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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 07-01-2011 and ending 06-30-2012

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

C Name of organization
Saint Francis Hospital Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
6600 S Yale Ave

City or town, state or country, and ZIP + 4
TULSA, OK 741363319

D Employer identification number
73-0700090

E Telephone number
(918) 502-8126

G Gross receipts $ 2,823,357,292

F Name and address of principal officer
Barry L Steichen
6600 S Yale Ave Suite 400
Tulsa, OK 741363319

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶ 0928

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ HTTP //WWW SFH-TULSA COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1960 | **M** State of legal domicile OK

Part I Summary

1 Briefly describe the organization's mission or most significant activities
to extend the presence and healing ministry of christ in all we do

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	3
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	1
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	6,163
6	Total number of volunteers (estimate if necessary)	**6**	741
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	492,259
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-1,159,195

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	3,344,550	842,523
	9 Program service revenue (Part VIII, line 2g)	740,160,835	811,307,906
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	21,420,703	-8,624,099
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	27,559,983	34,705,506
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	792,486,071	838,231,836
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	5,469,667	5,665,016
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	280,136,766	296,779,891
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	324,958,635	378,634,227
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	610,565,068	681,079,134
	19 Revenue less expenses Subtract line 18 from line 12	181,921,003	157,152,702

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	1,486,970,827	1,624,611,515
	21 Total liabilities (Part X, line 26)	331,788,528	337,487,936
	22 Net assets or fund balances Subtract line 21 from line 20	1,155,182,299	1,287,123,579

Part II Signature Block

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

Sign Here

▶ Signature of officer — 2013-05-13 Date

▶ Barry Steichen Treasurer
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ▶☐	Preparer's taxpayer identification number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ ERNST & YOUNG US LLP 41 SOUTH HIGH STREET SUITE 1100 COLUMBUS, OH 43215			EIN ▶ Phone no ▶ (614) 224-5678

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

TO EXTEND THE PRESENCE AND HEALING MINISTRY OF CHRIST IN ALL WE DO

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 $ 546,531,162 including grants of $ 5,665,016) (Revenue $ 833,365,201)

SAINT FRANCIS HOSPITAL HAS BEEN A MAJOR TERTIARY CARE CENTER FOR OKLAHOMA, SOUTHERN KANSAS, SOUTHWESTERN MISSOURI, AND WESTERN ARKANSAS FOR SEVERAL DECADES SAINT FRANCIS HOSPITAL IS LICENSED FOR 962 ADULT AND PEDIATRIC BEDS AND 40 BASSINETS IN FISCAL YEAR 2012, SAINT FRANCIS HOSPITAL RECEIVED APPROXIMATELY $239 MILLION IN REIMBURSEMENTS EQUALING 29 PERCENT OF SAINT FRANCIS HOSPITAL'S NET PATIENT REVENUE FOR SERVICES PROVIDED TO MEDICARE AND MEDICAID PROGRAM BENEFICIARIES SAINT FRANCIS HOSPITAL IS A DIVISION OF SAINT FRANCIS HEALTH SYSTEM, INC THE HEALTH SYSTEM PRODUCES AN ANNUAL COMMUNITY BENEFIT REPORT VALUING THE COST OF CHARITY SERVICES IN FISCAL YEAR 2012, THE COST TO COMMUNITY CONTRIBUTIONS PROVIDED TO SUPPORT VARIOUS PROGRAMS AND AGENCIES WHOSE MISSION AND VALUES ARE SIMILAR TO THOSE ESPOUSED BY THE SAINT FRANCIS HEALTH SYSTEM was $54,657,000 IN THE FALL OF 2004, SAINT FRANCIS HOSPITAL SET INTO PLACE PROVISIONS THAT WOULD INCREASE THE HOSPITAL'S ABILITY TO OFFER CHARITY CARE TO THOSE LESS FORTUNATE AND PROVIDE THOSE LACKING HEALTHCARE COVERAGE WITH DISCOUNTED CARE TO LESSEN THE BURDEN AND ANXIETY OFTEN CAUSED BY HEALTHCARE EXPENSES UNDER THE REVISED CHARITY CARE POLICY, INDIVIDUALS WHOSE GROSS ANNUAL INCOME IS EQUAL TO OR LESS THAN 225 PERCENT OF THE FEDERAL POVERTY LEVEL QUALIFY FOR FULL CHARITY CARE ASSISTANCE ALL PATIENTS LACKING HEALTHCARE INSURANCE, REGARDLESS OF THEIR PERSONAL INCOME LEVEL RECEIVE A 20 PERCENT DISCOUNT FROM BILLED CHARGES PATIENTS WHO QUALIFY UNDER THE CHARITY CARE POLICY RECEIVE A FULL WRITE-OFF OF ALL CHARGES BOTH INITIATIVES EXEMPLIFY THE HOSPITAL'S MISSION TO EXTEND THE PRESENCE AND HEALING MINISTRY OF CHRIST, WITH A PARTICULAR EMPHASIS ON THOSE MOST NEEDY OF HEALTH SERVICES IN NORTHEASTERN OKLAHOMA, AND its DESIRE TO WORK WITH THE COMMUNITY IN A SPIRIT OF COMPASSION AND HONESTY SAINT FRANCIS HOSPITAL IS A COMPREHENSIVE COMMUNITY RESOURCE FOR HEALTH CARE AND A CENTER OF EXCELLENCE FOR TREATING CANCER, HEART DISEASE, AND COMPLEX MEDICAL, SURGICAL, MATERNAL, AND PEDIATRIC PROBLEMS SINCE ITS INCEPTION THE HOSPITAL HAS STRIVED TO PROVIDE THE HIGHEST QUALITY OF CARE TO ALL FOR THE SEVENTEENTH CONSECUTIVE YEAR, IT WAS RECOGNIZED BY THE NATIONAL RESEARCH CORPORATION AS TULSA'S MOST PREFERRED HOSPITAL FOR OVERALL QUALITY AND IMAGE IN AN EFFORT TO MONITOR AND CONTINUALLY IMPROVE THE QUALITY OF CARE GIVEN TO PATIENTS, SAINT FRANCIS HAS ELECTED TO PARTICIPATE IN A VARIETY OF NATIONAL AND STATE QUALITY INITIATIVES INCLUDING PARTICIPATION IN THE CENTERS FOR MEDICARE AND MEDICAID NATIONAL QUALITY THESE EFFORTS FOCUS ON IMPROVING BOTH OUTCOMES (I E , MORTALITY AND COMPLICATIONS) AND CLINICAL PROCESSES (I E , MEDICATION ADMINISTRATION AND DISCHARGE INSTRUCTIONS) CARE FOR THE COMMUNITY IS PROVIDED THROUGH EDUCATION, INPATIENT AND OUTPATIENT SERVICES, AND THE USE OF AFFORDABLE HOME HEALTH AND HOSPICE SERVICES FOR PATIENTS RETURNING HOME ALL SERVICES ARE PROVIDED ON THE BASIS OF NEED WITHOUT CONSIDERATION FOR A PATIENT'S ABILITY TO PAY SAINT FRANCIS HOSPITAL EARNED ONE OF HEALTHCARE'S TOP HONORS IN 2012 FOR THE SECOND YEAR IN A ROW, HEALTHGRADES, THE LEADING INDEPENDENT HEALTHCARE RATING ORGANIZATION, RANKED SAINT FRANCIS HOSPITAL AS BEING IN THE TOP 5% OF HOSPITALS IN THE NATION FOR CLINICAL EXCELLENCE SAINT FRANCIS WAS ALSO AWARDED A PRESTIGIOUS FIVE STAR RATING IN NINE SPECIFIC AREAS THIS RATING IS GIVEN TO HEALTHCARE PROVIDERS WHO ARE RANKED IN THE TOP 10% NATIONWIDE IN SPECIFIC AREAS OF EXPERTISE SAINT FRANCIS HOSPITAL HAS ALWAYS KEPT IN ITS SIGHT ITS RESPONSIBILITY AS A PROVIDER OF CARING AND PERSONALIZED BENEFITS TO THE COMMUNITY EXTENSIVE RESOURCES ARE DEVOTED EACH YEAR TO ORGANIZING AND DELIVERING FREE AND SUBSIDIZED BENEFITS TO COMMUNITY RESIDENTS THESE INCLUDE HEALTH SERVICES, INFORMATION AND REFERRAL SERVICES, EDUCATIONAL SERVICES, SUPPORT SERVICES, AND SPONSORSHIP OF COMMUNITY EVENTS, WHICH ARE DETAILED BELOW HEALTH SERVICES TRAUMA EMERGENCY SERVICES THE TRAUMA EMERGENCY CENTER PROVIDED CARE TO OVER 91,000 PATIENTS DURING THE PAST FISCAL YEAR MANY OF THESE PATIENTS RECEIVED NEEDED EMERGENCY AND INPATIENT SERVICES DESPITE AN INABILITY TO PAY PHYSICIANS, THE TRAUMA EMERGENCY CENTER STAFF, AND THE INPATIENT STAFF PROVIDE THE HIGHEST QUALITY OF TRAUMA CARE FOR INJURED CHILDREN AND ADULTS FROM OKLAHOMA AND SURROUNDING STATES PHYSICIAN SPECIALISTS PROVIDE IMMEDIATE CONSULTATION OR CARE TO SERVICES PROVIDES EDUCATIONAL PROGRAMS, CONFERENCES, AND CONTINUING EDUCATION COURSES FOR PHYSICIANS, NURSES, PRE-HOSPITAL CARE PROVIDERS, AND FOR THE COMMUNITY THE ANNUAL TRAUMA SYMPOSIUM PROVIDES AN OPPORTUNITY FOR AREA PHYSICIANS, NURSES, AND EMERGENCY MEDICAL TECHNICIANS TO INTERACT WITH AND LEARN FROM NATIONALLY AND INTERNATIONALLY RECOGNIZED EXPERTS IN TRAUMA CARE INSTRUCTIONAL TOPICS PRESENTED BY TRAUMA EMERGENCY SERVICES STAFF MEMBERS, AND PHYSICIANS INCLUDE THE CARE OF ADULT AND PEDIATRIC TRAUMA VICTIMS, CARE OF CHILDREN IN EMERGENCY DEPARTMENTS, PRE-HOSPITAL TRIAGE AND SCENE SAFETY, AND TRAUMA PREVENTION TOPICS HENRY ZARROW NEONATAL INTENSIVE CARE UNIT SAINT FRANCIS HOSPITAL ESTABLISHED THE FIRST INTENSIVE CARE NURSERY FOR NEONATAL PATIENTS IN OKLAHOMA IN FISCAL YEAR 2012 THERE WERE OVER 740 ADMISSIONS THE CENTER IS A PROGRESSIVE REGIONAL NEWBORN INTENSIVE CARE UNIT WITH SERVICES SPECIFICALLY DESIGNED FOR BABIES BORN PREMATURELY OR WITH SERIOUS MEDICAL PROBLEMS THE CENTER IS A 58-BED UNIT WITH IN-HOUSE NEONATOLOGISTS AVAILABLE 24 HOURS A DAY, 7 DAYS A WEEK THE CENTER HAS EARNED A LEVEL IV DESIGNATION, THE HIGHEST RATING POSSIBLE FOR A NEONATAL INTENSIVE CARE UNIT, FROM THE RESIDENTS AND MEDICAL STUDENTS FROM THE UNIVERSITY OF OKLAHOMA COLLEGE OF MEDICINE/TULSA AND OKLAHOMA STATE UNIVERSITY COLLEGE OF MEDICINE DUE TO THE LARGE NUMBER OF MEDICAID AND UNINSURED PATIENTS, REIMBURSEMENT FOR SERVICES IN THE NICU IS LOW, HOWEVER, THE HOSPITAL CHOSE TO SPECIALIZE IN THE CARE OF HIGH-RISK INFANTS BECAUSE IT WAS AN UNMET NEED IN THE COMMUNITY AND ACCEPTED THE COST BURDEN SUCH TECHNOLOGY USUALLY BRINGS IN 2012 OPTUMHEALTH DESIGNATED THE HENRY ZARROW NEONATAL INTENSIVE CARE UNIT A CENTER OF EXCELLENCE FOR NEONATAL CARE, ONE OF ONLY TWO DESIGNATED NEONATAL CENTERS OF EXCELLENCE IN THE STATE OF OKLAHOMA THE CHILDREN'S HOSPITAL AT SAINT FRANCIS SAINT FRANCIS HOSPITAL ESTABLISHED THE CHILDREN'S HOSPITAL AT SAINT FRANCIS IN 1995 IN RESPONSE TO PHYSICIANS' REQUESTS TO CENTRALIZE PEDIATRIC SPECIALTY SERVICES AND FACILITIES FOR CHILDREN IN ONE HOSPITAL BY CREATING A "HOSPITAL WITHIN A HOSPITAL " A NEW, STATE-OF-THE-ART 104-BED FACILITY OPENED IN FEBRUARY 2008 IT WAS CREATED WITH YOUNGER PATIENTS IN MIND, PROVIDING A LARGER AND MORE "KID FRIENDLY" ATMOSPHERE FOR CHILDREN AND THEIR FAMILIES AS WELL AS IMPROVING ACCESS AND EFFICIENCY SINCE SAINT FRANCIS HAS THE MOST COMPREHENSIVE PEDIATRIC INTENSIVISTS IN EASTERN OKLAHOMA, THE PICU RECEIVES MOST OF THE ABUSED CHILDREN OR YOUNG TRAUMA VICTIMS IN THIS AREA THE CHILDREN'S ONCOLOGY CLINIC, THE ONLY SUCH FACILITY IN THE EASTERN HALF OF THE STATE, SEES MORE THAN 6,500 PATIENT VISITS A YEAR DIAGNOSING AN AVERAGE OF 65 NEW CASES OF PEDIATRIC CANCER EACH YEAR THE CHILDRENS HOSPITAL AS A WHOLE ADMITTED APPROXIMATELY 8,000 CHILDREN ANNUALLY ALL PATIENTS ARE TREATED WITHOUT REGARD FOR A FAMILY'S ABILITY TO PAY OVER 63 9% OF THE CHILDREN CURRENTLY TREATED AT THE CHILDREN'S HOSPITAL AT SAINT FRANCIS ARE RELIANT UPON MEDICAID, EVIDENCE AND TESTAMENT TO SAINT FRANCIS' PLEDGE TO THE COMMUNITY AND TO THOSE MOST VULNERABLE IN SOCIETY, CHILDREN THE CHILDREN'S HOSPITAL AT SAINT FRANCIS IS PART OF THE CHILDREN'S MIRACLE NETWORK, A NONPROFIT ORGANIZATION THAT RAISES FUNDS FOR 170 CHILDREN'S HOSPITALS AND RESEARCH INSTITUTES ACROSS NORTH AMERICA THAT MONEY HELPS SAINT FRANCIS IMPROVE ITS SERVICES AND CONTINUE TO TAKE CARE OF UNINSURED CHILDREN, INCREASING THE MISSION OF HANDLING ALL CHILDREN THAT ARE IN NEED IN NORTHEAST OKLAHOMA SAINT FRANCIS IMAGING CENTER SAINT FRANCIS IMAGING CENTER IS AN ALL-DIGITAL, FACILITY OFFERING RADIOLOGY, NUCLEAR MEDICINE, MRI, CT SCAN, AND ULTRASOUND WITH STATE-OF-THE-ART EQUIPMENT, SHORTER EXAM TIMES, FEWER CALLBACKS, AND FASTER RESULTS IN ADDITION TO THE OUTSTANDING TECHNICAL CAPABILITIES OF THE CENTER, PATIENTS AND THEIR FAMILIES ARE TREATED TO A VARIETY OF AMENITIES TO HELP MAKE THEIR EXPERIENCE MORE RELAXING THIS INCLUDES A CONCIERGE DESK WHERE THEY ARE GIVEN A PAGER TO NOTIFY THEM WHEN THEIR ROOM IS AVAILABLE, A STAFF HOST TO ASSIST THEM TO THEIR ROOM AND THROUGH THE ENTIRE PROCESS, AND SLIPPERS AND ROBES INSTEAD OF HOSPITAL GOWNS PATIENTS AND FAMILY MEMBERS HAVE ACCESS TO AN INTERNET STATION, CHILDREN'S PLAY AREA, PLASMA TELEVISIONS, COFFEE BAR, AND MUCH MORE AS THEY WAIT IN THE COMFORTABLE RECEPTION AREA NATALIE AMBULATORY SURGERY CENTER THE NATALIE AMBULATORY SURGERY CENTER OFFERS EIGHT OPERATING ROOMS, EACH HANDLING 1,000 TO 1,500 PROCEDURES A YEAR AT ITS PEAK, 12,000 PATIENTS WILL HAVE SURGERIES THERE ANNUALLY SET UP F

