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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

CHRISTIANA CARE HEALTH SERVICES, INC IS DEDICATED TO IMPROVING THE HEALTH OF ALL INDIVIDUALS IN THE COMMUNITIES WE SERVE THROUGH HEALTH CARE SERVICES, EDUCATION AND RESEARCH CHRISTIANA CARE HEALTH SERVICES, INC STRIVES TO BE A COORDINATED, PATIENT-FOCUSED HEALTH CARE SYSTEM OF UNSURPASSED EXCELLENCE

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 \$ 429,953,938 including grants of \$ ) (Revenue \$ 293,396,019 )

PROVISION OF PROFESSIONAL PATIENT CARE FOR THE HOSPITALS OF CHRISTIANA CARE 3,236 NURSES ARE EMPLOYED WITH 269,358 PATIENT DAYS RECORDED DURING FISCAL 2012 THE HOSPITALS OFFER A FULL SCOPE OF SERVICES WITH THE NEEDS OF THE POPULATION SERVED WITHOUT REGARD TO AGE, RACE OR ECONOMIC CIRCUMSTANCES

4b

(Code ) (Expenses \$ 61,634,664 including grants of \$ ) (Revenue \$ 131,204,346 )

LABORATORY-PROVIDED LAB TESTING FOR BOTH INPATIENT AND OUTPATIENTS DURING FISCAL 2012, 5,910,061 LAB TESTS WERE PERFORMED WITH AN APPROXIMATE STAFF OF 276

4c

(Code ) (Expenses \$ 190,831,361 including grants of \$ ) (Revenue \$ 280,474,626 )

OPERATING ROOM-PROVIDED BOTH INPATIENT AND OUTPATIENT SURGICAL PROCEDURES IN FISCAL 2012, 40,684 OPERATIONS WERE PERFORMED, REQUIRING A STAFF OF APPROXIMATELY 324

(Code ) (Expenses \$ 298,350,886 including grants of \$ 764,500 ) (Revenue \$ 568,052,385 )

OTHER PROGRAM SERVICES

4d

Other program services (Describe in Schedule O )

(Expenses \$ 298,350,886 including grants of \$ 764,500 ) (Revenue \$ 568,052,385 )

4e

Total program service expenses

\$ 980,770,849

Form 990 (2011)

Part IV

Checklist of Required Schedules

|     |                                                                                                                                                                                                                                                                                                                                                                                       | Yes | No  |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
| 1   | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A                                                                                                                                                                    | 1   | Yes |
| 2   | Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?                                                                                                                                                                                                  | 2   | Yes |
| 3   | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I                                                                                                                 | 3   | No  |
| 4   | <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II                                                                                                  | 4   | Yes |
| 5   | Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III                                                                                                                                                           | 5   |     |
| 6   | Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I                                               | 6   | No  |
| 7   | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II                                                                                      | 7   | No  |
| 8   | Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III                                                                                                                                                    | 8   | No  |
| 9   | Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV                                                  | 9   | No  |
| 10  | Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V                                                                                               | 10  | Yes |
| 11  | If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable                                                                                                                                                                                                                                        |     |     |
| a   | Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.                                                                                                                                                                 | 11a | Yes |
| b   | Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.                                                                                             | 11b | No  |
| c   | Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.                                                                                            | 11c | No  |
| d   | Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.                                                                                                              | 11d | Yes |
| e   | Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.                                                                                                                                                                           | 11e | Yes |
| f   | Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X.                                                    | 11f | No  |
| 12a | Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII                                                                                                                                            | 12a | No  |
| b   | Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional                                                              | 12b | Yes |
| 13  | Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E                                                                                                                                                                                                                                                                                     | 13  | No  |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States?                                                                                                                                                                                                                                                                                           | 14a | No  |
| b   | Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Part I  | 14b | Yes |
| 15  | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S? If "Yes," complete Schedule F, Part II and IV                                                                                       | 15  | Yes |
| 16  | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S? If "Yes," complete Schedule F, Part III and IV                                                                                           | 16  | No  |
| 17  | Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I                                                                                                                                                                                           | 17  | No  |
| 18  | Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II                                                                                                                                                                                                        | 18  | No  |
| 19  | Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III                                                                                                                                                                                                                                  | 19  | No  |
| 20a | Did the organization operate one or more hospitals? If "Yes," complete Schedule H                                                                                                                                                                                                                | 20a | Yes |
| b   | If "Yes" to line 20a, did the organization attach its audited financial statement to this return? <b>Note.</b> 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  |     | No |
| 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  |     | No |
| 23  | Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <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 | Yes |    |
| c   | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .                                                                                                                                       | 24c |     | No |
| d   | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .                                                                                                                                                                            | 24d |     | No |
| 25a | <b>Section 501(c)(3) and 501(c)(4) organizations.</b> 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 |     | No |
| 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 |     | No |
| c   | An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .                                                                       | 28c |     | No |
| 29  | Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .                                                                                                                                                                  | 29  |     | No |
| 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  | <b>Section 501(c)(3) organizations.</b> 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  |     | No |
| 37  | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <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? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .                                                                                               | 38  | Yes |    |

|                                                                                                 |                                                                                                                                                                                                                                                                                                                                                      |            |           |  |  |    |
|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|--|--|----|
| <b>Part V</b> <b>Statements Regarding Other IRS Filings and Tax Compliance</b>                  |                                                                                                                                                                                                                                                                                                                                                      |            |           |  |  |    |
| Check if Schedule O contains a response to any question in this Part V <input type="checkbox"/> |                                                                                                                                                                                                                                                                                                                                                      |            |           |  |  |    |
|                                                                                                 |                                                                                                                                                                                                                                                                                                                                                      | <b>Yes</b> | <b>No</b> |  |  |    |
| <b>1a</b>                                                                                       | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.<br>.                                                                                                                                                                                                                                                                   | <b>1a</b>  | 515       |  |  |    |
| <b>b</b>                                                                                        | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.                                                                                                                                                                                                                                                                     | <b>1b</b>  | 0         |  |  |    |
| <b>c</b>                                                                                        | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?                                                                                                                                                                                             | <b>1c</b>  | Yes       |  |  |    |
| <b>2a</b>                                                                                       | 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.                                                                                                                                                                 | <b>2a</b>  | 10,711    |  |  |    |
| <b>b</b>                                                                                        | If at least one is reported on line 2a, did the organization file all required federal employment tax returns?<br><br><b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).                                                                                                              | <b>2b</b>  | Yes       |  |  |    |
| <b>3a</b>                                                                                       | Did the organization have unrelated business gross income of \$1,000 or more during the year?                                                                                                                                                                                                                                                        | <b>3a</b>  | Yes       |  |  |    |
| <b>b</b>                                                                                        | If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.                                                                                                                                                                                                                                                    | <b>3b</b>  | Yes       |  |  |    |
| <b>4a</b>                                                                                       | 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)?                                                                                                                                     | <b>4a</b>  |           |  |  | No |
| <b>b</b>                                                                                        | If "Yes," enter the name of the foreign country: _____<br>See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.                                                                                                                                                                             |            |           |  |  |    |
| <b>5a</b>                                                                                       | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?                                                                                                                                                                                                                                                | <b>5a</b>  |           |  |  | No |
| <b>b</b>                                                                                        | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?                                                                                                                                                                                                                                     | <b>5b</b>  |           |  |  | No |
| <b>c</b>                                                                                        | If "Yes" to line 5a or 5b, did the organization file Form 8886-T?                                                                                                                                                                                                                                                                                    | <b>5c</b>  |           |  |  |    |
| <b>6a</b>                                                                                       | 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?                                                                                                                                                                          | <b>6a</b>  |           |  |  | No |
| <b>b</b>                                                                                        | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?                                                                                                                                                                                                        | <b>6b</b>  |           |  |  |    |
| <b>7</b>                                                                                        | <b>Organizations that may receive deductible contributions under section 170(c).</b>                                                                                                                                                                                                                                                                 |            |           |  |  |    |
| <b>a</b>                                                                                        | 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?                                                                                                                                                                                                      | <b>7a</b>  |           |  |  | No |
| <b>b</b>                                                                                        | If "Yes," did the organization notify the donor of the value of the goods or services provided?                                                                                                                                                                                                                                                      | <b>7b</b>  |           |  |  |    |
| <b>c</b>                                                                                        | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?                                                                                                                                                                                                                 | <b>7c</b>  |           |  |  | No |
| <b>d</b>                                                                                        | If "Yes," indicate the number of Forms 8282 filed during the year.                                                                                                                                                                                                                                                                                   | <b>7d</b>  |           |  |  |    |
| <b>e</b>                                                                                        | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?                                                                                                                                                                                                                                      | <b>7e</b>  |           |  |  | No |
| <b>f</b>                                                                                        | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?                                                                                                                                                                                                                                         | <b>7f</b>  |           |  |  | No |
| <b>g</b>                                                                                        | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?                                                                                                                                                                                                                     | <b>7g</b>  |           |  |  |    |
| <b>h</b>                                                                                        | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?                                                                                                                                                                                                                   | <b>7h</b>  |           |  |  |    |
| <b>8</b>                                                                                        | <b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?                                                                         | <b>8</b>   |           |  |  |    |
| <b>9</b>                                                                                        | <b>Sponsoring organizations maintaining donor advised funds.</b>                                                                                                                                                                                                                                                                                     |            |           |  |  |    |
| <b>a</b>                                                                                        | Did the organization make any taxable distributions under section 4966?                                                                                                                                                                                                                                                                              | <b>9a</b>  |           |  |  |    |
| <b>b</b>                                                                                        | Did the organization make a distribution to a donor, donor advisor, or related person?                                                                                                                                                                                                                                                               | <b>9b</b>  |           |  |  |    |
| <b>10</b>                                                                                       | <b>Section 501(c)(7) organizations.</b> Enter                                                                                                                                                                                                                                                                                                        |            |           |  |  |    |
| <b>a</b>                                                                                        | Initiation fees and capital contributions included on Part VIII, line 12.                                                                                                                                                                                                                                                                            | <b>10a</b> |           |  |  |    |
| <b>b</b>                                                                                        | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.                                                                                                                                                                                                                                                         | <b>10b</b> |           |  |  |    |
| <b>11</b>                                                                                       | <b>Section 501(c)(12) organizations.</b> Enter                                                                                                                                                                                                                                                                                                       |            |           |  |  |    |
| <b>a</b>                                                                                        | Gross income from members or shareholders.                                                                                                                                                                                                                                                                                                           | <b>11a</b> |           |  |  |    |
| <b>b</b>                                                                                        | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).                                                                                                                                                                                                                         | <b>11b</b> |           |  |  |    |
| <b>12a</b>                                                                                      | <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?                                                                                                                                                                                                                                    | <b>12a</b> |           |  |  |    |
| <b>b</b>                                                                                        | If "Yes," enter the amount of tax-exempt interest received or accrued during the year.                                                                                                                                                                                                                                                               | <b>12b</b> |           |  |  |    |
| <b>13</b>                                                                                       | <b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>                                                                                                                                                                                                                                                                              |            |           |  |  |    |
| <b>a</b>                                                                                        | Is the organization licensed to issue qualified health plans in more than one state?<br><b>Note.</b> 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. | <b>13a</b> |           |  |  |    |
| <b>b</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.                                                                                                                                                                                 | <b>13b</b> |           |  |  |    |
| <b>c</b>                                                                                        | Enter the aggregate amount of reserves on hand.                                                                                                                                                                                                                                                                                                      | <b>13c</b> |           |  |  |    |
| <b>14a</b>                                                                                      | Did the organization receive any payments for indoor tanning services during the tax year?                                                                                                                                                                                                                                                           | <b>14a</b> |           |  |  | No |
| <b>b</b>                                                                                        | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.                                                                                                                                                                                                                                           | <b>14b</b> |           |  |  |    |

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 | 24                                                                                                                                                                                                                            |     |     |
| b  | Enter the number of voting members included in line 1a, above, who are independent . . . . .                                                                                                                                  | 1b  | 21  |
| 2  | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .                                               | 2   | No  |
| 3  | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . . | 3   | No  |
| 4  | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?                                                                                                              | 4   | No  |
| 5  | Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .                                                                                                          | 5   | No  |
| 6  | Did the organization have members or stockholders? . . . . .                                                                                                                                                                  | 6   | No  |
| 7a | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .                                                                  | 7a  | Yes |
| b  | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .                                                           | 7b  | Yes |
| 8  | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following                                                                                              |     |     |
| a  | The governing body? . . . . .                                                                                                                                                                                                 | 8a  | Yes |
| b  | Each committee with authority to act on behalf of the governing body? . . . . .                                                                                                                                               | 8b  | Yes |
| 9  | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .        | 9   | No  |

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

|     |                                                                                                                                                                                                                                                                                                        |     |     |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
|     |                                                                                                                                                                                                                                                                                                        | Yes | No  |
| 10a | Did the organization have local chapters, branches, or affiliates? . . . . .                                                                                                                                                                                                                           | 10a | No  |
| b   | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? . . . . .                                                                   | 10b |     |
| 11a | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?                                                                                                                                                                            | 11a | Yes |
| b   | Describe in Schedule O the process, if any, used by the organization to review the Form 990 . . . . .                                                                                                                                                                                                  |     |     |
| 12a | Did the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .                                                                                                                                                                                                      | 12a | Yes |
| b   | Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .                                                                                                                                                           | 12b | Yes |
| c   | Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done . . . . .                                                                                                                                           | 12c | Yes |
| 13  | Did the organization have a written whistleblower policy? . . . . .                                                                                                                                                                                                                                    | 13  | Yes |
| 14  | Did the organization have a written document retention and destruction policy? . . . . .                                                                                                                                                                                                               | 14  | Yes |
| 15  | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?                                                                                   |     |     |
| a   | The organization's CEO, Executive Director, or top management official . . . . .                                                                                                                                                                                                                       | 15a | 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 | No  |
| 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 |     |

Section C. Disclosure

|    |                                                                                                                                                                                                                                                                                                                                                         |  |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 17 | List the States with which a copy of this Form 990 is required to be filed▶                                                                                                                                                                                                                                                                             |  |
| 18 | Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.<br><input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> 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 ▶<br>VICE PRESIDENT'S OFFICE<br>200 HYGEIA DRIVE<br>NEWARK, DE 197132049<br>(302) 623-7202                                                                                                                                 |  |

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

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

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

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

[illegible]

## Part VII

|           |                                                                        |           |   |         |
|-----------|------------------------------------------------------------------------|-----------|---|---------|
| <b>1b</b> | <b>Sub-Total . . . . .</b>                                             |           |   |         |
| <b>c</b>  | <b>Total from continuation sheets to Part VII, Section A . . . . .</b> |           |   |         |
| <b>d</b>  | <b>Total (add lines 1b and 1c) . . . . .</b>                           | 9,582,090 | 0 | 922,703 |

**2** Total number of individuals (including but not limited to those listed) who received more than \$100,000 of reportable compensation from the organization **840**

|   |                                                                                                                                                                                                                                               | Yes   | No |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|----|
| 3 | Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .                                        | 3 Yes |    |
| 4 | For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <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)<br>Name and business address                                                | (B)<br>Description of services | (C)<br>Compensation |
|---------------------------------------------------------------------------------|--------------------------------|---------------------|
| SKANSKA<br>516 EAST TOWNSHIP LINE ROAD<br>BLUE BELL, PA 19422                   | CONSTRUCTION                   | 36,787,798          |
| WHITING TURNER<br>PO BOX 17596<br>BALTIMORE, MD 21297                           | CONSTRUCTION                   | 7,685,702           |
| BANCROFT CONSTRUCTION CO<br>1300 GRANT AVENUE SUITE 110<br>WILMINGTON, DE 19806 | CONSTRUCTION                   | 5,586,661           |
| ANESTHESIA SERVICES<br>2 READS WAY SUITE 201<br>NEW CASTLE, DE 19720            | MEDICAL SERVICES               | 4,338,423           |
| VARO<br>301 LACEY STREET<br>WEST CHESTER, PA 19382                              | COLLECTION SERVICES            | 2,129,363           |

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 ▶160

Part VIII

Statement of Revenue

|                                                           |                                           |                                                                                                                                               |                                                                                          | (A)<br>Total revenue | (B)<br>Related or<br>exempt<br>function<br>revenue | (C)<br>Unrelated<br>business<br>revenue | (D)<br>Revenue<br>excluded from<br>tax under<br>sections<br>512, 513, or<br>514 |
|-----------------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------|----------------------------------------------------|-----------------------------------------|---------------------------------------------------------------------------------|
| Contributions, gifts, grants<br>and other similar amounts | 1a                                        | Federated campaigns . . .                                                                                                                     | 1a                                                                                       |                      |                                                    |                                         |                                                                                 |
|                                                           | b                                         | Membership dues . . . . .                                                                                                                     | 1b                                                                                       |                      |                                                    |                                         |                                                                                 |
|                                                           | c                                         | Fundraising events . . . . .                                                                                                                  | 1c                                                                                       |                      |                                                    |                                         |                                                                                 |
|                                                           | d                                         | Related organizations . . . .                                                                                                                 | 1d                                                                                       | 4,226,748            |                                                    |                                         |                                                                                 |
|                                                           | e                                         | Government grants (contributions)                                                                                                             | 1e                                                                                       | 13,169,338           |                                                    |                                         |                                                                                 |
|                                                           | f                                         | All other contributions, gifts, grants, and<br>similar amounts not included above                                                             | 1f                                                                                       | 5,420,642            |                                                    |                                         |                                                                                 |
|                                                           | g                                         | Noncash contributions included in<br>lines 1a-1f \$ _____                                                                                     |                                                                                          |                      |                                                    |                                         |                                                                                 |
|                                                           | h                                         | Total. Add lines 1a-1f . . . . .                                                                                                              |                                                                                          | 22,816,728           |                                                    |                                         |                                                                                 |
| Program Service Revenue                                   | 2a                                        | PROGRAM SERVICE REVENUES                                                                                                                      | Business Code<br>900099                                                                  | 1,118,332,156        | 1,118,332,156                                      |                                         |                                                                                 |
|                                                           | b                                         | OTHER REVENUES                                                                                                                                | 900002                                                                                   | 21,448,922           | 2,077,376                                          | 7,030,218                               | 12,341,328                                                                      |
|                                                           | c                                         |                                                                                                                                               |                                                                                          |                      |                                                    |                                         |                                                                                 |
|                                                           | d                                         |                                                                                                                                               |                                                                                          |                      |                                                    |                                         |                                                                                 |
|                                                           | e                                         |                                                                                                                                               |                                                                                          |                      |                                                    |                                         |                                                                                 |
|                                                           | f                                         | All other program service revenue                                                                                                             |                                                                                          |                      |                                                    |                                         |                                                                                 |
|                                                           | g                                         | Total. Add lines 2a-2f . . . . .                                                                                                              |                                                                                          | 1,139,781,078        |                                                    |                                         |                                                                                 |
|                                                           | Other Revenue                             | 3                                                                                                                                             | Investment income (including dividends, interest<br>and other similar amounts) . . . . . |                      | 13,426,113                                         |                                         |                                                                                 |
| 4                                                         |                                           | Income from investment of tax-exempt bond proceeds . .                                                                                        |                                                                                          | 0                    |                                                    |                                         |                                                                                 |
| 5                                                         |                                           | Royalties . . . . .                                                                                                                           |                                                                                          | 0                    |                                                    |                                         |                                                                                 |
| 6a                                                        |                                           | Gross rents                                                                                                                                   | (i) Real<br>2,859,016                                                                    | (ii) Personal        |                                                    |                                         |                                                                                 |
| b                                                         |                                           | Less rental<br>expenses                                                                                                                       | 710,962                                                                                  |                      |                                                    |                                         |                                                                                 |
| c                                                         |                                           | Rental income<br>or (loss)                                                                                                                    | 2,148,054                                                                                |                      |                                                    |                                         |                                                                                 |
| d                                                         |                                           | Net rental income or (loss) . . . . .                                                                                                         |                                                                                          | 2,148,054            |                                                    |                                         | 2,148,054                                                                       |
| 7a                                                        |                                           | Gross amount<br>from sales of<br>assets other<br>than inventory                                                                               | (i) Securities<br>134,529,607                                                            | (ii) Other           |                                                    |                                         |                                                                                 |
| b                                                         |                                           | Less cost or<br>other basis and<br>sales expenses                                                                                             | 116,887,028                                                                              |                      |                                                    |                                         |                                                                                 |
| c                                                         |                                           | Gain or (loss)                                                                                                                                | 17,642,579                                                                               |                      |                                                    |                                         |                                                                                 |
| d                                                         |                                           | Net gain or (loss) . . . . .                                                                                                                  |                                                                                          | 17,642,579           |                                                    |                                         | 17,642,579                                                                      |
| 8a                                                        |                                           | Gross income from fundraising<br>events (not including<br>\$ _____<br>of contributions reported on line 1c)<br>See Part IV, line 18 . . . . . | a                                                                                        |                      |                                                    |                                         |                                                                                 |
| b                                                         |                                           | Less direct expenses . . . . .                                                                                                                | b                                                                                        |                      |                                                    |                                         |                                                                                 |
| c                                                         |                                           | Net income or (loss) from fundraising events . .                                                                                              |                                                                                          | 0                    |                                                    |                                         |                                                                                 |
| 9a                                                        |                                           | Gross income from gaming activities<br>See Part IV, line 19 . . . . .                                                                         | a                                                                                        |                      |                                                    |                                         |                                                                                 |
| b                                                         |                                           | Less direct expenses . . . . .                                                                                                                | b                                                                                        |                      |                                                    |                                         |                                                                                 |
| c                                                         |                                           | Net income or (loss) from gaming activities . .                                                                                               |                                                                                          | 0                    |                                                    |                                         |                                                                                 |
| 10a                                                       |                                           | Gross sales of inventory, less<br>returns and allowances . . . . .                                                                            | a                                                                                        | 208,244,555          |                                                    |                                         |                                                                                 |
| b                                                         |                                           | Less cost of goods sold . . . . .                                                                                                             | b                                                                                        | 74,898,257           |                                                    |                                         |                                                                                 |
| c                                                         |                                           | Net income or (loss) from sales of inventory . .                                                                                              |                                                                                          | 133,346,298          | 133,346,298                                        |                                         |                                                                                 |
|                                                           |                                           | Miscellaneous Revenue                                                                                                                         | Business Code                                                                            |                      |                                                    |                                         |                                                                                 |
| 11a                                                       |                                           | CONDOMINIUM<br>MAINTENANCE FEES                                                                                                               | 900099                                                                                   | 1,702,180            |                                                    |                                         | 1,702,180                                                                       |
| b                                                         |                                           |                                                                                                                                               |                                                                                          |                      |                                                    |                                         |                                                                                 |
| c                                                         |                                           |                                                                                                                                               |                                                                                          |                      |                                                    |                                         |                                                                                 |
| d                                                         | All other revenue . . . . .               |                                                                                                                                               |                                                                                          |                      |                                                    |                                         |                                                                                 |
| e                                                         | Total. Add lines 11a-11d . . . . .        |                                                                                                                                               | 1,702,180                                                                                |                      |                                                    |                                         |                                                                                 |
| 12                                                        | Total revenue. See Instructions . . . . . |                                                                                                                                               | 1,330,863,030                                                                            | 1,253,755,830        | 7,030,218                                          | 47,260,254                              |                                                                                 |

