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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 01-01-2012 , 2012, and ending 12-31-2012

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

C Name of organization
The Cooper Health System a New Jersey Non-Profit Corporation

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
One Cooper Plaza
Suite

City or town, state or country, and ZIP + 4
Camden, NJ 08103

D Employer identification number
21-0634462

E Telephone number
(856) 382-6502

G Gross receipts $ 1,094,641,304

F Name and address of principal officer
John P Sheridan Jr
One Cooper Plaza
Camden, NJ 08103

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW COOPERHEALTH ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1875 | **M** State of legal domicile NJ

Part I Summary

1 Briefly describe the organization's mission or most significant activities
COOPER HEALTH SYSTEM IS AN INTEGRATED HEALTH CARE DELIVERY SYSTEM SERVING THE SOUTHERN NEW JERSEY REGION DEDICATED TO WORLD-CLASS PATIENT CARE, EDUCATION & RESEARCH RESULTING IN A HEALTHIER COMMUNITY

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	21
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	14
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	**5**	6,445
6	Total number of volunteers (estimate if necessary)	**6**	672
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	5,606,363	20,228,620
9	Program service revenue (Part VIII, line 2g)	855,841,987	878,390,769
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,447,019	9,976,751
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,749,449	4,988,485
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	876,644,818	913,584,625
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	245,572	368,250
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)	460,898,962	490,646,492
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	392,022,140	380,768,465
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	853,166,674	871,783,207
19	Revenue less expenses Subtract line 18 from line 12	23,478,144	41,801,418

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	756,349,812	827,680,872
21	Total liabilities (Part X, line 26)	471,548,316	485,712,796
22	Net assets or fund balances Subtract line 21 from line 20	284,801,496	341,968,076

Part II Signature Block

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

Sign Here

****** | 2013-11-08
Signature of officer | Date

DOUGLAS SHIRLEY Chief Financial Officer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Frank Giardini				
Firm's name ▶ GRANT THORNTON LLP			Firm's EIN ▶	
Firm's address ▶ 2001 MARKET STREET SUITE 3100 PHILADELPHIA, PA 19103			Phone no (215) 561-4200	

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

COOPER HEALTH SYSTEM IS AN INTEGRATED HEALTH CARE DELIVERY SYSTEM SERVING THE SOUTHERN NEW JERSEY REGION COOPER HEALTH SYSTEM IS DEDICATED TO WORLD-CLASS PATIENT CARE, EDUCATION AND RESEARCH RESULTING IN A HEALTHIER COMMUNITY

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 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 $ 745,599,580 including grants of $ 368,250) (Revenue $ 878,390,769)

See 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** ▶ 745,599,580

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	236		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	6,445		
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			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
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, securities account, or other financial account)?	4a		Yes	
b	If "Yes," enter the name of the foreign country ▶ BD 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 as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the 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 amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a** 21		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	**1b** 14		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**		No
6	Did the organization have members or stockholders?	**6**		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**		No

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

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

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

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 during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ DOUGLAS E SHIRLEY ONE COOPER PLAZA CAMDEN, NJ (856) 342-2443

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 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 organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								16,159,934	0	635,836

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

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
ATLANTIC AMBULANCE CORPORATION , PO BOX 35654 NEWARK NJ 07193	AIR AMBULANCE SVCS	3,677,499
STANDARD TEXTILE CO , PO BOX 371805 CINCINNATI OH 452221805	LAUNDRY SERVICES	1,837,357
CROTHALL HEALTHCARE INC , 955 CHESTERBROOK BLVD SUITE 300 WAYNE PA 19087	HOUSEKEEPING MGMT	1,330,875
THE CAMPAIGN GROUP INC , 1600 LOCUST STREET PHILADELPHIA PA 19103	ADVERTISING	1,315,489
QUEST DIAGNOSTIC , 770 COLLECTION CENTER DRIVE CHICAGO IL 606930077	LABORATORY SERVICES	1,092,896
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 ▶ 62		

Part VIII Statement of Revenue

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

				(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	1,467,143			
	e	Government grants (contributions)	1e	18,718,391			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	43,086			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f			20,228,620		
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	541900	821,716,185	821,716,185		
	b	OTHER HEALTHCARE RELATED REVENUE	541900	56,674,584	56,674,584		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f			878,390,769		
	3	Investment income (including dividends, interest, and other similar amounts)		7,597,020			7,597,020
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross rents	103,485				
	b	Less rental expenses					
	c	Rental income or (loss)	103,485	0			
	d	Net rental income or (loss)			103,485		103,485
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	183,436,410				
	b	Less cost or other basis and sales expenses	181,056,679				
	c	Gain or (loss)	2,379,731				
	d	Net gain or (loss)			2,379,731		2,379,731
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events			0		
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities			0		
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory			0		
		Miscellaneous Revenue		Business Code			
	11a	CAFETERIA/KIOSK		900099	2,045,586		2,045,586
	b	GIFT SHOP/COFFEE SHOP		900099	1,978,683		1,978,683
	c	PARKING		812930	819,138		819,138
	d	All other revenue			41,593		41,593
	e	**Total.** Add lines 11a–11d			4,885,000		
	12	**Total revenue.** See Instructions			913,584,625	878,390,769	14,965,236

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)

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	368,250	368,250		
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	12,203,979	11,037,906	1,166,073	
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	399,607,967	361,425,996	38,181,971	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	11,384,516	10,211,471	1,173,045	
9 Other employee benefits	38,176,785	34,976,802	3,199,983	
10 Payroll taxes	29,273,245	26,477,650	2,795,595	
11 Fees for services (non-employees)				
a Management	6,430,337	1,734,569	4,695,768	
b Legal	663,289	30,401	632,888	
c Accounting	366,449		366,449	
d Lobbying	406,385		406,385	
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	288,132		288,132	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	29,387,337	14,823,536	14,563,801	
12 Advertising and promotion	4,662,159	51,239	4,610,920	
13 Office expenses	130,690,533	129,559,278	1,131,255	
14 Information technology	0			
15 Royalties . .	0			
16 Occupancy	28,730,301	20,772,115	7,958,186	
17 Travel	383,549	278,049	105,500	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	1,243,680	1,022,311	221,369	
20 Interest	9,929,152		9,929,152	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	35,052,289	35,052,289		
23 Insurance	13,062,554	13,062,554		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a BAD DEBT EXPENSE	62,057,929	62,057,929		
b MISCELLANEOUS	57,414,390	22,657,235	34,757,155	
c				
d				
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	871,783,207	745,599,580	126,183,627	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		30,095,805	1	85,491,753
	2	Savings and temporary cash investments		11,973,863	2	11,266,132
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		91,684,149	4	106,150,382
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		0	7	15,781,400
	8	Inventories for sale or use		9,631,362	8	10,730,667
	9	Prepaid expenses and deferred charges		4,126,288	9	4,732,378
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 683,888,699			
	b	Less accumulated depreciation	10b 341,373,952	345,571,160	10c	342,514,747
	11	Investments—publicly traded securities		237,626,000	11	235,731,176
	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		4,423,111	14	4,142,270
	15	Other assets See Part IV, line 11		21,218,074	15	11,139,967
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		756,349,812	16	827,680,872
Liabilities	17	Accounts payable and accrued expenses		84,620,744	17	109,647,279
	18	Grants payable		0	18	0
	19	Deferred revenue		22,910,816	19	23,454,595
	20	Tax-exempt bond liabilities		246,475,459	20	240,606,281
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other 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		5,946,476	23	6,615,273
	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		111,594,821	25	105,389,368
	26	**Total liabilities.** Add lines 17 through 25		471,548,316	26	485,712,796
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		284,362,496	27	341,529,076
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		439,000	29	439,000
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		284,801,496	33	341,968,076
	34	Total liabilities and net assets/fund balances		756,349,812	34	827,680,872

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	913,584,625
2	Total expenses (must equal Part IX, column (A), line 25)	2	871,783,207
3	Revenue less expenses Subtract line 2 from line 1	3	41,801,418
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	284,801,496
5	Net unrealized gains (losses) on investments	5	-221,004
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	15,586,166
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	341,968,076

Part XII Financial Statements and Reporting

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

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

Additional Data

Software ID:

Software Version:

EIN: 21-0634462

Name: The Cooper Health System a New Jersey Non-Profit Corporation

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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			
George E Norcross III Chairman - Trustee	3 0	X		X				0	0	0
Joan S Davis Vice Chair - Trustee	3 0	X		X				0	0	0
John P Sheridan Jr Trustee/President/CEO	58 0 3 0	X		X				934,282	0	29,151
Adrienne Kirby PhD CEO Administration	55 0 4 0	X		X				683,815	0	13,795
Michael E Chansky MD Trustee/Chief, Emergency Med	55 0	X						451,548	0	11,290
Leon D Dembo Esq Trustee	3 0	X						0	0	0
Dennis M DiFlorio Trustee	3 0	X						0	0	0
Generosa Grana MD Trustee/Dir Cooper Cancer Inst	55 0	X						585,541	0	11,642
Paul Katz MD Trustee	3 0	X						0	0	0
Ali A Houshmand PhD Trustee	3 0	X						0	0	0
Wendell Pritchett PhD Trustee	3 0	X						0	0	0
Duane D Myers Trustee	3 0	X						0	0	0
Annette Reboli MD Trustee	3 0	X						0	0	0
Robert A Saporito DDS Trustee	3 0	X						0	0	0
Roland Schwarting MD Trustee/Chief, Pathology	55 0	X						561,617	0	19,281
William A Schwartz Jr Trustee	3 0	X						0	0	0
John W Shimark Trustee	3 0	X						0	0	0
Harvey A Snyder MD Trustee	3 0	X						0	0	0
Dr Kris Singh MD Trustee	3 0	X						0	0	0
M Allan Vogelson JSC Ret Trustee	3 0	X						0	0	0
Peter E Driscoll Esq Trustee Emeritus (non-voting)	3 0	X						0	0	0
Linda M Kassekert-end 82012 Trustee	3 0	X						0	0	0
Peter S Amenta MD PhD Trustee	3 0	X						0	0	0
Raymond A Meiller Trustee Emeritus (non-voting)	3 0	X						0	0	0
George Weinroth COO of UP	55 0 6 0			X				383,872	0	28,987

