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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
Renown Regional Medical Center

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1155 MILL STREET C/O TAX TREASURY
Z-5

City or town, state or country, and ZIP + 4
RENO, NV 89502

D Employer identification number
88-0213754

E Telephone number
(775) 982-4404

G Gross receipts $ 584,882,992

F Name and address of principal officer
Dawn D Ahner
1155 Mill St Z-6
Reno, NV 89502

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW RENOWN ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1985

M State of legal domicile NV

Part I Summary

1 Briefly describe the organization's mission or most significant activities
An 808 bed acute-care hospital and the region's only Level II trauma center

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**	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	9
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	0
6	Total number of volunteers (estimate if necessary)	**6**	315
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	137,151
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-70

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	845,208	2,922,688
	9 Program service revenue (Part VIII, line 2g)	551,763,772	580,587,881
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	118,140	-19,173
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	765,290	771,538
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	553,492,410	584,262,934
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	6,069,580	6,127,514
	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)	176,290,483	183,267,267
	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)	373,033,940	403,484,458
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	555,394,003	592,879,239
	19 Revenue less expenses Subtract line 18 from line 12	-1,901,593	-8,616,305

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	660,376,398	648,625,391
	21 Total liabilities (Part X, line 26)	535,105,294	544,865,011
	22 Net assets or fund balances Subtract line 21 from line 20	125,271,104	103,760,380

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

****** | 2013-05-22
Signature of officer | Date

Dawn D Ahner CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed	Preparer's taxpayer identification number (see instructions)
Kim Hunwardsen CPA	2013-05-22	☐	P00484560

Firm's name (or yours if self-employed), address, and ZIP + 4: Eide Bailly LLP, 800 Nicollet Mall Ste 1300, Minneapolis, MN 554027033

EIN ▶ 45-0250958

Phone no ▶ (612) 253-6500

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

Our purpose is to make a genuine difference for the many lives we touch by optimizing our patients' healthcare experience

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 $ 499,498,500 including grants of $ 6,127,514) (Revenue $ 580,804,063)

See Schedule ORenown Regional Medical Center is an accredited, 808-licensed bed, general and acute-care hospital serving communities in northern Nevada, northeastern California and the adjacent areas of Oregon and Idaho A not-for-profit hospital offering a full range of medical, diagnostic and ancillary services, Renown Regional provides the only designated Level II Trauma Center between Sacramento and Salt Lake City It is the teaching facility for the professional development of the region's healthcare professionals Renown Regional provides necessary healthcare services regardless of race, creed, sex, national origin, handicap, age or ability to pay People in our community have access to Renown Regional services in specialties including cancer, heart, neurosciences, orthopedics, surgery, intensive care and women's and children's health Renown Regional is governed by a board of community members, the majority of who live in our primary service area and who are neither employees, independent contractors or family members Renown Regional extends privileges on its medical staff to all eligible and qualified physicians All surplus funds are retained in the organization to make improvements in patient care, medical education and research As part of an integrated health network, Renown Regional Medical Center provides many services to the community that otherwise would require that people travel to other cities to receive care These programs, services and technology include a Level II Trauma Center, a pediatric intensive care unit, TomoTherapy High Art System and Varian TrueBeam, biplane angiography, a dedicated PET/CT scanner, a Joint Commission-certified Primary Stroke Center, comprehensive amputee services, an ABRET-accredited Epilepsy Monitoring Lab, an Intersocietal Commission-accredited Echocardiography Lab, multi-specialty da Vinci Robotic Surgery Program and a Chest Pain Center using the D-SPECT heart camera Renown Regional also offers access to the largest number of clinical research trials in the region Renown Regional comprises of the Medical Center and multiple Centers for Advanced Medicine, these house medical specialty and subspecialty practices In partnership with the more than 850 physicians on its medical staff, Renown Regional offers more than 40 physician specialties, including cardiac surgery, cardiology, endocrinology, geriatrics, gynecologic oncology, infectious disease, neurosurgery, orthopedics, otolaryngology, pediatric anesthesia, pediatric endocrinology, pediatric gastroenterology, pediatric neurology, pediatric oncology and hematology, perinatology, plastic surgery, psychiatry, pulmonary medicine, radiation therapy, radiology, rheumatology and urology For the fiscal year ending June 30, 2012, Renown Regional, along with its parent, Renown Health and its subsidiaries, provided more than $134 million in benefit to the community (using community benefit numbers gathered by the Nevada Hospital Association using state-approved criteria to ensure consistency) For a full report on the benefit Renown Health provided to our community, as well as our needs assessment and community benefit plan go to www renown org/communitybenefit

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** ▶ $ 499,498,500

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		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**	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**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**		No
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**		No
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**	0		
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**	0			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**		
	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	14		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	9		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		5		No
6	Did the organization have members or stockholders?		6	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		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		No

Section C. Disclosure

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

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 ▶

Dawn D Ahner
1155 MILL ST Z-7
Reno, NV 89502
(775) 982-4404

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) Fred Boyd Director	3 00	X						0	16,581	0
(2) Alvaro Devia Director	3 00	X						0	0	0
(3) Lawson Fox Director	3 00	X						0	2,500	0
(4) Christi Matteoni Director	3 00	X						0	0	0
(5) Bertha Mullins Secretary	3 00	X		X				0	9,062	0
(6) Bill Newburg Director	3 00	X						0	10,145	0
(7) Phil Reddick Treasurer	3 00	X		X				0	3,000	0
(8) Roberta Roth Secretary	3 00	X		X				0	3,000	0
(9) G Blake Smith Director	3 00	X						0	2,000	0
(10) Rob Winkel Director	3 00	X						0	6,400	0
(11) Maureen Mullarkey Treasurer	3 00	X		X				0	12,573	0
(12) James Miller President/CEO	46 00	X		X				0	1,237,327	350,164
(13) Greg Boyer Chief Executive Officer	60 00	X						532,114	0	13,507
(14) Charles Johnson Director	3 00	X						0	0	0
(15) Dawn Ahner Chief Financial Officer	43 00			X				0	648,819	94,963
(16) Kristina Gaw Chief Operating Officer	60 00					X		391,094	0	67,641
(17) Max Jackson Chief Medical Officer	60 00					X		427,765	0	21,654

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) David Veillette Exec VP/Specialty Hospitals	60 00					X		298,284	0	10,827
(19) Thiruloga Jagannathan Director of Physics	60 00					X		244,720	0	11,882
(20) Sam King Chief Financial Officer	60 00					X		245,352	0	23,747
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								2,139,329	1,951,407	594,385

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 ▶ 81

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
University of Nevada School of Medicine Medical Bldg 0346 Reno, NV 895570346	Medical Services	2,980,211
ARUP Laboratories Inc PO Box 27964 Salt Lake City, UT 84127	Laboratory Services	2,032,653
Routt Dialysis LLC PO Box 403008 Atlanta, GA 30384	Dialysis Services	1,888,627
On Call Consulting Inc PO Box 4729 Winter Park, FL 327934729	Coding Services	1,705,230
GE Healthcare PO Box 843553 Dallas, TX 752843553	Equipment Servicing	1,678,861

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 ▶ 55

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	2,922,688			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		2,922,688			
Program Service Revenue			Business Code				
	2a	Patient Services	621500	572,310,519	572,310,519		
	b	Laboratory Services	621511	3,714,552	3,714,552		
	c	Cafeteria	722210	2,265,789	2,265,789		
	d	Patient Prescriptions	621500	1,212,291	1,212,291		
	e	Health Fair/Flu Shots	621999	775,981	775,981		
	f	All other program service revenue		308,749	308,749		
	g	**Total.** Add lines 2a–2f		580,587,881			
	3	Investment income (including dividends, interest and other similar amounts)		136,387			136,387
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real / (ii) Personal				
	6a	Gross rents	698,270 /				
	b	Less rental expenses	280,065 /				
	c	Rental income or (loss)	418,205 /				
	d	Net rental income or (loss)		418,205			418,205
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	/ 6,110				
	b	Less cost or other basis and sales expenses	/ 161,670				
	c	Gain or (loss)	/ -155,560				
	d	Net gain or (loss)		-155,560			-155,560
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					
	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					
	10a	Gross sales of inventory, less returns and allowances	a 394,505				
	b	Less cost of goods sold	b 178,323				
	c	Net income or (loss) from sales of inventory		216,182	216,182		
		Miscellaneous Revenue	Business Code				
	11a	Unrelated Business Inc	621500	137,151		137,151	
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d		137,151			
	12	**Total revenue.** See Instructions		584,262,934	580,804,063	137,151	399,032

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	5,738,244	5,738,244		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	389,270	389,270		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	561,769	561,769		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	148,738,782	146,631,571	2,107,211	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits	33,966,716	33,482,202	484,514	
10	Payroll taxes				
11	Fees for services (non-employees)				
a	Management	35,660,660		35,660,660	
b	Legal	261,939		261,939	
c	Accounting	12,504		12,504	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees				
g	Other	66,972,004	56,625,944	10,346,060	
12	Advertising and promotion				
13	Office expenses	13,794,124	12,769,386	1,024,738	
14	Information technology	1,415,426		1,415,426	
15	Royalties . .				
16	Occupancy	1,641,460	1,587,308	54,152	
17	Travel	281,911	212,626	69,285	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	75,538	62,648	12,890	
20	Interest	34,361,027	23,141,889	11,219,138	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	34,302,324	13,418,644	20,883,680	
23	Insurance	3,114,245	53,651	3,060,594	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	Bad Debt	110,603,305	110,603,305		
b	Medical Supplies	93,376,115	93,370,307	5,808	
c	Other Admin Costs	5,636,300		5,636,300	
d	Licenses and Taxes	417,643	315,058	102,585	
e					
f	All other expenses	1,557,933	534,678	1,023,255	
25	**Total functional expenses.** Add lines 1 through 24f	592,879,239	499,498,500	93,380,739	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		19,220	1	18,049
	2	Savings and temporary cash investments		64,408,319	2	8,407,483
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		86,248,073	4	115,375,428
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		13,481,741	8	13,851,871
	9	Prepaid expenses and deferred charges		1,571,391	9	1,555,234
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 718,948,840			
	b	Less accumulated depreciation	10b 321,312,340	407,732,292	10c	397,636,500
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		1,374,488	13	3,509,245
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		85,540,874	15	108,271,581
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		660,376,398	16	648,625,391
Liabilities	17	Accounts payable and accrued expenses		37,072,341	17	30,408,903
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		462,209,393	20	455,180,255
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		35,823,560	25	59,275,853
	26	**Total liabilities.** Add lines 17 through 25		535,105,294	26	544,865,011
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		125,271,104	27	103,760,380
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		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		125,271,104	33	103,760,380
	34	Total liabilities and net assets/fund balances		660,376,398	34	648,625,391

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	584,262,934
2	Total expenses (must equal Part IX, column (A), line 25)	2	592,879,239
3	Revenue less expenses Subtract line 2 from line 1	3	-8,616,305
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	125,271,104
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-12,894,419
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	103,760,380

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
Renown Regional Medical Center

Employer identification number
88-0213754

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
Renown Regional Medical Center	88-0213754

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?	Yes		15,706
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV		No	
j	Total lines 1c through 1i			15,706
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
Part IV, Supplemental Information		Schedule C, Part II-B, Line 1f Payments are made to Nevada Hospital Association to provide unified, regulatory advocacy for member hospitals

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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
Renown Regional Medical Center

Employer identification number
88-0213754

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		13,051,070		13,051,070
b Buildings		503,117,157	174,727,791	328,389,366
c Leasehold improvements		695,048	434,480	260,568
d Equipment		200,320,374	146,150,069	54,170,305
e Other		1,765,191		1,765,191
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				397,636,500

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

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

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

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

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

(a) Description	(b) Book value
(1) OTHER RECEIVABLES	543,133
(2) DEPOSITS	10,171
(3) UNAMORTIZED FINANCING COSTS	14,703,798
(4) DUE FROM AFFILIATES	48,629,587
(5) DEBT SERVICE RESERVE	10,338,815
(6) FUNDS HELD IN TRUST	34,046,077
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	108,271,581

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
Other Current Liabilities	1,105,901
Interest Rate SWAP Liability	54,378,313
Due to Affiliates	28,667
Third-Party Settlements	3,762,972
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	59,275,853

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
Description of Uncertain Tax Positions Under FIN 48	Part X	Renown Regional Medical Center undergoes an annual analysis of its various tax positions, assessing the likelihood of these positions being upheld upon examination with relevant tax authorities, as defined by the accounting principles generally accepted in the United States of America Renown Regional Medical Center believes that it is compliant with all IRS tax regulations and as of June 30, 2012 has not recorded a tax liability for a tax uncertainty Renown Regional Medical Center would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred Under normal circumstances, Renown Regional Medical Center is no longer subject to federal tax examinations by tax authorities for years before 2009

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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
Renown Regional Medical Center

Employer identification number
88-0213754

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 **250.000000000000 %**	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 **1000.000000000000 %**	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)			11,607,364		11,607,364	2 410 %
b Medicaid (from Worksheet 3, column a)			65,483,554	35,547,802	29,935,752	6 210 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			7,443,708	3,709,181	3,734,527	0 770 %
d **Total** Charity Care and Means-Tested Government Programs			84,534,626	39,256,983	45,277,643	9 390 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			7,620,587	0	7,620,587	1 580 %
f Health professions education (from Worksheet 5)			3,653,615	1,034,920	2,618,695	0 540 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)			346,680		346,680	0 070 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,383,037		1,383,037	0 290 %
j **Total** Other Benefits			13,003,919	1,034,920	11,968,999	2 480 %
k **Total.** Add lines 7d and 7j			97,538,545	40,291,903	57,246,642	11 870 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development			8,752		8,752	0 %
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development			5,849		5,849	0 %
9	Other						
10	**Total**			14,601		14,601	

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	110,603,305		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	52,713,535		
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	128,774,929		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	127,263,179		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	1,511,750		
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	Renown Regional Medical Center 1155 Mill St Reno, NV 89502	X	X	X	X		X	X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Name of Hospital Facility: Renown Regional Medical Center

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 250 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 1000 000000000000%			
	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
		Part I, Line 6a The organization's community benefit report is contained in a report prepared by its parent corporation, Renown Health Part I, Line 5b The organization budgets the amount of charity care expected in the next year but does not use that estimate as a constraint on the amount of charity care provided

Identifier	ReturnReference	Explanation
		Part I, Line 7 Charity care expense was converted to cost on line 7a using the cost-to-charge ratio derived from Worksheet 2 Unreimbursed medicaid and other unreimbursed costs on line 7b and 7c were calculated using the cost-to-charge ratio derived from Worksheet 2 Community health improvement, Health professions education, Research and Cash and In-kind contributions on lines 7e, 7f, 7h and 7i are reported from the organization's records

Identifier	ReturnReference	Explanation
		Part I, L7 Col(f) The amount of bad debt expense removed from total expenses to determine the percentage was $110,603,305

Identifier	ReturnReference	Explanation
		Part II Lines 1 to 8 are community building activities that include partnering with other organizations and individuals to support economic and work force development efforts in the community we serve By working to improve the economic health of the community, we are addressing one of the root causes that impacts the health and well being of the community we serve

Identifier	ReturnReference	Explanation
		Part III, Line 4 The carrying amount of patient receivables is reduced by a valuation allowance that reflects management's estimate of amounts that will not be collected from patients and third-party payors Management reviews patient receivables by payor class and applies percentages to determine estimated amounts that will not be collected from third parties under contractual agreements and amounts that will not be collected from patients due to bad debts Management considers historical write off and recovery information in determining the estimated bad debt provision The amount included on Line 2 reflects the amount reported in the financial statements The amount included on Line 3 is calculated as the amount of uninsured patient charges written off as bad debt that is estimated to qualify as charity under the organization's charity care policy The organization estimated the amount based upon an analysis of the FICO scores of its uninsured population A FICO score below 500 is presumed to qualify under the organization's charity policy based upon an analysis of the bankcard balances and mortgage balalnces of this population and the FICO scores of the population that did qualify for charity under the organization's policy The organization estimated that 47 66% of the uninsured population has a FICO score under 500 To calculate the amount included on Line 3, the total bad debt expense at cost was multiplied by 47 66%