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)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------|----------------------------------------|-----------------------------|
| 1                                                                              | Grants and other assistance to governments and organizations in the United States See Part IV, line 21                                                                                                                                | 0                     |                                 |                                        |                             |
| 2                                                                              | Grants and other assistance to individuals in the United States See Part IV, line 22                                                                                                                                                  | 0                     |                                 |                                        |                             |
| 3                                                                              | Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16                                                                                                     | 764,500               | 764,500                         |                                        |                             |
| 4                                                                              | Benefits paid to or for members                                                                                                                                                                                                       | 0                     |                                 |                                        |                             |
| 5                                                                              | Compensation of current officers, directors, trustees, and key employees                                                                                                                                                              | 9,614,142             | 3,564,083                       | 6,050,059                              | 0                           |
| 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                                                                                                                                                                                                              | 583,376,114           | 469,346,942                     | 114,029,172                            | 0                           |
| 8                                                                              | Pension plan contributions (include section 401(k) and section 403(b) employer contributions)                                                                                                                                         | 53,533,378            | 42,719,636                      | 10,813,742                             | 0                           |
| 9                                                                              | Other employee benefits                                                                                                                                                                                                               | 101,992,138           | 81,389,726                      | 20,602,412                             | 0                           |
| 10                                                                             | Payroll taxes                                                                                                                                                                                                                         | 43,534,520            | 34,740,547                      | 8,793,973                              | 0                           |
| 11                                                                             | Fees for services (non-employees)                                                                                                                                                                                                     |                       |                                 |                                        |                             |
| a                                                                              | Management                                                                                                                                                                                                                            | 41,250                | 32,917                          | 8,333                                  | 0                           |
| b                                                                              | Legal                                                                                                                                                                                                                                 | 427,739               | 341,336                         | 86,403                                 | 0                           |
| c                                                                              | Accounting                                                                                                                                                                                                                            | 294,000               | 234,612                         | 59,388                                 | 0                           |
| d                                                                              | Lobbying                                                                                                                                                                                                                              | 180,325               | 143,899                         | 36,426                                 | 0                           |
| e                                                                              | Professional fundraising See Part IV, line 17                                                                                                                                                                                         | 0                     |                                 |                                        |                             |
| f                                                                              | Investment management fees                                                                                                                                                                                                            | 2,971,642             | 2,371,370                       | 600,272                                | 0                           |
| g                                                                              | Other                                                                                                                                                                                                                                 | 0                     |                                 |                                        |                             |
| 12                                                                             | Advertising and promotion                                                                                                                                                                                                             | 2,010,513             | 1,604,389                       | 406,124                                | 0                           |
| 13                                                                             | Office expenses                                                                                                                                                                                                                       | 281,124,115           | 236,204,522                     | 44,919,593                             | 0                           |
| 14                                                                             | Information technology                                                                                                                                                                                                                | 28,474,136            | 22,722,361                      | 5,751,775                              | 0                           |
| 15                                                                             | Royalties                                                                                                                                                                                                                             | 0                     |                                 |                                        |                             |
| 16                                                                             | Occupancy                                                                                                                                                                                                                             | 14,218,728            | 11,346,545                      | 2,872,183                              | 0                           |
| 17                                                                             | Travel                                                                                                                                                                                                                                | 2,049,109             | 1,635,189                       | 413,920                                | 0                           |
| 18                                                                             | Payments of travel or entertainment expenses for any federal, state, or local public officials                                                                                                                                        | 0                     |                                 |                                        |                             |
| 19                                                                             | Conferences, conventions, and meetings                                                                                                                                                                                                | 2,563,388             | 2,045,584                       | 517,804                                | 0                           |
| 20                                                                             | Interest                                                                                                                                                                                                                              | 1,812,634             | 1,446,482                       | 366,152                                | 0                           |
| 21                                                                             | Payments to affiliates                                                                                                                                                                                                                | 0                     |                                 |                                        |                             |
| 22                                                                             | Depreciation, depletion, and amortization                                                                                                                                                                                             | 74,341,321            | 59,324,374                      | 15,016,947                             | 0                           |
| 23                                                                             | Insurance                                                                                                                                                                                                                             | 7,415,952             | 5,917,930                       | 1,498,022                              | 0                           |
| 24                                                                             | Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O )                                       |                       |                                 |                                        |                             |
| a                                                                              | LOSS ON SWAP                                                                                                                                                                                                                          | 3,601,385             | 2,873,905                       | 727,480                                | 0                           |
| b                                                                              |                                                                                                                                                                                                                                       |                       |                                 |                                        |                             |
| c                                                                              |                                                                                                                                                                                                                                       |                       |                                 |                                        |                             |
| d                                                                              |                                                                                                                                                                                                                                       |                       |                                 |                                        |                             |
| e                                                                              |                                                                                                                                                                                                                                       |                       |                                 |                                        |                             |
| f                                                                              | All other expenses                                                                                                                                                                                                                    |                       |                                 |                                        |                             |
| 25                                                                             | Total functional expenses. Add lines 1 through 24f                                                                                                                                                                                    | 1,214,341,029         | 980,770,849                     | 233,570,180                            | 0                           |
| 26                                                                             | Joint costs. Check here <input type="checkbox"/> 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 . . . . .                                                                                                                                             |     |               | 127,452,043       | 1   | 111,526,555   |
|                             | 2                                                                                                                                         | Savings and temporary cash investments . . . . .                                                                                                                                |     |               | 181,549,743       | 2   | 181,556,554   |
|                             | 3                                                                                                                                         | Pledges and grants receivable, net . . . . .                                                                                                                                    |     |               | 0                 | 3   | 0             |
|                             | 4                                                                                                                                         | Accounts receivable, net . . . . .                                                                                                                                              |     |               | 161,776,520       | 4   | 186,691,707   |
|                             | 5                                                                                                                                         | Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .                   |     |               | 0                 | 5   | 0             |
|                             | 6                                                                                                                                         | Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L . . . . .      |     |               | 0                 | 6   | 0             |
|                             | 7                                                                                                                                         | Notes and loans receivable, net . . . . .                                                                                                                                       |     |               | 0                 | 7   | 0             |
|                             | 8                                                                                                                                         | Inventories for sale or use . . . . .                                                                                                                                           |     |               | 14,259,914        | 8   | 15,633,989    |
|                             | 9                                                                                                                                         | Prepaid expenses and deferred charges . . . . .                                                                                                                                 |     |               | 0                 | 9   | 0             |
|                             | 10a                                                                                                                                       | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .                                                                                   | 10a | 1,423,750,569 |                   |     |               |
|                             | b                                                                                                                                         | Less: accumulated depreciation . . . . .                                                                                                                                        | 10b | 882,735,054   | 555,161,208       | 10c | 541,015,515   |
|                             | 11                                                                                                                                        | Investments—publicly traded securities . . . . .                                                                                                                                |     |               | 761,320,573       | 11  | 821,288,521   |
|                             | 12                                                                                                                                        | Investments—other securities. See Part IV, line 11 . . . . .                                                                                                                    |     |               | 65,248,606        | 12  | 75,614,124    |
|                             | 13                                                                                                                                        | Investments—program-related. See Part IV, line 11 . . . . .                                                                                                                     |     |               | 0                 | 13  | 0             |
|                             | 14                                                                                                                                        | Intangible assets . . . . .                                                                                                                                                     |     |               | 1,015,805         | 14  | 1,015,805     |
|                             | 15                                                                                                                                        | Other assets. See Part IV, line 11 . . . . .                                                                                                                                    |     |               | 157,581,720       | 15  | 218,092,068   |
|                             | 16                                                                                                                                        | Total assets. Add lines 1 through 15 (must equal line 34) . . . . .                                                                                                             |     |               | 2,025,366,133     | 16  | 2,152,434,838 |
| Liabilities                 | 17                                                                                                                                        | Accounts payable and accrued expenses . . . . .                                                                                                                                 |     |               | 178,537,612       | 17  | 186,751,837   |
|                             | 18                                                                                                                                        | Grants payable . . . . .                                                                                                                                                        |     |               | 0                 | 18  | 0             |
|                             | 19                                                                                                                                        | Deferred revenue . . . . .                                                                                                                                                      |     |               | 0                 | 19  | 0             |
|                             | 20                                                                                                                                        | Tax-exempt bond liabilities . . . . .                                                                                                                                           |     |               | 328,420,871       | 20  | 319,808,513   |
|                             | 21                                                                                                                                        | Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .                                                                                                 |     |               | 0                 | 21  | 0             |
|                             | 22                                                                                                                                        | Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .  |     |               | 0                 | 22  | 0             |
|                             | 23                                                                                                                                        | Secured mortgages and notes payable to unrelated third parties . . . . .                                                                                                        |     |               | 0                 | 23  | 0             |
|                             | 24                                                                                                                                        | Unsecured notes and loans payable to unrelated third parties . . . . .                                                                                                          |     |               | 0                 | 24  | 0             |
|                             | 25                                                                                                                                        | Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D . . . . . |     |               | 226,883,718       | 25  | 355,079,790   |
|                             | 26                                                                                                                                        | Total liabilities. Add lines 17 through 25 . . . . .                                                                                                                            |     |               | 733,842,201       | 26  | 861,640,140   |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. |                                                                                                                                                                                 |     |               |                   |     |               |
|                             | 27                                                                                                                                        | Unrestricted net assets . . . . .                                                                                                                                               |     |               | 1,215,130,366     | 27  | 1,218,656,292 |
|                             | 28                                                                                                                                        | Temporarily restricted net assets . . . . .                                                                                                                                     |     |               | 53,013,396        | 28  | 49,226,718    |
|                             | 29                                                                                                                                        | Permanently restricted net assets . . . . .                                                                                                                                     |     |               | 23,380,170        | 29  | 22,911,688    |
|                             | Organizations that do not follow SFAS 117, check here <input type="checkbox"/> 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 . . . . .                                                                                                                                     |     |               | 1,291,523,932     | 33  | 1,290,794,698 |
|                             | 34                                                                                                                                        | Total liabilities and net assets/fund balances . . . . .                                                                                                                        |     |               | 2,025,366,133     | 34  | 2,152,434,838 |

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 | 1,330,863,030 |
| 2 | Total expenses (must equal Part IX, column (A), line 25)                                                      | 2 | 1,214,341,029 |
| 3 | Revenue less expenses Subtract line 2 from line 1                                                             | 3 | 116,522,001   |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))                     | 4 | 1,291,523,932 |
| 5 | Other changes in net assets or fund balances (explain in Schedule O)                                          | 5 | -117,251,235  |
| 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 | 1,290,794,698 |

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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other<br>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?<br>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<br><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> 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<br>CHRISTIANA CARE HEALTH SERVICES INC | Employer identification number<br><br>51-0103684 |
|-----------------------------------------------------------------|--------------------------------------------------|

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)<br>Name of supported organization | (ii)<br>EIN | (iii)<br>Type of organization (described on lines 1- 9 above or IRC section (see instructions)) | (iv)<br>Is the organization in col (i) listed in your governing document? |    | (v)<br>Did you notify the organization in col (i) of your support? |    | (vi)<br>Is the organization in col (i) organized in the U S ? |    | (vii)<br>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                                                                                                                                                                                         | (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                                                                                                                                                           | (a) 2007 | (b) 2008 | (c) 2009 | (d) 2010 | (e) 2011 | (f) Total |
| 7 Amounts from line 4                                                                                                                                                   |          |          |          |          |          |           |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources                                        |          |          |          |          |          |           |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on                                                                    |          |          |          |          |          |           |
| 10 Other income (Explain in Part IV ) Do not include gain or loss from the sale of capital assets                                                                       |          |          |          |          |          |           |
| 11 Total support (Add lines 7 through 10)                                                                                                                               |          |          |          |          |          |           |
| 12 Gross receipts from related activities, etc (See instructions )                                                                                                      |          |          |          |          | 12       |           |
| 13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here |          |          |          |          |          |           |

| Section C. Computation of Public Support Percentage                                                                                                                                                                                                                                                                                                                                        |  |    |  |  |  |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----|--|--|--|--|
| 14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))                                                                                                                                                                                                                                                                                                    |  | 14 |  |  |  |  |
| 15 Public Support Percentage for 2010 Schedule A, Part II, line 14                                                                                                                                                                                                                                                                                                                         |  | 15 |  |  |  |  |
| 16a 33 1/3% support test—2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization                                                                                                                                                                         |  |    |  |  |  |  |
| b 33 1/3% support test—2010. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization                                                                                                                                                                    |  |    |  |  |  |  |
| 17a 10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization    |  |    |  |  |  |  |
| b 10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization |  |    |  |  |  |  |
| 18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions                                                                                                                                                                                                                                                        |  |    |  |  |  |  |

Part 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 <b>stop here</b> |          |          |          |          |          |           |

| Section C. Computation of Public Support Percentage                                     |    |  |  |
|-----------------------------------------------------------------------------------------|----|--|--|
| 15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f)) | 15 |  |  |
| 16 Public support percentage from 2010 Schedule A, Part III, line 15                    | 16 |  |  |

| Section D. Computation of Investment Income Percentage                                                                                                                                                                                                                     |    |  |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|--|--|
| 17 Investment income percentage for 2011 (line 10c column (f) divided by line 13 column (f))                                                                                                                                                                               | 17 |  |  |
| 18 Investment income percentage from 2010 Schedule A, Part III, line 17                                                                                                                                                                                                    | 18 |  |  |
| 19a 33 1/3% support tests—2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and <b>stop here</b> . 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 <b>stop here</b> . 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<br>CHRISTIANA CARE HEALTH SERVICES INC | Employer identification number<br><br>51-0103684 |
|-----------------------------------------------------------------|--------------------------------------------------|

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?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4a | Was a correction made?                                                                  | <input type="checkbox"/> Yes <input type="checkbox"/> 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 function 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?                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> Yes <input type="checkbox"/> 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<br>(The term "expenditures" means amounts paid or incurred.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                   | (a) Filing<br>Organization's<br>Totals                   | (b) Affiliated<br>Group<br>Totals  |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------|------------------------------------|--------------------|------------------------------|-----------------------------------------|-------------------------------------------------|-------------------------------------------|---------------------------------------------------|--------------------------------------------|--------------------------------------------------|-------------------|-------------|--|--|
| 1a Total lobbying expenditures to influence public opinion (grass roots lobbying)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                   | 0                                                        | 0                                  |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
| b Total lobbying expenditures to influence a legislative body (direct lobbying)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                   | 180,295                                                  | 180,295                            |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
| c Total lobbying expenditures (add lines 1a and 1b)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                   | 180,295                                                  | 180,295                            |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
| d Other exempt purpose expenditures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                   | 1,214,160,734                                            | 1,277,079,499                      |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
| e Total exempt purpose expenditures (add lines 1c and 1d)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                   | 1,214,341,029                                            | 1,277,259,794                      |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
| f Lobbying nontaxable amount Enter the amount from the following table in both columns                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                   | 1,000,000                                                | 1,000,000                          |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
| <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)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                   | 250,000                                                  | 250,000                            |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
| h Subtract line 1g from line 1a If zero or less, enter -0-                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                   |                                                          |                                    |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
| i Subtract line 1f from line 1c If zero or less, enter -0-                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                   |                                                          |                                    |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |
| 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?                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                   | <input type="checkbox"/> Yes <input type="checkbox"/> No |                                    |                    |                              |                                         |                                                 |                                           |                                                   |                                            |                                                  |                   |             |  |  |

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

| Lobbying Expenditures During 4-Year Averaging Period         |           |           |           |           |           |
|--------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Calendar year (or fiscal year beginning in)                  | (a) 2008  | (b) 2009  | (c) 2010  | (d) 2011  | (e) Total |
| 2a Lobbying non-taxable amount                               | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 4,000,000 |
| b Lobbying ceiling amount<br>(150% of line 2a, column(e))    |           |           |           |           | 6,000,000 |
| c Total lobbying expenditures                                | 124,519   | 186,739   | 190,594   | 180,295   | 682,147   |
| d Grassroots non-taxable amount                              | 250,000   | 250,000   | 250,000   | 250,000   | 1,000,000 |
| e Grassroots ceiling amount<br>(150% of line 2d, column (e)) |           |           |           |           | 1,500,000 |
| f Grassroots lobbying expenditures                           | 0         | 0         | 0         | 0         | 0         |

Part II-B

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

|    |                                                                                                                                                                                                                              | (a) |    | (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?                                                                                                                                                                                                                  |     |    |        |
| b  | Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?                                                                                                                                 |     |    |        |
| c  | Media advertisements?                                                                                                                                                                                                        |     |    |        |
| d  | Mailings to members, legislators, or the public?                                                                                                                                                                             |     |    |        |
| e  | Publications, or published or broadcast statements?                                                                                                                                                                          |     |    |        |
| f  | Grants to other organizations for lobbying purposes?                                                                                                                                                                         |     |    |        |
| g  | Direct contact with legislators, their staffs, government officials, or a legislative body?                                                                                                                                  |     |    |        |
| h  | Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?                                                                                                                                    |     |    |        |
| i  | Other activities? If "Yes," describe in Part IV                                                                                                                                                                              |     |    |        |
| j  | Total lines 1c through 1i                                                                                                                                                                                                    |     |    |        |
| 2a | Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?                                                                                                                                |     |    |        |
| b  | If "Yes," enter the amount of any tax incurred under section 4912                                                                                                                                                            |     |    |        |
| c  | If "Yes," enter the amount of any tax incurred by organization managers under section 4912                                                                                                                                   |     |    |        |
| d  | If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?                                                                                                                                 |     |    |        |

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

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

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  
CHRISTIANA CARE HEALTH SERVICES INC

Employer identification number  
51-0103684

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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>                                                           |                              |
| 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 <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div> |                              |

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

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

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 . . . . .                     | 49,105,589      | 44,664,226    | 68,202,230        | 80,252,124          |                    |
| b Contributions . . . . .                                  | 0               | 0             | 0                 | 0                   |                    |
| c Investment earnings or losses . . . . .                  | 1,358,205       | 5,551,546     | 2,441,659         | -10,902,441         |                    |
| d Grants or scholarships . . . . .                         | 0               | 0             | 0                 | 0                   |                    |
| e Other expenditures for facilities and programs . . . . . | 846,654         | 1,110,183     | 25,979,663        | 1,147,453           |                    |
| f Administrative expenses . . . . .                        | 0               | 0             | 0                 | 0                   |                    |
| g End of year balance . . . . .                            | 49,617,140      | 49,105,589    | 44,664,226        | 68,202,230          |                    |

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ 53 000 %

b

Permanent endowment ▶ 18 000 %

c

Term endowment ▶ 29 000 %

3a

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

|                                       | Yes       | No |
|---------------------------------------|-----------|----|
| (i) unrelated organizations . . . . . | 3a(i) Yes |    |
| (ii) related organizations . . . . .  | 3a(ii)    | No |

b

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

3b

No

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 . . . . .                                                                                    |                                      | 36,953,443                     |                              | 36,953,443     |
| b Buildings . . . . .                                                                                |                                      | 803,734,156                    | 470,042,988                  | 333,691,168    |
| c Leasehold improvements . . . . .                                                                   |                                      |                                |                              |                |
| d Equipment . . . . .                                                                                |                                      | 557,896,313                    | 393,417,365                  | 164,478,948    |
| e Other . . . . .                                                                                    |                                      | 25,166,657                     | 19,274,701                   | 5,891,956      |
| Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . . |                                      |                                |                              | 541,015,515    |



| 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)                        | 11,330,863,030 |
| 2                                                                                    | Total expenses (Form 990, Part IX, column (A), line 25)                         | 21,214,341,029 |
| 3                                                                                    | Excess or (deficit) for the year Subtract line 2 from line 1                    | 116,522,001    |
| 4                                                                                    | Net unrealized gains (losses) on investments                                    | -7,747,578     |
| 5                                                                                    | Donated services and use of facilities                                          |                |
| 6                                                                                    | Investment expenses                                                             |                |
| 7                                                                                    | Prior period adjustments                                                        |                |
| 8                                                                                    | Other (Describe in Part XIV)                                                    | -109,503,657   |
| 9                                                                                    | Total adjustments (net) Add lines 4 - 8                                         | -117,251,235   |
| 10                                                                                   | Excess or (deficit) for the year per financial statements Combine lines 3 and 9 | -729,234       |

| Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return |                                                                                            |                |
|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|----------------|
| 1                                                                                           | Total revenue, gains, and other support per audited financial statements . . . . .         | 11,400,371,869 |
| 2                                                                                           | Amounts included on line 1 but not on Form 990, Part VIII, line 12                         |                |
| a                                                                                           | Net unrealized gains on investments . . . . .                                              | 2a-7,747,578   |
| 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-7,747,578   |
| 3                                                                                           | Subtract line 2e from line 1 . . . . .                                                     | 31,408,119,447 |
| 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 . . . . .                 | 4a2,555,542    |
| b                                                                                           | Other (Describe in Part XIV) . . . . .                                                     | 4b-79,811,959  |
| c                                                                                           | Add lines 4a and 4b . . . . .                                                              | 4c-77,256,417  |
| 5                                                                                           | Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 ) . . . . . | 51,330,863,030 |

| Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return |                                                                                             |                |
|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------|
| 1                                                                                              | Total expenses and losses per audited financial statements . . . . .                        | 11,292,415,036 |
| 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 . . . . .                                                      | 31,292,415,036 |
| 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 . . . . .                  | 4a2,555,542    |
| b                                                                                              | Other (Describe in Part XIV) . . . . .                                                      | 4b-80,629,549  |
| c                                                                                              | Add lines 4a and 4b . . . . .                                                               | 4c-78,074,007  |
| 5                                                                                              | Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 ) . . . . . | 51,214,341,029 |

Part XIV Supplemental Information

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

| Identifier                                     | Return Reference                     | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS | FORM 990, SCHEDULE D, PART V, LINE 4 | THE ORGANIZATION'S BOARD DESIGNATED ENDOWMENT IS INTENDED TO COVER ANNUAL INCREMENTAL OPERATING EXPENSES OF THE HEALTH SERVICES CANCER PROGRAM. THE ORGANIZATION'S PERMANENT ENDOWMENT CONSISTS OF APPROXIMATELY EIGHT INDIVIDUAL DONOR RESTRICTED ENDOWMENT FUNDS USED FOR A VARIETY OF PURPOSES, INCLUDING SALARY AND PROGRAM SUPPORT. THE ORGANIZATION'S TEMPORARILY RESTRICTED ENDOWMENT REPRESENTS TEMPORARILY RESTRICTED NET ASSETS WHICH ARE RESTRICTED FOR INDIGENT CARE, BUILDING AND MAINTENANCE AND PROGRAM SUPPORT.                                                                                                                                                                                                                                                                                                                                                                                                               |
| FINANCIAL RECONCILIATION DETAIL                |                                      | RECONCILIATION OF CHANGE IN NET ASSETS FORM 990, SCHEDULE D, PART XI, LINE 8, OTHER TRANSFER FROM AFFILIATE \$ 3,681,225 EFFECT OF DISCONTINUED OPS (394,370) CHANGE IN POST RETIREMENT LIABILITIES (112,767,892) BENEFICIAL INTEREST IN SYSTEM 126,172 SUBSIDIARY ACTIVITIES (148,792) ----- TOTAL OTHER CHANGES (\$109,503,657) ----- RECONCILIATION OF REVENUES FORM 990, SCHEDULE D, PART XII, LINE 4B, OTHER COGS CONTRACTUAL ALLOWANCES \$(68,036,453) RENTAL EXPENSES (710,962) SUBSIDIARY ACTIVITY (15,409,265) NET ASSETS RELEASED (3,032,937) LOSS ON SWAP 3,601,385 CONTRIBUTIONS 4,039,194 RESTRICTED INVESTMENT INCOME (262,921) ----- TOTAL OTHER CHANGES (\$79,811,959) ----- RECONCILIATION OF EXPENSES FORM 990, SCHEDULE D, PART XIII, LINE 4B, OTHER COGS CONTRACTUAL ALLOWANCES \$(68,036,453) RENTAL EXPENSES (710,962) SUBSIDIARY ACTIVITY (15,483,519) LOSS ON SWAP 3,601,385 ----- TOTAL OTHER CHANGES \$(80,629,549) |



Part II

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

Use Part V if additional space is needed.

| 1 | (a) Name of organization | (b) IRS code section and EIN (if applicable) | (c) Region | (d) Purpose of grant                                                                    | (e) Amount of cash grant | (f) Manner of cash disbursement | (g) Amount of non-cash assistance | (h) Description of non-cash assistance | (i) Method of valuation (book, FMV, appraisal, other) |
|---|--------------------------|----------------------------------------------|------------|-----------------------------------------------------------------------------------------|--------------------------|---------------------------------|-----------------------------------|----------------------------------------|-------------------------------------------------------|
|   |                          |                                              | South Asia | RESEARCH SUBAWARD-- A GLOBAL NETWORK STUDY TO ESTIMATE GESTATIONAL AGE BY FUNDAL HEIGHT | 764,500                  | WIRE TRSFR                      | 0                                 | N/A                                    | FMV                                                   |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |
|   |                          |                                              |            |                                                                                         |                          |                                 |                                   |                                        |                                                       |

2

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

1

3

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

## Part III

[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                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS OUTSIDE THE U S | FORM 990, SCHEDULE F, PART I, LINE 2 | THE GRANT FUNDS TRANSFERRED REPRESENT A RESEARCH SUB-AWARD PURSUANT TO THE TERMS OF A FEDERAL RESEARCH GRANT RECEIVED, A PORTION OF THE RESEARCH REQUIRES INTERNATIONAL PARTICIPATION THE CHRISTIANA CARE HEALTH SERVICES, INC OBGYN DEPARTMENT CHAIR MONITORS ALL ASPECTS OF THIS GRANT |

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**  
CHRISTIANA CARE HEALTH SERVICES INC

**Employer identification number**  
51-0103684

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<br><div><input checked="" type="checkbox"/> Applied uniformly to all hospitals<br/><input type="checkbox"/> Generally tailored to individual hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |     |     |    |
| 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<br><br>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<br><div><input type="checkbox"/> 100%<input type="checkbox"/> 150%<input checked="" type="checkbox"/> 200%<input type="checkbox"/> Other _____%</div><br>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 . . . . .<br><div><input type="checkbox"/> 200%<input type="checkbox"/> 250%<input type="checkbox"/> 300%<input type="checkbox"/> 350%<input type="checkbox"/> 400%<input type="checkbox"/> Other _____%</div><br>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 | 3a  | Yes |    |
| 4  | Did the organization's policy provide free or discounted care to the "medically indigent"? . . . . .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 4   |     | No |
| 5a | Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? . . . . .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 5a  | Yes |    |
| b  | If "Yes," did the organization's charity care expenses exceed the budgeted amount? . . . . .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 5b  | Yes |    |
| c  | If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? . . . . .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 5c  |     | No |
| 6a | Did the organization prepare a community benefit report during the tax year? . . . . .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 6a  | Yes |    |
| 6b | If "Yes," did the organization make it available to the public? . . . . .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 6b  | Yes |    |
|    | Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |     |     |    |

| 7 Charity Care and Certain Other Community Benefits at Cost                                           |                                                 |                               |                                     |                               |                                   |                              |
|-------------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------|-------------------------------------|-------------------------------|-----------------------------------|------------------------------|
| Charity Care and Means-Tested Government Programs                                                     | (a) Number of activities or programs (optional) | (b) Persons served (optional) | (c) Total community benefit expense | (d) Direct offsetting revenue | (e) Net community benefit expense | (f) Percent of total expense |
| a Charity care at cost (from Worksheet 1) . . . . .                                                   |                                                 |                               | 26,524,781                          | 0                             | 26,524,781                        | 2 190 %                      |
| b Medicaid (from Worksheet 3, column a) . . . . .                                                     |                                                 |                               | 166,332,590                         | 154,651,439                   | 11,681,151                        | 0 960 %                      |
| c Costs of other means-tested government programs (from Worksheet 3, column b) . . . . .              |                                                 |                               |                                     |                               |                                   |                              |
| d Total Charity Care and Means-Tested Government Programs . . . . .                                   |                                                 |                               | 192,857,371                         | 154,651,439                   | 38,205,932                        | 3 150 %                      |
| Other Benefits                                                                                        |                                                 |                               |                                     |                               |                                   |                              |
| e Community health improvement services and community benefit operations (from Worksheet 4) . . . . . | 50                                              | 47,494                        | 6,654,003                           | 45                            | 6,653,958                         | 0 550 %                      |
| f Health professions education (from Worksheet 5) . . . . .                                           | 5                                               | 3,279                         | 39,882,376                          | 11,118,211                    | 28,764,165                        | 2 370 %                      |
| g Subsidized health services (from Worksheet 6) . . . . .                                             |                                                 |                               |                                     |                               |                                   |                              |
| h Research (from Worksheet 7) . . . . .                                                               |                                                 |                               | 7,918,949                           | 0                             | 7,918,949                         | 0 650 %                      |
| i Cash and in-kind contributions for community benefit (from Worksheet 8) . . . . .                   | 3                                               | 1,430                         | 45,827                              | 0                             | 45,827                            |                              |
| j Total Other Benefits . . . . .                                                                      | 58                                              | 52,203                        | 54,501,155                          | 11,118,256                    | 43,382,899                        | 3 570 %                      |
| k Total. Add lines 7d and 7j . . . . .                                                                | 58                                              | 52,203                        | 247,358,526                         | 165,769,695                   | 81,588,831                        | 6 720 %                      |