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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			
Carolyn E Bekes MD fmr CMO Current Chief Academic Affairs	55 0			X				371,349	0	27,111
Mary P Gamon Board Secretary (partial year)	40 0			X				51,228	0	7,062
Douglas Shirley Chief Financial Officer	55 0 8 0			X				471,928	0	27,813
Gary Lesneski Sr EVP/General Counsel	55 0			X				620,889	0	24,353
David A Bocian Chief Compliance Officer	55 0			X				245,980	0	31,989
Jane M Tubbs Board Secretary (partial year)	55 0			X				56,569	0	1,760
Raymond Baraldi MD interim CMO/Chief Diag Imaging	55 0			X				542,445	0	25,082
Robin L Perry MD Chief, Dept of Ob Gyn	55 0 3 0				X			443,154	0	33,000
Douglas Allen VP Human Resource	55 0				X			272,818	0	11,085
Dianne S Charsha Sr VP Patient Care/CNO	55 0				X			373,902	0	19,593
Lawrence S Miller MD Chief, Orthopedic Surgery	55 0 3 0				X			859,160	0	32,875
John Schwarz VP Facilities & Support Svc	55 0				X			252,721	0	8,932
William G Smith MBA VP Chief Accounting Officer	55 0 8 0				X			238,852	0	27,210
Joseph E Parrillo-END 102012 Chief, Dept of Medicine	55 0				X			1,115,879	0	28,508
Jeffrey P Carpenter MD VP - Perioperative Services	55 0				X			1,242,709	0	33,134
Glenn Sherman VP Supply Chain	55 0				X			241,351	0	19,073
Eli Winkler Sr VP Strategic Plan Bus Dev	55 0				X			356,107	0	32,077
Naomi Lawrence MD Head, Division of Dermatology	55 0					X		844,025	0	32,875
Michael Rosenbloom MD Head,Div of Cardiothoracic Sur	55 0					X		1,212,743	0	33,134
Adam B Elfant MD Assoc Div Head, Dept of Med	55 0					X		764,953	0	27,455
Richard Y Highbloom MD Surgeon	55 0					X		940,584	0	27,208
Frank W Bowen III MD Surgeon	55 0					X		786,700	0	10,361
Jeffrey N Yarmel Former Senior VP & COO	0 0						X	253,213	0	0

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
The Cooper Health System a New Jersey Non-Profit Corporation

Employer identification number
21-0634462

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 described in **section 170(b)(1)(A)(i).**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1 - 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(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 monetary support
			Yes	No	Yes	No	Yes	No	
Total									

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
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 2012 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2011 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2012.** 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—2011.** If the organization did not check a 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—2012.** 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—2011.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

Part III **Support Schedule for Organizations Described in Section 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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 2012 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2011 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from **2011** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2012.** 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—2011.** 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.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.**

OMB No 1545-0047

2012

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, Part V, line 35c (Proxy Tax), then

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

Name of the organization	Employer identification number
The Cooper Health System a New Jersey Non-Profit Corporation	21-0634462

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 in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable 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)).

	For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		251,595
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		69,281
j	Total Add lines 1c through 1i			320,876
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 carry over 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) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible 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, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1 Also, complete this part for any additional information

Identifier	Return Reference	Explanation
Lobbying Activity Explanation	Schedule C, Part II-B, Lines 1G & 1H	During 2012, the organization paid independent firms $251,595 to provide lobbying consulting services and to engage in lobbying efforts on behalf of the organization In addition, the organization is a member of the following organizations all of which engage in lobbying efforts on behalf of their member hospitals The portion of these dues allocated to lobbying expenditures for 2012 is detailed below and in total is $69,281 New Jersey Hospital Association $27,731 Hospital Alliance of New Jersey $5,500 New Jersey Council of Teaching Hospitals $36,050

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
The Cooper Health System a New Jersey Non-Profit Corporation

Employer identification number
21-0634462

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

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

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

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

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

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

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

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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 section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, 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 (ASC 958), 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 XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), 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 (ASC 958) 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 acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

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

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

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 XIII and complete the following table

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

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

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . . ☐

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

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	439,000	439,000	439,000	439,000	439,000
b	Contributions					
c	Net investment earnings, gains, and losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance	439,000	439,000	439,000	439,000	439,000

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶ 100 000 %
- c Temporarily restricted endowment ▶

The percentages in lines 2a, 2b, and 2c should equal 100%

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

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

4 Describe in Part XIII 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		3,753,751		3,753,751
b Buildings		230,032,766	32,472,253	197,560,513
c Leasehold improvements		127,375,309	72,266,369	55,108,940
d Equipment		284,097,906	235,031,906	49,066,000
e Other		38,628,967	1,603,424	37,025,543
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				342,514,747

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

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

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	0
SETTLEMENTS-3RD PARTY PAYORS, CURR	4,698,767
SELF-INSURED RESERVES, CURRENT	14,482,806
SELF-INSURED RESERVES, NON-CURR	57,372,208
ACCRUED RETIREMENT BENEFITS	8,144,958
SETTLEMENTS-3RD PARTY PAYORS, N/C	18,050,452
DUE TO AFFILIATES	2,640,177
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	105,389,368

2. Fin 48 (ASC 740) Footnote In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☐

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

1	Total revenue, gains, and other support per audited financial statements			1	935,619,000
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	-221,004		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	22,543,511		
e	Add lines **2a** through **2d**			2e	22,322,507
3	Subtract line **2e** from line **1**			3	913,296,493
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	288,132		
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	288,132
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	913,584,625

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

1	Total expenses and losses per audited financial statements			1	878,453,000
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 XIII)	2d	6,957,925		
e	Add lines **2a** through **2d**			2e	6,957,925
3	Subtract line **2e** from line **1**			3	871,495,075
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	288,132		
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	288,132
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	871,783,207

Part XIII 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, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
Endowment Funds	Schedule D, Part V, Question 4	Restricted Funds are used to support the charitable activities and programs of the organization and its affiliates
Schedule D, Part XI, Line 2d	RECONCILIATION OF REVENUE PER AFS WITH REVENUE PER RETURN	change in fair value of interest rate swap agreements $ (261,802) change in pension benefit obligation 847,388 Malpractice Actuarial Gain 6,613,000 Net Asset Transfer From Affiliate 15,000,000 Cooper Cancer Center (separate legal entity) 344,925 ---------- TOTAL $ 22,543,511 ==========
Schedule D, part XII, Line 2d	RECONCILIATION OF EXPENSES PER AFS WITH EXPENSES PER RETURN	Malpractice Actuarial Gain $ 6,613,000 Cooper Cancer Center (separate legal entity) 344,925 --------- Total $ 6,957,925 =========

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
The Cooper Health System a New Jersey Non-Profit Corporation

Employer identification number
21-0634462

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year			
	☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care	3a	Yes	
	☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %			
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care	3b	Yes	
	☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other 500 %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for 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 financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	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 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance 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 Financial Assistance at cost (from Worksheet 1)	1	2,808	63,031,026	42,055,646	20,975,380	2 590 %
b Medicaid (from Worksheet 3, column a)	1	7,874	143,392,054	126,493,193	16,898,861	2 090 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs	2	10,682	206,423,080	168,548,839	37,874,241	4 680 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1,789,475	281,025	1,226,107	0 150 %
f Health professions education (from Worksheet 5)			48,200,331	23,891,041	24,309,290	3 000 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)			2,551,369	1,331,343	1,220,026	0 150 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			21,000	0	21,000	
j **Total.** Other Benefits			52,562,175	25,503,409	26,776,423	3 300 %
k **Total.** Add lines 7d and 7j	2	10,682	258,985,255	194,052,248	64,650,664	7 980 %

Part II **Community Building Activities** Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing	3		456,781	360,538	96,243	0 010 %
2	Economic development	1		55,000		55,000	0 010 %
3	Community support	7		362,021		362,021	0 040 %
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building	6		8,927		8,927	
7	Community health improvement advocacy	5		5,424		5,424	
8	Workforce development	7		59,203		59,203	0 010 %
9	Other						
10	**Total**	29		947,356	360,538	586,818	0 070 %

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1	Yes		
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	62,057,929		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	142,935,933
6	Enter Medicare allowable costs of care relating to payments on line 5	6	155,253,301
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-12,317,368
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV **Management Companies and Joint Ventures** (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year?
1

	Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	Cooper Health System One Cooper Plaza Camden, NJ 08103	X	X	X	X		X	X	X	Level 1 Trauma	

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group Cooper Health System

For single facility filers only: line Number of Hospital Facility (from Schedule H, Part V, Section A) 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1		
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☐ A definition of the community served by the hospital facility			
b	☐ Demographics of the community			
c	☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☐ How data was obtained			
e	☐ The health needs of the community			
f	☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☐ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 ___			
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? 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 CHNA 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 CHNA report widely available to the public?	5		
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☐ Hospital facility's website			
b	☐ Available upon request from the hospital facility			
c	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a	☐ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☐ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☐ Prioritization of health needs in its community			
h	☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
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			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 500 % If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☐ Medical indigency			
d ☑ Insurance status			
e ☑ Uninsured discount			
f ☑ Medicaid/Medicare			
g ☑ State regulation			
h ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 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?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			
17 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?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			

Part V Facility Information *(continued)*

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)

- **a** ☑ Notified individuals of the financial assistance policy on admission
- **b** ☑ Notified individuals of the financial assistance policy prior to discharge
- **c** ☑ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- **d** ☑ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- **e** ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 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?	**19**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☑ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☐ Other (describe in Part VI)			
21 During the tax year, did the hospital facility charge any FAP-eligible individuals 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?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?	**22**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Other Health Care 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 health care facilities did the organization operate during the tax year?
14

	Name and address	Type of Facility (describe)
1	See Additional Data Table	
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, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any 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