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

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

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 546,531,162

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	481		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	6,163			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

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

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

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

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JAKE HENRY JR PRESIDENT/CEO/DIRECTOR	1 0	X		X				0	1,331,821	113,578
(2) BARRY L STEICHEN TREASURER/cfo/director	1 0	X		X				0	673,939	175,060
(3) William K Warren Jr Trustee	1 0	X						0	0	0
(4) Bishop Edward J Slattery Trustee	1 0	X						0	0	0
(5) Henry Zarrow Trustee	1 0	X						0	0	0
(6) William R Lissau Director	1 0	X						0	0	0
(7) THOMAS G NEFF VICE PRESIDENT/COO	1 0			X				369,769	0	110,064
(8) JEFFREY C SACRA SECRETARY	1 0			X				225,197	0	65,733
(9) ROBERT ELI SMITH ASSISTANT SECRETARY	1 0			X				0	147,615	15,710
(10) ERIC E SCHICK ASST TREASURER	1 0			X				238,867	0	59,412
(11) Renee Matthews assistant secretary	1 0			X				70,465	0	17,465
(12) LYNN SUND administrator	1 0				X			462,491	0	142,922
(13) WILLIAM SCHLOSS SENIOR VP	1 0				X			417,982	0	114,560
(14) DAVID WAGNER senior VICE PRESIDENT	5 0				X			298,644	0	92,839
(15) ROBERT OKADA MD Physician	5 0					X		48,770	912,371	45,763
(16) RYAN GURSKY DO PHYSICIAN	5 0					X		47,250	1,062,527	45,979
(17) Bruce Markman Physician	5 0					X		45,750	707,011	46,137

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Preston Phillips physician	50					X		48,000	728,557	31,676
(19) Nikaidoh Hisashi physician	50					X		300,000	452,504	30,827
(20) Robert Butler Senior Vice President	10						X	245,713	0	13,578
(21) WILLIAM ROSS MD Physician	50						X	33,215	702,194	42,626
(22) MICHAEL SPAIN MD PHYSICIAN	50						X	28,298	618,554	44,763
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								2,880,411	7,337,093	1,208,692

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 133

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
MANHATTAN CONSTRUCTION CO INC 5601 S 122ND E AVE TULSA, OK 74146	CONSTRUCTION SERVICE	14,101,378
OKLAHOMA BLOOD INSTITUTE OBI DEPT 96-0115 OKLAHOMA CITY, OK 73112	BLOOD SERVICES	6,984,058
PAGE Southerland Page LLP 1800 Main Street Suite 123 DALLAS, TX 75201	construction svcs	6,049,569
STATE OF OKLAHOMA BOARD OF REG 4502 E 41ST ST ROOM 2B20 TULSA, OK 741352512	Medical residents	4,028,422
ASSOCIATED ANESTHESIOLOGISTS 6839 S Canton TULSA, OK 741363482	ANESTHESIOLOGY SVCS	3,255,105

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 ▶ 50

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d	103,531			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	738,992			
	g	Noncash contributions included in lines 1a-1f $ 59,142					
	h	**Total.** Add lines 1a-1f		842,523			
Program Service Revenue			Business Code				
	2a	PATIENT CARE REV	621990	521,143,082	521,143,082		
	b	P'SHIP INCOME RELATED TO PROGRAM SERVICES	541900	1,719,583	1,696,732	22,851	
	c	OUTREACH LAB	621500	14,499,592	14,499,592		
	d	OFFICE SPACE REIMBURSEMENT	531120	687,732	687,732		
	e	MEDICARE/MEDICAID PAYMENTS	621990	273,257,917	273,257,917		
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		811,307,906			
	3	Investment income (including dividends, interest and other similar amounts)		22,830,904			22,830,904
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross rents	25,320				
	b	Less rental expenses	0				
	c	Rental income or (loss)	25,320				
	d	Net rental income or (loss)		25,320		25,320	
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	1,953,735,798	-65,345			
	b	Less cost or other basis and sales expenses	1,983,884,690	1,240,766			
	c	Gain or (loss)	-30,148,892	-1,306,111			
	d	Net gain or (loss)		-31,455,003			-31,455,003
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 a					
	b	Less direct expenses b					
	c	Net income or (loss) from fundraising events		0			
	9a	Gross income from gaming activities See Part IV, line 19 a					
	b	Less direct expenses b					
	c	Net income or (loss) from gaming activities		0			
	10a	Gross sales of inventory, less returns and allowances a					
	b	Less cost of goods sold b					
	c	Net income or (loss) from sales of inventory		0			
		Miscellaneous Revenue	Business Code				
	11a	FOOD SERVICES	900004	4,950,304			4,950,304
	b	AFFIL TELECOM & COMPUTER SUPP REV	621500	2,858,224			2,858,224
	c	EMPLOYEE DAY CARE	624410	1,042,104			1,042,104
	d	All other revenue		25,829,554	22,057,296	444,088	3,328,170
	e	**Total.** Add lines 11a–11d		34,680,186			
	12	**Total revenue.** See Instructions		838,231,836	833,342,351	492,259	3,554,703

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)
Check if Schedule O contains a response to any question in this Part IX . . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	5,259,422	5,259,422		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	405,594	405,594		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	2,071,746		2,071,746	
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	238,973,228	207,001,332	31,971,896	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	16,317,217	15,068,963	1,248,254	
9	Other employee benefits	22,622,700	19,345,560	3,277,140	
10	Payroll taxes	16,795,000	14,468,687	2,326,313	
11	Fees for services (non-employees)				
a	Management	19,466,620	10,335,600	9,131,020	
b	Legal	624,936	37,800	587,136	
c	Accounting	531,764	34,103	497,661	
d	Lobbying	325,512		325,512	
e	Professional fundraising *See Part IV, line 17* . .	0			
f	Investment management fees	1,367,863		1,367,863	
g	Other	16,481,477	16,265,068	216,409	
12	Advertising and promotion	3,811,346	97,642	3,713,704	
13	Office expenses	41,690,050	28,961,340	12,728,710	
14	Information technology	1,715,752	643,645	1,072,107	
15	Royalties . .	0			
16	Occupancy	13,348,196	3,219,305	10,128,891	
17	Travel	313,173	107,378	205,795	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	0			
20	Interest	7,226,721	55	7,226,666	
21	Payments to affiliates	-5,200,998	201,224	-5,402,222	
22	Depreciation, depletion, and amortization	40,682,050	695,554	39,986,496	
23	Insurance	13,204,922	415,471	12,789,451	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	MEDICAL SUPPLIES	153,718,183	154,693,813	-975,630	
b	BAD DEBT EXPENSE	53,149,493	53,149,493		
c	ADMINISTRATIVE EXPENSES	15,877,644	15,875,479	2,165	
d	DUE AND LICENSES	299,523	248,634	50,889	
e					
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	681,079,134	546,531,162	134,547,972	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		0	1	0
	2	Savings and temporary cash investments		126,475,766	2	216,507,455
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		59,407,424	4	67,695,248
	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		19,702,206	8	20,087,216
	9	Prepaid expenses and deferred charges		6,523,257	9	4,901,086
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 666,225,510			
	b	Less accumulated depreciation	10b 314,175,498	329,621,719	10c	352,050,012
	11	Investments—publicly traded securities		562,738,498	11	554,947,576
	12	Investments—other securities See Part IV, line 11		343,927,788	12	375,573,364
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		38,574,169	15	32,849,558
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,486,970,827	16	1,624,611,515
Liabilities	17	Accounts payable and accrued expenses		52,240,164	17	62,875,109
	18	Grants payable		0	18	0
	19	Deferred revenue		133,148	19	0
	20	Tax-exempt bond liabilities		222,768,537	20	221,027,760
	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		56,646,679	25	53,585,067
	26	**Total liabilities.** Add lines 17 through 25		331,788,528	26	337,487,936
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		1,155,182,299	27	1,287,123,579
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		1,155,182,299	33	1,287,123,579
	34	Total liabilities and net assets/fund balances		1,486,970,827	34	1,624,611,515

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	838,231,836
2	Total expenses (must equal Part IX, column (A), line 25)	2	681,079,134
3	Revenue less expenses Subtract line 2 from line 1	3	157,152,702
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	1,155,182,299
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-25,211,422
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	1,287,123,579

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

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

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

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

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

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

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

_____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test

Explanation

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

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

OMB No 1545-0047

2011

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
Saint Francis Hospital Inc	73-0700090

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

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

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

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		325,512
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV			
j	Total lines 1c through 1i			325,512
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
supplemental information	SCHEDULE C, PART II-B, LINE 1G	SAINT FRANCIS Hospital, Inc THROUGH ITS MEMBERSHIP DUES TO THE AMERICAN HOSPITAL ASSOCIATION (AHA) AND CATHOLIC HEALTH ASSOCIATION, PARTICIPATES IN LOBBYING AND GRASS ROOTS POLITICAL ACTIVITY IT IS LESS THAN A SUBSTANTIAL PART OF THE TOTAL EXPENDITURES IN A TAXABLE YEAR THE LOBBYING AND GRASS ROOTS POLITICAL ACTIVITY IS RELATED TO LEGISLATION AFFECTING THE SYSTEM AND OPERATION OF THE SYSTEM FOR ITS CHARITABLE PURPOSES, IN PARTICULAR THE PROMOTION OF HEALTH "GRASS ROOTS POLITICAL ACTIVITY" MEANS ANY ATTEMPT BY THE AHA TO INFLUENCE ANY LEGISLATION THROUGH AN ATTEMPT TO AFFECT THE OPINIONS OF THE GENERAL PUBLIC OR ANY SEGMENT THEREOF "LOBBYING" MEANS ANY ATTEMPT TO INFLUENCE LEGISLATION THROUGH COMMUNICATIONS WITH ANY MEMBER OR EMPLOYEE OF A LEGISLATIVE BODY WHO MaY PARTICIPATE IN THE FORMULATION OF LEGISLATION

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

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

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

(ii) Assets included in Form 990, Part X ▶ $ _____

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

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

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

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

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other

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

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

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

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	275,001	5,878,670		6,153,671
b Buildings		295,398,583	95,144,856	200,253,727
c Leasehold improvements		15,285,529	12,134,721	3,150,808
d Equipment		292,907,463	206,895,921	86,011,542
e Other		56,480,264	0	56,480,264
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				352,050,012

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests	148,755,292	F
(3) Other		
(A) PRIVATE INVEST-MARKETABLE	160,381,201	F
(B) PRIVATE INVEST-NONMARKETABLE	66,436,871	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	375,573,364	

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

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

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

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
PROFESSIONAL LIABILITY	24,263,104
MEDICARE COST REPORT	16,327,272
FAS 106	2,551,222
CAP IBNR	6,218,769
ACCRUED INTEREST	440,565
SWAP DERIVATIVE	1,303,177
FIN 45 INCOME GUARANTEES	561,911
OPERATING LEASE LIABILITY	270,641
ARO LIABILITY	1,648,406
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	53,585,067

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

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
Supplemental Information	FIN 48 Disclosure	Saint Francis Hospital adopted ASC 740-10 (f/k/a FIN 48) in June 30, 2009 No disclosures were required under GAAP as Saint Francis Hospital does not have any material tax contingencies that required disclosures in the footnotes

Additional Data

Software ID:
Software Version:
EIN: 73-0700090
Name: Saint Francis Hospital Inc

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

1 (a) Description of Liability	(b) Amount
PROFESSIONAL LIABILITY	24,263,104
MEDICARE COST REPORT	16,327,272
FAS 106	2,551,222
CAP IBNR	6,218,769
ACCRUED INTEREST	440,565
SWAP DERIVATIVE	1,303,177
FIN 45 INCOME GUARANTEES	561,911
OPERATING LEASE LIABILITY	270,641
ARO LIABILITY	1,648,406

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SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region/investments in region
East Asia and the Pacific	0	0	Investments		90,485
Central America and the Caribbean	0	0	Investments		1,924,248
3a Sub-total	0	0			2,014,733
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)	0	0			2,014,733

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

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

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

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

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

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

Part IV Foreign Forms

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

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
Supplemental Information	Schedule F, Part I	The activity listed in Part I relates to foreign investments the investments do not generate unrelated business income

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☐ 200% ☑ Other **225. %**	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other **225. %**	3b	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit reportduring the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)			20,015,614	0	20,015,614	3 170 %
b Medicaid (from Worksheet 3, column a)			103,206,137	123,075,551	-19,869,414	
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			123,221,751	123,075,551	146,200	0 020 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			871,974	0	871,974	0 140 %
f Health professions education (from Worksheet 5)			4,129,409	0	4,129,409	0 650 %
g Subsidized health services (from Worksheet 6)			182,334,755	154,120,701	28,214,054	4 470 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j **Total** Other Benefits			187,336,138	154,120,701	33,215,437	5 260 %
k **Total.** Add lines 7d and 7j			310,557,889	277,196,252	33,361,637	5 280 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing			555,389	0	555,389	0 090 %
2	Economic development						
3	Community support			315,525	0	315,525	0 050 %
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy			4,943,896	0	4,943,896	0 780 %
8	Workforce development						
9	Other						
10	**Total**			5,814,810	0	5,814,810	0 920 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1			No
2	Enter the amount of the organization's bad debt expense	2	16,000,183		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	12,000,137		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	157,116,975
6	Enter Medicare allowable costs of care relating to payments on line 5	6	138,285,373
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	18,831,602
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest)

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

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	Saint Francis Hospital 6600 South Yale Ave STE 400 Tulsa, OK 741363319	X	X	X				X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Saint Francis 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	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 225 %			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10		No
	If "Yes," indicate the FPG family income limit for eligibility for discounted care __%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☑ Income level			
	b ☑ Asset level			
	c ☑ Medical indigency			
	d ☑ Insurance status			
	e ☑ Uninsured discount			
	f ☑ Medicaid/Medicare			
	g ☐ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☐ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☑ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			
Billing and Collections				
14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments or arrests			
	e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		No
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments			
	e ☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
	a ☐ Notified patients of the financial assistance policy upon admission			
	b ☐ Notified patients of the financial assistance policy prior to discharge			
	c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
	d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
	e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

		Yes	No
18 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**18**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of it's three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		No
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient?	**21**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? _____