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 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|------------|----|
| 1Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?                                                                                                                                                                                     | 1 | Yes        |    |
| 2Enter the amount of the organization's bad debt expense                                                                                                                                                                                                                                                          | 2 | 31,482,070 |    |
| 3Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy                                                                                                                                                                 | 3 | 3,148,207  |    |
| 4Provide 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

|                                                                                                                                                                                                                                                                                                                                                                                                                              |   |             |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-------------|--|
| 5Enter total revenue received from Medicare (including DSH and IME)                                                                                                                                                                                                                                                                                                                                                          | 5 | 357,626,440 |  |
| 6Enter Medicare allowable costs of care relating to payments on line 5                                                                                                                                                                                                                                                                                                                                                       | 6 | 422,138,837 |  |
| 7Subtract line 6 from line 5. This is the surplus or (shortfall)                                                                                                                                                                                                                                                                                                                                                             | 7 | -64,512,397 |  |
| 8Describe 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:<br><input type="checkbox"/> Cost accounting system<br><input checked="" type="checkbox"/> Cost to charge ratio<br><input type="checkbox"/> Other |   |             |  |

Section C. Collection Practices

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

Part 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 % |
|--------------------|-----------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------|
| 1                  |                                               |                                                  |                                                                                   |                                               |
| 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? 2

## 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)

CHRISTIANA HOSPITAL

Name of Hospital Facility:

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

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

Part V

Facility Information (continued)

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

Billing and Collections

|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |    |     |    |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|-----|----|
| 14 | Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment? . . . . .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 14 | Yes |    |
| 15 | Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP<br>a <input type="checkbox"/> Reporting to credit agency<br>b <input type="checkbox"/> Lawsuits<br>c <input type="checkbox"/> Liens on residences<br>d <input type="checkbox"/> Body attachments or arrests<br>e <input type="checkbox"/> Other similar actions (describe in Part VI)                                                                                                                                                                                                                                    |    |     |    |
| 16 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? . . . . .<br>If "Yes," check all actions in which the hospital facility or a third party engaged<br>a <input type="checkbox"/> Reporting to credit agency<br>b <input type="checkbox"/> Lawsuits<br>c <input type="checkbox"/> Liens on residences<br>d <input type="checkbox"/> Body attachments<br>e <input type="checkbox"/> Other similar actions (describe in Part VI)                                                                                                                                                                                | 16 |     | No |
| 17 | Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)<br>a <input type="checkbox"/> Notified patients of the financial assistance policy upon admission<br>b <input checked="" type="checkbox"/> Notified patients of the financial assistance policy prior to discharge<br>c <input checked="" type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills<br>d <input checked="" type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy<br>e <input type="checkbox"/> 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? . . . . .<br>If "No," indicate why | Yes |    |
| a  | <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions                                                                                                                                                                                                                                                                   |     |    |
| b  | <input type="checkbox"/> The hospital facility's policy was not in writing                                                                                                                                                                                                                                                                                                 |     |    |
| c  | <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)                                                                                                                                                                                                                             |     |    |
| d  | <input type="checkbox"/> 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  | <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged                                                                                                                                                                                                                       |    |    |
| b  | <input type="checkbox"/> 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  | <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged                                                                                                                                                                                                                                                    |    |    |
| d  | <input type="checkbox"/> 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? . . . . .<br>If "Yes," explain in Part VI | 20 | No |
| 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?<br>. . . . .<br>If "Yes," explain in Part VI                                                                                                                                                                                          | 21 | No |

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)

WILMINGTON HOSPITAL

Name of Hospital Facility: \_\_\_\_\_

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

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

Part V

Facility Information (continued)

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

Billing and Collections

|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |    |     |    |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|-----|----|
| 14 | Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment? . . . . .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 14 | Yes |    |
| 15 | Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP<br>a <input type="checkbox"/> Reporting to credit agency<br>b <input type="checkbox"/> Lawsuits<br>c <input type="checkbox"/> Liens on residences<br>d <input type="checkbox"/> Body attachments or arrests<br>e <input type="checkbox"/> Other similar actions (describe in Part VI)                                                                                                                                                                                                                                    |    |     |    |
| 16 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? . . . . .<br>If "Yes," check all actions in which the hospital facility or a third party engaged<br>a <input type="checkbox"/> Reporting to credit agency<br>b <input type="checkbox"/> Lawsuits<br>c <input type="checkbox"/> Liens on residences<br>d <input type="checkbox"/> Body attachments<br>e <input type="checkbox"/> Other similar actions (describe in Part VI)                                                                                                                                                                                | 16 |     | No |
| 17 | Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)<br>a <input type="checkbox"/> Notified patients of the financial assistance policy upon admission<br>b <input checked="" type="checkbox"/> Notified patients of the financial assistance policy prior to discharge<br>c <input checked="" type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills<br>d <input checked="" type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy<br>e <input type="checkbox"/> 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? . . . . .<br>If "No," indicate why | Yes |    |
| a  | <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions                                                                                                                                                                                                                                                                   |     |    |
| b  | <input type="checkbox"/> The hospital facility's policy was not in writing                                                                                                                                                                                                                                                                                                 |     |    |
| c  | <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)                                                                                                                                                                                                                             |     |    |
| d  | <input type="checkbox"/> 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  | <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged                                                                                                                                                                                                                       |    |    |
| b  | <input type="checkbox"/> 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  | <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged                                                                                                                                                                                                                                                    |    |    |
| d  | <input type="checkbox"/> 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? . . . . .<br>If "Yes," explain in Part VI | 20 | No |
| 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?<br>. . . . .<br>If "Yes," explain in Part VI                                                                                                                                                                                          | 21 | No |

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

| Identifier                                                      | ReturnReference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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|-----------------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------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| DESCRIPTION OF ELIGIBILITY CRITERIA FOR FREE OR DISCOUNTED CARE | PART I, LINE 3C | CHRISTIANA CARE HEALTH SERVICES, INC ("CHRISTIANA CARE" OR "HEALTH SERVICES") HAS A SELF P AY DISCOUNT PERCENTAGE OF 10% THAT IS APPLIED TO ALL UNINSURED PATIENTS' ACCOUNTS, REGARDL ESS OF THE PERSON'S ABILITY TO PAY THIS DISCOUNT PERCENTAGE IS COMPARABLE TO THAT WHICH I S EXTENDED TO OUR MANAGED CARE COMPANIES COMMUNITY BENEFIT ANNUAL REPORT INFORMATION PART I, LINE 6A CHRISTIANA CARE HAS ESTABLISHED A DEDICATED SECTION ON OUR WEBSITE THAT CATALO GUES OUR COMMUNITY BENEFIT INITIATIVES AND STORIES THE GROWING LIBRARY OF STORIES (SOME O F WHICH HAVE BEEN RE-PURPOSED IN THE COMMUNITY BENEFITS ANNUAL REPORT COMPILED BY OUR STAT EWIDE TRADE AND MEMBERSHIP SERVICES ORGANIZATION, THE DELAWARE HEALTHCARE ASSOCIATION) CAN BE FOUND AT HTTP //WWW CHRISTIANACARE ORG/COMMUNITYBENEFIT AND MEMBERSHIP SERVICES ORGAN IZATION, THE DELAWARE HEALTHCARE ASSOCIATION) CAN BE FOUND AT HTTP //WWW CHRISTIANACARE O RG/COMMUNITYBENEFIT PART I, LINE 7 THE COSTING METHODOLOGY USED IN CALCULATING THE AMOUNT S REPORTED ON THE LINE 7 TABLE ARE BASED ON A COST TO CHARGE RATIO THE COST TO CHARGE RAT IO WAS DERIVED FROM WORKSHEET 2 PART III, LINE 4 HEALTH SERVICES PROVIDES SERVICES TO PAT IENTS WHO MEET THE CRITERIA OF ITS FINANCIAL ASSISTANCE POLICY WITHOUT CHARGE OR AT AMOUNT S LESS THAN THE ESTABLISHED RATES CRITERIA FOR CHARITY CARE CONSIDERS THE PATIENT'S FAMIL Y INCOME DIRECT AND INDIRECT COSTS FOR THESE SERVICES AMOUNTED TO \$26 5 MILLION AND \$27 2 MILLION IN 2012 AND 2011, RESPECTIVELY THE COSTS OF PROVIDING CHARITY CARE SERVICES ARE BASED ON A CALCULATION WHICH APPLIES A RATIO OF COSTS TO CHARGES TO THE GROSS UNCOMPENSATE D CHARGES ASSOCIATED WITH PROVIDING CARE TO CHARITY PATIENTS IN ADDITION TO CHARITY SERVI CES, THE MEDICAID PROGRAM REIMBURSES HEALTH SERVICES FOR SERVICES AT AMOUNTS THAT ARE SUBS TANTIALY LESS THAN THE COST TO PROVIDE SUCH SERVICES THE DIFFERENCE BETWEEN THE COST TO PROVIDE THOSE SERVICES AND THE REIMBURSEMENT FROM THE MEDICAID PROGRAM WAS APPROXIMATELY \$ 11 7 MILLION AND \$24 4 MILLION IN 2012 AND 2011, RESPECTIVELY HEALTH SERVICES ALSO RECORD S A PROVISION FOR BAD DEBTS, WHICH REPRESENTS MANAGEMENT'S ESTIMATE OF PATIENT ACCOUNTS RE CEIVABLE THAT WILL NOT BE COLLECTED ALTHOUGH THE PATIENT COULD POSSIBLY MEET THE CHARITY C ARE CRITERIA THE PROVISION FOR BAD DEBTS WAS \$31,482,070 AND \$28,721,579 IN 2012 AND 2011 , RESPECTIVELY THE COSTING METHODOLOGY FOR DETERMINING BAD DEBT EXPENSE WAS BASED ON MANA GEMENT'S ESTIMATE OF PATIENT ACCOUNTS RECEIVABLE THAT WILL NOT BE COLLECTED DURING THE YE A R COSTING METHODOLOGY, MEDICARE SHORTFALL PART III, LINE 8 CONSISTENT WITH THE CHARITABLE HEALTHCARE MISSION OF CHRISTIANA CARE AND THE COMMUNITY BENEFIT STANDARD SET FORTH IN IRS REVENUE RULING 69-545, CHRISTIANA CARE PROVIDES CARE FOR ALL PATIENTS COVERED BY MEDICARE SEEKING MEDICAL CARE SUCH CARE IS PROVIDED REGARDLESS OF WHETHER THE REIMBURSEMENT PROVI DED FOR SUCH SERVICES MEETS OR EXCEEDS THE COSTS INCURRED BY CHRISTIANA CARE TO PROVIDE SU CH SERVICES AS A RESULT, CHRISTIANA CARE VIEWS ANY SHORTFALL REPORTED IN LINE 7 AS AN ADD ITIONAL ITEM OF COMMUNITY BENEFIT PROVIDED BY THE ORGANIZATION THE COSTING METHODOLOGY US ED IN DETERMINING THE AMOUNT REPORTED ON LINE 6 IS BASED ON A COST TO CHARGE RATIO COLLEC TION PRACTICES PART 111, LINE 9B CHRISTIANA CARE HAS A FINANCIAL ASSISTANCE POLICY THAT ID ENTIFIES THE CIRCUMSTANCES FOR WHICH A RESPONSIBLE PARTY WOULD BE EXTENDED A 100% ADJUSTME NT ON ALL MEDICAL BILLS THE INCOME THRESHOLD FOR THIS CHARITABLE ADJUSTMENT IS 200% OF TH E FEDERAL POVERTY LEVEL AND IT IS BASED ON THE NUMBER OF DEPENDENTS IN THE HOUSEHOLD THE FINANCIAL ASSISTANCE POLICY FURTHER EXPLAINS THAT ANY UNINSURED PATIENT WHO FAILS TO QUALI FY FOR FINANCIAL ASSISTANCE WOULD BE GRANTED A 10% SELF PAY DISCOUNT IT ALSO REVEALS A PA TIENT'S ABILITY TO ESTABLISH INTEREST-FREE MONTHLY PAYMENT ARRANGEMENTS FOR ANY OUTSTANDIN G BALANCE THAT IS NOT COVERED BY A THIRD PARTY PAYER AS PART OF THE SELF PAY DUNNING PROC ESS, CHRISTIANA CARE MAKES UNINSURED PATIENTS AWARE OF THE FINANCIAL ASSISTANCE PROGRAM WI TH THE RELEASE OF OUR FIRST STATEMENT ALL SUBSEQUENT STATEMENTS PROVIDE THE PATIENTS WITH AN OPPORTUNITY TO CALL OUR CUSTOMER SERVICES DEPARTMENT IF THEY ARE UNABLE TO MAKE PAYMEN T IN FULL IF A PATIENT QUALIFIES FOR A CHARITABLE ADJUSTMENT, THEY ARE EXTENDED THE COURT ESY OF AN AUTOMATIC ADJUSTMENT TO THEIR BILLS FOR THE NEXT YEAR PATIENTS WOULD NEED TO RE APPLY FOR CHARITABLE CONSIDERATION AFTER THE ONE YEAR HAS LAPSED ALL COLLECTION ACTIONS WOULD CEASE ONCE A PATIENT IS DEEMED ELIGIBLE FOR CHARITY OR ONCE A PATIENT ESTABLISHES A M ONTHLY PAYMENT ARRANGEMENT FACILITY INFORMATION PART V, LINE 10 - CHRISTIANA HOSPITAL AND WILMINGTON HOSPITAL FEDERAL POVERTY GUIDELINES ARE NOT USED TO DETERMINE DISCOUNTED CARE A SELF-PAY DISCOUNT OF 10% IS APPLIED TO ALL UNINSURED PATIENT ACCOUNTS REGARDLESS OF INC OME PATIENTS WITH INCOME IN EXCESS OF 200% WILL ONLY RECEIVE A 10% DISCOUNT PART V, LINE 13G OTHER - CHRISTIANA HOSPITAL AND WILMINGTON HO |

| Identifier                                                            | ReturnReference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DESCRIPTION OF ELIGIBILITY<br>CRITERIA FOR FREE OR<br>DISCOUNTED CARE | PART I, LINE 3C | SPITAL THE FINANCIAL ASSISTANCE POLICY (FAP) IS<br>PUBLICIZED BY THE USE OF TENT CARDS AND BI LINGUAL<br>EDUCATIONAL PAMPHLETS PROMINATELY DISPLAYED<br>THROUGHOUT THE EMERGENCY ROOM AND OTHE R<br>POINTS OF ENTRY THROUGHOUT THE HOSPITAL IN<br>ADDITION, FINANCIAL ASSISTANCE INFORMATION I S<br>PROVIDED ON THE FIRST BILLING INVOICE TO ALL<br>UNINSURED PATIENTS A SUMMARY OF OUR FINANC IAL<br>ASSISTANCE PROGRAM IS AVAILABLE ON THE<br>CHRISTIANA CARE WEBSITE<br>(WWW CHRISTIANACARE ORG ) PART V, LINE 19 OTHER -<br>CHRISTIANA HOSPITAL AND WILMINGTON HOSPITAL A<br>FAP - ELIGIBLE IN DIVIDUAL (THOSE WITH INCOME LESS<br>THAN 200% OF FEDERAL POVERTY GUIDELINES) ARE NOT<br>RESPONSI BLE FOR ANY CHARGES |

| Identifier       | ReturnReference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NEEDS ASSESSMENT | PART VI, LINE 2 | CHRISTIANA CARE HEALTH SYSTEM PARTNERED WITH THE FOLLOWING GROUPS TO CONDUCT A COMPREHENSIVE COMMUNITY HEALTH NEEDS ASSESSMENT, IDENTIFYING CURRENT STATISTICS AND QUALITATIVE FEEDBACK ON THE KEY HEALTH ISSUES FACING OUR COMMUNITY - HEALTHY COMMUNITIES INSTITUTE TO PROVIDE HEALTH INDICATORS VIA THE ONLINE TOOL, DELAWARE HEALTH TRACKER - MELIOR GROUP TO CONDUCT COMMUNITY LEADER INTERVIEWS - HOLLERAN CONSULTING TO SYNTHESIZE FINDINGS AND ADVISE MANAGEMENT ON HOW TO IMPLEMENT CHANGES TO ADDRESS THE IDENTIFIED COMMUNITY NEEDS CHRISTIANA CARE ALSO REACHES OUT TO THE UNINSURED AND UNDERINSURED MEMBERS OF OUR COMMUNITY FOR FEEDBACK, AND WE CONDUCT SURVEYS AT COMMUNITY HEALTH FAIRS AND EVENTS TO HELP DETERMINE PROGRAMS AND SERVICES THAT WOULD BE OF MOST VALUE TO OUR PATIENTS AND NEIGHBORS WE RELY ON THIS FEEDBACK-AS WELL AS INPUT FROM PRIMARY CARE PROVIDERS, SPECIALISTS AND PAYERS- AND ALSO TRACK NATIONAL CARE ISSUES AND DATA TO DETERMINE WHAT SERVICES ARE BEING PROVIDED IN OTHER COMMUNITIES THAT MAY BE EQUALLY BENEFICIAL IN OUR OWN WE ARE NOW SUMMARIZING OUR COMMUNITY HEALTH NEEDS ASSESSMENT AND IMPLEMENTATION PLAN, WHICH WILL BE COMPLETE BY JUNE 2013 |

| Identifier                                                            | ReturnReference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| INFORMATION REGARDING PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE | PART VI, LINE 3 | CHRISTIANA CARE HEALTH SYSTEM IS COMMITTED TO SERVING OUR NEIGHBORS AS INNOVATIVE, EXPERT, RESPECTFUL PARTNERS IN THEIR HEALTH, REGARDLESS OF THEIR ABILITY TO PAY INFORMATION ABOUT OUR FINANCIAL ASSISTANCE PROGRAM IS PUBLICIZED ONLINE A SUMMARY OF OUR FINANCIAL ASSISTANCE PROGRAM IS AVAILABLE ON THE CHRISTIANA CARE WEBSITE (WWW CHRISTIANACARE ORG) BY REQUEST PATIENTS MAY LEARN ABOUT OUR FINANCIAL ASSISTANCE PROGRAM BY CALLING PATIENT FINANCIAL SERVICES AT 302-623-7000 BILINGUAL PAMPHLETS EDUCATIONAL PAMPHLETS IN OUR EMERGENCY DEPARTMENTS, AVAILABLE IN BOTH ENGLISH AND SPANISH, DIRECT PATIENTS TO CONTACT PATIENT FINANCIAL SERVICES AT 302-623-7000 FOR MORE INFORMATION ABOUT OUR FINANCIAL ASSISTANCE PROGRAM PATIENT RIGHTS AND RESPONSIBILITIES PAMPHLET THIS GUIDE EXPLAINS A PATIENT'S RIGHTS TO RECEIVE INFORMATION AND COUNSELING ON THE AVAILABILITY OF FINANCIAL AID FOR HEALTH CARE AND THE ABILITY TO RECEIVE AND REVIEW AN EXPLANATION OF CHARGES RELATED TO ONE'S CARE COPIES OF THE PAMPHLET IN BOTH ENGLISH AND SPANISH CAN BE FOUND THROUGHOUT OUR FACILITIES AND ON OUR WEBSITE AT HTTP //WWW CHRISTIANACARE ORG/PATIENTRIGHTSANDRESPONSIBILITIES HEALTH COACHES COMMUNITY HEALTH ACCESS PROGRAM (CHAP) HEALTH COACHES PARTNER WITH DELAWARE RESIDENTS WITHOUT INSURANCE TO ASSESS THEIR HEALTH RISKS, IDENTIFY BARRIERS TO CARE AND LINK THEM WITH AFFORDABLE AND DISCOUNTED HEALTH CARE, INCLUDING REGULAR CHECK-UPS AND SICK VISITS CHAP IS OPERATED WITH FINANCIAL SUPPORT FROM THE DELAWARE HEALTH COMMISSION AND IS OPEN TO NON- U S CITIZENS FOR MORE INFORMATION, INCLUDING ELIGIBILITY REQUIREMENTS, PATIENTS MAY CONTACT 302-428-6586 COMMUNITY HEALTH OUTREACH AND EDUCATION AS OUR OUTREACH TEAMS IDENTIFY INDIVIDUALS AND FAMILIES NEEDING FINANCIAL ASSISTANCE FOR MEDICAL NEEDS, WE CONNECT THEM TO FINANCIAL ASSISTANCE PROGRAMS SUCH AS DELAWARE'S SCREENING FOR LIFE AND THE COMMUNITY HEALTH CARE ACCESS PROGRAM SO THAT LACK OF INSURANCE OR FINANCIAL HARDSHIP IS NO LONGER A BARRIER TO CARE SPECIAL NEEDS FUNDS CHRISTIANA CARE OFFERS THE BREAST CENTER SPECIAL NEEDS FUND, THE CANCER SPECIAL NEEDS FUND AND THE VISITING NURSE ASSOCIATION SPECIAL NEEDS FUND TO ASSIST PATIENTS WHO LACK INSURANCE OR PERSONAL FUNDS TO PAY FOR CARE OR THE EXPENSES ASSOCIATED WITH MEDICAL TREATMENT (FOR EXAMPLES, TRANSPORTATION TO AND FROM APPOINTMENTS, PROSTHESES OR HOME MEDICAL EQUIPMENT) CHARITY CARE CHRISTIANA CARE IS COMMITTED TO PROVIDING CARE THAT IS AFFORDABLE AND ACCESSIBLE AND TO REINVESTING POSITIVE MARGINS BACK INTO THE COMMUNITY IN FISCAL YEAR 2012 (JULY 1, 2011 - JUNE 30, 2012), WE PROVIDED \$26 5 MILLION IN CHARITY CARE AT COST |

| Identifier            | ReturnReference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| COMMUNITY INFORMATION | PART VI, LINE 4 | CHRISTIANA CARE'S PRIMARY SERVICE AREA IS NEW CASTLE COUNTY, DELAWARE (POPULATION 537,065) IT ALSO INCLUDES SIX OTHER COUNTIES ACROSS FOUR STATES-DELAWARE, MARYLAND, NEW JERSEY, AND PENNSYLVANIA-A REGION INCLUDING URBAN, SUBURBAN AND RURAL COMMUNITIES. GENERAL DEMOGRAPHICS: THE CORE POPULATION OF OUR DEMOGRAPHIC IN DELAWARE IS DIVIDED INTO FIVE MAJOR CATEGORIES: WHITE (65.1%), BLACK (21.9%), HISPANIC (8.4%), ASIAN (3.4%) AND OTHERS (1.2%). OTHERS INCLUDE NATIVE HAWAIIAN AND PACIFIC ISLANDERS, AMERICAN INDIAN AND ALASKA NATIVE. PRIMARY SOCIAL AND HEALTH CARE FACTORS: DELAWARE'S DEMOGRAPHIC PROFILE FROM THE U.S. CENSUS BUREAU REFLECTS THAT 11.9% OF ITS RESIDENTS LIVED BELOW THE POVERTY LINE IN 2011. TEN FEDERALLY-DESIGNATED LOW-INCOME CENSUS TRACTS (IRS SECTION 42(D)(5)(C)) QUALIFIED. CENSUS TRACTS ARE LOCATED WITHIN A 3-MILE RADIUS OF OUR WILMINGTON HOSPITAL CAMPUS. THE UNEMPLOYMENT RATE HAS REMAINED STEADY AT APPROXIMATELY 7% SINCE DECEMBER 2011, COMING DOWN FROM A HIGH OF 8.4% IN JANUARY 2010. ACCORDING TO 2010 CENSUS DATA, 8% OF THE STATE'S RESIDENTS HAVE AN ASSOCIATE DEGREE, 17.76% HAVE A BACHELOR'S DEGREE AND 11.66% HAVE A GRADUATE DEGREE. SOCIAL FACTORS AFFECTING OUR POPULATION ARE ACCESS TO HEALTH CARE, POOR NUTRITION AND THE LACK OF AFFORDABLE HOUSING. ALTHOUGH WE HAVE MADE TREMENDOUS PROGRESS IN REDUCING CANCER INCIDENCE AND MORTALITY, CANCER RATES IN DELAWARE ARE OF PARTICULAR CONCERN. |

