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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)	OMB No 1545-0047 <div> <div>2011</div> <div>Open to Public Inspection</div> </div>
	The organization may have to use a copy of this return to satisfy state reporting requirements	

A For the 2011 calendar year, or tax year beginning 10-01-2011 and ending 09-30-2012		D Employer identification number 48-0543778	
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Via Christi Hospital Pittsburg Inc		E Telephone number (620) 231-6100
	Doing Business As		
	Number and street (or P O box if mail is not delivered to street address) 1 Mt Carmel Way	Room/suite	G Gross receipts \$ 91,025,814
	City or town, state or country, and ZIP + 4 Pittsburg, KS 66762		
	F Name and address of principal officer Randall Cason 1 Mt Carmel Way Pittsburg, KS 66762		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
			H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)
	I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number ▶ 0928
J Website: ▶ www.via-christi.org			
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 1903	M State of legal domicile KS

Part I		Summary	
Activities & Governance	1 Briefly describe the organization's mission or most significant activities Inspired by the Gospel and our Catholic tradition, we serve as a healing presence with special concern for our neighbors who are vulnerable		
	2 Check this box <input checked="" type="checkbox"/> 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	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	952
	6 Total number of volunteers (estimate if necessary)	6	109
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	295,593	
b Net unrelated business taxable income from Form 990-T, line 34	7b	99,038	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	166,641	182,308
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	87,055,068	87,021,247
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,633,130	1,689,366
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,181,871	1,955,389
		91,036,710	90,848,310
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
	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)	44,715,790	46,268,228
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	35,908,636	39,223,893
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	80,624,426	85,492,121
	19 Revenue less expenses Subtract line 18 from line 12	10,412,284	5,356,189
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	88,963,055	116,130,505
	21 Total liabilities (Part X, line 26)	11,142,992	26,369,656
	22 Net assets or fund balances Subtract line 21 from line 20	77,820,063	89,760,849

Part II Signature Block

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

Sign Here	***** Signature of officer			2013-08-01 Date	
	Mike Joy Administrator of Finance Type or print name and title				
Paid Preparer's Use Only	Preparer's signature  Kimberly Temple		Date	Check if self-employed 	Preparer's taxpayer identification number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4  GRANT THORNTON LLP 8300 THORN DRIVE SUITE 300 WICHITA, KS 672262708			EIN 	
				Phone no  (316) 265-3231	

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

AS A PART OF VIA CHRISTI HEALTH, INC WE SHARE THIS MISSION INSPIRED BY THE GOSPEL AND OUR CATHOLIC TRADITION, WE SERVE AS A HEALING PRESENCE WITH SPECIAL CONCERN FOR OUR NEIGHBORS WHO ARE VULNERABLE

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 \$ 68,785,802 including grants of \$) (Revenue \$ 87,967,873)

As a part of Via Chnsti Health, Inc we share this Mission Inspired by the Gospel and our Catholic tradition, we serve as a healing presence with special concern for our neighbors who are vulnerable An expanded description of the organization's program services can be found on Schedule O

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 \$ 68,785,802

Part IV

Checklist of Required Schedules

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

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
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		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a	Yes	
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? 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 <input type="checkbox"/>					
		Yes	No		
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. .	1a	92		
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, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.	2a	952		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes		
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	Yes		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	4a			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		
1b	Enter the number of voting members included in line 1a, above, who are independent		
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?		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6	Did the organization have members or stockholders?	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?	Yes	
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	Yes	
8b	Each committee with authority to act on behalf of the governing body?	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		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?		No
10b	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?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	Yes	
11b	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	Yes	
12b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	Yes	
13	Did the organization have a written whistleblower policy?	Yes	
14	Did the organization have a written document retention and destruction policy?	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?		
15a	The organization's CEO, Executive Director, or top management official	Yes	
15b	Other officers or key employees of the organization	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?	Yes	
16b	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?		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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. MIKE JOY 1 MT CARMEL WAY Pittsburg, KS 66762 (620) 232-0109

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) John Mitchelson Chair	1 0	X		X				0	0	0
(2) Randall Cason President & CEO	50 0	X						0	335,849	47,127
(3) Tammy Battaglia MD Trustee	1 0	X						0	0	0
(4) Marty Beezley Trustee	1 0	X						0	0	0
(5) Susanne Daniels Trustee	1 0	X						0	0	0
(6) Chuck Hosman Trustee	1 0	X						0	0	0
(7) Sr Marie Veronica Janousek Trustee	1 0	X						0	15,132	0
(8) Rodney Odgers MD Trustee	1 0	X						0	0	0
(9) Richard Oler Trustee	1 0	X						0	0	0
(10) Steve Scott Trustee	1 0	X						0	0	0
(11) Vince VanBecelaere Trustee	1 0	X						0	0	0
(12) Wendell Wilkinson Trustee	1 0	X						0	0	0
(13) Randall Peterson Trustee, Term 4/20/12	1 0	X						0	640,820	135,270
(14) Drew Talbott Secretary	50 0			X				149,888	0	31,521
(15) Debra Cartwright Treasurer/VP Finance/CFO	50 0			X				205,085	0	31,845
(16) Bill Aquino VP Planning & Development	50 0				X			166,950	0	29,706
(17) Riaz Baqir Physician	50 0					X		456,902	0	25,909

Part VII

1b	Sub-Total	▼			
c	Total from continuation sheets to Part VII, Section A	▼			
d	Total (add lines 1b and 1c)	▼	4,211,716	991,801	426,091

2 Total number of individuals (including but not limited to those listed in Item 1) who received more than \$100,000 of reportable compensation from the organization. 31

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Rehabcare Group Inc PO Box 502096 ST LOUIS, MO 63150	Staffing	687,881
Pittsburg Emergency Physicians LLC 8717 W 110th St Ste 500 OVERLAND PARK, KS 66210	Staffing	509,993
DeWitt and Associates Inc PO Box 3378 GS SPRINGFIELD, MO 65808	Construction	3,935,126
Regional Medical Laboratory of SEK 2401 S Tucker Suite 5 PITTSBURG, KS 63150	Staffing	462,217
HMN Architects Inc 7400 W 110th Street Suite 200 OVERLAND PARK, KS 66210	Construction	447,529

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 12

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514		
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a						
	b	Membership dues	1b						
	c	Fundraising events	1c						
	d	Related organizations	1d						
	e	Government grants (contributions)	1e	175,205					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	7,103					
	g	Noncash contributions included in lines 1a-1f \$ _____							
	h	Total. Add lines 1a-1f		182,308					
Program Service Revenue			Business Code						
	2a	PATIENT SERVICE REVENUE	621110	85,060,396	85,060,396				
	b	LABORATORY SERVICES	621500	260,851	144,932	115,919			
	c	MEANINGFUL USE REVENUE	621110	1,700,000	1,700,000				
	d								
	e								
	f	All other program service revenue							
	g	Total. Add lines 2a–2f		87,021,247					
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		956,463			956,463		
	4	Income from investment of tax-exempt bond proceeds . .		0					
	5	Royalties		0					
	6a	(i) Real		(ii) Personal					
		205,611							
		b	Less rental expenses						
			134,343						
	c	Rental income or (loss)		71,268					
	d	Net rental income or (loss)		71,268			71,268		
	7a	(i) Securities		(ii) Other					
		774,133		1,931					
		b	Less cost or other basis and sales expenses		43,161				
	c	Gain or (loss)		774,133	-41,230				
	d	Net gain or (loss)		732,903			732,903		
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18		a					
		b	Less direct expenses		b				
	c	Net income or (loss) from fundraising events . .			0				
	9a	Gross income from gaming activities See Part IV, line 19		a					
		b	Less direct expenses		b				
	c	Net income or (loss) from gaming activities . .			0				
	10a	Gross sales of inventory, less returns and allowances		a					
		b	Less cost of goods sold		b				
	c	Net income or (loss) from sales of inventory . .			0				
Miscellaneous Revenue		Business Code							
11a	CAFETERIA	900099	434,718			434,718			
b	CATERING	722320	139,794		40,560	99,234			
c	DURABLE MEDICAL EQUIPMENT	621610	50,716		50,716				
d	All other revenue		1,258,893	991,277	88,398	179,218			
e	Total. Add lines 11a–11d		1,884,121						
12	Total revenue. See Instructions		90,848,310	87,896,605	295,593	2,473,804			

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	0			
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	775,374		775,374	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	36,385,312	33,317,577	3,067,735	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	774,915	665,725	109,190	
9	Other employee benefits	5,968,222	5,258,686	709,536	
10	Payroll taxes	2,364,405	2,094,458	269,947	
11	Fees for services (non-employees)				
a	Management	1,196,989	57,985	1,139,004	
b	Legal	4,101		4,101	
c	Accounting	0			
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	9,198,265	6,455,247	2,743,018	
12	Advertising and promotion	359,289	5,083	354,206	
13	Office expenses	15,922,052	15,410,850	511,202	
14	Information technology	5,016,192	971	5,015,221	
15	Royalties	0			
16	Occupancy	1,076,280	1,069,524	6,756	
17	Travel	227,393	161,761	65,632	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	55,782	42,176	13,606	
20	Interest	519,475		519,475	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	3,906,478	3,700,413	206,065	
23	Insurance	728,899	196,294	532,605	
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	MEMBERSHIP DUES	405,524	129,449	276,075	
b	SOCIAL EVENTS	116,280	34,871	81,409	
c	VEHICLE FUEL & MAINTENANCE	105,066	48,001	57,065	
d	INCOME TAX EXPENSE	55,746	55,746		
e					
f	All other expenses	330,082	80,985	249,097	
25	Total functional expenses. Add lines 1 through 24f	85,492,121	68,785,802	16,706,319	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			18,824,000	1	5,959,773
	2	Savings and temporary cash investments			22,803,154	2	37,644,556
	3	Pledges and grants receivable, net			0	3	0
	4	Accounts receivable, net			10,033,207	4	12,891,873
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L			0	6	0
	7	Notes and loans receivable, net			0	7	0
	8	Inventories for sale or use			1,957,745	8	2,195,332
	9	Prepaid expenses and deferred charges			333,627	9	184,608
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	86,517,390			
	b	Less: accumulated depreciation	10b	48,767,183	33,674,501	10c	37,750,207
	11	Investments—publicly traded securities			0	11	0
	12	Investments—other securities. See Part IV, line 11			0	12	0
	13	Investments—program-related. See Part IV, line 11			0	13	0
	14	Intangible assets			0	14	0
	15	Other assets. See Part IV, line 11			1,336,821	15	19,504,156
	16	Total assets. Add lines 1 through 15 (must equal line 34)			88,963,055	16	116,130,505
Liabilities	17	Accounts payable and accrued expenses			11,036,349	17	7,145,573
	18	Grants payable			0	18	0
	19	Deferred revenue			0	19	5,915
	20	Tax-exempt bond liabilities			0	20	0
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			0	22	0
	23	Secured mortgages and notes payable to unrelated third parties			0	23	0
	24	Unsecured notes and loans payable to unrelated third parties			0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D			106,643	25	19,218,168
	26	Total liabilities. Add lines 17 through 25			11,142,992	26	26,369,656
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			77,820,063	27	89,760,849
	28	Temporarily restricted net assets			0	28	0
	29	Permanently restricted net assets			0	29	0
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			77,820,063	33	89,760,849
	34	Total liabilities and net assets/fund balances			88,963,055	34	116,130,505

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	90,848,310
2	Total expenses (must equal Part IX, column (A), line 25)	2	85,492,121
3	Revenue less expenses Subtract line 2 from line 1	3	5,356,189
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	77,820,063
5	Other changes in net assets or fund balances (explain in Schedule O)	5	6,584,597
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	89,760,849

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		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		

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 Via Christi Hospital Pittsburg Inc	Employer identification number 48-0543778
--	--

Part I

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

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

- 1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety Se**section 509(a)(4).**
- 11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

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

Section B. Total Support						
Calendar year	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

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

Part IIIPart III

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

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

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

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 Via Christi Hospital Pittsburg Inc	Employer identification number 48-0543778
--	--

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

1	Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV	
2	Political expenditures	▶ \$
3	Volunteer hours	

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

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If "Yes," describe in Part IV	

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

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt 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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV	

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

Part II-A

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

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

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

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

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

Part II-B

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

		(a)		(b)	
		Yes	No	Amount	
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of				
	a Volunteers?				No
	b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?				No
	c Media advertisements?				No
	d Mailings to members, legislators, or the public?	No			
	e Publications, or published or broadcast statements?	No			
	f Grants to other organizations for lobbying purposes?	No			
	g Direct contact with legislators, their staffs, government officials, or a legislative body?	No			
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?	No			
	i Other activities? If "Yes," describe in Part IV	Yes		10,224	
	j Total lines 1c through 1i			10,224	
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
Lobbying Activities	Part II-B, Question 1i	Via Christi Hospital Pittsburgh, Inc. pays dues to the Kansas Hospital Association (KHA), the American Heart Association (AHA), the Catholic Health Association (CHA), and the Pittsburgh Chamber of Commerce (Chamber) who are involved in lobbying activities. For fiscal 2012 it was determined that 15.0% (KHA), 24.42% (AHA), 3.0% (CHA), and 5.0% (Chamber) of the dues were used for lobbying activities. Dues % Lobbying Total AHA 14,137 24.42% 3,452 KHA 41,467 15.00% 6,220 CHA 17,919 3.00% 538 Chamber 288 5.00% 14 ----- 73,811 10,224

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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.

Name of the organization
Via Christi Hospital Pittsburg Inc

Employer identification number
48-0543778

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

Part II

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

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

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

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

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

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

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

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

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

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

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

Part III

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

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

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

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

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

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

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

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

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

d

☐ Loan or exchange programs

b

☐ Scholarly research

e

☐ Other

c

☐ Preservation for future generations

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
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
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

(i)

unrelated organizations

3a(i)

Yes

No

(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		168,788		168,788
b Buildings		43,447,785	15,977,916	27,469,869
c Leasehold improvements				
d Equipment		41,033,241	32,154,203	8,879,038
e Other		1,867,576	635,064	1,232,512
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				37,750,207

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
FIN 48 (ASC 740) Footnote	Part X, Question 2	The organization follows the FIN 48 policy of Via Christi Health, Inc. (VCH) and the policy is provided in the VCH consolidated audited financial statements. With the exception of certain subsidiaries, all of the entities in the Health System are organizations under Section 501(c)(3) of the Internal Revenue Code and are generally exempt from payment of income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code. Subsidiaries which are for-profit organizations are subject to federal and state income taxes. Accounting principles generally accepted in the United States of America require the Health Systems management to evaluate tax positions taken by the Health System and its subsidiaries and recognize a tax liability (or asset) if an uncertain position has been taken that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions by the Health System and its subsidiaries, and has concluded that as of September 30, 2012 and 2011, there were no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. Tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Income tax expense or benefit is included in other nonoperating gains and losses in the consolidated statements of operations and changes in net assets. Deferred tax assets and liabilities are measured using enacted tax rates expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

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
Via Christi Hospital Pittsburg Inc

Employer identification number
48-0543778

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 <div><input type="checkbox"/> Applied uniformly to all hospitals</div> <div><input checked="" type="checkbox"/> Applied uniformly to most hospitals</div> <div><input type="checkbox"/> Generally tailored to individual hospitals</div>			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care <div><input type="checkbox"/> 100%</div> <div><input type="checkbox"/> 150%</div> <div><input checked="" type="checkbox"/> 200%</div> <div><input type="checkbox"/> Other _____%</div>	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200%</div> <div><input type="checkbox"/> 250%</div> <div><input type="checkbox"/> 300%</div> <div><input type="checkbox"/> 350%</div> <div><input checked="" type="checkbox"/> 400%</div> <div><input type="checkbox"/> Other _____%</div>	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 eligible for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.			

7 Charity Care and Certain Other Community Benefits at Cost						
Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)			7,147,000	0	7,147,000	8 360 %
b Medicaid (from Worksheet 3, column a)			10,980,000	10,370,000	610,000	0 710 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			18,127,000	10,370,000	7,757,000	9 070 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			293,399	2,588	290,811	0 340 %
f Health professions education (from Worksheet 5)			14,711		14,711	0 020 %
g Subsidized health services (from Worksheet 6)			63,623	27,945	35,678	0 040 %
h Research (from Worksheet 7)			12,834		12,834	0 020 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			99,601		99,601	0 120 %
j Total Other Benefits			484,168	30,533	453,635	0 540 %
k Total. Add lines 7d and 7j			18,611,168	10,400,533	8,210,635	9 610 %

Part IICommunity Building Activities

Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development			400		400	
3Community support			3,919		3,919	
4Environmental improvements						
5Leadership development and training for community members			116		116	
6Coalition building			104		104	
7Community health improvement advocacy						
8Workforce development			819		819	
9Other						
10Total			5,358		5,358	

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1Yes	
2	Enter the amount of the organization's bad debt expense	22,245,803	
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.		

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	528,424,669	
6	Enter Medicare allowable costs of care relating to payments on line 5	630,128,782	
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7-1,704,113	
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: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

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

Part IVManagement Companies and Joint Ventures (see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1RML of SEK	Laboratory Services	50.000 %		
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Section A. Hospital Facilities

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

Name and address

[illegible]

Part V Facility Information (continued)

Section B. Facility Policies and Practices.

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

Via Christi Hospital Pittsburgh Inc

Name of Hospital Facility:_____

Line Number of Hospital Facility (from Schedule H, Part V, Section A):_____1_____

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

Part V

Facility Information (continued)

		Yes	No	
10	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>400</u> % If "No," explain in Part VI the criteria the hospital facility used	10	Yes	
11	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) a <input checked="" type="checkbox"/> Income level b <input checked="" type="checkbox"/> Asset level c <input checked="" type="checkbox"/> Medical indigency d <input checked="" type="checkbox"/> Insurance status e <input checked="" type="checkbox"/> Uninsured discount f <input checked="" type="checkbox"/> Medicaid/Medicare g <input checked="" type="checkbox"/> State regulation h <input type="checkbox"/> Other (describe in Part VI)	11	Yes	
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a <input type="checkbox"/> The policy was posted at all times on the hospital facility's web site b <input type="checkbox"/> The policy was attached to all billing invoices c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients upon admission to the hospital facility f <input checked="" type="checkbox"/> The policy was available upon request g <input checked="" type="checkbox"/> Other (describe in Part VI)	13	Yes	

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP a <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments or arrests e <input type="checkbox"/> Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged a <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments e <input type="checkbox"/> Other similar actions (describe in Part VI)	16		No
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply) a <input type="checkbox"/> Notified patients of the financial assistance policy upon admission b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy e <input type="checkbox"/> Other (describe in Part VI)			

Part V

Facility Information (continued)

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V

Facility Information (continued)

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size from largest to smallest)

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

Name and address		Type of Facility (Describe)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Complete this part to provide the following information

- 1
- Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6l, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2
- Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health needs assessments reported in Part V, Section B
- 3
- Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4
- Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5
- Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 6
- Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7
- State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
ANNUAL COMMUNITY BENEFIT REPORT	PART I, Question 6b	A community benefit update that includes data from Via Christi Hospital Pittsburg, Inc (VCH-P) is printed in Via Christi Health's annual report This annual report is released in various formats to the public and is available at the Via Christi Health website at www.viachristi.org/about-us or upon request In addition, VCH-P makes public presentations, when invited, on the findings of the latest health needs assessment

Identifier	ReturnReference	Explanation
COMMUNITY BENEFIT PROGRAMS	PART I, Question 7	For examples of some of the community benefit programs provided by Via Christi Hospital Pittsburg, Inc see the Schedule O footnote for Part III, Statement of Program Services