	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
SUPPLEMENTAL INFORMATION		PART I, LINE 3C INCOME BASED CRITERIA IS USED AS THE BASIS IN DETERMINING ELIGIBILITY FOR FREE MEDICAL CARE PART I, LINE 6A THE ANNUAL REPORT FOR THE FILING ORGANIZATION IS PART OF A CONSOLIDATED REPORT PREPARED AT A HEALTH SYSTEM LEVEL PART I, LINE 7, COLUMN F BAD DEBT EXPENSE USED IN CALCULATING THE PART I, LINE 7, COLUMN (F) PERCENTAGES WAS $50,537,5 74 PART I, LINE 7 A COST TO CHARGE RATIO (FROM WORKSHEET 2) IS USED TO CALCULATE THE AMO UNTS ON LINES 7A-7C (CHARITY CARE, MEDICAID SHORTFALL, AND OTHER MEANS-TESTED GOVERNMENT P ROGRAMS) THE AMOUNTS FOR 7E-7I WOULD COME FROM THE GENERAL LEDGER AND ARE NOT BASED ON A COST TO CHARGE RATIO Part I, Line 7(b) THE SUPPLEMENTAL HOSPITAL OFFSET PAYMENT PROGRAM (SHOPP) WAS CREATED AND IMPLEMENTED IN CALENDAR YEAR 2011 FOR THE PURPOSE OF ASSURING ACCES S TO QUALITY CARE FOR OKLAHOMA MEDICAID MEMBERS THE PROGRAM IS DESIGNED TO ASSESS OKLAHOM A HOSPITALS, UNLESS EXEMPT, A SUPPLEMENTAL HOSPITAL OFFSET PAYMENT PROGRAM FEE THE COLLEC TED FEES WILL BE PLACED IN POOLS AND THEN ALLOCATED TO HOSPITALS BASED ON MEDICAID REVENUE S AS DIRECTED BY LEGISLATION THE OKLAHOMA HEALTH CARE AUTHORITY (OHCA) DOES NOT GUARANTEE THAT ALLOCATION WILL EQUAL OR EXCEED THE AMOUNT OF THE SUPPLEMENTAL HOSPITAL OFFSET PAYME NT PROGRAM FEE PAID BY THE HOSPITAL FOR THE CURRENT FISCAL YEAR THE AMOUNT ALLOCATED FROM OHCA EXCEEDED THE SUPPLEMENTAL HOSPITAL OFFSET PAYMENT PROGRAM FEES THAT WAS PAID BY SAIN T FRANCIS HOSPITAL, INC THIS IS DUE TO THE FACT THAT MEDICAID PATIENT VOLUME FOR SAINT FR ANCIS HOSPITAL, INC Was AMONGST THE HIGHEST IN THE PROGRAM THIS CREATED AN EXCESS IN MED ICAID REVENUE OVER EXPENSES NULLIFYING THE PERCENT OF COMMUNITY BENEFIT FROM MEDICAID SERV ICES PART III, LINE 3 THIS IS THE AMOUNT OF BAD DEBT ATTRIBUTABLE TO PATIENTS UNDER THE FINANCIAL ASSISTANCE POLICY THE PERCENTAGE OF BAD DEBT USED TO REPRESENT CHARITY WAS FROM A SAMPLE REVIEW OF ALL BAD DEBT ACCOUNTS AND SUBSEQUENT INFORMATION PART III, LINE 4 SA INT FRANCIS HOSPITAL'S AUDITED FINANCIAL STATEMENTS DO NOT HAVE A SEPARATE FOOTNOTE DESCRI BING BAD DEBT EXPENSE SAINT FRANCIS HOSPITAL REPORTS BAD DEBT IN ACCORDANCE WITH GENERALL Y ACCEPTED ACCOUNTING PRINCIPLES (GAAP) HEALTH CARE FINANCIAL MANAGEMENT ASSOCIATION STAT EMENT 15 IS FOLLOWED TO THE EXTENT THAT BAD DEBT EXPENSE AT COST IS DETERMINED USING THE S AME COST TO CHARGE RATIO THAT IS USED TO CALCULATE CHARITY CARE AND MEDICAID SHORTFALLS D ISCOUNTS AND ALLOWANCES ARE ACCOUNTED FOR SEPARATELY FROM BAD DEBT EXPENSE ACCOUNTS RECEI VABLE ARE VALUED AT NET REALIZABLE VALUE SAINT FRANCIS ESTIMATES THE ALLOWANCES FOR UNCOL LECTIBLE ACCOUNTS BASED ON HISTORIC WRITE-OFFS AND THE AGING OF THE ACCOUNTS PART III, LI NE 9B IT IS THE POLICY OF SAINT FRANCIS HOSPITAL TO PURSUE COLLECTIONS OF PATIENT BALANCE S FROM PATIENTS WHO HAVE THE ABILITY TO PAY FOR THESE SERVICES SAINT FRANCIS APPLIES ITS COLLECTIONS EFFORTS CONSISTENTLY AND FAIRLY TO ALL PATIENTS REGARDLESS OF INSURANCE IF A PATIENT DOES NOT HAVE THE FINANCIAL RESOURCES TO PAY THEIR OUTSTANDING BALANCE IT IS THE G OAL OF SAINT FRANCIS HOSPITAL TO WORK WITH THE PATIENT TO QUALIFY THEM FOR OUR CHARITY POL ICY IF THE PATIENT QUALIFIES FOR CHARITY UNDER OUR POLICY THEN WE WILL WRITE-OFF 100% OF THE AMOUNT OWED IT IS THE FEELING OF THE BOARD OF DIRECTORS THAT OUR POLICY SUPPORTS THE MISSION OF SAINT FRANCIS HOSPITAL PART V, SECTION B, LINE 10 PATIENTS WHO HAVE BEEN IDEN TIFIED TO BE FINANCIAL ASSISTANCE PLAN ELIGIBLE AND MEET THE CRITERIA ESTABLISHED BY THE H OSPITAL ARE CONSIDERED CHARITY AND THEREFORE BY HOSPITAL POLICY ARE NOT BILLED FOR ANY SER VICES ALL OTHER SELF PAY PATIENTS RECEIVE A 20% DISCOUNT OFF BILLED CHARGES PART V, SECT ION B, LINE 19D PATIENTS WHO HAVE BEEN IDENTIFIED TO BE FINANCIAL ASSISTANCE PLAN ELIGIBL E AND MEET THE CRITERIA ESTABLISHED BY THE HOSPITAL ARE CONSIDERED CHARITY AND THEREFORE B Y HOSPITAL POLICY ARE NOT BILLED FOR ANY SERVICES ALL OTHER SELF PAY PATIENTS RECEIVE A 2 0% DISCOUNT OFF BILLED CHARGES NEEDS ASSESSMENT ONE OF THIS ORGANIZATION'S FUNDAMENTAL O PERATIONAL GOALS IS TO IDENTIFY AND ADDRESS THE NEEDS OF THE DEFINED COMMUNITY THAT IT SER VES TO DO THIS THE SAINT FRANCIS HEALTH SYSTEM MUST 1)GATHER AND OBTAIN INFORMATION IDEN TIFYING THOSE NEEDS, AND 2)DEVELOP PROGRAMS AND SERVICES THAT ADDRESS AND PROVIDE ACCESS T O THOSE IN GREATEST NEED OF HEALTHCARE SERVICES HISTORICALLY, THE HEALTH CARE SYSTEM'S FO CUS HAS BEEN CARING FOR THOSE WHO ARE SICK OR VULNERABLE IN ORDER TO MAKE INFORMED DECISI ONS ON HOW TO CARE FOR THE SICK, AT-RISK AND MINORITY POPULATIONS, THE SYSTEM MUST FIRST I DENTIFY PRIORITY HEALTH NEEDS THE COMMUNITY NEEDS ASSESSMENT IS THE METHOD UTILIZED BY TH E HEALTH SYSTEM TO IDENTIFY THOSE NEEDS THE ASSESSMENT IS A COMPILATION OF NATIONAL SURVE Y RESULTS, HEALTH INFORMATION DATABASES, GOVERNMENT DATA, AND ANALYTICAL FEEDBACK FROM STA TE AND LOCAL PARTNERS THIS DATA IS USED TO IDENTIFY POTENTIAL COURSES OF ACTION BASED ON EXISTING HEALTH CARE FACILITIES, AVAILABLE RESOURC

Identifier	ReturnReference	Explanation
SUPPLEMENTAL INFORMATION		ES WITHIN THE COMMUNITY, AND CAPABILITIES OF THE COMMUNITY IN TERMS OF BOTH SOCIOECONOMIC AND EDUCATION STATUS PROMOTING THE PREVENTION OF DISEASE, REDUCING OBESITY, CESSATION OF TOBACCO USE, PROMOTING HEALTHY EATING, PROMOTING THE HEALTH OF LOW-INCOME AND AT-RISK COMM UNITIES, AND PLANNING FOR THE CHANGING NEEDS OF SENIORS ARE AMONG THE PUBLIC HEALTH ISSUES THAT THE ASSESSMENT SEEKS TO PRIORITIZE PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE BECAUSE OF OUR NOT-FOR-PROFIT DESIGNATION WE WANT TO MAKE SURE THAT THOSE WHO CAN NOT PAY FOR SERVICES ARE GIVEN THE OPPORTUNITY TO STILL HAVE QUALITY HEALTH CARE SERVICES WE PRO MOTE AND/OR OFFER OUR CHARITY POLICY IN SEVERAL DIFFERENT AVENUES TO ENSURE PATIENTS ARE A WARE OF OUR GENEROUS POLICY SO THEY CAN ACCESS IT OUR CHARITY POLICY IS FIRST DISCUSSED I N OUR PATIENT FINANCIAL RESPONSIBILITY HANDOUT WE GIVE TO ALL OUR PATIENTS ALL SELF PAY P ATIENTS ARE VISITED BY A FINANCIAL COUNSELOR UPON ADMISSION TO VERIFY THEIR SELF PAY STATU SES IF THE PATIENT CONFIRMS THEIR SELF PAY STATUS, THEN THE COUNSELOR WORKS WITH THE PATI ENT TO DETERMINE IF THE PATIENT MAY QUALIFY FOR ASSISTANCE UNDER A GOVERNMENT SPONSORED PL AN IF THE PATIENT DOES NOT QUALIFY FOR A GOVERNMENT SPONSORED PLAN THEN THE FINANCIAL COU NSELOR WORKS WITH THE PATIENT TO TRY AND GET THEM QUALIFIED FOR CHARITY BASED ON THE HOSPI TAL'S CHARITY POLICY ADDITIONALLY, DURING THE COLLECTIONS PROCESS WE OFFER OUR CHARITY PO LICY AS WELL AS PAYMENT OPTIONS AS PART OF OUR PATIENT RESPONSIBILITY FOLLOW UP COLLECTION S CALLS COMMUNITY INFORMATION THE PRIMARY SERVICE AREA OF SAINT FRANCIS HEALTH SYSTEM CO NSISTS OF TULSA COUNTY ALTHOUGH THE TERTIARY SERVICE AREA IS ENCOMPASSED BY THE WHOLE OF E ASTERN OKLAHOMA PROMOTION OF COMMUNITY HEALTH SAINT FRANCIS HOSPITAL IS A NOT FOR PROFIT ORGANIZATION THAT IS PART OF AN INTEGRATED HEALTH CARE DELIVERY SYSTEM WITH THE MISSION O F EXTENDING THE PRESENCE AND HEALING MINISTRY OF CHRIST IN ALL WE DO TO THOSE PATIENTS WHO ARE NOT ABLE TO PROVIDE CARE FOR THEMSELVES SAINT FRANCIS HOSPITAL IS DEDICATED TO GIVIN G BACK TO THE COMMUNITY IN WHICH ITS EMPLOYEES LIVE AND WORK THE GOAL OF SAINT FRANCIS IS TO SUSTAIN AND GROW ITS TECHNOLOGY, TO ATTRACT TALENTED HEALTH CARE PROFESSIONALS FROM AC ROSS THE COUNTRY AND TO PROVIDE HIGH QUALITY PATIENT CARE TO ALL THE RESIDENTS OF NORTHEAS TERN OKLAHOMA AND THE OTHER NEIGHBORING STATES WE SERVE THIS CAN BE SEEN IN NUMEROUS CONS TRUCTION PROJECTS THAT HAVE BEEN UNDERTAKEN OVER THE PAST SEVERAL YEARS MOST NOTABLE IS T HE DECISION BY OUR BOARD OF DIRECTORS TO CONSTRUCT A CHILDREN'S HOSPITAL WHEN THERE WAS ON LY ONE OTHER CHILDREN'S FACILITY IN THE STATE, AND TO UNDERTAKE THE FINANCIAL STRAIN THAT COMES FROM RUNNING A CHILDREN'S HOSPITAL IN A STATE WHERE 60 PLUS PERCENT OF ALL THE CHILD REN ARE INSURED UNDER THE STATE MEDICAID PROGRAM NOT ONLY IS THE CONSTRUCTION OF THE BUIL DING NOTABLE, BUT THE INFRASTRUCTURE NEEDED TO MAKE THE HOSPITAL SUCCESSFUL, INCLUDING THE RECRUITMENT OF NUMEROUS SUB SPECIALISTS, ENSURES THE HIGHEST QUALITY OF CARE IS GIVEN TO THIS MOST VALUABLE PATIENT RESOURCE SAINT FRANCIS HOSPITAL REINVESTS ITS NET OPERATING IN COME BACK INTO THE FACILITY TO IMPROVE PATIENT CARE, TO BENEFIT SOCIETY AND TO ALLOW SAINT FRANCIS HOSPITAL TO CARRY OUT ITS VISION TO BE THE REGIONAL LEADER IN THE DELIVERY OF QUA LITY CATHOLIC HEALTH CARE SERVICES THERE IS COMMUNITY REPRESENTATION ON THE GOVERNING BOD Y OF THE BOARD OF DIRECTORS WHERE THE MAJORITY OF THE MEMBERS ARE EXTERNAL AND INDEPENDENT THE BOARD OF DIRECTORS HAS THE OVERALL RESPONSIBILITY FOR THE CHARITABLE, THE CLINICAL A ND THE MISSION OF SAINT FRANCIS HOSPITAL AND THE REST OF THE ENTITIES THAT ARE A PART OF T HE SAINT FRANCIS HEALTH SYSTEM THE MEMBERS OF THE BOARD OF DIRECTORS ARE SELECTED BASED O N THEIR AREAS OF EXPERTISE AND EXPERIENCE INCLUDING SUCH AREAS AS EDUCATION, RESEARCH, BUS INESS AND GOVERNMENT AFFILIATED HEALTH CARE SYSTEM ROLES SAINT FRANCIS HOSPITAL IS PART OF THE SAINT FRANCIS HEALTH SYSTEM SAIN

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

Part I General Information on Grants and Assistance

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

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

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

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

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

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 32

3 Enter total number of other organizations listed in the line 1 table . . . ▶ 0

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

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

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

Identifier	Return Reference	Explanation
Supplemental Information	PART I, QUESTION 2	SAINT FRANCIS HEALTH SYSTEM OFFERS SCHOLARSHIP OPPORTUNITIES TO INDIVIDUALS IN THE NURSING AND ALLIED HEALTH ARENA THE APPLICATion PROCESS, APPROVAL PROCESS, MONITORING, AND IN THE EVENT OF DEFAULT, COLLECTION PROCESS TAKE PLACE IN THE HUMAN RESOURCE DEPARTMENT OF SAINT FRANCIS IN THE EVENT HE/SHE IS AN EMPLOYEE OF SAINT FRANCIS, SAID APPLICANT MUST NOT HAVE ANY DISCIPLINARY COUNSELING OR POOR PERFORMANCE REVIEWS IN THEIR EMPLOYEE FILE THE APPLICANT PRINTS AN ON-LINE SCHOLARSHIP APPLICATION, COMPLETES THE APPLICATION AND MAILS IT TO THE HUMAN RESOURCES DEPARTMENT WITH ALL REQUESTED SUPPORTING DOCUMENTATION UPON RECEIPT, THE APPLICANT IS NOTIFIED BY MAIL OR E-MAIL THAT THEIR APPLICATION HAS BEEN RECEIVED- AT THIS TIME A REQUEST FOR ANY MISSING INFORMATION IS MADE IF THE APPLICANT IS SELECTED, THEY ARE NOTIFIED FOR AN INTERVIEW ONCE INTERVIEWED, AREAS, AND ANY OUTSIDE ACTIVITIES OR AWARDS, APPLICANTS ARE THEN ARRANGED BY RANKING, BASED ON AVAILABILITY OF FUNDS, THE APPROPRIATE NUMBER OF APPLICANTS IS SELECTED ONCE AN APPLICANT IS SELECTED, THEY MUST MEET CERTAIN CRITERIA TO CONTINUE TO RECEIVE SCHOLARSHIP FUNDS FROM SAINT FRANCIS EACH APPLICANT MUST SIGN A WORK AGREEMENT (THIS AGREEMENT INCLUDES A DEFAULT) APPLICANT WILL WORK FOR SAINT FRANCIS FOR SIX MONTHS FOR EACH SEMESTER THEY RECEIVE FUNDS THEY MUST ALSO SUBMIT AN OFFICIAL TRANSCRIPT INDICATING SUCCESSFUL COMPLETION FOR THE SEMESTER ENDED, PRIOR TO RECEIVING FUNDS FOR THE SEMESTER THE HUMAN RESOURCE DEPARTMENT MONITORS EACH APPLICANT'S GRADUATION DATE, THE SCHOLARSHIP FUNDS THEY HAVE BEEN AWARDED PER SEMESTER, THE TOTAL NUMBER OF SEMESTERS THEY WILL RECEIVE FUNDS, AND THE TOTAL AMOUNT OF TIME THEY WILL BE EMPLOYED WITH SAINT FRANCIS BASED ON FUNDS RECEIVED IN ADDITION, AT SEMESTER END, ALL RECIPIENTS ARE CONTACTED REQUESTING ANY NECESSARY UPDATES TO TRANSCRIPTS, GRADUATION STATUS, AND TELEPHONE NUMBER, AND E-MAIL OR ADDRESS CHANGES IN THE EVENT AN APPLICANT DOES NOT FULFILL THEIR SCHOLARSHIP AGREEMENT, THEY ARE CONTACTED VIA CERTIFIED MAIL THAT ALL FUNDS AWARDED ARE DUE IN FULL WITHIN 30 DAYS - AS NOTED IN THE DEFAULT CLAUSE OF THE WORK AGREEMENT IF THE BALANCE IS PAID, IT IS APPROPRIATELY RECORDED AND A COPY OF THE PAYMENT IS INCLUDED IN THE FILE IF THE BALANCE IS NOT PAID WITHIN 30 DAYS, COLLECTION EFFORTS ENSUE WITH A THIRD PARTY COLLECTION AGENCY