| Identifier                                          | ReturnReference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    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| INFORMATION REGARDING PROMOTION OF COMMUNITY HEALTH | PART VI, LINE 5 | PARAMOUNT TO CHRISTIANA CARE'S MISSION IS ITS WORKFORCE DEVELOPMENT AND THE RECRUITMENT OF PHYSICIANS AND OTHER HEALTH CARE PROFESSIONALS CHRISTIANA CARE IS A MAJOR TEACHING HOSPI TAL WITH TWO CAMPUSES AND 255 MEDICAL-DENTAL RESIDENTS AND FELLOWS CHRISTIANA CARE EXTEND S MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS IN ITS COMMUNITY FOR SOME OR ALL OF ITS DEPARTMENTS A MAJORITY OF CHRISTIANA CARE'S GOVERNING BODY (COMMUNITY BOARD) IS COMP RISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA WHO ARE NEITHER EMP LOYEEES NOR CONTRACTORS OF THE ORGANIZATION, NOR FAMILY MEMBERS OUR HEALTH SYSTEM PROMOTES THE HEALTH OF OUR COMMUNITY IN A WIDE VARIETY OF WAYS THESE INCLUDE COMMUNITY LEADER IN HEALTH CARE DELAWARE DOES NOT HAVE A PUBLIC OR SAFETY- NET HOSPITAL AS THE LARGEST HEALT H CARE PROVIDER IN OUR STATE, CHRISTIANA CARE SERVES A SIGNIFICANT PORTION OF OUR COMMUNIT Y'S UN- AND UNDERINSURED POPULATION THE CARE WE PROVIDE GOES WELL BEYOND TREATING THE SIC K AND INCLUDES HEALTH-RELATED PROGRAMS AND INITIATIVES THAT SEEK TO IMPROVE THE OVERALL WE LFARE OF PATIENTS COMMITMENT TO OUR UNDERSERVED POPULATION THE WILMINGTON HOSPITAL HEALT H CENTER PROVIDES PRIMARY AND SPECIALTY MEDICAL CARE FOR MORE THAN 74,000 ANNUAL PATIENT V ISITS, PRIMARILY CARING FOR THE UNDERSERVED IN OUR COMMUNITY WE ARE MAKING A \$210 MILLION INVESTMENT IN OUR COMMUNITY TO TRANSFORM OUR WILMINGTON CAMPUS TO BETTER SERVE NEIGHBORS IN THE CITY OF WILMINGTON AND THOSE LIVING IN THE NORTHERN COMMUNITIES OF NEW CASTLE COUNT Y WHEN RENOVATIONS AND CONSTRUCTION ARE COMPLETED IN THE COMING YEAR, THIS HOSPITAL WILL GROW BY 337,000 SQUARE FEET, CREATING A 1 MILLION-SQUARE- FOOT, STATE-OF-THE-ART MEDICAL CE NTER THE EXPANSION WILL DOUBLE THE EMERGENCY DEPARTMENT'S SIZE AND INCLUDE A NEW SURGICAL SUITE, INTENSIVE AND INTERMEDIATE CARE UNITS, AN EXPANDED CENTER FOR JOINT REPLACEMENT AN D A SIX-STORY MEDICAL OFFICE BUILDING, ALLOWING MORE PHYSICIANS TO PRACTICE INNOVATIVE, EX PERT CARE ON CAMPUS TRANSPORTATION A FREE SHUTTLE SERVICE MAKES REGULARLY SCHEDULED DAIL Y TRIPS BETWEEN OUR WILMINGTON AND STANTON CAMPUSES, ENSURING THAT LOW-INCOME RESIDENTS IN THE CITY OF WILMINGTON HAVE ACCESS TO SPECIALTY SERVICES ON OUR STANTON CAMPUS OUR NO-CH ARGE TRANSPORTATION SYSTEM TRAVELED APPROXIMATELY 180,000 MILES LAST YEAR ENSURING THAT OU R PATIENTS HAD ACCESS TO ALL CHRISTIANA CARE SERVICES EACH MONTH, AN AVERAGE OF 8,200 RID ERS TAKE ADVANTAGE OF THIS SERVICE INNOVATIVE, EXPERT CARE PROVIDER CHRISTIANA CARE IS R ECOGNIZED AS A REGIONAL CENTER FOR EXCELLENCE IN CARDIOLOGY, CANCER AND WOMEN'S HEALTH SER VICES OUR STANTON CAMPUS IS HOME TO DELAWARE'S ONLY LEVEL 1 (HIGHEST CAPABILITY) TRAUMA C ENTER - IN FACT, THE ONLY ONE OF ITS KIND SERVING OUR NEIGHBORS BETWEEN PHILADELPHIA AND B ALTIMORE THE HEALTH SYSTEM ALSO OFFERS THE STATE'S ONLY LEVEL 3 (ALSO HIGHEST CAPABILITY) NEONATAL INTENSIVE CARE UNIT, SERVING PREMATURE AND CRITICALLY ILL NEWBORNS COMMUNITY ED UCATOR AS PART OF OUR MISSION TO PARTNER WITH OUR NEIGHBORS AND IMPROVE THE HEALTH OF ALL INDIVIDUALS IN THE COMMUNITIES WE SERVE, WE OFFER NOT ONLY HEALTH CARE SERVICES, BUT ALSO EDUCATION AND RESEARCH CHRISTIANA CARE IS A MAJOR TEACHING HOSPITAL WITH TWO CAMPUSES AN D MORE THAN 250 MEDICAL-DENTAL RESIDENTS AND FELLOWS, MANY OF WHOM WILL REMAIN IN DELAWARE TO ESTABLISH MEDICAL PRACTICES COMMUNITY PARTNER CHRISTIANA CARE TAKES A PROACTIVE ROLE IN ESTABLISHING RELATIONSHIPS TO ADDRESS THE COMMUNITY'S HEALTH AND SOCIAL ISSUES AND IMP ROVE THE COMMUNITY'S WELL-BEING, BOTH WITHIN OUR FACILITIES AND IN OUR COMMUNITY AS A PART OF OUR COMMITMENT TO PARTNERING WITH OUR COMMUNITY, CHRISTIANA CARE INCLUDES PATIENT AND FAMILY ADVISERS, WHO HAVE A SPECIAL INTEREST IN HELPING SHAPE THE WAY WE DELIVER CARE BAS ED ON THEIR INDIVIDUAL EXPERIENCES WITH OUR SERVICES OUR PATIENT AND FAMILY ADVISORY COUN CILS SHARE THEIR PERSPECTIVE AND PROVIDE FEEDBACK AND INPUT ON TASKS AND PROJECTS TO HELP DOCTORS, NURSES AND STAFF CREATE A COLLABORATIVE AND INCLUSIVE PATIENT AND FAMILY CENTERED CARE EXPERIENCE FOR THOSE WE SERVE ONE OF THEIR TASKS IS TO REVIEW MATERIALS, GUIDELINES AND POLICIES TO ENSURE THAT WE PARTNER WITH THOSE WE SERVE WITH DIGNITY AND RESPECT AND T HAT WE DON'T MERELY WORK FOR OUR PATIENTS, BUT WITH THEM IN WAYS THEY UNDERSTAND AND VALUE WE ARE DEEPLY COMMITTED TO OUR MISSION OF PARTNERING WITH OTHERS TO IMPROVE THE HEALTH O F ALL INDIVIDUALS IN THE COMMUNITIES WE SERVE THIS CANNOT BE ACCOMPLISHED STRICTLY WITHIN THE CONFINES OF OUR OWN FACILITIES, BUT REQUIRES US TO VENTURE FORTH INTO THE COMMUNITY T O SHARE OUR KNOWLEDGE, PROMOTE INNOVATIVE HEALTH PRACTICES AND EXPERTLY ADDRESS NEEDS AND CONCERNS THE DEPTH AND DEGREE OF OUR COMMITMENT TO IMPROVING THE HEALTH AND QUALITY OF LI FE FOR THE PEOPLE IN OUR COMMUNITY IS DEMONSTRATED IN A VARIETY OF WAYS REDUCING CANCER A ND SAVING LIVES IN PARTICULAR, WE ARE FOCUSING OUTREACH EFFORTS ON CANCER AWARENESS UNTI L RECENTLY, DELAWARE WAS FIRST IN THE NATION IN BO |

| Identifier                                          | ReturnReference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| INFORMATION REGARDING PROMOTION OF COMMUNITY HEALTH | PART VI, LINE 5 | TH RATES OF CANCER INCIDENCE AND MORTALITY NOW, CANCER DEATHS PER CAPITA ARE FALLING FAST ER IN DELAWARE THAN ANYWHERE ELSE IN THE COUNTRY MORTALITY RATES FOR MEN IN DELAWARE DROP PED 22 4% BETWEEN 1993-1997 AND 2003-2007, VERSUS 15 7% IN THE UNITED STATES OVERALL MORT ALITY RATES FOR FEMALES IN THE SAME TIME PERIOD WAS 15 2% IN DELAWARE, VERSUS 10 9% IN THE U S THE HELEN F GRAHAM CANCER CENTER HAS TAKEN THE LEAD IN NAVIGATING THIS TREND THROUG H EVIDENCE-BASED MEDICINE, RESEARCH AND COMMUNITY OUTREACH EFFORTS IN 2012 WERE AS FOLLOWS - CONDUCTED 65 COLORECTAL CANCER AWARENESS OUTREACH EVENTS, REACHED 2,676 PARTICIPANTS, DISTRIBUTED 48 TOOLKITS, COMPLETED 325 SCREENINGS AND FOUND THREE CANCERS -SCREENED 910 WOMEN FOR BREAST CANCER AND FOUND EIGHT BREAST CANCERS, WITH THE HELP OF FUNDING FROM THE A VON FOUNDATION FOR WOMEN -FUNDED MAMMOGRAMS/DIAGNOSTIC SERVICES FOR MORE THAN 1,400 WOMEN IN 2011/2012, WITH THE HELP OF FUNDING FROM THE PHILADELPHIA AFFILIATE OF SUSAN G KOMEN FOR THE CURE -SCREENED 132 INDIVIDUALS FOR SKIN CANCER AND REFERRED 56 FOR FOLLOW-UP -OFFERED LATINA OUTREACH SERVICES, WITH THE HELP OF FUNDING FROM THE NATIONAL COMMUNITY CANCE R CENTERS PROGRAM MORE THAN 200 WOMEN ATTENDED OUR ANNUAL CONFERENCE, DURING WHICH 82 TOO K ADVANTAGE OF A COMBINATION SCREENING FOR CHOLESTEROL AND DIABETES, 11 RECEIVED MAMMOGRAM S, 117 STOPPED BY THE HIV BOOTH, 90 RECEIVED FREE FLU SHOTS AND 100 HAD BLOOD PRESSURE CHE CKED -OFFERED 12 MINORITY OUTREACH EVENTS IN 2011/2012 SCREENED 262 INDIVIDUALS 28% WER E UNINSURED, 22% HAD NOT SEEN A DOCTOR IN THE LAST TWO YEARS AND 27% REQUIRED REFERRAL FOR CANCER SCREENINGS DOMESTIC VIOLENCE INITIATIVES CHRISTIANA CARE HOSTS AN ANNUAL DOMESTI C VIOLENCE FORUM JOINTLY SPONSORED BY WOMENFIRST, CHRISTIANA CARE'S COMMUNITY CENTERS OF E XCELLENCE IN WOMEN'S HEALTH PROGRAM, YWCA, FRIENDSHIP HOUSE, NEW CASTLE COUNTY COUNCIL, CH ILDREN & FAMILIES FIRST AND DELAWARE COALITION AGAINST DOMESTIC VIOLENCE PROGRAMS FOR THE HOMELESS WORKING WITH COMMUNITY PARTNERS, CHRISTIANA CARE PROVIDES HOMELESS DELAWAREANS WITH RESPECTFUL MEDICAL CARE AN INNOVATIVE COLLABORATION BETWEEN CHRISTIANA CARE'S DEPART MENT OF SOCIAL WORK AND THE SUNDAY BREAKFAST MISSION IN WILMINGTON (THE CITY'S ONLY WALK-I N SHELTER FOR THE HOMELESS) MATCHES THOSE WHO ARE HOMELESS WITH NEEDED HEALTH-RELATED SERV ICES WOMEN'S HEART HEALTH PROGRAMS IN AN ONGOING EFFORT TO IMPROVE HEART HEALTH AMONG WO MEN, CHRISTIANA CARE PARTNERS WITH STUDENTS FROM AREA HIGH SCHOOLS THE TEENS ACT AS HEALT H COACHES FOR AN IMPORTANT ADULT FEMALE IN THEIR LIFE AND TEACH THEM ABOUT CARDIOVASCULAR HEALTH THE PROGRAM IS THE BRAINCHILD OF RETIRED CARDIOVASCULAR SURGEON KATHLEEN MCNICHOLA S, M D , JD, NOW MEDICAL DIRECTOR OF PERFORMANCE IMPROVEMENT FOR CHRISTIANA CARE, WHO UNDE RWENT OPEN-HEART SURGERY HERSELF IN HER MID-50S AND HAS SINCE BECOME A STRONG ADVOCATE FOR HELPING WOMEN TO PREVENT HEART DISEASE TEACHING TEENS ABOUT HEALTHY EATING SINCE 2007, TEENS HAVE LEARNED ABOUT EATING HEALTHY FOODS AT CHRISTIANA CARE'S CAMP FRESH (FRESH RESOU RCES EVERYONE SHOULD HAVE), BECOMING AMBASSADORS OF NUTRITION AND HELPING MEMBERS OF THEIR COMMUNITY MAKE WISE LIFESTYLE CHOICES THE CAMP TEACHES TEENS HOW TO MAKE GOOD CHOICES TH AT WILL ENHANCE THEIR PHYSICAL AND EMOTIONAL WELLNESS, SUCH AS EXERCISE ROUTINES AND COPIN G SKILLS OUTREACH TO THE ASIAN COMMUNITY CHRISTIANA CARE HOSTS EVENTS TO EDUCATE ASIAN M EMBERS OF THE COMMUNITY ABOUT HEALTH CARE SERVICES BREAST CANCER SCREENINGS AT THE NEW CA STLE CHINESE EVANGELICAL CHURCH, MONTHLY OUTREACH TEAMS VISITING VENDORS AND SHOPPERS AT T HE NEW CASTLE FARMER'S MARKET AND A HEALTH FAIR AT THE CHINESE AMERICAN COMMUNITY CENTER I N HOCKESSIN, WHERE INDIVIDUALS WERE SCREENED FOR CARDIOVASCULAR DISEASE AND BONE DENSITY IMPROVING QUALITY OF LIFE FOR SENIORS ACCORDING TO THE OUTCOMES OF A PIONEERING PROGRAM BY THE CHRISTIANA CARE VISITING NURSE ASSOCIATION, ELDERLY PATIENTS WITH DEPRESSION AND ANXI ETY ARE MUCH LESS LIKELY TO REQUIRE HOS |

| Identifier                                  | ReturnReference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| AFFILIATED HEALTHCARE<br>SYSTEM INFORMATION | PART VI, LINE 6 | HEADQUARTERED IN WILMINGTON, DELAWARE, CHRISTIANA CARE HEALTH SYSTEM IS ONE OF THE COUNTRY'S LARGEST HEALTH CARE PROVIDERS, RANKING 21ST IN THE NATION FOR HOSPITAL ADMISSIONS ITS AFFILIATES INCLUDE CHRISTIANA CARE HEALTH SERVICES, INC - CHRISTIANA CARE IS A MAJOR TEACHING SYSTEM WITH TWO CAMPUSES, A 1,450 MEMBER MEDICAL-DENTAL STAFF AND MORE THAN 250 MEDICAL-DENTAL RESIDENTS AND FELLOWS WITH NEARLY 10,600 EMPLOYEES, CHRISTIANA CARE IS THE LARGEST PRIVATE EMPLOYER IN DELAWARE AND THE 10TH LARGEST EMPLOYER IN THE PHILADELPHIA REGION CHRISTIANA CARE IS RECOGNIZED AS A REGIONAL CENTER FOR EXCELLENCE IN CARDIOLOGY, CANCER AND WOMEN'S HEALTH SERVICES A NOT-FOR-PROFIT, NON-SECTARIAN HEALTH SYSTEM, CHRISTIANA CARE INCLUDES TWO HOSPITALS WITH MORE THAN 1,100 PATIENT BEDS, A HOME HEALTH CARE SERVICE, PREVENTIVE MEDICINE, REHABILITATION SERVICES, A NETWORK OF PRIMARY CARE PHYSICIANS AND AN EXTENSIVE RANGE OF OUTPATIENT SERVICES MAJOR FACILITIES INCLUDE -STANTON CAMPUS LOCATED IN NEWARK, DELAWARE, THIS CAMPUS IS HOME TO THE 913-BED CHRISTIANA HOSPITAL, THE CHRISTIANA CARE CENTER FOR HEART & VASCULAR HEALTH, THE HELEN F GRAHAM CANCER CENTER, THE CHRISTIANA CARE BREAST CENTER, THE CHRISTIANA SURGICENTER AND THE JOHN H AMMON MEDICAL EDUCATION CENTER - WILMINGTON CAMPUS LOCATED IN THE HEART OF THE CITY OF WILMINGTON, DELAWARE, AND CORPORATE HEADQUARTERS FOR CHRISTIANA CARE HEALTH SYSTEM, THIS CAMPUS FEATURES THE 241-BED WILMINGTON HOSPITAL, THE WILMINGTON HOSPITAL HEALTH CENTER, THE CENTER FOR REHABILITATION, THE CENTER FOR ADVANCED JOINT REPLACEMENT, THE WILMINGTON ANNEX, THE SWANK MEMORY CARE CENTER AND THE ROXANA CANNON ARSHT SURGICENTER - EUGENE DU PONT PREVENTIVE MEDICINE & REHABILITATION INSTITUTE -MIDDLETOWN CARECENTER -SMYRNA HEALTH & WELLNESS CENTER - HEALTHCARE CENTER AT CHRISTIANA -SPRINGSIDE PLAZA CHRISTIANA CARE HOME HEALTH & COMMUNITY SERVICES, INC - CHRISTIANA CARE VISITING NURSE ASSOCIATION IS DELAWARE'S LARGEST HOME HEALTH AGENCY, PROVIDING MORE THAN 300,000 VISITS ANNUALLY AND SPECIALIZING IN CERTIFIED HOME NURSING CARE, DISEASE MANAGEMENT PROGRAMS IN HEART FAILURE, COPD AND ONCOLOGY, MATERNAL/CHILD SERVICES, PEDIATRIC HOME CARE, JOINT-PATIENT HOME THERAPY, WOUND CARE AND PRIVATE-DUTY SERVICE CHRISTIANA CARE HOME HEALTH & COMMUNITY SERVICES ALSO OFFERS POST-ACUTE-CARE THROUGHOUT OUR COMMUNITY, INCLUDING WOUND CARE CENTERS, ADULT DAY PROGRAMS, BRIDGE PROGRAM AND SKILLED NURSING FACILITY TRANSITIONS OF CARE CHRISTIANA CARE HEALTH INITIATIVES, INC - A NOT-FOR-PROFIT ORGANIZATION PROVIDING HEALTH SERVICES INCLUDING IMAGING AND PHYSICAL THERAPY SERVICES AND THROUGH JOINT VENTURES INCLUDING THE GLASGOW MEDICAL CENTER, LLC OPERATING THREE MEDICAL AID UNITS, AN AMBULATORY SURGICAL CENTER AND A MEDICAL OFFICE BUILDING IN GLASGOW, AND THE DELAWARE SLEEP DISORDERS CENTERS, LLC, PROVIDING SLEEP SERVICES THROUGHOUT DELAWARE |

| Identifier                               | ReturnReference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| STATE FILING OF COMMUNITY BENEFIT REPORT | PART VI, LINE 7 | WHILE DELAWARE DOES NOT REQUIRE THE FILING OF A COMMUNITY BENEFIT REPORT, CHRISTIANA CARE HAS ESTABLISHED A DEDICATED SECTION ON OUR WEBSITE THAT CATALOGUES OUR COMMUNITY BENEFIT INITIATIVES AND STORIES THE GROWING LIBRARY OF STORIES (SOME OF WHICH HAVE BEEN RE-PURPOSED IN THE COMMUNITY BENEFITS ANNUAL REPORT COMPILED BY OUR STATEWIDE TRADE AND MEMBERSHIP SERVICES ORGANIZATION, THE DELAWARE HEALTHCARE ASSOCIATION) CAN BE FOUND AT HTTP //WWW CHRISTIANACARE ORG/COMMUNITYBENEFIT |

Schedule J  
(Form 990)

Compensation Information

OMB No 1545-0047

Department of the Treasury  
Internal Revenue Service

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.

2011  
Open to Public Inspection

|                                                                 |                                              |
|-----------------------------------------------------------------|----------------------------------------------|
| Name of the organization<br>CHRISTIANA CARE HEALTH SERVICES INC | Employer identification number<br>51-0103684 |
|-----------------------------------------------------------------|----------------------------------------------|

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                                                                                                                                                                                                                                                                                                                                                                                                                      |     |     |
|    | <div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div> <div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div> |     |     |
| 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |     |     |
|    | <div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div> <div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>                                                                                                                                                 |     |     |
| 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?<br>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 4c  | No  |
|    | 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?<br>If "Yes," to line 5a or 5b, describe in Part III                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 5b  | No  |
| 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?<br>If "Yes," to line 6a or 6b, describe in Part III                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 6b  | No  |
| 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   |     |

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

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

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

| (A) Name                  |             | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported in prior Form 990 or Form 990-EZ |
|---------------------------|-------------|----------------------------------------------------|-------------------------------------|-------------------------------------|------------------------------------------------|-------------------------|---------------------------------|------------------------------------------------------------|
|                           |             | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |                                                |                         |                                 |                                                            |
| (1) THOMAS L CORRIGAN     | (i)<br>(ii) | 450,041<br>0                                       | 168,196<br>0                        | 5,755<br>0                          | 31,594<br>0                                    | 14,834<br>0             | 670,420<br>0                    | 0<br>0                                                     |
| (2) GARY W FERGUSON       | (i)<br>(ii) | 502,321<br>0                                       | 165,498<br>0                        | 10,196<br>0                         | 122,209<br>0                                   | 6,164<br>0              | 806,388<br>0                    | 0<br>0                                                     |
| (3) ROBERT J LASKOWSKI MD | (i)<br>(ii) | 841,753<br>0                                       | 1,359,379<br>0                      | 10,638<br>0                         | 58,292<br>0                                    | 24,141<br>0             | 2,294,203<br>0                  | 0<br>0                                                     |
| (4) TIMOTHY GARDNER       | (i)<br>(ii) | 526,283<br>0                                       | 146,165<br>0                        | 2,674<br>0                          | 28,661<br>0                                    | 15,111<br>0             | 718,894<br>0                    | 0<br>0                                                     |
| (5) NICHOLAS PETRELLI MD  | (i)<br>(ii) | 469,975<br>0                                       | 136,326<br>0                        | 27,481<br>0                         | 35,411<br>0                                    | 15,135<br>0             | 684,328<br>0                    | 0<br>0                                                     |
| (6) WILLIAM WEINTRAUB     | (i)<br>(ii) | 483,150<br>0                                       | 76,461<br>0                         | 19,142<br>0                         | 55,057<br>0                                    | 12,680<br>0             | 646,490<br>0                    | 0<br>0                                                     |
| (7) JANICE NEVIN          | (i)<br>(ii) | 362,314<br>0                                       | 101,101<br>0                        | 19,724<br>0                         | 75,354<br>0                                    | 9,892<br>0              | 568,385<br>0                    | 0<br>0                                                     |
| (8) DIANE TALAREK         | (i)<br>(ii) | 274,958<br>0                                       | 75,702<br>0                         | 1,075<br>0                          | 45,968<br>0                                    | 9,815<br>0              | 407,518<br>0                    | 0<br>0                                                     |
| (9) RAY SEIGFRIED         | (i)<br>(ii) | 206,642<br>0                                       | 57,100<br>0                         | 0<br>0                              | 30,029<br>0                                    | 14,779<br>0             | 308,550<br>0                    | 0<br>0                                                     |
| (10) BENJAMIN SHAW        | (i)<br>(ii) | 0<br>0                                             | 0<br>0                              | 137,270<br>0                        | 8,612<br>0                                     | 0<br>0                  | 145,882<br>0                    | 137,270<br>0                                               |
| (11) JAMES H NEWMAN MD    | (i)<br>(ii) | 404,461<br>0                                       | 121,517<br>0                        | 14,820<br>0                         | 107,535<br>0                                   | 12,307<br>0             | 660,640<br>0                    | 0<br>0                                                     |
| (12) MICHAEL BANBURY      | (i)<br>(ii) | 850,720<br>0                                       | 120,649<br>0                        | 31,710<br>0                         | 40,657<br>0                                    | 15,502<br>0             | 1,059,238<br>0                  | 0<br>0                                                     |
| (13) BRENDA K PIERCE ESQ  | (i)<br>(ii) | 264,286<br>0                                       | 70,775<br>0                         | 4,745<br>0                          | 31,149<br>0                                    | 14,895<br>0             | 385,850<br>0                    | 0<br>0                                                     |
| (14) AUDREY VAN LUVEN     | (i)<br>(ii) | 273,217<br>0                                       | 93,086<br>0                         | 31,783<br>0                         | 31,994<br>0                                    | 7,602<br>0              | 437,682<br>0                    | 0<br>0                                                     |
| (15) MARK BOROWSKY MD     | (i)<br>(ii) | 366,870<br>0                                       | 209,262<br>0                        | 15,997<br>0                         | 29,907<br>0                                    | 15,017<br>0             | 637,053<br>0                    | 0<br>0                                                     |
|                           |             |                                                    |                                     |                                     |                                                |                         |                                 |                                                            |