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Identifier	ReturnReference	Explanation
PART I, LINE 3C	ELIGIBILITY FOR DISCOUNTED CARE	The income based criteria used to determine eligibility is per New Jersey administrative code 10 52 sub chapters 11, 12 and 13, and based upon the 2012 poverty guidelines (Department of Health and Senior Services) Federal Poverty Guidelines ("FPG") are included in the criteria for determining eligibility for charity and discounted care
PART I, LINE 7G	FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS AT COST	NO COSTS RELATING TO SUBSIDIZED HEALTHCARE SERVICES ARE ATTRIBUTABLE TO ANY PHYSICIAN CLINICS
PART I, LINE 7, COLUMN F	PERCENT OF TOTAL EXPENSES	THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A) BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $62,057,929
PART II	COMMUNITY BUILDING ACTIVITIES	THE HEALTH OF THE SURROUNDING COMMUNITIES IS OF COOPER'S UTMOST CONCERN FROM HEALTHCARE PROGRAMS FOR THE COMMUNITY TO EDUCATIONAL AND EMPLOYMENT PROGRAMS, COOPER STRIVES TO BE A RESPONSIBLE, INVOLVED COMMUNITY ADVOCATE PLEASE SEE SCHEDULE O FOR THE COMMUNITY BENEFIT STATEMENT
PART III, SECTION A, LINE 4	BAD DEBT EXPENSE	BAD DEBT EXPENSE WAS CALCULATED USING THE PROVIDERS' BAD DEBT EXPENSE FROM FINANCIAL STATEMENT, NET OF ACCOUNTS WRITTEN OFF AT CHARGES COOPER HEALTH SYSTEM PREPARES AND ISSUES AUDITED FINANCIAL STATEMENTS THE ATTACHED TEXT WAS OBTAINED FROM THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENTS OF THE COOPER HEALTH SYSTEM - OBLIGATED GROUP THE HEALTH SYSTEM PROVIDES CARE TO THOSE WHO MEET THE STATE OF NEW JERSEY PUBLIC LAW 1992 (CHAPTER 160) CHARITY CARE CRITERIA CHARITY CARE IS PROVIDED WITHOUT CHARGE OR AT AMOUNTS LESS THAN ITS ESTABLISHED CHARGES THE HEALTH SYSTEM MAINTAINS RECORDS TO IDENTIFY AND MONITOR THE LEVEL OF CHARITY CARE IT PROVIDES THE COST OF SERVICES PROVIDED AND SUPPLIES FURNISHED UNDER ITS CHARITY CARE POLICY IS ESTIMATED USING INTERNAL COST DATA AND IS CALCULATED BASED ON THE HEALTH SYSTEMS COST ACCOUNTING SYSTEM THE TOTAL DIRECT AND INDIRECT AMOUNT OF CHARITY CARE PROVIDED, DETERMINED ON THE BASIS OF COST, WAS $58,802,000 AND $59,227,000 FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011, RESPECTIVELY THE HEALTH SYSTEM'S PATIENT ACCEPTANCE POLICY IS BASED UPON ITS MISSION STATEMENT AND ITS CHARITABLE PURPOSES ACCORDINGLY, THE HEALTH SYSTEM ACCEPTS ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY THIS POLICY RESULTS IN THE HEALTH SYSTEM'S ASSUMPTION OF HIGHER-THAN-NORMAL PATIENT RECEIVABLE CREDIT RISKS TO THE EXTENT THAT THE HEALTH SYSTEM REALIZES ADDITIONAL LOSSES RESULTING FROM SUCH HIGHER CREDIT RISKS AND PATIENTS THAT ARE NOT IDENTIFIED OR DO NOT MEET THE HEALTH SYSTEM'S DEFINED CHARITY CARE POLICY, SUCH ADDITIONAL LOSSES ARE INCLUDED IN THE PROVISION FOR BAD DEBTS CHAPTER 160 ESTABLISHED THE CHARITY CARE SUBSIDY FUND AND THE HOSPITAL RELIEF SUBSIDY FUND TO PROVIDE A MECHANISM AND FUNDING SOURCE TO COMPENSATE CERTAIN HOSPITALS FOR CHARITY CARE THE HEALTH SYSTEM RECORDED THE FOLLOWING AMOUNTS FROM THE FUNDS AS NET PATIENT SERVICE REVENUE THE AMOUNTS ARE SUBJECT TO CHANGE FROM YEAR TO YEAR BASED ON AVAILABLE STATE BUDGET AMOUNTS AND ALLOCATION METHODOLOGIES A PROPORTIONATE AMOUNT IS IN PLACE THROUGH JUNE 2013 WHILE AMOUNTS ARE NOT FINALIZED FOR THE STATE OF NEW JERSEY'S FISCAL 2014 BUDGET, IT IS ANTICIPATED THAT FUNDING WILL BE SLIGHTLY REDUCED
PART III, SECTION B, LINE 8	MEDICARE	MEDICARE COSTS WERE DERIVED FROM THE 2012 MEDICARE COST REPORT MEDICARE UNDERPAYMENTS (SHORTFALL) AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS, IN OUR OPINION, SHOULD BE INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I AS OUTLINED MORE FULLY BELOW, THE ORGANIZATION BELIEVES THAT THESE SERVICES AND RELATED COSTS PROMOTE THE HEALTH OF THE COMMUNITY AS A WHOLE AND ARE RENDERED IN CONJUNCTION WITH THE ORGANIZATION'S CHARITABLE TAX-EXEMPT PURPOSES AND MISSION IN PROVIDING MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUAL'S IN A NON-DISCRIMINATORY MANNER WITHOUT REGARD TO RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY AND CONSISTENT WITH THE COMMUNITY BENEFIT STANDARD PROMULATED BY THE IRS THE COMMUNITY BENEFIT STANDARD IS THE CURRENT STANDARD FOR A HOSPITAL FOR RECOGNITION AS A TAX-EXEMPT AND CHARITABLE ORGANIZATION UNDER INTERNAL REVENUE CODE (IRC) SECTION 501(C)(3) THE ORGANIZATION IS RECOGNIZED AS A TAX-EXEMPT ENTITY AND CHARITABLE ORGANIZATION UNDER IRC SECTION 501(C)(3) ALTHOUGH THERE IS NO DEFINITION IN THE TAX CODE FOR THE TERM "CHARITABLE", A REGULATION PROMULGATED BY THE DEPARTMENT OF THE TREASURY PROVIDES SOME GUIDANCE AND STATES THAT "THE TERM CHARITABLE IS USED IN IRC SECTION 501(C)(3) IN ITS GENERALLY ACCEPTED LEGAL SENSE," AND PROVIDES EXAMPLES OF CHARITABLE PURPOSES, INCLUDING THE RELIEF OF THE INDIGENT OR UNPRIVILEGED, THE PROMOTION OF SOCIAL WELFARE, AND THE ADVANCEMENT OF EDUCATION, RELIGION, AND SCIENCE NOTE IT DOES NOT EXPLICITLY ADDRESS THE ACTIVITIES OF HOSPITALS IN THE ABSENCE OF EXPLICIT STATUTORY OR REGULATORY REQUIREMENTS APPLYING THE TERM "CHARITABLE" TO HOSPITALS, IT HAS BEEN LEFT TO THE IRS TO DETERMINE THE CRITERIA HOSPITALS MUST MEET TO QUALIFY AS IRC SECTION 501(C)(3) CHARITABLE ORGANIZATIONS THE ORIGINAL STANDARD WAS KNOWN AS THE CHARITY CARE STANDARD THIS STANDARD WAS REPLACED BY THE IRS WITH THE COMMUNITY BENEFIT STANDARD WHICH IS THE CURRENT STANDARD CHARITY CARE STANDARD IN 1956, THE IRS ISSUED REVENUE RULING 56-185, WHICH ADDRESSED THE REQUIREMENTS HOSPITALS NEEDED TO MEET IN ORDER TO QUALIFY FOR IRC SECTION 501(C)(3) STATUS ONE OF THESE REQUIREMENTS IS KNOWN AS THE "CHARITY CARE STANDARD " UNDER THE STANDARD, A HOSPITAL HAD TO PROVIDE, TO THE EXTENT OF ITS FINANCIAL ABILITY, FREE OR REDUCED-COST CARE TO PATIENTS UNABLE TO PAY FOR IT A HOSPITAL THAT EXPECTED FULL PAYMENT DID NOT, ACCORDING TO THE RULING, PROVIDE CHARITY CARE BASED ON THE FACT THAT SOME PATIENTS ULTIMATELY FAILED TO PAY THE RULING EMPHASIZED THAT A LOW LEVEL OF CHARITY CARE DID NOT NECESSARILY MEAN THAT A HOSPITAL HAD FAILED TO MEET THE REQUIREMENT SINCE THAT LEVEL COULD REFLECT ITS FINANCIAL ABILITY TO PROVIDE SUCH CARE THE RULING ALSO NOTED THAT PUBLICLY SUPPORTED COMMUNITY HOSPITALS WOULD NORMALLY QUALIFY AS CHARITABLE ORGANIZATIONS BECAUSE THEY SERVE THE ENTIRE COMMUNITY AND A LOW LEVEL OF CHARITY CARE WOULD NOT AFFECT A HOSPITAL'S EXEMPT STATUS IF IT WAS DUE TO THE SURROUNDING COMMUNITY'S LACK OF CHARITABLE DEMANDS COMMUNITY BENEFIT STANDARD IN 1969, THE IRS ISSUED REVENUE RULING 69-545, WHICH "REMOVED" FROM REVENUE RULING 56-185 "THE REQUIREMENTS RELATING TO CARING FOR PATIENTS WITHOUT CHARGE OR AT RATES BELOW COST " UNDER THE STANDARD DEVELOPED IN REVENUE RULING 69-545, WHICH IS KNOWN AS THE "COMMUNITY BENEFIT STANDARD," HOSPITALS ARE JUDGED ON WHETHER THEY PROMOTE THE HEALTH OF A BROAD CLASS OF INDIVIDUALS IN THE COMMUNITY THE RULING INVOLVED A HOSPITAL THAT ONLY ADMITTED INDIVIDUALS WHO COULD PAY FOR THE SERVICES (BY THEMSELVES, PRIVATE INSURANCE, OR PUBLIC PROGRAMS SUCH AS MEDICARE), BUT OPERATED A FULL-TIME EMERGENCY ROOM THAT WAS OPEN TO EVERYONE