Identifier	ReturnReference	Explanation
		Part III, Line 8 The costing methodology for Line 6 uses the ratio of cost to charges from the FY12 as filed Medicare cost report Using the Ratio of Cost to Charges from the Form 990, worksheet 2, which includes the complete costs of the organization, the net community benefit in Line 7 is $19 million The Medicare cost report excludes certain costs that are incurred by the organization for the delivery and support of patient care The major excluded costs are costs incurred by the orgnization and paid to related parties for services that deliver and support patient care, costs incurred by the organization related to amounts paid to physicians who deliver and support patient care and costs paid by the organization to support The Pregnancy Center and Renown Skilled Nursing which are 501c3 organizations and are integral to the delivery of care at the organization

Identifier	ReturnReference	Explanation
		Part III, Line 9b Patients in the process of qualifying for state or local indigent programs or the organization's charity program are indicated with a particular payor class/status in the patient accounting system The patient is not subject to collection efforts while in those classes/statuses

Identifier	ReturnReference	Explanation
Renown Regional Medical Center		Part V, Section B, Line 13g On every itemized bill and statement sent to the patient is a number they can call to get help with financial assistance A financial counselor is made available to all self-pay patients upon admission In addition, Patient Financial Assistance counselors proactively work with self-pay patients to aid in applying for financial assistance

Identifier	ReturnReference	Explanation
Renown Regional Medical Center		Part V, Section B, Line 19d The hospital facility determines charges for financially eligible patients based upon a payment matrix and other factors in the Financial Assistance Policy The maximum the patient is charged is below the lowest negotiated commercial insurance rates

Identifier	ReturnReference	Explanation
		Part VI, Line 2 The organization reviews the current demographic information of the population it serves and the impact those demographics have on the health needs of the community See explanation 4 below for a description of the community While the demographics start to tell the story of community health needs, Renown Health also consults with community partners and draws from state and local government, non-profits, and school district data sources to assess healthcare needs in the community Renown Health also used data from Thomson Reuters, an information services company, to identify health care needs and barriers in its service area Renown Health's Community Benefit Committee spearheads the development of an annual community needs assessment and corresponding community benefit plan, and oversees the tracking and reporting of community benefit activities The committee oversees the development or updating of a community needs assessment in the fall, and from that assessment develops a community benefit plan that prioritizes and identifies community needs that the organization can support with its finite resources The needs assessment and community benefit plan then go before the Renown Health Board for review and approval on behalf of all Renown organizations

Identifier	ReturnReference	Explanation
		Part VI, Line 3 The organization educates patients on assistance eligibility upon their request and whenever situations indicate that the patient may be unable to pay for services The organization contracts with an external vendor to work with uninsured patients to establish eligibility for a state or local program For those that do not qualify for a state or local program, the vendor will refer the patient to the organization's charity care process Begining in 2012, the organization developed a Patient Financial Assistance department and began transitioning the work from the vendor to this internal department

Identifier	ReturnReference	Explanation
		Part VI, Line 4 Washoe County is located in the northwest corner of Nevada and has a population of 421,407 according to the 2010 US Federal Census The population in the Reno-Sparks area is 50 4% male and 49 6% female A quarter (23 3%) of the population is under the age of 18 40 8% is in the 18-44 age group and 23 7% is from age 45-64 10 2% of the population is 65+ Washoe County's population was estimated to have the following breakdown as of 2011 65 5% Caucasian/white, 2 6% African American / black, 6 2% Asian / Hawaiian or Pacific Islander, and 22 7% Hispanic The Washoe County median household income was estimated to be $55,813 according to the US Federal Census Over 12% of Nevadans are under the federal poverty guidelines, with many more being within 100-300% of federal poverty guidelines (commonly referred to as the "working poor") Reno-Sparks unemployment currently is estimated to be at 10 5% as of January 2013, reflecting improvement from a high of 13% Twenty two percent of Nevada residents were without health insurance in 2012, which is the most recently available study specific to Nevada

Identifier	ReturnReference	Explanation
		Part VI, Line 5 See Schedule O, Part III, Line 4a for a description of how the organization furthers its exempt purpose by promoting the health of the community

Identifier	ReturnReference	Explanation
		Part VI, Line 6 Renown Regional Medical Center is part of Renown Health, northern Nevada's largest, private, not-for-profit healthcare network As a local not-for-profit health network, Renown Health's income stays right here in the community to provide many programs and services that would otherwise be unavailable Renown is dedicated to this region and governed by local community leaders and physicians We are proud to provide the health, education and social welfare that our friends, neighbors and family members expect and deserve Renown Health has more than 5,200 employees and serves a 17-county region with a total population in excess of 1 9 million Renown Health includes Renown Regional Medical Center, a 808-bed full service regional hospital, Renown South Meadows Medical Center, a 76-bed acute care community hospital, Renown Rehabilitation Hospital, a 62-bed rehabilitation hospital, Renown Skilled Nursing, a 160-bed skilled nursing facility, a children's hospital, numerous medical-group, urgent-care and outpatient imaging practices, and a health-insurance provider Renown Health offers advanced care for patients and embraces its role in improving the health and well-being of the people in the communities we serve Besides our commitment to meeting the healthcare needs of the region, Renown Health gives back to communities by contributing funds, services, facilities and the time and expertise of employees These benefits to the community flow from Renown Health as a whole and from the individual hospitals, facilities and departments that make up our health network For the fiscal year ending June 30, 2012, Renown Health and its subsidiaries provided over $134 million in benefit to the community (using community benefit numbers gathered by the Nevada Hospital Association using state-approved criteria to ensure consistency) For a full report on the benefit Renown Health provided to our community as well as our needs assessment and community benefit plan go to www renown org/communitybenefit

Identifier	ReturnReference	Explanation
Reports Filed With States	Part VI, Line 7	NV

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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
Renown Regional Medical Center

Employer identification number
88-0213754

Part I General Information on Grants and Assistance

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

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

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Renown Skilled Nursing 1155 Mill St Reno, NV 89502	20-1347269	501 (c)(3)	2,738,244				Skilled Nursing Services
(2) Renown Network Services1155 Mill St Reno, NV 89502	88-0231828	501 (c)(3)	3,000,000				Pregnancy Services
(3)							Health Hotline

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

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

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) Patient Assistance	396	389,270			

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
		The organization's grants are given directly to the recipient to cover a need that was identified during the granting process There is no ongoing monitoring necessary for these grants

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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
Renown Regional Medical Center

Employer identification number
88-0213754

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				
(1) James Miller	(i)	0	0	0	0	0	0	0
	(ii)	850,127	374,054	13,146	334,830	15,334	1,587,491	0
(2) Greg Boyer	(i)	463,432	63,940	4,742	0	13,912	546,026	0
	(ii)	0	0	0	0	0	0	0
(3) Dawn Ahner	(i)	0	0	0	0	0	0	0
	(ii)	463,146	184,000	1,673	76,431	18,532	743,782	0
(4) Kristina Gaw	(i)	315,573	72,829	2,692	54,059	13,582	458,735	0
	(ii)	0	0	0	0	0	0	0
(5) Max Jackson	(i)	337,244	82,580	7,941	7,418	14,641	449,824	0
	(ii)	0	0	0	0	0	0	0
(6) David Veillette	(i)	285,677	0	12,607	7,484	3,388	309,156	0
	(ii)	0	0	0	0	0	0	0
(7) Thiruloga Jagannathan	(i)	241,571	0	3,149	0	12,287	257,007	0
	(ii)	0	0	0	0	0	0	0
(8) Sam King	(i)	222,742	20,929	1,681	2,098	22,054	269,504	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 4b	Dawn Ahner and Kristina Gaw are parties to a supplemental nonqualified retirement plan Contributions of $69,000 to Dawn Ahner and $47,271 to Kristina Gaw were included in Schedule J, Part II, Column (C)
Supplemental Information	Part III	Part I, Line 3 Renown Regional Medical Center relies on Renown Health, a related organization to establish compensation for officers and other key employees Renown Health uses the identified methods to establish compensation See Schedule O, Form 990, Part VI, Section B, Line 15 for a description of the process utilized by Renown Health

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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
Renown Regional Medical Center

Employer identification number
88-0213754

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	City of Reno Nevada	88-6000201	759836ER6	04-19-2007	124,114,034	Construction and equipment purchase		X		X		X
B	City of Reno Nevada	88-6000201	759836JC4	06-26-2008	260,935,965	Refunded 2006A&B and Conversion of 2005A&B, 2004A and partial 2004C		X		X		X
C	City of Reno Nevada	88-6000201	759836JE0	01-15-2009	63,600,000	Refunded 2004B		X		X		X
D	City of Reno Nevada	88-6000201	759836JU4	03-31-2010	48,028,335	Partial conversion of 2004C to fixed rate		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	4,925,000	16,175,000	1,165,000	2,380,000
2	Amount of bonds defeased				
3	Total proceeds of issue	127,766,600	270,798,443	66,968,699	50,676,717
4	Gross proceeds in reserve funds		7,624,305		2,683,028
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow		256,517,329	62,311,988	47,461,533
7	Issuance costs from proceeds	988,672	2,537,159	918,613	566,802
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	112,532,498	1,952,211	369,398	
11	Other spent proceeds				
12	Other unspent proceeds	14,245,454			
13	Year of substantial completion	2012	2007	2007	2007

		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	X		X		X	
15	Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16	Has the final allocation of proceeds been made?		X	X		X		X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?	X		X		X		X	
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X		X		X	
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
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 ▶	0 090 %		0 150 %		0 350 %		0 610 %	
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	0 090 %		0 150 %		0 350 %		0 610 %	
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X		X	

Part IV Arbitrage

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

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation

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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

Open to Public Inspection

Name of the organization
Renown Regional Medical Center

Employer identification number
88-0213754

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) Premiere Surgical Specialists	Board member has an ownership interest	1,088,269	Professional services and board member payments		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

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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
Renown Regional Medical Center

Employer identification number
88-0213754

Identifier	Return Reference	Explanation
Employees reported on W-3	Form 990, Part V, Question 2a	Renown Regional Medical Center has its own employees, however, Renown Health, the parent organization, pays all compensation and employee benefit amounts under a common paymaster arrangement The actual compensation of each employee is directly charged to their assigned entity Salaries are reported on line 7 of Part IX

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 2	Maureen Mullarkey, G Blake Smith and Rob Winkel have a business relationship because the board members serve on the board of an organization where James Miller and Dawn Ahner are employees

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 6	Renown Health is the sole corporate member of Renown Regional Medical Center

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 7a	Renown Health, acting though its board of directors, appoints the members of the board of governors of Renown Regional Medical Center

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 7b	Renown Health must approve any merger, consolidation or dissolution of Renown Regional Medical Center, any borrowing in excess of $1 million in any fiscal year, and encumbrances of assets and certain other actions not in the ordinary course of business

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 8b	There was no committee during the year that had the broad authority to act on behalf of the board

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 11	The Form 990 is prepared by the organization's tax department with support from a certified tax preparer The form is reviewed by the organization's Chief Accounting Officer and/or the Chief Financial Officer prior to the final Form 990 being sent to the board The IRS Form 990, as filed with the IRS, is sent to each voting member of the Renown Health Board prior to filing Along with the forms, the Renown Health board is provided with a narrative that explains the various parts of the Form and their content

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 12c	On an annual basis at or prior to the first regular meeting following the election of new board members, the members of the Renown Regional Medical Center Board are given an Annual Disclosure Statement They are expected to perform a reasonable investigation into their business, financial, family or significant personal relationships to disclose any actual or potential conflicts of interest If, in connection with a proposed transaction or arrangement involving a Renown Health entity, a board member discovers that an actual or possible conflict of interest has arisen that was not disclosed on the Annual Statement, then the board member must disclose the existence and nature of his or her financial interests to the remaining directors that are considering the proposed transaction or arrangement in a timely manner If a board member discloses an actual or possible conflict of interest, the board member shall leave the board or committee meeting while the remaining board members discuss the financial interest The remaining board members shall vote upon and decide whether a conflict of interest actually exists If the remaining board members determine that a conflict does exist, then appropriate measures are taken to ensure the issue is addressed

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 15	Renown Health's executive compensation is set by the Renown Health Compensation Committee Members of this committee review and approve various employee pay practices and parameters, as well as compensation for the CEO and certain executives The Compensation Committee is comprised of independent members of the Renown Health Board of Directors unrelated to and not subject to the control or undue influence of executives, with no material financial interest in transactions of the Company or any other perceived or actual conflicts of interest The Compensation Committee members are appointed by the Chairman of the Renown Health Board of Directors The Compensation Committee meets approximately five times per year Meeting minutes are kept documenting the deliberations and decisions regarding the compensation arrangements Total cash compensation for the organization's executives are targeted at competitive compensation levels, relative to market surveys of comparable healthcare organizations, based upon the level of performance required to achieve the targeted compensation levels Base compensation and total cash compensation is reviewed at a minimum of every two years in comparison to the surveys for comparable businesses and responsibilities and adjusted as to maintain equity with the survey information The Compensation Committee undertook the process outlined above for the fiscal year 2012 executive compensation

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section C, line 19	Renown Regional Medical Center doesn't make its governing documents or conflict of interest policy available to the public A copy of the audited financial statements is part of the Form 990 which is made available to the public

Identifier	Return Reference	Explanation
	FORM 990, PART VI, LINE 16B	There is no written policy or procedure that is specific to joint ventures Instead, there is a written policy in regards to financial transactions with physicians and physician entities Any future ventures with physicians would also be evaluated in accordance with that policy Other types of transactions would be evaluated in accordance with the exempt status of the organization and its applicable purposes

Identifier	Return Reference	Explanation
	Form 990, Part VII, Column B	Jim Miller, President & CEO, serves this entity and all related entities a total of 60 hours per week. See Part VII for hours devoted to this entity. Dawn Ahner, CFO, serves this entity and all related entities a total of 60 hours per week. See Part VII for hours devoted to this entity

Identifier	Return Reference	Explanation
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 5	Net unrealized gains on investments 57,803 Federal Grant 791,999 SWAP Mark to Market Adjustment -13,744,221 Total to Form 990, Part XI, Line 5 -12,894,419

Identifier	Return Reference	Explanation
Audit Committee	Form 990, Part XII, Line 2b	Renown Health, the sole member of this entity has an audit committee that assumes responsibility for the consolidated audit and selection of the independent accountant

Identifier	Return Reference	Explanation
	Form 990, Schedule K, Part I, Column C	The CUSIP numbers associated with the bond issue issued on 10/4/2006 are 759836DX4 759836EC9 The CUSIP numbers associated with the bond issue issued on 6/23/2008 are 759836JC4 759836JB6 The CUSIP numbers associated with the bond issue issued on 1/15/2009 are 759836JE0 759836JD2

Identifier	Return Reference	Explanation
	Form 990, Box B, Amended Return Explanation	The Form 990 for Renown Regional Medical Center is being amended to correct the value of the charity care reported on Schedule H, line 7a and in the narrative on Schedule H, Part VI, Line 6

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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
Renown Regional Medical Center

Employer identification number
88-0213754

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) Renown Health 1155 Mill St Z-5 Reno, NV 89502 94-2972845	Health Care	NV	501 (c) (3)	III-FI	N/A		No
(2) Renown Health Foundation 1155 Mill St Z-5 Reno, NV 89502 94-2972749	Foundation	NV	501 (c) (3)	7	Renown Health		No
(3) Renown South Meadows Medical Center 1155 Mill St Z-5 Reno, NV 89502 46-0517825	Hospital	NV	501 (c) (3)	3	Renown Health		No
(4) Hometown Health Plan 1155 Mill St Z-5 Reno, NV 89502 88-0231433	HMO	NV	501 (c) (4)		Renown Health		No
(5) Renown Skilled Nursing 1155 Mill St Z-5 Reno, NV 89502 20-1347269	Hospital	NV	501 (c) (3)	3	Renown Health		No
(6) Renown Network Services 1155 Mill St Z-5 Reno, NV 89502 88-0231828	Outpatient Imaging and Pregnancy Center	NV	501 (c) (3)	3	Renown Health		No

