA refund and will recognize the interest when received.

* * * * *

Additional Data

Software ID: 11000218
Software Version: 2011.0.0
EIN: 36-2174823
Name: Rush University Medical Center

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			
Connie Busse Ashline Trustee	1 00	X						0	0	0
James A Bell Trustee	1 00	X						0	0	0
Matthew Bergman Trustee	1 00	X						0	0	0
John M Boler Trustee	1 00	X						0	0	0
Susan R Bottum Trustee	1 00	X						0	0	0
John L Brennan Trustee	1 00	X						0	0	0
Marca L Bristo Trustee	1 00	X						0	0	0
Carole L Brown Trustee	1 00	X						0	0	0
Peter C B Bynoe Esq Trustee	1 00	X						0	0	0
Pastora San Juan Cafferty Trustee	1 00	X						0	0	0
E David Coolidge III Trustee	1 00	X						0	0	0
Christopher M Crane Trustee	1 00	X						0	0	0
Susan Crown Trustee	1 00	X						0	0	0
Robert J Darnall Trustee	1 00	X						0	0	0
Robert M Davis Trustee	1 00	X						0	0	0
Howard M Dean Trustee	1 00	X						0	0	0
Robert P DeCresce MD MBA MPH Trustee	40 00	X						82,973	0	23,542
James W DeYoung Trustee	1 00	X						0	0	0
Catherine Dimou MD Trustee	40 00	X						260,649	0	39,928
Thomas A Donahoe Trustee	1 00	X						0	0	0
William A Downe Trustee	1 00	X						0	0	0
Bruce W Duncan Trustee	1 00	X						0	0	0
Christine A Edwards Trustee	1 00	X						0	0	0
Francesca Maher Edwardson Trustee	1 00	X						0	0	0
Charles L Evans PhD Trustee	1 00	X						0	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			
W James Farrell Trustee	1 00	X						0	0	0
Margaret Faut-Callahan PhD CRNA Trustee	4 00	X						15,861	0	0
Larry Field Trustee	1 00	X						0	0	0
Robert F Finke Trustee	1 00	X						0	0	0
Cyrus F Freidheim Jr Trustee	1 00	X						0	0	0
William J Friend Trustee	1 00	X						0	0	0
J Erik Fyrwald Trustee	1 00	X						0	0	0
Jorge O Galante MD DMSc Trustee	1 00	X						0	0	0
Ronald J Gidwitz Trustee	1 00	X						0	0	0
H John Gilbertson Trustee	1 00	X						0	0	0
Sue Ling Gin Trustee	1 00	X						0	0	0
Richard W Gochnauer Trustee	1 00	X						0	0	0
William M Goodyear Trustee	1 00	X						0	0	0
Catherine B Grotelueschen MD Trustee	1 00	X						0	0	0
Sandra P Guthman Trustee	1 00	X						0	0	0
William J Hagenah Trustee	1 00	X						0	0	0
Joan M Hall Trustee	1 00	X						0	0	0
William K Hall Trustee	1 00	X						0	0	0
Christie Hefner Trustee	1 00	X						0	0	0
Robert L Heidrick Trustee	1 00	X						0	0	0
Ronald M Hem Trustee	1 00	X						0	0	0
Marcie B Hemmelstein Trustee	1 00	X						0	0	0
Jay L Henderson Trustee	1 00	X						0	0	0
Marvin J Herb Trustee	1 00	X						0	0	0
John W Higgins Trustee	1 00	X						0	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			
David Hines MD Trustee	1 00	X						0	0	0
Jerald W Hoekstra Trustee	1 00	X						0	0	0
Ron Huberman Trustee	1 00	X						0	0	0
Anthony D Ivankovich MD Trustee	20 00	X						63,313	0	7,240
Richard M Jaffee Trustee	1 00	X						0	0	0
Silas Keehn Trustee	1 00	X						0	0	0
John P Keller Trustee	1 00	X						0	0	0
Kip Kirkpatrick Trustee	1 00	X						0	0	0
Fred A Krehbiel Trustee	1 00	X						0	0	0
Sheldon Lavin Trustee	1 00	X						0	0	0
Bishop Jeffrey D Lee Trustee	1 00	X						0	0	0
Aylwin B Lewis Trustee	1 00	X						0	0	0
Susan R Lichtenstein Trustee	1 00	X						0	0	0
Donald G Lubin Esq Trustee	1 00	X						0	0	0
Gary E McCullough Trustee	1 00	X						0	0	0
John H McEachern Jr Trustee	1 00	X						0	0	0
Andrew J McKenna Jr Trustee	1 00	X						0	0	0
Mark C Metzger Trustee	1 00	X						0	0	0
Mimi Mitchell Trustee	1 00	X						0	0	0
Wayne L Moore Trustee	1 00	X						0	0	0
Robert S Morrison Trustee	1 00	X						0	0	0
Michael F O'Brien Trustee	1 00	X						0	0	0
Michael J O'Connor Trustee	1 00	X						0	0	0
Abby McCormick O'Neil Trustee	1 00	X						0	0	0
William H Osborne Trustee	1 00	X						0	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				
Aurie A Pennick Trustee	1 00	X						0	0	0	
Sheila A Penrose Trustee	1 00	X						0	0	0	
Perry R Pero Trustee	1 00	X						0	0	0	
Stephen N Potter Trustee	1 00	X						0	0	0	
Richard S Price Trustee	1 00	X						0	0	0	
Eric A Reeves Trustee	1 00	X						0	0	0	
Karen C Reid Trustee	1 00	X						0	0	0	
Angelique L Richard PhD RN Trustee	1 00	X						0	0	0	
Thomas E Richards Trustee	1 00	X						0	0	0	
John W Rogers Jr Trustee	1 00	X						0	0	0	
Jesse H Ruiz Trustee	1 00	X						0	0	0	
John J Sabl Trustee	1 00	X						0	0	0	
John F Sandner Trustee	1 00	X						0	0	0	
Gloria Santona Esq Trustee	1 00	X						0	0	0	
Charles A Schrock Trustee	1 00	X						0	0	0	
Carole Browe Segal Trustee	1 00	X						0	0	0	
Alejandro Silva Trustee	1 00	X						0	0	0	
David B Speer Trustee	1 00	X						0	0	0	
Carl W Stern Trustee	1 00	X						0	0	0	
Charles A Tribbett III Trustee	1 00	X						0	0	0	
Karen B Weinstein MD Trustee	1 00	X						0	0	0	
Greg Welch Trustee	1 00	X						0	0	0	
John R Willis Trustee	1 00	X						0	0	0	
Thomas J Wilson Trustee	1 00	X						0	0	0	
Robert A Wislow Trustee	1 00	X						0	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			
Barbara Jil Wu PhD Trustee	1 00	X						0	0	0
David A Ansell MD Senior Vice President and Chief Medical Officer	40 00			X				545,270	0	81,127
Cynthia Barginere V P Clinical Nursing Chief Nursing Officer	40 00			X				200,830	0	24,154
Charles E Behl Vice President, Revenue Cycle	40 00			X				365,945	0	63,425
Cynthia Boyd V P Chief Compliance Officer	40 00			X				272,052	0	36,748
Max D Brown JD V P Legal Affairs General Counsel	40 00			X				613,052	0	677,303
Peter W Butler President Chief Operating Officer	40 00			X				1,035,687	0	268,550
Paul M Carvey PhD Dean, The Graduate College	40 00			X				394,501	0	98,577
J Robert Clapp Jr Executive Vice President, Hospital Affairs	40 00			X				652,858	0	139,797
Edward W Conway V P Clinical Affairs for Administration Finance	40 00			X				253,028	0	19,547
Melissa Coverdale Vice President, Finance	000 00			X				0	0	0
Richard K Davis Vice President, Medical Affairs	40 00			X				292,934	0	65,885
R Anthony Davis Vice President, Finance	40 00			X				401,438	0	306,680
Thomas A Deutsch MD Provost, Rush University Dean, Medical College	40 00			X				782,330	0	249,756
Melanie C Dreher PhD RN Dean, College of Nursing	40 00			X				296,406	0	30,205
Bruce M Elegant Vice President, Hospital Operations	40 00			X				368,175	0	77,414
Brent Estes V P Managed Care Programs Services	40 00			X				370,997	0	54,598
Larry J Goodman MD Chief Executive Officer	40 00	X		X				1,376,019	0	262,357
Lois K Halstead PhD RN Vice Provost, Rush University	40 00			X				285,998	0	100,987
Bradley G Hinrichs Administrative Vice President, Transformation	40 00			X				316,192	0	22,055
Joan E Kurtenbach VP Strategic Planning Marketing	40 00			X				294,677	0	56,938
John Lowenberg Vice President, Philanthropy	40 00			X				279,058	0	38,017
Sheri L Marker Vice President, Human Resources	40 00			X				262,846	0	52,911
Diane M McKeever Senior Vice President, Philanthropy	40 00			X				367,406	0	79,462
Avery S Miller Senior V P Corporate External Affairs	40 00			X				952,229	0	233,656