THE IRS RULED THAT THE HOSPITAL QUALIFIED AS A CHARITABLE ORGANIZATION BECAUSE IT PROMOTED THE HEALTH OF PEOPLE IN ITS COMMUNITY THE IRS REASONED THAT BECAUSE THE PROMOTION OF HEALTH WAS A CHARITABLE PURPOSE ACCORDING TO THE GENERAL LAW OF CHARITY, IT FELL WITHIN THE "GENERALLY ACCEPTED LEGAL SENSE" OF THE TERM "CHARITABLE," AS REQUIRED BY TREASURY REGULATION 1 501(C)(3)-1(D)(2) THE IRS RULING STATED THAT THE PROMOTION OF HEALTH, LIKE THE RELIEF OF POVERTY AND THE ADVANCEMENT OF EDUCATION AND RELIGION, IS ONE OF THE PURPOSES IN THE FENERAL LAW OF CHARITY THAT IS DEEMED BENEFICIAL TO THE COMMUNITY AS A WHOLE EVEN THOUGH THE CLASS OF BENEFICIARIES ELIGIBLE TO RECEIVE A DIRECT BENEFIT FROM ITS ACTIVITIES DOES NOT INCLUDE ALL MEMBERS OF THE COMMUNITY, SUCH AS INDIGENT MEMBERS OF THE COMMUNITY, PROVIDED THAT THE CLASS IS NOT SO SMALL THAT ITS RELIEF IS NOT OF BENEFIT TO THE COMMUNITY THE IRS CONCLUDED THAT THE HOSPITAL WAS "PROMOTING THE HEALTH OF A CLASS OF PERSONS THAT IS BROAD ENOUGH TO BENEFIT THE COMMUNITY" BECAUSE ITS EMERGENCY ROOM WAS OPEN TO ALL AND IT PROVIDED CARE TO EVERYONE WHO COULD PAY, WHETHER DIRECTLY OR THROUGH THIRD-PARTY REIMBURSEMENT OTHER CHARACTERISTICS OF THE HOSPITAL THAT THE IRS HIGHLIGHTED INCLUDED THE FOLLOWING ITS SURPLUS FUNDS WERE USED TO IMPROVE PATIENT CARE, EXPAND HOSPITAL FACILITIES, AND ADVANCE MEDICAL TRAINING, EDUCATION, AND RESEARCH, IT WAS CONTROLLED BY A BOARD OF TRUSTEES THAT CONSISTED OF INDEPENDENT CIVIC LEADERS, AND HOSPITAL MEDICAL STAFF PRIVILEGES WERE AVAILABLE TO ALL QUALIFIED PHYSICIANS MEDICARE UNDERPAYMENTS AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS SHOULD BE INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I THE AMERICAN HOSPITAL ASSOCIATION ("AHA") FEELS THAT MEDICARE UNDERPAYMENTS (SHORTFALL) AND BAD DEBT ARE COMMUNITY BENEFIT AND THUS SHOULD BE INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I THIS ORGANIZATION AGREES WITH THE AHA POSITION AS OUTLINED IN THE AHA LETTER TO THE IRS DATED AUGUST 21, 2007 WITH RESPECT TO THE FIRST PUBLISHED DRAFT OF THE NEW FORM 990 AND SCHEDULE H, THE AHA FELT THAT THE IRS SHOULD INCORPORATE THE FULL VALUE OF THE COMMUNITY BENEFIT THAT HOSPITALS PROVIDE BY COUNTING MEDICARE UNDERPAYMENTS (SHORTFALL) AS QUANTIFIABLE COMMUNITY BENEFIT FOR THE FOLLOWING REASONS - PROVIDING CARE FOR THE ELDERLY AND SERVING MEDICARE PATIENTS IS AN ESSENTIAL PART OF THE COMMUNITY BENEFIT STANDARD - MEDICARE, LIKE MEDICAID, DOES NOT PAY THE FULL COST OF CARE CENTLY, MEDICARE REIMBURSES HOSPITALS ONLY 92 CENTS FOR EVERY DOLLAR THEY SPEND TO TAKE CARE OF MEDICARE PATIENTS THE MEDICARE PAYMENT ADVISORY COMMISSION ("MEDPAC") IN ITS MARCH 2007 REPORT TO CONGRESS CAUTIONED THAT UNDERPAYMENT WILL GET EVEN WORSE, WITH MARGINS REACHING A 10-YEAR LOW AT NEGATIVE 5 4 PERCENT - MANY MEDICARE BENEFICIARIES, LIKE THEIR MEDICAID COUNTERPARTS, ARE INDIGENT MORE THAN 46 PERCENT OF MEDICARE SPENDING IS FOR BENEFICIARIES WHOSE INCOME IS BELOW 200 PERCENT OF THE FEDERAL POVERTY LEVEL MANY OF THOSE MEDICARE BENEFICIARIES ARE ALSO ELIGIBLE FOR MEDICAID - SO CALLED "DUAL ELIGIBLES " THERE IS EVERY COMPELLING PUBLIC POLICY REASON TO TREAT MEDICARE AND MEDICAID UNDERPAYMENTS SIMILARLY FOR PURPOSES OF A HOSPITAL'S COMMUNITY BENEFIT AND INCLUDE THESE COSTS ON FORM 990, SCHEDULE H, PART I MEDICARE UNDERPAYMENT MUST BE SHOULDERED BY THE HOSPITAL IN ORDER TO CONTINUE TREATING THE COMMUNITY'S ELDERLY AND INDIGENT THESE UNDERPAYMENTS REPRESENT A REAL COST OF SERVING THE COMMUNITY AND SHOULD COUNT AS A QUANTIFIABLE COMMUNITY BENEFIT BOTH THE AHA AND THIS ORGANIZATION ALSO FEEL THAT PATIENT BAD DEBT IS A COMMUNITY BENEFIT AND THUS SHOULD BE INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I LIKE MEDICARE UNDERPAYMENT (SHORTFALLS), THERE ALSO ARE COMPELLING REASONS THAT PATIENT BAD DEBT SHOULD BE COUNTED AS QUANTIFIABLE COMMUNITY BENEFIT AS FOLLOWS - A SIGNIFICANT MAJORITY OF BAD DEBT IS ATTRIBUTABLE TO LOW-INCOME PATIENTS, WHO, FOR MANY REASONS, DECLINE TO COMPLETE THE FORMS REQUIRED TO ESTABLISH ELIGIBILITY FOR HOSPITALS' CHARITY CARE OR FINANCIAL ASSISTANCE PROGRAMS A 2006 CONGRESSIONAL BUDGET OFFICE ("CBO") REPORT, NONPROFIT HOSPITALS AND THE PROVISION OF COMMUNITY BENEFITS, CITED TWO STUDIES INDICATING THAT "THE GREAT MAJORITY OF BAD DEBT WAS ATTRIBUTABLE TO PATIENTS WITH INCOMES BELOW 200% OF THE FEDERAL POVERTY LINE " - THE REPORT ALSO NOTED THAT A SUBSTANTIAL PORTION OF BAD DEBT IS PENDING CHARITY CARE UNLIKE BAD DEBT IN OTHER INDUSTRIES, HOSPITAL BAD DEBT IS COMPLICATED BY THE FACT THAT HOSPITALS FOLLOW THEIR MISSION TO THE COMMUNITY AND TREAT EVERY PATIENT THAT COMES THROUGH THEIR EMERGENCY DEPARTMENT, REGARDLESS OF ABILITY TO PAY PATIENTS WHO HAVE OUTSTANDING BILLS ARE NOT TURNED AWAY, UNLIKE OTHER INDUSTRIES BAD DEBT IS FURTHER COMPLICATED BY THE AUDITING INDUSTRY'S STANDARDS ON REPORTING CHARITY CARE MANY PATIENTS CANNOT OR DO NOT PROVIDE THE NECESSARY, EXTENSIVE DOCUMENTATION REQUIRED TO BE DEEMED CHARITY CARE BY AUDITORS AS A RESULT, ROUGHLY 40 PERCENT OF BAD DEBT IS PENDING CHARITY CARE - THE CBO CONCLUDED THAT ITS FINDINGS "SUPPORT THE VALIDITY OF THE USE OF UNCOMPENSATED CARE (BAD DEBT AND CHARITY CARE) AS A MEASURE OF COMMUNITY BENEFITS" ASSUMING THE FINDINGS ARE GENERALIZABLE NATIONWIDE, THE EXPERIENCE OF HOSPITALS AROUND THE NATION REINFORCES THA
PART III, SECTION C, LINE 9B	COLLECTION PRACTICES	THE ORGANIZATION EXPECTS PAYMENT AT THE TIME THE SERVICE IS PROVIDED OUR POLICY IS TO COMPLY WITH ALL STATE AND FEDERAL LAW AND THIRD PARTY REGULATIONS AND TO PERFORM ALL CREDIT AND COLLECTION FUNCTIONS IN A DIGNIFIED AND RESPECTFUL MANNER EMERGENCY SERVICES WILL BE PROVIDED TO ALL PATIENTS REGARDLESS OF ABILITY TO PAY FINANCIAL ASSISTANCE IS AVAILABLE FOR PATIENTS BASED ON FINANCIAL NEED AS DEFINED IN THE FINANCIAL ASSISTANCE POLICY THE ORGANIZATION DOES NOT DISCRIMINATE ON THE BASIS OF AGE, RACE, CREED, SEX, OR ABILITY TO PAY PATIENTS WHO ARE UNABLE TO PAY MAY REQUEST A FINANCIAL ASSISTANCE APPLICATION AT ANY TIME PRIOR TO SERVICE OR DURING THE BILLING AND COLLECTION PROCESS THE ORGANIZATION MAY REQUEST THE PATIENT TO APPLY FOR MEDICAL ASSISTANCE PRIOR TO APPLYING FOR FINANCIAL ASSISTANCE THE ACCOUNT WILL NOT BE FORWARDED FOR COLLECTION DURING THE MEDICAL ASSISTANCE APPLICATION PROCESS OR THE FINANCIAL ASSISTANCE APPLICATION PROCESS
PART VI, QUESTION 2	NEEDS ASSESSMENT	COOPER HEALTH SYSTEM (CHS) CONDUCTS A REVIEW OF KEY FACTOR INFORMATION ANNUALLY WHICH INCLUDES A REVIEW OF HEALTHCARE UTILIZATION OF ITS SERVICE AREA POPULATION BY SERVICES (UROLOGY, CARDIOLOGY, OBSTETRICS, ETC) FOR DETERMINING INCREASED OR DECREASED HEALTH NEEDS, HEALTHCARE SERVICE ESTIMATES AND FORECASTS (BOTH INPATIENT AND OUTPATIENT), ASSESSMENTS OF LOCAL DEMOGRAPHIC AND SOCIOECONOMIC INFORMATION, REIVEW OF HEALTH STATUS/NEEDS ASSESSMENTS AND STUDIES CONDUCTED BY EXTERNAL PARTIES CHS IS IN A DIVERSE SUBURBAN LOCATION SERVING DIVERSE COMMUNITIES RANGING FROM INNER CITY COMMUNITIES IN CAMDEN TO MORE AFFLUENT SUBURBAN AREAS CHS IS LOCATED IN CAMDEN, CAMDEN COUNTY CAMDEN COUNTY IS THE FIFTH MOST POPULOUS COUNTY IN THE STATE WITH 37 MUNICIPALITIES CHS IS COMMITTED TO SERVICE FOR ITS COMMUNITIES AND SERVES BOTH INNER CITY AND SUBURBAN AREAS ABOUT 40 PERCENT OF ITS INPATIENTS ARE OF MINORITY RACE/ETHNICITY IN ADDITION, APPROXIMATELY 10 PERCENT OF ITS PATIENTS ARE OF UNDERINSURED AND UNINSURED PAYER CATEGORIES