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

(a) 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
(1) Routt Dialysis LLC 1155 Mill St Z-5 Reno, NV 89502 26-3558729	Dialysis	NV	N/A									
(2) Nevada Heart Institute Clinic LLC 1155 Mill St Z-5 Reno, NV 89502 45-3571779	Cardiology	NV	N/A									

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

(a) 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
See Additional Data Table							

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III or IV			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d	Yes	
e Loans or loan guarantees by related organization(s)	1e		No
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i	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		No
p Reimbursement paid by related organization(s) for expenses	1p		No
q Other transfer of cash or property to related organization(s)	1q	Yes	
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) Hometown Health Plan Inc	K	46,708,024	General Ledger
(2) Hometown Health Plan Inc	L	3,924,858	General Ledger
(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: 88-0213754
Name: Renown Regional Medical Center

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity	g Section 512 (b)(13) controlled organization	
Renown Health 1155 Mill St Z-5 Reno, NV 89502 94-2972845	Health Care	NV	501 (c) (3)	III-FI	N/A		No
Renown Health Foundation 1155 Mill St Z-5 Reno, NV 89502 94-2972749	Foundation	NV	501 (c) (3)	7	Renown Health		No
Renown South Meadows Medical Center 1155 Mill St Z-5 Reno, NV 89502 46-0517825	Hospital	NV	501 (c) (3)	3	Renown Health		No
Hometown Health Plan 1155 Mill St Z-5 Reno, NV 89502 88-0231433	HMO	NV	501 (c) (4)		Renown Health		No
Renown Skilled Nursing 1155 Mill St Z-5 Reno, NV 89502 20-1347269	Hospital	NV	501 (c) (3)	3	Renown Health		No
Renown Network Services 1155 Mill St Z-5 Reno, NV 89502 88-0231828	Outpatient Imaging and Pregnancy Center	NV	501 (c) (3)	3	Renown Health		No

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
Renown Businesses 1155 Mill St Z-5 Reno, NV 89502 88-0228030	Health Care	NV	N/A	C			
Hometown Health Management Company 1155 Mill St Z-5 Reno, NV 89502 88-0236758	Management Services	NV	N/A	C			
The Provider Network Inc 1155 Mill St Z-5 Reno, NV 89502 88-0376369	Health Care	NV	N/A	C			
Remittance Assistance Corporation 1155 Mill St Z-5 Reno, NV 89502 88-0277761	Collections	NV	N/A	C			
Hometown Health Providers Insurance Company 1155 Mill St Z-5 Reno, NV 89502 88-0177026	Insurance	NV	N/A	C			
Nevada Heart Institute 1155 Mill St Z-5 Reno, NV 89502 88-0247743	Cardiology	NV	N/A	C			
NHI-1 Inc 1155 Mill St Z-5 Reno, NV 89502 88-0303924	Cardiology	NV	N/A	C			
Elko Heart Institute 1155 Mill St Z-5 Reno, NV 89502 45-2152594	Cardiology	NV	N/A	C			

Combined Financial Statements
June 30, 2012 and 2011

Renown Health

Independent Auditor's Report

The Board of Directors
Renown Health
Reno, Nevada

We have audited the accompanying combined balance sheets of Renown Health as of June 30, 2012 and 2011, and the related combined statements of operations, changes in net assets, and cash flows for the years then ended. These combined financial statements are the responsibility of the Renown Health's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Renown Health as of June 30, 2012 and 2011, and the results of its combined operations, changes in net assets, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 18, Renown Health adopted Accounting Standards Update No. 2011-08, *Testing Goodwill for Impairment*, which changed the initial assessment of goodwill impairment to a qualitative assessment.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2012, on our consideration of Renown Health's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our 2012 audit.

Eide Bailly LLP

Fargo, North Dakota
August 28, 2012

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	2012	2011
	(In Thousands)	
Assets		
Current Assets		
Cash and cash equivalents	$ 75,746	$ 115,915
Marketable securities	345,544	321,199
Receivables		
Patient, net of allowance for uncollectible accounts of $112,696 in 2012 and $83,218 in 2011	132,729	113,938
Other	15,085	12,749
Inventory	18,874	18,428
Funds held in trust, current	19,853	4,818
Prepaid expenses and other	5,917	4,718
Total current assets	613,748	591,765
Funds Held in Trust, Net of Current Portion		
For debt service	10,339	10,615
For capital projects	14,245	14,245
Total funds held in trust, net of current portion	24,584	24,860
Property and Equipment, Net	602,862	604,794
Other Assets		
Unamortized financing costs, net of accumulated amortization of $6,642 in 2012 and $5,947 in 2011	17,663	18,364
Goodwill and intangible assets, net of accumulated amortization of $349 in 2012 and $61 in 2011	9,622	8,455
Investments in affiliated companies	22,118	19,965
Other	13,338	13,668
Total other assets	62,741	60,452
Total assets	$ 1,303,935	$ 1,281,871

See Notes to Combined Financial Statements

	2012	2011
	(In Thousands)	
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long-term debt	$ 26,729	$ 27,047
Accounts payable		
Trade	30,942	29,205
Estimated third-party payor settlements and other	26,593	27,552
Accrued salaries, wages and benefits	53,922	43,754
Total current liabilities	138,186	127,558
Other	79,979	57,520
Long-Term Debt, Less Current Maturities	520,561	528,748
Total liabilities	738,726	713,826
Net Assets		
Unrestricted	551,719	552,730
Noncontrolling interest in combined subsidiary	3,977	4,437
Total unrestricted	555,696	557,167
Temporarily and permanently restricted	9,513	10,878
Total net assets	565,209	568,045
Total liabilities and net assets	$ 1,303,935	$ 1,281,871

	2012	2011
	(In Thousands)	
Unrestricted Revenues, Gains, and Other Support		
Net patient service revenues	$ 684,494	$ 649,340
Premium revenues	247,719	212,547
Other revenues	31,543	25,804
Total unrestricted revenues, gains, and other support	963,756	887,691
Expenses		
Salaries and wages	308,601	281,623
Employee benefits	39,359	40,679
Provision for bad debts	131,412	119,452
Supplies	122,462	118,049
Professional fees	20,474	20,585
Health care expenses	144,691	118,938
Purchased services	54,118	50,509
Repairs and maintenance	3,262	3,334
Utilities and telephone	8,497	9,104
Insurance	5,186	6,570
Provision for depreciation/amortization	47,596	45,960
Interest	28,437	29,875
Rental and lease	9,142	8,455
Other	23,010	21,339
Total expenses	946,247	874,472
Operating Income	17,509	13,219
Other Income (Loss)		
Investment income	6,228	10,516
Unrealized gain (loss) on investments	(2,513)	3,742
Gain (loss) on interest rate swaps	(9,409)	1,425
Provision for income tax	-	11
Other income (loss), net	(5,694)	15,694
Revenues in Excess of Expenses	11,815	28,913

	2012	2011
	(In Thousands)	
Revenues in Excess of Expenses	$ 11,815	$ 28,913
Change in Unrealized Gains and Losses on Investments	258	16,523
Change in Unrealized Gains and Losses on Interest Rate Swaps	(13,744)	5,847
Change in Accounting Principle	-	(3,910)
Other Changes	(3,545)	(889)
Contributions and Grants for Property Acquisitions	3,745	845
Increase (Decrease) in Unrestricted Net Assets	$ (1,471)	$ 47,329

	2012	2011
	(In Thousands)	
Unrestricted Net Assets		
Revenues in excess of expenses	$ 11,815	$ 28,913
Change in unrealized gains and losses on investments	258	16,523
Change in unrealized gains and losses on interest rate swaps	(13,744)	5,847
Change in accounting principle	-	(3,910)
Other changes	(3,545)	(889)
Contributions and grants for property acquisitions	3,745	845
Increase (decrease) in unrestricted net assets	(1,471)	47,329
Temporarily and Permanently Restricted Net Assets		
Contributions and related investment income	1,588	3,510
Net assets released from restrictions	(2,953)	(845)
Increase (decrease) in temporarily and permanently restricted net assets	(1,365)	2,665
Increase (Decrease) in Net Assets	(2,836)	49,994
Net Assets, Beginning of Year	568,045	518,051
Net Assets, End of Year	$ 565,209	$ 568,045

	2012	2011
	(In Thousands)	
Operating Activities		
Change in net assets	$ (2,836)	$ 49,994
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Provision for bad debts	131,412	119,452
Provision for depreciation/amortization	47,596	45,960
Change in accounting principle	-	3,910
Contributions for property acquisition	(3,745)	(845)
Realized loss on sale of property	194	242
Net loss (gain) on marketable securities	2,369	(20,479)
Decrease (increase) in fair value on interest rate swaps	23,153	(7,272)
Restricted contributions and related interest income	(1,588)	(3,510)
Amortization of financing costs and bond discounts/premiums	533	571
Decrease in malpractice liability	(427)	(1,706)
Loss (gain) on equity investment in joint ventures	(2,152)	1,894
Decrease (increase) in postretirement health care benefits liability	643	(1,695)
Changes in assets and liabilities		
Receivables	(152,187)	(111,914)
Inventory	(446)	88
Prepaid expenses and other	(1,198)	305
Accounts payable and accrued expenses	11,904	(828)
Other liabilities	(2,458)	2,273
Net Cash provided by Operating Activities	50,767	76,440
Investing Activities		
Purchase of property, plant and equipment	(41,837)	(27,573)
Proceeds from sales of property, plant and equipment	12	99
Purchase of marketable securities	(165,896)	(78,724)
Sales of marketable securities	138,771	66,940
Acquisition of business, net of acquired cash	(536)	(5,247)
Decrease in funds held in trust	599	202
Net Cash used for Investing Activities	(68,887)	(44,303)
Financing Activities		
Additions to long-term debt	2,340	609
Principal payments on long-term debt	(10,659)	(11,957)
Increase in swap collateral	(15,300)	(50)
Increase in unamortized financing costs	(18)	-
Restricted contributions and related interest income	1,588	3,510
Net Cash used for Financing Activities	(22,049)	(7,888)

	2012	2011
	(In Thousands)	
Net Increase (Decrease) in Cash and Cash Equivalents	$ (40,169)	$ 24,249
Cash and Cash Equivalents, Beginning of Year	115,915	91,666
Cash and Cash Equivalents, End of Year	$ 75,746	$ 115,915
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest, net of interest capitalized of ($189) in 2012 and ($285) in 2011	$ 26,449	$ 27,087

Note 1 - Organization and Significant Accounting Policies

Organization

Renown Health is a tax-exempt comprehensive integrated health care delivery network located in Reno, Nevada and includes the operations of the following subordinate corporations:

Renown Regional Medical Center (Regional) is a tax-exempt 501(c)(3) Nevada nonprofit corporation that operates a 808 licensed bed general acute care facility. Regional provides a full range of medical services to both inpatients and outpatients.

Renown South Meadows Medical Center (South Meadows) is a tax-exempt 501(c)(3) Nevada nonprofit corporation that owns and operates a 76-bed acute-care community hospital. South Meadows also has a 40-bed Assisted Living facility and operates a 62-bed rehabilitation hospital under the name Renown Rehabilitation Hospital.

Renown Businesses is a taxable Nevada for profit corporation that operates professional office buildings. It also owns Remittance Assistance Corporation, a taxable Nevada for profit accounts receivable collection agency, and Northern Sierra Dialysis Center, a taxable dialysis company. In addition, Renown Businesses operates various commercial businesses to provide services to patients, physicians, and employees under the following d/b/a's: Artisans Market and Bistro, The Inn at Renown, The Shops at Renown, and Materiel Solutions.

Hometown Health Plan, Inc. (Hometown Plan) is a tax-exempt 501(c)(4) Nevada nonprofit corporation that operates a health maintenance organization.

Hometown Health Management Company (Hometown Management) is a taxable Nevada nonprofit corporation that has interests in other health care related businesses and provides management services to Hometown Plan and a fully owned subsidiary, Hometown Health Providers Insurance Company (Hometown Providers), a taxable Nevada nonprofit corporation that operates a preferred provider organization.

Renown Network Services is a tax-exempt 501(c)(3) Nevada nonprofit corporation that acts as the cash repository for Renown Health. In addition, Renown Network Services operates an obstetrics clinic to improve access to care, and various outpatient imaging centers.

Renown Skilled Nursing is a tax-exempt 501(c)(3) Nevada nonprofit corporation that owns a 160-bed skilled nursing facility.

Renown Health Foundation is a tax-exempt 501(c)(3) Nevada nonprofit corporation that was organized for the purpose of raising funds for Renown Health to benefit the community.

Nevada Health Care Cooperative (Nevada Cooperative) is a taxable Nevada nonprofit purchasing cooperative established to enhance the contract terms and conditions for its members, which include certain corporations within Renown Health.

Renown Institute for Heart & Vascular Health (Renown Heart) is a taxable Nevada nonprofit corporation that provides outpatient heart and vascular services throughout the community.

Nevada Heart Institute Clinic, LLC (Nevada Heart Clinic) is a joint venture between Renown Heart (50%), Regional (45%), and South Meadows (5%) for the purpose of providing hospital based heart and vascular services.

Routt Dialysis, LLC is a joint venture between Renown Businesses (16%), Northern Sierra Dialysis Center (36%) and other partners (48%) for the purposes of providing dialysis services.

Principles of Combination

The combined financial statements include the accounts of Renown Health and its subordinate corporations and subsidiaries. All significant intercompany accounts and transactions have been eliminated in combination.

Tax-exempt Status

Renown Health and its members are organized as Nevada nonprofit entities, except for Renown Business and its subsidiaries, Nevada Health Care Cooperative and Hometown Management and its subsidiaries, and have been recognized by the Internal Revenue Service as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) or 501(c)(4).

Renown Health undergoes an annual analysis of its various tax positions, assessing the likelihood of these positions being upheld upon examination with relevant tax authorities, as defined by the accounting principles generally accepted in the United States of America. Renown Health believes that it is compliant with all IRS tax regulations and as of June 30, 2012 has not recorded a tax liability for a tax uncertainty. Renown Health would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Under normal circumstances, Renown Health is no longer subject to federal tax examinations by tax authorities for years before 2009.

Income Taxes

Renown Health records income taxes using the liability method. Under this method, deferred income tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities and are measured using the currently enacted tax rates and laws that are scheduled to be in effect when the differences are expected to reverse.

Use of Estimates

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

Fair Value Measurements

Renown Health has determined the fair value of certain assets and liabilities in accordance generally accepted accounting principles, which provides a framework for measuring fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with original maturities of three months or less, excluding funds held in trust. The carrying amount approximates fair value due to the short maturity of those instruments.

Marketable Securities and Investment Income

Marketable securities include equity and debt securities which are measured at fair value in the balance sheet. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in revenues in excess of expenses unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are excluded from revenues in excess of expenses unless the investments are trading securities.

Receivables

Receivables have been recorded at net realizable value which is believed to approximate fair value.

Patient Receivables

Patient receivables are uncollateralized patient and third-party payor obligations. Payments of patient receivables are allocated to the specific claims identified on the remittance advice or, if unspecified, are applied to the earliest unpaid claim.

The carrying amount of patient receivables is reduced by a valuation allowance that reflects management's estimate of amounts that will not be collected from patients and third-party payors. Management reviews patient receivables by payor class and applies percentages to determine estimated amounts that will not be collected from third parties under contractual agreements and amounts that will not be collected from patients due to bad debts. Management considers historical write off and recovery information in determining the estimated bad debt provision.

Inventory

Inventory is stated at average cost.

Funds Held in Trust

Funds held in trust include cash equivalents, mutual funds, and debt securities which are measured at fair value in the combined balance sheet. Funds held in trust include amount held by trustees under indenture agreements for debt service and capital projects and amounts held by the counterparty to Renown Health's interest rate swap contracts in accordance with the related collateral agreement. Funds held in trust that are available for obligations classified as current liabilities are reported as current assets. The total amount held by the counterparty under the interest rate swap contract was $19,410 and $4,110 at June 30, 2012 and 2011.