Identifier	ReturnReference	Explanation
COMMUNITY BUILDING ACTIVITIES	PART II	<p>Community building activities are essential roles for health care organizations in that they address many of the underlying determinants of health. Research has consistently shown that when the socioeconomic factors influencing health are explored, health care actually plays a smaller role proportionately. A report in the Journal of American Medical Association and the Center for Disease Control suggests that the determinants impacting health are as follows: lifestyle and behaviors, 50%, environment, 20%, genetics and human biology, 20%, and health care, 10%. Community building activities help to address the other determinants outside of the role traditionally played by health care organizations. The hospital provides timely and specific resources to help community organizations through donations to fulfill their missions of improving the well-being of the community and contributing to its overall health status in ways that may differ from direct clinical services provided by the hospital. These activities are almost exclusively done in partnership with other community organizations, which are better suited to address identified community needs. Listed below are just a few of the Community Building activities reported by our hospital during FY2012. This is not a complete listing but a sampling of how the hospital participates in the health of the community through its Community Building activities.</p> <p>Chamber of Commerce - Via Christi Hospital Pittsburg, Inc. (VCH-P) hosts an annual chamber coffee to update chamber members on health challenges in the area, community needs that have been addressed by the hospital during the last year, new health services that have come into town, or services that may have relocated. This event gives chamber members, especially those who are employers, new information to share with their employees to increase service awareness or introduce services to people who have moved into the area. VCH-P involvement improves awareness of health related services and gives them an opportunity to collect additional data on possible gaps that can be incorporated into future health assessments.</p> <p>Crawford County Leadership Program - Staff participated and graduated from this leadership program. The purpose is to network with community leaders to get a better understanding of area needs and how their participation can assist in addressing those needs. Participants look at time, talent, and resources they or their employers can bring to bear on the identified needs. VCH-P involvement improves awareness of health related services to those involved in leadership position and also gives them another informal way of collecting data on possible gaps for future health assessments.</p> <p>Conference Room Usage by Non-Health Related Organizations - VCH-P offers a conference room for civic groups who are engaged in supporting community efforts or whose mission is to advance the quality of life for others (e.g. Kiwanis, Rotary, etc). These groups meet for free at the hospital thus saving their resources to address community needs. By offering this donated space, VCH-P ensures that these groups have more money to carry on their mission of promoting economic development of the area or a better quality of life for those who live in the Pittsburg area.</p> <p>High School Students Shadowing and In-Class Presentations - VCH-P organized a shadowing experience for high school students interested in the Cancer Center. These high school students were interested in learning more about careers that are available to work with cancer patients. By hosting these experiences, VCH-P is hopeful that students will be challenged to enter health care careers. Research has shown that when youth have direct exposure to professionals who serve in their areas of interest, they are more likely to succeed with current studies. In addition, staff has gone out to area schools to give presentations on specific health professions during career days. These presentations are useful in promoting awareness about health careers and allow students to ask questions on educational requirements and potential employment opportunities.</p> <p>Youth Leadership Program - In partnership with Pittsburg's Chamber of Commerce, VCH-P staff partnered with sixth graders in the five county area elementary schools. Staff worked with students through activities and discussions on various aspects of leadership. The involvement of VCH-P's staff time is to ensure young children know the importance of leadership and how they can use these skills to enrich the lives of others (e.g. reduce the effects of bullying or improve healthier choices through peer examples).</p> <p>Participation on the State's Trauma Registry Subcommittee - Staff participate on the State's subcommittee. The trauma registry provides the mechanism to collect data and evaluate trauma care and allows researchers the ability to analyze patient data for quality improvement, injury control, and resource utilization of local, state</p>

Identifier	ReturnReference	Explanation
COMMUNITY BUILDING ACTIVITIES	PART II	te, and national level While hospitals are required to maintain a trauma registry, there is no requirement that staff serve on State level committees By participating at this lev el, VCH-P saves the State additional staffing money plus ensures that quality data is bein g collected through their involvement of monitoring patient outcomes

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE	PART III, LINE 3	The organization has no suitable basis for estimating bad debt expense that would be attributable to patients eligible under the organization's charity care policy

Identifier	ReturnReference	Explanation
Audit Note on Bad Debt Expense	Part III, Section A, Question 4	The provision for bad debt expense is based upon management's assessment of expected net collections considering economic conditions, historical experience, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payer category, including those amounts not covered by insurance. The results of this review are then used to make any modifications to the provision for bad debt expense to establish an appropriate allowance for uncollectible accounts. After satisfaction of amounts due from insurance and reasonable efforts to collect from the patient have been exhausted, The Health System follows established guidelines for placing certain past-due patient balances with collection agencies, subject to terms of certain restrictions on collection efforts as determined by the Health System. Accounts receivable are written off after collections efforts have been followed in accordance with the Health System's policies. VCH-P reports bad debt in accordance with generally accepted accounting principles (GAAP). Healthcare Financial Management Statement 15 is followed to the extent that it aligns with the guidelines set forth by GAAP. Bad debt expense at cost is determined using the same cost-to-charge ratio that is used for charity care and Medicaid shortfall. VCH-P follows the guidance from CHA and does not consider bad debt as a community benefit.

Identifier	ReturnReference	Explanation
Medicare Shortfall	PART III, Section B, Question 8	VCH-P follows the CHA guidelines regarding Medicare and does not include it as community benefit

Identifier	ReturnReference	Explanation
Debt Collection Policy	Part III, Section C, Question 9b	It is the policy of VCH-P to promote socially just practices for billing and collections for all patients receiving care. The policy is intended to further the VCH-P mission by requiring ethical conduct in billing and collecting self-pay balances from patient/guarantor's regardless of ability to pay. The policy ensures that prior to turning an account over to a Third Party Collection Agent (Agent) for collection activity, VCH-P will perform a reasonable review of each account to verify that the patient/guarantor is not potentially eligible for any government assistance program (e.g., Medicaid, Medicare, etc.) and would likely not qualify for charity care. VCH-P will direct its staff and Agents to periodically assess each patient/guarantor's ability to pay or to determine eligibility for charity care. The review and assessment should include but may not be limited to the following: a. Ensure the patient/guarantor has been notified of VCH's financial assistance policy, b. Ensure the patient/guarantor was offered a financial assistance application, c. Ensure documentation of any known extraordinary financial circumstances of the patient/guarantor or if they are medically indigent.

Identifier	ReturnReference	Explanation
Financial Assistance Policy	Part V, Question 13g	The full policy is not posted in each of these areas, however, reference to the policy is posted and the policy is immediately available to anyone who requests it

Identifier	ReturnReference	Explanation
Needs Assessment	Part VI, Question 2	Ministry representatives are involved with numerous coalitions that periodically assess community needs (e g Early Childhood Development Taskforce, Family Resource Center, Personal Action Toward Health Coalition for Seniors, Pittsburg Area Community Outreach, Project Warmth, Community Health Center of Southeast Kansas, United Way, and others) and in FY2011 conducted their own health assessment Secondary data, other community assessments, and one-on-one interviews with community leaders, social service providers, health care providers, and government representatives are used to conduct the assessment

Identifier	ReturnReference	Explanation
Patient Education of Eligibility for Financial Assistance	Part VI, Question 3	The VCH-P financial assistance staff is trained on how to qualify patients for Medicaid, SCHIP, and other such income-based programs. During the patient's registration, admissions, and discharge processes, VCH-P staff attempt to identify patients who may be eligible for charity or discounted care through the charity care policy. In addition, VCH-P uses a percentage of the Federal Poverty Guidelines (FPG) to determine free and discounted care.

Identifier	ReturnReference	Explanation
Community Information	PART VI, Question 4	<p>The primary counties for Pittsburg ministries include Crawford and Cherokee Counties. Crawford County has a land area of 590 square miles and Cherokee County has a land area of 588 square miles. Crawford County has an estimated 2011 population of 39,220 compared to Cherokee County's 21,385. The population demographics for Crawford County include 92.6% white, 2.3% Black, 1.0% American Indian, 1.4% Asian, and 4.7% persons of Hispanic or Latino origin. Cherokee County demographics include 90.7% white, 0.8% Black, 3.9% American Indian, 0.4% Asian, and 2.2% persons of Hispanic or Latino origin. Approximately 5.8% of the Crawford County residents and 2.6% of the Cherokee County residents reported using a language other than English in their homes. High school graduation rates, for the years 2007-2011, were 88.7% in Crawford County and 85.8% in Cherokee County. A bachelor's degree or higher was reported by 27.8% of Crawford County residents and 13.4% for Cherokee County residents. Median household income for Crawford County residents for the years 2007-2011 was \$36,043 compared to \$41,513 for Cherokee County. Median value of owner-occupied housing units for the same time period was \$85,200 for Crawford County and \$71,400 for Cherokee County. According to Quick Facts from the US Census, 19.1% of Crawford County lived below the poverty level between the years 2007-2011. This is higher than the 12.6% identified for the State of Kansas. Cherokee County is also above the State of Kansas' level as 15.4% of their residents suggest that they live below the poverty level. VCH-P is the only hospital facility in the City of Pittsburg. There are other hospitals in neighboring communities, but they offer fewer services. In order to find a similar medical facility, patients would need to travel to Joplin, Missouri or Tulsa, Oklahoma for emergency care. Kansas reported in 2011 that 13.3% of all residents were persons 65 years of age and older. This compares to 14.0% for Crawford and 16.1% for Cherokee Counties. Thus services for a growing aging population need to be monitored in future assessments.</p>

Identifier	ReturnReference	Explanation
Promotion of Community Health	PART VI, Question 5	<p>VCH-P and its affiliates enrich the communities in which they operate as well as the broader community, improving medicine through research, educating physicians and other health care providers, and providing care and support to people in need. VCH-P further supports this mission with a community board, open medical staff, and an emergency room available to patients regardless of ability to pay. Community representation on the Governing Body - The Board of Trustees is the governing body of VCH-P. The majority of its members are external members comprised of persons who reside in or around Sedgwick County. The board has overall responsibility for the charitable mission of the organization as set forth in its Articles of Incorporation and Bylaws. Trustees are selected based on their expertise, experience, and other criteria established by the nominating committee of the Board of Trustees. Areas of expertise and experience include such areas as health care, finance, education, and local government. The Board actively debates and sets policy and strategic direction for the ministry but does not get involved in issues related to daily operations. The Board takes a balanced approach when addressing community and business/financial concerns. The Board is also the primary group for determining the use of surplus funds generated by the organization, which are reinvested in the ministry in order to allow the ministry to sustain its mission and prepare for the future. Targeted Population Health Fairs and Screenings are conducted annually for children, seniors, and the broader community. Screenings include blood pressure checks, eye exams, hearing tests, foot exams, sports physicals, bone density, BMI, pre-concussion testing, and recommendations for establishing a medical home. During FY 2012, VCH-P Staff held or participated in health fairs given at government offices, local businesses, area churches, Pittsburg State University Family Day, area high schools, senior villages, and at the Aging Expo. In addition, the Cancer Center staff held a skin cancer screening and was involved in circulating hemocult kits for colorectal cancer screenings. The Sports Medicine staff provided high school wellness/sports medicine physicals at a discounted rate of \$10 per student. Community Boards/Committees/Coalitions - VCH-P staff serve on various not-for-profit boards, committees, and coalitions to keep informed about community needs and to share resources and expertise with various groups as they work to achieve their missions. In FY 2012, VCH-P served with the following: Pittsburg State University School of Nursing Advisory Board, Local Emergency Preparedness Committee, Live Well Health and Wellness Committee of Crawford County, Elm Acres Foundation Board, Crawford County Community Coalition, Angels Among Us, and Pittsburg Ministerial Alliance Association. CareVan, a popular transportation program owned and operated by VCH-P, provides non-emergency medical transportation assistance to elderly and handicap individuals. In FY 2012, VCH-P's CareVan provided 8,876 trips at a cost of \$222,802. Health Profession Education of area physicians, nurses, physician assistants, nursing students and other health care professionals who are either looking for continuing education credits, wanting more hands-on training, or are in need of field practicum placements, etc. are welcomed at VCH-P for additional training opportunities. Over 180 students spent time at VCH-P getting hands-on experience in a learning environment during FY 2012. In-Kind Donations through staff assistance of other not-for-profit organizations in meeting their missions and/or sharing of hospital space to conduct health related not-for-profit business are other ways that VCH-P gives back to the community. In FY 2012, VCH-P participated with a number of groups like American Red Cross On-Site Blood Drive, Pittsburg Corporate Challenge, Community Foundation of Southeast Kansas, and various civic groups. In addition, VCH-P partnered with the Salvation Army and Wesley House to collect food and clothing donations from area residents, prepare ready-to-eat pies for the Lion's Club chili feed, provide assistance with purchasing medications for indigent patients when other resources aren't available, prepare 225 servings of ready-to-eat potato soup for Project Warmth, provide athletic training to St Mary's High School trainers and during games, and provide sharps disposal container for the public. Community Education - VCH-P staff prepared and provided educational opportunities for the community on a variety of topics. During FY 2012, presentations were made on child car seat installations, pain management for people with arthritis, breast cancer awareness, skin cancer, colorectal cancer, childbirth preparation classes, rural trauma team class, women heart health, and smoking cessation and/or smoking prevention. Overall, VCH-P's combined community benefit programs (not counting unpaid re</p>

Identifier	ReturnReference	Explanation
Promotion of Community Health	PART VI, Question 5	mbursement of Medicare or bad debt) accounted for \$8.2 million to the geographical area of Pittsburg, Kansas for FY 2012.

Identifier	ReturnReference	Explanation
Affiliated Health Care System	Part VI, Question 6	VCH-P is an affiliate of Via Christi Health, Inc. (VCH). VCH's affiliates are large multi-faceted, integrated, not-for-profit ministries including Hospital and Non-Hospital ministries (Physician Group Practices, Hospital organizations, Research, Home Health, Durable Medical Equipment, and Senior Facilities). These ministries work together to care for patients, joined by common systems and a philosophy of serving as a healing presence with special concern for our neighbors especially those who are vulnerable. This community benefit happens through its focus on patient care, education and research. The organizations work together to serve their communities at the local, regional and state level.

Identifier	ReturnReference	Explanation
State Filing of Community Benefit Report	Part VI, Question 7	Kansas does not require hospitals to file community benefit reports but Via Christi Health, Inc distributes our community benefit totals and activities annually in press releases as well as in our annual report

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
Via Christi Hospital Pittsburg Inc

Employer identification number
48-0543778

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div> <div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	
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		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div> <div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	Yes
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 accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Drew Talbott	(i)	126,392	20,374	3,122	20,827	10,694	181,409	0
	(ii)	0	0	0	0	0	0	0
(2) Debra Cartwright	(i)	174,581	27,046	3,458	23,617	8,228	236,930	0
	(ii)	0	0	0	0	0	0	0
(3) Randall Cason	(i)	0	0	0	0	0	0	0
	(ii)	263,363	67,645	4,841	36,004	11,123	382,976	0
(4) Randall Peterson	(i)	0	0	0	0	0	0	0
	(ii)	502,186	124,597	14,037	125,809	9,461	776,090	0
(5) Bill Aquino	(i)	139,956	22,476	4,518	21,302	8,404	196,656	0
	(ii)	0	0	0	0	0	0	0
(6) Riaz Baqir	(i)	443,933	0	12,969	0	25,909	482,811	0
	(ii)	0	0	0	0	0	0	0
(7) Ali Hammad	(i)	745,462	133,371	23,750	0	32,056	934,639	0
	(ii)	0	0	0	0	0	0	0
(8) Bashar Marji	(i)	656,810	271,476	2,305	0	28,749	959,340	0
	(ii)	0	0	0	0	0	0	0
(9) Boban Mathew	(i)	504,321	0	143,094	0	33,993	681,408	0
	(ii)	0	0	0	0	0	0	0
(10) Danny Reveal	(i)	540,668	0	16,994	0	28,736	586,398	0
	(ii)	0	0	0	0	0	0	0
(11) Connie McCune	(i)	60,864	18,484	115,292	139	1,040	195,819	0
	(ii)	0	0	0	0	0	0	0
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

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
Severance Paid by the Filing Organization	PART I, QUESTION 4a	Connie McCune \$106,608.68
Supplemental Non-Qualified Retirement Plan	PART I, QUESTION 4b	Paid by the Filing Organization: Bill Aquino \$ 8,818.41; Debra Cartwright \$ 10,622.16; Drew Talbott \$ 7,985.83. Paid by a Related Organization: Randall Peterson \$105,226.91; Randall Cason \$ 21,348.92.

2011

Open to Public
Inspection

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.

Name of the organization

Via Chrsti Hospital Pittsburg Inc

Employer identification number

48-0543778

Identifier	Return Reference	Explanation
Statement of Program Services	Part III	<p>Via Christi Hospital Pittsburg, Inc (VCH-P) is a member of Via Christi Health (VCH) As a Catholic health system, VCH has its origins in faith-based responses to health needs of o ur communities, with a particular concern for those living in poverty and who are vulnerab le In addition to typical inpatient and outpatient services, VCH operates primary care cl inics, a low income neighborhood outreach clinic, specialty hospitals and centers, home me dical services, therapy centers, and long-term care villages The obligation to reach out to those in need and to improve community health flows directly from VCH's identity as a f aith-based healing ministry VCH continues its tradition in providing community benefit be cause we are committed to o Promoting and defending human dignity o Caring for persons living in poverty and other vulnerable populations o Promoting the common good o Stew arding resources responsibly According to the VCH mission statement, "As a part of Via Christi He alth, we share this Mission Inspired by the Gospel and our Catholic tradition, we serve a s a healing presence with special concern for our neighbors who are vulnerable " The finan cial information in this report was prepared in accordance with the Catholic Health Associ ation's (CHA) A Guide for Planning and Reporting Community Benefit Guidelines Per these G uidelines, we report the net expense for community benefit services (i e the total commun ity benefit expense minus any associated revenue from patients, residents, payers, and oth er external sources) The CHA Guidelines reflect a conservative approach to reporting quan tifiable community benefit The goal of the Guidelines is to produce community benefit fin ancial reports that reflect true costs and that describe community benefit activities that increase access to health care and improve community health for all The following are VC H-P definitions for quantifiable community benefits reports Charity Care - Free or discou nted health services provided to persons who cannot afford to pay and who meet VCH's crite ria for financial assistance Charity care is reported in terms of costs, not charges Cha rity care does not include bad debt Government Sponsored Means-Tested Health Care - Inclu des unpaid costs of public programs for low-income persons - the shortfall created w hen VC H receives payments that are less than the cost of caring for public program beneficiaries This payment shortfall is not the same as a contractual allow ance, which is the full dif ference betw een charges and government payments Health Professions Education - Helping to prepare future health care professionals is a distinguishing characteristic of not-for-pr ofit health care and constitutes a significant community benefit This category includes p rograms and financial assistance for physicians and medical students, nurses and nursing s tudents, interns, and other health professionals For fiscal year ended September 30, 2012 -----</p> <p>Community Benefit (VCH-P a nd Subsidiaries) 1 Charity care, at cost \$7 1 million 2 Government sponsored health car e, net expense \$0 6 million Unpaid cost of public indigent care programs (includes Medical, SCHIP, other safety net programs, does not include Medicare shortfall) 3 Community Ben efit Programs, net expense \$0 5 million 4 Total Quantifiable Community Benefit \$8 2 milli on Listed below are just a few of the community benefit programs offered by VCH-P This is not a complete listing but a sampling of how the hospital gives back to the community wh ile meeting current needs VCH-P and its affiliates enrich the communities in which they op erate as well as the broader community, improving medicine through research, educating phy sicians and other health care providers, and providing care and support to people in need VCH-P further supports this m ission with a community board, open medical staff, and an emergency room available to patients regardless of ability to pay Community representation on the Governing Body - The Board of Trustees is the governing body of VCH-P The majority of its members are external members comprised of persons who reside in or around Sedgwick County The board has overall responsibility for the charitable mission of the organizati on as set forth in its Articles of Incorporation and Bylaws Trustees are selected based o n their expertise, experience, and other criteria established by the nominating committee of the Board of Trustees Areas of expertise and experience include such areas as health c are, finance, education, and local government The Board actively debates and sets policy and strategic direction for the ministry but does not get involved in issues related to da ily operations The Board takes a balanced approach w hen addressing community and business /financial concerns The Board is also the primary group for determining the use of surplu s funds generated by the organization, which are r</p>