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 73-0700090
Name: Saint Francis Hospital Inc

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ALZHEIMER'S ASSociation OK Chapter6465 S YALE AVE STE 312 Tulsa,OK 74136	73-1183372	501(c)3	11,150				2012 MEMORY GALA
AMERICAN CANCER SOCIETY250 WILLIAMS STREET NW ATLANTA,GA 30303	13-1788491	501(c)3	28,000				CATTLE BARON'S BALL

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN DIABETES ASSOCIATION6600 S YALE STE 1310 TULSA,OK 74136	13-1623888	501(c)3	10,000				concurs for the cure
AMERICAN HEART ASSOCIATION2227 east skelly dr TULSA,OK 74105	13-5613797	501(c)3	66,000				heart ball/heart walk

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN KIDNEY FUND6110 EXEC BLVD 1010 ROCKVILLE,MD 20852	23-7124261	501(c)3	43,370				PROGRAM SUPPORT
AUTISM CENTER OF TULSA6585 S YALE AVE STE 410 TULSA,OK 74136	32-0149003	501(c)3	20,000				austism TRAINING FACILITY

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
The Children's Hosp Fdn at Saint Francis6161 S YALE AVE TULSA,OK 74136	20-2843418	501(c)3	250,000				Painted pony ball
MARCH OF DIMES 1120 SOUTH UTICA STE 4502 TULSA,OK 74104	13-1846366	501(c)3	6,000				nurse of the year gala

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MENTAL HLTH ASSOC TULSA 1870 S BOULDER TULSA,OK 741195234	73-0657931	501(c)3	11,000				2012 CARNIVALE
oklahoma chapter of ntl multiple sch 4606 e 67th ste 103 tulsa,OK 74136	74-1266225	501(c)3	9,800				program support

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
OSTEOPATHIC FOUNDERS FOUNDATION INC 4812 E 81ST ST H295 st 301 Tulsa, OK 74137	73-0583936	501(c)3	10,000				winterset 2012
PAYNE COUNTY YOUTH SERVICES 2224 W 12TH STREET Stillwater, OK 74074	73-1093612	501(c)3	15,000				program support

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
PHILBROOK MUSEUM OF ART INC2727 S Rockford Rd TULSA,OK 74114	73-0579279	501(c)3	16,000				program support
religious sisters of mercy1965 michigan ave alma,MI 48801	38-2350857	501(c)3	2,000,000				education endowment

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
rotary club of tulsa 616 s boston ave 410 tulsa, OK 74119	23- 7225396	501(c)3	5,500				program support
the foundation for tulsa schools3027 s new haven 600 tulsa, OK 74114	73- 1612027	501(c)3	10,000				designer gala

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
THE LITTLE LIGHT HOUSE 5120 E 36TH ST Tulsa,OK 74135	73-0939422	501(c)3	105,000				2012 Link for little ones
TULSA AREA UNITED WAYPO BOX 1859 TULSA,OK 74101	73-0580283	501(c)3	50,528				Program Support

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
Tulsa community College6111 E Skelly Dr Ste 600 Tulsa,OK 74135	73-6017987	501(c)3	50,400				Program Support
tulsa community foundation7030 south yale ave 600 tulsa,OK 74136	73-1554474	501(c)3	24,623				program support

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
tulsa project womanPO Box 14026 tulsa,OK 74159	73-1616817	501(c)3	10,000				program support
tulsa's future inc2 West 2nd st 150 tulsa,OK 74103	23-7033283	501(c)3	59,583				program support

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
Tulsa community College6111 E Skelly Dr Ste 600 Tulsa,OK 74135	73-6017987	501(c)3	500,000				Education
OSU FOUNDATION 107 WHITEHURST Stillwater,OK 74078	73-6097060	501(c)3	500,000				Education

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
university of tulsa 800 south tucker dr tulsa, OK 74104	73-0579298	501(c)3	250,000				education endowment
the university of oklahoma4502 e 41st st tulsa, OK 74135	73-6017987	501(c)3	750,000				education

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
annual resource campaign2 w 2nd st suite 150 Tulsa,OK 74135	73-0488250	501(c)3	50,000				2012 sickle cell camp
united wayPO box 1859 Tulsa,OK 74101	73-0580283	501(c)3	8,000				designer gala

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
muscular dystrophy association5840 s memorial dr 307 Tulsa,OK 74145	31-1665552	501(c)3	10,000				2012 links for little ones
OK CHAPTER OF MYASTHENIA GRAVIS6465 S YALE AVE 623 TULSA,OK 74136	22-2849548	501(c)3	10,000				scott carters heros

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ok academy for state goals120 e sherian ste 200 Tulsa,OK 74104	73-1255400	501(c)3	15,000				Program support
visit tulsatwo west 2nd st Tulsa,OK 74103	23-7033283	501(c)3	225,000				Program support

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
tulsa future campaign 2 West 2nd st 150 Tulsa,OK 74103	73-0488250	501(c)3	5,417				Program support
MAKE-A-WISH FOUNDATION OF OKLAHOMA4504 E 67TH ST BLDG 11 208 TULSA,OK 74135	73-1176743	501(c)3	20,000				wish upon a par golf

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
Supplemental Nonqualified retirement plan	Schedule J, Part I, Line 4b	A SELECT GROUP OF HIGHLY COMPENSATED EMPLOYEES OF SAINT FRANCIS HEALTH SYSTEM, INC , AND ITS RELATED ENTITIES SAINT FRANCIS HOSPITAL, INC LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC , WARREN CLINIC, INC , PATIENT CARE SERVICES OF SAINT FRANCIS, INC , AND SAINT FRANCIS HOSPITAL SOUTH, LLC, ARE ELIGIBLE TO PARTICIPATE IN A NONQUALIFIED DEFERRED COMPENSATION PLAN UNDER SECTION 457(B) AND 457(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED UNDER THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001 PART I LINE 4B NONE OF THE INDIVIDUALS LISTED ON SCHEDULE J ARE COMPENSATED AS BOARD MEMBERS OF THE REPORTING ENTITY THE REPORTED COMPENSATION IS FOR SERVICES AS EMPLOYEES OF THE REPORTING ENTITY OR THE RELATED ORGANIZATION

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 73-0700090
Name: Saint Francis Hospital Inc

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
JAKE HENRY JR	(I)	0	0	0	0	0	0	0
	(II)	857,420	434,886	39,515	103,771	9,807	1,445,399	0
THOMAS G NEFF	(I)	274,423	87,225	8,121	98,631	11,433	479,833	0
	(II)	0	0	0	0	0	0	0
JEFFREY C SACRA	(I)	190,620	33,088	1,489	57,337	8,396	290,930	0
	(II)	0	0	0	0	0	0	0
BARRY L STEICHEN	(I)	0	0	0	0	0	0	0
	(II)	474,881	193,008	6,050	162,991	12,069	848,999	0
ROBERT ELI SMITH	(I)	0	0	0	0	0	0	0
	(II)	133,761	13,103	751	14,913	797	163,325	0
ERIC E SCHICK	(I)	198,880	38,083	1,904	48,368	11,044	298,279	0
	(II)	0	0	0	0	0	0	0
LYNN SUND	(I)	339,886	116,095	6,510	131,086	11,836	605,413	0
	(II)	0	0	0	0	0	0	0
WILLIAM SCHLOSS	(I)	312,543	100,894	4,545	102,827	11,733	532,542	0
	(II)	0	0	0	0	0	0	0
DAVID WAGNER	(I)	224,002	71,540	3,102	81,601	11,238	391,483	0
	(II)	0	0	0	0	0	0	0
ROBERT OKADA MD	(I)	48,770	0	0	0	0	48,770	0
	(II)	893,667	2,204	16,500	30,827	14,936	958,134	0
WILLIAM ROSS MD	(I)	33,215	0	0	0	0	33,215	0
	(II)	683,490	2,204	16,500	30,827	11,799	744,820	0
RYAN GURSKY DO	(I)	47,250	0	0	0	0	47,250	0
	(II)	1,043,823	2,204	16,500	30,827	15,152	1,108,506	0
MICHAEL SPAIN MD	(I)	28,298	0	0	0	0	28,298	0
	(II)	599,850	2,204	16,500	30,827	13,936	663,317	0
Bruce Markman	(I)	45,750	0	0	0	0	45,750	0
	(II)	704,807	2,204	0	30,827	15,310	753,148	0
Preston Phillips	(I)	48,000	0	0	0	0	48,000	0
	(II)	709,853	2,204	16,500	30,827	849	760,233	0
Nikaidoh Hisashi	(I)	300,000	0	0	0	0	300,000	0
	(II)	450,300	2,204	0	30,827	0	483,331	0
Robert Butler	(I)	66,375	135,480	43,858	10,799	2,779	259,291	0
	(II)	0	0	0	0	0	0	0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

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	Tulsa County Industrial Authority	52-1526494	899520AZ3	11-14-2006	229,140,663	See Part VI		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	229,140,663			
4	Gross proceeds in reserve funds	0			
5	Capitalized interest from proceeds	0			
6	Proceeds in refunding escrow	25,310,000			
7	Issuance costs from proceeds	1,590,323			
8	Credit enhancement from proceeds	0			
9	Working capital expenditures from proceeds	0			
10	Capital expenditures from proceeds	202,240,340			
11	Other spent proceeds	0			
12	Other unspent proceeds	0			
13	Year of substantial completion	2009			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?		X						
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?		X						
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	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 ▶								
6	Total of lines 4 and 5								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	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
Supplmental Information	SCHEDULE K, PART I, LINE A, COLUMN (F)	THE SERIES 2006 BONDS ARE BEING ISSUED BY THE ISSUER'S FOR THE PURPOSE OF LOANING THE PROCEEDS THEREOF TO SAINT FRANCIS HEALTH SYSTEM FOR THE PURPOSE OF ACQUIRING, FURNISHING, IMPROVING AND EQUIPPING CERTAIN ADDITIONS, EXTENSIONS, AND IMPROVEMENTS TO SAINT FRANCIS HOSPITAL INCLUDING BUT NOT LIMITED TO (I) ACQUIRING, FURNISHING, IMPROVING, CONSTRUCTING AND EQUIPPING CERTAIN ADDITIONS, EXTENSIONS, AND IMPROVEMENTS TO THE TULSA HEART HOSPITAL OF SAINT FRANCIS, AND CERTAIN ANCILLARY AND SUPPORT FACILITIES THERETO, (II) ACQUIRING, FURNISHING, IMPROVING, AND EQUIPPING CERTAIN ADDITIONS, EXTENSIONS, AND IMPROVEMENTS TO SAINT FRANCIS HOSPITAL INCLUDING, WITHOUT LIMITATION, THE CONSTRUCTION OF A NEW CHILDREN'S HOSPITAL AND PARKING GARAGE, AN EMPLOYEE PARKING GARAGE AND A NEW CARDIOLOGY DEPARTMENT, (III) REFUNDING AND REFINANCING THE ISSURER'S OUTSTANDING HEALTH CARE REVENUE BONDS, REFUNDING SERIES 2003 (SAINT FRANCIS HEALTH SYSTEM, INC) INITIALLY ISSUED TO REFUND CERTAIN INDEBTEDNESS OF THE AUTHORITY USED TO ACQUIRE, FURNISH, IMPROVE AND EQUIP CERTAIN ADDITIONS EXTENSIONS AND IMPROVEMENTS TO THE SAINT FRANCIS HEALTH SYSTEM (COLLECTIVELY, THE "PROJECT"), AND (IV) PAYING THE COST OF ISSUANCE OF THE SERIES 2006 BONDS PART III, LINE 3C A BOND COUNSEL DOES EXIST, BUT FOR THE CURRENT FISCAL YEAR, THERE WAS NOTHING TO REVIEW PART III, LINES 4/5 THERE IS NO PRIVATE BUSINESS USE

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2011

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Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Acrobatant LLC	See part V	1,660,427	independent contractor		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
Part IV, column B		WR LISSAU'S DAUGHTER HAS A 17% OWNERSHIP IN ACROBATANT, LLC ACROBATANT LLC PROVIDED PROFESSIONAL SERVICES TO SAINT FRANCIS HOSPITAL, INC WR LISSAU IS LISTED ON FORM 990 PART VII AS A DIRECTOR FOR SAINT FRANCIS HOSPITAL, INC

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

Part I Types of Property

		(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining contribution amounts
1	Art—Works of art				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded	X	1	18,872	fair market value
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other				
15	Real estate—Residential				
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles	X	1	40,270	appraised value
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ (_____)				
26	Other ▶ (_____)				
27	Other ▶ (_____)				
28	Other ▶ (_____)				