Property and Equipment

Property and equipment acquisitions in excess of $2,500 (not in thousands) are capitalized and recorded at cost. Depreciation is provided over the estimated useful life of each depreciable asset and is computed using the straight-line method. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization in the combined financial statements. Interest on amounts borrowed to finance the construction of assets is capitalized. The estimated useful lives of property and equipment are as follows:

Buildings and improvements	15-40 years
Equipment	3-20 years

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

Unamortized Financing Costs and Bond Premiums and Discounts

Financing costs and bond premiums and discounts are amortized over the period the related obligation is outstanding using the straight-line method, which is a reasonable estimate of the effective interest method.

Goodwill

Goodwill is the result of acquisitions for an amount in excess of fair value of the assets acquired. Renown Health performs an annual test for impairment of goodwill during the year. The test is performed by comparing, at the organization unit level, the carrying value of the organization to its fair value.

On an annual basis and at interim periods when circumstances require, Renown Health tests the recoverability of its goodwill. Renown Health has the option, when each test of recoverability is performed, to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If Renown Health determines that it is more likely than not that the fair value of a reporting unit is greater than its carrying amount, then additional analysis is unnecessary. If Renown Health concludes otherwise, then a two-step impairment analysis, whereby Renown Health compares the carrying value of each identified reporting unit to its fair value, is required. The first step is to quantitatively determine if the carrying value of the reporting unit is greater than its fair value. If Renown Health determines that this is true, the second step is required, where the implied fair value of goodwill is compared to its carrying value.

Renown Health recognizes an impairment charge for the amount by which the carrying amount of goodwill exceeds its fair value. The fair value of the reporting unit is estimated using the net present value of discounted cash flows, excluding any financing costs or dividends, generated by each reporting unit. The discounted cash flows are based upon reasonable and appropriate assumptions about the underlying business activities of Renown Health's reporting unit. Renown Health performs its test for recoverability for goodwill at the same time each year, unless circumstances require additional analysis, and no impairments have resulted from this review.

Investments in Affiliated Organizations

Investments in affiliated organizations in which Renown Health has the ability to exercise significant influence over operating and financial policies but does not have control are recorded under the equity method of accounting. Under the equity method, the initial investment is recorded at cost and adjusted annually to recognize Renown Health's share of earnings and losses of those entities, net of any additional investments or distributions. Renown Health's share of net earnings or losses of the entities is included in other revenues.

Accounts Payable

Accounts payable approximates fair value because of the short time for which accounts payable are outstanding.

Other Noncurrent Liabilities

Other noncurrent liabilities consist of an estimated liability for professional liability losses, liabilities associated with guarantees, estimated liabilities for postretirement health care benefits and contributory defined benefit plan, and certain estimated third-party settlements.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by Renown Health has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by Renown Health in perpetuity.

Revenues in Excess of Expenses

Revenues in excess of expenses excludes unrealized gains and losses on investments other than trading securities, transfers of assets to and from related parties for other than goods and services, change in net unrealized gains and losses on the effective portion of interest rate swaps, change in net unrealized gains and losses from pension and other postretirement benefit obligations, changes in accounting principles, and contributions of long-lived assets, including assets acquired using contributions which were restricted by donors. Revenues in excess of expenses as reflected in the combined statements of operations is a performance indicator.

Net Patient Service Revenue

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

Premium Revenue

Premium revenues are recognized as income during the period in which health care coverage is provided. Premium revenue billed and/or collected in advance is deferred as unearned premium revenue, which is included in third-party settlements and other in the combined balance sheets.

Charity Care

To fulfill its mission of community service, Renown Health provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because Renown Health does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Donor-restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When donor stipulated time restrictions or purpose restrictions are met or accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the combined statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the combined statements of operations.

Health Care Expenses and Incurred but Not Paid Liability

Renown Health maintains provider contracts with health care service providers, including hospitals, physician groups and pharmacies. These providers are paid primarily on a capitation or fee-for-service basis. These costs are recognized in the month in which services are provided and are included as part of health care expenses. Coordination of benefits recoveries are netted against these amounts.

Estimated claims payable includes claims reported as of the balance sheet date and estimates (based on projections from historical data) of health care costs expenses incurred but not paid. These amounts are included as part of third-party settlements and other in the combined balance sheets. Estimates are continually monitored and reviewed, and as settlements are made or estimates adjusted, differences are reflected in current operations. Losses are also recognized when it is probable that expected future health care expenses and maintenance costs related to the contract term of certain existing contracts will exceed anticipated future premiums from the related contracts. Due to the subjective nature of these reserves, there is a reasonable possibility that recorded estimates could differ from actual results in the future.

Derivative Financial Instruments

Renown Health records derivatives on the balance sheet at fair value. Derivatives that are not hedges must be adjusted to fair value through income. If the derivative qualifies as a hedge, depending on the nature of the hedge, changes in the fair value of derivatives will either be offset against the change in net assets or income. The ineffective portion of a derivative's change in fair value is immediately recognized in earnings.

Note 2 - Charity Care

Renown Health provides health care services to patients who meet certain criteria under its charity care policy at amounts less than established rates. Since Renown Health does not pursue collection of these amounts, they are not reported as patient service revenue. The estimated cost of providing these services was $26,209 and $27,572 for the years ended June 30, 2012 and 2011, calculated by multiplying the ratio of cost to gross charges for Renown Health by the gross uncompensated charges associated with providing charity care to its patients.

Renown Health does not receive funds to offset or subsidize charity care services.

Note 3 - Net Patient Service Revenue

Renown Health has agreements with third-party payors that provide for payments to Renown Health at amounts different from its established rates. A summary of the payment arrangements with major third-party payors is as follows:

Medicare: Inpatient acute care and outpatient services rendered to Medicare program beneficiaries are generally paid at prospectively determined rates per encounter. These rates vary according to a patient classification system based on clinical, diagnostic, and other factors. Renown Health is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the hospitals and audits thereof by the Medicare fiscal intermediary. Renown Health's Medicare cost reports have been audited by the Medicare fiscal intermediary through the year ended June 30, 2007.

Medicaid: Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed based on prospectively determined rates per length of stay and/or a fee schedule.

Other Insurers: Renown Health also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations for commercial and senior programs. The basis for payment to Renown Health under these agreements includes capitation, prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Gross revenues from the Medicare, Medicaid, and Other Insurers accounted for the following percentages of Renown Health's patient service revenues for the years ended June 30, 2012 and 2011:

	2012	2011
Medicare	40%	39%
Medicaid	8%	9%
PPO/HMO	29%	32%
Other	23%	20%

Laws and regulations governing Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Net patient service revenue decreased approximately $81 for the year ended June 30, 2012 and increased approximately $1,093 for the year ended June 30, 2011 due to differences in estimated and actual cost report settlements and due to the removal of allowances previously estimated that are no longer necessary as a result of final settlements and years that are no longer likely subject audits, reviews, and investigations.

The Centers for Medicare and Medicaid Services (CMS) has implemented a Recovery Audit Contractor (RAC) program under which claims subsequent to October 1, 2007, are reviewed by contractors for validity, accuracy, and proper documentation. A demonstration project completed in several other states resulted in the identification of potential overpayments, some being significant. The potential exists that Renown Health may incur a liability for a claims overpayment at a future date. Renown Health is unable to determine the extent of the liability of overpayments, if any. As the outcome of such reviews is unknown and cannot be reasonably estimated, it is Renown Health's policy to adjust revenue for deductions from overpayment amounts or additions from underpayment amounts determined under the RAC audits at the time a change in reimbursement is agreed upon between Renown Health and CMS.

Note 4 - Funds Held in Trust, Marketable Securities, and Investment Income

Funds Held in Trust

The composition of funds held in trust at June 30, 2012 and 2011, is shown in the following table.

	2012	2011
Funds held in trust		
Money market mutual funds	$ 14,805	$ 15,449
U.S. federal agency securities	10,222	10,119
Cash and equivalents	19,410	4,110
	44,437	29,678
Less amount shown as current	(19,853)	(4,818)
	$ 24,584	$ 24,860

Marketable Securities

Marketable securities are stated at fair value. The composition of marketable securities at June 30, 2012 and 2011 is shown in the following table:

	2012	2011
U.S. federal agency securities	$ 60,951	$ 57,378
U.S. equity mutual funds	73,208	70,834
U.S. fixed income commingled funds	43,895	40,930
U.S. federal agency mortgage-backed securities	26,303	24,532
U.S. government securities	32,344	29,456
Foreign fixed income commingled funds	28,524	27,957
Foreign equity commingled funds	13,221	28,982
U.S. corporate fixed income securities	33,531	19,356
U.S. fixed income mutual funds	15,309	14,273
U.S. corporate fixed income asset-backed securities	4,878	5,542
Foreign equity mutual funds	12,978	1,489
U.S. equity securities	402	470
	$ 345,544	$ 321,199

Investment Income

Investment income and gains and losses on funds held in trust, marketable securities, and cash and cash equivalents consist of the following for the years ended June 30, 2012 and 2011:

	2012	2011
Other income		
Interest and dividends	$ 6,265	$ 6,411
Realized (loss) gain on sales of securities	(20)	4,109
	6,245	10,520
Less amounts included in changes in temporarily restricted net assets	(17)	(4)
Amounts included in investment income	$ 6,228	$ 10,516

Renown Health uses the average cost method to compute realized gains and losses on securities sold.

Investments in an Unrealized Loss Position

The duration of the investments in an unrealized loss position at June 30, 2012 are shown in the following table:

	Less than 12 months		Greater than 12 months	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Foreign equity mutual funds	$ 12,978	$ 835	$ -	$ -
U.S. equity mutual funds	-	-	1,012	17
U.S. equity securities	-	-	144	14
Total	$ 12,978	$ 835	$ 1,156	$ 31

The duration of the investments in an unrealized loss position at June 30, 2011 are shown in the following table:

	Less than 12 months		Greater than 12 months	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. equity mutual funds	$ -	$ -	$ 964	$ 42
U.S. equity securities	-	-	134	24
Total	$ -	$ -	$ 1,098	$ 66

The unrealized losses on Renown Health's investments in foreign equity mutual funds and U.S. equity mutual funds and securities were primarily a result of recent market declines consistent with the cyclical nature of the financial markets. Renown Health has a diversified portfolio. Renown Health's investments in an unrealized loss position consist of securities in various market sectors. Based on that evaluation and Renown Health's ability and intent to hold those investments for a reasonable period of time sufficient for a forecasted recovery of fair value, Renown Health does not consider these investments to be other-than-temporarily impaired at June 30, 2012.

Fair Value

The fair value of Renown Health's marketable securities and funds held in trust measured on a recurring basis at June 30, 2012 and 2011, consists of the following, excluding cash and equivalents and money market mutual funds which are valued at historical cost:

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total Balance
June 30, 2012				
U.S. federal agency securities	$ -	$ 71,173	$ -	$ 71,173
U.S. equity mutual funds	73,208	-	-	73,208
U.S. fixed income comingled funds	-	-	43,895	43,895
U.S. federal agency mortgage-backed securities	-	26,303	-	26,303
U.S. government securities	32,344	-	-	32,344
Foreign fixed income comingled funds	-	-	28,524	28,524
Foreign equity commingled funds	-	-	13,221	13,221
U.S. corporate fixed income securities	-	33,531	-	33,531
U.S. fixed income mutual funds	15,309	-	-	15,309
U.S. corporate fixed income asset-backed securities	-	4,878	-	4,878
Foreign equity mutual funds	12,978	-	-	12,978
U.S. equity securities	402	-	-	402
Total assets	$ 134,241	$ 135,885	$ 85,640	$ 355,766

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total Balance
June 30, 2011				
U.S. federal agency securities	$ -	$ 67,497	$ -	$ 67,497
U.S. equity mutual funds	70,834	-	-	70,834
U.S. fixed income comingled funds	-	-	40,930	40,930
U.S. federal agency mortgage-backed securities	-	24,532	-	24,532
U.S. government securities	29,456	-	-	29,456
Foreign fixed income comingled funds	-	-	27,957	27,957
Foreign equity commingled funds	-	-	28,982	28,982
U.S. corporate fixed income securities	-	19,356	-	19,356
U.S. fixed income mutual funds	14,273	-	-	14,273
U.S. corporate fixed income asset-backed securities	-	5,542	-	5,542
Foreign equity mutual funds	1,489	-	-	1,489
U.S. equity securities	470	-	-	470
Total assets	$ 116,522	$ 116,927	$ 97,869	$ 331,318

The change in the balance of Level 3 financial assets measured on a recurring basis for the years ended June 30, 2012 and 2011 is as follows:

	U.S. Fixed Income Comingled Funds	Foreign Fixed Income Comingled Funds	Foreign Equity Comingled Funds	Total
Balance at June 30, 2010	$ 39,255	$ 25,140	$ 22,916	$ 87,311
Total net realized gains included in investment income	545	1,440	1,920	3,905
Total net unrealized gain (loss), included in unrealized gain (loss) on investments in the statement of operations	(453)	766	3,580	3,893
Purchases, issuances, and settlements	1,583	611	566	2,760
Balance at June 30, 2011	40,930	27,957	28,982	97,869
Total net realized gains included in investment income	948	529	(1,282)	195
Total net unrealized gain (loss), included in unrealized gain (loss) on investments in the statement of operations	445	(413)	(2,560)	(2,528)
Purchases, issuances, and settlements	1,572	451	(11,919)	(9,896)
Balance at June 30, 2012	$ 43,895	$ 28,524	$ 13,221	$ 85,640

Commingled and other funds are reported at fair value as reported by the fund managers based on discounted cash flows, estimated market values, and other unobservable inputs. Each of the commingled funds report fair value using a calculated net asset value per share (NAV). There are no redemption limitations, except as noted below, or unfunded commitments at June 30, 2012.

Commingled Fund	Redemption	Redemption Notice Period	Redemption Availability
U.S. fixed income commingled fund	First business day of each month	3 business days	90% available on 1st business day and remaining available on 2nd business day
Foreign fixed income commingled fund	First business day of each month	15th of the month	80% available on 1st business day and remaining within 10 business days
Foreign equity commingled fund	First business day of each month	15th of the month	80% available on 1st business day and remaining within 10 business days

Note 5 - Property and Equipment

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

	2012	2011
Land	$ 77,887	$ 76,400
Buildings and improvements	649,953	627,333
Equipment	343,537	334,268
Construction in progress	2,086	4,107
	1,073,463	1,042,108
Less allowance for depreciation	(470,601)	(437,314)
Net property and equipment	$ 602,862	$ 604,794

The gross amount recorded for assets under capital leases was $11,090 and $8,617 at June 30, 2012 and 2011. The accumulated depreciation recorded for assets under capital leases was $3,730 and $2,534 at June 30, 2012 and 2011.

Construction in progress at June 30, 2012 represents Regional campus renovations and various other projects. The estimated costs to complete these projects, along with a land purchase, are $13,440 which will be financed with Renown Health's funds.

Note 6 - Investments in Affiliated Organizations

Investments of $22,118 and $19,965 in various related health care ventures are being recorded on the equity method. The net gain on these investments, totaling $2,383 in 2012 and $1,136 in 2011, is included in other income. In 2011, $2,353 was recorded as a change in accounting principle related to these investments. Renown Health received distributions of $140 and $78 from these investments in 2012 and 2011.

The total assets and revenues in excess of expenses for the affiliated organizations as of and for the years ended June 30, 2012 and 2011 was as follows:

	2012	2011
Total assets	$ 64,755	$ 59,299
Revenues in excess of expenses	$ 4,383	$ 1,480

Note 7 - Operating Leases

Renown Health leases various buildings, office space, and equipment under noncancelable long-term agreements. The leases expire at various times and have various renewal options and lease payment escalation provisions. Total lease expense for the years ended June 30, 2012 and 2011 was $9,142 and $8,455.