**Part III**   **Supplemental Information**

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

| Identifier                                              | Return Reference                      | Explanation                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DETAIL REGARDING BENEFITS PROVIDED                      | FORM 990, SCHEDULE J, PART I, LINE 1A | SOCIAL CLUB DUES CCHS PROVIDES A SOCIAL CLUB MEMBERSHIP TO BE USED BY THE PRESIDENT IN CONNECTION WITH HIS DUTIES. THE PRESIDENT IS RESPONSIBLE FOR AND TAXED ON ANY PERSONAL USE OF SUCH CLUB MEMBERSHIP.                                                                                                                                                                              |
| SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN PARTICIPATION | FORM 990, SCHEDULE J, PART I, LINE 4B | CHRISTIANA CARE HEALTH SERVICES, INC. ("CCHS") MAINTAINS AN IRC SECTION 457(F) DEFERRED COMPENSATION PLAN. THE FOLLOWING INDIVIDUALS LISTED ON FORM 990, PART VII, SECTION A, LINE 1A PARTICIPATED IN THE 457(F) PLAN DURING THE YEAR: GARY W. FERGUSON, WILLIAM WEINTRAUB, DIANE TALAREK, JANICE NEVIN, MD, AND JAMES NEWMAN, MD. NO PAYMENTS FROM THE PLAN WERE MADE DURING THE YEAR. |
| PROVISION OF NON-FIXED PAYMENTS                         | FORM 990, SCHEDULE J, PART I, LINE 7  | CCHS PROVIDES DISCRETIONARY BONUS AND/OR INCENTIVE COMPENSATION PAYMENTS TO ELIGIBLE EMPLOYEES. PAYMENTS MADE TO ANY DISQUALIFIED PERSON IS APPROVED BY THE CCHS COMPENSATION COMMITTEE THROUGH THE PROCESS DESCRIBED IN FORM 990, PART VI, SECTION B, LINE 15.                                                                                                                         |

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Schedule K  
(Form 990)

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

Department of the Treasury  
Internal Revenue Service

Name of the organization  
CHRISTIANA CARE HEALTH SERVICES INC

Employer identification number  
51-0103684

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 DELAWARE HLTH FACILITIES AUTHORITY SERIES 2003  | 51-0272458     | 246388LY6   | 02-19-2003      | 42,306,644      | CONSTRUCT & EXPAND MED BUILDING  |              | X  |                         | X  |                    | X  |
| B DELAWARE HLTH FACILITIES AUTHORITY SERIES 2008  | 51-0272458     | 246388NVO   | 11-20-2008      | 80,000,000      | REFINANCE SERIES 2004 & MED BLDG |              | X  |                         | X  |                    | X  |
| C DELAWARE HLTH FACILITIES AUTHORITY SERIES 2009  | 51-0272458     |             | 12-18-2009      | 30,000,000      | REFINANCE SERIES 1998            |              | X  |                         | X  |                    | X  |
| D DELAWARE HLTH FACILITIES AUTHORITY SERIES 2010A | 51-0272458     | 246388QE5   | 11-04-2010      | 74,491,341      | CONSTRUCTION OF HOSPITAL         |              | X  |                         | X  |                    | X  |

Part II

Proceeds

|    |                                                                                                        | A          |    | B          |    | C          |    | D          |    |
|----|--------------------------------------------------------------------------------------------------------|------------|----|------------|----|------------|----|------------|----|
|    |                                                                                                        | Yes        | No | Yes        | No | Yes        | No | Yes        | No |
| 1  | Amount of bonds retired                                                                                | 25,176,644 |    | 0          |    | 9,095,000  |    | 0          |    |
| 2  | Amount of bonds defeased                                                                               | 0          |    | 0          |    | 0          |    | 0          |    |
| 3  | Total proceeds of issue                                                                                | 43,425,940 |    | 80,000,000 |    | 30,000,000 |    | 74,956,804 |    |
| 4  | Gross proceeds in reserve funds                                                                        | 0          |    | 0          |    | 0          |    | 0          |    |
| 5  | Capitalized interest from proceeds                                                                     | 0          |    | 0          |    | 0          |    | 0          |    |
| 6  | Proceeds in refunding escrow                                                                           | 0          |    | 0          |    | 0          |    | 0          |    |
| 7  | Issuance costs from proceeds                                                                           | 674,025    |    | 774,850    |    | 0          |    | 879,197    |    |
| 8  | Credit enhancement from proceeds                                                                       | 659,489    |    | 0          |    | 0          |    | 0          |    |
| 9  | Working capital expenditures from proceeds                                                             | 0          |    | 0          |    | 0          |    | 0          |    |
| 10 | Capital expenditures from proceeds                                                                     | 42,068,998 |    | 19,062,025 |    | 0          |    | 74,077,607 |    |
| 11 | Other spent proceeds                                                                                   | 0          |    | 60,163,125 |    | 30,000,000 |    | 0          |    |
| 12 | Other unspent proceeds                                                                                 | 23,428     |    | 0          |    | 0          |    | 0          |    |
| 13 | Year of substantial completion                                                                         | 2006       |    | 2006       |    | 2000       |    | 2014       |    |
| 14 | Were the bonds issued as part of a current refunding issue?                                            | Yes        | No | Yes        | No | Yes        | No | Yes        | No |
| 15 | Were the bonds issued as part of an advance refunding issue?                                           |            | X  | X          |    | X          |    |            | X  |
| 16 | Has the final allocation of proceeds been made?                                                        |            | X  | 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   |    |
|---|----------------------------------------------------------------------------------------------------------------------------|-----|----|-----|----|-----|----|-----|----|
|   |                                                                                                                            | Yes | No | Yes | No | Yes | No | Yes | No |
| 1 | Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? |     | X  |     | X  |     |    |     | X  |
| 2 | Are there any lease arrangements that may result in private business use of bond-financed property?                        |     | X  |     | X  |     |    |     | X  |

Part IIIPrivate 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?                                                   |     |    |     |    |     |    |     |    |
| 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   |    |     |    |     |    |
| 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 % |    | 0 % |    | 0 % |    | 0 % |    |
| 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 % |    |     |    | 0 % |    |
| 6  | Total of lines 4 and 5                                                                                                                                                                                                               | 0 % |    | 0 % |    |     |    | 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 IVArbitrage

|    |                                                                                                                                          | 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  |     | X  |
| 2  | Is the bond issue a variable rate issue?                                                                                                 |                      | X  | X   |    |     | X  |     | X  |
| 3a | Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?                                     |                      | X  |     | X  |     | X  |     | X  |
| b  | Name of provider                                                                                                                         | 0                    |    | 0   |    | 0   |    |     |    |
| 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  |     | X  |
| b  | Name of provider                                                                                                                         | TRINITY PLUS FUNDING |    | 0   |    | 0   |    | 0   |    |
| c  | Term of GIC                                                                                                                              | 2 8                  |    |     |    |     |    |     |    |
| d  | Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?                                              | X                    |    |     |    |     |    |     |    |
| 5  | Were any gross proceeds invested beyond an available temporary period?                                                                   | X                    |    |     | X  |     | X  |     | X  |
| 6  | Did the bond issue qualify for an exception to rebate?                                                                                   |                      | X  | X   |    | X   |    | X   |    |

Part VProcedures 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 VISupplemental Information

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

| Identifier                                          | Return Reference                      | Explanation                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SUPPLEMENTAL INFORMATION REGARDING TAX EXEMPT BONDS | FORM 990, SCHEDULE K, PART II, LINE 3 | FOR DELAWARE HLTH FACILITIES AUTHORITY SERIES 2003, THE TOTAL PROCEEDS OF ISSUE REPORTED INCLUDES \$1,119,296 IN INVESTMENT EARNINGS FOR DELAWARE HLTH FACILITIES AUTHORITY SERIES 2010A, THE TOTAL PROCEEDS OF ISSUE REPORTED INCLUDES \$465,463 IN INVESTMENT EARNINGS FOR DELAWARE HLTH FACILITIES AUTHORITY SERIES 2010, THE TOTAL PROCEEDS OF ISSUE REPORTED INCLUDES \$795,954 IN INVESTMENT EARNINGS |

Schedule K  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
CHRISTIANA CARE HEALTH SERVICES INC

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  
51-0103684

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 DELAWARE HLTH FACILITIES AUTHORITY SERIES 2010 | 51-0272458     | 246388QPO   | 11-04-2010      | 125,195,000     | CONSTRUCTION OF HOSPITAL   |              | X  |                         | X  |                    | X  |

Part II

Proceeds

|    |                                                                                                        | A           |    | B   |    | C   |    | D   |    |
|----|--------------------------------------------------------------------------------------------------------|-------------|----|-----|----|-----|----|-----|----|
| 1  | Amount of bonds retired                                                                                | 0           |    |     |    |     |    |     |    |
| 2  | Amount of bonds defeased                                                                               | 0           |    |     |    |     |    |     |    |
| 3  | Total proceeds of issue                                                                                | 127,990,954 |    |     |    |     |    |     |    |
| 4  | Gross proceeds in reserve funds                                                                        | 0           |    |     |    |     |    |     |    |
| 5  | Capitalized interest from proceeds                                                                     | 0           |    |     |    |     |    |     |    |
| 6  | Proceeds in refunding escrow                                                                           | 0           |    |     |    |     |    |     |    |
| 7  | Issuance costs from proceeds                                                                           | 684,318     |    |     |    |     |    |     |    |
| 8  | Credit enhancement from proceeds                                                                       | 0           |    |     |    |     |    |     |    |
| 9  | Working capital expenditures from proceeds                                                             | 0           |    |     |    |     |    |     |    |
| 10 | Capital expenditures from proceeds                                                                     | 11,800,886  |    |     |    |     |    |     |    |
| 11 | Other spent proceeds                                                                                   | 0           |    |     |    |     |    |     |    |
| 12 | Other unspent proceeds                                                                                 | 115,505,750 |    |     |    |     |    |     |    |
| 13 | Year of substantial completion                                                                         |             |    |     |    |     |    |     |    |
|    |                                                                                                        | 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? |             |    |     |    |     |    |     |    |

Part III

Private Business Use

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

Part III

Private Business Use (Continued)

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

Part IV

Arbitrage

|    |                                                                                                                                          | A   |    | B   |    | C   |    | D   |    |
|----|------------------------------------------------------------------------------------------------------------------------------------------|-----|----|-----|----|-----|----|-----|----|
|    |                                                                                                                                          | Yes | No | Yes | No | Yes | No | Yes | No |
| 1  | Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue? |     | X  |     |    |     |    |     |    |
| 2  | Is the bond issue a variable rate issue?                                                                                                 | X   |    |     |    |     |    |     |    |
| 3a | Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?                                     |     | X  |     |    |     |    |     |    |
| b  | Name of provider                                                                                                                         | 0   |    |     |    |     |    |     |    |
| c  | Term of hedge                                                                                                                            |     |    |     |    |     |    |     |    |
| d  | Was the hedge superintegrated?                                                                                                           |     |    |     |    |     |    |     |    |
| e  | Was a hedge terminated?                                                                                                                  |     |    |     |    |     |    |     |    |
| 4a | Were gross proceeds invested in a GIC?                                                                                                   |     | X  |     |    |     |    |     |    |
| b  | Name of provider                                                                                                                         | 0   |    |     |    |     |    |     |    |
| 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 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  
CHRISTIANA CARE HEALTH SERVICES INC**Employer identification number**

51-0103684

| Identifier                       | Return Reference            | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DETAIL OF OTHER PROGRAM SERVICES | FORM 990, PART III, LINE 4D | CHRISTIANA CARE HEALTH SERVICES, HEADQUARTERED IN WILMINGTON, DELAWARE, IS ONE OF THE COUNTRY'S LARGEST HEALTH CARE PROVIDERS, RANKING 17TH IN THE NATION FOR HOSPITAL ADMISSIONS. CHRISTIANA CARE IS A MAJOR TEACHING HOSPITAL WITH TWO CAMPUSES AND MORE THAN 250 MEDICAL-DENTAL RESIDENTS AND FELLOWS. CHRISTIANA CARE IS RECOGNIZED AS A REGIONAL CENTER FOR EXCELLENCE IN CARDIOLOGY, CANCER AND WOMEN'S HEALTH SERVICES. THE SYSTEM FEATURES A LEVEL 3 NEONATAL INTENSIVE CARE UNIT, THE ONLY DELIVERING HOSPITAL IN THE STATE TO OFFER THIS LEVEL OF CARE FOR NEWBORNS. CHRISTIANA CARE HEALTH SERVICES IS ALSO HOME TO DELAWARE'S ONLY LEVEL 1 TRAUMA CENTER, THE ONLY OF ITS KIND BETWEEN PHILADELPHIA AND BALTIMORE. A NOT-FOR-PROFIT, NON-SECTARIAN HEALTH SYSTEM, CHRISTIANA CARE INCLUDES TWO HOSPITALS WITH MORE THAN 1,100 PATIENT BEDS, A HOME HEALTH CARE SERVICE, PREVENTIVE MEDICINE, REHABILITATION SERVICES, A NETWORK OF PRIMARY CARE PHYSICIANS AND AN EXTENSIVE RANGE OF OUTPATIENT SERVICES. WITH MORE THAN 10,600 EMPLOYEES, CHRISTIANA CARE IS THE LARGEST PRIVATE EMPLOYER IN DELAWARE AND THE 10TH LARGEST EMPLOYER IN THE PHILADELPHIA REGION. IN FISCAL YEAR 2012, CHRISTIANA CARE HAD MORE THAN \$2.3 BILLION IN TOTAL PATIENT REVENUE AND PROVIDED THE COMMUNITY WITH APPROXIMATELY \$26.5 MILLION IN CHARITY CARE (AT COST). |

| Identifier                       | Return Reference                              | Explanation                                                                                                                                                                                                                                                                     |
|----------------------------------|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GOVERNING BODY<br>AND MANAGEMENT | FORM 990, PART<br>VI, SECTION A, LINE<br>7A,B | THE BOARD OF DIRECTORS OF CHRISTIANA CARE HEALTH SYSTEM, INC ("SYSTEM"), SOLE MEMBER OF CCHS, AT IT'S ANNUAL MEETING IN NOVEMBER, ELECTS DIRECTORS OF CCHS THE ANNUAL OPERATING BUDGET OF CCHS IS APPROVED BY THE CCHS BOARD, THE SYSTEM FINANCE COMMITTEE AND THE SYSTEM BOARD |

| Identifier              | Return Reference                      | Explanation                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FORM 990 REVIEW PROCESS | FORM 990, PART VI, SECTION B, LINE 11 | INFORMATION RELATED TO CCHS' FORM 990 FILING IS GATHERED BY FINANCE STAFF AND PROVIDED TO PRICEWATERHOUSECOOPERS LLP FOR REVIEW THE FINAL 2011 FORM 990 FOR THE FISCAL YEAR ENDING JUNE 30, 2012 WAS REVIEWED AND APPROVED BY VARIOUS SENIOR MANAGEMENT OFFICIALS THE ORGANIZATION'S GOVERNING BOARD WAS ALSO PROVIDED ACCESS TO THE APPROVED 2011 FORM 990 VIA ITS BOARD OF DIRECTOR'S PORTAL |

| Identifier                  | Return Reference                       | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CONFLICT OF INTEREST POLICY | FORM 990, PART VI, SECTION B, LINE 12C | OUR CONFLICT OF INTEREST ("COI") POLICY IS LOCATED IN THE SUPERVISORY POLICY MANUAL. THERE IS AN ANNUAL MANDATORY EDUCATION FOR MANAGERS WHICH INCLUDES AN ELECTRONIC SIGN OFF ACKNOWLEDGING COMPLETION OF THE EDUCATION, REPORTING OF A REAL OR PERCEIVED CONFLICT OR THAT NO CONFLICTS OF INTEREST EXISTS. THE HR/EMPLOYEE RELATIONS TEAM FOLLOWS UP WITH ANYONE WHO HAS A CONFLICT OR PERCEIVED CONFLICT OR DOES NOT COMPLETE THE EDUCATION IN ORDER TO RESOLVE. THE EMPLOYEE HANDBOOK SETS EXPECTATIONS FOR EMPLOYEE CONFLICTS OF INTEREST AND EXPECTATIONS. SEVERAL REPORTING MECHANISMS ALSO EXIST FOR EMPLOYEES TO REPORT CONCERNS. THE BOARD OF DIRECTORS HAS THEIR OWN COI POLICY. COI IS A STANDING AGENDA ITEM ON EACH BOARD OR BOARD COMMITTEE MEETING. BOARD MEMBERS EXPECTATIONS FOR COI ARE CLEARLY COMMUNICATED. |

| Identifier                       | Return Reference                      | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COMPENSATION REVIEW AND APPROVAL | FORM 990, PART VI, SECTION B, LINE 15 | THE BOARD OF DIRECTORS ESTABLISHES CHRISTIANA CARE'S COMPETITIVE TOTAL COMPENSATION POLICY AND PRACTICE. THE EXECUTIVE COMPENSATION COMMITTEE ("ECC") OF THE BOARD ENGAGES AN INDEPENDENT THIRD PARTY ANNUALLY WHO ASSESSES DATA FROM SEVERAL MAJOR SURVEY'S TO ENSURE TOTAL REMUNERATION IS MARKET COMPETITIVE AND QUALIFIES FOR THE "REBUTTABLE PRESUMPTION OF REASONABLENESS" UNDER THE INTERMEDIATE SANCTIONS RULE, SECTION 4958 OF THE INTERNAL REVENUE CODE. AFTER DELIBERATION, THE ECC DOCUMENTS THEIR DECISIONS IN MEETING MINUTES |

| Identifier                             | Return Reference                      | Explanation                                                                                                                                                                                                                                                                |
|----------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GOVERNANCE, MANAGEMENT, AND DISCLOSURE | FORM 990, PART VI, SECTION C, LINE 19 | THE FORMS 1023 AND 990, GOVERNING DOCUMENTS, AUDITED FINANCIAL STATEMENTS, AND CONFLICT OF INTEREST POLICY OF CCHS ARE AVAILABLE TO THE PUBLIC UPON REQUEST IN ADDITION, THE FINANCIAL STATEMENTS ARE AVAILABLE ON THE WEB THROUGH DIGITAL ASSURANCE CERTIFICATION ("DAC") |

| Identifier                            | Return Reference          | Explanation                                                                                                                                                                                                                                                                         |
|---------------------------------------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DETAIL OF OTHER CHANGES IN NET ASSETS | FORM 990, PART XI, LINE 5 | NET UNREALIZED GAINS AND LOSSES \$ (7,747,578) TRANSFER TO/FROM AFFILIATE 3,681,225<br>EFFECT OF DISCONTINUED OPERATIONS (394,370) CHANGE IN POST RETIREMENT (112,767,892)<br>BENEFICIAL INTEREST IN SY STEM 126,172 SUBCORPORATIONS (148,792) ----- TOTAL<br>\$(117,251,235) ===== |

| Identifier                             | Return Reference  | Explanation                                               |
|----------------------------------------|-------------------|-----------------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME CAROL A AMMON TITLE CHAIRMAN OF THE BOARD<br>HOURS 2 |

| Identifier                             | Return Reference  | Explanation                               |
|----------------------------------------|-------------------|-------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME DAVID P. NICOLI TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                   |
|----------------------------------------|-------------------|-----------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME JOHN R COCHRAN, III TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                    |
|----------------------------------------|-------------------|------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME.DONEENE K DAMON, ESQ TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                    |
|----------------------------------------|-------------------|------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME OMAR A KHAN, MD, MHS TITLE MEMBER HOURS 1 |

| Identifier                             | Return<br>Reference | Explanation                                                           |
|----------------------------------------|---------------------|-----------------------------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII   | NAME ROBERT J LASKOWSKI, MD TITLE PRESIDENT & CEO, EX OFFICIO HOURS 1 |

| Identifier                             | Return Reference  | Explanation                              |
|----------------------------------------|-------------------|------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME LOLITA A LOPEZ TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                        |
|----------------------------------------|-------------------|----------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME HON JOSHUA W MARTIN, III TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                                               |
|----------------------------------------|-------------------|---------------------------------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME GORDON OSTRUM, JR, MD TITLE EX OFFICIO MEMBER, VICE CHAIR<br>HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                    |
|----------------------------------------|-------------------|------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME JOHN W SCHEFLEN, ESQ TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                |
|----------------------------------------|-------------------|--------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME:FRED C SEARS, II TITLE:MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                               |
|----------------------------------------|-------------------|-------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME.WILFRED B SHERK TITLE.MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                        |
|----------------------------------------|-------------------|----------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME JANICE TILDON BURTON, MD TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                |
|----------------------------------------|-------------------|--------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME EDWARD K WISSING TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                     |
|----------------------------------------|-------------------|-------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME.PATRICK D HARKER, PHD TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                |
|----------------------------------------|-------------------|--------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME MICHAEL R MILLER TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                |
|----------------------------------------|-------------------|--------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME LEO W RAISIS, MD TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                |
|----------------------------------------|-------------------|--------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME W DONALD JOHNSON TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                     |
|----------------------------------------|-------------------|-------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME ANN KAPPEL TITLE EX OFFICIO MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                                   |
|----------------------------------------|-------------------|---------------------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME ANAND P PANWALKER, MD TITLE EX OFFICIO MEMBER<br>HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                |
|----------------------------------------|-------------------|--------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME THEODORE G PLUSH TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                              |
|----------------------------------------|-------------------|------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME GARY M PFEIFFER TITLE CHAIR HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                   |
|----------------------------------------|-------------------|-----------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME BETTY J CAFFO, PH D TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                              |
|----------------------------------------|-------------------|------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME ERIC T JOHNSON TITLE MEMBER HOURS 4 |

| Identifier                             | Return Reference  | Explanation                               |
|----------------------------------------|-------------------|-------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME ARKADI KUHLMANN TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                |
|----------------------------------------|-------------------|--------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME JOHN M MURRAY II TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                   |
|----------------------------------------|-------------------|-----------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME MARK TYKOCINSKI, MD TITLE MEMBER HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                                           |
|----------------------------------------|-------------------|-----------------------------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME THOMAS L CORRIGAN TITLE SR VP FINANCE/CFO, OFF OF BRD<br>HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                                        |
|----------------------------------------|-------------------|--------------------------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME GARY W FERGUSON TITLE CHIEF OPER OFF, OFF OF BOARD<br>HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                        |
|----------------------------------------|-------------------|----------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME WILLIAM J WADE TITLE OFFICER OF BOARD HOURS 1 |

| Identifier                             | Return Reference  | Explanation                                                            |
|----------------------------------------|-------------------|------------------------------------------------------------------------|
| HOURS DEVOTED FOR RELATED ORGANIZATION | FORM 990 PART VII | NAME BRENDA K PIERCE, ESQ TITLE CORP COUNSEL, OFFICER OF BOARD HOURS 1 |

SCHEDULE R  
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
CHRISTIANA CARE HEALTH SERVICES INC

**Employer identification number**  
51-0103684

Part I

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

| (a)<br>Name, address, and EIN of disregarded entity                                                   | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Total income | (e)<br>End-of-year assets | (f)<br>Direct controlling entity |
|-------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------------------|---------------------|---------------------------|----------------------------------|
| (1) CHRISTIANA CARE CAMPUS REALTY LLC<br>4701 OGLETOWN-STANTON ROAD<br>NEWARK, DE 19713<br>51-0103684 | SUPPORT SRVCS           | DE                                               | 0                   | 0                         | CCHS                             |
|                                                                                                       |                         |                                                  |                     |                           |                                  |
|                                                                                                       |                         |                                                  |                     |                           |                                  |
|                                                                                                       |                         |                                                  |                     |                           |                                  |
|                                                                                                       |                         |                                                  |                     |                           |                                  |
|                                                                                                       |                         |                                                  |                     |                           |                                  |

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)<br>Name, address, and EIN of related organization                                                              | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Exempt Code section | (e)<br>Public charity status (if section 501(c)(3)) | (f)<br>Direct controlling entity | (g)<br>Section 512(b)(13) controlled organization |    |
|--------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------------------|----------------------------|-----------------------------------------------------|----------------------------------|---------------------------------------------------|----|
|                                                                                                                    |                         |                                                  |                            |                                                     |                                  | Yes                                               | No |
| (1) CHRISTIANA CARE HEALTH SYSTEM INC<br><br>501 WEST 14TH STREET<br><br>WILMINGTON, DE 19801<br>52-1479538        | fundraising             | DE                                               | 501(c)(3)                  | 7                                                   | NA                               |                                                   | No |
| (2) CHRISTIANA CARE HLTH INITIATIVES INC<br><br>200 HYGIEIA DRIVE SUITE 2300<br><br>NEWARK, DE 19713<br>51-0295186 | OUTPATIENT SV           | DE                                               | 501(c)(3)                  | 9                                                   | CCHS SYSTEM                      |                                                   | No |
| (3) CHRISTIANA CARE HOME HEALTH & COM SRVCS<br><br>1 READS WAY<br><br>NEW CASTLE, DE 19720<br>51-0064334           | HOME HLTHCARE           | DE                                               | 501(c)(3)                  | 7                                                   | CCHS SYSTEM                      |                                                   | No |
|                                                                                                                    |                         |                                                  |                            |                                                     |                                  |                                                   |    |
|                                                                                                                    |                         |                                                  |                            |                                                     |                                  |                                                   |    |
|                                                                                                                    |                         |                                                  |                            |                                                     |                                  |                                                   |    |
|                                                                                                                    |                         |                                                  |                            |                                                     |                                  |                                                   |    |