Identifier	Return Reference	Explanation
Statement of Program Services	Part III	<p>invested in the ministry in order to allow the ministry to sustain its mission and prepare for the future. Targeted Population Health Fairs and Screenings are conducted annually for children, seniors, and the broader community. Screenings include blood pressure checks, eye exams, hearing tests, feet exams, sport physicals, bone density, BMI, pre-concussion testing, and recommendations for establishing a medical home. During FY 2012, VCH-P Staff held or participated in health fairs given at government offices, local businesses, area churches, Pittsburg State University Family Day, area high schools, senior villages, and at the Aging Expo. In addition, the Cancer Center staff held a skin cancer screening and was involved in circulating hemocult kits for colorectal cancer screenings. The Sports Medicine staff provided high school wellness/sports medicine physicals at a discounted rate of \$ 10 per student. Community Boards/Committees/Coalitions - VCH-P staff serve on various not-for-profit boards, committees, and coalitions to keep informed about community needs and to share resources and expertise with various groups as they work to achieve their missions. In FY 2012, VCH-P served with the following: Pittsburg State University School of Nursing Advisory Board, Local Emergency Preparedness Committee, Live Well Health and Wellness Committee of Crawford County, Elm Acres Foundation Board, Crawford County Community Coalition, Angels Among Us, and Pittsburg Ministerial Alliance Association. CareVan, a popular transportation program owned and operated by VCH-P, provides non-emergency medical transportation assistance to elderly and handicap individuals. In FY 2012, VCH-P's CareVan provided 8,876 trips at a cost of \$222,802. Health Profession Education of area physicians, nurses, physician assistants, nursing students and other health care professionals who are either looking for continuing education credits, wanting more hands-on training, or are in need of field practicum placements, etc. are welcomed at VCH-P for additional training opportunities. Over 180 students spent time at VCH-P getting hands-on experience in a learning environment during FY 2012. In-Kind Donations through staff assistance of other not-for-profit organizations in meeting their missions and/or sharing of hospital space to conduct health related not-for-profit business are other ways that VCH-P gives back to the community. In FY 2012, VCH-P participated with a number of groups like American Red Cross On-Site Blood Drive, Pittsburg Corporate Challenge, Community Foundation of Southeast Kansas, and various civic groups. In addition, VCH-P partnered with the Salvation Army and Wesley House to collect food and clothing donations from area residents, prepare ready-to-eat pies for the Lion's Club chili feed, provide assistance with purchasing medications for indigent patients when other resources aren't available, prepare 225 servings of ready-to-eat potato soup for Project Warmth, provide athletic training to St Mary's High School trainers and during games, and provide sharps disposal containers for the public. Community Education - VCH-P staff prepared and provided educational opportunities for the community on a variety of topics. During FY 2012, presentations were made on child car seat installations, pain management for people with arthritis, breast cancer awareness, skin cancer, colorectal cancer, childbirth preparation classes, rural trauma team class, women heart health, and smoking cessation and/or smoking prevention.</p>

Identifier	Return Reference	Explanation
FORM 990 REVIEW	PART VI, SECTION B, QUESTION 11B	A COPY OF FORM 990 IS PROVIDED TO THE BOARD OF TRUSTEES VIA A SECURE EMAIL PRIOR TO FILING WITH THE IRS

Identifier	Return Reference	Explanation
CONFLICT OF INTEREST POLICY	PART VI, SECTION B, QUESTION 12C	THE CONFLICT OF INTEREST POLICY IS MONITORED/ENFORCED AS PART OF THE SYSTEM-WIDE PROCEDURES AND IS NOT HANDLED AT THE ORGANIZATION LEVEL. THE POLICY IS MONITORED AND ENFORCED AS FOLLOWS: 1) AT TIME OF APPOINTMENT AND ANNUALLY THEREAFTER, ALL INTERESTED PERSONS, INCLUDING BOARD AND COMMITTEE MEMBERS, COMPLETE A DISCLOSURE STATEMENT WHICH ADDRESSES ACTUAL OR POTENTIAL CONFLICTS OF INTEREST; 2) THE DISCLOSURE STATEMENT IS COMPLETED ELECTRONICALLY, AND THE RETURN OF THE COMPLETED STATEMENT IS A CONDITION OF CONTINUED APPOINTMENT, EMPLOYMENT, OR PARTICIPATION WITH THE ORGANIZATION; 3) ALL ACTUAL OR POTENTIAL CONFLICTS ARE REVIEWED, INVESTIGATED, AND RESOLVED BY THE CHIEF GOVERNANCE OFFICER AND THE CORPORATE RESPONSIBILITY OFFICER, WITH THE RESULTS SHARED WITH THE CHIEF EXECUTIVE OF THE ORGANIZATION; AND 4) PERIODIC REVIEWS ARE CONDUCTED BY GOVERNANCE, COMPLIANCE, AND INTERNAL AUDIT TO ENSURE THE ORGANIZATION IS OPERATING CONSISTENT WITH THE POLICY AND ENFORCING THE POLICY'S TERMS.

Identifier	Return Reference	Explanation
COMPENSATION REVIEW	PART VI, SECTION B, QUESTIONS 15A & 15B	<p>Via Christi Hospital Pittsburg, Inc. uses the policies established by Via Christi Health, Inc. (VCH). VCH has established a common philosophy, strategy, and processes for executive compensation. Through the oversight of the VCH Executive Compensation Committee, executive compensation is competitively positioned at its stated market position when compared to the compensation paid by relevant organizations (comparably-sized health systems, hospitals, and long-term care providers). VCH recognizes its responsibility to ensure that its executive compensation program is appropriate in view of its mission and tax-exempt status and that its compensation levels and expenditures are reasonable and not excessive. To ensure these ends, the VCH Executive Compensation Committee has established and approved the executive compensation philosophy for VCH and all related entities. It will also approve all changes in the compensation package for VCH executives in advance. On an annual basis, the Committee conducts a comprehensive review of total compensation for all executives. It also reviews and approves "off-cycle" compensation transactions as needed. In their review, the Committee considers the following factors:</p> <ul style="list-style-type: none"> * Market data from independent compensation surveys and sources that reflect comparable positions in organizations of similar size and scope, * Difficulties in recruiting and retaining executives, * Skills, experience, and performance history of individual executives, * Critical business or strategic issues that the organization may face, and * Market position for total compensation. <p>The adequacy, competitiveness, and cost of the VCH total executive compensation program are reviewed on an ongoing basis and changes are made as the Committee determines appropriate. The executive compensation program will be maintained such that it will fall within the safe harbor guidelines established by the Intermediate Sanctions regulations. The Committee also employs the services of an independent compensation consultant to prepare market analysis to aid and support the Committee's actions, provide documentation of market trends for budget setting purposes, review annual compensation changes to ensure "reasonableness" and provide attestation, and provide consultation on all executive compensation issues. The Committee also relies on third-party validation of performance measures used in the determination of compensation.</p>

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS	PART VI, SECTION C, QUESTION 19	VIA CHRISTI HOSPITAL PITTSBURG, INC 'S GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE AVAILABLE TO THE PUBLIC UPON REQUEST

Identifier	Return Reference	Explanation
MEMBERS	PART VI, SECTION A, Questions 6, 7a, & 7b	VIA CHRISTI HEALTH, INC IS THE SOLE MEMBER THE MEMBER MAY APPROVE AND REMOVE INDIVIDUALS ON THE BOARD OF TRUSTEES ARTICLE 2 OF THE BYLAWS PROVIDE THE MEMBER WITH THE FOLLOWING POWERS *DEFINE, APPROVE, CHANGE, OR INTERPRET THE MISSION, VALUES, PURPOSE, AND PHILOSOPHY OF THE CORPORATION, *APPROVE THE ARTICLES OF INCORPORATION, THE BYLAWS, AND ANY AMENDMENTS THERETO OF THE CORPORATION, *APPOINT AND REMOVE THE MEMBERS OF THE BOARD OF TRUSTEES OF THE CORPORATION, *APPOINT AND REMOVE THE PRESIDENT AND CEO OF THE CORPORATION, *SUBJECT TO CANONICAL REQUIREMENTS, ESTABLISH THE OVERALL DEBT LIMIT FOR THE CORPORATION AND APPROVE THE INCURRENCE OF DEBT IN EXCESS OF THAT LIMIT, *APPROVE THE DISSOLUTION, MERGER, CONSOLIDATION, OR SALE OF ALL OR SUBSTANTIALLY ALL OF THE ASSETS OF VIA CHRISTI HOSPITAL PITTSBURG, INC , *APPROVE AND REMOVE, WITH OR WITHOUT CAUSE, THE INDEPENDENT AUDITING FIRM FOR VIA CHRISTI HOSPITAL PITTSBURG, INC , *RECEIVE AND APPROVE OPERATING AND CAPITAL BUDGETS AND FINANCIAL REPORTS OF VIA CHRISTI HOSPITAL PITTSBURG, INC , *APPROVE FINANCING THROUGH PARTICIPATION IN THE OBLIGATED GROUP OF VIA CHRISTI HEALTH SYSTEM, AND *REVIEW AND APPROVE REAL AND PERSONAL PROPERTY TRANSACTIONS CONSISTENT WITH PROVISION OF CANON LAW

Identifier	Return Reference	Explanation
RECONCILIATION OF NET ASSETS	PART XI, QUESTION 5	Unrealized Gain 2,403,108 Pension Adjustment 4,036,868 Partnership Adjustment (101,803) Sponsorship Fee (163,576) Transfer from Mt Carmel 410,000 ----- Total 6,584,597

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME Randall Peterson TITLE Trustee, Term 4/20/12 HOURS 49

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
Via Christi Hospital Pittsburg Inc

Employer identification number
48-0543778

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
See Additional Data Table							

Part III

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

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

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) Affiliated Medical Services Lab Inc 2916 E Central Wichita, KS 67214 48-1239522	Medical Lab	KS	na	C Corp	0	0	0 %
(2) Integrated Healthcare Systems Inc 3311 East Murdock Wichita, KS 67208 48-0941549	Clinic Svcs	KS	NA	C Corp	0	0	0 %
(3) Sunflower Assurance LTD PO Box 1085 Grand Cayman KY1-1102 CJ 98-0223159	Insurance Co	CJ	NA	Foreign Corp	0	0	0 %
(4) Via Chrsti Clinic PA 3311 East Murdock Wichita, KS 67208 48-0993446	Prof Assoc	KS	NA	C Corp	0	0	0 %
(5) VCH Iowa PC 8200 E Thorn Drive Suite 300 Wichita, KS 67226 27-3983977	Holding Co	IA	NA	Trust	0	0	0 %
(6) VCH Iowa PC Trust 8200 E Thorn Drive Suite 300 Wichita, KS 67226 27-6937322	Ben Trust	IA	NA	Trust	0	0	0 %

Part V

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

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

1

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

a

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

b

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

c

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

d

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

e

Loans or loan guarantees by related organization(s)

f

Sale of assets to related organization(s)

g

Purchase of assets from related organization(s)

h

Exchange of assets with related organization(s)

i

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

j

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

k

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

l

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

m

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

n

Sharing of paid employees with related organization(s)

o

Reimbursement paid to related organization(s) for expenses

p

Reimbursement paid by related organization(s) for expenses

q

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

r

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

Yes

No

1a

No

1b

No

1c

No

1d

No

1e

Yes

1f

No

1g

No

1h

No

1i

Yes

1j

No

1k

No

1l

No

1m

No

1n

Yes

1o

No

1p

Yes

1q

No

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) Mount Carmel Foundation	r	400,000	FMV
(2)			
(3)			
(4)			
(5)			
(6)			

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

[illegible]

Part VII

Supplemental Information

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

Identifier	Return Reference	Explanation
Related Tax Exempt Organizations	Part II	VIA CHRISTI HOSPITAL PITTSBURG, INC IS CONTROLLED BY VIA CHRISTI HEALTH, INC VIA CHRISTI HEALTH, INC IS JOINTLY SPONSORED AND CONTROLLED BY ASCENSION HEALTH AND MARIAN HEALTH SYSTEM, WHICH IN TURN ARE SPONSORED BY THE SISTERS OF THE SORROWFUL MOTHER, FOUR PROVINCES OF THE DAUGHTERS OF CHARITY, THE CONGREGATION OF ST JOSEPH, AND THE SISTERS OF ST JOSEPH OF CARONDELET DUE TO SUCH SPONSORSHIP AND CONTROL, AND IN THE INTEREST OF INCREASED CLARITY AND TRANSPARENCY, BOTH ASCENSION HEALTH AND MARIAN HEALTH SYSTEM ARE BEING LISTED AS RELATED ORGANIZATIONS ON SCHEDULE R

Software ID:
Software Version:
EIN: 48-0543778
Name: Via Christi Hospital Pittsburg Inc

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity	g Section 512 (b)(13) controlled organization	
Ascension Health PO BOX 45998 St Louis, MO 63145 31-1662309	HLth Sys Gov	MO	501(c)(3)	11-I	NA		No
Catholic Care Center Inc 6700 E 45th St N Wichita, KS 67226 48-1067110	Rtrmnt Home	KS	501(c)(3)	9	NA		No
Cornerstone Assisted Living Inc 2622 W Central Suite 100 Wichita, KS 67203 48-1241079	Rtrmnt Home	KS	501(c)(3)	9	NA		No
Gerard House Inc 3144 N Hood Wichita, KS 67204 48-1049532	Shelter	KS	501(c)(3)	7	NA		No
Marian Health System Inc 1923 South Utica Avenue Tulsa, OK 74104 36-3659989	Hospital Supp	DE	501(c)(3)	11-I	NA		No
Mercy Community Health Foundation Inc 1823 College Avenue Manhattan, KS 66502 48-1152279	Foundation	KS	501(c)(3)	9	MRHC		No
Mercy Regional Health Center Inc 1823 College Avenue Manhattan, KS 66502 48-1186704	Hospital	KS	501(c)(3)	3	NA		No
Mercy Regional Home Medical Services LLC 2439 Claflin Road Manhattan, KS 66502 43-2024491	Home Medical	KS	501(c)(3)	11-III FI	NA		No
Mount Carmel Foundation Inc 1102 E Centennial Drive Pittsburg, KS 66762 48-0961283	Foundation	KS	501(c)(3)	11-I	VCH-Pitt	Yes	
Salina Regional Home Medical Services 520 S Santa Fe Ave Suite 140 Salina, KS 67401 43-1948057	Home Medical	KS	501(c)(3)	11-III O	NA		No
St Johns Inc 2225 Canterbury Drive Hays, KS 67601 20-2828680	Rtrmnt Home	KS	501(c)(3)	9	NA		No
Via Christi Clinic Services 8200 E Thorn Drive Suite 300 Wichita, KS 67226 27-3984287	Med Clinic	KS	501(c)(3)	11-I	NA		No
Via Christi Foundation Inc 723 N McLean Blvd Wichita, KS 67203 48-1173588	Foundation	KS	501(c)(3)	11-III FI	NA		No
Via Christi Health Partners Inc 8200 E Thorn Drive Suite 300 Wichita, KS 67226 48-0958974	Mgmt Co	KS	501(c)(3)	9	NA		No
Via Christi Health Inc 8200 E Thorn Drive Suite 300 Wichita, KS 67226 48-1172107	Hospital Supp	KS	501(c)(3)	9	NA		No
Via Christi Healthcare Outreach Program 2622 W Central Suite 100 Wichita, KS 67203 48-1236589	Pace Communit	KS	501(c)(3)	9	NA		No
Via Christi Home Health Wichita Inc 555 S Washington Wichita, KS 67211 48-1046371	Home Health	KS	501(c)(3)	9	NA		No
Via Christi Hospital Wichita St Teresa 14800 W St Teresa Wichita, KS 67235 27-1965272	Hospital	KS	501(c)(3)	3	NA		No
Via Christi Hospitals Wichita Inc 929 N St Francis Wichita, KS 67214 48-1172106	Hospital	KS	501(c)(3)	3	NA		No
VC Immediate Care Mother Mary Anne Inc 929 N St Francis Wichita, KS 67214 20-8374099	Med Clinic	KS	501(c)(3)	9	NA		No

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	
Via Christi InMyHome Inc 2622 W Central Suite 100 Wichita, KS 67203 27-1889960	Hlth Agency	KS	501(c)(3)	9	NA		No
Via Christi Property Services Inc 1100 N St Francis Suite 240 Wichita, KS 67214 48-0948571	Property Mgmt	KS	501(c)(4)	N/A	NA		No
Via Christi Rehabilitation Hospital Inc 1151 N Rock Road Wichita, KS 67206 48-1158274	Rehab	KS	501(c)(3)	3	NA		No
Via Christi Village Georgetown Inc 1655 S Georgetown Wichita, KS 67218 48-1129325	Rtrmnt Home	KS	501(c)(3)	9	NA		No
Via Christi Village Manhattan Inc 2800 Willowgrove Rd Manhattan, KS 66502 48-1078862	Rtrmnt Home	KS	501(c)(3)	9	NA		No
Via Christi Village McLean Inc 777 N McLean Blvd Wichita, KS 67203 48-1247723	Rtrmnt Home	KS	501(c)(3)	9	NA		No
Via Christi Village Ponca City Inc 1601 Academy Road Ponca City, OK 74604 73-1153337	Rtrmnt Home	OK	501(c)(3)	9	NA		No
Via Christi Village Pittsburg Inc 1502 E Centennial Dr Pittsburg, KS 66762 74-3070971	Rtrmnt Home	KS	501(c)(3)	9	NA		No
Via Christi Villages Inc 2622 W Central Suite 100 Wichita, KS 67206 48-0559086	Mgmt Co	KS	501(c)(3)	11-III FI	NA		No
Wamego Hospital Association 711 Genn Drive Wichita, KS 66547 72-1526400	Hospital	KS	501(c)(3)	3	MRHC		No

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income (\$)	(g) Share of end- of-year assets (\$)	(h) Disproportionate allocations?		(i) Code V- UBI amount on Box 20 of K-1 (\$)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
Ambulatory Surgery Center LP 8200 E Thorn Drive Suite 300 Wichita, KS 67226 48-1007220	Surgery Ctr	KS	NA	N/A	0	0		No	0		No	0 %
AMS Diagnostics LLC 8200 E Thorn Drive Suite 300 Wichita, KS 67226 48-1223653	Radiology Svc	KS	NA	N/A	0	0		No	0		No	0 %
Kansas Surgery and Recovery Ctr 8200 E Thorn Drive Suite 300 Wichita, KS 67226 48-1148580	Surgery Ctr	KS	NA	N/A	0	0		No	0		No	0 %
Mercy Imaging LLC 8200 E Thorn Drive Suite 300 Wichita, KS 67226 48-1251984	Diagnostic Im	KS	na	N/A	0	0		No	0		No	0 %
MR Imaging Center LLC 8200 E Thorn Drive Suite 300 Wichita, KS 67226 48-1000538	Radiology Svc	KS	NA	N/A	0	0		No	0		No	0 %
PFI LLC 8200 E Thorn Drive Suite 300 Wichita, KS 67226 72-1557076	Med Chem Mfg	KS	NA	Related	66,008	13,173		No	0		No	3 165 %
Preferred PET Imaging of KS LLC 8200 E Thorn Drive Suite 300 Wichita, KS 67226 48-1250123	Diagnostic Im	KS	NA	N/A	0	0		No	0		No	0 %
St Joseph MRI LLC 8200 E Thorn Drive Suite 300 Wichita, KS 67226 48-1007220	Medical Svcs	KS	NA	N/A	0	0		No	0		No	0 %
Via Christi Cyberknife LLC 8200 E Thorn Drive Suite 300 Wichita, KS 67226 35-4588711	Radiology Svc	KS	NA	N/A	0	0		No	0		No	0 %

Via Christi Health, Inc. and Subsidiaries

**Consolidated Financial Statements and
Consolidating Financial Information
September 30, 2012 and 2011**

Via Christi Health, Inc. and Subsidiaries

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September 30, 2012 and 2011

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Report of Independent Auditors

Board of Trustees
Via Christi Health, Inc. and Subsidiaries

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

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations and cash flows of the individual companies and is not a required part of the consolidated financial statements. Accordingly, we do not express an opinion on the financial position, results of operations and cash flows of the individual companies.