Future minimum lease payments at June 30, 2012, by year and in the aggregate, under noncancellable operating leases with initial terms of one year or more consist of the following:

Year Ending June 30,	Amount
2013	$ 7,725
2014	7,190
2015	5,320
2016	4,666
2017	3,729
Thereafter	9,953
Total minimum lease payments	$ 38,583

Note 8 - Long-term Debt

Long-term obligations consist of the following:

	2012	2011
City of Reno, Nevada Hospital Revenue Bonds (Renown Regional Medical Center Project):		
Series 2009 A&B, interest ranging from .03% to .27% monthly; principal installments ranging from $295 in 2013 to $7,185 in 2039	$ 62,435	$ 62,730
Series 2008 A&B, interest ranging from .04% to .27% monthly; principal installments ranging from $1,300 in 2013 to $22,400 in 2041	84,400	85,250
Series 2007A, interest ranging from 5.00% to 5.25% semi-annually; principal installments ranging from $1,815 in 2013 to $7,430 in 2041	115,075	116,790
Plus unamortized bond premium	3,942	4,011
	119,017	120,801
Series 2006C, interest at 4.25% semi-annually; final principal installment paid 6/1/2012	-	430
Plus unamortized bond premium	-	2
	-	432
City of Reno, Nevada Hospital Revenue Bonds (Renown Health Project):		
Series 2005 A&B, interest ranging from 4.50% to 6.25% payable semi-annually, principal installments ranging from $1,675 in 2013 to $19,325 in 2040	91,100	92,700
Plus unamortized bond premium	1,273	1,326
	92,373	94,026
City of Reno, Nevada Hospital Revenue Bonds (Renown Regional Medical Center Project):		
Series 2004A, interest ranging from 5.25% to 5.50% payable semi-annually; principal payable in installments ranging from $1,225 in 2013 to $2,050 in 2028	25,800	27,000
Plus unamortized bond premium	245	278
	26,045	27,278

	2012	2011
Series 2004C (converted 2010), interest ranging from 5.00% to 5.38% payable semi-annually; principal payable in installments ranging from $1,375 in 2013 to $3,035 in 2039	$ 45,070	$ 46,290
Plus unamortized bond premium	510	559
	45,580	46,849
Series 2004C (converted 2008), interest ranging from 4.25% to 5.50% payable semi-annually; principal payable in installments ranging from $75 in 2013 to $5,150 in 2039	46,150	46,250
Plus unamortized bond premium	377	378
	46,527	46,628
City of Reno, Nevada Hospital Revenue Bonds (Renown Regional Medical Center):		
Series 2001A, interest ranging from 5.0% to 5.13%; payable semi-annually; principal payable in installments ranging from $155 in 2017 to $3,605 in 2031	33,875	33,875
Less unamortized bond discount	(405)	(426)
	33,470	33,449
Guaranteed Insured Notes, Series 1995, interest at 7.58%; payable semi-annually; principal payable in installments ranging from $1,500 in 2013 to $3,500 in 2025	30,400	31,700
EMR software lease, interest at 6.13%; principal and interest payable quarterly; final payment due October 2012	568	1,720
Vendor equipment note, interest at 4.81%; principal and interest payable monthly; final payment due December 2016	2,340	-
Various equipment leases, interest rates from 1.5% to 11.94%; principal and interest payable monthly, due from August 2012 to December 2016	274	670
Bank loan payable at 5.8%; principal and interest payable monthly, due May 2014	443	655
Bank loan payable at 2.8%, resets every 3 months; principal and interest payable monthly; due in June 2015	3,418	3,607
	547,290	555,795
Less current maturities	(26,729)	(27,047)
	$ 520,561	$ 528,748

The Series 2009A&B; 2008A&B; 2007A; 2005A, B&C; 2004A&C; and 2001A Hospital Revenue Bonds, a line of credit and a loan payable to a bank have been issued under a Master Indenture Agreement that secures the indebtedness by a pledge of the gross revenues of the Obligated Group. Under the Master Trust, Renown Health is required to comply with certain restrictive financial and other covenants. As of June 30, 2012 and 2011, management has asserted that Renown Health was in compliance with all debt covenants.

Under the terms of a revolving line of credit agreement with a bank, Renown Health may borrow up to $15,000. Borrowings under this agreement, which expired June 30, 2012, were secured by the Master Trust Agreement, and had an interest at the Prime Rate, at .75% above the LIBOR rate, or at a fixed rate equal to 1.75% over the highest yielding five year Treasury obligation. As of June 30, 2012 and 2011, Renown Health had no outstanding borrowings under this agreement. Effective July 1, 2012, Renown Health entered into a new revolving line of credit agreement with a bank, secured by the Master Trust Agreement, under which Renown Health may borrow up to $20,000. The line, which expires July 1, 2014, has an interest rate at .95% above the LIBOR rate and requires the maintenance of a zero balance on borrowings for a period of at least 30 consecutive days during each rolling 12-month period commencing July 1, 2012.

Aggregate principal maturities of long-term obligations, including capital leases, at June 30, 2012, excluding bond discounts and premiums, are as follows:

Year Ending June 30,	Amount
2013	$ 26,469
2014	31,805
2015	34,959
2016	32,380
2017	10,205
Thereafter	405,530
Total	$ 541,348

The Series 2008 A&B and 2009 A&B Hospital Revenue Bonds are variable rate demand bonds that are guaranteed by liquidity facilities (principally letters of credit). At June 30, 2012 and 2011, approximately $16,880 and $17,050 of Renown Health's variable rate demand bonds were classified as current liabilities after consideration of the repayment terms of the related liquidity facilities if draws were to occur.

Fair Value

The aggregate estimated fair market value of Renown Health's long-term obligations at June 30, 2012 and 2011 of $572,807 and $556,102 was established using discounted cash flow analyses based on the current market yield to maturity for similar types of publicly traded debt issues, and Renown Health's current incremental borrowing rates for all other debt instruments, and were valued without consideration of any related credit enhancement, including monoline insurance associated with Renown Health's fixed rate debt and letters of credit associated with Renown Health's variable rate demand bonds.

Note 9 - Temporarily and Permanently Restricted Net Assets

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

	2012	2011
Temporarily restricted		
Children's services	$ 4,727	$ 6,722
Cancer services	607	339
Other programs	1,543	1,394
Total temporarily restricted net assets	6,877	8,455
Permanently restricted		
Nursing education	1,062	1,055
Healing Garden/Arts	618	618
Other programs	956	750
Total permanently restricted net assets	2,636	2,423
Total temporarily and permanently restricted net assets	$ 9,513	$ 10,878

In 2012 and 2011, net assets were released from donor restrictions by incurring expenditures satisfying the restricted purposes in the amounts of $2,953 and $845. These amounts are included in net assets released from restrictions in the combined financial statements within contributions and grants for property acquisitions.

Note 10 - Retirement Plans and Postretirement Health Care Benefits

Contributory Defined Benefit Plan

Renown Health sponsors a contributory defined benefit plan (Retirement Plan). The Retirement Plan is not available to employees who did not elect to participate in the plan as of November 17, 1985. Those employees who did elect to participate in the Retirement Plan as of November 17, 1985 are required to contribute 2.5% of their annual earnings. Normal retirement benefits under this plan are based on the three highest years of compensation and the employee's years of service. Benefits are reduced for specified benefits received under the Nevada Public Employees' Retirement System. Participants in this plan are fully vested. Renown Health's total retirement benefit expense was not material.

The Retirement Plan was partially funded as of June 30, 2012 and 2011. Renown Health's measurement date for plan assets, pension obligations and net periodic pension cost associated with the retirement plan is June 30. The changes in benefit obligations and plan assets for Renown Health's Retirement Plan are as follows:

	2012	2011
Projected benefit obligation at beginning of year	$ 13,776	$ 13,718
Interest cost	602	664
Plan participants' contributions	1	2
Actuarial loss	1,404	570
Benefits paid	(1,175)	(1,178)
Projected benefit obligation at measurement date	14,608	13,776
Fair value of plan assets at beginning of year	9,444	8,183
Actual gain on plan assets	358	1,650
Employer contributions	959	787
Plan participants' contributions	1	2
Benefits paid	(1,175)	(1,178)
Fair value of plan assets at measurement date	9,587	9,444
Net prepaid benefit cost at end of year	$ (5,021)	$ (4,332)

The accumulated benefit obligation for Renown Health's retirement plan was $14,608 and $13,776 at June 30, 2012 and 2011. The benefits expected to be paid from Renown Health's Retirement Plan in each of the next five years, and in the aggregate for the next five years are as follows:

Year Ending June 30,	Amount
2013	$ 1,274
2014	1,246
2015	1,216
2016	1,183
2017	1,147
2018-2022	5,130
Total	$ 11,196

The actuarial assumptions used by Renown Health's Retirement Plan are as follows:

	2012	2011
Weighted average discount rates for calculating pension expense	4.6%	5.1%
Weighted average discount rates for calculating projected benefit obligation	3.5%	4.6%
Weighted average rates of compensation increase for calculating pension expense	4.0%	4.0%
Weighted average rates of compensation increase for calculating projected benefit obligation	4.0%	4.0%
Expected long-term rates of return on plan assets for calculating pension expense	7.0%	7.0%

The components of Renown Health's Retirement Plan's net periodic benefit cost for the years ended June 30, 2012 and 2011 are as follows:

	2012	2011
Interest cost	$ 602	$ 664
Expected return on plan assets	(646)	(551)
Recognized gains	204	257
Benefit cost	$ 160	$ 370

The Retirement Plan weighted average asset allocations at June 30, 2012 and 2011, by asset category are as follows:

	Target	Percentage of Plan Assets at June 30,	
	2012	2012	2011
Asset Category			
Interest-bearing cash	0.0%	3.0%	3.0%
Equity securities	60.0%	57.0%	60.0%
Fixed income	40.0%	40.0%	37.0%
Total	100%	100%	100%

Renown Health's investment strategy for the retirement plan assets is to balance the liquidity needs of the Retirement Plan with the long-term return goals necessary to satisfy future obligations. The target asset allocation seeks to reduce volatility while capturing the equity premium from the capital markets over the long-term and maintain security of principal to meet near term expenses and obligations through the fixed income allocation.

Renown Health's Retirement Plan portfolio return assumption of 7% is based on the weighted average return of comparative market indices for the asset classes represented in the portfolio and discounted for retirement plan expenses.

A fair value hierarchy has been established with three levels that prioritize the valuation inputs into each level (see Note 1). The fair value of the Retirement Plan's assets consists of the following as of June 30, 2012 and 2011, except for money market funds, which are valued at historical cost:

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total Balance
June 30, 2012				
Mutual funds				
U.S. equity mutual funds	$ 1,407	$ -	$ -	$ 1,407
Index funds	6,701	-	-	6,701
Foreign equity mutual funds	1,175	-	-	1,175
Total Retirement Plan	$ 9,283	$ -	$ -	$ 9,283
June 30, 2011				
Mutual funds				
Index funds	$ 7,760	$ -	$ -	$ 7,760
Foreign equity mutual funds	1,360	-	-	1,360
Total Retirement Plan	$ 9,120	$ -	$ -	$ 9,120

Defined Contribution Plan

The Renown Health sponsored defined contribution 401(k) plan is Renown Health's primary retirement plan and covers substantially all employees. Effective July 1, 2011, the plan was amended to convert the matching contribution to a discretionary matching contribution. Beginning July 11, 2011, Renown Health changed the discretionary matching percentage to 0%. Prior to July 11, 2011, this plan allowed employees to contribute a maximum amount of 50% of gross compensation on a pre-tax basis, subject to a limitation imposed by the Internal Revenue Service. Renown Health matched the first 3% of the employee's contribution at 100% and the next 2% of the employee's contribution at 50%. The remaining 45% of the employee's contribution was not matched by Renown Health. Participants vest in the match portion of the contribution at the rate of 25% per year after two years of service, and are fully vested after five years. The total cost of the defined contribution 401(k) plan was $164 and $5,652 for the years ended June 30, 2012 and 2011.

Postretirement Health Care Benefits

In addition to providing pension benefits, Renown Health provides certain health care benefits for eligible retired employees. Generally, employees hired prior to January 1, 1990, who reach normal retirement age while employed by Renown Health, who have retired after a minimum of ten years of service and who qualify for pension benefits are eligible for these benefits. Renown Health's contribution toward retiree health coverage was capped at the January 1, 1994 levels for current retirees. For employees who retire on or after January 1, 1996, the cap will be set at 50% of the plan premium as of January 1, 1994. The benefits for employees who retire after December 31, 1995 are discontinued at the time they are eligible for government-sponsored medical coverage.

The changes in benefit obligations and plan assets for Renown Health's postretirement health care benefit plan (Plan) for the years ended June 30, 2012 and 2011 are as follows:

	2012	2011
Accumulated postretirement benefit obligation at beginning of year	$ 1,421	$ 1,923
Service cost	19	18
Interest cost	54	64
Actuarial loss (gain)	85	(371)
Benefit payments	(203)	(213)
Accumulated postretirement benefit obligation at end of year	$ 1,376	$ 1,421
Net accrued postretirement benefit cost at end of year	$ 1,376	$ 1,421

Renown Health's measurement date for the Plan is June 30, 2012.

The components of Renown Health's net periodic postretirement benefit credit for the years ended June 30, 2012 and 2011 are as follows:

	Year Ended June 30	
	2012	2011
Service cost	$ 19	$ 18
Interest cost	54	64
Net amortization of prior gains	(319)	(408)
Net periodic postretirement benefit credit	$ (246)	$ (326)

The reconciliation of net accrued postretirement benefit cost for the years ended June 30, 2012 and 2011 is as follows:

	Year Ended June 30	
	2012	2011
Net accrued postretirement benefit cost at beginning of year	$ (1,421)	$ (1,923)
Net periodic postretirement benefit credit	246	326
Employer contributions	203	213
Net unrealized gain reclassified to net assets	(404)	(37)
Net periodic postretirement benefit credit	$ (1,376)	$ (1,421)

The discount rate used by the Plan's actuaries in determining the accumulated postretirement benefit obligation was 4.0% and 4.5% at June 30, 2012 and 2011. The contribution rate was fixed effective January 1, 1994. Consequently, health care trend rates are not applicable for a majority of the participants in the plan. For those retirees covered under the Medicare risk program, a one-percentage-point change in assumed Medicare risk trend rates would not have a material effect on the service cost and interest cost components nor on the accumulated postretirement benefit obligation.

The benefits expected to be paid in each of the next five years, and in the aggregate for the next five years are as follows:

Year Ending June 30,	Amount
2013	$ 195
2014	187
2015	169
2016	155
2017	146
2018-2022	524
Total	$ 1,376

Note 11 - Concentrations of Credit Risk

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

	2012	2011
Medicare fee for service	16%	23%
Medicaid	16%	15%
PPO/HMO	14%	17%
Other	54%	45%
	100%	100%

Renown Health's cash balances are maintained in various bank deposit accounts. At times, the balance of these deposits may be in excess of federally insured limits.

Note 12 - Functional Expenses

Renown Health provides health care services to residents within its geographic location. Expenses related to providing these services by functional class for the years ended June 30, 2012 and 2011 are as follows:

	2012	2011
Patient health care services	$ 807,103	$ 782,302
General and administrative	139,144	92,170
	$ 946,247	$ 874,472

Note 13 - Income Taxes

Renown Health's taxable corporations file tax returns as required under current tax regulations. The tax provision for the years ended June 30, 2012 and 2011 was $0 and $11.

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting and the amount used for income tax purposes. The significant components of Renown Health's taxable corporation's deferred taxes as of June 30, 2012 and 2011 are as follows:

	2012	2011
Deferred tax assets		
Net operating loss carryover	$ 25,882	$ 27,935
Allowance for uncollectible accounts	4,248	3,157
Accrued vacation and incentives	1,240	1,102
Depreciation and amortization	(2,669)	3,345
Other	(1,201)	939
	27,500	36,478
Less valuation allowance	26,990	35,968
Net deferred tax assets	510	510
Deferred tax liabilities	-	-
Net deferred tax asset	$ 510	$ 510

Net operating loss carryforwards total approximately $76,124 and will expire between June 30, 2013 and 2032.

The valuation allowance decreased $8,978 as of June 30, 2012 and decreased $3,955 as of June 30, 2011.

Note 14 - Reinsurance Agreements

Renown Health purchases reinsurance for losses on certain inpatient hospital, physician and pharmacy claims from a reinsurance company. Under the terms of this agreement, the reinsurance company will reimburse Renown Health up to a maximum amount in excess of a $300 deductible for fully-insured commercial and Medicare members, as accumulated on an incurred basis (as defined in the reinsurance agreement) subject to certain limits and coinsurance payments.