PART VI, QUESTION 3	PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	IT IS THE POLICY OF COOPER UNIVERSITY HOSPITAL TO ASSIST UNINSURED AND UNDERINSURED PATIENTS WITH HOSPITAL AND PHYSICIAN BILLS BY PROVIDING DISCOUNTS AND PAYMENT PLAN OPTIONS WHEN ELIGIBILITY FOR MEDICAID OR CHARITY CARE HAVE BEEN EXHAUSTED DUE TO EXCESS INCOME OR RESOURCES 1 PATIENTS ARE SCREENED FOR ALL POTENTIAL THIRD PARTY LIABILITY RESOURCES, INCLUDING COOPER RELATED GRANTS 2 REFERRALS DIRECTED TO UNINSURED PATIENT COORDINATOR ORIGINATE FROM ACCOUNTS RECEIVABLE MANAGEMENT AND DATA SERVICES, PHYSICIAN OFFICES, CLINICS AND ANY OTHER COOPER HOSPITAL, OFF CAMPUS, FACILITIES AND CAN BE MADE PRIOR TO OR AFTER A SPECIFIED DATE OF SERVICE(S) 3 UNINSURED PATIENT COORDINATOR CONTACTS PHYSICIAN DEPARTMENTS TO INFORM THEM OF PATIENT NEED FOR DISCOUNT, SECURES DISCOUNTED RATES, AND FORWARDS TO PATIENT 4 PATIENTS ARE QUOTED PRICES BY THE UNINSURED PATIENT COORDINATOR THAT CORRESPONDS TO MEDICARE EXPECTED REIMBURSEMENT RATES FOR OUTPATIENT PROCEDURES AND MEDICARE BASE DIAGNOSIS-RELATED GROUP RATE FOR INPATIENT HOSPITALIZATIONS 5 ALL DISCOUNTED RATES ARE PRESENTED TO THE PATIENT AS WELL AS PAYMENT PLAN OPTIONS USING THE PRICING ESTIMATE SOFTWARE TOOL THAT STORES AND PRINTS STANDARD ESTIMATES FOR PATIENTS 6 UNINSURED DISCOUNT PLAN INSURANCE AND ADJUSTMENTS ARE POSTED TO HEALTHQUEST WHEN APPROPRIATE 7 THE UNINSURED PATIENT COORDINATOR DETERMINES AND DISTRIBUTES PATIENT PAYMENTS AMONGST ALL HOSPITAL AND PHYSICIAN DEPARTMENTS
PART VI, QUESTION 4	COMMUNITY INFORMATION	THE ORGANIZATION IS IN A DIVERSE SUBURBAN LOCATION SERVING DIVERSE COMMUNITIES RANGING FROM INNER CITY COMMUNITIES IN CAMDEN TO MORE AFFLUENT SUBURBAN AREAS THIS ORGANIZATION IS LOCATED IN CAMDEN, IN CAMDEN COUNTY CAMDEN COUNTY IS THE EIGHTH MOST POPULOUS COUNTY IN THE STATE WITH 37 MUNICIPALITIES THIS ORGANIZATION IS COMMITTED TO SERVICE FOR ITS CAMDEN COMMUNITIES AND SERVES BOTH INNER CITY AND SUBURBAN AREAS ABOUT 47 PERCENT OF ITS INPATIENTS ARE OF MINORITY RACE/ETHNICITY IN ADDITION, APPROXIMATELY 10 PERCENT OF ITS PATIENTS ARE OF UNDERINSURED AND UNINSURED PAYER CATEGORIES
PART VI, QUESTION 5	PROMOTION OF COMMUNITY HEALTH	THIS ORGANIZATION OPERATES CONSISTENTLY WITH THE FOLLOWING CRITERIA OUTLINED IN IRS REVENUE RULING 69-545 1 THE ORGANIZATION PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS REGARDLESS OF ABILITY TO PAY, INCLUDING CHARITY CARE, SELF-PAY, MEDICARE AND MEDICAID PATIENTS, 2 THE ORGANIZATION OPERATES AN ACTIVE EMERGENCY ROOM FOR ALL PERSONS, WHICH IS OPEN 24 HOURS A DAY, 7 DAYS A WEEK, 365 DAYS PER YEAR, 3 THE ORGANIZATION MAINTAINS AN OPEN MEDICAL STAFF, WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS, 4 CONTROL OF THE ORGANIZATION RESTS WITH ITS BOARD OF DIRECTORS, WHICH IS COMPRISED OF INDEPENDENT CIVIC LEADERS AND OTHER PROMINENT MEMBERS OF THE COMMUNITY, AND 5 SURPLUS FUNDS ARE USED TO IMPROVE THE QUALITY OF PATIENT CARE, EXPAND AND RENOVATE FACILITIES AND ADVANCE MEDICAL CARE, PROGRAMS AND ACTIVITIES
PART VI, QUESTION 6	AFFILIATED HEALTH CARE SYSTEM	COOPER HEALTH SYSTEM (CHS) IS COMMITTED TO ENHANCING THE OVERALL HEALTH STATUS OF THE COMMUNITY BY PROVIDING THE HIGHEST QUALITY HEALTHCARE AND RELATED SERVICES CHS STRIVES TO EXCEED THE PATIENTS' EXPECTATIONS EMPHASIZING COMMITMENT, COMPETENCE, COLLABORATION, COMMUNICATION, AND COMPASSION THE RESPECTIVE ROLES OF CHS AND ITS AFFILIATES IN PROMOTING THE HEALTH OF THE COMMUNITIES SERVED IS AS FOLLOWS - COOPER MEDICAL SERVICES, INC IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE SECTION 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE SECTION 509(A)(3) THE ORGANIZATION SUPPORTS THE CHARITABLE PURPOSES, PROGRAMS AND SERVICES OF THE COOPER HEALTH SYSTEM - THE COOPER FOUNDATION IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE SECTION 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE SECTION 509(A)(1) THE ORGANIZATION RECEIVES CHARITABLE CONTRIBUTIONS AND GRANTS FROM VARIOUS SOURCES AND DISBURSES GRANTS TO PRIMARILY COOPER HEALTH SYSTEM FOR ITS MISSION AND PROGRAMS, BUT ALSO TO OTHER INTERNAL REVENUE CODE SECTION 501(C)(3) ORGANIZATIONS - THE COOPER HEALTH SYSTEM WORKER'S COMPENSATION TRUST IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE SECTION 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE SECTION 509(A)(3) THE ORGANIZATION PROVIDES WORKER'S COMPENSATION INSURANCE COVERAGE TO EMPLOYEES OF THE COOPER HEALTH SYSTEM - COOPER CANCER CENTER, INC WAS FORMED IN 2012 THE ORGANIZATION HAS REQUESTED TAX-EXEMPT STATUS FROM THE INTERNAL REVENUE SERVICE PURSUANT TO INTERNAL REVENUE CODE SECTION 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE SECTION 509(A)(3), TYPE I THE ORGANIZATION SUPPORTS THE CHARITABLE PURPOSES, PROGRAMS AND SERVICES OF THE COOPER HEALTH SYSTEM - C & H COLLECTION SERVICES, INC IS A FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS CHS THE ORGANIZATION IS LOCATED IN CHERRY HILL, CAMDEN COUNTY, NEW JERSEY THE ORGANIZATION PROVIDES HEALTHCARE SERVICES - COOPER CUSTOM PACKS, INC IS AN INACTIVE FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS CHS THE ORGANIZATION IS LOCATED IN CHERRY HILL, CAMDEN COUNTY, NEW JERSEY - COOPER DATA SERVICES, INC IS AN INACTIVE FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS CHS THE ORGANIZATION IS LOCATED IN CHERRY HILL, CAMDEN COUNTY, NEW JERSEY - COOPER HEALTHCARE MANAGEMENT, INC IS AN INACTIVE FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS CHS THE ORGANIZATION IS LOCATED IN CHERRY HILL, CAMDEN COUNTY, NEW JERSEY - COOPER HEALTHCARE PROPERTIES, INC IS A FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS CHS THE ORGANIZATION IS LOCATED IN CHERRY HILL, CAMDEN COUNTY, NEW JERSEY THE ORGANIZATION PROVIDES HEALTHCARE SERVICES - COOPER HEALTHCARE SERVICES IS A FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS CHS THE ORGANIZATION IS LOCATED IN CHERRY HILL, CAMDEN COUNTY, NEW JERSEY THE ORGANIZATION HOLDS AN INVESTMENT IN THE FOLLOWING LIMITED LIABILITY COMPANY CONTINUUM HEALTH ALLIANCE
PART VI, QUESTION 7	STATE FILING OF COMMUNITY BENEFIT REPORT	NOT APPLICABLE THE ENTITY AND RELATED PROVIDER ORGANIZATIONS ARE LOCATED IN NEW JERSEY NO COMMUNITY BENEFIT REPORT IS FILED WITH THE STATE OF NEW JERSEY AS IT IS NOT A STATE REQUIREMENT
PART V, QUESTIONS 1-7	COMMUNITY HEALTH NEEDS ASSESSMENT	COOPER HEALTH SYSTEM HAS COMPLETED ITS COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) REPORT AND ITS IMPLEMENTATION STRATEGY IS IN THE PROCESS OF BEING FINALIZED THE CHNA RESULTS AND PROPOSED IMPLEMENTATION STRATEGY WERE PRESENTED TO THE STRATEGIC AND FACILITIES PLANNING COMMITTEE OF THE BOARD IN SEPTEMBER 2013 THE CHNA REPORT AND IMPLEMENTATION STRATEGY WILL BE PRESENTED TO THE FULL BOARD FOR APPROVAL AT ITS DECEMBER 2013 MEETING FULL ADOPTION WILL TAKE PLACE ON OR BEFORE DECEMBER 31, 2013