PricewaterhouseCoopers LLP

December 14, 2012

Via Christi Health, Inc. and Subsidiaries
Consolidated Balance Sheets
September 30, 2012 and 2011

(in thousands of dollars)

	2012	2011
Assets		
Current assets		
Cash and cash equivalents	\$ 93,748	\$ 90,920
Short-term investments	493,352	416,827
Assets whose use is limited that are required for current liabilities	1,287	1,020
Patient accounts receivable (net of allowance for doubtful accounts of \$25,388 in 2012 and \$28,231 in 2011)	123,885	125,281
Estimated amounts receivable from third-party payors	8,318	6,719
Inventories	23,688	23,505
Other current assets	38,080	38,503
Total current assets	<u>782,358</u>	<u>702,775</u>
Assets whose use is limited		
Designated by Board for capital improvements	211,645	184,016
Other	8,917	7,148
Held by trustee		
Under bond indenture	31,005	32,403
Self-insurance arrangements	25,600	18,493
	<u>277,167</u>	<u>242,060</u>
Less Assets whose use is limited that are required for current liabilities	<u>(1,287)</u>	<u>(1,020)</u>
Total noncurrent portion of assets whose use is limited	<u>275,880</u>	<u>241,040</u>
Property and equipment		
Land and improvements	73,025	72,949
Buildings and fixed equipment	711,505	688,581
Equipment	511,361	479,554
Less accumulated depreciation	(772,160)	(720,193)
Construction in progress	16,484	21,154
Total net property and equipment	<u>540,215</u>	<u>542,045</u>
Other assets		
Investments in unconsolidated affiliates	104,183	90,972
Goodwill and intangible assets, net	15,273	17,122
Long-term investments	29,110	20,431
Other noncurrent assets	14,189	13,954
Total assets	<u>\$ 1,761,208</u>	<u>\$ 1,628,339</u>

The accompanying notes are an integral part of these consolidated financial statements

Via Christi Health, Inc. and Subsidiaries
Consolidated Balance Sheets
September 30, 2012 and 2011

(in thousands of dollars)

	2012	2011
Liabilities and Net Assets		
Current liabilities		
Current maturities of long-term debt	\$ 17,066	\$ 14,721
Accounts payable	49,391	43,461
Other accrued liabilities	73,891	63,527
Total current liabilities	<u>140,348</u>	<u>121,709</u>
Noncurrent liabilities		
Long-term debt, less current maturities	469,069	472,434
Pension liabilities	7,793	62,738
Other noncurrent liabilities	58,242	51,817
Total noncurrent liabilities	<u>535,104</u>	<u>586,989</u>
Total liabilities	<u>675,452</u>	<u>708,698</u>
Net assets		
Unrestricted - controlling interest	1,003,402	842,015
Unrestricted - noncontrolling interest	68,180	64,119
Temporarily restricted	8,239	7,577
Permanently restricted	5,935	5,930
Total net assets	<u>1,085,756</u>	<u>919,641</u>
Total liabilities and net assets	<u>\$ 1,761,208</u>	<u>\$ 1,628,339</u>

The accompanying notes are an integral part of these consolidated financial statements

Via Christi Health, Inc. and Subsidiaries
Consolidated Statements of Operations and Changes in Net Assets
Years Ended September 30, 2012 and 2011

(in thousands of dollars)

	2012	2011
Revenues, gains and other support		
Net patient service revenues	\$ 1,107,750	\$ 1,085,275
Provision for bad debts	<u>55,301</u>	<u>68,523</u>
Net patient service revenue less provision for bad debt	1,052,449	1,016,752
Premium revenues	26,873	25,764
Other operating revenues	<u>56,618</u>	<u>49,279</u>
Total operating revenues	<u>1,135,940</u>	<u>1,091,795</u>
Operating expenses		
Salaries and employees benefits	651,301	621,701
Purchased services and other expenses	194,281	191,418
Supplies	174,267	175,745
Interest	15,715	20,537
Depreciation and amortization	<u>68,411</u>	<u>66,271</u>
Total operating expenses	<u>1,103,975</u>	<u>1,075,672</u>
Income from operations	<u>31,965</u>	<u>16,123</u>
Nonoperating gains (losses)		
Interest and dividend income	16,318	19,829
Net gains (losses) on investments	69,853	(17,420)
Equity in earnings of investee organizations	12,885	3,060
Loss on refinancing of debt	(72)	(4,848)
Income tax and other	<u>(244)</u>	<u>3,145</u>
Total nonoperating gains	<u>98,740</u>	<u>3,766</u>
Excess of revenues over expenses	<u>\$ 130,705</u>	<u>\$ 19,889</u>

The accompanying notes are an integral part of these consolidated financial statements

Via Christi Health, Inc. and Subsidiaries
Consolidated Statements of Operations and Changes in Net Assets
Years Ended September 30, 2012 and 2011

<i>(in thousands of dollars)</i>	2012	2011
Unrestricted net assets - controlling interest		
Excess of revenues over expenses	\$ 130,705	\$ 19,889
Change in minimum pension liability	46,083	(17,896)
Cumulative effect of change in accounting principles	-	(10,744)
Change in net assets attributable to noncontrolling interest	(11,871)	(7,804)
Other changes in unrestricted net assets	<u>(3,530)</u>	<u>(1,080)</u>
Increase (decrease) in unrestricted net assets, controlling interest before gain (loss) of discontinued operations	161,387	(17,635)
Gain from discontinued operations	<u>-</u>	<u>1,835</u>
Increase (decrease) in unrestricted net assets, controlling interest	<u>161,387</u>	<u>(15,800)</u>
Unrestricted net assets, noncontrolling interest		
Excess of revenues over expenses	11,871	7,804
Distributions and other	<u>(7,810)</u>	<u>(6,124)</u>
Increase in unrestricted net assets, noncontrolling interest	<u>4,061</u>	<u>1,680</u>
Temporarily restricted net assets		
Contributions	3,614	3,471
Investment income and gains	458	205
Net realized and unrealized gains (losses) on investments	835	(171)
Net assets released from restrictions	(4,145)	(3,024)
Other	<u>(100)</u>	<u>(1,543)</u>
Increase (decrease) in temporarily restricted net assets	<u>662</u>	<u>(1,062)</u>
Permanently restricted net assets		
Investment income and gains	<u>5</u>	<u>-</u>
Increase in permanently restricted net assets	<u>5</u>	<u>-</u>
Change in net assets	166,115	(15,182)
Net assets		
Beginning of year	<u>919,641</u>	<u>934,823</u>
End of year	<u>\$ 1,085,756</u>	<u>\$ 919,641</u>

The accompanying notes are an integral part of these consolidated financial statements

Via Christi Health, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended September 30, 2012 and 2011

(in thousands of dollars)

	2012	2011
Operating activities		
Increase (decrease) in net assets - controlling interest	\$ 162,054	\$ (16,862)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities		
Depreciation and amortization	68,411	66,271
Amortization of bond premium and discount	(2,031)	282
Provision for uncollectible accounts	55,301	68,523
Equity in earnings of investee organization	(14,559)	(5,946)
Noncontrolling interest in earnings	11,871	7,804
Net losses (gains) on investments	(69,194)	17,591
Impairment of property and equipment	-	1,792
(Gain)/loss on sale of property and equipment	1,114	(1,768)
Donated equipment	-	(332)
Net pension adjustment	(46,083)	17,896
Net transfers to sponsoring organizations	2,315	-
Net gain on discontinued operations	-	(1,835)
(Increase) decrease in operating assets		
Net patient accounts receivable	(53,905)	(71,613)
Inventories and other assets	1,010	(710)
Net estimated amounts do to/from third-party payors	(1,599)	(2,474)
Increase (decrease) in operating liabilities		
Accounts payable	1,929	(1,993)
Other accrued liabilities	5,563	10,325
Net cash provided by operating activities	<u>122,197</u>	<u>86,951</u>
Investing activities		
Equity contribution to unconsolidated investee	(700)	-
Distribution received from unconsolidated investee	1,858	-
Purchases of property and equipment	(63,868)	(77,883)
Increase in assets whose use is limited	(12,592)	(4,768)
Purchase of investments	(163,289)	(53,632)
Proceeds from sale of investments	124,764	118,691
Cash receipts for VCC purchase price adjustment	313	-
Acquisition of certain Wichita Clinic assets	-	(30,247)
Proceeds from sales of property and equipment	1,477	4,518
Cash proceeds on disposition of discontinued operations	-	1,000
Net cash used in investing activities	<u>(112,037)</u>	<u>(42,321)</u>
Financing activities		
Proceeds from long-term debt	22,365	193,514
Redemption of noncontrolling interest	(3,446)	-
Payments on long-term debt	(21,355)	(200,450)
Deferred bond financing fees	(582)	(1,424)
Net borrowing from accounts receivable factoring	2,365	-
Distributions to noncontrolling interest holders	(4,364)	(6,124)
Net transfers to sponsoring organizations	(2,315)	-
Net cash used in financing activities	<u>(7,332)</u>	<u>(14,484)</u>
Net increase in cash and cash equivalents	2,828	30,146
Cash and cash equivalents		
Beginning of year	<u>90,920</u>	<u>60,774</u>
End of year	<u>\$ 93,748</u>	<u>\$ 90,920</u>
Other cash disclosure		
Cash paid during the year for interest, net of amounts capitalized	\$ 13,533	\$ 19,986
Cash paid during the year for income taxes	1,065	1,243
Noncash transaction		
Property and equipment purchases in accounts payable	4,001	1,276

The accompanying notes are an integral part of these consolidated financial statements

Via Christi Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2012 and 2011

1. Organization

Via Christi Health, Inc. and subsidiaries (the "Health System") is a not-for-profit corporation operating a network of regional health care providers in Kansas and Oklahoma. The Health System was formed effective October 2, 1995 through the consolidation of CSJ Health System of Wichita, Inc. ("CSJ") and St. Francis Ministry Corporation ("SFMC") into a newly organized Kansas not-for-profit corporation and is jointly sponsored and controlled by Marian Health System, Inc. and Ascension Health Alliance.

Via Christi Hospital Wichita, Inc. ("VCH-W"), owns and operates two hospitals on two campuses known as the Hospital on East Harry and the Hospital on North St. Francis located in Wichita, Kansas. In addition, VCH-W operates Via Christi Hospital – St. Teresa, Inc. located in west Wichita. VCH-W also owns and operates Via Christi Health Partners, Inc., Via Christi Foundation and Via Christi Rehabilitation Hospital, Inc. and in 2007 purchased a 49% interest in Kansas Heart Hospital, LLC also located in Wichita, Kansas. In July 2011, VCH-W deconsolidated a subsidiary, Center of Innovation for Biomaterials and Orthopedic Research ("CIBOR"), and no longer has a controlling interest. The investment in CIBOR is now recorded using the equity method of accounting. Additionally, other Health System acute care general hospitals include Via Christi Hospital, Pittsburg Inc. ("VCH-P"), located in Pittsburg, Kansas, and Mercy Regional Health Center, Inc., located in Manhattan, Kansas.

Effective December 1, 2010, Via Christi acquired the Wichita Clinic, PA, (now Via Christi Clinic—"the Clinic") and Integrated Healthcare Services, Inc. The Clinic is a multispecialty physician group employs over 160 physicians practicing in over 40 specialties. Integrated Healthcare Services, Inc. is the management services organization for the Clinic, and employs approximately 1,030 support personnel. The Health System recorded \$15.6 million in goodwill and intangibles related to the purchase of the Clinic.

Mercy Regional Health Center, Inc. was formed in 1996 through the operational consolidation of healthcare providers sponsored by the Health System and Memorial Hospital Association, each of whom contributed assets representing 50% interest. Due to management and operating agreements, the Health System is deemed to have a controlling financial interest, and therefore consolidates the operations of Mercy Regional Health Center, Inc.

Other major entities which are owned and operated by the Health System include Via Christi Villages, Inc., Affiliated Medical Services Laboratory, Inc., and Sunflower Assurance Ltd.

In June 2012, Ascension Health Alliance and Marian Health System, each 50% owner of the Health System, entered into a nonbinding memorandum of understanding to explore having Marian Health System join Ascension Health Alliance. Completion of the proposed transaction is subject to the execution of final agreements and obtaining all necessary approvals. This transaction is expected to close by March 31, 2013. After this transaction is complete, Ascension Health Alliance will essentially become the sole owner of the Health System.

Via Christi Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2012 and 2011

2. Significant Accounting Policies

Principles of Consolidation

All corporations and other entities for which operating control is exercised by the Health System or one of its subsidiaries are consolidated, and all significant inter-company transactions have been eliminated in consolidation. Investments in entities in which the Health System owns less than 50% and does not have control are accounted for on an equity basis of accounting or cost basis as determined by ownership percentage.

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting. All significant intercompany accounts and transactions have been eliminated in consolidation. All subsidiaries that are majority owned are consolidated. Noncontrolling interests in the earnings of investee organizations are included in the consolidated statement of operations and changes in net assets, with corresponding eliminations.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses, and other changes in unrestricted net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank deposits, investments in money market funds, and certificates of deposit purchased with maturities of three months or less. The Health System and affiliates have entered into overnight repurchase agreements with banks to purchase and resell direct treasury and U.S. government obligations that are not FDIC insured. As of September 30, 2012 and 2011, approximately \$64.0 million and \$73.4 million, respectively, under repurchase agreements were included in cash and cash equivalents.

Assets Whose Use is Limited and Investments

Assets whose use is limited include assets set aside by the Board of Trustees for future capital improvements over which the Board retains control and may at its discretion subsequently use for other purposes. Funds held by trustee are restricted by the bond indentures to be used primarily for debt service and for self-insurance arrangements. The current portion of these funds represents the amount attributable to current liabilities.

Interest and dividend income, realized gains (losses), and unrealized gains (losses) on trading portfolios are included in excess of revenues over expenses in the accompanying statements of operations and changes in net assets. The Health System considers all investments as trading securities.

Inventories

Inventories, which consist primarily of supplies, are stated at the lower of cost, determined by average cost, or market.

Via Christi Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2012 and 2011

Property and Equipment

Property and equipment are stated at cost (or fair value at date of donation, if applicable). The costs of repairs and maintenance are charged to operations as incurred, and the costs of replacements, renewals, and improvements are capitalized. Upon the retirement or other disposition of property and equipment, the cost and accumulated depreciation are removed from the accounts and the resulting gain or loss is recognized. Depreciation is computed by the straight-line method over the estimated useful lives ranging from 3 to 40 years.

Equipment under capital lease obligations is depreciated on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such depreciation is included in depreciation and amortization expense in the financial statements.

The Health System reviews its property and equipment for impairments when events or changes in circumstances indicate that the carrying value of the assets may not be fully recovered over their estimated useful lives. Impairments are recorded to reduce the carrying value of the assets to their fair values, if fair value is less than carrying value, determined by management based on facts and circumstances at the time of the determination.

Intangible Assets and Goodwill

Intangible assets primarily consist of goodwill and the value of electronic medical records. Electronic medical records are being amortized over periods of 8 to 10 years. Management periodically reviews recoverability of intangible assets when events or changes in circumstances indicate that the carrying value of the assets may not be fully recovered over their estimated lives and believes all amounts reported in the accompanying consolidated balance sheets to be recoverable through future operations.

Goodwill is not amortized. An annual impairment test is performed on goodwill by management. Goodwill is included in the consolidated balance sheet as presented in the table that follows.

(in thousands of dollars)

	2012	2011
Beginning balance	\$ 14,218	\$ 14,370
Working capital true up	-	50
Purchase price adjustment	(313)	(202)
Ending balance	<u>\$ 13,905</u>	<u>\$ 14,218</u>

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use 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 the Health System in perpetuity.

Via Christi Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2012 and 2011

Net Patient Service Revenues

Net patient service revenues are reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered and include estimated retroactive adjustments due to future audits and reviews. Retroactive adjustments are considered in the recognition of revenues on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits or reviews. Changes to prior year third-party settlement estimates increased net patient service revenue and excess of revenues over expenses by approximately \$8.3 million and \$10.5 million for the years ended September 30, 2012 and 2011, respectively.

Net revenues from the Medicare program accounted for approximately 33% and 33% of the Health System's net patient revenues for the years ended September 30, 2012 and 2011, respectively. Net revenues from the Medicaid program accounted for approximately 10% and 9% of the Health System's net patient revenues for the years ended September 30, 2012 and 2011. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

The provision for bad debt is based upon management's assessment of expected net collections considering economic conditions, historical experience, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for doubtful accounts based upon historical write-off experience by payer category, including those amounts not covered by insurance. The results of this review are then used to make any modifications to the provision for bad debt expense to establish an appropriate allowance for doubtful accounts. After satisfaction of amounts due from insurance and reasonable efforts to collect from the patient have been exhausted, the Health System follows established guidelines for placing certain past-due patient balances with collection agencies, subject to terms of certain restrictions on collection efforts as determined by the Health System. Accounts receivable are written off after collections efforts have been followed in accordance with the Health System's policies.

Charity Care

The Health System has a policy of providing charity care to patients who are deemed unable to pay for the services received based on financial information obtained from the patients or other sources. Since the Health System does not expect or pursue payment, charges for charity care are not reported in net patient service revenue.

Contributions, Gifts, Bequests, and Grants

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 when the condition is met or at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of operations and changes in net assets as other operating revenue. 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 temporarily restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service. Donor-restricted contributions whose restrictions are met within the same year as received are reported as

Via Christi Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2012 and 2011

unrestricted contributions within other operating revenue in the accompanying consolidated statements of operations

Fair Value of Financial Instruments

The carrying amounts of certain of our financial instruments reported in the balance sheets for cash and cash equivalents, accounts receivable, other current assets, accounts payable and accrued expenses approximate their fair value because of their short maturities

The fair value of the Health System's long-term debt has been derived based on the market price of bonds in the secondary market and comparison to borrowing rates currently available to comparable organizations. The fair value of fixed rate long-term bond debt was approximately \$365 million and \$343 million at September 30, 2012 and 2011, respectively, based on Level 2 information provided by an outside third party. Book value approximates fair value for all other long term debt.

Assets Whose Use is Limited and Investments

These assets consist primarily of cash, short-term investments, marketable equity securities, corporate debt instruments, U S government obligations and interest receivable. Investments are stated at fair value in the balance sheets, based generally on quoted market prices.

Income Taxes

With the exception of the Clinic and certain other subsidiaries, all of the entities in the Health System are organizations under Section 501 (c)(3) of the Internal Revenue Code and are generally exempt from payment of income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code. Subsidiaries which are for-profit organizations are subject to federal and state income taxes. Included in income taxes and other is tax expense totaling \$272,000 for 2012 and tax benefit totaling \$1,845,000 for 2011.

Accounting principles generally accepted in the United States of America require the Health System's management to evaluate tax positions taken by the Health System and by its subsidiaries and recognize a tax liability (or asset) if an uncertain position has been taken that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions by the Health System and its subsidiaries, and has concluded that as of September 30, 2012 and 2011, there were no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

Tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Income tax expense or benefit is included in other nonoperating gains and losses in the consolidated statements of operations and changes in net assets. Deferred tax assets and liabilities are measured using enacted tax rates expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Health System recorded a net deferred tax liability of \$525,000 and \$1,422,000 at September 30, 2012 and September 30, 2011, respectively.

Performance Indicators

Income From Operations

The Health System's operating income includes all patient services and other operating revenues and operating expenses for the reporting period.

Via Christi Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2012 and 2011

Excess of Revenues Over Expenses

The Health System's excess of revenues over expenses excludes other changes in unrestricted net assets, which is consistent with industry practice, including unrealized gains and losses on investments other than trading securities, permanent transfers of assets to and from affiliates for other than goods and services, discontinued operations and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets)

New Accounting Standards

In July 2012, The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2012-01, Health Care Entities (Topic 954), Continuing Care Retirement Communities – Refundable Advance Fees. ASU 2012-01 requires that a continuing care retirement community recognize a deferral of revenue when a contract between a continuing care retirement community and a resident stipulates that (1) a portion of the advanced fee is refundable if the contract holder's unit is reoccupied by a subsequent resident, (2) the refund is limited to the proceeds of reoccupancy, and (3) the legal environment and the entity's management policy and practice support the withholding of refunds under condition (2). For nonpublic entities, the amendments in this Update are effective for fiscal periods beginning after December 15, 2013. Management does not believe the adoption of this Update will have any significant impact on the consolidated financial statements of the Health System.

Subsequent Events

The Health System has evaluated subsequent events through December 14, 2012, the date that the financial statements were issued.

Reclassification

Certain prior year amounts were reclassified to conform to the current year presentation.

3. Charity Care and Community Benefits

The Health System has adopted the community benefit reporting guidelines outlined in *Community Benefit Planning and Reporting Guide* developed by The Catholic Health Association of the United States, VHA, Inc. (CHA) and others.

- Traditional charity care includes the cost of services provided to persons who cannot afford health care because of inadequate resources and/or who are uninsured or underinsured.
- Unpaid cost of public programs represents the unpaid cost of services provided to persons covered by public programs for the poor.
- Cost of other community benefit programs and services includes unreimbursed costs of programs specifically designed to serve the poor and vulnerable of the community as well as the general community, including health promotion and education, health clinics and screenings, and medical research.

Via Christi Health, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2012 and 2011

The net cost to the Health System of providing care to persons who are poor and for the broader community is as follows

<i>(in thousands of dollars)</i>	(Unaudited)	
	2012	2011
Traditional charity care provided, at cost	\$ 46,831	\$ 45,262
Unpaid costs of public programs	21,743	19,820
Other community benefit programs, at cost	21,953	16,901
Total community benefit	<u>\$ 90,527</u>	<u>\$ 81,983</u>

All amounts are reported at estimated cost, not charges, using ratio of cost to charge as recommended by CHA. Community benefit, as reported above, does not include the cost of bad debt or the unreimbursed costs of providing care to Medicare beneficiaries

The Health System actively sponsors community benefit programs that respond to identified community needs. These programs focus on the poor and underserved of the community and are implemented with the intention of improving the overall health of the community. The Health System endorses a broad definition of the meaning of a healthy community by encouraging systematic change, removal of barriers to access to health care, and development of strong partnerships within each community. Examples of these efforts are mobile clinics and school based screenings and health education, transportation, development of health ministry programs across all faith groups, community center-based health and social services, community case management, resources for indigent clinics and mental health services, and 24-hour emergency rooms.

4. Net Patient Service Revenue

The Health System has agreements with third-party payors that provide for payments at amounts different from its established rates. The Health System recognizes net patient service revenue associated with services provided to patients who have third-party payer coverage on the basis of contractual rates for the services rendered.