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)<br>Name, address, and EIN of<br>related organization                                                    | (b)<br>Primary activity | (c)<br>Legal<br>domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Predominant income<br>(related, unrelated,<br>excluded from tax<br>under sections 512-<br>514) | (f)<br>Share of total<br>income | (g)<br>Share of end-of-<br>year<br>assets | (h)<br>Disproportionate<br>allocations? |    | (i)<br>Code V—UBI<br>amount in box 20 of<br>Schedule K-1<br>(Form 1065) | (j)<br>General or<br>managing<br>partner? |    | (k)<br>Percentage<br>ownership |
|-------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------|---------------------------------|-------------------------------------------|-----------------------------------------|----|-------------------------------------------------------------------------|-------------------------------------------|----|--------------------------------|
|                                                                                                             |                         |                                                              |                                     |                                                                                                       |                                 |                                           | Yes                                     | No |                                                                         | Yes                                       | No |                                |
| (1) DELAWARE SLEEP<br>DISORDERS CTR<br><br>200 HYGEIA DRIVE<br>NEWARK, DE 19713<br>20-5126228               | MEDICAL SERVICES        | DE                                                           | CCHI                                | N/A                                                                                                   |                                 |                                           |                                         |    |                                                                         |                                           |    |                                |
| (2) GLASGOW MEDICAL<br>CENTER LLC<br><br>2600 GLASGOW AVENUE<br>SUITE 204<br>NEWARK, DE 19702<br>51-0320926 | MEDICAL SERVICES        | DE                                                           | CCHI                                | N/A                                                                                                   |                                 |                                           |                                         |    |                                                                         |                                           |    |                                |
|                                                                                                             |                         |                                                              |                                     |                                                                                                       |                                 |                                           |                                         |    |                                                                         |                                           |    |                                |
|                                                                                                             |                         |                                                              |                                     |                                                                                                       |                                 |                                           |                                         |    |                                                                         |                                           |    |                                |
|                                                                                                             |                         |                                                              |                                     |                                                                                                       |                                 |                                           |                                         |    |                                                                         |                                           |    |                                |
|                                                                                                             |                         |                                                              |                                     |                                                                                                       |                                 |                                           |                                         |    |                                                                         |                                           |    |                                |
|                                                                                                             |                         |                                                              |                                     |                                                                                                       |                                 |                                           |                                         |    |                                                                         |                                           |    |                                |

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)<br>Name, address, and EIN of related organization                                              | (b)<br>Primary activity | (c)<br>Legal domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Type of entity<br>(C corp, S corp,<br>or trust) | (f)<br>Share of total<br>income | (g)<br>Share of<br>end-of-year<br>assets | (h)<br>Percentage<br>ownership |
|----------------------------------------------------------------------------------------------------|-------------------------|-----------------------------------------------------------|-------------------------------------|--------------------------------------------------------|---------------------------------|------------------------------------------|--------------------------------|
| (1) ALL ABOUT WOMEN<br>200 HYGEIA DRIVE<br>NEWARK, DE 19713<br>20-3894053                          | HEALTHCARE              | DE                                                        | CCHS                                | C CORP                                                 | 0                               | 694,122                                  | 100 000 %                      |
| (2) THE DE CTR FOR MAT FETAL MED OF CC INC<br>200 HYGEIA DRIVE<br>NEWARK, DE 19713<br>20-5891272   | HEALTHCARE              | DE                                                        | CCHS                                | C CORP                                                 | -74,253                         | 2,443,498                                | 100 000 %                      |
| (3) CHR CARE VASCULAR SPECIALISTS INC<br>200 HYGEIA DRIVE<br>NEWARK, DE 19713<br>20-8303207        | HEALTHCARE              | DE                                                        | CCHS                                | C CORP                                                 | 0                               | 821,571                                  | 100 000 %                      |
| (4) CHRISTIANA CARE HEALTH PLANS<br>200 HYGEIA DRIVE OFFICE 2524<br>NEWARK, DE 19713<br>51-0352728 | INSURANCE               | DE                                                        | CCHS SYSTEM                         | C CORP                                                 |                                 |                                          |                                |
|                                                                                                    |                         |                                                           |                                     |                                                        |                                 |                                          |                                |
|                                                                                                    |                         |                                                           |                                     |                                                        |                                 |                                          |                                |
|                                                                                                    |                         |                                                           |                                     |                                                        |                                 |                                          |                                |

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

No

1d

No

1e

No

1f

No

1g

Yes

1h

No

1i

Yes

1j

Yes

1k

Yes

1l

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)<br>Name of other organization          | (b)<br>Transaction<br>type(a-r) | (c)<br>Amount involved | (d)<br>Method of determining amount<br>involved |
|--------------------------------------------|---------------------------------|------------------------|-------------------------------------------------|
| (1) CHR CARE VASCULAR SPECIALISTS INC      | A                               | 230,850                | FMV                                             |
| (2) THE DE CTR FOR MAT FETAL MED OF CC INC | A,L                             | 837,905                | FMV                                             |
| (3) ALL ABOUT WOMEN OF CHRISTIANA CARE INC | A                               | 334,218                | FMV                                             |
| (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 |  |
|------------|------------------|-------------|--|
|------------|------------------|-------------|--|

## TY 2011 AffiliatedGroupAttachment

**Name:** CHRISTIANA CARE HEALTH SERVICES INC

**EIN:** 51-0103684

**Explanation:** DIRECT OTHER LOBBYING EXEMPT PURPOSE NAME OF ELECTING ORGANIZATION EXPENDITURES EXPENDITURES

CHRISTIANA CARE HEALTH SYSTEM \$ NONE \$  
 3,873,090 CHRISTIANA CARE HEALTH SERVICES 180,295  
 1,214,160,734 CHRISTIANA CARE HOME HEALTH AND COMMUNITY  
 SERVICES NONE 39,502,311 CHRISTIANA CARE HEALTH  
 INITIATIVES NONE 19,543,364 ----- TOTAL  
 \$180,295 \$1,277,079,499 THE ORGANIZATION HAS MADE THE  
 LOBBYING ELECTION UNDER I.R.C. SECTION 501(H) FOR THE TAX  
 YEAR ENDED JUNE 30, 2012. THIS ELECTION HAS NOT BEEN  
 REVOKED BEFORE THE START OF THE ORGANIZATION'S TAX YEAR  
 THAT BEGAN IN 2011.

# **Christiana Care Health Services, Inc.**

**Financial Statements  
June 30, 2012 and 2011**

# Christiana Care Health Services, Inc.

## Index

June 30, 2012 and 2011

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| <b>Financial Statements</b>                        |         |
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## Report of Independent Auditors

To the Board of Directors  
of Christiana Care Health Services, Inc

In our opinion, the accompanying balance sheets and the related statements of operations and changes in net assets and cash flows present fairly, in all material respects, the financial position of Christiana Care Health Services, Inc ("Health Services") at June 30, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of Health Services' management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

*PricewaterhouseCoopers LLP*

September 13, 2012

**Christiana Care Health Services, Inc.**  
**Balance Sheets**  
**June 30, 2012 and 2011**

|                                                                                                                         | 2012                    | 2011                    |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Assets</b>                                                                                                           |                         |                         |
| Current assets                                                                                                          |                         |                         |
| Cash and cash equivalents                                                                                               | \$ 112,103,978          | \$ 127,734,581          |
| Short-term investments                                                                                                  | 181,556,554             | 181,549,743             |
| Patient accounts receivable, net of allowance for doubtful<br>accounts of \$17,789,268 in 2012 and \$15,124,087 in 2011 | 186,691,707             | 161,776,520             |
| Other current assets                                                                                                    | 44,157,055              | 44,178,619              |
| Assets limited as to use                                                                                                | 4,609,874               | 1,746,674               |
| Total current assets                                                                                                    | 529,119,168             | 516,986,137             |
| Assets limited as to use                                                                                                | 137,106,618             | 181,021,668             |
| Long-term investments                                                                                                   | 755,186,153             | 643,800,838             |
| Property and equipment, net                                                                                             | 676,286,589             | 630,718,211             |
| Other assets                                                                                                            | 58,001,379              | 56,652,199              |
| Total assets                                                                                                            | <u>\$ 2,155,699,907</u> | <u>\$ 2,029,179,053</u> |
| <b>Liabilities and Net Assets</b>                                                                                       |                         |                         |
| Current liabilities                                                                                                     |                         |                         |
| Current portion of long-term debt                                                                                       | \$ 188,860,000          | \$ 188,415,000          |
| Accounts payable                                                                                                        | 52,438,190              | 39,588,774              |
| Accrued salaries and professional fees                                                                                  | 77,274,899              | 93,608,778              |
| Estimated third-party payor settlements                                                                                 | 14,886,780              | 16,657,512              |
| Other accrued expenses and current liabilities                                                                          | 45,565,657              | 32,561,426              |
| Total current liabilities                                                                                               | 379,025,526             | 370,831,490             |
| Long-term debt, net of current portion                                                                                  | 130,948,513             | 140,005,871             |
| Pension and postretirement benefits                                                                                     | 290,355,048             | 169,076,291             |
| Self insurance liabilities                                                                                              | 26,341,044              | 26,886,264              |
| Other liabilities                                                                                                       | 38,399,998              | 31,094,663              |
| Total liabilities                                                                                                       | <u>865,070,129</u>      | <u>737,894,579</u>      |
| Net assets                                                                                                              |                         |                         |
| Unrestricted                                                                                                            | 1,218,491,372           | 1,214,890,908           |
| Temporarily restricted                                                                                                  | 49,226,718              | 53,013,396              |
| Permanently restricted                                                                                                  | 22,911,688              | 23,380,170              |
| Total net assets                                                                                                        | <u>1,290,629,778</u>    | <u>1,291,284,474</u>    |
| Total liabilities and net assets                                                                                        | <u>\$ 2,155,699,907</u> | <u>\$ 2,029,179,053</u> |

The accompanying notes are an integral part of these financial statements

**Christiana Care Health Services, Inc.**  
**Statements of Operations and Changes in Net Assets**  
**Years Ended June 30, 2012 and 2011**

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|                                                          | 2012                  | 2011                  |
|----------------------------------------------------------|-----------------------|-----------------------|
| <b>Unrestricted operating revenues and other support</b> |                       |                       |
| Net patient service revenue                              | \$ 1,338,174,474      | \$ 1,264,743,907      |
| Provision for bad debts                                  | <u>(31,482,070)</u>   | <u>(28,721,579)</u>   |
| Net patient service revenue less provision for bad debts | 1,306,692,404         | 1,236,022,328         |
| Other revenue                                            | 72,972,890            | 82,716,041            |
| Net assets released from restrictions                    | <u>3,032,937</u>      | <u>2,145,291</u>      |
| Total unrestricted operating revenues and other support  | <u>1,382,698,231</u>  | <u>1,320,883,660</u>  |
| Operating expenses                                       |                       |                       |
| Salaries and employee benefits                           | 820,411,208           | 777,119,618           |
| Supplies and other expenses                              | 394,969,454           | 378,711,244           |
| Interest expense                                         | 1,865,041             | 2,106,458             |
| Depreciation and amortization                            | <u>75,169,333</u>     | <u>74,083,493</u>     |
| Total operating expenses                                 | <u>1,292,415,036</u>  | <u>1,232,020,813</u>  |
| Operating gain                                           | <u>90,283,195</u>     | <u>88,862,847</u>     |
| <b>Nonoperating revenues, gains, and losses</b>          |                       |                       |
| Investment income                                        | 15,715,456            | 122,018,279           |
| Other gains, net                                         | <u>1,958,182</u>      | <u>568,365</u>        |
| Total nonoperating revenues, gains, and losses           | <u>17,673,638</u>     | <u>122,586,644</u>    |
| Excess of revenues over expenses                         | <u>\$ 107,956,833</u> | <u>\$ 211,449,491</u> |

**Christiana Care Health Services, Inc.**  
**Statements of Operations and Changes in Net Assets**  
**Years Ended June 30, 2012 and 2011**

|                                                                                   | 2012             | 2011             |
|-----------------------------------------------------------------------------------|------------------|------------------|
| <b>Unrestricted net assets</b>                                                    |                  |                  |
| Excess of revenues over expenses                                                  | \$ 107,956,833   | \$ 211,449,491   |
| Net assets released from restrictions used for purchase of property and equipment | 4,729,241        | 686,426          |
| Other changes in pension and postretirement liabilities                           | (112,767,892)    | 90,064,014       |
| Transfer from affiliate                                                           | 4,076,652        | 479,248          |
| Increase in unrestricted net assets before discontinued operations                | 3,994,834        | 302,679,179      |
| Effect of discontinued operations                                                 | (394,370)        | (3,616,301)      |
| Increase in unrestricted net assets                                               | 3,600,464        | 299,062,878      |
| <b>Temporarily restricted net assets</b>                                          |                  |                  |
| Contributions                                                                     | 4,039,194        | 3,496,637        |
| Interest and dividend income                                                      | 140,561          | 628,054          |
| Transfer to affiliate                                                             | (330,427)        | (255,521)        |
| Change in beneficial interest in net assets of the System                         | 126,172          | 7,890,331        |
| Net assets released from restrictions                                             | (7,762,178)      | (2,831,717)      |
| (Decrease) increase in temporarily restricted net assets                          | (3,786,678)      | 8,927,784        |
| <b>Permanently restricted net assets</b>                                          |                  |                  |
| Change in net realized (losses) gains                                             | (468,482)        | 747,185          |
| (Decrease) increase in permanently restricted net assets                          | (468,482)        | 747,185          |
| (Decrease) increase in net assets                                                 | (654,696)        | 308,737,847      |
| <b>Net assets</b>                                                                 |                  |                  |
| Beginning of year                                                                 | 1,291,284,474    | 982,546,627      |
| End of year                                                                       | \$ 1,290,629,778 | \$ 1,291,284,474 |

The accompanying notes are an integral part of these financial statements

**Christiana Care Health Services, Inc.**  
**Statements of Cash Flows**  
**Years Ended June 30, 2012 and 2011**

|                                                                                            | 2012           | 2011           |
|--------------------------------------------------------------------------------------------|----------------|----------------|
| <b>Cash flows from operating activities</b>                                                |                |                |
| Change in net assets                                                                       | \$ (654,696)   | \$ 308,737,847 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities |                |                |
| Effect of discontinued operations                                                          | 394,370        | 3,616,301      |
| Net realized and unrealized gains on investments                                           | (2,429,904)    | (107,507,477)  |
| Depreciation and amortization                                                              | 75,169,333     | 74,083,493     |
| Provision for bad debts                                                                    | 31,482,070     | 28,721,579     |
| Transfer from affiliate                                                                    | (4,076,652)    | (479,248)      |
| Change in beneficial interest in net assets of the System                                  | (126,172)      | (7,890,331)    |
| Restricted contributions and investment income received                                    | (3,711,273)    | (4,871,876)    |
| (Increase) decrease in                                                                     |                |                |
| Patient accounts receivable                                                                | (56,397,257)   | (39,480,262)   |
| Other current assets                                                                       | 21,564         | (4,945,005)    |
| Other assets                                                                               | (1,832,472)    | (8,886,822)    |
| Increase (decrease) in                                                                     |                |                |
| Accounts payable and accrued expenses                                                      | 2,058,014      | (4,816,728)    |
| Estimated third-party payor settlements                                                    | (1,770,732)    | 2,613,025      |
| Pension and postretirement benefits                                                        | 121,640,811    | (103,145,740)  |
| Self insurance liabilities                                                                 | (545,220)      | (3,755,265)    |
| Other liabilities                                                                          | 7,107,977      | 5,487,724      |
| Net cash provided by operating activities                                                  | 166,329,761    | 137,481,215    |
| <b>Cash flows from investing activities</b>                                                |                |                |
| Purchase of property and equipment, net                                                    | (114,052,536)  | (96,147,122)   |
| Proceeds from sale of investments and assets limited as to use                             | 616,291,280    | 499,868,377    |
| Purchase of investments and assets limited as to use                                       | (684,201,652)  | (779,298,335)  |
| Net cash used in investing activities                                                      | (181,962,908)  | (375,577,080)  |
| <b>Cash flows from financing activities</b>                                                |                |                |
| Repayment of long-term debt                                                                | (8,415,000)    | (7,990,000)    |
| Proceeds from issuance of long-term debt                                                   | -              | 200,195,000    |
| Debt issuance costs                                                                        | -              | (246,225)      |
| Securities lending                                                                         | 629,619        | (1,896,307)    |
| Restricted contributions and investment income received                                    | 3,711,273      | 4,871,876      |
| Transfer from affiliate                                                                    | 4,076,652      | 479,248        |
| Net cash provided by financing activities                                                  | 2,544          | 195,413,592    |
| Net decrease in cash and cash equivalents                                                  | (15,630,603)   | (42,682,273)   |
| <b>Cash and cash equivalents</b>                                                           |                |                |
| Beginning of year                                                                          | 127,734,581    | 170,416,854    |
| End of year                                                                                | \$ 112,103,978 | \$ 127,734,581 |
| <b>Supplemental disclosure of cash flow information</b>                                    |                |                |
| Cash paid for interest, net of amounts capitalized                                         | \$ 751,887     | \$ 2,375,484   |

The accompanying notes are an integral part of these financial statements

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

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### 1. Description of the Organization

Christiana Care Health Services, Inc. ("Health Services"), a Delaware not-for-profit corporation, owns and operates Christiana Hospital, Wilmington Hospital, Eugene duPont Preventive Medicine and Rehabilitation Institute, a physician network, and residency training programs. Health Services' primary activity is to provide healthcare services to the residents of Delaware and the surrounding counties in Maryland, Pennsylvania, and New Jersey.

Health Services is an affiliate of Christiana Care Health System, Inc. (the "System"). The System is the parent organization of Health Services, Christiana Care Health Initiatives ("Health Initiatives"), Christiana Care Home Health and Community Services, Inc. ("CCHHCS") and Christiana Care Health Plans, Inc. ("Health Plans").

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting

Health Services' financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

#### Basis of Presentation

Health Services reports its net assets by classifying net assets into three categories according to donor imposed restrictions. A description of these categories is as follows:

Unrestricted net assets are free of donor imposed restrictions, all revenues, expenses, gains and losses that are not changes in temporarily or permanently restricted net assets.

Temporarily restricted net assets include gifts for which donor imposed restrictions have not been met and the ultimate purpose of the proceeds is not permanently restricted.

Permanently restricted net assets include gifts, trusts, and pledges which require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

#### Use of Estimates

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

#### Net Patient Service Revenue and Patient Accounts Receivable

Health Services has agreements with third-party payors that provide for payments to Health Services at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per-diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered and includes estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

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Health Services 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. For uninsured patients who do not qualify for charity care, Health Services recognizes revenue based on established rates, subject to certain discounts as determined by Health Services. An estimated provision for bad debts is recorded that results in net patient service revenue being reported at the net amount expected to be received. Health Services has determined that patient service revenue is primarily recorded prior to assessing the patient's ability to pay and as such, the entire provision for bad debts related to patient revenue is recorded as a deduction from patient service revenue in the accompanying statements of operations and changes in net assets. Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), for the year ended June 30, 2012 from these two payor sources are as follows:

|                                                                       | Third-party<br>Payors | Self-pay | Total |
|-----------------------------------------------------------------------|-----------------------|----------|-------|
| Patient service revenue (net of contractual allowances and discounts) | 96.7 %                | 3.3 %    | 100 % |

Revenue from the Medicare and Medicaid programs accounted for approximately 31% and 12%, respectively, of Health Services' net patient service revenue for the year ended June 30, 2012 and 32% and 12%, respectively, for the year ended June 30, 2011. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The 2012 and 2011 net patient service revenue increased approximately \$360,000 and \$1,498,000, respectively, because of tentative settlements and final settlements for years that are no longer subject to audits, reviews, and investigations, as well as other changes in estimates.

Patient accounts receivable are reduced by an allowance for doubtful accounts. The allowance for doubtful accounts is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in healthcare coverage, major payor sources, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for doubtful accounts based upon historical write-off experience by payor category. The results of this review are then used to make modifications to the provision for bad debts to establish an appropriate allowance for doubtful accounts.

For patient accounts receivable associated with self-pay patients, which includes patients that fail to make payment for services rendered or insured patients who fail to remit co-payments and deductibles as required under the applicable health insurance arrangement, Health Services records an estimated provision for bad debts in the year of service. Health Services has experienced an increase in the provision for bad debts as a result of current economic conditions and rising patient responsibility balances.

### Charity Care

Health Services provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because Health Services does not pursue collections of amounts determined to qualify as charity care, they are not reported as revenue.

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

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### **Electronic Health Record Incentive Program**

The Centers for Medicare & Medicaid Services (CMS) have implemented provisions of the American Recovery and Reinvestment Act of 2009 that provide incentive payments for the meaningful use of certified electronic health record (EHR) technology. CMS has defined meaningful use as meeting certain objectives and clinical quality measures based on current and updated technology capabilities over predetermined reporting periods as established by CMS. The Medicare EHR incentive program provides annual incentive payments to eligible professionals, eligible hospitals, and critical access hospitals, as defined, that are meaningful users of certified EHR technology. The Medicaid EHR incentive program provides annual incentive payments to eligible professionals and hospitals for efforts to adopt, implement, and meaningfully use certified EHR technology. Health Services records payments using the gain contingency accounting model. Accordingly, when all contingencies have been met and the funds have been received, Health Services recognizes these incentives as "other gains" within the nonoperating revenue section in the Statement of Operations and Changes in Net Assets. For the 2012 fiscal year Health Services received and recorded approximately \$2.7 million as all contingencies have been met.

### **Cash and Cash Equivalents**

Cash and cash equivalents include investments in highly liquid debt instruments with original maturities of three months or less. At June 30, 2012 and 2011, Health Services had cash balances in financial institutions which exceed federal depository insurance limits. Management believes that the credit risk related to these deposits is minimal.

### **Inventories**

Inventories are stated at the lower of cost (determined by the first-in, first-out method) or market.

### **Investments and Assets Limited as to Use**

Investments and assets limited as to use are measured at fair value in the balance sheets based on the methodology described in Note 3. Managed funds represent subscriptions in funds-of-funds utilized to diversify the portfolio of Health Services. As a practical expedient, Health Services estimates the fair value of managed funds using the reported net asset value (NAV). If the NAV is not calculated on the measurement date, Health Services utilizes valuation techniques to determine if adjustment is necessary for consistent reporting. Health Services has assessed factors such as the managed funds' compliance with fair value reporting standards, price transparencies and valuation procedures, the ability to redeem at NAV at the measurement date, and existence of redemption restrictions at the measurement dates. Health Services is required to provide written notice of at least 90 calendar days prior to a calendar quarter-end to redeem managed funds. There are no lock-up provisions. Investment income or loss (consisting of realized and unrealized gains and losses on investments, interest, and dividends) are included in the excess of revenues over expenses unless the income or loss is restricted by donor.

Assets limited as to use primarily include (i) assets held by trustees under indenture agreements, and (ii) designated assets set aside by the Board of Directors ("Board"). Assets limited as to use classified as current in the balance sheets represent bond proceeds to pay unpaid construction associated with the Wilmington Hospital project (Note 8).

Investments classified as current in the balance sheets are for amounts required to meet current liabilities and other operating needs of the organization.

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

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Health Services classifies investments as trading securities. Investment income or loss generated by trading securities is classified within nonoperating revenues, gains, and losses within the statement of operations and changes in net assets. Health Services considers the activity of the investment portfolio and the associated cash receipts and cash purchases resulting from purchases and sales of investments classified as trading securities as an investing activity and classifies this activity accordingly within the statements of cash flows.

### **Property, Equipment, and Depreciation**

Property and equipment acquisitions are recorded at cost. Expenditures which substantially increase the useful lives of existing assets are capitalized. Routine maintenance and repairs are expensed as incurred. Depreciation is computed using the straight-line method based on the following estimated useful lives: Buildings and building improvements 5-40 years, equipment 3-20 years. Gains and losses from retirement or disposition of fixed assets are recognized in the statement of operations as nonoperating activity. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted contributions at fair value as of the date of the gift, and are excluded from the excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

### **Securities Lending**

Health Services engages in securities lending whereby certain securities in its portfolio are loaned to other parties generally for a short period of time. Health Services receives collateral equal to 102% of the market value of securities borrowed. Health Services records the fair value of the collateral received as both other current assets and other current liabilities as Health Services is obligated to return the collateral upon the return of the borrowed securities. Other current assets and liabilities include \$1,673,610 and \$1,043,991 of collateral investments at June 30, 2012 and 2011, respectively.

### **Deferred Financing Costs**

Deferred financing costs are recorded within other assets and represent the cost of issuing long-term debt. Such costs are being amortized over the life of the applicable indebtedness using the interest method. Deferred financing costs totaled \$2,336,670 and \$2,551,764 at June 30, 2012 and 2011, respectively.

### **Beneficial Interest in the System**

Health Services records an interest in certain net assets of the System resulting from temporarily and permanently restricted contributions that were solicited and held by the System for the ultimate benefit of Health Services. A beneficial interest in the net assets of the System is recorded within other assets in the balance sheet. Changes in the value of the beneficial interest in the net assets of the System is recorded as a change in temporarily restricted net assets.