Note 15 - Interest Rate Swaps

As of June 30, 2012 and 2011, Renown Health has five swap agreements, as follows:

	Notional Amount			Interest
	Original	2012	2011	Paid
Series 2004C	$ 15,325	$ 10,538	$ 11,288	3.697%
Series 2004C	44,000	43,100	43,213	3.897%
Series 2009	15,325	10,538	11,288	3.697%
Series 2009	44,000	43,100	43,213	3.897%
Series 2008	80,000	77,864	78,614	3.788%

For each of these swaps Renown Health receives a floating rate of 60% of 1-month LIBOR, plus 36 basis points, in return for the fixed rates outlined above. The swaps expire between 2031 and 2041.

The objective of the swaps for Renown Health is to offset the variability of the overall cash flows on a portion of its variable rate debt (and their subsequent refinancing) attributable to changes in market interest rates. Changes in the monthly cash flow receipts by Renown Health on the interest rate swap are expected to be highly effective at offsetting the changes in overall cash flows or interest rate payments attributable to fluctuations in Renown Health's hedged variable rate bonds.

Renown Health utilizes the "hypothetical derivative" method to measure the ineffectiveness of the hedge quarterly. Accordingly, the calculation of ineffectiveness will be equal to the excess of (i) the cumulative change in the fair value of the swap over (ii) the cumulative change in the fair value of the hypothetical derivative. Regression analysis is used to assess the hedge effectiveness. The regression analysis measures both the correlation and the "optimal hedging ratio" between the interest costs of the variable rate bonds and the floating rate swap receipt of 60% of 1-month LIBOR plus 36 basis points.

Series 2004C - Renown Health executed the series 2004C swap contracts in June 2004, designated them to the Series 2004C Bonds and achieved hedge treatment. In September 2009, Renown Health determined the two Series 2004C Swaps no longer qualified for hedge treatment. Prospectively, all changes in fair value of the Series 2004C Swaps are included in the performance indicator. In March 2010, Renown Health converted the Series 2004C Bonds from auction rate mode to fixed rate mode.

Series 2009 (was Series 2004B) - Renown Health executed the Series 2009 swap contracts in June 2004, designated them to the Series 2004B Bonds and achieved hedge treatment. In January 2009, the Series 2004B Bonds were extinguished and refunded with the Series 2009 A&B bonds. The 2004B Swap with an original notional amount of $15,325 was re-designated from the 2004B Series to the 2009 Series and qualified for hedge treatment at the date of refunding. The 2004B Swap with an original notional amount of $44,000 qualified for hedge treatment in October 2010. At June 30, 2012 the Series 2009 swap contracts have maintained hedge treatment.

Series 2008 (was Series 2006) - Renown Health executed the series 2008 swap contract in April 2006, designated it to the Series 2006 Bonds and achieved hedge treatment. In June 2008, the Series 2006 Bonds were extinguished and refunded with the Series 2008 Bonds, which resulted in Renown Health no longer maintaining hedge treatment for the Series 2006 Swap. In August 2008, Renown Health re-designated the Series 2006 Swap to the Series 2008 Bonds and achieved hedge accounting. At June 30, 2012, the Series 2008 Swap has maintained hedge treatment.

The effective portion of the change in fair value of the swaps is included as a component of net assets below the performance indicator. The cumulative effective portion included in net assets was a net unrealized loss of $34,323 and $20,579 at June 30, 2012 and 2011. The ineffective portion and the amount of change in fair value not attributable to hedging instruments is included above the performance indicator in non-operating income and expense, and was a loss of $9,409 and a gain of $1,425 for the years ended June 30, 2012 and 2011. The fair market value of the swaps is determined using quoted market prices based upon observable interest rates and yield curves (Level 2 inputs), and each of the swaps were a liability totaling $54,195 and $31,042 at June 30, 2012 and 2011, and were included in noncurrent liabilities. The fair market value of the swaps with hedge treatment was $38,279 and $21,805 and without hedge treatment was $15,916 and $9,237 at June 30, 2012 and 2011.

Note 16 - Commitments and Contingencies

Self-Insurance Plans

Renown Health is self-insured for health insurance, workers' compensation, vision, and dental care. The claims under these plans continue to be accrued as the incidents that give rise to them occur. Unpaid claim accruals are based on the estimated ultimate cost of the claims, including claim administration expenses, in accordance with Renown Health's past experience. Renown Health has entered into a reinsurance agreement with insurance companies to limit its losses on claims for health insurance and workers' compensation. Reserves for self-insured plans were $6,689 and $5,105 as of June 30, 2012 and 2011 and are included in accrued salaries, wages, and benefits in the combined balance sheets.

Professional Liability Insurance

Renown Health is self-insured for professional liability claims up to $2,000 per occurrence and maintains professional liability insurance coverage on a claims-made basis for all claims in excess of $2,000 per occurrence. Reserves for reported professional liability claims and incurred but not reported claims are based on actuarial studies. Management is aware of no potential professional liability claims whose settlement, if any, would be in excess of amounts provided for or would otherwise have a material adverse effect on Renown Health's combined financial position. Reserves for reported and incurred but not reported claims, which are discounted using a rate of 4.0% and 5.5% were $6,110 and $6,537 as of June 30, 2012 and 2011 and are included in other noncurrent liabilities in the combined balance sheets.

Litigation, Claims, and Disputes

Renown Health is subject to the usual contingencies in the normal course of operations relating to the performance of its task under its various services it offers. In the opinion of management and after consultation with legal counsel, the ultimate settlement of litigation, claims, and disputes in process will not be material to the combined financial position of Renown Health. However, there can be no guarantee that such will be the case.

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

Guarantee

During 2008, Renown Health had a 50% equity interest in a joint venture and a guarantee of its share of the entity's debt. A payment would be triggered by failure of the guaranteed party to fulfill its obligations covered by the guarantee. As of June 30, 2012 and 2011, Renown Health's share of the guarantee, $3,264 and $3,355, is included in other noncurrent liabilities in the accompanying combined balance sheets. The fair value of the guarantee as of June 30, 2012 and 2011 was $3,290 and $3,121. The term of the guarantee is through April 1, 2033.

Collective Bargaining Agreement

Some of Renown Health's labor force is represented by a collective bargaining agreement. The most recent labor agreement expires on September 13, 2013.

Purchase Commitments

During 2012, Renown Health entered into an agreement with a vendor to purchase a minimum amount of supplies over the next five years. In connection with the agreement, Renown Health also acquired certain equipment. As of June 30, 2012, $2,340 has been recorded on the combined balance sheet as property and equipment as well as long-term debt. The remaining purchase commitment at June 30, 2012, excluding the equipment, is $1,670.

Note 17 - Acquisitions

On January 1, 2011 and March 17, 2011, Renown Health completed the acquisition of two cardiology practices located in Reno, Nevada. The transactions were accounted for as a purchase business combination.

The total purchase price of $6,293 was allocated to the net tangible and intangible assets based upon their estimated fair values and the acquisition date. The excess of the purchase price over the estimated fair value of the net tangible and intangible assets of $2,064 has been recorded as goodwill in the amount of $1,085 and intangible assets in the amount of $979, which is being amortized on a straight-line basis over five years. Goodwill is the result of expected synergies from combining the operations of the practices and Renown Health. The allocation of the purchase price has been determined by Renown Health based on available information and appraisals of tangible and intangible assets. The preliminary allocation of the purchase price for one acquisition was subject to settling amounts related to purchase working capital, which was finalized in 2012 and the change from the preliminary allocation was not material.

The fair values of the assets acquired and liabilities assumed were as follows:

	Amounts
Property and equipment	$ 2,946
Goodwill and intangible assets	2,064
Other current assets	5,442
Notes payable	(2,060)
Other current liabilities	(2,099)
	$ 6,293

Note 18 - Changes in Accounting Principles

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2011-08, *Testing Goodwill for Impairment*, an entity may elect to assess qualitative factors in determining whether it is more likely than not that goodwill may be impaired. Renown Health early implemented ASU 2011-08 during 2012, as allowable, and the adoption did not impact Renown Health's combined financial position, results of operations, or cash flows.

In accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 850, *Intangibles – Goodwill and Other*, Renown Health discontinued the amortization of goodwill in 2011. The provisions of ASC 850 require goodwill to be tested for impairment on a periodic basis. As a result of the transitional goodwill impairment test, management determined that goodwill in the amount of $3,910 was impaired during 2011. In accordance with the transitional guidance, Renown Health recorded the impairment as a reduction of unrestricted net assets.

Note 19 - New Accounting Pronouncements

ASU 2011-07

In July 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2011-07, Health Care Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts in Certain Health Care Entities. The provisions in ASU 2011-07 require certain health care entities to change the presentation in their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). In addition ASU 2011-07 requires that the provision for bad debts is presented as a separate line on the face of the financial statements and requires enhanced disclosures about organization's policies for recognizing revenue and assessing bad debts. ASU 2011-07 requires disclosures of patient service revenue, net of contractual allowances and discounts, as well as qualitative and quantitative information about changes in the allowance for doubtful accounts. Management is currently evaluating the potential impact of this guidance, which will be effective beginning July 1, 2012, but does not expect it to have a material impact on its combined financial condition, results of operations, or cash flows.

ASU 2011-06

In July 2011, the FASB issued ASU No. 2011-06, Other Expenses (Topic 720) Fees Paid to the Federal Government by Health Insurers. The provisions in ASU 2011-06 require health insurers to record a liability for their portion of the annual fee imposed for each calendar year beginning January 1, 2014 under the Patient Protection and Affordable Care Act. The health insurer's portion becomes payable once the entity provides health insurance for any U. S. health risk. The liability should be estimated and recorded in full one the entity provides the qualifying health insurance in the applicable calendar year in which the fee is payable with a corresponding deferred cost that is amortized to expense. The guidance is effective for years beginning after December 31, 2013, when the fee initially becomes effective. Management is currently evaluating the potential impact of this guidance, but not expect it to have material impact on its combined financial condition, results of operations, or cash flows.

Note 20 - Subsequent Events

Renown Health has evaluated subsequent events through August 28, 2012, the date which the combined financial statement were issued. In August 2012, Renown Health reached an agreement with the Federal Trade Commission and Nevada Attorney General providing for a limited waiver by Renown Health of the non-compete clauses contained in the employment agreements of its cardiologists. Including this event, Renown Health did not have any material recognizable subsequent events.

Supplementary Information
June 30, 2012 and 2011

Renown Health

Independent Auditor's Report on Combining and Supplementary Information

The Board of Directors
Renown Health
Reno, Nevada

We have audited the combined financial statements of Renown Health as of and for the years ended June 30, 2012 and 2011, and our report thereon dated August 28, 2012, which expressed an unqualified opinion on those combined financial statements, appears on page 1. Our audits were performed for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining schedules as and for the years ended June 30, 2012 and 2011 on pages 41 to 48 and the obligated group schedules as of and for the years ended June 30, 2012 and 2011 on pages 49 to 51 are presented for the purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole. The statistical and other information, on page 52 to 54, which are the responsibility of management, have not been subjected to the auditing procedures applied in the audit of the combined financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Eide Bailly LLP

Fargo, North Dakota
August 28, 2012

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(In Thousands)	Combined	Adjustments and Eliminations	Renown Health	Nevada Healthcare Cooperative	Renown Regional Medical Center	Clinic Trials and Special Purpose Funds	Nevada Heart Institute Clinic
Assets							
Current Assets							
Cash and cash equivalents	$ 75,746	$ -	$ (488)	$ 801	$ 8,426	$ -	$ -
Marketable securities	345,544	-	-	-	-	-	-
Receivables							
Patient, net	132,729	(14,567)	-	-	115,375	-	-
Other	15,085	(3,187)	1,020	283	543	-	-
Inventory	18,874	-	41	-	13,852	-	-
Funds held in trust, current	19,853	-	-	-	19,801	-	-
Prepaid expenses and other	5,917	1	2,623	20	1,555	-	-
Due from affiliated organizations	-	(1,359)	14	-	-	-	-
Total current assets	613,748	(19,112)	3,210	1,104	159,552	-	-
Funds Held in Trust, net							
For debt service	10,339	-	-	-	10,339	-	-
For capital projects	14,245	-	-	-	14,245	-	-
Total funds held in trust, net	24,584	-	-	-	24,584	-	-
Property and Equipment, Net	602,862	-	66,051	74	397,636	-	1,416
Other Assets							
Unamortized financing costs, net	17,663	-	-	-	14,704	-	-
Goodwill and intangible assets	9,622	-	-	-	-	-	-
Investments in affiliated companies	22,118	(133,678)	141,174	-	3,509	-	-
Due from affiliated organizations	-	(154,998)	29,314	-	47,997	632	6,382
Other	13,338	(6,945)	11,246	-	11	-	-
Total other assets	62,741	(295,621)	181,734	-	66,221	632	6,382
Total assets	$ 1,303,935	$ (314,733)	$ 250,995	$ 1,178	$ 647,993	$ 632	$ 7,798

Renown Skilled Nursing	Renown South Meadows	Renown Rehab Hospital	Renown Businesses	Renown Institute for Heart and Vascular Health	Hometown Health Plan, Inc	Hometown Health Management Company	Renown Network Services	Renown Health Foundation	Routt Dialysis
$ 19	$ 124	$ 2	$ 662	$ 1,736	$ 38,488	$ 16,616	$ 6,016	$ 1,348	$ 1,996
-	-	-	144	-	23,012	13,781	298,830	9,777	-
629	11,332	3,459	6	2,010	-	8,847	2,896	-	2,742
-	431	(1)	3,331	315	7,390	1,718	1,967	1,275	-
36	2,057	128	2,544	-	-	86	73	-	57
-	36	16	-	-	-	-	-	-	-
10	253	33	39	213	-	547	178	-	445
-	-	-	-	-	-	1,345	-	-	-
694	14,233	3,637	6,726	4,274	68,890	42,940	309,960	12,400	5,240
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
939	51,138	11,121	35,266	1,173	6,094	11,174	16,887	-	3,893
-	1,590	709	660	-	-	-	-	-	-
-	-	6,662	-	2,252	-	-	-	-	708
-	390	-	6,823	3,900	-	-	-	-	-
-	45,530	18,039	-	-	-	-	7,104	-	-
-	-	-	6,591	8	725	1,265	24	405	8
-	47,510	25,410	14,074	6,160	725	1,265	7,128	405	716
$ 1,633	$ 112,881	$ 40,168	$ 56,066	$ 11,607	$ 75,709	$ 55,379	$ 333,975	$ 12,805	$ 9,849

(In Thousands)	Combined	Adjustments and Eliminations	Renown Health	Nevada Healthcare Cooperative	Renown Regional Medical Center	Clinic Trials and Special Purpose Funds	Nevada Heart Institute Clinic
Liabilities and Net Assets							
Current Liabilities							
Current maturities of long-term debt	$ 26,729	$ (406)	$ 1,576	$ -	$ 22,987	$ -	$ -
Accounts payable							
Trade	30,942	11	5,532	1	14,550	-	-
Estimated third-party payor settlements and other	26,593	(13,557)	-	-	3,763	-	-
Accrued salaries, wages and benefits	53,922	(3,802)	21,391	3	16,965	-	-
Due to affiliated organizations	-	(1,345)	-	-	-	-	-
Total current liabilities	138,186	(19,099)	28,499	4	58,265	-	-
Other	79,979	(724)	22,599	130	54,378	-	-
Long-term debt, less current maturities	520,561	(6,946)	11,660	-	432,193	-	-
Due to affiliated organizations	-	(155,011)	48,439	101	-	28	-
Total liabilities	738,726	(181,780)	111,197	235	544,836	28	-
Net Assets (Deficit)							
Unrestricted	551,719	(136,930)	139,798	943	103,157	604	7,798
Noncontrolling interest in combined subsidiary	3,977	3,977	-	-	-	-	-
Total unrestricted	555,696	(132,953)	139,798	943	103,157	604	7,798
Temporarily and permanently restricted	9,513	-	-	-	-	-	-
Total net assets	565,209	(132,953)	139,798	943	103,157	604	7,798
Total liabilities and net assets	$ 1,303,935	$ (314,733)	$ 250,995	$ 1,178	$ 647,993	$ 632	$ 7,798