Additional Data

Software ID:
Software Version:
EIN: 21-0634462
Name: The Cooper Health System a New Jersey Non-Profit Corporation

Form 990 Schedule H, Part V Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

Section C. Other Health Care 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 health care facilities did the organization operate during the tax year?
14

	Name and address	Type of Facility (describe)
1	Cooper Cancer Inst - HematologyOncology 900 Centennial Road Suite M Voorhees, NJ 08043	hospital based, off-site ambulatory care, outpatient infusion therapy services
2	Cooper Imaging Center at Voorhees 900 Centennial Boulevard Suite B Voorhees, NJ 08043	hospital based, off-site ambulatory care, outpatient infusion therapy services
3	Cooper Surgery Center 900 Centennial Boulevard Suite F Voorhees, NJ 08043	hospital based, off-site ambulatory care, outpatient infusion therapy services
4	Cooper Cancer Inst - HematologyOncology 900 Centennial Boulevard Suite F Voorhees, NJ 08043	hospital based, off-site ambulatory care, outpatient infusion therapy services
5	Cooper Digestive Health Inst Endoscopy 501 Fellowship Road Mt Laurel, NJ 08054	hospital based, off-site ambulatory care, outpatient infusion therapy services
6	Cooper Cyberknife Center 715 Fellowship Road Mt Laurel, NJ 08054	hospital based, off-site ambulatory care, outpatient infusion therapy services
7	Cooper Cancer Inst - HematologyOncology 1000 Salem Road Suite C Willingboro, NJ 08046	hospital based, off-site ambulatory care, outpatient infusion therapy services
8	Dept of Radiation Oncology - Voorhees 900 Centennial Boulevard Suite D Voorhees, NJ 08043	hospital based, off-site ambulatory care, outpatient infusion therapy services
9	Pulmonary and Family Sleep Center 900 Centennial Boulevard Suite JK Voorhees, NJ 08043	hospital based, off-site ambulatory care, outpatient infusion therapy services
10	Cooper Univ Hospital Rancocas Endoscopy 218 Sunset Road Willingboro, NJ 08046	hospital based, off-site ambulatory care, outpatient infusion therapy services
11	Women's Care Center 3 Cooper Plaza Suite 301 Camden, NJ 08103	hospital based, off-site ambulatory care, outpatient infusion therapy services
12	Cooper Gamma Knife and Diagnostic Center 3 Cooper Plaza Suite 100 Camden, NJ 08103	hospital based, off-site ambulatory care, outpatient infusion therapy services
13	Early Intervention Program 3 Cooper Plaza Suite 513 Camden, NJ 08103	hospital based, off-site ambulatory care, outpatient infusion therapy services
14	CHS Regional Cleft-Craniofacial Program 110 Marter Avenue Suite 402 Moorestown, NJ 08057	hospital based, off-site ambulatory care, outpatient infusion therapy services

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
The Cooper Health System a New Jersey Non-Profit Corporation

Employer identification number
21-0634462

Part I General Information on Grants and Assistance

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

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

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) American Heart Association 1 Union St Robbinsville, NJ 08681	13-5613797	501(c)(3)	30,000				Sponsorship
(2) Susan G Komen Breast Cancer Foundation 125 South 9th St Philadelphia, PA 19107	75-2949264	501(c)(3)	17,500				Sponsorship
(3) Juvenile Diabetes Research Foundation 26 Broadway 14th Fl New York, NY 10004	23-1907729	501(c)(3)	10,000				Sponsorship
(4) March of Dimes 3012 Main Street Voorhees, NJ 08043	13-1846366	501(c)(3)	15,000				Sponsorship
(5) Ronald McDonald House 311 South Sixth Street Camden, NJ 08103	22-2430393	501(c)(3)	15,000				Sponsorship
(6) Symphony in C One Market St Camden, NJ 08102	51-0244534	501(c)(3)	6,000				Sponsorship
(7) South Jersey Healthcare Foundation 1430 W Sherman Ave Vineland, NJ 08360	22-3746758	501(C)(3)	5,800				SPONSORSHIP
(8) Jewish Federation of Southern New Jersey 1301 Springdale Rd Cherry Hill, NJ 08033	21-0634489	501(C)(3)	23,175				SPONSORSHIP
(9) Executive Women of NJ 1255 WHTHRSE-MRCRVILLE RD TRENTON, NJ 08619	22-6534516	501(C)(3)	6,000				SPONSORSHIP

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 9

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

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

Part IV **Supplemental Information.**

Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information

Identifier	Return Reference	Explanation
Schedule I, Part I, Question 2	Grant Fund Monitoring	Grants are monitored by the organization's finance personnel through the utilization of cost centers and other information, including written documentation and receipts

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 21-0634462
Name: The Cooper Health System a New Jersey Non-Profit Corporation

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
American Heart Association 1 Union St Robbinsville, NJ 08681	13-5613797	501(c)(3)	30,000				Sponsorship
Susan G Komen Breast Cancer Foundation125 South 9th St Philadelphia, PA 19107	75-2949264	501(c)(3)	17,500				Sponsorship
Juvenile Diabetes Research Foundation26 Broadway 14th Fl New York, NY 10004	23-1907729	501(c)(3)	10,000				Sponsorship
March of Dimes3012 Main Street Voorhees, NJ 08043	13-1846366	501(c)(3)	15,000				Sponsorship
Ronald McDonald House311 South Sixth Street Camden, NJ 08103	22-2430393	501(c)(3)	15,000				Sponsorship
Symphony in COne Market St Camden, NJ 08102	51-0244534	501(c)(3)	6,000				Sponsorship
South Jersey Healthcare Foundation1430 W Sherman Ave Vineland, NJ 08360	22-3746758	501(C)(3)	5,800				SPONSORSHIP
Jewish Federation of Southern New Jersey1301 Springdale Rd Cherry Hill, NJ 08033	21-0634489	501(C)(3)	23,175				SPONSORSHIP
Executive Women of NJ1255 WHTHRSE-MRCRVILLE RD TRENTON, NJ 08619	22-6534516	501(C)(3)	6,000				SPONSORSHIP

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
The Cooper Health System a New Jersey Non-Profit Corporation

Employer identification number
21-0634462

Part I Questions Regarding Compensation

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

(A) Name and Title	**(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 as deferred in prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Identifier	Return Reference	Explanation
Schedule J, Part I, Line 4b	Compensation Information	THE FOLLOWING INDIVIDUAL RECEIVED PAYMENTS IN 2012 AS A RESULT OF PARTICIPATION IN COOPER HEALTH SYSTEM'S EXECUTIVE FLEXIBLE BENEFIT NONQUALIFIED RETIREMENT PLAN THESE AMOUNTS ARE REPORTED ON SCHEDULE J, PART II, COLUMN (B)(III), OTHER REPORTABLE COMPENSATION AND FORM 990, PART VII, COLUMN D FORMER SENIOR VP & COO - JEFFREY N YARMEL $253,213

Additional Data

Return to Form

Software ID:

Software Version:

EIN: 21-0634462

Name: The Cooper Health System a New Jersey Non-Profit Corporation

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
John P Sheridan Jr	(I)	894,435	0	39,847	8,750	20,401	963,433	0
	(II)	0	0	0	0	0	0	0
Adrienne Kirby PhD	(I)	681,328	0	2,487	0	13,795	697,610	
	(II)	0	0	0	0	0	0	0
Michael E Chansky MD	(I)	432,479	0	19,069	8,750	2,540	462,838	0
	(II)	0	0	0	0	0	0	0
Generosa Grana MD	(I)	567,148	0	18,393	8,750	2,892	597,183	0
	(II)	0	0	0	0	0	0	0
Robin L Perry MD	(I)	442,047	0	1,107	8,750	24,250	476,154	0
	(II)	0	0	0	0	0	0	0
Roland Schwarting MD	(I)	558,970	0	2,647	8,750	10,531	580,898	0
	(II)	0	0	0	0	0	0	0
George Weinroth	(I)	376,553	0	7,319	8,750	20,237	412,859	0
	(II)	0	0	0	0	0	0	0
Carolyn E Bekes MD fmr CMO	(I)	341,009	0	30,340	16,250	10,861	398,460	0
	(II)	0	0	0	0	0	0	0
Jeffrey N Yarmel	(I)	0	0	253,213	0	0	253,213	0
	(II)	0	0	0	0	0	0	0
Douglas Shirley	(I)	471,539	0	389	8,750	19,063	499,741	0
	(II)	0	0	0	0	0	0	0
Douglas Allen	(I)	271,227	0	1,591	8,682	2,403	283,903	0
	(II)	0	0	0	0	0	0	0
Dianne S Charsha	(I)	356,478	0	17,424	8,750	10,843	393,495	0
	(II)	0	0	0	0	0	0	0
Lawrence S Miller MD	(I)	839,322	0	19,838	8,750	24,125	892,035	0
	(II)	0	0	0	0	0	0	0
John Schwarz	(I)	252,517	0	204	7,527	1,405	261,653	0
	(II)	0	0	0	0	0	0	0
William G Smith MBA	(I)	238,000	0	852	7,561	19,649	266,062	0
	(II)	0	0	0	0	0	0	0
Joseph E Parrillo-END 102012	(I)	1,107,652	0	8,227	8,750	19,758	1,144,387	0
	(II)	0	0	0	0	0	0	0
Jeffrey P Carpenter MD	(I)	1,241,191	0	1,518	8,750	24,384	1,275,843	0
	(II)	0	0	0	0	0	0	0
Naomi Lawrence MD	(I)	842,527	0	1,498	8,750	24,125	876,900	0
	(II)	0	0	0	0	0	0	0
Michael Rosenbloom MD	(I)	1,209,905	0	2,838	8,750	24,384	1,245,877	0
	(II)	0	0	0	0	0	0	0
Gary Lesneski	(I)	617,325	0	3,564	8,750	15,603	645,242	0
	(II)	0	0	0	0	0	0	0
Adam B Elfant MD	(I)	746,986	0	17,967	8,750	18,705	792,408	0
	(II)	0	0	0	0	0	0	0
Richard Y Highbloom MD	(I)	939,066	0	1,518	8,750	18,458	967,792	0
	(II)	0	0	0	0	0	0	0
Frank W Bowen III MD	(I)	769,031	0	17,669	8,750	1,611	797,061	
	(II)	0	0	0	0	0	0	
David A Bocian	(I)	245,762	0	218	8,021	23,968	277,969	
	(II)	0	0	0	0	0	0	
Glenn Sherman	(I)	237,283	0	4,068	3,937	15,136	260,424	
	(II)	0	0	0	0	0	0	
Eli Winkler	(I)	355,852	0	255	7,518	24,559	388,184	
	(II)	0	0	0	0	0	0	
Raymond Baraldi MD	(I)	521,509	0	20,936	8,750	16,332	567,527	
	(II)	0			0	0	0	

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
The Cooper Health System a New Jersey Non-Profit Corporation

Employer identification number
21-0634462

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	CAMDEN COUNTY IMPROVEMENT AUTHORITY	22-2681222		11-09-2009	10,000,000	Construction-Bldg,Refund Bank Loan		X		X		X
B	New Jersey Economic Development Authority	22-2045817	645918TV5	11-04-2008	50,000,000	Construction-Bldg & Renovations		X		X		X
C	Camden County Improvement Authority	22-2681222	13281QAX3	12-15-2005	136,045,550	Construction&refund 2/27/97 issue		X		X		X
D	Camden County Improvement Authority	22-2681222	13281QAA3	08-26-2004	69,996,908	Construction-Bldg & various costs		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	0	0	17,275,000	5,585,000
2	Amount of bonds legally defeased	0	0	0	0
3	Total proceeds of issue	10,000,000	50,000,000	145,925,088	75,693,394
4	Gross proceeds in reserve funds	0	0	10,598,046	3,276,508
5	Capitalized interest from proceeds	0	0	0	0
6	Proceeds in refunding escrows	0	0	0	0
7	Issuance costs from proceeds	190,000	1,000,000	1,829,501	1,399,938
8	Credit enhancement from proceeds	0	208,947	0	504,932
9	Working capital expenditures from proceeds	0	0	0	0
10	Capital expenditures from proceeds	5,771,076	48,791,053	73,909,777	70,512,016
11	Other spent proceeds	4,038,924	0	59,587,764	0
12	Other unspent proceeds	0	0	0	0
13	Year of substantial completion				

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0%		0%		0%		0%	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	%		%		%		%	
6	Total of lines 4 and 5	%		%		%		%	
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of	%		%		%		%	
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?		X		X		X		X
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?	X		X		X		X	

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X		X				
b	Exception to rebate?								
c	No rebate due?	X				X		X	
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X		X			X	X	
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b	Name of provider	0		0		0			
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								

Part IV Arbitrage *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		X
b	Name of provider	0		0		0		0	
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
7	Has the organization established written procedures to monitor the requirements of section 148?		X		X		X		X

Part V Procedures To Undertake Corrective Action

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?		X		X		X		X

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Identifier	Return Reference	Explanation
Part II, Line 3, Column C & D	0	The difference in the issue price and the total proceeds is the total investment earnings earned to date and $3,452,000 of proceeds transferred from the 1997 reserve fund This amount is also included in the original $6,612,118 of 2005 proceeds used for the reserve fund on Part II, Column C, Line 4
Part II, Line 11, Column A & C	0	The other spent proceeds relate to the refunding proceeds of the respective issue
Part IV, Question 2c	0	column c Calculation performed on 12/15/2010, Column D Calculation performed on 8/25/2009

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
The Cooper Health System a New Jersey Non-Profit Corporation

Employer identification number
21-0634462

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

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

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	No

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

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

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

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

Part III Grants or Assistance Benefitting Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) CONNER STRONG BUCKELEW	TRUSTEE - NORCROSS	477,381	SEE PART V, FOOTNOTE #1		No
(2) BONNIE J MANNINO	FAMILY MEMBER - PERRY	91,902	EMPLOYEE		No
(3) TINA CRESSMAN	FAMILY MEMBER - WEINROTH	87,422	EMPLOYEE		No
(4) PARKER MCCAY PA	FAM MEMBER CO - NORCROSS	759,017	SEE PART V, FOOTNOTE #2		No
(5) CARDIOVASCULAR ASSOC OF DE VALLEY	TRUSTEE - SNYDER	507,009	SEE PART V, FOOTNOTE #3		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
Business Transactions with Interested Persons	Schedule L, Part IV	With regard to conflicts of members of the board of trustees, the board policy on duality and conflict of interest requires trustees to disclose all relationships that may cause a conflict The audit and ethics committee of the board of trustees reviews transactions that may involve a conflict of interest of an officer, director, trustee or key employee These procedures are designed to provide for independent review of the transaction, determination of the availability of alternative transactions that do not pose a conflict of interest, and preservation of the organization's best interests in transactions where non-conflicting alternatives are not reasonably attainable The audit and ethics committee makes a recommendation to the board of trustees with regard to such transactions, which then makes a determination whether the transaction is in the organization's best interest, whether the transaction is fair and reasonable and whether there is a legitimate business interest for such transaction Any trustee with a conflict of interest with regard to such matter may not vote on such transaction
Business Transactions with Interested Persons	Schedule L, Part IV	Footnote # 1 The amount noted in Part IV, Column (c) $477,381 represents the amount paid by Cooper Health System to Conner Strong & Buckelew for insurance brokerage, consulting, risk manager and safety services It should be additionally noted that Cooper's relationship with Conner Strong & Buckelew and its predecessors extends back approximately twenty five years and predates Mr Norcross' board membership Mr Norcross is not personally involved either in the procurement, performance or supervision of any services rendered by Conner Strong & Buckelew to Cooper The Conner Strong & Buckelew relationship has been annually reviewed by Cooper's independent audit/ethics committee and consulting and brokerage services have been peiodically subjected to a competitive bidding process
Business Transactions with Interested Persons	Schedule L, Part IV	Footnote #2 Parker McCay PA (Parker) has been providing legal services to Cooper for more than twenty five years, predating George Norcross' membership on the Cooper Health System Board of Trustees Mr Norcross' brother, Philip, is a shareholder and a managing officer of Parker, but did not become such until well after the firm began providing legal services to Cooper Parker's primary function as outside counsel is representing the Cooper Health System and its employees in defense of professional liability claims Philip Norcross is not involved in the assignment, performance, or supervision of that work
Business Transactions with Interested Persons	Schedule L, Part IV	Footnote #3 Cardiovascular Associates of the Delaware Valley (CADV), a professional association, provides interventional and other cardiology services to patients CHS, under an agreement for professional services (leased physicians), provides cardiothoracic surgical physicians' services on a part-time basis to CADV Harvey A Snyder, CHS Trustee, is a greater than 5% owner of CADV During the tax year, CHS paid CADV $64,860 for services related to billings/collections and office space and associated support CADV paid CHS $442,149 for the leased physicians arrangement The figure reflected in Schedule L is the addition of $64,860 and $442,149 or $507,009

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
The Cooper Health System a New Jersey Non-Profit Corporation

Employer identification number
21-0634462

Identifier	Return Reference	Explanation
Form 990, Part III, Lines 4a-c	Statement of Program Service Accomplishments	The Cooper Health System, a New Jersey Non-Profit Corporation (CHS) IS A NEW JERSEY NOT-FOR-PROFIT ORGANIZATION CHS IS COMPRISED OF TWO DIVISIONS THE COOPER UNIVERSITY HOSPITAL (CUH) AND COOPER UNIVERSITY PHYSICIANS (UP) THE CUH INCLUDES THE OPERATIONS OF COOPER HOSPITAL/UNIVERSITY MEDICAL CENTER AND THE CHILDREN'S REGIONAL HOSPITAL AT COOPER, AS WELL AS PROGRAMS FOCUSING ON AMBULATORY DIAGNOSTIC AND TREATMENT SERVICES, WELLNESS AND PREVENTION, AND MANY OTHER HEALTH SERVICES THE UP CONSISTS PRIMARILY OF THE EMPLOYED MEDICAL STAFF FOR THE YEAR ENDED DECEMBER 31, 2012, CHS PROVIDES THE FOLLOWING STATISTICS TOTAL INPATIENT ADMISSIONS INCLUDING BIRTHS AND NICU/TRANS BIRTHS 26,468 PATIENTS TOTAL OUTPATIENT VOLUME NOT INCLUDING EMERGENCY ROOM CASES THAT WERE ADMITTED 251,826 PATIENTS TOTAL PATIENT DAYS 135,330 TOTAL BED DAYS 178,409 TOTAL CARDIAC CATH PROCEDURES 6,673 TOTAL CYBER KNIFE PROCEDURES 110 TOTAL GAMMA KNIFE PROCEDURES 67