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

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### **Investments Held in Trust**

Health Services is entitled to beneficial interests in perpetual trusts at various percentages, which are maintained by outside trustees. Health Services' share of the market value of the trusts are recorded in permanently restricted net assets. Unrealized gains and losses are also recorded as permanently restricted. The periodic income distributions received from the trustees are recorded as increases in unrestricted or temporarily restricted net assets, based on the donors' intentions.

### **Excess of Revenue over Expenses**

The statement of operations includes excess of revenues over expenses. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include permanent transfers of assets to and from affiliates for other than goods and services, contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets), other changes in pension and postretirement liabilities, and the effect of discontinued operations.

### **Donor-Restricted Gifts**

Unconditional promises to give cash and other assets to Health Services are reported at fair value at the date the promise is received. The contributions are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

### **Compensated Paid Leave**

Health Services records a liability for amounts due to employees for future paid leave which are attributable to services performed in the current and prior periods.

### **Tax Status**

Health Services is a Delaware nonprofit corporation and has been recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code.

In March 2010, the Internal Revenue Service (IRS) announced that for periods ending before April 1, 2005, medical residents would be eligible for the student exemption of Federal Insurance Contributions Act (FICA) taxes. As a result, organizations that had filed timely FICA refund claims covering periods up through that date are eligible for refunds of both the employer and employee portions of FICA taxes paid, plus statutory interest. Health Services completed the claim filing process in December 2010. Estimated net refunds of approximately \$9.3 million and \$9.6 million are recorded in other current assets in the accompanying June 30, 2012 and 2011 balance sheets, respectively. Additionally, within the statement of operations for the year ended June 30, 2011, Health Services recorded a reduction in employee benefits expense of \$6.6 million representing the previous overpayment of FICA taxes and \$3 million within nonoperating gains representing the statutory interest associated with the claim recovery. A reduction of the estimated net refund resulted in an increase in employee benefits expense of \$0.3 million for the year ended June 30, 2012.

### **Subsequent Events**

Health Services has performed an evaluation of subsequent events through September 13, 2012, which is the date the financial statements were considered widely distributed.

**Christiana Care Health Services, Inc.**  
**Notes to Financial Statements**  
**June 30, 2012 and 2011**

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**Reclassifications**

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. This includes the reclassification of the provision for bad debts associated with patient service revenue from operating expenses to a deduction from net patient service revenue on the Statements of Operations and Changes in Net Assets and as a result of early adoption of new accounting standards. The provision for bad debts reclassification also caused the 2011 functional expenses, disclosed in Note 16, to be reduced.

**3. Investments, Assets Limited as to Use, and Investment Income**

The composition of investments and assets limited as to use at June 30, 2012 and 2011 is set forth in the following table. Investments and assets limited to use are stated at fair value.

|                                                | 2012                    | 2011                    |
|------------------------------------------------|-------------------------|-------------------------|
| Short-term investments                         | <u>\$ 181,556,554</u>   | <u>\$ 181,549,743</u>   |
| Assets limited as to use                       |                         |                         |
| Externally designated by bond trustee          |                         |                         |
| Construction funds                             | 115,505,750             | 157,775,244             |
| Escrow funds                                   | <u>23,428</u>           | <u>23,428</u>           |
| Total externally designated                    | 115,529,178             | 157,798,672             |
| Internally designated by Board of Directors    |                         |                         |
| Cancer program                                 | <u>26,187,314</u>       | <u>24,969,670</u>       |
| Total assets limited as to use                 | 141,716,492             | 182,768,342             |
| Long-term investments                          |                         |                         |
| Unrestricted                                   | 716,198,172             | 600,431,525             |
| Temporarily restricted                         | 22,949,425              | 26,862,275              |
| Permanently restricted                         | <u>16,038,556</u>       | <u>16,507,038</u>       |
| Total long-term investments                    | 755,186,153             | 643,800,838             |
| Total investments and assets limited as to use | <u>\$ 1,078,459,199</u> | <u>\$ 1,008,118,923</u> |

Within the Statement of Operations, investment income is comprised of the following:

|                                         | <u>Year Ended June 30,</u> |                       |
|-----------------------------------------|----------------------------|-----------------------|
|                                         | 2012                       | 2011                  |
| Interest and dividend income            | \$ 13,285,552              | \$ 14,510,802         |
| Net realized gains                      | 10,177,482                 | 23,927,441            |
| Change in net unrealized (losses) gains | <u>(7,747,578)</u>         | <u>83,580,036</u>     |
|                                         | <u>\$ 15,715,456</u>       | <u>\$ 122,018,279</u> |

Health Services adheres to applicable accounting guidance for fair value measurements and defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

Health Services applies the following fair value hierarchy

- Level 1 Quoted prices in active markets for identical assets or liabilities Level 1 assets include money market funds, debt and equity securities that are traded in an active exchange market, as well as certain U S Treasury and other U S Governments and agency securities that are highly liquid and are actively traded in over-the counter markets
- Level 2 Observable inputs other than Level 1 such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the assets or liabilities Level 2 assets include equity, and fixed income managed funds, and swap arrangements with quoted prices that are traded less frequently than exchange-traded instruments whose value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities Level 3 assets include equity managed funds and investments held in trust by others whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement

Transfers between leveled assets are based on the actual date of the event which caused the transfer As of June 30, 2012 and 2011 there were no transfers between Level 1, 2, and 3

The following table presents the financial instruments carried at fair value as of June 30, 2012 in accordance with the fair value hierarchy

|                                                | Level 1        | Level 2        | Level 3       | Total            |
|------------------------------------------------|----------------|----------------|---------------|------------------|
| Investments and assets limited as to use       |                |                |               |                  |
| Money market funds                             | \$ 201,378,884 | \$ -           | \$ -          | \$ 201,378,884   |
| U S Government and agency securities           | 39,940,781     | 78,025,180     | -             | 117,965,961      |
| Corporate and other debt securities            | -              | 176,112,089    | -             | 176,112,089      |
| Equity securities                              | 356,184,254    | 151,203,887    | -             | 507,388,141      |
| Equity managed funds                           | -              | -              | 68,594,812    | 68,594,812       |
| Investments held in trust by others            | -              | -              | 7,019,312     | 7,019,312        |
| Total investments and assets limited as to use | 597,503,919    | 405,341,156    | 75,614,124    | 1,078,459,199    |
| Total assets at fair value                     | \$ 597,503,919 | \$ 405,341,156 | \$ 75,614,124 | \$ 1,078,459,199 |

**Christiana Care Health Services, Inc.**  
**Notes to Financial Statements**  
**June 30, 2012 and 2011**

The following table illustrates the change in Level 3 assets

|                                       | <b>Investments<br/>Held by Others</b> | <b>Equity<br/>Managed Funds</b> |
|---------------------------------------|---------------------------------------|---------------------------------|
| <b>Fair value July 1, 2011</b>        | \$ 7,487,794                          | \$ 57,760,812                   |
| Purchases                             | -                                     | 13,000,000                      |
| Realized (losses) gains               | (24,720)                              | 6,466                           |
| Net change in unrealized gains/losses | <u>(443,762)</u>                      | <u>(2,172,466)</u>              |
| <b>Fair value June 30, 2012</b>       | <u>\$ 7,019,312</u>                   | <u>\$ 68,594,812</u>            |

The following table presents the financial instruments carried at fair value as of June 30, 2011 in accordance with the fair value hierarchy

|                                                | <b>Level 1</b>        | <b>Level 2</b>        | <b>Level 3</b>       | <b>Total</b>            |
|------------------------------------------------|-----------------------|-----------------------|----------------------|-------------------------|
| Investments and assets limited as to use       |                       |                       |                      |                         |
| Money market funds                             | \$ 224,341,717        | \$ -                  | \$ -                 | \$ 224,341,717          |
| U S Government and agency securities           | 29,600,627            | 52,824,228            | -                    | 82,424,855              |
| Corporate and other debt securities            | -                     | 263,298,707           | -                    | 263,298,707             |
| Equity securities                              | 235,205,419           | 137,599,619           | -                    | 372,805,038             |
| Equity managed funds                           | -                     | -                     | 57,760,812           | 57,760,812              |
| Investments held in trust by others            | -                     | -                     | 7,487,794            | 7,487,794               |
| Total investments and assets limited as to use | <u>489,147,763</u>    | <u>453,722,554</u>    | <u>65,248,606</u>    | <u>1,008,118,923</u>    |
| Swap arrangements                              | -                     | 537,337               | -                    | 537,337                 |
| Total assets at fair value                     | <u>\$ 489,147,763</u> | <u>\$ 454,259,891</u> | <u>\$ 65,248,606</u> | <u>\$ 1,008,656,260</u> |

The following table illustrates the change in Level 3 assets

|                                       | <b>Investments<br/>Held by Others</b> | <b>Equity<br/>Managed Funds</b> |
|---------------------------------------|---------------------------------------|---------------------------------|
| <b>Fair value July 1, 2010</b>        | \$ 6,740,609                          | \$ -                            |
| Purchases                             | -                                     | 54,500,000                      |
| Realized gains                        | 172,243                               | 447,848                         |
| Net change in unrealized gains/losses | <u>574,942</u>                        | <u>2,812,964</u>                |
| <b>Fair value June 30, 2011</b>       | <u>\$ 7,487,794</u>                   | <u>\$ 57,760,812</u>            |

**Christiana Care Health Services, Inc.**  
**Notes to Financial Statements**  
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**4. Property and Equipment**

A summary of property and equipment at June 30, 2012 and 2011 is as follows

|                                     | <b>2012</b>                  | <b>2011</b>                  |
|-------------------------------------|------------------------------|------------------------------|
| Land and land improvements          | \$ 62,120,100                | \$ 40,087,383                |
| Land held for future use            | -                            | 20,360,888                   |
| Buildings and building improvements | 803,734,156                  | 785,191,357                  |
| Equipment                           | <u>557,896,313</u>           | <u>596,023,399</u>           |
|                                     | 1,423,750,569                | 1,441,663,027                |
| Accumulated depreciation            | <u>(882,735,054)</u>         | <u>(886,501,819)</u>         |
|                                     | 541,015,515                  | 555,161,208                  |
| Construction-in-progress            | <u>135,271,074</u>           | <u>75,557,003</u>            |
|                                     | <u><u>\$ 676,286,589</u></u> | <u><u>\$ 630,718,211</u></u> |

Depreciation expense amounted to \$74,765,177 and \$73,835,039 in 2012 and 2011, respectively. In 2012 and 2011, Health Services incurred total interest costs of \$7,808,155 and \$4,330,645, respectively, of which \$5,943,113 in 2012 and \$2,224,187 in 2011 has been capitalized. At June 30, 2012 construction contracts of \$217,428,789 exist for various expansion and other facility improvements. The remaining commitment on these contracts was \$124,767,766. Included in the remaining commitment is \$119,687,325 for the Wilmington Hospital Campus and Middletown Campus expansions. Wilmington Hospital construction is expected to be completed in 2014, and the Middletown expansion is expected to be completed in 2013. At June 30, 2012 and 2011, \$10,065,865 and \$3,595,784, respectively, of property and equipment purchases had not been paid and accordingly, were accrued in other accrued expenses and current liabilities.

**5. Other Assets**

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

|                                   | <b>2012</b>                 | <b>2011</b>                 |
|-----------------------------------|-----------------------------|-----------------------------|
| Beneficial interest in the System | \$ 33,150,425               | \$ 33,024,253               |
| Deferred financing costs          | 2,336,670                   | 2,551,764                   |
| Long term deposits                | 1,400,000                   | 1,400,000                   |
| Value of interest rate swap       | -                           | 537,337                     |
| Goodwill                          | 1,015,805                   | 1,015,805                   |
| Other                             | 18,347,273                  | 16,386,163                  |
| Assets held for sale              | <u>1,751,206</u>            | <u>1,736,877</u>            |
|                                   | <u><u>\$ 58,001,379</u></u> | <u><u>\$ 56,652,199</u></u> |

During the 2010 fiscal year Health Services committed to a plan to sell the property and equipment at the Riverside Health Care Center (Note 17). The carrying value of this property and equipment, which approximates its fair value less costs to sell, is separately presented within other assets in the balance sheet.

**Christiana Care Health Services, Inc.**  
**Notes to Financial Statements**  
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**6. Temporarily and Permanently Restricted Net Assets**

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

|                                                  | <b>2012</b>          | <b>2011</b>          |
|--------------------------------------------------|----------------------|----------------------|
| Health care services                             | \$ 6,020,925         | \$ 6,445,807         |
| Purchases of buildings and equipment             | 29,689,006           | 33,713,309           |
| Education, research, and other operational needs | <u>13,516,787</u>    | <u>12,854,280</u>    |
|                                                  | <u>\$ 49,226,718</u> | <u>\$ 53,013,396</u> |

Permanently restricted net assets consist of the following at June 30, 2012 and 2011

|                                     | <b>2012</b>          | <b>2011</b>          |
|-------------------------------------|----------------------|----------------------|
| Investments held in perpetuity      | \$ 15,892,376        | \$ 15,892,376        |
| Investments held in trust by others | <u>7,019,312</u>     | <u>7,487,794</u>     |
|                                     | <u>\$ 22,911,688</u> | <u>\$ 23,380,170</u> |

**7. Endowments**

Health Services' endowment consists of approximately eight individual donor restricted endowment funds and one board-designated endowment fund for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. The net assets associated with endowment funds including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

Health Services has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Health Services classifies as permanently restricted net assets, (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure on an annual basis by the Board of Directors of Health Services in a manner consistent with the standard of prudence prescribed by UPMIFA.

**Christiana Care Health Services, Inc.**  
**Notes to Financial Statements**  
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Endowment net asset composition by type of fund as of June 30, 2012 and 2011

|                        | <b>Unrestricted</b>  | <b>Temporarily<br/>Restricted</b> | <b>Permanently<br/>Restricted</b> | <b>Total</b>         |
|------------------------|----------------------|-----------------------------------|-----------------------------------|----------------------|
|                        | <b>2012</b>          |                                   |                                   |                      |
| <b>Endowment funds</b> |                      |                                   |                                   |                      |
| Donor-restricted       | \$ -                 | \$ 14,410,582                     | \$ 9,019,244                      | \$ 23,429,826        |
| Board-designated       | 26,187,314           | -                                 | -                                 | 26,187,314           |
| Total endowment funds  | <u>\$ 26,187,314</u> | <u>\$ 14,410,582</u>              | <u>\$ 9,019,244</u>               | <u>\$ 49,617,140</u> |
|                        | <b>2011</b>          |                                   |                                   |                      |
| <b>Endowment funds</b> |                      |                                   |                                   |                      |
| Donor-restricted       | \$ -                 | \$ 15,116,675                     | \$ 9,019,244                      | \$ 24,135,919        |
| Board-designated       | 24,969,670           | -                                 | -                                 | 24,969,670           |
| Total endowment funds  | <u>\$ 24,969,670</u> | <u>\$ 15,116,675</u>              | <u>\$ 9,019,244</u>               | <u>\$ 49,105,589</u> |

Changes in endowment net assets for the year ended June 30, 2012 and 2011

|                                                   | <b>Unrestricted</b>  | <b>Temporarily<br/>Restricted</b> | <b>Permanently<br/>Restricted</b> | <b>Total</b>         |
|---------------------------------------------------|----------------------|-----------------------------------|-----------------------------------|----------------------|
| <b>Endowment net assets, July 1, 2011</b>         | \$ 24,969,670        | \$ 15,116,675                     | \$ 9,019,244                      | \$ 49,105,589        |
| Investment income                                 | 1,217,644            | 140,561                           | -                                 | 1,358,205            |
| Appropriation of endowment assets for expenditure | -                    | (846,654)                         | -                                 | (846,654)            |
| <b>Endowment net assets, June 30, 2012</b>        | <u>\$ 26,187,314</u> | <u>\$ 14,410,582</u>              | <u>\$ 9,019,244</u>               | <u>\$ 49,617,140</u> |
| <b>Endowment net assets, July 1, 2010</b>         | \$ 20,046,178        | \$ 15,598,804                     | \$ 9,019,244                      | \$ 44,664,226        |
| Investment income                                 | 4,923,492            | 628,054                           | -                                 | 5,551,546            |
| Appropriation of endowment assets for expenditure | -                    | (1,110,183)                       | -                                 | (1,110,183)          |
| <b>Endowment net assets, June 30, 2011</b>        | <u>\$ 24,969,670</u> | <u>\$ 15,116,675</u>              | <u>\$ 9,019,244</u>               | <u>\$ 49,105,589</u> |

**Description of Amounts classified as Permanently Restricted Net Assets and Temporarily Restricted Net Assets (Endowments Only)**

|                                          | <b>2012</b>          | <b>2011</b>          |
|------------------------------------------|----------------------|----------------------|
| <b>Temporarily restricted net assets</b> |                      |                      |
| Restricted for indigent care             | \$ 5,849,379         | \$ 6,293,064         |
| Restricted for building and maintenance  | 5,260,732            | 5,459,375            |
| Restricted for program support           | 3,300,471            | 3,364,236            |
| Total temporarily restricted net assets  | <u>\$ 14,410,582</u> | <u>\$ 15,116,675</u> |
| <b>Permanently restricted net assets</b> |                      |                      |
| Restricted for salary support            | \$ 1,082,166         | \$ 1,082,166         |
| Restricted for program support           | 7,937,078            | 7,937,078            |
| Total permanently restricted net assets  | <u>\$ 9,019,244</u>  | <u>\$ 9,019,244</u>  |

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

### Endowment Funds With Deficits

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the initial and subsequent donor gift amounts (deficit). When donor-restricted endowment deficits exist, they are classified as a reduction of unrestricted net assets. There were no deficits of this nature reported in unrestricted net assets as of June 30, 2012 and June 30, 2011.

### Strategies Employed for Achieving Investment Objectives

To achieve its long-term rate of return objectives, Health Services relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized gains) and current yield (interest and dividends). Health Services targets a diversified asset allocation that places greater emphasis on equity-based investments to achieve its long-term objectives within prudent risk constraints.

## 8. Debt

Health Services debt at June 30, 2012 and 2011 consisted of the following:

|                                                       | Interest rates | Final Maturity | 2012                  | 2011                  |
|-------------------------------------------------------|----------------|----------------|-----------------------|-----------------------|
| Series 2010 Revenue Bonds                             |                |                |                       |                       |
| 2010A                                                 | 4.00% to 5.00% | 2040           | \$ 73,000,000         | \$ 73,000,000         |
| 2010B                                                 | variable       | 2040           | 75,000,000            | 75,000,000            |
| 2010C                                                 | variable       | 2040           | 25,000,000            | 25,000,000            |
| 2010D                                                 | 2.44%          | 2020           | 10,335,000            | 10,335,000            |
| 2010E                                                 | 3.01%          | 2025           | 16,860,000            | 16,860,000            |
| Series 2009 Revenue Bonds                             | 2.95%          | 2015           | 20,905,000            | 25,570,000            |
| Series 2008 Revenue Bonds                             |                |                |                       |                       |
| 2008A                                                 | variable       | 2038           | 55,000,000            | 55,000,000            |
| 2008B                                                 | variable       | 2038           | 25,000,000            | 25,000,000            |
| Series 2003 Revenue Bonds                             | 3.80% to 5.25% | 2015           | 17,130,000            | 20,880,000            |
|                                                       |                |                | <u>318,230,000</u>    | <u>326,645,000</u>    |
| Unamortized premium                                   |                |                | 1,578,513             | 1,775,871             |
| Current maturities                                    |                |                | (8,860,000)           | (8,415,000)           |
| Long-term variable rate debt<br>classified as current |                |                | <u>(180,000,000)</u>  | <u>(180,000,000)</u>  |
|                                                       |                |                | <u>\$ 130,948,513</u> | <u>\$ 140,005,871</u> |

The Series 2010 Revenue Bonds consist of \$73,000,000 of fixed rate revenue bonds (Series 2010A Bonds), \$75,000,000 of variable rate revenue bonds (Series 2010B Bonds), and \$25,000,000 of variable rate revenue bonds (Series 2010C Bonds), collectively the Series 2010A/B/C Bonds, \$10,335,000 of fixed rate revenue bonds (Series 2010D Bonds) and \$16,860,000 of fixed rate revenue bonds (Series 2010E Bonds). The Series 2010A/B/C Bonds along with the Series 2010D Bonds and the Series 2010E Bonds are referred to as the "2010 bond issuance."

The proceeds from the 2010 bond issuance is primarily used to finance or reimburse Health Services for the construction and expansion of the Wilmington Hospital. The proceeds were deposited into a construction fund as designated by the Bond Trustee (Note 3).

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

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The 2010B Bonds and 2010C Bonds bear interest at a variable rate as determined by a remarketing agent, reset on a weekly and monthly basis, respectively. Interest rates ranged from 0.03% to 0.24% for the Series 2010B Bonds and from 0.11% to 0.25% for the Series 2010C Bonds.

The Series 2009 Revenue Bonds were issued through a direct placement with a bank and consist of \$30,000,000 of fixed rate bonds.

The Series 2008A Bonds bear interest at a variable rate, as determined by a remarketing agent, reset on a daily basis. The Series 2008B Bonds bear interest at a variable rate, as determined by a remarketing agent, reset on a weekly basis. The rates for the Series 2008 Bonds ranged from 0.01% to 0.26% during 2012 and 0.03% to 0.32% during 2011.

Health Services is obligated to purchase any Series 2010B Bonds, Series 2010C Bonds and Series 2008 Bonds not remarketed. The Series 2010B Bonds, Series 2010C Bonds and Series 2008 Bonds are classified as a current liability on the June 30, 2012 and June 30, 2011 balance sheets. In the event the Series 2010B Bonds, Series 2010C Bonds and Series 2008 Bonds are not remarketed, Health Services would use available cash and investments to meet the obligations. Assuming the remarketing of the Series 2010B Bonds, Series 2010C Bonds and Series 2008 Bonds scheduled maturities are as follows:

|            |                       |
|------------|-----------------------|
| 2013       | \$ 8,860,000          |
| 2014       | 9,330,000             |
| 2015       | 9,815,000             |
| 2016       | 10,030,000            |
| 2017       | 7,735,000             |
| Thereafter | 272,460,000           |
|            | <u>\$ 318,230,000</u> |

### Long-Term Debt Obligations

The fair value of long-term debt is based on quoted market prices or estimated using discounted cash flow analyses. The fair value of Health Services long-term debt is \$324,211,541 and \$326,678,818 at June 30, 2012 and 2011, respectively.

### Defeasance

As of June 30, 2012 and 2011, \$7,690,000 and \$8,700,000, respectively, of advance refunded bonds, which are considered defeased, remain outstanding. The defeasances were accomplished by depositing sufficient funds in an irrevocable escrow account held by a bank trustee. The escrowed account will be used to satisfy all principal and interest requirements relating to the defeasance of the bonds. Health Services was legally released as the primary obligor of the defeased bonds and, accordingly, the obligation to repay these bonds is no longer included in the balance sheets.

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

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### 9. Interest Rate Swap Agreement

In conjunction with the issuance of the Series 2008 Bonds, Health Services entered into an interest rate swap agreement for a notional amount of \$25,000,000 with a financial institution to reduce Health Services' overall interest expense. Under the interest rate swap agreement, Health Services receives payments from the financial institution in the amount of 67% of one month LIBOR. In exchange, Health Services will pay the financial institution a fixed rate. The fair value of the interest rate swap represented a liability of \$3,064,048 at June 30, 2012 recorded within other liabilities and an asset of \$537,337 at June 30, 2011 recorded within other assets. The change in the fair value of the interest rate swap of \$(3,601,385) is recorded as a component of other gains within the statement of operations.

### 10. Commitments and Contingencies

#### Leases

Health Services has various leases for office facilities and other equipment under both cancelable and noncancelable operating leases. Total related lease expense amounted to \$11,071,555 and \$8,725,123 in 2012 and 2011 respectively. Future minimum lease payments under noncancelable operating leases are as follows:

|            |              |
|------------|--------------|
| 2013       | \$ 9,351,758 |
| 2014       | 6,790,028    |
| 2015       | 4,098,125    |
| 2016       | 2,576,137    |
| 2017       | 1,713,386    |
| Thereafter | 2,151,615    |

#### Litigation

Health Services is a defendant in several matters of litigation, all in the ordinary course of conducting business. Management believes the ultimate outcome of these matters will not have a material effect on Health Services' financial position or results of operations.

#### Commitment

In June 2010 Health Services entered into a ten-year agreement with a vendor to provide information technology remote hosting services. Payments under this commitment will total \$34,259,592. At June 30, 2012 the remaining commitment is \$25,061,109, of which \$3,132,125 will be paid in 2013.

### 11. Employee Benefit Plans

#### Pension Plans

Health Services sponsors a noncontributory defined benefit pension plan covering substantially all eligible employees hired on or before August 13, 2006. Employees hired after that date are participants in a defined contribution plan. Contributions to the pension plan are based on the minimum amount required by the Employee Retirement Income Security Act of 1974.

Retirement benefits are paid based principally on years of service and salary. Pension plan assets consist primarily of corporate bonds, notes, U.S. government obligations, and common stocks.