Renown Skilled Nursing	Renown South Meadows	Renown Rehab Hospital	Renown Businesses	Renown Institute for Heart and Vascular Health	Hometown Health Plan, Inc	Hometown Health Management Company	Renown Network Services	Renown Health Foundation	Routt Dialysis
$ -	$ 484	$ 191	$ 1,500	$ 391	$ -	$ 6	$ -	$ -	$ -
228	1,894	147	1,913	632	3,547	1,590	560	26	311
-	532	492	-	-	28,593	6,178	-	-	592
113	435	155	262	450	13,384	4,027	112	-	427
-	-	-	-	-	1,345	-	-	-	-
341	3,345	985	3,675	1,473	46,869	11,801	672	26	1,330
-	-	1	2,604	-	725	(1)	-	33	234
-	37,489	16,668	28,900	597	-	-	-	-	-
12,771	-	-	8,070	18,488	-	67,100	-	14	-
13,112	40,834	17,654	43,249	20,558	47,594	78,900	672	73	1,564
(11,479)	72,047	22,514	12,817	(8,951)	28,115	(23,521)	333,303	3,219	8,285
-	-	-	-	-	-	-	-	-	-
(11,479)	72,047	22,514	12,817	(8,951)	28,115	(23,521)	333,303	3,219	8,285
-	-	-	-	-	-	-	-	9,513	-
(11,479)	72,047	22,514	12,817	(8,951)	28,115	(23,521)	333,303	12,732	8,285
$ 1,633	$ 112,881	$ 40,168	$ 56,066	$ 11,607	$ 75,709	$ 55,379	$ 333,975	$ 12,805	$ 9,849

(In Thousands)	Combined	Adjustments and Eliminations	Renown Health	Nevada Healthcare Cooperative	Renown Regional Medical Center	Clinic Trials and Special Purpose Funds	Nevada Heart Institute Clinic
Unrestricted Revenues, Gains and Other Support							
Net patient service revenues	$ 684,494	$ (85,846)	$ -	$ -	$ 567,678	$ -	$ -
Premium revenues	247,719	-	-	-	-	-	-
Other revenues	31,543	(188,800)	76,786	937	14,020	(39)	9,180
Total unrestricted revenues, gains and other support	963,756	(274,646)	76,786	937	581,698	(39)	9,180
Expenses							
Salaries and wages	308,601	-	32,714	149	149,386	(86)	-
Employee benefits	39,359	(18,330)	(1,881)	34	33,986	(20)	-
Provision for bad debts	131,412	-	-	-	110,603	-	-
Supplies	122,462	(995)	475	6	98,185	2	-
Professional fees	20,474	(45,448)	-	-	27,791	-	-
Health care expenses	144,691	(69,687)	-	-	-	-	-
Purchased services	54,118	(108,976)	17,041	23	82,954	12	3,995
Repairs and maintenance	3,262	-	159	-	1,975	-	-
Utilities and telephone	8,497	(1,177)	1,144	-	5,365	-	-
Insurance	5,186	(2,902)	2,804	-	3,114	-	-
Provision for depreciation/ amortization	47,596	(8,406)	8,163	4	34,418	-	424
Interest	28,437	(568)	530	-	23,142	-	-
Rental and lease	9,142	(4,159)	712	23	2,071	-	-
Other	23,010	(8,786)	7,443	6	9,149	49	17
Total expenses	946,247	(269,434)	69,304	245	582,139	(43)	4,436
Operating Income (Loss)	17,509	(5,212)	7,482	692	(441)	4	4,744
Other Income (Loss)							
Investment income	6,228	(568)	437	-	(1,693)	-	-
Unrealized gain (loss) on investments	(2,513)	-	-	-	-	-	-
Gain on interest rate swaps	(9,409)	-	-	-	(9,409)	-	-
Provision for income tax	-	-	-	-	-	-	-
Other income (loss), net	(5,694)	(568)	437	-	(11,102)	-	-
Revenues in Excess of (Less Than) Expenses	11,815	(5,780)	7,919	692	(11,543)	4	4,744

Renown Skilled Nursing	Renown South Meadows	Renown Rehab Hospital	Renown Businesses	Renown Institute for Heart and Vascular Health	Hometown Health Plan, Inc	Hometown Health Management Company	Renown Network Services	Renown Health Foundation	Routt Dialysis
$ 7,690	$ 73,179	$ 25,051	$ 111	$ 15,901	$ -	$ 44,339	$ 16,008	$ -	$ 20,383
-	-	-	-	-	191,760	55,959	-	-	-
2,827	3,186	49	10,367	12,236	38,836	35,318	16,109	531	-
10,517	76,365	25,100	10,478	28,137	230,596	135,616	32,117	531	20,383
6,647	20,390	10,706	1,764	22,041	33,742	18,654	6,803	-	5,691
1,373	4,573	2,392	404	3,729	4,958	4,265	1,565	-	2,311
(42)	10,267	378	2	1,498	-	5,777	1,674	-	1,255
1,373	14,736	1,477	847	217	-	2,132	998	-	3,009
28	1,378	1,445	-	8	-	30,924	3,843	-	505
-	-	-	-	-	172,619	41,759	-	-	-
689	9,115	2,420	1,011	3,962	13,604	20,654	5,573	-	2,041
70	300	105	155	15	-	58	117	-	308
161	890	207	684	328	-	329	143	-	423
51	410	108	4	383	-	991	131	-	92
211	4,262	705	2,023	1,214	144	1,590	1,865	-	979
-	1,886	833	2,532	68	8	6	-	-	-
941	1,239	299	574	1,276	-	3,259	1,889	-	1,018
601	1,293	332	894	1,207	3,599	5,197	447	553	1,009
12,103	70,739	21,407	10,894	35,946	228,674	135,595	25,048	553	18,641
(1,586)	5,626	3,693	(416)	(7,809)	1,922	21	7,069	(22)	1,742
-	-	-	546	-	493	406	6,504	103	-
-	-	-	-	-	41	(28)	(2,526)	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	546	-	534	378	3,978	103	-
(1,586)	5,626	3,693	130	(7,809)	2,456	399	11,047	81	1,742

(In Thousands)	Combined	Adjustments and Eliminations	Renown Health	Nevada Healthcare Cooperative	Renown Regional Medical Center	Clinic Trials and Special Purpose Funds	Nevada Heart Institute Clinic
Revenues in Excess of (Less Than) Expenses	$ 11,815	$ (5,780)	$ 7,919	$ 692	$ (11,543)	$ 4	$ 4,744
Changes in unrealized gains and losses on investments	258	-	-	-	58	-	-
Changes in unrealized gains and losses on interest rate swaps	(13,744)	-	-	-	(13,744)	-	-
Other changes	(3,545)	(7,531)	7,043	(465)	-	-	-
Contributions and grants for property acquisitions	3,745	-	-	-	3,715	-	-
Increase (Decrease) in Unrestricted Net Assets	(1,471)	(13,311)	14,962	227	(21,514)	4	4,744
Temporarily and Permanently Restricted Contributions and related investment income	1,588	-	-	-	-	-	-
Net assets released from restrictions	(2,953)	-	-	-	-	-	-
Decrease in Temporarily and Permanently Restricted Net Assets	(1,365)	-	-	-	-	-	-
Increase (Decrease) in Net Assets	(2,836)	(13,311)	14,962	227	(21,514)	4	4,744
Net Assets (Deficit), Beginning of Year	568,045	(119,642)	124,836	716	124,671	600	3,054
Net Assets (Deficit), End of Year	$ 565,209	$ (132,953)	$ 139,798	$ 943	$ 103,157	$ 604	$ 7,798

Renown Skilled Nursing	Renown South Meadows	Renown Rehab Hospital	Renown Businesses	Renown Institute for Heart and Vascular Health	Hometown Health Plan, Inc	Hometown Health Management Company	Renown Network Services	Renown Health Foundation	Routt Dialysis
$ (1,586)	$ 5,626	$ 3,693	$ 130	$ (7,809)	$ 2,456	$ 399	$ 11,047	$ 81	$ 1,742
-	-	-	10	-	-	-	408	(218)	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	109	(2,701)
-	4	26	-	-	-	-	-	-	-
(1,586)	5,630	3,719	140	(7,809)	2,456	399	11,455	(28)	(959)
-	-	-	-	-	-	-	-	1,588	-
-	-	-	-	-	-	-	-	(2,953)	-
-	-	-	-	-	-	-	-	(1,365)	-
(1,586)	5,630	3,719	140	(7,809)	2,456	399	11,455	(1,393)	(959)
(9,893)	66,417	18,795	12,677	(1,142)	25,659	(23,920)	321,848	14,125	9,244
$ (11,479)	$ 72,047	$ 22,514	$ 12,817	$ (8,951)	$ 28,115	$ (23,521)	$ 333,303	$ 12,732	$ 8,285

(In Thousands)	Combined	Adjustments and Eliminations	Renown Health	Nevada Healthcare Cooperative	Renown Regional Medical Center	Clinic Trials and Special Purpose Funds	Nevada Heart Institute Clinic
Assets							
Current Assets							
Cash and cash equivalents	$ 115,915	$ -	$ 6,885	$ 533	$ 64,428	$ -	$ -
Marketable securities	321,199	-	-	-	-	-	-
Receivables							
Patient, net	113,938	(1,604)	-	-	86,248	-	-
Other	12,749	(3,792)	620	266	418	213	-
Inventory	18,428	-	33	-	13,482	-	-
Funds held in trust, current	4,818	-	-	-	4,724	-	-
Prepaid expenses and other	4,718	-	1,722	-	1,571	-	-
Due from affiliated organizations	-	(1,217)	21	-	-	-	-
Total current assets	591,765	(6,613)	9,281	799	170,871	213	-
Funds Held in Trust, net							
For debt service	10,615	-	-	-	10,615	-	-
For capital projects	14,245	-	-	-	14,245	-	-
Total funds held in trust, net	24,860	-	-	-	24,860	-	-
Property and Equipment, Net	604,794	-	60,972	-	407,732	-	1,258
Other Assets							
Unamortized financing costs, net	18,364	-	-	-	15,436	-	-
Goodwill and intangible assets	8,455	-	-	-	-	-	-
Investments in affiliated companies	19,965	(120,368)	130,112	-	1,374	-	-
Due from affiliated organizations	-	(127,421)	9,441	-	39,367	513	1,796
Other	13,668	(6,909)	10,007	-	10	-	-
Total other assets	60,452	(254,698)	149,560	-	56,187	513	1,796
Total assets	$ 1,281,871	$ (261,311)	$ 219,813	$ 799	$ 659,650	$ 726	$ 3,054

Renown Skilled Nursing	Renown South Meadows	Renown Rehab Hospital	Renown Businesses	Renown Institute for Heart and Vascular Health	Hometown Health Plan, Inc	Hometown Health Management Company	Renown Network Services	Renown Health Foundation	Routt Dialysis
$ 36	$ 7	$ 1	$ 1,733	$ 3,215	$ 11,625	$ 12,207	$ 11,697	$ 2,176	$ 1,372
-	-	-	134	-	22,751	13,527	275,028	9,759	-
974	9,936	3,215	-	2,722	-	6,212	2,402	-	3,833
-	176	-	3,018	323	6,272	1,626	1,436	1,695	478
36	2,135	104	2,395	-	-	76	62	-	105
-	65	29	-	-	-	-	-	-	-
24	230	16	53	322	-	554	226	-	-
-	-	-	-	-	-	1,196	-	-	-
1,070	12,549	3,365	7,333	6,582	40,648	35,398	290,851	13,630	5,788
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
965	52,892	11,089	36,038	1,695	6,238	10,690	10,492	-	4,733
-	1,480	737	711	-	-	-	-	-	-
-	-	6,662	-	1,085	-	-	-	-	708
-	153	-	7,167	1,527	-	-	-	-	-
-	40,447	14,648	-	-	-	-	21,209	-	-
-	-	-	6,931	1,074	725	1,267	24	530	9
-	42,080	22,047	14,809	3,686	725	1,267	21,233	530	717
$ 2,035	$ 107,521	$ 36,501	$ 58,180	$ 11,963	$ 47,611	$ 47,355	$ 322,576	$ 14,160	$ 11,238

(In Thousands)	Combined	Adjustments and Eliminations	Renown Health	Nevada Healthcare Cooperative	Renown Regional Medical Center	Clinic Trials and Special Purpose Funds	Nevada Heart Institute Clinic
Liabilities and Net Assets							
Current Liabilities							
Current maturities of long-term debt	$ 27,047	$ (295)	$ 1,691	$ -	$ 23,229	$ -	$ -
Accounts payable							
Trade	29,205	(937)	4,675	-	16,462	-	-
Estimated third-party payor settlements and other	27,552	(159)	375	-	2,812	-	-
Accrued salaries, wages and benefits	43,754	(4,005)	16,346	10	20,513	97	-
Due to affiliated organizations	-	(1,196)	-	-	-	-	-
Total current liabilities	127,558	(6,592)	23,087	10	63,016	97	-
Other	57,520	(728)	21,627	1	32,983	-	-
Long-term debt, less current maturities	528,748	(6,909)	10,896	-	438,980	-	-
Due to affiliated organizations	-	(127,440)	39,367	72	-	29	-
Total liabilities	713,826	(141,669)	94,977	83	534,979	126	-
Net Assets (Deficit)							
Unrestricted	552,730	(124,079)	124,836	716	124,671	600	3,054
Noncontrolling interest in combined subsidiary	4,437	4,437	-	-	-	-	-
Total unrestricted	557,167	(119,642)	124,836	716	124,671	600	3,054
Temporarily and permanently restricted	10,878	-	-	-	-	-	-
Total net assets	568,045	(119,642)	124,836	716	124,671	600	3,054
Total liabilities and net assets	$ 1,281,871	$ (261,311)	$ 219,813	$ 799	$ 659,650	$ 726	$ 3,054

Renown Skilled Nursing	Renown South Meadows	Renown Rehab Hospital	Renown Businesses	Renown Institute for Heart and Vascular Health	Hometown Health Plan, Inc	Hometown Health Management Company	Renown Network Services	Renown Health Foundation	Routt Dialysis
$ -	$ 455	$ 177	$ 1,300	$ 426	$ -	$ 64	$ -	$ -	$ -
266	1,672	140	2,162	259	1,712	1,980	408	14	392
25	87	18	251	-	15,740	7,437	-	-	966
305	919	512	94	1,035	2,579	4,646	318	-	385
-	-	-	-	-	1,196	-	-	-	-
596	3,133	847	3,807	1,720	21,227	14,127	726	14	1,743
(1)	1	-	2,658	-	725	1	2	-	251
-	37,970	16,859	30,400	546	-	6	-	-	-
11,333	-	-	8,638	10,839	-	57,141	-	21	-
11,928	41,104	17,706	45,503	13,105	21,952	71,275	728	35	1,994
(9,893)	66,417	18,795	12,677	(1,142)	25,659	(23,920)	321,848	3,247	9,244
-	-	-	-	-	-	-	-	-	-
(9,893)	66,417	18,795	12,677	(1,142)	25,659	(23,920)	321,848	3,247	9,244
-	-	-	-	-	-	-	-	10,878	-
(9,893)	66,417	18,795	12,677	(1,142)	25,659	(23,920)	321,848	14,125	9,244
$ 2,035	$ 107,521	$ 36,501	$ 58,180	$ 11,963	$ 47,611	$ 47,355	$ 322,576	$ 14,160	$ 11,238