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

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

Part II

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

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

Identifier	Return Reference	Explanation
Supplemental Information	PART VI, LINE 1B	THE CORPORATION DELEGATES ITS GOVERNANCE TO THE BOARD OF DIRECTORS OF SAINT FRANCIS HEALTH SYSTEM, INC (SFHS) THE SFHS BOARD IS COMPRISED OF 12 DIRECTORS, 9 OF WHICH ARE INDEPENDENT PART VI, LINE 2 SEVERAL OFFICIALS SERVE ON THE BOARDS OF OTHER CORPORATIONS OR ARE RELATIVES THE ORGANIZATION HAS DETERMINED THAT THESE ASSOCIATIONS DO NOT PRESENT A CONFLICT OF INTEREST W R LISSAU, A DIRECTOR, HAS BUSINESS RELATIONSHIPS WITH WILLIAM K WARREN JR, A TRUSTEE HIS DAUGHTER WORKS FOR A COMPANY THAT PROVIDES PROFESSIONAL SERVICES TO SAINT FRANCIS HEALTH SYSTEM DOCUMENTATION FOR THIS RELATIONSHIP IS SHOWN ON SCHEDULE L JAKE HENRY JR AN OFFICER AND DIRECTOR, SERVES ON OTHER BOARDS OUTSIDE OF SAINT FRANCIS HEALTH SYSTEM WITH WILLIAM K WARREN JR , A TRUSTEE, HENRY ZARROW, A TRUSTEE AND W R LISSAU, A DIRECTOR PART VI, LINE 3 THE DIRECTOR FUNCTIONS ARE DELEGATED TO THE BOARD OF DIRECTORS OF SAINT FRANCIS HEALTH SYSTEM, INC WHOSE COUNT IS REFERENCED IN SECTION A 1 PART VI, LINE 6 THE ORGANIZATION HAS THREE MEMBERS, WHO ELECT THE GOVERNING BODY PART VI, LINE 7A THE ORGANIZATION HAS THREE MEMBERS, WHO ELECT THE GOVERNING BODY PART VI, LINE 7B THE MEMBERS APPROVE THE SALE OF ALL OR SUBSTANTIALLY ALL ASSETS OR THE AMENDMENT OF ARTICLES AND BYLAWS, AND APPROVE MERGERS AND CONSOLIDATIONS PART VI, LINE 11 THE FINANCE COMMITTEE, A SUB-COMMITTEE OF THE BOARD OF DIRECTORS HAVE ACCESS TO REVIEW THE PASSWORD PROTECTED FORM 990 ON-LINE PRIOR TO FILING THE FORM WITH THE IRS PART VI, LINE 12 THE ORGANIZATION FOLLOWS THE CONFLICT OF INTEREST, WHISTLEBLOWER AND RECORD RETENTION POLICIES OF SAINT FRANCIS HEALTH SYSTEM, INC THREE DIRECTORS, ONE DIRECTOR/OFFICER AND TWO KEY EMPLOYEES REPORTED POTENTIAL CONFLICTS THAT WERE ADDRESSED BY THE GOVERNING BODY CONFLICTS ARE REGULARLY DISCLOSED AND ADDRESSED PART VI, LINE 13 THE ORGANIZATION FOLLOWS THE CONFLICT OF INTEREST, WHISTLEBLOWER AND RECORD RETENTION POLICIES OF SAINT FRANCIS HEALTH SYSTEM, INC THREE DIRECTORS, ONE DIRECTOR/OFFICER AND TWO KEY EMPLOYEES REPORTED POTENTIAL CONFLICTS THAT WERE ADDRESSED BY THE GOVERNING BODY CONFLICTS ARE REGULARLY DISCLOSED AND ADDRESSED PART VI, LINE 14 THE ORGANIZATION FOLLOWS THE CONFLICT OF INTEREST, WHISTLEBLOWER AND RECORD RETENTION POLICIES OF SAINT FRANCIS HEALTH SYSTEM, INC THREE DIRECTORS, ONE DIRECTOR/OFFICER AND TWO KEY EMPLOYEES REPORTED POTENTIAL CONFLICTS THAT WERE ADDRESSED BY THE GOVERNING BODY CONFLICTS ARE REGULARLY DISCLOSED AND ADDRESSED PART VI, LINE 15B THE COMPENSATION OF OFFICIALS AND KEY EMPLOYEES ARE REVIEWED AND APPROVED BY A COMMITTEE OF THE DIRECTORS, WITH GUIDANCE BY INDEPENDENT CONSULTANTS AND USE OF COMPARATIVE DATA PART VI, LINE 19 THESE REQUESTS ARE DETERMINED ON A CASE-BY-CASE BASIS PART VII THE HOURS PER WEEK REPORTED ON FORM 990, PART VII FOR OFFICERS AND DIRECTORS ARE THE HOURS SPENT ON THE FILING ENTITY ONLY THE REMAINING 40 HOURS FOR THE OFFICERS AND DIRECTORS WITH RELATED COMPENSATION IS ALLOCATED AMONGST THE ENTITIES REPORTED ON SCHEDULE R PART VIII, LINE 11D THE HOSPITAL PROVIDES HEALTH AND MEDICAL EDUCATION TO PATIENTS, EMPLOYEES, AND OTHER COMMUNITY MEMBERS THE HOSPITAL IS ABLE TO BETTER SERVE THE COMMUNITY BY PROVIDING ADDITIONAL SERVICES SUCH AS HOME HEALTH CARE AND HOSPICE SERVICES PART XI, LINE 5 THE OTHER CHANGES IN NET ASSETS OR FUND BALANCES OF -$25,211,422 IS MADE UP OF THE ACTIVITY IN THE POST RETIREMENT BENEFIT OBLIGATION ACIVTIY FOR THE YEAR -$900,086, BENEFICIAL INTEREST IN CHILDRENS HOSPITAL FOUNDATION ACITIVITY FOR THE YEAR $2,207,311, EQUITY TRANSFERS FROM/TO RELATED PARTIES -$38,686,038, UNREALIZED GAIN (LOSSES) ON INVESTMENTS $8,898,421, UNREALIZED GAIN (LOSS) ON SWAP DERIVATIVES $2,840,790, BAD DEBT ADJUSTMENTS -$55,869, and EQUITY EARNINGS AND INVESTMENTS $484,049

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) SAINT FRANCIS OUTREACH SERVICES LLC 6600 S YALE AVE STE 400 Tulsa, OK 741363319 14-1841340	Health SVCS	OK	19,604,133	1,780,490	SFH
(2) CARE COMMUNICATIONS LLC 6600 S YALE AVE STE 400 Tulsa, OK 741363319 26-0015989	Comm SVCS	OK	3,051,384	4,096,149	SFH

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

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

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) SPRINGER CLINIC INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1414359	health svcs	OK	SFH	s corp	1,351,221	7,629,499	100 000 %
(2) RELATED HEALTH SERVICES INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1288715	health svcs	OK	SFH	s corp	1,289,097	66,370,613	100 000 %
(3) XAVIER INSURANCE COMPANY INC 76 ST PAUL ST STE 500 burlington, VT 054014477 03-0333599	captive insur	VT	SFH System	c corp	0	0	
(4) SAINT FRANCIS PAYROLL SERVICES LLC 6600 S YALE AVE STE 400 Tulsa, OK 741363319 45-0470422	common pay ag	OK	SFH System	c corp	0	0	
(5) ARROWHEAD RIDGE OWNERS ASSOCIATION INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 52-2418279	holding company	OK	SFH South	c corp	0	0	
(6) SFHs GENeral Professional liability PO BOX 3038 MILWAUKEE, WI 53215 75-6583874	self insuranc	WI	SFH System	trust	0	0	
(7) CommunityCare Managed HC Plans of OK 218 w 6th street Tulsa, OK 74119 73-1513383	insurance	OK	Related Hlth	c corp	0	0	

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

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

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

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

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

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

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

Schedule R (Form 990) 2011

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 73-0700090
Name: Saint Francis Hospital Inc

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity	g Section 512 (b)(13) controlled organization	
SAINT FRANCIS HEALTH SYSTEM INC 6600 S YALE AVE STE 400 Tulsa, OK 741363319 73-1501972	health svcs	OK	501(c)(3)	11b TYPE II	NA		No
SAINT FRANCIS HOSPITAL SOUTH LLC 6600 S YALE AVE STE 400 tulsa, OK 741363319 01-0603214	health svcs	OK	501(c)(3)	3	SFH	Yes	
LAUREATE PSYCHIATRIC CLINIC & HOSPITAL 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1308273	health svcs	OK	501(c)(3)	3	SFHS	Yes	
WARREN CLINIC INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1310891	health svcs	OK	501(c)(3)	3	SFHS	Yes	
PATIENT CARE SERVICES OF SAINT FRANCIS 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-0803027	health svcs	OK	501(c)(3)	3	SFHS	Yes	
SAINT FRANCIS HOME HEALTH INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1234331	health svcs	OK	501(c)(3)	11a TYPE I	SFH	Yes	
WARREN CANCER RESEARCH FOUNDATION 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1426265	medical rsrch	OK	501(c)(3)	4	SFH	Yes	
THE CHILDREN'S HOSPITAL FD at st fr 6600 S YALE AVE STE 400 tulsa, OK 741363319 20-2843418	health svcs	OK	501(c)(3)	11a TYPE I	SFHS	Yes	
SERVICE COLLECTION ASSOCIATION INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-0927856	inactive	OK	501(e)		SFH	Yes	

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income ($)	(g) Share of end-of-year assets ($)	(h) Percentage ownership
SPRINGER CLINIC INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1414359	health svcs	OK	SFH	s corp	1,351,221	7,629,499	100 000 %
RELATED HEALTH SERVICES INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1288715	health svcs	OK	SFH	s corp	1,289,097	66,370,613	100 000 %
XAVIER INSURANCE COMPANY INC 76 ST PAUL ST STE 500 burlington, VT 054014477 03-0333599	captive insur	VT	SFH System	c corp	0	0	
SAINT FRANCIS PAYROLL SERVICES LLC 6600 S YALE AVE STE 400 Tulsa, OK 741363319 45-0470422	common pay ag	OK	SFH System	c corp	0	0	
ARROWHEAD RIDGE OWNERS ASSOCIATION INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 52-2418279	holding company	OK	SFH South	c corp	0	0	
SFHs GENeral Professional liability PO BOX 3038 MILWAUKEE, WI 53215 75-6583874	self insuranc	WI	SFH System	trust	0	0	
CommunityCare Managed HC Plans of OK 218 w 6th street Tulsa, OK 74119 73-1513383	insurance	OK	Related Hlth	c corp	0	0	

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	ALL SAINTS HOME MEDICAL LLC	c	2,265,827	TRAN REVIEW
(2)	ALL SAINTS HOME MEDICAL LLC	K	307,197	TRAN REVIEW
(3)	ALL SAINTS HOME MEDICAL LLC	l	825,805	TRAN REVIEW
(4)	ALL SAINTS HOME MEDICAL LLC	o	66,273	TRAN REVIEW
(5)	ALL SAINTS HOME MEDICAL LLC	p	101,426	TRAN REVIEW
(6)	THE CHILDREN'S HOSP FND AT SAINT FRANCIS	C	387,204	TRAN REVIEW
(7)	THE CHILDREN'S HOSP FND AT SAINT FRANCIS	K	71,949	TRAN REVIEW
(8)	THE CHILDREN'S HOSP FND AT SAINT FRANCIS	O	996,678	TRAN REVIEW
(9)	LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	h	102,581	TRAN REVIEW
(10)	LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	k	1,589,791	TRAN REVIEW
(11)	LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	o	34,079,684	TRAN REVIEW
(12)	LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	p	44,164,672	TRAN REVIEW
(13)	SAINT FRANCIS HEALTH SYSTEM INC	b	18,748,173	TRAN REVIEW
(14)	SAINT FRANCIS HEALTH SYSTEM INC	k	2,139,264	TRAN REVIEW
(15)	SAINT FRANCIS HEALTH SYSTEM INC	l	652,212	TRAN REVIEW
(16)	SAINT FRANCIS HEALTH SYSTEM INC	O	16,026,489	TRAN REVIEW
(17)	SAINT FRANCIS HEALTH SYSTEM INC	p	18,906,273	TRAN REVIEW
(18)	RELATED HEALTH SERVICES INC	b	1,897,212	TRAN REVIEW
(19)	RELATED HEALTH SERVICES INC	K	369,129	TRAN REVIEW
(20)	RELATED HEALTH SERVICES INC	O	1,843,010	TRAN REVIEW

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(21)	RELATED HEALTH SERVICES INC	P	125,089	TRAN REVIEW
(22)	SAINT FRANIS HOSPITAL SOUTH LLC	c	7,206,034	TRAN REVIEW
(23)	SAINT FRANIS HOSPITAL SOUTH LLC	k	3,492,173	TRAN REVIEW
(24)	SAINT FRANIS HOSPITAL SOUTH LLC	l	1,014,171	TRAN REVIEW
(25)	SAINT FRANIS HOSPITAL SOUTH LLC	o	54,884,714	TRAN REVIEW
(26)	SAINT FRANIS HOSPITAL SOUTH LLC	p	69,606,833	TRAN REVIEW
(27)	SAINT FRANIS HOSPITAL SOUTH LLC	R	2,387,060	TRAN REVIEW
(28)	SAINT FRANIS HOME HEALTH INC	C	1,149,888	TRAN REVIEW
(29)	SAINT FRANIS HOME HEALTH INC	K	441,022	TRAN REVIEW
(30)	SAINT FRANIS HOME HEALTH INC	o	12,958,139	TRAN REVIEW
(31)	SAINT FRANIS HOME HEALTH INC	p	15,322,397	TRAN REVIEW
(32)	SPRINGER CLINIC INC	c	364,947	TRAN REVIEW
(33)	SPRINGER CLINIC INC	J	169,845	TRAN REVIEW
(34)	SPRINGER CLINIC INC	O	94,629	TRAN REVIEW
(35)	SPRINGER CLINIC INC	p	54,683	TRAN REVIEW
(36)	WARREN CANCER RESEARCH FOUNDATION	b	222,247	TRAN REVIEW
(37)	WARREN CANCER RESEARCH FOUNDATION	k	120,640	TRAN REVIEW
(38)	WARREN CANCER RESEARCH FOUNDATION	o	54,990	TRAN REVIEW
(39)	WARREN CANCER RESEARCH FOUNDATION	p	61,548	TRAN REVIEW
(40)	WARREN CLINIC INC	a	15,440	TRAN REVIEW

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(41)	WARREN CLINIC INC	l	4,611,912	TRAN REVIEW
(42)	WARREN CLINIC INC	p	166,130,187	TRAN REVIEW
(43)	WARREN CLINIC INC	j	144,491	TRAN REVIEW
(44)	WARREN CLINIC INC	ı	68,998	TRAN REVIEW
(45)	WARREN CLINIC INC	k	7,884,356	TRAN REVIEW
(46)	WARREN CLINIC INC	o	192,459,315	TRAN REVIEW
(47)	WARREN CLINIC INC	h	96,942	TRAN REVIEW
(48)	SFHS GENERAL PROFESSIONAL LIABILITY TRUST	B	12,000,000	TRAN REVIEW
(49)	COMM CARE MANAGED HEALTHCARE PLAN OF OK INC	P	92,480,152	TRAN REVIEW

CONSOLIDATED FINANCIAL STATEMENTS AND OTHER SUPPLEMENTAL INFORMATION

Saint Francis Hospital, Inc
Years Ended June 30, 2012 and 2011
With Report of Independent Auditors

Saint Francis Hospital, Inc.

Consolidated Financial Statements
and Other Supplemental Information

Years Ended June 30, 2012 and 2011

Contents

Report of Independent Auditors

The Board of Directors
Saint Francis Hospital, Inc

We have audited the accompanying consolidated statements of financial position of Saint Francis Hospital, Inc (the Hospital) as of June 30, 2012 and 2011, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended These financial statements are the responsibility of the Hospital's management Our responsibility is to express an opinion on these financial statements based on our audits

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Saint Francis Hospital, Inc at June 30, 2012 and 2011, and the consolidated changes in its net assets and its cash flows for the years then ended, in conformity with U S generally accepted accounting principles

October 23, 2012

Saint Francis Hospital, Inc.

Consolidated Statements of Financial Position

	June 30 2012	2011
Assets		
Current assets		
Cash and cash equivalents	$ **196,832,226**	$ 114,253,286
Short-term investments	**228,577,454**	225,562,808
Patient accounts receivable, net of allowances for uncollectible receivables of $44,508,458 and $43,487,621 in 2012 and 2011, respectively	**67,000,216**	56,004,968
Inventories	**21,853,532**	21,871,429
Prepaid expenses and other receivables	**15,413,208**	18,322,985
Total current assets	**529,676,636**	436,015,476
Investments	**552,928,378**	539,403,262
Assets whose use is limited		
Board-designated funds, held by trustee		
Professional liability self-insurance reserve	**18,116,465**	15,270,947
Other restricted assets	**3,185,396**	3,034,884
	21,301,861	18,305,831
Property and equipment		
Land and improvements	**29,278,135**	29,136,907
Buildings	**378,272,524**	399,431,993
Equipment	**336,298,835**	334,476,956
Construction in progress	**59,694,266**	43,435,069
	803,543,760	806,480,925
Less accumulated depreciation	**372,914,066**	400,499,876
	430,629,694	405,981,049
Other assets		
Investments in unconsolidated affiliates	**67,508,079**	61,060,448
Beneficial interest in The Children's Hospital Foundation at Saint Francis	**9,341,875**	7,134,565
Other	**19,310,455**	20,215,732
	96,160,409	88,410,745
Total assets	$ **1,630,696,978**	$ 1,488,116,363
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued expenses	$ **39,883,144**	$ 30,820,773
Employee compensation and related liabilities	**35,200,379**	30,486,220
Estimated third-party settlements	**17,571,154**	17,331,790
Current maturities of long-term debt	**2,540,000**	1,290,000
Total current liabilities	**95,194,677**	79,928,783
Long-term debt, less current maturities	**218,043,327**	221,006,211
Other long-term liabilities	**32,143,792**	33,807,465
Net assets	**1,285,315,182**	1,153,373,904
Total liabilities and net assets	$ **1,630,696,978**	$ 1,488,116,363

See accompanying notes

Saint Francis Hospital, Inc.