A summary of the payment arrangements with major third-party payors follows:

Medicare

Inpatient acute care and rehabilitation services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors.

Outpatient and home health services are paid on prospective payment methodologies that are based on clinical classification of the services provided.

Skilled nursing facility services are paid at prospectively established per diem rates. These rates vary according to a patient classification system that is based on clinical assessments.

Psychiatric services related to Medicare beneficiaries are paid based on a cost reimbursement methodology, subject to certain limitations.

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For those services that the Health System is paid on a cost reimbursement basis, a tentative rate is initially computed with a final settlement determined after submission of an annual cost report by the Health System and completion of an audit thereof by the Medicare fiscal intermediary. The Health Systems cost reports have generally been audited by the Medicare fiscal intermediary through 2010.

Medicaid

Inpatient services rendered to Medicaid program beneficiaries are reimbursed based on prospectively established per diem rates. Outpatient services are reimbursed on a fee for service basis from predetermined fee schedules.

Managed Care and Other

The Health System participates as a provider of health care services under agreements with certain managed care organizations and under contracts negotiated with area employers. The terms of each contract will vary, but typically include either prospectively determined per diem rates, established rates for specific procedures, or a negotiated discount rate offered by the constituent corporations for services provided to patients covered under the plan.

Uninsured and Self-Pay

For uninsured patients that do not qualify for charity care, the Health System recognizes revenue on the basis of its standard rates for services less an uninsured discount applied to the patient's account that approximates the average discount for managed care payers. On the basis of historical experience, a significant portion of Via Christi's uninsured patients are deemed able to pay but are unwilling to pay for services provided. The Health System records a significant provision for bad debts related to uninsured patients in the period the services are provided.

Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payer sources, is as follows for the years ended September 30, 2012 and 2011:

<i>(in thousands of dollars)</i>	2012		2011	
	Gross Charges	Deductions	Gross Charges	Deductions
Medicare	\$ 1,282,177	\$ 911,681	\$ 1,237,110	\$ 874,990
Medicaid	400,761	287,664	393,926	291,445
Managed care and other	1,126,666	623,579	1,062,873	539,530
Uninsured and self pay	301,048	179,978	286,934	189,603
	<u>3,110,652</u>	<u>2,002,902</u>	<u>2,980,843</u>	<u>1,895,568</u>
Provision for bad debts	-	55,301	-	68,523
	<u>\$ 3,110,652</u>	<u>\$ 2,058,203</u>	<u>\$ 2,980,843</u>	<u>\$ 1,964,091</u>

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5. Concentration of Credit Risk

The Health System generally grants credit without collateral to its patients, most of whom are local residents of the markets where the facilities are located and are insured under third-party payor agreements. The distribution of net patient accounts receivable by payer at September 30, 2012 and 2011 is as follows:

	2012	2011
Medicare	28 %	28 %
Medicaid	9	8
Managed care and other	55	54
Uninsured	8	10
	<u>100 %</u>	<u>100 %</u>

6. Short-Term Investments, Assets Whose Use is Limited, and Long-term Investments

The Health System's short-term and long-term investments are primarily invested in the Health System pooled funds administered by a bank custodian.

Assets whose use is limited consist of investments in the Health System investment pooled funds totaling \$217,677,000 and \$189,893,000 at September 30, 2012 and 2011, respectively, and other amounts held by trustees.

Health Systems investments including short-term investments, long-term investments and assets whose use is limited consist of the following:

	September 30,	
	2012	2011
<i>(in thousands of dollars)</i>		
Cash and cash equivalents	\$ 36,093	\$ 36,553
Pooled funds (see below)	694,014	594,497
Marketable equity securities - domestic	10,844	7,218
Marketable equity securities - foreign	2,472	1,334
U S government and local obligations	22,186	19,991
Corporate fixed income bonds	15,355	11,884
Asset - and mortgage-backed securities	4,995	1,323
Equity funds	6,798	5,084
Fixed income funds	6,846	1,408
Other	26	26
	<u>\$ 799,629</u>	<u>\$ 679,318</u>

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Investments in the pooled funds consist of the following

<i>(in thousands of dollars)</i>	September 30,	
	2012	2011
Cash and cash equivalents	\$ 54,088	\$ 31,087
Marketable equity securities - domestic	206,441	181,994
Marketable equity securities - foreign	56,944	51,528
U S government and local obligations	183,282	160,925
Corporate fixed income bonds	102,759	84,876
Asset and mortgage backed securities	32,280	33,370
Real estate fund	33,017	19,852
Commodities fund	35,702	32,626
Investment receivable/payables	(8,124)	(812)
Nonowned pooled funds	(2,375)	(949)
	<u>\$ 694,014</u>	<u>\$ 594,497</u>

7. Fair Value Measurements

In accordance with FASB ASC 820-20, assets and liabilities recorded at fair value in the financial statements are categorized, for disclosure purposes, based upon whether the inputs used to determine their fair value are observable or unobservable. FASB ASC 820-20 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure assets and liabilities at fair value. Level inputs, as defined by FASB ASC 820-20, are as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities on the reporting date
- Level 2 Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specific (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs that are unobservable for the asset or liability.

The fair values of Level 1 assets and liabilities were determined through quoted market prices, while fair values of Level 2 assets and liabilities were determined through prices obtained from third-party pricing sources, where quoted prices for such assets and liabilities are not available. The fair values of Level 3 assets and liabilities were based largely upon unobservable inputs, where there may be little, if any, market activity for the asset or liability. The determination of fair value for these instruments requires management judgment and estimation, considering factors specific to the asset or liability. While the Level 3 positions could be valued individually, the Health System utilizes a third party investment advisor to assist in determination of its proportionate share of those positions.

As of September 30, 2012 and 2011, assets and liabilities fair value calculations use the following valuation techniques and inputs:

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Cash and Cash Equivalents

Cash and cash equivalents include certificates of deposit, whose fair value is based on cost plus accrued interest. Significant observable inputs include security cost, maturity and relative short-term interest rates. Other cash equivalents designated as Level 2 investments primarily consist of money market funds. These investments are public investment vehicles valued using the Net Asset Value (NAV).

Marketable Equity Securities

The fair value of investments in U.S. and international equity securities is primarily determined using techniques consistent with the income approach. The values for underlying investments are fair value estimates determined by the custodian based on quoted market prices.

U.S. Government and Local Obligations

The fair value of investments in U.S. government and local obligations is primarily determined using techniques consistent with the income approach. The values for underlying investments are fair value estimates determined by the custodian based on significant observable inputs.

Corporate Fixed Income Bonds

The fair value of the majority of investments in U.S. and international corporate bonds is primarily determined using techniques consistent with the income approach. The values for underlying investments are fair value estimates determined by the custodian based on quoted market prices.

Asset-and Mortgage-Backed Securities

The fair value of the majority of asset and mortgage backed securities is primarily determined using techniques consistent with the income approach. The values for underlying investments are fair value estimates determined by the custodian based on quoted market prices.

Mutual Funds – Equity Funds and Fixed Income Funds

The fair value of the majority of investments in mutual funds is determined by using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and classified within Level 1 of the valuation hierarchy.

Real Estate Fund

The fair value of investments in the real estate fund is estimated by the external manager with review by a third party investment advisor.

Commodities Fund

The fair value of investments in the commodities fund is estimated by the external manager with review by a third party investment advisor.

Investment Receivable/Payable/Other

The fair value of investment receivables/payables/other is primarily determined using techniques consistent with the income approach. The values for underlying investments are fair value estimates determined by the custodian based on quoted market prices.

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

The following table represents investments measured at fair value on a recurring basis.

<i>(in thousands of dollars)</i>	Fair Value Measurement at September 30, 2012			
	Level 1	Level 2	Level 3	Total
Assets included in				
Cash and cash equivalents	\$ 19,614	\$ 70,567	\$ -	\$ 90,181
Marketable equity securities - domestic	215,222	2,063	-	217,285
Marketable equity securities - foreign	59,412	4	-	59,416
U S government and local obligations	-	205,468	-	205,468
Corporate fixed income bonds	-	118,068	46	118,114
Asset and mortgage backed securities	-	36,703	572	37,275
Equity funds	6,483	-	315	6,798
Fixed income funds	6,818	-	28	6,846
Real estate fund	-	-	33,017	33,017
Commodities fund	-	-	35,702	35,702
Investment receivables/payables/other	-	(8,124)	26	(8,098)
	<u>\$ 307,549</u>	<u>\$ 424,749</u>	<u>\$ 69,706</u>	<u>802,004</u>
Nonowned pooled funds				(2,375)
Total Health System investments				<u>\$ 799,629</u>

The following table is a rollforward of the balance sheet amounts for investments classified by the Health System within Level 3 of the fair value hierarchy.

<i>(in thousands of dollars)</i>	Level 3 - 2012 Roll-Forward			
	Real Estate Fund	Commodities Fund	Other Instruments	Total
Beginning balance at September 30, 2011	\$ 19,852	\$ 32,626	\$ 307	\$ 52,785
Total realized and unrealized gains	6,665	3,076	98	9,839
Purchases	6,500	-	536	7,036
Sales	-	-	(21)	(21)
Transfers into Level 3	-	-	67	67
Ending balance at September 30, 2012	<u>\$ 33,017</u>	<u>\$ 35,702</u>	<u>\$ 987</u>	<u>\$ 69,706</u>

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<i>(in thousands of dollars)</i>	Fair Value Measurement at September 30, 2011			
	Level 1	Level 2	Level 3	Total
Assets included in				
Cash and cash equivalents	\$ 1,279	\$ 66,361	\$ -	\$ 67,640
Marketable equity securities - domestic	187,650	1,562	-	189,212
Marketable equity securities - foreign	52,862	-	-	52,862
U S government and local obligations	-	180,916	-	180,916
Corporate fixed income bonds	-	96,760	-	96,760
Asset and mortgage backed securities	-	34,693	-	34,693
Equity funds	4,829	-	255	5,084
Fixed income funds	1,382	-	26	1,408
Real estate fund	-	-	19,852	19,852
Commodities fund	-	-	32,626	32,626
Investment receivables/payables/other	-	(812)	26	(786)
	<u>\$ 248,002</u>	<u>\$ 379,480</u>	<u>\$ 52,785</u>	<u>680,267</u>
Nonowned pooled funds				(949)
Total Health System investments				<u>\$ 679,318</u>

The following table is a rollforward of the balance sheet amounts for investments classified by the Health System within Level 3 of the fair value hierarchy

<i>(in thousands of dollars)</i>	Level 3 - 2011 Roll-Forward			
	Real Estate Fund	Commodities Fund	Other Instruments	Total
Beginning balance at September 30, 2010	\$ 28,114	\$ 31,556	\$ 35	\$ 59,705
Total realized and unrealized gains (losses)	(3,779)	1,070	(63)	(2,772)
Purchases, sales, issuances and settlements	(4,483)	-	335	(4,148)
Ending balance at September 30, 2011	<u>\$ 19,852</u>	<u>\$ 32,626</u>	<u>\$ 307</u>	<u>\$ 52,785</u>

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8. Equity Investments

Included in other assets are equity investments of \$104.2 million and \$91.0 million at September 30, 2012 and 2011, respectively, which represent the Health System's investment in unconsolidated affiliates. Equity in earnings associated with these equity investments is recognized in the statement of operations and is classified as either other operating revenue or nonoperating gain based on the nature of the equity investment.

	2012	2011
Other operating revenue	\$ 1,674	\$ 2,886
Nonoperating gain	<u>12,885</u>	<u>3,060</u>
Total equity earnings from unconsolidated investee	<u>\$ 14,559</u>	<u>\$ 5,946</u>

The investment and summarized information below relates primarily to a 29.8% ownership in Salina Regional Health Center, Inc. and a 49% ownership in Kansas Heart Hospital LLC.

Financial information for the investee organizations is summarized as follows:

	(Unaudited)	
<i>(in thousands of dollars)</i>	2012	2011
Total assets	\$ 433,276	\$ 389,901
Total liabilities	<u>91,103</u>	<u>90,176</u>
Net assets	<u>\$ 342,173</u>	<u>\$ 299,725</u>
Total revenues	\$ 259,516	\$ 224,188
Total expenses	<u>213,748</u>	<u>206,711</u>
Net income	<u>\$ 45,768</u>	<u>\$ 17,477</u>

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9. Long-Term Debt

Long-term debt consists of the following

<i>(in thousands of dollars)</i>	2012	2011
Series 2012-A Health Care Facility Revenue Bonds, variable interest rates from 75% to 4 25%, principal due annually and interest due semi-annually through 2032	\$ 13,000	\$ -
Series III, 2012 Health Care Facility Refunding Revenue Bonds, variable interest rates from 75% to 4 0%, principal due annually and interest due semi-annually through 2027	6,610	-
Series IV-A, 2011, Hospital Facilities Refunding and Improvement Revenue Bonds, fixed interest rates from 2 00% to 5 25%, principal due annually and interest due semi-annually through 2029	115,880	115,880
Series IV-B, 2011, Hospital Facilities Variable Rate Revenue Bonds, variable interest, principal due 2029-2031 and interest due semi-annually through 2031	40,000	40,000
Series IV-C, 2011, Hospital Facilities Variable Rate Revenue Bonds, variable interest, principal due 2039 and interest due semi-annually through 2039	28,000	28,000
Series 2010 Health Care Facilities Refunding Revenue Bonds, fixed interest rates from 1 9% to 5 25%, principal due annually and interest due semi-annually through 2031	15,440	16,015
Series X 2009 Hospital Facilities Refunding and Improvement Revenue Bonds, fixed interest rates from 3 00% to 5 00%, principal due annually and interest due semi-annually through 2024	79,520	83,865
Series III 2009-A Hospital Facilities Refunding and Improvement Revenue Bonds, fixed interest rates from 3 00% to 5 00%, principal due annually and interest due semi-annually through 2034	66,080	71,730
Series III 2009-B Hospital Facilities Variable Rate Revenue Bonds, variable interest, principal due 2039 and interest due semi-annually through 2039	53,315	53,315
Series II, 2004 Health Care Facilities Refunding Revenue Bonds, fixed interest rates from 1 50% to 5 125%, principal due annually, interest due semi-annually through 2029	-	6,805
Series 2001 Hospital Revenue Bonds, fixed interest rates from 4 50% to 5 50%, principal due annually and interest due semi-annually through 2031	30,380	31,315
Note payable to bank, variable rate interest rate 4 5% as of September 2012 and 2011 collateralized by buildings and improvements, payable in monthly installments through 2031	19,212	19,857
Other long-term debt and capital lease obligations collateralized by certain property and equipment	9,307	8,951
	<u>476,744</u>	<u>475,733</u>
Less Current portion	(17,066)	(14,721)
Add Net unamortized bond premiums	9,391	11,422
Long-term debt, less current portion	<u>\$ 469,069</u>	<u>\$ 472,434</u>

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The Health System, along with certain subsidiaries (the "Obligated Group"), entered into a master trust indenture and an obligated group agreement whereby they were jointly and severally liable for all amounts due under any and all notes and guarantees issued pursuant to the master trust indenture. The Obligated Group consists of the Health System, VCH-W, Via Christi Rehabilitation Hospital, VCH-P and Via Christ Hospital – St. Teresa, as defined.

In September 2012, the City of Hays, Kansas, issued Health Care Facility Revenue Bonds, Series 2012-A (St. John's Bonds) for the benefit of St. Johns, Inc. in the amount of \$13,000,000 bearing interest at 75% to 4.25%. The proceeds of the Series 2012-A bonds, were used for the purpose of purchasing, acquiring, constructing, equipping, installing and furnishing a skilled nursing facility in Hays, Kansas. The Health System has agreed, in accordance with limitations and qualifications contained in the Master Trust Indenture, to unconditionally guarantee the payment of principal and interest on the St. John's Bonds. The guaranty of the Health System is unsecured and constitutes an obligation of the Obligated Group members. Management of the Health System does not expect to incur any actual liability in connection with its guaranty of the St. John's Bonds.

In September 2012, Sedgwick County, Kansas issued \$6,610,000 of its Health Care Facility Refunding Revenue Bonds Series III, bearing interest at 75% to 4.0% for the benefit of Via Christi Village McLean, a subsidiary of the Health System (McLean Bonds). These bonds were issued to refund and redeem the outstanding Series II, 2004 (Riverside Village, Inc.) bonds. The Health System has agreed, in accordance with limitations and qualifications contained in the Master Trust Indenture, to unconditionally guarantee the payment of principal and interest on the McLean Bonds. The guaranty of the Health System is unsecured and constitutes an obligation of the Obligated Group members. Management of the Health System does not expect to incur any actual liability in connection with its guaranty of the McLean Bonds.

In September 2011 the City of Wichita (the "City") issued Hospital Facilities Refunding and Improvement Revenue Bonds Series IV-A 2011 ("Series 2011-A Bonds") for the benefit of the Health System in the amount of \$115,880,000 bearing interest at 2.0% to 5.25%. Also in September 2011, the City issued Hospital Facilities Variable Rate Revenue Bonds Series IV-B ("Series 2011-B Bonds") for the benefit of the Health System in the aggregate amount of \$40,000,000. These bonds were issued as a variable rate direct placement bonds with J.P. Morgan Chase Bank N.A. Also in September 2011, the City issued Hospital Facilities Variable Rate Revenue Bonds Series IV-C ("Series 2011-C Bonds") for the benefit of the Health System in the aggregate amount of \$28,000,000. These bonds were issued as variable rate demand bonds and are secured by an irrevocable letter of credit issued by J.P. Morgan Chase Bank, N.A. The letter of credit expires on December 31, 2014. The proceeds of the Series 2011-A and Series 2011-B Bonds, along with other funds, were used by the Health System to defease and refund the Series 2001 Bonds. The proceeds of the Series 2011-C Bonds were used to pay cost of issuance, and to establish a project fund for projects at VCH-P and VCH-W.

In January 2010, Sedgwick County, Kansas issued \$16,860,000 of its Health Care Facilities Refunding Revenue Bonds bearing interest at 1.9% to 5.25% for the benefit of Catholic Care Center, a subsidiary of the Health System (CCC Bonds). These bonds were issued to refund and redeem the outstanding 2001 and 2003 CCC Bonds. The Health System has agreed, in accordance with limitations and qualifications contained in the Master Trust Indenture, to unconditionally guarantee the payment of principal and interest on the CCC Bonds. The guaranty of the Health System is unsecured and constitutes an obligation of the Obligated Group members. Management of the Health System does not expect to incur any actual liability in connection with its guaranty of the CCC Bonds.

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In December 2009, the City issued Hospital Facilities Refunding and Improvement Revenue Bonds Series X 2009 ("Series 2009-X Bonds") for the benefit of the Health System in the amount of \$88,110,000 bearing interest at 3 0% to 5 0%. The proceeds of the Series 2009-X Bonds, along with other funds, were used by the Health System to defease and refund the Series 1999 Bonds.

In September 2009, the City issued Hospital Facilities Refunding and Improvement Revenue Bonds Series III-A 2009 ("Series 2009-A Bonds") for the benefit of the Health System in the amount of \$75,000,000 bearing interest at 3 0% to 5 0%. Also in September 2009, the City issued Hospital Facilities Variable Rate Revenue Bonds Series III-B-1 and Series III-B-2 ("Series 2009-B Bonds") for the benefit of the Health System in the aggregate amount of \$80,000,000. These bonds were issued as variable rate demand bonds and are secured by two irrevocable letters of credit issued by JP Morgan Chase Bank, N.A. The letters of credit expire on December 31, 2014. A portion of the proceeds of the Series 2009-A and Series 2009-B Bonds, along with other funds, were used by the Health System to defease and refund the Series 1992 Bonds. The remainder of the bond proceeds was used to pay cost of issuance, and to establish a project fund to construct and equip Via Christi Hospital Wichita-St Teresa.

In January 2004, the City issued Health Care Facilities Refunding Revenue Bonds Series II 2004 ("Series 2004 Bonds") for the Benefit of Riverside Village, a subsidiary of the Health System, in the amount of \$8,385,000 bearing interest from 1 50% to 5 125%. The proceeds of the Series 2004 Bonds, along with other funds, were used by Riverside Village to refund the Series 1997-B Bonds. The Health System has agreed, in accordance with limitations and qualifications contained in the Master Trust Indenture, to unconditionally guarantee the payment of principal and interest on the Series 2004 Bonds. The guaranty of the Health System is unsecured and constitutes an obligation of the Obligated Group members. This bond was paid off during 2012 using proceeds from the McLean Bonds.