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 P Mordach Senior Vice President, Finance CFO	40 00			X				583,433	0	97,427
Mike J Mulroe Vice President, Hospital Operations	40 00			X				258,488	0	70,155
James L Mulshine MD Vice President, Research	40 00			X				402,913	0	70,503
Anne M Murphy Senior V P Legal Affairs General Counsel	000 00			X				0	0	0
Denise Nedza Vice President, Financial Planning	40 00			X				287,512	0	27,226
Jaime B Parent Vice President, Information Technology	40 00			X				322,779	0	79,180
Terry Peterson V P Corporate External Affairs	40 00			X				307,829	0	43,544
Mary Ellen Schopp Senior V P Human Resources	40 00			X				332,897	0	68,591
David C Shelledy PhD Dean, College of Health Sciences	40 00			X				233,116	0	42,550
Julio C Silva MD Vice President Clinical Systems	40 00			X				396,339	0	92,394
Brian T Smith V P Medical Affairs-Clinical Practice	40 00			X				406,037	0	71,392
Scott E Sonnenschein Vice President, Hospital Operations	40 00			X				320,597	0	54,254
Lac Van Tran Senior Vice President, Information Services	40 00			X				471,555	0	87,668
Mick P Zdeblick Vice President Campus Transformation	40 00			X				453,750	0	80,535
Lorenzo Munoz MD Physician	40 00					X		920,410	0	38,372
John Polley MD Physician	40 00					X		897,040	0	22,423
Harel Deutsch MD Physician	40 00					X		806,945	0	45,790
Michael Liptay MD Physician	40 00					X		782,568	0	43,555
Richard Byrne MD Physician	40 00					X		779,704	0	41,240