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended June 30	
	2012	**2011**
Revenues		
Net patient service revenue	**$ 889,162,785**	$ 826,979,466
Other operating revenue	**22,880,673**	17,576,025
Total unrestricted revenues	**912,043,458**	844,555,491
Expenses		
Employee compensation	**336,821,191**	332,692,884
Occupancy	**42,077,131**	39,028,340
Drugs and patient care supplies	**173,493,552**	163,590,366
Administrative	**79,757,951**	54,553,415
Office	**8,099,278**	6,483,885
Interest	**9,613,773**	9,745,782
Provisions for bad debts	**60,200,836**	45,982,012
Depreciation and amortization	**47,692,263**	44,836,589
Total expenses	**757,755,975**	696,913,273
Income from operations	**154,287,483**	147,642,218
Other income (expense)		
Investment (loss) income, net	**(2,807,171)**	17,559,373
Change in fair value of interest rate swaps	**2,840,790**	3,666,246
Equity in earnings of private investments	**2,818,249**	17,605,130
Donations	**880,136**	774,531
Equity in earnings of unconsolidated affiliates	**9,027,910**	9,682,200
Other, net	**2,360,583**	1,054,519
	15,120,497	50,341,999
Excess of revenues over expenses	**169,407,980**	197,984,217
Transfers to affiliates, net	**(38,773,925)**	(42,349,512)
Change in beneficial interest in The Children's Hospital Foundation at Saint Francis	**2,207,310**	(596,041)
Change in postretirement medical benefit liability	**(900,087)**	5,430,679
Increase in net assets	**131,941,278**	160,469,343
Net assets, beginning of year	**1,153,373,904**	992,904,561
Net assets, end of year	**$1,285,315,182**	$1,153,373,904

See accompanying notes.

Saint Francis Hospital, Inc.

Consolidated Statements of Cash Flows

	Year Ended June 30 2012	2011
Operating activities and other income		
Increase in net assets	$ **131,941,278**	$ 160,469,343
Adjustments to reconcile increase in net assets to net cash provided by operating activities and other income		
Depreciation and amortization	**47,692,263**	44,836,589
Change in beneficial interest in The Children's Hospital Foundation at Saint Francis	**(2,207,310)**	596,041
Transfers to affiliates, net	**38,773,925**	42,349,512
Change in postretirement medical benefit liability	**900,087**	(5,430,679)
Change in fair value of interest rate swaps	**(2,840,790)**	(3,666,246)
Provision for bad debts	**60,200,836**	45,982,012
Loss on sale of assets	**1,680,477**	2,501,802
Equity in earnings of unconsolidated affiliates	**(9,027,910)**	(9,682,200)
Amortization of bond issuance cost	**66,951**	67,355
Equity in earnings of private investments	**(2,818,249)**	(17,605,130)
Changes in operating assets and liabilities, net		
Patient accounts receivable	**(71,196,084)**	(52,648,010)
Inventories, prepaid expenses, and other receivables	**2,927,675**	(2,590,973)
Unrestricted investments	**(13,721,514)**	(64,885,591)
Other assets	**838,326**	(7,649,765)
Estimated third-party settlements	**239,364**	(6,484,554)
Accounts payable, accrued expenses, employee compensation and related liabilities, and other long-term liabilities	**14,053,558**	7,011,452
Net cash provided by operating activities and other income	**197,502,883**	133,170,958
Investing activities		
Purchases of property and equipment, net	**(74,021,384)**	(100,552,864)
Net decrease in assets whose use is limited	**(2,996,029)**	(992,634)
Net capital distributions from affiliates and equity investees	**2,580,279**	3,292,986
Net cash used in investing activities	**(74,437,134)**	(98,252,512)
Financing activities		
Payments on long-term debt	**(1,712,884)**	(1,570,436)
Transfers to affiliates, net	**(38,773,925)**	(42,349,512)
Net cash used in financing activities	**(40,486,809)**	(43,919,948)
Net increase (decrease) in cash and cash equivalents	**82,578,940**	(9,001,502)
Cash and cash equivalents at beginning of year	**114,253,286**	123,254,788
Cash and cash equivalents at end of year	$ **196,832,226**	$ 114,253,286

See accompanying notes

Saint Francis Hospital, Inc.

Notes to Consolidated Financial Statements

June 30, 2012

1. Organization and Accounting Policies

Organization

Saint Francis Hospital, Inc (the Hospital), located in Tulsa, Oklahoma, is organized as a nonprofit corporation under the laws of the state of Oklahoma

The Hospital provides inpatient, outpatient, home health, hospice, and emergency care services to residents of Oklahoma, primarily in Tulsa and the surrounding areas

Saint Francis Health System, Inc (the System) appoints the trustees of the Hospital and provides management and administrative services In 2012 and 2011, the Hospital made net asset transfers to the System totaling approximately $38,774,000 and $42,350,000, respectively The Hospital is consolidated as part of the System's financial reporting process

Consolidation

The Hospital consolidates its investments in wholly owned or controlled affiliates Significant intercompany transactions have been eliminated The Hospital's consolidated affiliates include Related Health Services, Inc (RHS), Saint Francis Home Health, Inc , McAlester Medical Corporation, Care Communications, LLC, Warren Cancer Research Foundation, Saint Francis Outreach Services, LLC, Springer Clinic, Inc , and Saint Francis Hospital South, LLC

Use of Estimates

In preparing the consolidated financial statements in conformity with accounting principles generally accepted in the United States, management is required to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes Actual results could differ from those estimates

Accounts Receivable

In establishing the estimate of uncollectible accounts, the Hospital considers its historical collection experience, the aging of the account, and the payor classification Amounts due directly from patients represent the majority of uncollectible accounts Accounts are written off after all collection efforts have been exhausted

1. Organization and Accounting Policies (continued)

The components of net receivables due from patients and third-party payors were as follows

	June 30	
	2012	**2011**
Medicare	**20%**	22%
Medicaid	**7**	9
Commercial insurance and managed care	**43**	46
Private pay and other	**30**	23

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements A significant portion (27% in 2012 and 31% in 2011, respectively) of its net patient receivables is due from the Medicare and Medicaid programs The Hospital must comply with various reporting and operating regulations mandated by each of the federal and state programs Failure to comply with these regulations could result in the Hospital losing its eligibility to receive these funds Management is not aware of any operations or activities that would jeopardize the Hospital's eligibility under these programs

Net Patient Service Revenue

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered, and includes estimated retroactive revenue adjustments due to future audits, reviews, and investigations Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, or investigations

Statements of Operations

For financial reporting purposes, transactions considered by management to be ongoing, major, or central to the provision of health care services are reported as revenues and expenses Peripheral or incidental transactions are reported as other income (expense)

Cash and Cash Equivalents

The Hospital considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents

1. Organization and Accounting Policies (continued)

Inventories

Inventories (principally pharmaceuticals, medical supplies, and surgical supplies) are stated at the lower of cost (weighted-average method) or market

Property and Equipment

Property and equipment acquisitions are recorded at cost Donated property and equipment are recorded at fair value on the date of donation Costs of construction in progress are not depreciated until placed in service Depreciation is calculated and recorded over the estimated useful life of each class of depreciable assets using the straight-line method The American Hospital Association's *Estimated Useful Lives of Depreciable Hospital Assets* is used as a general guide in establishing depreciable lives

The Hospital has recorded an asset retirement obligation relating to future asbestos remediation of approximately $1,648,000 and $1,571,000 at June 30, 2012 and 2011, respectively, which is included in other long-term liabilities During 2012 and 2011, retirement obligations incurred and settled were minimal Accretion expense of approximately $177,000 and $82,000 was recorded in 2012 and 2011, respectively

Asset Impairment

The Hospital periodically evaluates the carrying amount of its long-lived assets for impairment when indicators of impairment are identified These evaluations are primarily based on the estimated recoverability of the assets' carrying value The Hospital did not record any impairment charges for either June 30, 2012 or 2011 Any impairment charges would be included in depreciation and amortization expense in the accompanying consolidated statements of operations and changes in net assets

Investments

The Hospital's investment portfolio is classified as trading, with unrealized gains and losses included in other income (expense) Investments with readily determinable fair values are reported at fair value Investments in limited liability partnerships and corporations (private investments) do not have readily determinable fair values and are recorded based on the Hospital's share of the underlying value of portfolio securities held by these funds, as reported to

1. Organization and Accounting Policies (continued)

the Hospital Positions in private investments are recorded at amounts as reported by the related investment managers The investments in limited partnerships and corporations are accounted for under the equity method of accounting Under this method, the equity in earnings includes changes in reported values in the underlying investments For private investments, independent verification of reported values is limited Due to the inherent volatility in the investment markets, there is at least a reasonable possibility that recorded investment values may change by a material amount in the near term

Assets Whose Use Is Limited

Assets whose use is limited represent assets held by trustees under bond self-insurance trust arrangements for professional liability as well as deferred compensation investments associated with the Hospital's deferred compensation benefit plans

Donations

Donations are recognized as income in the period received or unconditionally pledged to the Hospital The Hospital does not have a policy of applying time restrictions on long-lived donated assets and considers such assets unrestricted at the date placed in service Expirations of donor-imposed restrictions are reported as reclassifications between temporarily restricted and unrestricted net assets

As of June 30, 2012 and 2011, net assets that are restricted by donors, which relates primarily to the Hospital's beneficial interest in a related organization, totaled approximately $12,133,000 and $9,814,000, respectively These amounts are not material to the financial position of the Hospital and, therefore, are not presented separately as temporarily restricted net assets in the accompanying consolidated financial statements

Beneficial Interest

The Hospital has recorded a beneficial interest in The Children's Hospital Foundation at Saint Francis (the Foundation) of approximately $9,342,000 and $7,135,000 as of June 30, 2012 and 2011, respectively, which is included in other assets in the accompanying consolidated statements of financial position The Hospital is the beneficiary of the Foundation's campaign to raise funds for the construction and operation of The Children's Hospital at Saint Francis

1. Organization and Accounting Policies (continued)

In 2011, the Foundation transferred cash to the Hospital of $2,500,000 There was not any cash transferred for 2012 These amounts are included in transfers to affiliates, net in the accompanying consolidated statements of operations and changes in net assets

Other Assets

Other assets of approximately $19,310,000 and $20,216,000 at June 30, 2012 and 2011, respectively, include goodwill and other intangible assets The Hospital records goodwill arising from a business combination as the excess of purchase price over the fair value of identifiable tangible and intangible assets acquired and liabilities assumed Goodwill is tested at least annually at the reporting unit level Impairment is the condition that exists when the carrying amount of goodwill exceeds its implied fair value The first step in the impairment process is to determine the fair value of the reporting unit and then compare it to the carrying value, including goodwill If the fair value exceeds the carrying value, no further action is required and no impairment loss is recognized

Additional impairment assessments may be performed on an interim basis if the Hospital encounters events or changes in circumstances that would indicate that it is more likely than not that the carrying value of goodwill has been impaired

During 2012 and 2011, management has estimated the implied fair value of the related reporting unit and determined that the fair value exceeds the carrying value of the reporting unit including goodwill Thus, no further analysis is required and no impairment loss is required to be recognized

Professional and General Liability Insurance

The Hospital is self-insured with respect to claims relating to professional and general liability under the Saint Francis Health System General/Professional Liability Trust Fund, a revocable trust arrangement The System has obtained excess professional and general liability insurance coverage from the reinsurance market in excess of the funds set aside in the trust The System funds an amount, as determined by an independent actuary, in a revocable trust with a local trustee for the self-insured portion of its estimated professional liability exposure The Hospital establishes a reserve for probable exposure on professional and general liability claims based on the recommendations of an independent actuary and includes the Hospital's best estimate of potential losses for reasonably estimable claims At June 30, 2012 and 2011, the Hospital had

1. Organization and Accounting Policies (continued)

recorded a reserve for its professional and general liabilities of approximately $25,488,000 and $23,084,000, respectively These reserves are included in other long-term liabilities in the accompanying consolidated statements of financial position

Effective July 1, 2011, and after for all periods presented, the Hospital adopted the provisions of Accounting Standards Update (ASU) 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, which further clarifies that health care entities should not net insurance recoveries against the related claim liabilities In connection with the Hospital's adoption of ASU 2010-24, the Hospital recorded increases under the captions "Other assets" and "Other long-term liabilities" in the accompanying consolidated balance sheet by $7,664,000 and $7,443,000 as of June 30, 2012 and 2011, respectively This represents the Hospital's estimate of recoveries for certain claims in excess of its self-insured retention levels for workers' compensation claims and professional and general liability claims The adoption of ASU 2010-24 had no impact on the Hospital's results of operations or cash flows

Income Taxes

The Hospital has been granted tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code Once qualified as a tax-exempt entity, the Hospital is required to operate in conformity with the Code and its tax-exempt purpose to maintain its qualification Taxes related to unrelated business income and operations of taxable affiliates are insignificant There were no material unrecorded tax liabilities as of June 30, 2012 or 2011

Charity Care

The Hospital accepts patients regardless of their ability to pay A patient is classified as a traditional charity patient by reference to certain established policies of the Hospital Essentially, these policies define charity services as those services for which no payment is anticipated In assessing a patient's inability to pay, the Hospital utilizes welfare and Medicaid eligibility criteria, but also includes certain cases where incurred charges are significant when compared to the patient's income The amount of traditional charity care provided, determined on the basis of cost, was approximately $23,249,000 and $23,352,000 for the years ended June 30, 2012 and 2011, respectively Previously, the Hospital reported its estimates of services provided under its charity care programs based on gross charges In connection with the Hospital's adoption of ASU 2010-23, *Measuring Charity Care for Disclosure*, amounts previously reported for

1. Organization and Accounting Policies (continued)

care provided under its charity care programs have been restated to reflect the Hospital's estimates of its direct and indirect costs of providing these services This change had no impact on the Hospital's results of operations

Additionally, the Hospital has a 20% private pay discount and considers the private pay discount and all Medicaid contractual adjustments to be a component of total charity care Total charity care provided in 2012 and 2011, measured at gross charges, approximated $290,388,000 (including $24,743,000 of private pay discount and $194,499,000 of Medicaid contractual adjustments) and $298,893,000 (including $22,101,000 of private pay discount and $204,522,000 of Medicaid contractual adjustments), respectively

Provision and Allowance for Doubtful Accounts

To provide for accounts receivable that could become uncollectible in the future, the Hospital establishes an allowance for doubtful accounts to reduce the carrying value of such receivables to their estimated net realizable value The primary uncertainty lies with uninsured patient receivables and deductibles, co-payments, or other amounts due from individual patients

The Hospital has an established process to determine the adequacy of the allowance for doubtful accounts that relies on a number of analytical tools and benchmarks to arrive at a reasonable allowance No single statistic or measurement determines the adequacy of the allowance for doubtful accounts Some of the analytical tools that the Hospital utilizes include, but are not limited to, historical cash collection experience, revenue trends by payor classification, and revenue days in accounts receivable Accounts receivable are written off after collection efforts have been followed in accordance with the Hospital's policies

Interest Rate Swap Agreements

The Hospital periodically utilizes interest rate swap agreements to hedge its interest rate exposure Changes in the fair value of the Hospital's swaps are recorded as a component of other income (expense)

1. Organization and Accounting Policies (continued)

Minimum Revenue Guarantee

The Hospital enters into agreements with non-employed physicians that include minimum revenue guarantees The obligation under these guarantees is not material to the financial statements of the System The maximum amount of future payments that the System could be required to make under these guarantees is approximately $649,000 and $1,726,000 at June 30, 2012 and 2011, respectively These guarantees primarily arise through physician recruiting efforts and vary by physician specialty Generally, the term of these guarantees ranges from two to five years

Investments in Unconsolidated Affiliates

The Hospital accounts for its investments in affiliates that are not wholly owned or controlled using the equity method of accounting The Hospital's equity method affiliates include a 50% interest in SFSJ Ventures, LLC and a 50% interest in All Saints Home Medical, LLC Also, the Hospital, through RHS, owns a 50% interest in CommunityCare Managed HealthCare Plans of Oklahoma, Inc