In February 2001, the City of Manhattan, Kansas issued \$38,000,000 of its Hospital Revenue Bonds bearing interest at 4 50% to 5 50% for the benefit of Mercy Regional Health Center of Manhattan. These bonds were issued to acquire, purchase, construct, equip and furnish certain improvements to the Mercy Regional Health Center facility and to pay insurance and other costs of issuance. At the date of issuance, Mercy Regional Health Center was the only member of its obligated group, as such term is used in the Master Indenture for this issue.

Debt related to all in substance defeased prior issues of SFMC and CSJ, had a remaining outstanding principal balance of \$13.4 million at September 30, 2012. The debt and the related funds, which have been irrevocably placed with trustees in accordance with escrow deposit agreements, are excluded from the accompanying consolidated financial statements.

In connection with certain of the bond issuances, legal title to VCH-P and the VCH-W facilities has been transferred to the City and lease agreements with the City have been executed. The Health System has the option to acquire legal title to these facilities at any time during the remaining term of the leases by paying amounts sufficient to redeem the principal amount of bonds outstanding plus accrued interest to the redemption date, and all other costs associated with the redemption, plus a nominal amount. These transactions have been accounted for as purchases, and accordingly, the consolidated financial statements reflect the indebtedness as liabilities and the cost of the applicable leased property and equipment as assets.

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The Health System's debt agreements contain certain requirements to maintain various financial covenants including the maintenance of a minimum annual debt service ratio and days cash on hand. At September 30, 2012, the Health System was in compliance with all of its debt covenants.

Scheduled principal repayments on long-term debt including capital leases are as follows:

(in thousands of dollars)

2013	\$	17,066
2014		17,868
2015		17,579
2016		18,339
2017		19,026
Thereafter		386,866
	\$	<u>476,744</u>

10. Temporarily and Permanently Restricted Net Assets

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

(in thousands of dollars)

	2012	2011
Medical education	\$ 698	\$ 658
Other designated health programs	<u>7,541</u>	<u>6,919</u>
	<u>\$ 8,239</u>	<u>\$ 7,577</u>

Designated health care programs relate mainly to assets held by foundations which are designated by donors or grantors to be used in specific health care programs for medical and patient services or capital equipment.

Permanently restricted net assets of \$5.9 million at September 30, 2012 and 2011 are restricted to investments to be held in perpetuity, the income from which is expendable to support health care services.

The Health System and affiliates invest funds associated with restricted net assets in the Health Systems pooled fund and in other investments for the purpose of maintaining the original gift amount and providing earnings with which to support programs as desired by the donors, and to the extent limited by statute. The Health System generally appropriates for expenditure the earnings on such funds at the time earned, and therefore reports such earnings in unrestricted net assets.

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11. Pension and Retirement Plans

The Health System sponsored a noncontributory defined benefit pension plan that covers substantially all of the Health System's employees and employees of certain affiliates. The pension plan, which qualifies for church plan status and, accordingly, is exempt from the requirements of the Employment Retirement Income Security Act of 1974 ("ERISA"), provides benefits under an individual participant (cash balance) account based plan whereby participants are guaranteed a benefit equal to a percentage of their annual compensation based on years of service. Annual contributions to the plan are generally based on the minimum funding requirements of ERISA. Contributions are intended to provide not only for benefits attributed to service to date but also for those expected to be earned in the future.

The Health System has approved an amendment to freeze the noncontributory defined benefit plan as of December 31, 2011. Under the frozen plan, participants will no longer accrue contribution credits, but will continue to earn interest credits and vesting credits. The results of the plan freeze are not expected to affect results of operations or cash flows or the Health System's financial position and therefore, no curtailment loss was recognized as a result of this action to freeze the plan on December 31, 2011. The Health System adopted a new defined contribution plan effective January 1, 2012 which will include an employer contribution and the potential for additional matching contributions.

The Health System sponsors a defined contribution plan covering substantially all employees and employees of certain affiliates. Contributions charged to operations approximated \$29,672,000 and \$10,026,000 for the years ended September 30, 2012 and 2011, respectively.

Included in unrestricted net assets at September 30, 2012 are unrecognized actuarial losses of \$61,928,000 that have not yet been recognized in net periodic pension cost. The actuarial loss included in unrestricted net assets and expected to be recognized in net periodic pension cost during the year ending September 30, 2013, is \$3,264,000.

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The following table sets forth the plan's funded status and the amount recognized in the consolidated balance sheets at September 30

<i>(in thousands of dollars)</i>	2012	2011
Changes in projected benefit obligation		
Benefit obligation at beginning of year	\$ 266,436	\$ 242,944
Service cost	4,864	16,921
Interest cost	12,348	12,082
Actuarial loss	16,950	5,749
Benefits paid	(11,325)	(11,260)
Plan amendments	(34,931)	-
Projected benefit obligation at end of year	<u>\$ 254,342</u>	<u>\$ 266,436</u>
Changes in plan assets		
Fair value of plan assets at beginning of year	\$ 203,146	\$ 198,133
Actual return on plan assets	37,512	(304)
Employer contribution	17,067	16,577
Benefits paid	(11,325)	(11,260)
Fair value of plan assets at end of year	<u>\$ 246,400</u>	<u>\$ 203,146</u>
Amount recognized in consolidated balance sheets		
Funded status - Projected benefit obligation in excess of plan assets included in other noncurrent liabilities	\$ (7,942)	\$ (63,290)
Amount included in the unrestricted net assets, controlling interest		
Net actuarial loss	\$ 61,928	\$ 108,758

The following table sets forth the net periodic pension cost recognized in the consolidated statements of operations and changes in net assets during the years ended September 30

<i>(in thousands of dollars)</i>	2012	2011
Components of net periodic pension costs		
Service cost benefits earned during the year	\$ 4,864	\$ 16,921
Interest cost on projected benefit obligation	12,348	12,082
Expected return on assets	(15,821)	(16,300)
Amortization of unrecognized net loss	7,159	3,977
Net periodic pension cost	<u>\$ 8,550</u>	<u>\$ 16,680</u>
Other changes in plan assets and benefit obligations amortized from unrestricted net assets - controlling interest		
Net actuarial loss (gain)	\$ (39,671)	\$ 22,354
Amortization of net actuarial gain	(7,159)	(3,977)
	<u>\$ (46,830)</u>	<u>\$ 18,377</u>
Total recognized in net periodic benefit cost and unrestricted net assets - controlling interest	<u>\$ (38,280)</u>	<u>\$ 35,057</u>

Via Christi Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2012 and 2011

The amounts included in the tables above also include amounts for non Health System entities which are excluded from the Health System's consolidated financial statements

The following weighted-average assumptions were used to determine the pension cost for the years ended September 30

	2012	2011
Discount rate	4.73 %	4.74 %
Rate of increase in compensation levels	4.00	4.00
Expected long-term rate of return on assets	8.00	8.00

The Plan's investment assets at September 30, 2012 consisted of equities – 58%, debt securities – 24%, real estate – 5%, commodities – 4%, and cash and cash equivalents – 9%. Plan investment policies include a target asset allocation range of equities – 50% to 70%, debt securities – 24% to 34%, real estate – 2% to 8%, commodities – 2% to 8%, and cash and cash equivalents – 0% to 10%.

The broad-based investment goals of the plan are to 1) at a minimum, preserve the inflation-adjusted value of the Pension assets after administrative costs and benefit payments, 2) prudently invest assets in a high-quality, diversified manner, 3) achieve the optimal return possible within the specified risk parameters, 4) achieve the actuarial earnings assumptions, 5) adhere to the established guidelines, and 6) foster and advance business practices and activities which reflect Christian principles, values and traditions embraced by the Health System.

The split among various asset classes, particularly the equity versus fixed-income ratio, is the most significant decision to affect the overall volatility of results. The assets are viewed as having a long-term horizon with low to moderate liquidity constraints. The goal is to maximize returns over the long-term and accordingly, performance will be measured and reviewed regularly. The long-term allocation will be reviewed at least annually, and the asset allocation will be particularly rebalanced as the asset allocation nears the minimum and maximum of the established ranges.

Investments in debt securities are limited to a minimum quality of BBB and the average quality shall be no less than AA. Equity investments are well diversified. Leverage of the portfolio is prohibited.

Investment managers must adhere to the moral and ethical principles that reflect social justice and peace according to the Gospel principles and are consistent with the principles and values of the Roman Catholic Church. Investment in organizations which engage in activities, services, or pursuits, or which are involved in the design, manufacture, fabrication, distribution or handling of products, not in concert with such principles, will be avoided or utilized to effect favorable change or other positive influences through the exercise of proxies, elections, votes and other corporate authority. Investment advisors and managers will place investments and will exercise stockholder's rights and other authority, as they may from time to time possess, in a manner consistent with and in furtherance of such principles.

Via Christi Health, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2012 and 2011

The long-term rate of return reflects the average rate of earnings expected on the funds invested to provide for the benefits in the future. In estimating this rate, the appropriate consideration was given to the returns currently being earned by the plan assets (8.4% over the most recent ten years) and the rates of return expected to be available for reinvestment. The present and expected asset mix was taken into account. The long-term rate is expected to be less volatile than the actual rate of return on assets, since the expected rate not only considers current returns, but also reinvestment rates in the future. This rate will generally be the same each year, unless asset mix and/or asset returns are expected to significantly change in the future.

Expected benefits to be paid in the next 10 years after September 30, 2012 are as follows:

<i>(in thousands of dollars)</i>	Amount
Years	
1	\$ 13,980
2	14,820
3	14,286
4	15,115
5	17,403
6–10	75,085

The employer contribution for the coming year, due June 15, 2013, is \$2,220,219.

The Health System believes that the oversight of the investments held under its employee benefit plans is rigorous and that the investment strategies are prudent. The market value of the investments within the employee benefit plans increased by approximately 19.0% during the year ended September 30, 2012.

The following tables summarize fair value measurements at September 30, 2012 and 2011, by asset class and by level, for the pension plan investments. The Health System follows the three-level fair value hierarchy to categorize plan assets and liabilities at fair value, which prioritizes the inputs used to measure such fair values. The inputs and valuations techniques discussed in the fair value measurements note also apply to plan assets and liabilities as presented in the following table:

<i>(in thousands of dollars)</i>	Fair Value Measurement at September 30, 2012			
	Level 1	Level 2	Level 3	Total
Assets included in				
Cash and cash equivalents	\$ 25	\$ 20,865	\$ -	\$ 20,890
Marketable equity securities - domestic	120,577	-	-	120,577
Marketable equity securities - foreign	23,130	-	-	23,130
U.S. government and local obligations	-	36,038	-	36,038
Corporate fixed income bonds	-	17,513	-	17,513
Asset and mortgage backed securities	-	4,953	-	4,953
Real estate fund	-	-	12,228	12,228
Commodities fund	-	-	10,738	10,738
Investment receivables/payables/other	-	333	-	333
	\$ 143,732	\$ 79,702	\$ 22,966	\$ 246,400

Via Christi Health, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2012 and 2011

The following table is a roll forward of the plan amounts for investments classified by the Health System within Level 3 of the fair value hierarchy at September 30, 2012

	Level 3 - 2012 Roll-Forward		
	Real Estate Fund	Commodities Fund	Total
<i>(in thousands of dollars)</i>			
Beginning balance at September 30, 2011	\$ 5,912	\$ 11,577	\$ 17,489
Total realized and unrealized gains	2,016	861	2,877
Purchases	4,300	-	4,300
Settlements	-	(1,700)	(1,700)
Ending balance at September 30, 2012	<u>\$ 12,228</u>	<u>\$ 10,738</u>	<u>\$ 22,966</u>

	Fair Value Measurement at September 30, 2011			
	Level 1	Level 2	Level 3	Total
<i>(in thousands of dollars)</i>				
Assets included in				
Cash and cash equivalents	\$ (438)	\$ 9,592	\$ -	\$ 9,154
Marketable equity securities - domestic	98,522	-	-	98,522
Marketable equity securities - foreign	18,140	-	-	18,140
U S government and local obligations	-	43,198	-	43,198
Corporate fixed income bonds	-	12,258	-	12,258
Asset and mortgage backed securities	-	4,715	-	4,715
Real estate fund	-	-	5,912	5,912
Commodities fund	-	-	11,577	11,577
Investment receivables/payables/other	-	(330)	-	(330)
	<u>\$ 116,224</u>	<u>\$ 69,433</u>	<u>\$ 17,489</u>	<u>\$ 203,146</u>

The following table is a roll forward of the plan amounts for investment classified by the Health System within Level 3 of the fair value hierarchy at September 30, 2011

	Level 3 - 2011 Roll-Forward		
	Real Estate Fund	Commodities Fund	Total
<i>(in thousands of dollars)</i>			
Beginning balance at September 30, 2010	\$ 8,146	\$ 9,833	\$ 17,979
Total realized and unrealized gains (losses)	(998)	1,124	126
Purchases, sales, issuances and settlements	(1,236)	620	(616)
Ending balance at September 30, 2011	<u>\$ 5,912</u>	<u>\$ 11,577</u>	<u>\$ 17,489</u>

Via Christi Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2012 and 2011

12. Professional and General Liability Insurance

One of the Health System's subsidiaries, VCH-W, is self-insured for professional liability claims up to \$200,000 per occurrence and \$600,000 in the aggregate per year. Mercy Regional Health Center, VCH-P and Via Christi Rehabilitation Center have coverage on a claim made basis, through commercial insurance, up to \$200,000 per occurrence and \$600,000 in the aggregate per year. In addition, VCH-W, Mercy Regional Health Center, VCH-P, and Via Christi Rehabilitation Center have coverage provided by the Kansas Health Center Stabilization Fund ("HCSF") for each occurrence up to an additional \$800,000 per occurrence and \$2,400,000 in the aggregate per year. Other Health System subsidiaries which are required to comply with the HCSF are insured up to \$1,000,000 per occurrence and \$3,000,000 in the aggregate per year through commercial claims made policies.

The Health System has purchased excess liability insurance in the amount of \$75,000,000 which sits above underlying hospital professional liability insurance, medical professional liability insurance, general liability insurance, automobile liability insurance, nonowned aircraft liability insurance, employers liability insurance, directors' and officers' liability insurance, errors and omissions liability insurance, employment practices liability insurance, and fiduciary liability insurance. This excess liability insurance is being provided through a captive insurance company which is a subsidiary of the Health System. The captive insurance company has purchased commercial reinsurance to cover a significant portion of its exposure.

In addition to this coverage, the captive also provides professional liability coverage for the Health System's physician employees, senior care facilities, home health agencies, and other Health System health care providers.

The Health System is self-insured for workers' compensation, general liability and health insurance claims. Deposits in related revocable trust accounts for self-insurance programs, approximating \$25,600,000 and \$18,493,000 at September 30, 2012 and 2011, respectively, are included in assets whose use is limited in the accompanying consolidated balance sheets. The Health System's accrual for professional liability claims and workers' compensation claims, which are included in other noncurrent liabilities, is based upon actuarially determined estimates of potential losses to be incurred from asserted and unasserted claims, discounted based on interest rates of 4.0% - 5.0%. The accruals for professional liability claims were approximately \$19,173,000 and \$17,228,000 and the accruals for workers' compensation claims were approximately \$8,884,000 and \$9,871,000 at September 30, 2012 and 2011, respectively.

Via Christi Health, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2012 and 2011

13. Commitment and Contingencies

Lease Commitments as Lessee

The Health System's hospitals maintain certain departments and physician clinics in leased premises and are committed under equipment leases that have terms of one year or more. Future minimum annual leases under the aforementioned lease agreements as of September 30, 2012 are as follows:

(in thousands of dollars)

2013	\$	9,901
2014		7,604
2015		4,390
2016		3,076
2017		2,862
Thereafter		4,738
	\$	<u>32,571</u>

Total rental expense for all operating leases, including amounts paid under lease agreements with initial terms less than one year in duration, in the years ended September 30, 2012 and 2011 approximated \$7,791,000 and \$9,493,000, respectively. Such amounts are included in other expenses in the accompanying consolidated statements of operations.

Litigation

The Health System is periodically involved in litigation and regulatory investigations arising in the course of business. After consultation with legal counsel, management is not aware of any matters that would have a material adverse effect on the Health System's future financial position, results from operations, or cash flows.

The Health System has two Medicare appeals claims outstanding for the Medicare terminating cost reports relative to the consolidation of St. Joseph Medical Center, Inc. and St. Francis Regional Medical Center, Inc. in Wichita, Kansas, effective October 2, 1995, with the potential for payments receivable in a material amount. A preliminary settlement offer on one of the claims has been received, but it is not considered to be a valid offer and has not been accepted. The timing and ultimate amounts of the settlements are unknown, and the consolidated financial statements do not include a receivable for these claims.

The Health System has been working with the Office of Federal Contract Compliance Programs (OFCCP) regarding a complaint alleging discriminatory hiring practices at one of its ministries. The OFCCP has notified the Health System that they will be making a demand. Accordingly, an immaterial estimate of the liability has been recorded.

Via Christi Health, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2012 and 2011

Regulatory Compliance

The Health System operates in a highly regulated and litigious industry. As a result, various lawsuits, claims and legal and regulatory proceedings have been and can be expected to be instituted or asserted against the Health System. In addition, various "technical" violations under the Stark law that were discovered through routine internal audit activities will be disclosed under the government's new self-disclosure protocol, but the timing and amount of any settlements under that self-disclosure protocol are not possible to estimate at this time. Management believes the resolution of any such lawsuits, claims or legal and regulatory proceedings would not have a material, adverse effect on the Health System's results of operations or financial position, however actual results could be different.

Health care companies are subject to numerous investigations by various governmental agencies. Under the federal false claims act ("FCA") private parties have the right to bring qui tam, or "whistleblower," suits against companies that submit false claims for payments to, or improperly retain overpayments from, the government. Depending on whether the underlying conduct in these or future inquiries or investigations could be considered systemic, their resolution could have a material, adverse effect on the Health System's results of operations or financial position.

The U.S. Department of Justice and other federal agencies are increasing resources dedicated to regulatory investigations and compliance audits of healthcare providers. The Health System is subject to these regulatory efforts but has not been notified of any such significant initiatives by federal agencies.

In addition, the Health System must comply with various reporting and operating regulations mandated by the federal and state programs. Failure to comply with these regulations could result in the Health System losing its eligibility to receive funds under these programs. Management is not aware of any operations or activities which would jeopardize the Health System's eligibility under these programs.

14. Functional Expenses

The Health System affiliates provide health care services to residents within their geographic location. Expenses related to providing these services for the years ended September 30 are as follows:

<i>(in thousands of dollars)</i>	2012	2011
Health care services	\$ 892,584	\$ 853,411
General and administrative	210,485	221,303
Fundraising	906	958
	<u>\$ 1,103,975</u>	<u>\$ 1,075,672</u>

15. Factoring of Accounts Receivable

The Health System entered into agreements in September 2012 to sell certain self-pay accounts receivable to a third party bank. The sale of these accounts is with recourse to the Health System and is recorded as factoring. The balance outstanding for these receivable sales is \$2,365,060 at September 30, 2012. VCH recorded the liability to the bank for \$2,365,060 as other accrued liability.

Via Christi Health, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
September 30, 2012 and 2011

16. Electronic Health Record Incentive Program

The Electronic Health Records Incentive Program provides for one-time incentive payments under both the Medicare and Medicaid programs to eligible hospitals that demonstrate meaningful use of certified electronic health records technology (EHR). Payment under both programs are contingent on the hospital continuing to meet escalating meaningful use criteria and any other specific requirements that are applicable for the reporting period. The final amount for any payment year is determined based upon an audit by the fiscal intermediary. Events could occur that would cause the final amounts to differ materially from the initial payments under the program.

The Health System and its hospitals recognize revenue ratably over the reporting period starting at the point when management is reasonably assured it will meet all of the meaningful use objectives and any other specific grant requirements applicable for the reporting period. In 2012 the Health System and its hospitals became eligible for reimbursement for phase I of the EHR program and recorded a receivable from Medicare for \$8.9 million. This \$8.9 million is recorded in other operating revenue.

17. Related Party Transactions

The Health System has transactions with its sponsors, Ascension Health Alliance and Marian Health System, or certain subsidiaries of its sponsors. These transactions are not eliminated in the Health System consolidated financial statements. The transactions include the payment of annual sponsorship fees, services contracted for internal audit and for biomedical engineering. Management has reviewed these transactions and does not consider the amounts paid for these services to be material.

18. Subsequent events

Mercy Regional Health Center, Inc.'s board of trustees along with both corporate members, Via Christi Health, Inc. and Memorial Hospital Association, approved refinancing of the outstanding City of Manhattan, Kansas Hospital Revenue Bonds, Series 2001. This refinancing is expected to take place during 2013.