(In Thousands)	Combined	Adjustments and Eliminations	Renown Health	Nevada Healthcare Cooperative	Renown Regional Medical Center	Clinic Trials and Special Purpose Funds	Nevada Heart Institute Clinic
Unrestricted Revenues, Gains and Other Support							
Net patient service revenues	$ 649,340	$ (77,736)	$ -	$ -	$ 539,178	$ -	$ -
Premium revenues	212,547	-	-	-	-	-	-
Other revenues	25,804	(161,313)	70,251	836	13,068	586	5,004
Total unrestricted revenues, gains and other support	887,691	(239,049)	70,251	836	552,246	586	5,004
Expenses							
Salaries and wages	281,623	-	31,969	202	143,242	399	-
Employee benefits	40,679	(16,537)	1,850	47	32,558	92	-
Provision for bad debts	119,452	-	-	-	97,848	-	-
Supplies	118,049	(1,183)	431	1	94,308	1	-
Professional fees	20,585	(35,314)	-	-	22,992	4	-
Health care expenses	118,938	(65,362)	-	-	-	-	-
Purchased services	50,509	(88,565)	15,380	-	76,466	20	1,827
Repairs and maintenance	3,334	-	229	-	1,673	-	-
Utilities and telephone	9,104	(1,100)	1,091	-	6,026	-	-
Insurance	6,570	(3,882)	3,966	-	4,141	-	-
Provision for depreciation/ amortization	45,960	(7,915)	7,862	-	33,926	-	122
Interest	29,875	(567)	628	-	24,206	-	-
Rental and lease	8,455	(3,595)	832	23	1,898	-	-
Other	21,339	(13,809)	7,161	4	14,064	34	1
Total expenses	874,472	(237,829)	71,399	277	553,348	550	1,950
Operating Income (Loss)	13,219	(1,220)	(1,148)	559	(1,102)	36	3,054
Other Income (Loss)							
Investment income	10,516	(567)	416	-	(1,681)	-	-
Unrealized loss on investment	3,742	-	-	-	-	-	-
Loss on interest rate swaps	1,425	-	-	-	1,425	-	-
Provision for income tax	11	-	-	-	-	-	-
Other income (loss), net	15,694	(567)	416	-	(256)	-	-
Revenues in Excess of (Less Than) Expenses	28,913	(1,787)	(732)	559	(1,358)	36	3,054

Renown Health
Combining Statements of Operations and Changes in Net Assets
Year Ended June 30, 2011

Renown Skilled Nursing	Renown South Meadows	Renown Rehab Hospital	Renown Businesses	Renown Institute for Heart and Vascular Health	Hometown Health Plan, Inc	Hometown Health Management Company	Renown Network Services	Renown Health Foundation	Routt Dialysis
$ 8,795	$ 73,539	$ 24,232	$ 2,150	$ 6,172	$ -	$ 36,933	$ 15,547	$ -	$ 20,530
-	-	-	-	-	162,840	49,707	-	-	-
2,781	2,938	56	10,740	5,669	32,725	23,305	19,071	87	-
11,576	76,477	24,288	12,890	11,841	195,565	109,945	34,618	87	20,530
7,486	19,109	10,197	2,876	8,643	28,474	16,361	7,058	-	5,607
1,533	4,336	2,214	660	1,481	4,107	3,753	1,623	-	2,962
126	13,075	714	176	-	-	3,980	2,404	-	1,129
1,388	13,501	1,585	1,261	231	-	1,848	996	-	3,681
60	1,306	868	456	-	-	26,380	3,338	-	495
-	-	-	-	-	144,570	39,730	-	-	-
746	8,756	2,161	1,100	1,092	12,113	11,689	5,929	-	1,795
97	384	147	303	22	-	49	49	-	381
182	942	211	837	90	-	308	151	-	366
76	517	121	44	151	-	995	334	-	107
215	4,318	670	2,112	356	142	1,537	1,677	-	938
-	1,972	874	2,712	36	-	14	-	-	-
1,007	897	310	655	517	-	3,027	1,859	-	1,025
1,046	1,235	279	2,154	363	2,888	4,675	332	39	873
13,962	70,348	20,351	15,346	12,982	192,294	114,346	25,750	39	19,359
(2,386)	6,129	3,937	(2,456)	(1,141)	3,271	(4,401)	8,868	48	1,171
-	-	-	569	-	548	507	10,599	125	-
-	-	-	-	-	121	(65)	3,686	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	11	-	-	-	-	-	-
-	-	-	580	-	669	442	14,285	125	-
(2,386)	6,129	3,937	(1,876)	(1,141)	3,940	(3,959)	23,153	173	1,171

(In Thousands)	Combined	Adjustments and Eliminations	Renown Health	Nevada Healthcare Cooperative	Renown Regional Medical Center	Clinic Trials and Special Purpose Funds	Nevada Heart Institute Clinic
Revenues in Excess of (Less Than) Expenses	$ 28,913	$ (1,787)	$ (732)	$ 559	$ (1,358)	$ 36	$ 3,054
Changes in unrealized gains and losses on investments	16,523	-	-	-	(126)	-	-
Changes in unrealized gains and losses on interest rate swaps	5,847	-	-	-	5,847	-	-
Changes in accounting principle	(3,910)	-	(2,353)	-	-	-	-
Other changes	(889)	1,719	748	(40)	-	(12)	-
Contributions for property acquisitions	845	-	-	-	845	-	-
Increase (Decrease) in Unrestricted Net Assets	47,329	(68)	(2,337)	519	5,208	24	3,054
Temporarily and Permanently Restricted							
Contributions and related investment income	3,510	-	-	-	-	-	-
Net assets released from restrictions	(845)	-	-	-	-	-	-
Increase in Temporarily and Permanently Restricted Net Assets	2,665	-	-	-	-	-	-
Increase (Decrease) in Net Assets	49,994	(68)	(2,337)	519	5,208	24	3,054
Net Assets (Deficit), Beginning of Year	518,051	(119,574)	127,173	197	119,463	576	-
Net Assets (Deficit), End of Year	$ 568,045	$ (119,642)	$ 124,836	$ 716	$ 124,671	$ 600	$ 3,054

Renown Skilled Nursing	Renown South Meadows	Renown Rehab Hospital	Renown Businesses	Renown Institute for Heart and Vascular Health	Hometown Health Plan, Inc	Hometown Health Management Company	Renown Network Services	Renown Health Foundation	Routt Dialysis
$ (2,386)	$ 6,129	$ 3,937	$ (1,876)	$ (1,142)	$ 3,940	$ (3,958)	$ 23,153	$ 173	$ 1,171
-	-	-	16	-	-	-	15,364	1,269	-
-	-	-	-	-	-	-	-	-	-
-	-	-	(272)	-	-	(1,110)	(175)	-	-
-	-	1	-	-	-	-	-	-	(3,305)
-	-	-	-	-	-	-	-	-	-
(2,386)	6,129	3,938	(2,132)	(1,142)	3,940	(5,068)	38,342	1,442	(2,134)
-	-	-	-	-	-	-	-	3,510	-
-	-	-	-	-	-	-	-	(845)	-
-	-	-	-	-	-	-	-	2,665	-
(2,386)	6,129	3,938	(2,132)	(1,142)	3,940	(5,068)	38,342	4,107	(2,134)
(7,507)	60,288	14,857	14,809	-	21,719	(18,852)	283,506	10,018	11,378
$ (9,893)	$ 66,417	$ 18,795	$ 12,677	$ (1,142)	$ 25,659	$ (23,920)	$ 321,848	$ 14,125	$ 9,244

June 30, 2012 and 2011

Renown Health Obligated Group

	2012	2011
	(In Thousands)	
Assets		
Current Assets		
Cash and cash equivalents	$ 14,568	$ 76,133
Marketable securities	298,831	275,028
Receivables		
Patient, net of allowance for uncollectible accounts of $107,608 in 2012 and $79,968 in 2011	133,063	101,801
Other	2,940	2,030
Inventory	16,110	15,783
Funds held in trust, current	19,853	4,818
Prepaid expenses and other	2,017	2,043
Total current assets	487,382	477,636
Funds Held in Trust, Net of Current Portion		
For debt service	10,339	10,615
For capital projects	14,245	14,245
Total funds held in trust, net of current portion	24,584	24,860
Property and Equipment, Net	476,782	482,205
Due from Renown Health	118,688	115,671
Other Assets		
Unamortized financing costs, net of accumulated amortization of $5,779 in 2012 and $5,135 in 2011	17,003	17,653
Goodwill	6,662	6,662
Investments in Affiliates	3,899	1,527
Other	34	34
Total other assets	27,598	25,876
Total assets	$ 1,135,034	$ 1,126,248

	2011	2010
	(In Thousands)	
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long-term debt	$ 23,663	$ 23,861
Accounts payable		
Trade	17,152	18,682
Estimated third-party payor settlements and other	5,996	2,917
Accrued salaries, wages and benefits	16,457	22,262
Total current liabilities	63,268	67,722
Other	54,396	32,986
Long-Term Debt, Less Current Maturities	486,349	493,809
Total liabilities	604,013	594,517
Unrestricted Net Assets	531,021	531,731
Total liabilities and net assets	$ 1,135,034	$ 1,126,248

Renown Health Obligated Group
Combined Statements of Operations and Changes in Net Assets
Years Ended June 30, 2012 and 2011

	2012	2011
	(In Thousands)	
Unrestricted Revenues, Gains, and Other Support		
Net patient service revenues	$ 681,916	$ 652,495
Other revenues	15,664	15,084
Total unrestricted revenues, gains, and other support	697,580	667,579
Expenses		
Salaries and wages	187,285	179,605
Employee benefits	42,516	40,731
Provision for bad debts	122,922	114,042
Supplies	115,396	110,605
Professional fees	34,459	28,503
Purchased services	79,399	76,511
Purchased charity care	3,220	3,070
Repairs and maintenance	2,497	2,037
Utilities and telephone	6,604	7,330
Insurance	3,763	5,113
Provision for depreciation/amortization	41,250	40,591
Interest	25,861	27,053
Rental and lease	5,242	4,717
Other	11,217	9,837
Total expenses	681,631	649,745
Operating Income	15,949	17,834
Other Income (Loss)		
Investment income	4,810	8,918
Unrealized gain (loss) on investments	(2,526)	3,686
Gain (loss) on interest rate swaps	(9,409)	1,425
Other income (loss), net	(7,125)	14,029
Revenues in Excess of Expenses	8,824	31,863
Change in Unrealized Gains and Losses on Investments	465	15,238
Change in Unrealized Gains and Losses on Interest Rate Swaps	(13,744)	5,847
Change in Accounting Principle	-	(175)
Contributions and Grants for Property Acquisitions	3,745	845
Increase (Decrease) in Unrestricted Net Assets	(710)	53,618
Net Assets, Beginning of Year	531,731	478,113
Net Assets, End of Year	$ 531,021	$ 531,731

	2012	2011
	(In Thousands)	
Operating Activities		
Change in net assets	$ (710)	$ 53,618
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Provision for bad debts	122,922	114,042
Provision for depreciation/amortization	41,250	40,591
Change in accounting principle	-	175
Contributed equipment	(3,745)	(845)
Realized loss (gain) on sale of property	155	88
Net gain (loss) on marketable securities	2,060	(18,924)
Decrease (increase) in fair value on interest rate swaps	23,153	(7,272)
Amortization of financing costs and bond discounts/premiums	482	520
Payments to Renown Health	(12,539)	(32,114)
Investments in affiliates	(2,372)	(1,527)
Changes in operating assets and liabilities		
Patient accounts receivable and other receivables, less interest receivable	(154,740)	(114,700)
Inventory	(327)	(181)
Prepaid expenses and other	26	556
Accounts payable and accrued expenses	(7,337)	3,049
Other liabilities	1,322	1,317
Net Cash provided by Operating Activities	9,600	38,393
Investing Activities		
Purchase of property, plant and equipment	(22,708)	(19,012)
Sales of property, plant and equipment	10	99
Purchase of marketable securities	(151,934)	(64,457)
Sales of marketable securities	125,660	53,016
Decrease in funds held in trust	599	202
Net Cash used for Investing Activities	(48,373)	(30,152)
Financing Activities		
Additions to long-term debt	-	266
Principal payments on long-term debt	(7,473)	(7,107)
Increase in swap collateral	(15,300)	(50)
Increase in unamortized financing costs	(19)	-
Net Cash used for Financing Activities	(22,792)	(6,891)
Net Increase (Decrease) in Cash and Cash Equivalents	(61,565)	1,350
Cash and Cash Equivalents, Beginning of Year	76,133	74,783
Cash and Cash Equivalents, End of Year	$ 14,568	$ 76,133

Renown Health Obligated Group
Selected Utilization Statistics (Unaudited)

	2008	2009	2010	2011	2012
Renown Regional Medical Center					
Licensed beds	808	808	808	808	808
Available beds	537	555	558	585	620
Patient days	129,796	141,489	140,077	143,916	145,393
Admissions	25,362	26,731	26,364	27,333	27,864
Discharges	25,289	26,708	26,362	27,214	27,494
Average length of stay (1)	5 1	5 3	5 3	5 3	5 3
Average daily census	356	388	383	394	397
Occupancy percent (2)	66 2%	69 9%	68 8%	67 4%	64 7%
Deliveries	4,547	4,176	3,920	3,787	3,745
Case mix index - total	1 4766	1 4948	1 5652	1 6014	1 6255
Case mix index - Medicare	1 7443	1 7406	1 8318	1 8474	1 8070
Number of surgeries	19,725	20,051	19,284	18,179	17,952
Emergency room visits	64,047	67,692	76,674	81,356	83,790
Outpatient visits (3)	111,615	120,226	124,414	151,425	224,585
Renown South Meadows Medical Center					
Licensed beds	76	76	76	76	76
Available beds	76	76	76	76	76
Patient days	12,919	11,013	9,750	9,895	9,267
Admissions	3,256	3,096	3,077	3,022	2,923
Discharges	3,245	3,105	2,998	2,707	2,494
Average length of stay (1)	4 0	3 6	3 3	3 7	3 7
Average daily census	35	30	27	27	25
Occupancy percent (2)	46 6%	39 7%	35 2%	35 7%	33 3%
Number of surgeries	4,261	4,097	4,373	4,420	6,795
Emergency room visits	22,447	19,060	18,707	19,351	19,149
Outpatient visits	30,227	28,463	28,690	29,023	31,863
Renown Rehabilitation Hospital					
Licensed beds	62	62	62	62	62
Available beds	62	62	62	62	62
Patient days	9,674	10,381	11,925	14,679	15,165
Admissions	537	702	762	1,005	983
Discharges	533	705	756	1,000	997
Average length of stay (1)	18 2	14 7	15 8	14 7	15 2
Average daily census	26	28	33	40	41
Occupancy percent (2)	42 6%	45 8%	52 6%	64 7%	66 8%

(1) Based on admissions

(2) Based on available beds

(3) 2012 includes the first full year of a strategic expansion of key outpatient service lines

Renown Health Obligated Group
Historical Performance Financial Ratios (Unaudited)
As of and For The Years Ended June 30, 2012 and 2011

	2012	2011
Days Revenue in Accounts Receivable, Net	71.4	56.9
Days Cash on Hand	179.2	210.4
Cash to Debt (%)	61.4	67.8
Debt to Capitalization (%)	49.0	49.3
Maximum Annual Debt Service Coverage	2.6	2.8
Debt to Cash Flow	8.2	7.7
Net Operating Margin (%)	2.3	2.7
Operating Cash Flow Margin (%)	11.9	12.8
EBITDA Margin	12.5	14.0

Renown Health Obligated Group Financial Ratio Definitions:

Days Revenue in Accounts Receivable, Net: Net patient accounts receivable divided by (net patient revenue divided by the days in the year).

Days Cash on Hand: Cash and marketable securities divided by [total operating expenses — provisions for depreciation — (gain)/loss on disposal of equipment (divided by the days in the year)].

Cash to Debt: Cash and marketable securities divided by long-term debt.

Debt to Cash Flow: Long-term debt divided by (income + provisions for depreciation).

Maximum Annual Debt Service Coverage: (Income + provision for depreciation + interest expense + (gain)loss on disposal of equipment + loss(gain) on interest rate swaps + unrealized loss(gain) on investments + loss on extinguishment of debt) divided by maximum annual debt service.

Debt to Capitalization: Long-term debt, including current maturities, divided by net assets + long-term debt, including current maturities.

Operating Cash Flow Margin: (Income from operations + interest expense + provision for depreciation) divided by total operating revenues.

Net Operating Margin: Income from operations divided by total operating revenues.

EBITDA Margin: Operating Income + investment income + interest expense + provision for depreciation + provision for taxes divided by total operating revenues + investment income.