Investments in net assets of affiliated companies accounted for under the equity method amounted to approximately $67,508,000 and $61,060,000 at June 30, 2012 and 2011, respectively Combined assets, liabilities, and operating results of the unconsolidated affiliates are insignificant to the Hospital

Accounting Pronouncements Adopted

In January 2010, the Financial Accounting Standards Board (FASB) released ASU No 2010-06, *Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements* ASU 2010-06 was issued to improve disclosure requirements related to the fair value measurements and disclosures topic (overall Subtopic 820-10) of the FASB The new disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures in the roll forward of activity in Level 3 fair value measurements Those disclosures are effective for fiscal years beginning after December 15, 2010 The Hospital's adoption of ASU 2010-06 did not have a material impact on its overall results of operations, financial position, or cash flows

1. Organization and Accounting Policies (continued)

In August 2010, the FASB issued ASU No 2010-23, *Measuring Charity Care for Disclosure.* ASU 2010-23 is intended to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care ASU 2010-23 requires that cost be used as the measurement basis for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing the charity care, and requires disclosure of the method used to identify or determine such costs This ASU is effective for fiscal years beginning after December 15, 2010, with retrospective application required The Hospital's adoption of ASU 2010-23 did not have a material impact on its overall results of operations, financial position, or cash flows

In August 2010, the FASB issued ASU No 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries* The amendments in this ASU clarify that a health care entity may not net insurance recoveries against related claim liabilities In addition, the amount of the claim liability must be determined without consideration of insurance recoveries This ASU is effective for the Hospital on July 1, 2011 The Hospital's adoption of ASU 2010-24 did not have a material impact on its overall results of operations, financial position, or cash flows

Pending Accounting Pronouncements

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*, which amends certain guidance in Accounting Standards Codification (ASC) 820, *Fair Value Measurement* ASU 2011-04 expands ASC 820's existing disclosure requirements for fair value measurements and makes other amendments ASU 2011-04 is effective for interim and annual reporting periods beginning after December 15, 2011 and will be applied on a prospective basis The Hospital is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Hospital's financial statements

In July 2011, the FASB released ASU No 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Healthcare Entities* ASU 2011-07 requires health care entities to change the presentation of their statements of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction for patient service revenue (net of contractual allowances and discounts) Additionally, enhanced disclosures will be required surrounding the entity's policies for recognizing revenue and assessing bad debts ASU 2011-07

1. Organization and Accounting Policies (continued)

is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011 The Hospital does not believe adoption of ASU 2011-07 will have a material impact on its overall results of operations, financial position, or cash flows

2. Net Patient Service Revenue

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

Medicare and Medicaid

The Hospital is reimbursed for cost-reimbursable items at tentative interim rates, with final settlement determined after submission of annual cost reports by the Hospital and audit thereof by the Medicare fiscal intermediary These retroactive settlements are estimated and recorded in the financial statements in the year in which they occur The estimated settlements recorded at June 30, 2012, could differ from actual settlements based on the results of cost report audits The Hospital's Medicare cost reports have been settled by the Medicare fiscal intermediary through June 30, 2007 Management believes it has made adequate provision for adjustments, if any, that may result from the intermediary's audits of the cost reports for fiscal years subsequent to 2007

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 may change by a material amount in the near term Net patient service revenue increased approximately $1,446,000 and $8,273,000 in 2012 and 2011, respectively, due to adjustments of settlements previously estimated that are no longer necessary as a result of final settlements, appeals, and changes to initial estimates

Inpatient acute care and outpatient services rendered to Medicare program beneficiaries are paid at predetermined rates Changes in the Medicare program, and any reduction of funding, could have an adverse impact on the Hospital's reimbursement in future years

Substantially all services rendered to Medicaid program beneficiaries are reimbursed at predetermined rates The rates are not subject to retroactive adjustment Changes in the Medicaid program and the reduction of future funding could have an adverse impact on the Hospital

2. Net Patient Service Revenue (continued)

Additionally, the federal Medicaid rules allow for hospitals to be reimbursed for some of the uncompensated cost of treating Medicaid and uninsured patients up to an Upper Payment Limit (UPL) The Oklahoma Medicaid program has chosen a state-wide UPL strategy to draw available federal Medicaid dollars into the state Under this program, non-exempt hospitals pay an assessment fee that is distributed to participating hospitals, along with the supplemental federal matching funds During the year ended June 30, 2012, the Hospital paid assessments of $15,844,000 and received funding of $41,587,000 under this program These amounts are reflected as administrative expenses and net patient service revenue, respectively, in the accompanying financial statements

Capitated Arrangements

The System has entered into capitated arrangements with CommunityCare Managed HealthCare Plans of Oklahoma, Inc , 50% of which is owned by RHS, a wholly owned subsidiary of the Hospital, whereby the System accepts the risk for the provision of comprehensive health care services to health plan members Under these agreements, the System receives monthly capitation payments based upon the number of participants, regardless of services actually performed The capitation revenue is allocated among the members of the System, including the Hospital, based upon historical cost information for providing services to this population The Hospital's allocation of capitation payments received is recorded as a component of net patient service revenue in the accompanying consolidated statements of operations and changes in net assets The Hospital recognized capitated revenue of $85,076,000 and $92,478,000 as of June 30, 2012 and 2011, respectively

The Hospital has recorded a liability for referral services outside of the Hospital, including incurred but not reported claims The liability totaled approximately $6,219,000 and $2,233,000 as of June 30, 2012 and 2011, respectively These amounts are included in accounts payable and accrued expenses in the accompanying consolidated statements of financial position

Other

The Hospital also has entered into contractual payment arrangements with commercial insurance carriers, health maintenance organizations, and preferred provider organizations The payments for services rendered to beneficiaries under these contractual arrangements include predetermined rates per discharge, per diem rates, discounts from established charges, and capitated payments

2. Net Patient Service Revenue (continued)

The Hospital's net patient service revenues in the years ended June 30 were from the following payor sources

	2012	2011
Medicare	**25%**	26%
Medicaid	**9**	8
Commercial insurance and managed care	**48**	48
Capitated revenue	**10**	11
Private pay and other	**8**	7

3. Investments

At June 30, investments consisted of the following

	2012	2011
Investments		
U S government obligations	**$ 89,979,950**	$ 105,653,310
U S government agencies	**198,607,337**	144,198,071
Corporate bonds	**193,108,304**	297,785,365
Private investments – marketable	**160,381,201**	152,775,053
Private investments – nonmarketable	**66,436,871**	54,227,508
Equities	**64,297,867**	1,740,854
Certificates of deposit	**10,319,799**	8,846,651
	783,131,329	765,226,812
Professional liability trust		
U S government agencies	**4,413,404**	2,787,218
Corporate bonds	**4,539,844**	10,572,828
Equities	**870**	852
Cash equivalents	**9,162,347**	1,910,049
	18,116,465	15,270,947
Total investments	**$ 801,247,794**	$ 780,497,759

3. Investments (continued)

The Hospital's cash that is not needed for operations is invested in the above broad asset classes with external investment managers These investment managers invest the assets in numerous investment strategies, and these strategies are subject to various types of risks, as explained below

Fixed income – This investment class includes investments in various fixed-income instruments, including investment-grade and high-yield domestic and international bonds, mortgage pools, , and bonds issued by U S government agencies The fixed-income investments are exposed to various kinds and levels of risk, including interest rate risk, credit risk, and liquidity risk

Equities – This investment class consists primarily of common equity securities of domestic companies These securities trade through the major public domestic exchanges The equity securities investments are exposed to various risks, including market risk, individual security risk, and, for common equity of companies with a small market capitalization, liquidity risk

Private investments – marketable – These funds are invested with external investment managers who invest primarily in equity and fixed-income securities of both domestic and international issuers These investment managers invest in both long and short securities and may utilize leverage in their portfolios The risks associated with these investments are numerous and include investment manager risk, market risk, event risk, and liquidity risk, as well as the risk of utilizing leverage in the portfolios

Private investments – nonmarketable – These funds are invested with external investment managers who invest primarily in private equity and fixed-income securities, as well as in private real estate holdings These investments are primarily domestic in nature, are illiquid, and may not be realized for a period of several years after the investments are made The risks associated with these investments are numerous and include liquidity risk, market risk, event risk, interest rate risk, and investment manager risk The Hospital has committed approximately $27,708,000 of future funding to various nonmarketable private investment funds as of June 30, 2012

Private investments include investments in hedge funds and private equity funds These funds are subject to risks that could result in the loss of invested capital The risks include the following

Nonregulation risk – Certain funds are not required to register with the Securities and Exchange Commission and are not subject to regulatory controls

3. Investments (continued)

Managerial risk – Fund managers may fail to produce the intended returns and are not subject to oversight

Minimal liquidity – Many funds impose lockup periods that prevent investors from redeeming their shares or impose penalties to redeem

Limited transparency – As unregistered investment vehicles, funds are not required to disclose the holdings in their portfolios to investors

Investment strategy risk – The funds often employ sophisticated, risky investment strategies, are speculative, and may use leverage, which could result in volatile returns

Due to the inherent volatility in the investment markets, there is at least a reasonable possibility that recorded investment values may change by a material amount in the near term

Investment (loss) income, net includes interest, dividends, amortization of premiums and discounts, and realized and unrealized gains on investment securities, net of investment fees, and is reported as other income in the accompanying consolidated statements of operations and changes in net assets Investment income (loss) for the years ended June 30 included the following

	2012	2011
Interest and dividends	**$ 31,389,283**	$ 29,654,820
Investment fees	**(1,367,862)**	(1,269,287)
Realized (losses) gains on investments	**(30,148,892)**	646,736
Unrealized losses on investments	**(2,679,700)**	(11,472,896)
Total investment (loss) income, net	**$ (2,807,171)**	$ 17,559,373

Equity in earnings of private investments totaled approximately $2,818,000 and $17,605,000 in 2012 and 2011, respectively

4. Fair Value Measurements

Accounting Standards Codification (ASC) No 820, *Fair Value Measurements and Disclosures*, provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements) The three levels of the fair value hierarchy under ASC 820 are described below

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

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument

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

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

Following is a description of the valuation methodologies used for assets measured at fair value There have been no changes in the methodologies used at June 30, 2012 or 2011

Investments – Investments that are valued at quoted prices available in an active market are classified within Level 1 of the valuation hierarchy Investments that are valued based on evaluated bid prices provided by third-party pricing services, where quoted market prices are not available, are classified within Level 2 of the valuation hierarchy

Interest rate swap agreements – Interest rate swap agreements are valued using third-party models that use observable market conditions as their input and are, therefore, classified within Level 2 of the valuation hierarchy

4. Fair Value Measurements (continued)

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

The following tables set forth, by level within the fair value hierarchy, the Hospital's financial instruments at fair value as of June 30, 2012 and 2011

	Financial Instruments at Fair Value as of June 30, 2012			
	Level 1	Level 2	Level 3	Total
Assets				
Investments				
U S government obligations	$ –	$ 89,979,950	$ –	$ 89,979,950
U S government agencies	–	203,020,741	–	203,020,741
Corporate bonds	–	197,648,148	–	197,648,148
Equities	64,298,737	–	–	64,298,737
Total assets at fair value	$ 64,298,737	$ 490,648,839	$ –	$ 554,947,576
Liabilities				
Interest rate swap agreements	$ –	$ 1,303,177	$ –	$ 1,303,177
Total liabilities at fair value	$ –	$ 1,303,177	$ –	$ 1,303,177

4. Fair Value Measurements (continued)

	Financial Instruments at Fair Value as of June 30, 2011			
	Level 1	Level 2	Level 3	Total
Assets				
Investments				
U S government obligations	$ –	$105,653,310	$ –	$ 105,653,310
U S government agencies	–	146,985,289	–	146,985,289
Corporate bonds	–	308,358,193	–	308,358,193
Equities	1,741,706	–	–	1,741,706
Total assets at fair value	$ 1,741,706	$ 560,996,792	$ –	$ 562,738,498
Liabilities				
Interest rate swap agreements	$ –	$ 4,838,967	$ –	$ 4,838,967
Total liabilities at fair value	$ –	$ 4,838,967	$ –	$ 4,838,967

The tables above exclude private investments, certificates of deposit, and cash equivalents of $246,300,000 and $217,759,000 at June 30, 2012 and 2011, respectively, which are not subject to FASB ASC 820, as they are accounted for under the equity method of accounting

The fair values of the securities included in Level 1 were determined through quoted market prices and include money market funds, mutual funds, and marketable equity securities The fair values of Level 2 securities were determined through evaluated bid prices based on recent trading activity and other relevant information including market interest rate curves and referenced credit spreads, and estimated prepayment rates, where applicable, are used for valuation purposes and are provided by third-party services where quoted market values are not available The fair values of Level 3 securities are determined primarily through information obtained from the relevant counterparties for such investments Information on which these securities' fair values are based is generally not readily available in the market The Hospital had no Level 3 securities at June 30, 2012 or 2011

At June 30, 2012 and 2011, the Hospital's financial instruments included cash and cash equivalents, certificates of deposit, accounts receivable, assets limited as to use, accounts payable and accrued expenses, estimated third-party payor settlements, and long-term debt The carrying amounts reported in the consolidated statements of financial position for these financial instruments, except for long-term debt, approximate their fair market values The fair value of the Hospital's health care revenue bonds, as determined by evaluated bid prices provided by third-party pricing services, was approximately $231,585,000 and $220,620,000 at June 30, 2012 and 2011, respectively

5. Long-Term Debt

Long-term debt consists of the following

	June 30	
	2012	**2011**
First Lien Health Care Revenue Bonds (Series 2006) of the Tulsa County Industrial Authority at various coupon rates from 3 5% to 5 5%, issued November 14, 2006, and maturing on various dates through December 15, 2036	**$ 213,845,000**	$ 215,135,000
	213,845,000	215,135,000
Less current maturities	**(2,540,000)**	(1,290,000)
Unamortized bond premium	**6,738,327**	7,161,211
	$ 218,043,327	$ 221,006,211

In November 2006, the Hospital issued $219,390,000 of First Lien Health Care Revenue Bonds (Series 2006) of the Tulsa County Industrial Authority The proceeds from the Series 2006 Bonds were used for purposes of acquiring, furnishing, improving, constructing, and equipping certain health care facilities of the Hospital, refunding the Series 2003 bonds with an aggregate principal amount of $25,310,000, and paying the costs of issuance of the Series 2006 Bonds The principal amount of the issuance was $219,390,000 with a premium issuance of $9,147,000, for total proceeds of $228,537,000

The indenture agreements related to the Series 2006 Bonds provide for the payment of principal and interest from the gross revenues derived from the ownership, existence, and/or operations of the Hospital and the System, and the unrestricted assets of the Hospital and the System Among other requirements, the Hospital and the System must maintain rates and fees sufficient to cover the debt service coverage ratio, as defined in the master trust indenture Certain other general covenants are also required to be met in these bond indentures Management believes it is in compliance with all requirements in the indentures

Principal repayments for the next five years ending June 30 are as follows 2013 – $2,540,000, 2014 – $5,260,000, 2015 – $5,515,000, 2016 – $6,540,000, 2017 – $6,835,000, and thereafter – $187,155,000

Interest paid totaled approximately $9,614,000 and $9,748,000 for the years ended June 30, 2012 and 2011, respectively

6. Derivative Financial Instruments

As of June 30, 2012, the Hospital has an interest rate swap agreement to manage interest rate risk exposure not designated as a hedging instrument under ASC 815, *Derivatives and Hedging*, with a total notional amount of $100,000,000

At June 30, 2012 and 2011, the fair value of these swap agreements was a net liability of approximately $1,303,000 and $4,839,000, respectively, which is included in other long-term liabilities in the accompanying consolidated statements of financial position The fair values of the instruments were determined in accordance with ASC 820, as explained in Note 4 The change in value is recorded in the consolidated statements of operations and changes in net assets as a nonoperating change in fair value of interest rate swaps of approximately $2,841,000 and $3,666,000 at June 30, 2012 and 2011, respectively