Supplementary Information

Via Christi Health, Inc. and Subsidiaries
Consolidating Balance Sheets
September 30, 2012

Schedule 1

	Hospitals Consolidated	Physician	Health Services	Via Christi Villages	Wichita Health	Eliminations	FY 2012 Consolidated
Assets							
Current assets							
Cash and cash equivalents	\$ 43,662	\$ 17,632	\$ 16,623	\$ 14,116	\$ 1,715	\$ -	\$ 93,748
Short-term investments	211,083	-	67,683	15,229	199,357	-	493,352
Assets whose use is limited that are required for current liabilities	1,287	-	-	-	-	-	1,287
Patient accounts receivable, net	96,663	15,057	9,035	3,130	-	-	123,885
Estimated amounts receivable from third-party payors	8,364	-	-	-	-	(46)	8,318
Inventories	20,670	1,065	1,720	233	-	-	23,688
Other current assets	34,346	218	2,900	848	11,915	(12,147)	38,080
Total current assets	416,075	33,972	97,961	33,556	212,987	(12,193)	782,358
Assets whose use is limited							
Designated by Board for capital improvements	211,645	-	-	-	-	-	211,645
Other	7,721	-	-	1,196	-	-	8,917
Held by trustee							
Under bond indenture	2,565	-	1,913	-	26,527	-	31,005
Self-insurance arrangements	3,960	-	-	-	21,640	-	25,600
	225,891	-	1,913	1,196	48,167	-	277,167
Less Assets whose use is limited that are required for current liabilities	(1,287)	-	-	-	-	-	(1,287)
Total noncurrent portion of assets whose use is limited	224,604	-	1,913	1,196	48,167	-	275,880
Property and equipment							
Land and improvements	38,491	5,050	8,776	20,561	147	-	73,025
Buildings and fixed equipment	490,848	34,673	60,149	122,095	3,740	-	711,505
Equipment	365,122	57,662	37,017	13,840	37,720	-	511,361
Less accumulated depreciation	(579,093)	(62,430)	(65,973)	(54,540)	(10,124)	-	(772,160)
Construction in progress	11,200	-	529	4,719	36	-	16,484
Total net property and equipment	326,568	34,955	40,498	106,675	31,519	-	540,215
Other assets							
Investments in unconsolidated affiliates	14,587	-	-	29	89,856	(289)	104,183
Goodwill and intangible assets, net	13	-	-	138	15,122	-	15,273
Long-term investments	21,801	7,309	-	-	-	-	29,110
Other noncurrent assets	4,637	1,699	1,420	891	263,986	(258,444)	14,189
Total assets	\$ 1,008,285	\$ 77,935	\$ 141,792	\$ 142,485	\$ 661,637	\$ (270,926)	\$ 1,761,208

Via Christi Health, Inc. and Subsidiaries
Consolidating Balance Sheets
September 30, 2012

Schedule 1

	Hospitals Consolidated	Physician	Health Services	Via Christi Villages	Wichita Health	Eliminations	FY 2012 Consolidated
Liabilities and Net Assets							
Current liabilities							
Current maturities of long-term debt	\$ 10,255	\$ 1,021	\$ 871	\$ 4,729	\$ 12,120	\$ (11,930)	\$ 17,066
Accounts payable	29,503	3,515	2,362	2,070	11,941	-	49,391
Other accrued liabilities	39,220	9,455	2,935	5,012	17,532	(263)	73,891
Total current liabilities	78,978	13,991	6,168	11,811	41,593	(12,193)	140,348
Noncurrent liabilities							
Long-term debt, less current maturities	240,005	20,080	3,288	70,884	380,553	(245,741)	469,069
Pension liabilities	7,216	(96)	157	(1,087)	1,603	-	7,793
Other noncurrent liabilities	10,819	12,944	4	11,083	23,392	-	58,242
Total noncurrent liabilities	258,040	32,928	3,449	80,880	405,548	(245,741)	535,104
Total liabilities	337,018	46,919	9,617	92,691	447,141	(257,934)	675,452
Net assets							
Unrestricted - controlling interest	650,080	31,016	122,335	40,864	214,421	(55,314)	1,003,402
Unrestricted - noncontrolling interest	3,519	-	9,840	8,766	-	46,055	68,180
Temporarily restricted	10,948	-	-	164	75	(2,948)	8,239
Permanently restricted	6,720	-	-	-	-	(785)	5,935
Total net assets	671,267	31,016	132,175	49,794	214,496	(12,992)	1,085,756
Total liabilities and net assets	\$ 1,008,285	\$ 77,935	\$ 141,792	\$ 142,485	\$ 661,637	\$ (270,926)	\$ 1,761,208

Via Christi Health, Inc. and Subsidiaries
Consolidating Statements of Operations and Changes in Net Assets
Year Ended September 30, 2012

Schedule 2

	Hospitals Consolidated	Physician	Health Services	Via Christi Villages	Wichita Health	Eliminations	FY 2012 Consolidated
Revenues, gains and other support							
Net patient service revenues	\$ 812,700	\$ 168,335	\$ 66,105	\$ 65,083	\$ -	\$ (4,473)	\$ 1,107,750
Provision for bad debts	47,820	5,137	1,902	442	-	-	55,301
Net patient service revenue less provision for bad debt	764,880	163,198	64,203	64,641	-	(4,473)	1,052,449
Premium revenues	-	13,930	-	12,473	5,585	(5,115)	26,873
Other operating revenues	42,205	1,500	11,981	3,352	15,593	(18,013)	56,618
Total operating revenues	807,085	178,628	76,184	80,466	21,178	(27,601)	1,135,940
Operating expenses							
Salaries and employees benefits	400,950	130,647	23,411	44,802	53,054	(1,563)	651,301
Purchased services and other	194,154	38,201	20,375	15,496	(58,432)	(15,513)	194,281
Supplies	126,037	21,516	16,738	6,515	3,536	(75)	174,267
Interest	9,062	1,112	134	3,973	11,884	(10,450)	15,715
Depreciation and amortization	39,537	6,486	5,629	5,452	11,307	-	68,411
Total operating expenses	769,740	197,962	66,287	76,238	21,349	(27,601)	1,103,975
Income (loss) from operations	37,345	(19,334)	9,897	4,228	(171)	-	31,965
Nonoperating gains (losses)							
Interest and dividend income	9,455	14	1,352	425	5,072	-	16,318
Net gains (losses) on investments	40,005	(78)	5,811	1,360	22,755	-	69,853
Equity in earnings of investee organizations	(163)	-	-	-	13,048	-	12,885
Loss on refinancing of debt	-	-	-	(72)	-	-	(72)
Income tax and other	(293)	97	(217)	(290)	459	-	(244)
Total nonoperating gains	49,004	33	6,946	1,423	41,334	-	98,740
Excess of revenues over expenses	\$ 86,349	\$ (19,301)	\$ 16,843	\$ 5,651	\$ 41,163	\$ -	\$ 130,705

Via Christi Health, Inc. and Subsidiaries
Consolidating Statements of Operations and Changes in Net Assets
Year Ended September 30, 2012

Schedule 2

	Hospitals Consolidated	Physician	Health Services	Via Christi Villages	Wichita Health	Eliminations	FY 2012 Consolidated
Unrestricted net assets, controlling interest							
Excess of revenues over expenses	\$ 86,349	\$ (19,301)	\$ 16,843	\$ 5,651	\$ 41,163	\$ -	\$ 130,705
Change in minimum pension liability	40,912	639	1,275	664	2,593	-	46,083
Cumulative effect of change in accounting principles	-	-	-	-	-	-	-
Changes in net assets attributable to noncontrolling interest	(434)	-	(4,678)	(1,101)	-	(5,658)	(11,871)
Other changes in unrestricted net assets	(2,742)	27,200	(5,468)	5,422	(17,621)	(10,321)	(3,530)
Increase (decrease) in unrestricted net assets, controlling interest before gain (loss) of discontinued operations	124,085	8,538	7,972	10,636	26,135	(15,979)	161,387
Gain (loss) from discontinued operations	-	-	-	-	-	-	-
Increase (decrease) in unrestricted net assets, controlling interest	124,085	8,538	7,972	10,636	26,135	(15,979)	161,387
Unrestricted net assets, noncontrolling interest							
Excess of revenues over expenses	434	-	4,678	1,101	-	5,658	11,871
Distributions and other	(74)	-	(8,146)	(75)	-	485	(7,810)
Increase (decrease) in unrestricted net assets, noncontrolling interest	360	-	(3,468)	1,026	-	6,143	4,061
Increase (decrease) in unrestricted net assets	124,445	8,538	4,504	11,662	26,135	(9,836)	165,448
Temporarily restricted net assets							
Contributions	3,539	-	-	-	75	-	3,614
Investment income and gains	458	-	-	-	-	-	458
Net realized and unrealized gains (losses) on investments	835	-	-	-	-	-	835
Net assets released from restrictions	(4,121)	-	-	(24)	-	-	(4,145)
Other	52	-	-	-	-	(152)	(100)
Increase (decrease) in temporarily restricted net assets	763	-	-	(24)	75	(152)	662
Permanently restricted net assets							
Investment income and gains	5	-	-	-	-	-	5
Increase in temporarily restricted net assets	5	-	-	-	-	-	5
Change in net assets	125,213	8,538	4,504	11,638	26,210	(9,988)	166,115
Net assets							
Beginning of year	546,054	22,478	127,671	38,156	188,286	(3,004)	919,641
End of year	\$ 671,267	\$ 31,016	\$ 132,175	\$ 49,794	\$ 214,496	\$ (12,992)	\$ 1,085,756

Via Christi Health, Inc. and Subsidiaries
Via Christi Hospitals Wichita Consolidating Balance Sheets
September 30, 2012

Schedule 3

	VCH-W	Rehab Hospital	Home Health	Via Christi Foundation	Gerard House	Mother Mary Anne Clinic	VCHS-ST	Eliminations	FY 2012 VCH-W Consolidated
Assets									
Current assets									
Cash and cash equivalents	\$ 25,897	\$ 1,159	\$ -	\$ 264	\$ 35	\$ -	\$ 139	\$ -	\$ 27,494
Short-term investments	132,111	18,945	-	8,480	338	-	138	-	160,012
Assets whose use is limited that are required for current liabilities	1,287	-	-	-	-	-	-	-	1,287
Patient accounts receivable, net	63,064	3,821	-	-	-	-	3,648	(930)	69,603
Estimated amounts receivable from third-party payors	2,238	392	-	-	-	-	872	-	3,502
Inventories	14,853	88	-	328	-	-	653	-	15,922
Other current assets	53,246	973	-	243	42	-	(38,584)	-	15,920
Total current assets	292,696	25,378	-	9,315	415	-	(33,134)	(930)	293,740
Assets whose use is limited									
Designated by Board for capital improvements	199,307	210	-	-	-	-	-	-	199,517
Other	2,130	-	-	4,028	-	-	-	-	6,158
Held by trustee	-	-	-	-	-	-	-	-	-
Under bond indenture	-	-	-	-	-	-	-	-	-
Self-insurance arrangements	3,960	-	-	-	-	-	-	-	3,960
	205,397	210	-	4,028	-	-	-	-	209,635
Less: Assets whose use is limited that are required for current liabilities	(1,287)	-	-	-	-	-	-	-	(1,287)
Total noncurrent portion of assets whose use is limited	204,110	210	-	4,028	-	-	-	-	208,348
Property and equipment									
Land and improvements	25,396	1,602	-	-	5	-	7,534	-	34,537
Buildings and fixed equipment	303,447	7,668	-	-	187	-	60,902	-	372,204
Equipment	254,193	5,287	-	570	95	-	21,380	-	281,525
Less accumulated depreciation	(442,833)	(10,928)	-	(560)	(241)	-	(14,974)	-	(469,536)
Construction in progress	9,990	426	-	-	-	-	43	-	10,459
Total net property and equipment	150,193	4,055	-	10	46	-	74,885	-	229,189
Other assets									
Investments in unconsolidated affiliates	14,152	-	-	-	-	-	-	-	14,152
Goodwill and intangible assets, net	13	-	-	-	-	-	-	-	13
Long-term investments	30	-	-	-	-	-	-	-	30
Other noncurrent assets	16,283	98	-	2,814	-	-	-	(15,490)	3,705
Total assets	\$ 677,477	\$ 29,741	\$ -	\$ 16,167	\$ 461	\$ -	\$ 41,751	\$ (16,420)	\$ 749,177

Via Christi Health, Inc. and Subsidiaries
Via Christi Hospitals Wichita Consolidating Balance Sheets
September 30, 2012

Schedule 3

	VCH-W	Rehab Hospital	Home Health	Via Christi Foundation	Gerard House	Mother Mary Anne Clinic	VCHS-ST	Eliminations	FY 2012 VCH-W Consolidated
Liabilities and Net Assets									
Current liabilities									
Current maturities of long-term debt	\$ 4,147	\$ 392	\$ -	\$ -	\$ -	\$ -	\$ 3,685	\$ -	\$ 8,224
Accounts payable	21,391	442	-	61	3	-	1,071	-	22,968
Other accrued liabilities	26,937	2,520	-	572	16	-	2,070	(930)	31,185
Total current liabilities	52,475	3,354	-	633	19	-	6,826	(930)	62,377
Noncurrent liabilities									
Long-term debt, less current maturities	117,415	424	-	-	-	-	68,613	-	186,452
Pension liabilities	7,117	197	-	(453)	7	-	435	-	7,303
Other noncurrent liabilities	5,728	-	-	-	-	-	-	-	5,728
Total noncurrent liabilities	130,260	621	-	(453)	7	-	69,048	-	199,483
Total liabilities	182,735	3,975	-	180	26	-	75,874	(930)	261,860
Net assets									
Unrestricted - controlling interest	481,515	25,766	-	2,284	435	-	(34,123)	(2,263)	473,614
Unrestricted - noncontrolling interest	-	-	-	-	-	-	-	-	-
Temporarily restricted	7,322	-	-	7,773	-	-	-	(7,322)	7,773
Permanently restricted	5,905	-	-	5,930	-	-	-	(5,905)	5,930
Total net assets	494,742	25,766	-	15,987	435	-	(34,123)	(15,490)	487,317
Total liabilities and net assets	\$ 677,477	\$ 29,741	\$ -	\$ 16,167	\$ 461	\$ -	\$ 41,751	\$ (16,420)	\$ 749,177

Via Christi Health, Inc. and Subsidiaries

Via Christi Hospitals Wichita Consolidating Statements of Operations and Changes in Net Assets

Year Ended September 30, 2012

Schedule 4

	VCH-W	Rehab Hospital	Home Health	Via Christi Foundation	Gerard House	Mother Mary Anne Clinic	VCHS-ST	Eliminations	FY 2012 VCH-W Consolidated
Revenues, gains and other support									
Net patient service revenues	\$ 563,537	\$ 23,282	\$ 1,337	\$ -	\$ -	\$ -	\$ 32,951	\$ 19	\$ 621,126
Provision for bad debts	33,829	476	2	-	-	-	1,279	-	35,586
Net patient service revenue less provision for bad debt	529,708	22,806	1,335	-	-	-	31,672	19	585,540
Premium revenues	-	-	-	-	-	-	-	-	-
Other operating revenues	26,274	974	16	4,610	315	-	1,534	(1,930)	31,793
Total operating revenues	555,982	23,780	1,351	4,610	315	-	33,206	(1,911)	617,333
Operating expenses									
Salaries and employees benefits	271,553	15,477	1,094	1,185	248	-	17,164	(3)	306,718
Purchased services and other	130,317	6,737	222	3,196	59	-	13,591	(1,866)	152,256
Supplies	91,174	1,328	43	102	16	-	3,762	(42)	96,383
Interest	4,007	39	-	-	-	-	2,331	-	6,377
Depreciation and amortization	22,437	589	3	55	8	-	5,960	-	29,052
Total operating expenses	519,488	24,170	1,362	4,538	331	-	42,808	(1,911)	590,786
Income (loss) from operations	36,494	(390)	(11)	72	(16)	-	(9,602)	-	26,547
Nonoperating gains (losses)									
Interest and dividend income	7,230	417	-	-	9	-	7	-	7,663
Net gains (losses) on investments	30,784	1,725	71	356	36	-	63	-	33,035
Equity in earnings of investee organizations	(215)	-	-	-	-	-	-	-	(215)
Income tax and other	88	(2)	-	(215)	-	-	-	-	(129)
Total nonoperating gains (losses)	37,887	2,140	71	141	45	-	70	-	40,354
Excess of revenues over expenses	\$ 74,381	\$ 1,750	\$ 60	\$ 213	\$ 29	\$ -	\$ (9,532)	\$ -	\$ 66,901

Via Christi Health, Inc. and Subsidiaries

Via Christi Hospitals Wichita Consolidating Statements of Operations and Changes in Net Assets

Year Ended September 30, 2012

Schedule 4

	VCH-W	Rehab Hospital	Health Partners	Via Christi Foundation	Gerard House	Mother Mary Anne Clinic	VCHS-ST	Eliminations	FY 2012 VCH-W Consolidated
Unrestricted net assets									
Excess of revenues over expenses	\$ 74,381	\$ 1,750	\$ 60	\$ 213	\$ 29	\$ -	\$ (9,532)	\$ -	\$ 66,901
Change in minimum pension liability	33,349	2,070	-	553	23	-	755	-	36,750
Cumulative effect of change in accounting principles	-	-	-	-	-	-	-	-	-
Change in net assets attributable to noncontrolling interest	-	-	-	-	-	-	-	-	-
Other changes in unrestricted net assets	(334)	-	(2,076)	195	1	(47)	135	(962)	(3,088)
Increase (decrease) in unrestricted net assets, controlling interest before gain/(loss) of discontinued operations	107,396	3,820	(2,016)	961	53	(47)	(8,642)	(962)	100,563
Gain (loss) from discontinued operations	-	-	-	-	-	-	-	-	-
Increase (decrease) in unrestricted net assets, controlling interest	107,396	3,820	(2,016)	961	53	(47)	(8,642)	(962)	100,563
Unrestricted net assets, noncontrolling interest									
Excess of revenues over expenses	-	-	-	-	-	-	-	-	-
Distributions and other	-	-	-	-	-	-	-	-	-
Increase (decrease) in unrestricted net assets, noncontrolling interest	-	-	-	-	-	-	-	-	-
Increase (decrease) in unrestricted net assets	107,396	3,820	(2,016)	961	53	(47)	(8,642)	(962)	100,563
Temporarily restricted net assets									
Contributions	-	-	-	2,850	-	-	-	-	2,850
Investment income and gains	-	-	-	180	-	-	-	-	180
Net realized and unrealized gains (losses) on investments	-	-	-	835	-	-	-	-	835
Net assets released from restrictions	-	-	-	(3,260)	-	-	-	-	(3,260)
Other	607	-	-	-	-	-	-	(607)	-
Increase (decrease) in temporarily restricted net assets	607	-	-	605	-	-	-	(607)	605
Permanently restricted net assets									
Increase (decrease) in permanently restricted net assets	-	- #	-	-	-	-	-	-	-
Change in net assets	108,003	3,820	(2,016)	1,566	53	(47)	(8,642)	(1,569)	101,168
Net assets									
Beginning of year	386,739	21,946	2,016	14,421	382	47	(25,481)	(13,921)	386,149
End of year	\$ 494,742	\$ 25,766	\$ -	\$ 15,987	\$ 435	\$ -	\$ (34,123)	\$ (15,490)	\$ 487,317

Via Christi Health, Inc. and Subsidiaries
Via Christi Villages Consolidating Balance Sheets
September 30, 2012