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**Postretirement Benefits**

Health Services provides postretirement health care benefits to eligible employees and their dependents

The following table sets forth the components of the benefit obligations, plan assets, and funding status of the plan based on actuarial valuations performed as of June 30, 2012 and June 30, 2011

|                                                                                      | <b>Pension Benefits</b> |                        | <b>Postretirement Benefits</b> |                        |
|--------------------------------------------------------------------------------------|-------------------------|------------------------|--------------------------------|------------------------|
|                                                                                      | <b>2012</b>             | <b>2011</b>            | <b>2012</b>                    | <b>2011</b>            |
| <b>Change in benefit obligation</b>                                                  |                         |                        |                                |                        |
| Benefit obligation at beginning of year                                              | \$ 598,900,924          | \$ 586,712,273         | \$ 75,027,590                  | \$ 75,379,077          |
| Service cost                                                                         | 25,846,214              | 27,258,861             | 1,953,349                      | 1,218,615              |
| Interest cost                                                                        | 32,026,774              | 30,795,416             | 3,705,124                      | 3,757,531              |
| Actuarial loss (gain)                                                                | 141,508,192             | (25,302,990)           | 21,888,016                     | (2,349,414)            |
| Retiree contributions                                                                | -                       | -                      | 586,395                        | 541,501                |
| Benefits paid                                                                        | (27,871,130)            | (20,562,636)           | (3,840,433)                    | (3,519,720)            |
| Benefit obligation at end of year                                                    | <u>\$ 770,410,974</u>   | <u>\$ 598,900,924</u>  | <u>\$ 99,320,041</u>           | <u>\$ 75,027,590</u>   |
| <b>Change in Plan assets</b>                                                         |                         |                        |                                |                        |
| Fair value of Plan assets at beginning of year                                       | \$ 500,977,223          | \$ 385,994,319         | \$ -                           | \$ -                   |
| Actual return on Plan assets (net of expenses)                                       | 73,682,820              | 83,545,540             | -                              | -                      |
| Employer contributions                                                               | 28,350,000              | 52,000,000             | 3,254,038                      | 2,978,219              |
| Retiree contributions                                                                | -                       | -                      | 586,395                        | 541,501                |
| Benefits paid                                                                        | (27,871,130)            | (20,562,636)           | (3,840,433)                    | (3,519,720)            |
| Fair value of Plan assets at end of year                                             | <u>\$ 575,138,913</u>   | <u>\$ 500,977,223</u>  | <u>\$ -</u>                    | <u>\$ -</u>            |
| <b>Reconciliation of funded status to net amount recognized in the balance sheet</b> |                         |                        |                                |                        |
| Amounts recorded as accrued liabilities                                              |                         |                        |                                |                        |
| Funded status                                                                        | <u>\$ (195,272,061)</u> | <u>\$ (97,923,701)</u> | <u>\$ (99,320,041)</u>         | <u>\$ (75,027,590)</u> |
| Current liabilities                                                                  | -                       | -                      | (4,237,054)                    | (3,875,000)            |
| Noncurrent liabilities                                                               | <u>(195,272,061)</u>    | <u>(97,923,701)</u>    | <u>(95,082,987)</u>            | <u>(71,152,590)</u>    |
| Accrued liability                                                                    | (195,272,061)           | (97,923,701)           | (99,320,041)                   | (75,027,590)           |
| Amounts recorded within unrestricted net assets                                      |                         |                        |                                |                        |
| Unrecognized prior service cost                                                      | 960,875                 | 1,244,319              | (689,903)                      | (1,463,766)            |
| Unassigned actuarial loss or (gain)                                                  | <u>150,806,297</u>      | <u>61,044,070</u>      | <u>13,297,649</u>              | <u>(9,217,597)</u>     |
| Net amount recognized at year end                                                    | <u>\$ (43,504,889)</u>  | <u>\$ (35,635,312)</u> | <u>\$ (86,712,295)</u>         | <u>\$ (85,708,953)</u> |
| <b>Accumulated benefit obligation</b>                                                | <u>\$ 673,383,587</u>   | <u>\$ 510,388,439</u>  | <u>\$ -</u>                    | <u>\$ -</u>            |

|                                                                                      | <b>Pension Benefits</b> |             | <b>Postretirement Benefits</b> |             |
|--------------------------------------------------------------------------------------|-------------------------|-------------|--------------------------------|-------------|
|                                                                                      | <b>2012</b>             | <b>2011</b> | <b>2012</b>                    | <b>2011</b> |
| <b>Weighted-average assumptions used to determine benefit obligations at June 30</b> |                         |             |                                |             |
| Discount rate                                                                        | 3.875 %                 | 5.500 %     | 3.875 %                        | 5.250 %     |
| Rate of compensation increase                                                        | 2.500 %                 | 4.000 %     | -                              | -           |

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|                                                                                 | <b>Pension Benefits</b> |                        | <b>Postretirement Benefits</b> |                     |
|---------------------------------------------------------------------------------|-------------------------|------------------------|--------------------------------|---------------------|
|                                                                                 | <b>2012</b>             | <b>2011</b>            | <b>2012</b>                    | <b>2011</b>         |
| <b>Components of net periodic benefit cost</b>                                  |                         |                        |                                |                     |
| Service cost                                                                    | \$ 25,846,214           | \$ 27,258,861          | \$ 1,953,349                   | \$ 1,218,615        |
| Interest cost                                                                   | 32,026,774              | 30,795,416             | 3,705,124                      | 3,757,531           |
| Expected return on plan assets                                                  | (27,965,970)            | (29,303,210)           | -                              | -                   |
| Amortization of prior service cost (credit)                                     | 283,444                 | 283,444                | (773,863)                      | (943,968)           |
| Recognized actuarial loss (gain)                                                | 6,029,115               | 9,054,553              | (627,230)                      | (224,749)           |
| Net periodic benefit cost                                                       | <u>36,219,577</u>       | <u>38,089,064</u>      | <u>4,257,380</u>               | <u>3,807,429</u>    |
| <b>Other changes in pension liability recognized in unrestricted net assets</b> |                         |                        |                                |                     |
| Net actuarial loss (gain)                                                       | 95,791,342              | (79,545,320)           | 21,888,016                     | (2,349,414)         |
| Amortization of (gain) loss                                                     | (6,029,115)             | (9,054,553)            | 627,230                        | 224,749             |
| Amortization of prior service (cost) credit                                     | (283,444)               | (283,444)              | 773,863                        | 943,968             |
| Total recognized in unrestricted net assets                                     | <u>89,478,783</u>       | <u>(88,883,317)</u>    | <u>23,289,109</u>              | <u>(1,180,697)</u>  |
| Total recognized in net benefit cost and unrestricted net assets                | <u>\$ 125,698,360</u>   | <u>\$ (50,794,253)</u> | <u>\$ 27,546,489</u>           | <u>\$ 2,626,732</u> |

|                                                                                                             | <b>Pension Benefits</b> |             | <b>Postretirement Benefits</b> |             |
|-------------------------------------------------------------------------------------------------------------|-------------------------|-------------|--------------------------------|-------------|
|                                                                                                             | <b>2012</b>             | <b>2011</b> | <b>2012</b>                    | <b>2011</b> |
| <b>Weighted-average assumptions used to determine net periodic benefit cost at beginning of fiscal year</b> |                         |             |                                |             |
| Discount rate                                                                                               | 5.500 %                 | 5.375 %     | 5.250 %                        | 5.250 %     |
| Expected return on plan assets                                                                              | 6.500 %                 | 7.750 %     | -                              | -           |
| Rate of compensation increase                                                                               | 4.000 %                 | 4.040 %     | -                              | -           |

Health Services expects to recognize approximately \$ 18,109,704 of expense for pension benefits and approximately \$ 515,413 of expense for postretirement benefits during the year ending June 30, 2013 related to amortization of net losses and prior service cost.

The expected rate of return on plan assets assumption was developed based on historical returns for the major asset classes. This review also considered both current market conditions and projected future contributions.

Health Services utilizes published long-term high quality corporate bond indices to determine the discount rate at measurement date. Where commonly available, Health Services considers indices of various durations to reflect the timing of future benefit payments.

**Plan Assets**

Pension plan weighted average asset allocations at June 30, 2012 and June 30, 2011 by asset category are as follows:

| <b>Asset Category</b> | <b>2012</b>  | <b>2011</b>  |
|-----------------------|--------------|--------------|
| Equities              | 32 %         | 35 %         |
| Fixed income          | 68           | 65           |
|                       | <u>100 %</u> | <u>100 %</u> |

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

The plan assets are invested among and within various asset classes in order to achieve sufficient diversification in accordance with Health Services risk tolerance. This is achieved through the utilization of asset managers and systematic allocation to investment management styles, providing exposure to different segments of the fixed income and equity markets.

The following table represents the Plan's financial instruments as of June 30, 2012, measured at fair value on a recurring basis using the fair value hierarchy defined in Note 3.

|                                      | Level 1               | Level 2               | Level 3              | Total                 |
|--------------------------------------|-----------------------|-----------------------|----------------------|-----------------------|
| Money market funds                   | \$ 20,318,239         | \$ -                  | \$ -                 | \$ 20,318,239         |
| U S Government and agency securities | 62,383,159            | -                     | -                    | 62,383,159            |
| Corporate and other debt securities  | -                     | 291,929,838           | -                    | 291,929,838           |
| Equity securities                    | 96,524,033            | 76,495,678            | -                    | 173,019,711           |
| Equity managed funds                 | -                     | -                     | 27,487,966           | 27,487,966            |
|                                      | <u>\$ 179,225,431</u> | <u>\$ 368,425,516</u> | <u>\$ 27,487,966</u> | <u>\$ 575,138,913</u> |

The following table illustrates the change in Level 3 assets:

|                                       | Equity<br>Managed Funds |
|---------------------------------------|-------------------------|
| <b>Fair value July 1, 2011</b>        | \$ 23,090,829           |
| Purchases                             | 5,267,755               |
| Net change in unrealized gains/losses | <u>(870,618)</u>        |
| <b>Fair value June 30, 2012</b>       | <u>\$ 27,487,966</u>    |

### Contributions

In May 2012, Health Services contributed \$27,900,000 to the pension plan in advance of the expected September, 2012 required contribution. Health Services expects to contribute approximately \$24,600,000 to the pension plan and \$4,237,054 to the postretirement benefit plan during the fiscal year ending June 30, 2013. The actual pension plan contribution may be higher or lower depending on interest rates, pension plan asset values, and legislated funding requirements.

### Estimated Future Benefit Payments

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

**Christiana Care Health Services, Inc.**  
**Notes to Financial Statements**  
**June 30, 2012 and 2011**

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|            | <b>Pension<br/>Benefits</b> | <b>Postretirement<br/>Benefits</b> |
|------------|-----------------------------|------------------------------------|
| 2013       | \$ 37,315,299               | \$ 4,237,054                       |
| 2014       | 36,860,240                  | 4,616,172                          |
| 2015       | 38,405,248                  | 4,993,564                          |
| 2016       | 40,555,053                  | 5,236,921                          |
| 2017       | 43,212,264                  | 5,466,779                          |
| Thereafter | 243,344,755                 | 29,865,551                         |

An 8.0% annual rate of increase in the per capita cost of covered health care benefits was assumed for June 30, 2012, the rate was assumed to decrease gradually to 5% for the fiscal year 2018 and remain at that level thereafter.

|                                             | <b>1-Percentage<br/>Point<br/>Increase</b> | <b>1-Percentage<br/>Point<br/>Decrease</b> |
|---------------------------------------------|--------------------------------------------|--------------------------------------------|
| Effect on total service and interest cost   | \$ 946,380                                 | \$ (766,395)                               |
| Effect on postretirement benefit obligation | 13,753,163                                 | (11,392,915)                               |

**Defined Contribution Retirement Plan**

Health Services sponsors a defined contribution retirement plan for all employees hired after August 13, 2006. Eligible employees in Health Service's noncontributory defined benefit pension plan also had the one-time choice to switch to the defined contribution retirement plan effective January 1, 2007. Under the plan, Health Services contributes a percent of compensation quarterly based on an employee's years of vesting service. The employees vest in the employer contributions over a three-year period beginning on the employee's hire date. The expense incurred by Health Services for the year ended June 30, 2012 and June 30, 2011 was \$6,335,774 and \$5,256,382, respectively.

**Deferred Compensation Plan**

Health Services maintains a Tax-Deferred Annuity Plan for all employees. Under the plan, Health Services accumulates employee contributions which are transferred to and invested by various trustees. Health Services contributes 50% of the employee contributions up to a maximum of 3% of an employee's salary. Contributions for the year ended June 30, 2012 and 2011 were \$9,972,814 and \$9,492,688, respectively.

**12. Self Insurance Liabilities**

Health Services maintains self-insurance programs for medical malpractice and worker's compensation claims. The medical malpractice program provides for a self-insured retention of \$3,500,000 per claim and \$14,000,000 annual aggregate. The limit of excess coverage is \$25,000,000 per year for the System and all subsidiaries.

Actuarially determined accruals for asserted and unasserted medical malpractice and worker's compensation claims at June 30, 2012 and 2011 amounted to \$37,801,633 and \$38,419,556, respectively. This liability represents the undiscounted estimated value of malpractice and worker's

# Christiana Care Health Services, Inc.

## Notes to Financial Statements

June 30, 2012 and 2011

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compensation claims that will be settled in the future based on anticipated payout patterns. Total expense incurred for medical malpractice and worker's compensation costs was \$9,598,557 in 2012 and \$(1,608,125) in 2011. During 2011 Health Services lowered the confidence level of the actuarially determined self insurance accruals from the 99<sup>th</sup> percentile to the 75<sup>th</sup> percentile. This adjustment is the result of improvements in the risk management processes within Health Services. Accordingly, in 2011, supplies and other expenses were reduced by \$10.6 million for the adjustment to medical malpractice accruals and employee benefits were reduced by \$2 million for the adjustment to workers compensation accruals.

### 13. Charity Care, Government Discounts, and Provision for Bad Debts

Health Services provides services to patients who meet the criteria of its charity service policy without charge or at amounts less than the established rates. Criteria for charity care considers the patient's family income, net worth, etc. Direct and indirect costs for these services amounted to \$28.1 million and \$27.2 million in 2012 and 2011, respectively. The costs of providing charity care services are based on a calculation which applies a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients.

In addition to charity services, the Medicaid program reimburses Health Services for services at amounts that are substantially less than the cost to provide such services. The difference between the cost to provide those services and the reimbursement from the Medicaid program was approximately \$24.1 million and \$24.4 million in 2012 and 2011, respectively.

Health Services also records a provision for bad debts, which represents management's estimate of patient accounts receivable that will not be collected even though the patient does not meet the charity care criteria. The provision for bad debts was \$31,482,070 and \$28,721,579 in 2012 and 2011, respectively.

### 14. Related Party Transactions

Health Services has provided certain administrative, professional, and technical services to the System, Health Initiatives, and CCHHCS, totaling \$7,877,830 and \$14,502,457 for the years ended June 30, 2012 and 2011, respectively. Included with other receivables are amounts due from affiliates of \$680,840 and \$2,167,572 at June 30, 2012 and 2011, respectively.

Included in long-term investments are funds held for the benefit of CCHHCS in the amount of \$7,861,928 and \$7,687,259 at June 30, 2012 and 2011, respectively. A corresponding amount due to CCHHCS is recorded within other liabilities at June 30, 2012 and 2011.

Health Services recorded transfers from affiliated organizations representing the book value of certain property and equipment and cash in the amount of \$4,076,652 and \$479,248 during the fiscal years ended June 30, 2012 and 2011, respectively. These transfers are recorded as a component of other changes in unrestricted net assets and are excluded from the excess of revenues over expenses.

### 15. Concentrations of Credit Risk

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

**Christiana Care Health Services, Inc.**  
**Notes to Financial Statements**  
**June 30, 2012 and 2011**

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|                          | 2012         | 2011         |
|--------------------------|--------------|--------------|
| Medicare                 | 26 %         | 27 %         |
| Medicaid                 | 16           | 14           |
| Blue Cross               | 16           | 14           |
| Other third-party payors | 26           | 27           |
| Patients                 | 16           | 18           |
|                          | <u>100 %</u> | <u>100 %</u> |

**16. Functional Expenses**

Health Services provides health care services to residents within its geographic location  
Expenses related to providing these services are as follows

|                            | 2012                    | 2011                    |
|----------------------------|-------------------------|-------------------------|
| Health care services       | \$ 1,145,446,580        | \$ 1,104,018,538        |
| General and administrative | <u>146,968,456</u>      | <u>128,002,275</u>      |
|                            | <u>\$ 1,292,415,036</u> | <u>\$ 1,232,020,813</u> |

**17. Discontinued Operations**

During the 2012 fiscal year, Health Services sold the business operations of Occupational Health Services (OHS) and abandoned the operations of All About Women of Christiana Care (AAWCC). During the 2012 fiscal year Health Services executed an agreement to sell the ownership of the OHS operation to a third party. The ownership was officially transferred in January 2012.

AAWCC is a subsidiary corporation of Health Services and was formed in November, 2005 to provide professional medical and surgical services for women needing specialized care in obstetrics and gynecology. AAWCC contracted with a group of physicians that provide professional services. During the 2012 fiscal year AAWCC and the principal physicians declined to renew the employment agreement effective July 1, 2012. AAWCC does not intend to operate in the future and all professional services ended on June 30, 2012.

During 2008, Health Services executed a definitive agreement to sell the ownership and management of the skilled nursing service at the Riverside Health Care Center to a third party. On August 1, 2008, Health Services sold the ownership and management of the skilled nursing service at the Riverside Health Care Center. The buyer operated the skilled nursing service at the Riverside Health Care Center location until the construction of a new facility was completed in November, 2009. At this time Health Services committed to a plan to sell the associated assets of the Riverside Health Center (Note 5). During 2011 Health Services revised its estimate of the fair value of the Riverside property. Accordingly, Health Services reduced the value of assets held for sale by \$3,616,301. This amount is recorded as a component of discontinued operations.

Below is a summary of the discontinued operations for the years ended June 30, 2012 and 2011

**Christiana Care Health Services, Inc.**  
**Notes to Financial Statements**  
**June 30, 2012 and 2011**

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|                                                         | <b>2012</b>         | <b>2011</b>           |
|---------------------------------------------------------|---------------------|-----------------------|
| Total unrestricted operating revenues and other support | \$ 8,869,820        | \$ 6,956,391          |
| Total operating expenses                                | <u>9,264,190</u>    | <u>10,572,692</u>     |
| Effect of discontinued operations                       | <u>\$ (394,370)</u> | <u>\$ (3,616,301)</u> |

Additional Data

Software ID:  
Software Version:  
EIN: 51-0103684  
Name: CHRISTIANA CARE HEALTH SERVICES INC

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

|                            |                |             |                        |                       |               |
|----------------------------|----------------|-------------|------------------------|-----------------------|---------------|
| 4d. Other program services |                |             |                        |                       |               |
| (Code                      | ) (Expenses \$ | 298,350,886 | including grants of \$ | 764,500 ) (Revenue \$ | 568,052,385 ) |
| OTHER PROGRAM SERVICES     |                |             |                        |                       |               |

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

| (A)<br>Name and Title                                | (B)<br>Average<br>hours<br>per<br>week | (C)<br>Position (check all<br>that apply) |                       |         |              |                                 |        | (D)<br>Reportable<br>compensation<br>from the<br>organization (W-<br>2/1099-MISC) | (E)<br>Reportable<br>compensation<br>from related<br>organizations<br>(W- 2/1099-<br>MISC) | (F)<br>Estimated<br>amount of other<br>compensation<br>from the<br>organization and<br>related<br>organizations |
|------------------------------------------------------|----------------------------------------|-------------------------------------------|-----------------------|---------|--------------|---------------------------------|--------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
|                                                      |                                        | Individual trustee<br>or director         | Institutional Trustee | Officer | Key employee | Highest compensated<br>employee | Former |                                                                                   |                                                                                            |                                                                                                                 |
| CAROL A AMMON<br>CHAIRMAN OF THE BOARD               | 2 0                                    | X                                         |                       | X       |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| DAVID P NICOLI<br>MEMBER                             | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| JOHN R COCHRAN III<br>MEMBER                         | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| DONEENE K DAMON ESQ<br>MEMBER                        | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| OMAR A KHAN MD MHS<br>MEMBER                         | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| ROBERT J LASKOWSKI MD<br>PRESIDENT & CEO, EX OFFICIO | 40 0                                   | X                                         |                       | X       |              |                                 |        | 2,211,770                                                                         | 0                                                                                          | 82,433                                                                                                          |
| LOLITA A LOPEZ<br>MEMBER                             | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| HON JOSHUA W MARTIN III<br>MEMBER                    | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| GORDON OSTRUM JR MD<br>EX OFFICIO MEMBER, VICE CHAIR | 4 0                                    | X                                         |                       | X       |              |                                 |        | 28,472                                                                            | 0                                                                                          | 1,604                                                                                                           |
| JOHN W SCHEFLEN ESQ<br>MEMBER                        | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| FRED C SEARS II<br>MEMBER                            | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| WILFRED B SHERK<br>MEMBER                            | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| JANICE TILDON BURTON MD<br>MEMBER                    | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| EDWARD K WISSING<br>MEMBER                           | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| PATRICK D HARKER PHD<br>MEMBER                       | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| MICHAEL R MILLER<br>MEMBER                           | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| LEO W RAISIS MD<br>MEMBER                            | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| W DONALD JOHNSON<br>MEMBER                           | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| ANN KAPPEL<br>EX OFFICIO MEMBER                      | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| ANAND P PANWALKER MD<br>EX OFFICIO MEMBER            | 1 0                                    | X                                         |                       | X       |              |                                 |        | 32,000                                                                            | 0                                                                                          | 0                                                                                                               |
| THEODORE G PLUSH<br>MEMBER                           | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| GARY M PFEIFFER<br>CHAIR                             | 1 0                                    | X                                         |                       | X       |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| BETTY J CAFFO PHD<br>MEMBER                          | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |
| ERIC T JOHNSON<br>MEMBER                             | 4 0                                    | X                                         |                       |         |              |                                 |        | 10,400                                                                            | 0                                                                                          | 796                                                                                                             |
| ARKADI KUHLMANN<br>MEMBER                            | 1 0                                    | X                                         |                       |         |              |                                 |        | 0                                                                                 | 0                                                                                          | 0                                                                                                               |

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

| (A)<br>Name and Title                                 | (B)<br>Average hours per week | (C)<br>Position (check all that apply) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>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 M MURRAY II<br>MEMBER                            | 1 0                           | X                                      |                       |         |              |                              |        | 0                                                                    | 0                                                                         | 0                                                                                             |
| MARK TYKOCINSKI MD<br>MEMBER                          | 1 0                           | X                                      |                       |         |              |                              |        | 0                                                                    | 0                                                                         | 0                                                                                             |
| THOMAS L CORRIGAN<br>SR VP FINANCE/CFO, OFF OF BRD    | 40 0                          |                                        |                       | X       |              |                              |        | 623,992                                                              | 0                                                                         | 46,428                                                                                        |
| GARY W FERGUSON<br>CHIEF OPER OFF, OFF OF BOARD       | 40 0                          |                                        |                       | X       |              |                              |        | 678,015                                                              | 0                                                                         | 128,373                                                                                       |
| WILLIAM J WADE<br>OFFICER OF BOARD                    | 1 0                           |                                        |                       | X       |              |                              |        | 0                                                                    | 0                                                                         | 0                                                                                             |
| BRENDA K PIERCE ESQ<br>CORP COUNSEL, OFFICER OF BOARD | 40 0                          |                                        |                       | X       |              |                              |        | 339,806                                                              | 0                                                                         | 46,044                                                                                        |
| JANICE NEVIN<br>SR VP AND ASSOC CMO                   | 40 0                          |                                        |                       |         | X            |                              |        | 483,139                                                              | 0                                                                         | 85,246                                                                                        |
| DIANE TALAREK<br>SR VP OF PATIENT CARE SERVICES       | 40 0                          |                                        |                       |         | X            |                              |        | 351,735                                                              | 0                                                                         | 55,783                                                                                        |
| RAY SEIGFRIED<br>SR VP, ADMINISTRATION                | 40 0                          |                                        |                       |         | X            |                              |        | 263,742                                                              | 0                                                                         | 44,808                                                                                        |
| JAMES H NEWMAN MD<br>CHIEF MEDICAL OFFICER            | 40 0                          |                                        |                       |         | X            |                              |        | 540,798                                                              | 0                                                                         | 119,842                                                                                       |
| AUDREY VAN LUVEN<br>SENIOR VP & CHIEF HR OFFICER      | 40 0                          |                                        |                       |         | X            |                              |        | 398,086                                                              | 0                                                                         | 39,596                                                                                        |
| TIMOTHY GARDNER<br>MEDICAL DIRECTOR, HVIS             | 40 0                          |                                        |                       |         |              | X                            |        | 675,122                                                              | 0                                                                         | 43,772                                                                                        |
| NICHOLAS PETRELLI MD<br>MEDICAL DIRECTOR, CANCER      | 40 0                          |                                        |                       |         |              | X                            |        | 633,782                                                              | 0                                                                         | 50,546                                                                                        |
| WILLIAM WEINTRAUB<br>SECTION CHIEF, CARDIOLOGY        | 40 0                          |                                        |                       |         |              | X                            |        | 578,753                                                              | 0                                                                         | 67,737                                                                                        |
| MICHAEL BANBURY<br>CHIEF, CARDIAC SURGERY             | 40 0                          |                                        |                       |         |              | X                            |        | 1,003,079                                                            | 0                                                                         | 56,159                                                                                        |
| MARK BOROWSKY MD<br>PHYSICIAN                         | 40 0                          |                                        |                       |         |              | X                            |        | 592,129                                                              | 0                                                                         | 44,924                                                                                        |
| BENJAMIN SHAW<br>FORMER SR VP OF HR                   | 0 0                           |                                        |                       |         |              |                              | X      | 137,270                                                              | 0                                                                         | 8,612                                                                                         |