In accordance with ASC 815, the following tables summarize financial statement location and fair value at June 30, 2012 and 2011, and the income recorded related to the interest rate swap agreements as of and for the years ended June 30, 2012 and 2011

Counterparty	Description	Termination Date	Interest Rate Agreements	Notional Amount	Statement of Financial Position Location	Fair Value 6/30/2012	Fair Value 6/30/2011
Merrill Lynch	Fixed-spread basis	11 1 2026	1	$100,000,000	Other long-term liabilities	**$ 1,303,177**	$ 2,832,159
Goldman Sachs	Fixed-spread basis	Terminated	1	100,000,000	Other long-term liabilities	**–**	2,006,808
				$200,000,000		**$ 1,303,177**	$ 4,838,967

6. Derivative Financial Instruments (continued)

Counterparty	Description	Termination Date	Interest Rate Agreements	Notional Amount	Statement of Operations Location	Change in Fair Value 6/30/2012	Change in Fair Value 6/30/2011
Merrill Lynch	Fixed-spread basis	11 1 2026	1	$100,000,000	Other income (expense)	**$ 1,528,982**	$ 1,798,552
Goldman Sachs	Fixed-spread basis	Terminated	1	100,000,000	Other income (expense)	**1,311,808**	1,867,694
				$200,000,000		**$ 2,840,790**	$ 3,666,246

As of the years ended June 30, 2012 and 2011, the Hospital has received net cash payments of approximately $721,000 and $633,000, respectively, related to the interest rate swap agreements The following table summarizes the payments recorded as interest expense in the accompanying consolidated statements of operations and changes in net assets

Counterparty	Description	Termination Date	Interest Rate Agreements	Notional Amount	Received 6/30/2012	Received 6/30/2011
Merrill Lynch	Fixed-spread basis	11 1 2026	1	$100,000,000	**$ 370,823**	$ 271,450
Goldman Sachs	Fixed-spread basis	9 1 2027	1	100,000,000	**350,132**	361,387
				$200,000,000	**$ 720,955**	$ 632,837

In February 2012, the Hospital terminated the fixed-spread basis swap agreement with Goldman Sachs Pursuant to the termination agreement, the Hospital paid $695,000 to terminate the swap

7. Leases

The Hospital leases equipment under various lease agreements, which, after their initial terms, may be extended on a month-to-month basis The Hospital had no significant commitments under noncancelable operating leases with terms in excess of one year at June 30, 2012 Rental expense for all operating leases was approximately $6,825,000 and $7,323,000 for the years ended June 30, 2012 and 2011, respectively

8. Benefit Plans

The Hospital has three defined contribution plans for eligible employees Under the 401(k) plan and 403(b) plan, a participant may contribute in calendar year 2012 the lesser of $17,000 or 100% of annual compensation For calendar year 2011, the contribution was the lesser of $16,500 or 100% of annual compensation Employees who do not make an affirmative salary deferral election are automatically enrolled in either the 401(k) or 403(b) plan at a salary deferral percentage of 3% of compensation The Hospital also has a nonqualified defined contribution plan for eligible employees Under the 457(b) plan, a participant may contribute the lesser of $16,500 or 100% of annual compensation The Hospital matches 50% of the first 8% of compensation of any eligible participant's contributions to all three plans The Hospital also contributes 6% of the participant's compensation to either the 401(k) or the 403(b) plan The Hospital's contributions to these plans totaled approximately $18,393,000 and $17,744,000 in 2012 and 2011, respectively, and are included in employee compensation expense

The Hospital also provides postretirement medical benefits to some qualified retirees The Hospital funds the cost of retirees' medical benefits as incurred The measurement date for the plan is July 1, 2011 The total benefit obligation at June 30, 2012 and 2011, was approximately $2,679,000 and $2,364,000, respectively

9. Related-Party Transactions

At June 30, 2012 and 2011, the Hospital had net amounts payable (receivable) to affiliates or to the System of approximately $406,000 and $182,000, respectively These amounts are included in payables and other receivables in the accompanying consolidated statements of financial position The Hospital pays all capital acquisition and operating expenses for other entities that are part of the System, including employee wages and benefits

10. Commitments and Contingencies

The Hospital is a party to a number of lawsuits and claims alleging medical malpractice Management has accrued for its best estimate of its self-insured loss exposure Management of the Hospital, after consulting with legal counsel, believes that the ultimate resolution of these lawsuits will not have a material effect on the financial condition of the Hospital

11. Subsequent Events

The Hospital evaluated events and transactions occurring subsequent to June 30, 2012, through October 23, 2012, the date of issuance of the consolidated financial statements

Other Supplemental Information

Auditors' Report on Other Supplemental Information

The Board of Directors
Saint Francis Hospital, Inc

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole The consolidating statement of financial position and consolidating statement of operations and changes in net assets (deficit) as of and for the year ended June 30, 2012, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements Such information has been subjected to the auditing procedures applied in our audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole

October 23, 2012

Saint Francis Hospital, Inc.

Consolidating Statement of Financial Position

June 30, 2012

	Consolidated	Eliminations	Saint Francis Hospital, Inc.	Related Health Services, Inc.	Saint Francis Outreach Services, LLC	Care Communications, LLC
Assets						
Current assets						
Cash and cash equivalents	$ 196,832,226	$ –	$ 196,334,325	$ 209,400	$ –	$ –
Short-term investments	228,577,454	–	227,895,351	–	–	–
Patient accounts receivable, net of allowances	67,000,216	–	60,573,128	–	830,634	–
Inventories	21,853,532	–	20,087,216	5,241	–	–
Prepaid expenses and other receivables	15,413,208	–	14,402,647	233,260	393,907	148,814
Total current assets	529,676,636	–	519,292,667	447,901	1,224,541	148,814
Investments	552,928,378	–	552,928,378	–	–	–
Assets whose use is limited	21,301,861	–	21,115,048	–	–	–
Property and equipment, net	430,629,694	(1,808,399)	347,546,729	6,308,463	555,949	3,947,335
Other assets						
Investments in unconsolidated affiliates	67,508,079	(146,360,958)	154,254,788	59,614,249	–	–
Beneficial interest in The Children's Hospital Foundation at Saint Francis	9,341,875	–	9,341,875	–	–	–
Other	19,310,455	–	19,310,455	–	–	–
Total assets	$1,630,696,978	$ (148,169,357)	$1,623,789,940	$ 66,370,613	$ 1,780,490	$ 4,096,149

Saint Francis Hospital, Inc.

Consolidating Statement of Financial Position (continued)

	Saint Francis Home Health, Inc.	McAlester Medical Corporation	Warren Cancer Research Foundation	Saint Francis Hospital South, LLC	Saint Francis Breast Center MRI, LLC	Springer Clinic, Inc.
Assets						
Current assets						
Cash and cash equivalents	$ 170,397	$ –	$ 19,584	$ 98,520	$ –	$ –
Short-term investments	682,103	–	–	–	–	–
Patient accounts receivable, net of allowances	1,381,022	–	–	4,215,432	–	–
Inventories	–	–	–	1,761,075	–	–
Prepaid expenses and other receivables	(574,900)	–	537,840	267,994	–	3,646
Total current assets	1,658,622	–	557,424	6,343,021	–	3,646
Investments	–	–	–	–	–	–
Assets whose use is limited	–	–	–	186,813	–	–
Property and equipment, net	103,608	–	–	66,350,157	–	7,625,852
Other assets						
Investments in unconsolidated affiliates	–	–	–	–	–	–
Beneficial interest in The Children's Hospital Foundation at Saint Francis	–	–	–	–	–	–
Other	–	–	–	–	–	–
Total assets	$ 1,762,230	$ –	$ 557,424	$ 72,879,991	$ –	$ 7,629,498

Saint Francis Hospital, Inc.

Consolidating Statement of Financial Position (continued)

	Consolidated	Eliminations	Saint Francis Hospital, Inc.	Related Health Services, Inc.	Saint Francis Outreach Services, LLC	Care Communications, LLC
Liabilities and net assets						
Current liabilities						
Accounts payable and accrued expenses	$ 39,883,144	$ –	$ 37,360,593	$ 144,158	$ 127,744	$ 37,992
Employee compensation and related liabilities	35,200,379	–	31,613,041	143,223	188,112	–
Estimated third-party settlements	17,571,154	–	16,327,272	–	–	–
Current maturities of long-term debt	2,540,000	–	2,540,000	–	–	–
Total current liabilities	95,194,677	–	87,840,906	287,381	315,856	37,992
Long-term debt, less current maturities	218,043,327	–	218,043,327	–	–	–
Other long-term liabilities	32,143,792	–	30,782,128	–	23,294	–
Net assets (deficit)	1,285,315,182	(148,169,357)	1,287,123,579	66,083,232	1,441,340	4,058,157
Total liabilities and net assets	$ 1,630,696,978	$ (148,169,357)	$ 1,623,789,940	$ 66,370,613	$ 1,780,490	$ 4,096,149

Saint Francis Hospital, Inc.

Consolidating Statement of Financial Position (continued)

	Saint Francis Home Health, Inc.	McAlester Medical Corporation	Warren Cancer Research Foundation	Saint Francis Hospital South, LLC	Saint Francis Breast Center MRI, LLC	Springer Clinic, Inc.
Liabilities and net assets						
Current liabilities						
Accounts payable and accrued expenses	$ 473,820	$ –	$ 457,569	$ 1,176,073	$ –	$ 105,195
Employee compensation and related liabilities	991,295	–	31,006	2,233,702	–	–
Estimated third-party settlements	747,299	–	–	496,583	–	–
Current maturities of long-term debt	–	–	–	–	–	–
Total current liabilities	2,212,414	–	488,575	3,906,358	–	105,195
Long-term debt, less current maturities	–	–	–	–	–	–
Other long-term liabilities	592	–	7,668	1,330,110	–	–
Net assets (deficit)	(450,776)	–	61,181	67,643,523	–	7,524,303
Total liabilities and net assets	$ 1,762,230	$ –	$ 557,424	$ 72,879,991	$ –	$ 7,629,498

Saint Francis Hospital, Inc.

Consolidating Statement of Operations and Changes in Net Assets (Deficit)

Year Ended June 30, 2012

	Consolidated	Eliminations	Saint Francis Hospital, Inc.	Related Health Services, Inc.	Saint Francis Outreach Services, LLC	Care Communications, LLC
Revenues						
Net patient service revenue	$ 889,162,785	$ –	$ 785,572,923	$ –	$ 20,637,412	$ –
Other operating revenue	22,880,673	(1,622,348)	17,198,260	2,385,843	(1,033,279)	3,051,384
Total unrestricted revenues	912,043,458	(1,622,348)	802,771,183	2,385,843	19,604,133	3,051,384
Expenses						
Employee compensation	336,821,191	–	295,074,827	1,602,766	5,448,208	622,455
Occupancy	42,077,131	(94,318)	36,232,370	1,245,100	430,304	517,754
Drugs and patient care supplies	173,493,552	(1,297)	158,753,200	91,450	5,086,501	448
Administrative	79,757,951	(1,526,733)	72,543,857	432,714	1,002,662	696,944
Office	8,099,278	–	6,873,637	63,921	49,015	273,320
Interest	9,613,773	–	7,226,718	–	4	–
Provision for doubtful accounts	60,200,836	–	52,497,242	4,879	651,661	589
Depreciation and amortization	47,692,263	–	39,986,495	443,932	69,562	625,992
Total expenses	757,755,975	(1,622,348)	669,188,346	3,884,762	12,737,917	2,737,502
Income (deficit) from operations	154,287,483	–	133,582,837	(1,498,919)	6,866,216	313,882

Saint Francis Hospital, Inc.

Consolidating Statement of Operations and Changes in Net Assets (Deficit) (continued)

	Consolidated	Eliminations	Saint Francis Hospital, Inc.	Related Health Services, Inc.	Saint Francis Outreach Services, LLC	Care Communications, LLC
Other income (expense)						
Sum of net investment income, change in fair value of swaps, and private investments	$ 2,851,868	$ –	$ 2,821,386	$ 579	$ 815	$ –
Donations	880,136	–	652,265	–	–	
Equity in earnings of unconsolidated affiliates	9,027,910	(25,813,936)	27,986,852	6,854,994	–	–
Other, net	2,360,583	–	4,364,642	(88,122)	(176,776)	(24,449)
Excess (deficit) of revenues over expenses	169,407,980	(25,813,936)	169,407,982	5,268,532	6,690,255	289,433
Transfers from affiliates, net	(38,773,925)	–	(38,773,925)	–	–	–
Change in beneficial interest in The Children's Hospital Foundation at Saint Francis	2,207,310	–	2,207,310	–	–	–
Postretirement medical benefit change	(900,087)	–	(900,087)	–	–	–
Paid-in capital	–	(720,611)	–	1,897,212	142	–
Dividends paid	–	15,072,341	–	(1,669)	(6,867,520)	(887,530)
Increase (decrease) in net assets (deficit)	131,941,278	(11,462,206)	131,941,280	7,164,075	(177,123)	(598,097)
Net assets (deficit), beginning of year	1,153,373,904	(136,707,151)	1,155,182,299	58,919,157	1,618,463	4,656,254
Net assets (deficit), end of year	$ 1,285,315,182	$ (148,169,357)	$ 1,287,123,579	$ 66,083,232	$ 1,441,340	$ 4,058,157

Saint Francis Hospital, Inc.

Consolidating Statement of Operations and Changes in Net Assets (Deficit) (continued)

	Saint Francis Home, Health, Inc.	McAlester Medical Corporation	Warren Cancer Research Foundation	Saint Francis Hospital South, LLC	Saint Francis Breast Center MRI, LLC	Springer Clinic, Inc.
Revenues						
Net patient service revenue	$ 15,023,911	$ –	$ –	$ 67,829,091	$ –	$ 99,448
Other operating revenue	9,501	–	860,013	779,526	–	1,251,773
Total unrestricted revenues	15,033,412	–	860,013	68,608,617	–	1,351,221
Expenses						
Employee compensation	10,341,916	–	754,542	22,634,928	–	341,549
Occupancy	290,804	–	77,186	2,864,266	–	513,665
Drugs and patient care supplies	1,377,343	–	20,196	8,128,193	–	37,518
Administrative	788,330	–	101,567	5,470,027	–	248,583
Office	377,081	–	26,319	375,854	–	60,131
Interest	–	–	–	2,387,057	–	(6)
Provision for doubtful accounts	56,139	–	–	7,222,542	–	(232,216)
Depreciation and amortization	30,139	–	–	5,794,062	–	742,081
Total expenses	13,261,752	–	979,810	54,876,929	–	1,711,305
Income (deficit) from operations	1,771,660	–	(119,797)	13,731,688	–	(360,084)

Saint Francis Hospital, Inc.

Consolidating Statement of Operations and Changes in Net Assets (Deficit) (continued)

	Saint Francis Home, Health, Inc.	McAlester Medical Corporation	Warren Cancer Research Foundation	Saint Francis Hospital South, LLC	Saint Francis Breast Center MRI, LLC	Springer Clinic, Inc.
Other income (expense)						
Sum of net investment income, change in fair value of swaps and private investments	$ 27,325	$ –	$ –	$ 1,763	$ –	$ –
Donations	76,900	–	971	150,000	–	–
Equity in earnings of unconsolidated affiliates	–	–	–	–	–	–
Other, net	(355,283)	–	(24,553)	(1,334,876)	–	–
Excess (deficit) of revenues over expenses	1,520,602	–	(143,379)	12,548,575	–	(360,084)
Transfers from affiliates, net	–	–	–	–	–	–
Change in beneficial interest in The Children's Hospital Foundation at Saint Francis	–	–	–	–	–	–
Postretirement medical benefit change	–	–	–	–	–	–
Paid-in capital	(1,416,682)	–	222,247	8,606	–	9,086
Dividends paid	266,792	–	–	(7,207,587)	–	(374,827)
Increase (decrease) in net assets (deficit)	370,712	–	78,868	5,349,594	–	(725,825)
Net assets (deficit), beginning of year	(821,488)	–	(17,687)	62,293,929	–	8,250,128
Net assets (deficit), end of year	$ (450,776)	$ –	$ 61,181	$ 67,643,523	$ –	$ 7,524,303