Schedule 5

	Catholic Care Center	Via Christi Villages Ridge/Broadmoor	Via Christi Villages Pittsburg	Via Christi Villages Georgetown	Via Christi Villages McLean	Via Christi Villages Hays	Via Christi Villages Manhattan	Via Christi Villages Ponca City	Via Christi HOPE	Via Christi Care at Home	Via Christi Villages	Eliminations	FY 2012 Consolidated
Assets													
Current assets													
Cash and cash equivalents	\$ 8 164	\$ 456	\$ 852	\$ 38	\$ 684	\$ 487	\$ 1 610	\$ 509	\$ 922	\$ 13	\$ 381	\$ -	\$ 14 116
Short-term investments	4 017	530	2 132	1 548	2 248	1 060	381	858	2 288	-	167	-	15 229
Patient accounts receivable net	1 276	68	543	14	73	399	386	297	92	3	278	(299)	3 130
Inventories	87	21	16	9	9	20	20	17	32	-	2	-	233
Other current assets	178	61	32	58	58	130	76	67	176	-	12	-	848
Total current assets	13 722	1 136	3 575	1 667	3 072	2 096	2 473	1 748	3 510	16	840	(299)	33 556
Assets whose use is limited													
Other	492	-	8	508	-	-	-	188	-	-	-	-	1 196
Total noncurrent portion of assets whose use is limited	492	-	8	508	-	-	-	188	-	-	-	-	1 196
Property and equipment													
Land and improvements	4 106	7 405	1 044	2 437	1 151	71	2 246	570	-	-	1 531	-	20 561
Buildings and fixed equipment	27 534	7 917	9 318	20 734	14 276	12 327	10 770	10 897	3 190	-	5 132	-	122 095
Equipment	3 947	761	1 090	2 103	649	1 536	1 358	729	1 125	101	441	-	13 840
Less accumulated depreciation	(13 146)	(3 737)	(3 364)	(13 926)	(5 575)	(435)	(3 797)	(6 347)	(2 524)	(81)	(1 608)	-	(54 540)
Construction in progress	2 996	1 594	13	84	-	-	-	17	9	-	6	-	4 719
Total net property and equipment	25 437	13 940	8 101	11 432	10 501	13 499	10 577	5 866	1 800	20	5 502	-	106 675
Other assets													
Investments in unconsolidated affiliates	-	-	-	-	-	-	-	-	-	(459)	488	-	29
Goodwill and Intangible assets net	-	-	-	-	-	-	-	-	-	-	138	-	138
Other noncurrent assets	68	-	5	-	174	408	30	43	-	-	163	-	891
Total assets	\$ 39 719	\$ 15 076	\$ 11 689	\$ 13 607	\$ 13 747	\$ 16 003	\$ 13 080	\$ 7 845	\$ 5 310	\$ (423)	\$ 7 131	\$ (299)	\$ 142 485

Via Christi Health, Inc. and Subsidiaries
Via Christi Villages Consolidating Balance Sheets
September 30, 2012

Schedule 5

	Catholic Care Center	Via Christi Villages Ridge/Broadmoor	Via Christi Villages Pittsburg	Via Christi Villages Georgetown	Via Christi Villages McLean	Via Christi Villages Hays	Via Christi Villages Manhattan	Via Christi Villages Ponca City	Via Christi HOPE	Via Christi Care at Home	Via Christi Villages	Eliminations	FY 2012 Consolidated
Liabilities and Net Assets													
Current liabilities													
Current maturities of long-term debt	\$ 590	\$ 334	\$ 247	\$ 1,536	\$ 200	\$ 628	\$ 404	\$ 501	\$ 150	\$ -	\$ 139	\$ -	\$ 4,729
Accounts payable	486	42	125	197	62	217	94	165	784	4	193	(299)	2,070
Other accrued liabilities	1,233	193	278	629	229	382	430	256	420	81	881	-	5,012
Total current liabilities	2,309	569	650	2,362	491	1,227	928	922	1,354	85	1,213	(299)	11,811
Noncurrent liabilities													
Long-term debt, less current maturities	14,628	7,277	10,340	457	6,410	12,755	10,859	3,065	433	-	4,660	-	70,884
Pension liabilities	-	-	-	-	-	-	-	-	-	-	(1,087)	-	(1,087)
Other noncurrent liabilities	5,250	-	-	-	5,018	-	800	-	-	-	15	-	11,083
Total noncurrent liabilities	19,878	7,277	10,340	457	11,428	12,755	11,659	3,065	433	-	3,588	-	80,880
Total liabilities	22,187	7,846	10,990	2,819	11,919	13,982	12,587	3,987	1,787	85	4,801	(299)	92,691
Net assets													
Unrestricted - controlling interest	17,437	7,230	699	10,788	1,828	2,021	493	3,789	3,523	(508)	2,330	(8,766)	40,864
Unrestricted - noncontrolling interest	-	-	-	-	-	-	-	-	-	-	-	8,766	8,766
Temporarily restricted	95	-	-	-	-	-	-	69	-	-	-	-	164
Total net assets	17,532	7,230	699	10,788	1,828	2,021	493	3,858	3,523	(508)	2,330	-	49,794
Total liabilities and net assets	\$ 39,719	\$ 15,076	\$ 11,689	\$ 13,607	\$ 13,747	\$ 16,003	\$ 13,080	\$ 7,845	\$ 5,310	\$ (423)	\$ 7,131	\$ (299)	\$ 142,485

Via Christi Health, Inc. and Subsidiaries

Via Christi Villages Consolidating Statements of Operations and Changes in Net Assets

Year Ended September 30, 2012

Schedule 6

	Catholic Care Center	Via Christi Villages Ridge/Broadmoor	Via Christi Villages Pittsburg	Via Christi Villages Georgetown	Via Christi Villages Mclean	Via Christi Villages Hays	Via Christi Villages Manhattan	Via Christi Villages Ponca City	Via Christi HOPE	Via Christi Care at Home	Via Christi Villages	Eliminations	FY 2012 Consolidated
Revenues, gains and other support													
Net patient service revenues	\$ 21 036	\$ 3 856	\$ 7 293	\$ 6 226	\$ 5 546	\$ 7 691	\$ 7 448	\$ 6 414	\$ -	\$ 18	\$ -	\$ (445)	\$ 65 083
Provision for bad debts	110	2	46	13	(5)	43	164	67	-	-	2	-	442
Net patient service revenue less provision for bad debt	20 926	3 854	7 247	6 213	5 551	7 648	7 284	6 347	-	18	(2)	(445)	64 641
Premium revenues	-	-	-	-	-	-	-	-	12 473	-	-	-	12 473
Other operating revenues	377	78	63	104	133	274	72	106	238	113	11 792	(9 998)	3 352
Total operating revenues	21 303	3 932	7 310	6 317	5 684	7 922	7 356	6 453	12 711	131	11 790	(10 443)	80 466
Operating expenses													
Salaries and employees benefits	12 209	1 802	4 078	2 542	2 726	5 334	3 942	3 526	4 238	170	7 138	(2 903)	44 802
Purchased services and other	3 276	737	1 061	1 345	1 049	1 386	1 259	1 358	7 425	100	4 007	(7 507)	15 496
Supplies	1 839	324	708	575	366	694	707	662	563	3	74	-	6 515
Interest	725	463	725	190	316	150	770	260	45	-	362	(33)	3 973
Depreciation and amortization	1 459	312	381	814	548	269	475	435	412	21	326	-	5 452
Total operating expenses	19 508	3 638	6 953	5 466	5 005	7 833	7 153	6 241	12 683	294	11 907	(10 443)	76 238
Income (loss) from operations	1 795	294	357	851	679	89	203	212	28	(163)	(117)	-	4 228
Nonoperating gains (losses)													
Interest and dividend income	142	12	43	51	57	19	17	25	50	-	9	-	425
Net gains (losses) on investments	256	52	164	203	228	74	76	93	198	-	16	-	1 360
Loss on refinancing of debt	-	-	-	-	(72)	-	-	-	-	-	-	-	(72)
Income tax and other	(5)	3	(3)	(45)	3	(168)	(1)	5	1	-	(80)	-	(290)
Total nonoperating gains	393	67	204	209	216	(75)	92	123	249	-	(55)	-	1 423
Excess of revenues over expenses	\$ 2 188	\$ 361	\$ 561	\$ 1 060	\$ 895	\$ 14	\$ 295	\$ 335	\$ 277	\$ (163)	\$ (172)	\$ -	\$ 5 651

Via Christi Health, Inc. and Subsidiaries

Via Christi Villages Consolidating Statements of Operations and Changes in Net Assets

Year Ended September 30, 2012

Schedule 6

	Catholic Care Center	Via Christi Villages Ridge/Broadmoor	Via Christi Villages Pittsburg	Via Christi Villages Georgetown	Via Christi Villages Mclean	Via Christi Villages Hays	Via Christi Villages Manhattan	Via Christi Villages Ponca City	Via Christi HOPE	Via Christi Care at Home	Via Christi Villages	Eliminations	FY 2012 Consolidated
Unrestricted net assets-controlling interest													
Excess of revenues over expenses	\$ 2 188	\$ 361	\$ 561	\$ 1 060	\$ 895	\$ 14	\$ 295	\$ 335	\$ 277	\$ (163)	\$ (172)	\$ -	\$ 5 651
Change in minimum pension liability	-	-	-	-	-	-	-	-	-	-	664	-	664
Changes in net assets attributable to noncontrolling interest	-	-	-	-	-	-	-	-	-	-	-	(1 101)	(1 101)
Other changes in unrestricted net assets	(133)	5 279	(11)	(10)	(1 011)	187	(11)	(10)	(14)	(345)	1 405	96	5 422
Increase (decrease) in unrestricted net assets controlling interest	2 055	5 640	550	1 050	(116)	201	284	325	263	(508)	1 897	(1 005)	10 636
Unrestricted net assets, noncontrolling interest													
Excess of revenues over expenses	-	-	-	-	-	-	-	-	-	-	-	1 101	1 101
Distributions and other	-	-	-	-	-	-	-	-	-	-	-	(75)	(75)
Increase (decrease) in unrestricted net assets noncontrolling interest	-	-	-	-	-	-	-	-	-	-	-	1 026	1 026
Increase (decrease) in unrestricted net assets	2 055	5 640	550	1 050	(116)	201	284	325	263	(508)	1 897	21	11 662
Temporarily restricted net assets													
Net assets released from restrictions	(24)	-	-	-	-	-	-	-	-	-	-	-	(24)
Increase (decrease) in temporarily restricted net assets	(24)	-	-	-	-	-	-	-	-	-	-	-	(24)
Permanently restricted net assets													
Increase (decrease) in permanently restricted net assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in net assets	2 031	5 640	550	1 050	(116)	201	284	325	263	(508)	1 897	21	11 638
Net assets													
Beginning of year	15 501	1 590	149	9 738	1 944	1 820	209	3 533	3 260	-	433	(21)	38 156
End of year	\$ 17 532	\$ 7 230	\$ 699	\$ 10 788	\$ 1 828	\$ 2 021	\$ 493	\$ 3 858	\$ 3 523	\$ (508)	\$ 2 330	\$ -	\$ 49 794

Via Christi Health, Inc. and Subsidiaries
Consolidating Balance Sheets (Obligated Group Subtotaled)
September 30, 2012

Schedule 7

	VCH-W	VCH-ST	Rehab Hospital	VCH-P	Wichita Health	Eliminations	Obligated Group Total	Non Obligated Group and Eliminations	FY 2012 Consolidated
Assets									
Current assets									
Cash and cash equivalents	\$ 26,106	\$ 139	\$ 1,159	\$ 6,184	\$ -	\$ -	\$ 33,588	\$ 60,160	\$ 93,748
Short-term investments	132,111	138	18,945	37,420	176,471	-	365,085	128,267	493,352
Assets whose use is limited that are required for current liabilities	1,287	-	-	-	-	-	1,287	-	1,287
Patient accounts receivable, net	64,734	3,648	3,821	12,892	-	-	85,095	38,790	123,885
Estimated amounts receivable from third-party payors	2,238	872	392	1,841	-	-	5,343	2,975	8,318
Inventories	14,853	653	88	2,195	-	-	17,789	5,899	23,688
Other current assets	52,586	(38,584)	973	17,703	6,495	(8,055)	31,118	6,962	38,080
Total current assets	293,915	(33,134)	25,378	78,235	182,966	(8,055)	539,305	243,053	782,358
Assets whose use is limited									
Designated by Board for capital improvements	199,307	-	210	-	-	-	199,517	12,128	211,645
Other	2,130	-	-	-	-	-	2,130	6,787	8,917
Held by trustee									
Under bond indenture	-	-	-	-	26,527	-	26,527	4,478	31,005
Self-insurance arrangements	3,960	-	-	-	335	-	4,295	21,305	25,600
	205,397	-	210	-	26,862	-	232,469	44,698	277,167
Less Assets whose use is limited that are required for current liabilities	(1,287)	-	-	-	-	-	(1,287)	-	(1,287)
Total noncurrent portion of assets whose use is limited	204,110	-	210	-	26,862	-	231,182	44,698	275,880
Property and equipment									
Land and improvements	25,507	7,534	1,602	1,315	147	-	36,105	36,920	73,025
Buildings and fixed equipment	304,499	60,902	7,668	43,476	3,586	-	420,131	291,374	711,505
Equipment	257,651	21,380	5,287	41,005	34,780	-	360,103	151,258	511,361
Less Accumulated depreciation	(446,564)	(14,974)	(10,928)	(48,767)	(7,137)	-	(528,370)	(243,790)	(772,160)
Construction in progress	9,990	43	426	721	36	-	11,216	5,268	16,484
Total net property and equipment	151,083	74,885	4,055	37,750	31,412	-	299,185	241,030	540,215
Other assets									
Investments in unconsolidated affiliates	14,152	-	-	145	89,856	-	104,153	30	104,183
Goodwill and Intangible assets, net	13	-	-	-	15,122	-	15,135	138	15,273
Long-term investments	30	-	-	-	-	-	30	29,080	29,110
Other noncurrent assets	16,585	-	98	-	285,486	(201,956)	100,213	(86,024)	14,189
Total assets	\$ 679,888	\$ 41,751	\$ 29,741	\$ 116,130	\$ 631,704	\$ (210,011)	\$ 1,289,203	\$ 472,005	\$ 1,761,208

Via Christi Health, Inc. and Subsidiaries
Consolidating Balance Sheets (Obligated Group Subtotaled)
September 30, 2012

Schedule 7

	VCH-W	VCH-ST	Rehab Hospital	VCH-P	Wichita Health	Eliminations	Obligated Group Total	Non Obligated Group and Eliminations	FY 2012 Consolidated
Liabilities and Net Assets									
Current liabilities									
Current maturities of long-term debt	\$ 4,147	\$ 3,685	\$ 392	\$ -	\$ 12,120	\$ (8,055)	\$ 12,289	\$ 4,777	\$ 17,066
Accounts payable	21,569	1,071	442	2,890	11,729	-	37,701	11,690	49,391
Other accrued liabilities	27,835	2,070	2,520	4,261	13,002	-	49,688	24,203	73,891
Total current liabilities	53,551	6,826	3,354	7,151	36,851	(8,055)	99,678	40,670	140,348
Noncurrent liabilities									
Long-term debt, less current maturities	117,415	68,613	424	18,000	380,553	(201,956)	383,049	86,020	469,069
Pension liabilities	6,890	435	197	1,101	1,603	-	10,226	(2,433)	7,793
Other noncurrent liabilities	6,030	-	-	117	12,247	-	18,394	39,848	58,242
Total noncurrent liabilities	130,335	69,048	621	19,218	394,403	(201,956)	411,669	123,435	535,104
Total liabilities	183,886	75,874	3,975	26,369	431,254	(210,011)	511,347	164,105	675,452
Net assets									
Unrestricted - controlling interest	482,775	(34,123)	25,766	89,761	200,375	-	764,554	238,848	1,003,402
Unrestricted - noncontrolling interest	-	-	-	-	-	-	-	68,180	68,180
Temporarily restricted	7,322	-	-	-	75	-	7,397	842	8,239
Permanently restricted	5,905	-	-	-	-	-	5,905	30	5,935
Total net assets	496,002	(34,123)	25,766	89,761	200,450	-	777,856	307,900	1,085,756
Total liabilities and net assets	\$ 679,888	\$ 41,751	\$ 29,741	\$ 116,130	\$ 631,704	\$ (210,011)	\$ 1,289,203	\$ 472,005	\$ 1,761,208

Via Christi Health, Inc. and Subsidiaries

Consolidating Statements of Operations and Changes in Net Assets (Obligated Group Subtotaled)

Year Ended September 30, 2012

Schedule 8

	VCH-W	VCH-ST	Rehab Hospital	VCH-P	Wichita Health	Eliminations	Obligated Group Total	Non Obligated Group and Eliminations	FY 2012 Consolidated
Revenues, gains and other support									
Net patient service revenues	\$ 589,968	\$ 32,951	\$ 23,282	\$ 91,930	\$ -	\$ -	\$ 738,131	\$ 369,619	\$ 1,107,750
Provision for bad debts	34,261	1,279	476	6,855	-	-	42,871	12,430	55,301
Net patient service revenue less provision for bad debt	555,707	31,672	22,806	85,075	-	-	695,260	357,189	1,052,449
Premium revenues	-	-	-	-	-	-	-	26,873	26,873
Other operating revenues	27,020	1,534	974	4,126	13,234	(6,689)	40,199	16,419	56,618
Total operating revenues	582,727	33,206	23,780	89,201	13,234	(6,689)	735,459	400,481	1,135,940
Operating expenses									
Salaries and employees benefits	290,475	17,164	15,477	46,926	50,846	-	420,888	230,413	651,301
Purchased services and other	137,797	13,591	6,737	18,769	(60,976)	-	115,918	78,363	194,281
Supplies	93,837	3,762	1,328	15,451	3,441	-	117,819	56,448	174,267
Interest	4,007	2,331	39	519	11,884	(6,689)	12,091	3,624	15,715
Depreciation and amortization	22,782	5,960	589	3,906	11,302	-	44,539	23,872	68,411
Total operating expenses	548,898	42,808	24,170	85,571	16,497	(6,689)	711,255	392,720	1,103,975
Income (loss) from operations	33,829	(9,602)	(390)	3,630	(3,263)	-	24,204	7,761	31,965
Nonoperating gains (losses)									
Interest and dividend income	7,230	7	417	896	4,518	-	13,068	3,250	16,318
Net gains (losses) on investments	30,706	63	1,725	3,187	20,217	-	55,898	13,955	69,853
Equity in earnings of investee organizations	(215)	-	-	-	13,048	-	12,833	52	12,885
Loss on refunding of debt	-	-	-	-	-	-	-	(72)	(72)
Income tax and other	88	-	(2)	(56)	459	-	489	(733)	(244)
Total nonoperating gains	37,809	70	2,140	4,027	38,242	-	82,288	16,452	98,740
Excess of revenues over expenses	\$ 71,638	\$ (9,532)	\$ 1,750	\$ 7,657	\$ 34,979	\$ -	\$ 106,492	\$ 24,213	\$ 130,705

Via Christi Health, Inc. and Subsidiaries

Consolidating Statements of Operations and Changes in Net Assets (Obligated Group Subtotaled)

Year Ended September 30, 2012

Schedule 8

	VCH-W	VCH-ST	Rehab Hospital	VCH-P	Wichita Health	Eliminations	Obligated Group Total	Non Obligated Group and Eliminations	FY 2012 Consolidated
Unrestricted net assets, controlling interest									
Excess of revenues over expenses	\$ 71,638	\$ (9,532)	\$ 1,750	\$ 7,657	\$ 34,979	\$ -	\$ 106,492	\$ 24,213	\$ 130,705
Change in minimum pension liability	33,709	755	2,070	4,037	2,593	-	43,164	2,919	46,083
Cumulative effect of change in accounting principles	-	-	-	-	-	-	-	-	-
Change in net assets attributable to noncontrolling interest	-	-	-	-	(635)	-	(635)	(11,236)	(11,871)
Other changes in unrestricted net assets	1,866	135	-	247	(17,336)	-	(15,088)	11,558	(3,530)
Increase (decrease) in unrestricted net assets, controlling interest before gain/(loss) of discontinued operations	107,213	(8,642)	3,820	11,941	19,601	-	133,933	27,454	161,387
Gain (loss) from discontinued operations	-	-	-	-	-	-	-	-	-
Increase (decrease) in unrestricted net assets, controlling interest	107,213	(8,642)	3,820	11,941	19,601	-	133,933	27,454	161,387
Unrestricted net assets, noncontrolling interest									
Excess of revenues over expenses	-	-	-	-	-	-	-	11,871	11,871
Distributions and other	-	-	-	-	-	-	-	(7,810)	(7,810)
Increase (decrease) in unrestricted net assets, noncontrolling interest	-	-	-	-	-	-	-	4,061	4,061
Increase (decrease) in unrestricted net assets	107,213	(8,642)	3,820	11,941	19,601	-	133,933	31,515	165,448
Temporarily restricted net assets									
Contributions	-	-	-	-	75	-	75	3,539	3,614
Investment income and gains	-	-	-	-	-	-	-	458	458
Net realized and unrealized gains (losses) on investments	-	-	-	-	-	-	-	835	835
Net assets released from restrictions	-	-	-	-	-	-	-	(4,145)	(4,145)
Other	607	-	-	-	-	-	607	(707)	(100)
Increase (decrease) in temporarily restricted net assets	607	-	-	-	75	-	682	(20)	662
Permanently restricted net assets									
Increase in permanently restricted net assets	-	-	-	-	-	-	-	5	5
Change in net assets	107,820	(8,642)	3,820	11,941	19,676	-	134,615	31,500	166,115
Net assets									
Beginning of year	388,182	(25,481)	21,946	77,820	180,774	-	643,241	276,400	919,641
End of year	\$ 496,002	\$ (34,123)	\$ 25,766	\$ 89,761	\$ 200,450	\$ -	\$ 777,856	\$ 307,900	\$ 1,085,756