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 11b	Form 990 Review Process	AS PART OF THE TAX RETURN PREPARATION PROCESS, THE ORGANIZATION HIRED A PROFESSIONAL CPA FIRM WITH EXPERIENCE AND EXPERTISE IN BOTH HEALTHCARE AND NOT-FOR-PROFIT TAX RETURN PREPARATION TO PREPARE THE FEDERAL FORM 990 THE CPA FIRMS TAX PROFESSIONALS WORKED CLOSELY WITH THE ORGANIZATIONS FINANCE PERSONNEL AND OTHER SENIOR MANAGEMENT MEMBERS OF THE ORGANIZATION AND THE SYSTEM TO OBTAIN THE INFORMATION NEEDED IN ORDER TO PREPARE A COMPLETE AND ACCURATE TAX RETURN THE CPA FIRM PREPARED A DRAFT FEDERAL FORM 990 AND FURNISHED IT TO THE ORGANIZATIONS FINANCE PERSONNEL AND OTHER SENIOR MANAGEMENT MEMBERS FOR THEIR REVIEW THE ORGANIZATIONS FINANCE PERSONNEL AND OTHER SENIOR MANAGEMENT MEMBERS REVIEWED THE DRAFT FEDERAL FORM 990 AND DISCUSSED QUESTIONS AND COMMENTS WITH THE CPA FIRM REVISIONS WERE MADE TO THE DRAFT FEDERAL FORM 990 WHERE NECESSARY AND A FINAL DRAFT WAS FURNISHED BY THE CPA FIRM TO THE ORGANIZATIONS FINANCE PERSONNEL AND OTHER SENIOR MANAGEMENT MEMBERS FOR FURTHER REVIEW AND APPROVAL THE FORM 990 IS THEN PRESENTED TO AND REVIEWED BY THE MEMBERS OF THE COOPER HEALTH SYSTEM AUDIT AND ETHICS COMMITTEE OF THE BOARD OF TRUSTEES THE BYLAWS OF THE BOARD OF TRUSTEES PROVIDE THAT THIS COMMITTEE OF THE BOARD REVIEW THE ANNUAL FEDERAL TAX RETURN PRIOR TO ITS FILING ONCE THAT COMMITTEE'S REVIEW AND APPROVAL PROCESS IS COMPLETE, The completed form 990 is shared with the entire board prior to its filing with the IRS

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 12c	Conflict of Interest Policy	THE ORGANIZATION IS THE PARENT ENTITY IN THE COOPER HEALTH SYSTEM THE ORGANIZATION REGULARLY MONITORS AND ENFORCES COMPLIANCE WITH ITS CONFLICT OF INTEREST POLICY ANNUALLY, ALL MEMBERS OF THE BOARD OF TRUSTEES, OFFICERS AND SENIOR MANAGEMENT PERSONNEL ARE REQUIRED TO REVIEW THE EXISTING CONFLICT OF INTEREST POLICY AND COMPLETE A QUESTIONNAIRE THE COMPLETED QUESTIONNAIRES ARE RETURNED TO THE DIRECTOR OF COMPLIANCE AND REVIEWED WITH INTERNAL AUDIT, THE FINANCE DEPARTMENT, AND GENERAL COUNSEL BOTH DATA AND A SUMMARY ARE PRESENTED TO THE COOPER HEALTH SYSTEMS AUDIT AND ETHICS COMMITTEE FOR THEIR REVIEW AND DISCUSSION THE ORGANIZATIONS COMPLIANCE AND LEGAL DEPARTMENTS HAVE DEVELOPED PROCESSES TO REVIEW AND PRESENT POTENTIAL CONFLICTS TO THE AUDIT AND ETHICS COMMITTEE

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 15a & 15b	Process for determining compensation	THE ORGANIZATIONS BOARD OF TRUSTEES HAS AN EXECUTIVE COMMITTEE AND AN INDEPENDENT AUDIT AN D ETHICS COMMITTEE THAT ARE TOGETHER CHARGED BY THE BOARD OF TRUSTEES WITH REVIEWING EXECU TIVE COMPENSATION AND OBTAINING AN INDEPENDENT COMPENSATION SURVEY AND REASONABLENESS OPIN ION FOR COMPARISON, RESPECTIVELY THE EXECUTIVE COMMITTEE, IN ACCORDANCE WITH COOPERS BYLA WS, BENEFITS, POLICIES, AND PLANS, EVALUATES AND APPROVES COMPENSATION AND BENEFITS OF THE ORGANIZATIONS SENIOR MANAGEMENT INCLUDING THE PRESIDENT/CHIEF EXECUTIVE OFFICER, CHIEF OP ERATING OFFICER AND CHIEF FINANCIAL OFFICER THE EXECUTIVE COMMITTEE REVIEWS THE "TOTAL CO MPENSATION" OF THE INDIVIDUALS WHICH IS INTENDED TO INCLUDE BOTH CURRENT AND DEFERRED COMP ENSATION AND ALL EMPLOYEE BENEFITS, BOTH QUALIFIED AND NON-QUALIFIED THE EXECUTIVE COMMIT TEES REVIEW IS DONE ON AT LEAST AN ANNUAL BASIS AND ENSURES THAT THE "TOTAL COMPENSATION" OF SENIOR MANAGEMENT OF THE ORGANIZATION IS REASONABLE WE BELIEVE THAT THE ACTIONS TAKEN BY THE EXECUTIVE COMMITTEE IN CONJUNCTION WITH THE AUDIT AND ETHICS COMMITTEE ENABLE THE O RGANIZATION TO RECEIVE THE REBUTTABLE PRESUMPTION OF REASONABLENESS FOR PURPOSES OF INTERN AL REVENUE CODE SECTION 4958 WITH RESPECT TO THE TOTAL COMPENSATION OF CERTAIN MEMBERS OF THE SENIOR MANAGEMENT TEAM, INCLUDING THE PRESIDENT/CHIEF EXECUTIVE OFFICER, CHIEF OPERATI NG OFFICER AND CHIEF FINANCIAL OFFICER THE THREE FACTORS WHICH MUST BE SATISFIED IN ORDER TO RECEIVE THE REBUTTABLE PRESUMPTION OF REASONABLENESS ARE THE FOLLOWING 1 The Compens ation arrangement is approved in advance by an "authorized body" of the applicable tax-exe mpt organization w hich is composed entirely of individuals w ho do not have a "conflict of interest" w ith respect to the compensation arrangement, 2 THE AUTHORIZED BODY OBTAINED AN D RELIED UPON "APPROPRIATE DATA AS TO COMPARABILITY" PRIOR TO MAKING ITS DETERMINATION, AN D 3 THE AUTHORIZED BODY "ADEQUATELY DOCUMENTED THE BASIS FOR ITS DETERMINATION" CONCURREN TLY WITH MAKING THAT DETERMINATION THE AUDIT AND ETHICS COMMITTEE IS COMPRISED ENTIRELY O F MEMBERS WHO ARE INDEPENDENT AND ARE FREE FROM ANY CONFLICT OF INTEREST THE AUDIT AND ET HICS COMMITTEE RETAINS AN INDEPENDENT COMPENSATION SURVEY FIRM TO PROVIDE A WRITTEN COMPEN SATION STUDY OF RANGES OF EXECUTIVE SALARIES BASED ON COMPARABLE HEALTHCARE ORGANIZATIONS THE AUDIT AND ETHICS COMMITTEE ENSURES THE INDEPENDENCE OF THE SURVEY FIRM AND ITS REPORT , REVIEWS THE REPORT, WHICH INCLUDES THE RANGES RECOMMENDED BY THE INDEPENDENT FIRM BASED UPON MARKET DATA, AND FOLLOWING THIS REVIEW, THE AUDIT AND ETHICS COMMITTEE, AS APPROPRIAT E, RECOMMENDS TO THE EXECUTIVE COMMITTEE THAT THE SALARY RANGES DOCUMENTED BY THE INDEPEND ENT COMPENSATION SURVEY FIRM BE USED AS RANGES TO DETERMINE ACTUAL COMPENSATION TO SENIOR MANAGEMENT THE EXECUTIVE COMMITTEE EVALUATES PERFORMANCE OF EXECUTIVES, INCLUDING PRESIDE NT/CHIEF EXECUTIVE OFFICER, CHIEF OPERATION OFFICER AND CHIEF FINANCIAL OFFICER THE EXECU TIVE COMMITTEE RELIES UPON THE APPROPRIATE COMPARABLE DATA AS ACCEPTED BY THE AUDIT AND ET HICS COMMITTEE, WHICH IS A WRITTEN COMPENSATION STUDY AND REASONABLENESS OPINION FROM AN I NDEPENDENT FIRM WHICH SPECIALIZES IN THE REVIEWING OF HOSPITAL AND HEALTH CARE SYSTEM EXEC UTIVE COMPENSATION AND BENEFITS THROUGHOUT THE UNITED STATES THIS STUDY USED COMPARABLE G EOGRAPHIC AND DEMOGRAPHIC MARKET DATA, INCLUDING, BUT NOT LIMITED TO, SIMILAR SIZED HOSPIT ALS, number OF LICENSED BEDS AND NET PATIENT SERVICE REVENUE THE EXECUTIVE COMMITTEE ADEQ UATELY DOCUMENTS ITS BASIS FOR ITS EXECUTIVE COMPENSATION DETERMINATIONS THROUGH THE TIMEL Y PREPARATION OF WRITTEN MINUTES OF THE EXECUTIVE COMMITTEE MEETINGS DURING WHICH THE EXEC UTIVE COMPENSATION AND BENEFITS WAS REVIEWED AND SUBSEQUENTLY APPROVED THE ACTIONS OUTLIN ED ABOVE WITH RESPECT TO THE EXECUTIVE COMMITTEE AND THE AUDIT AND ETHICS COMMITTEE AND TH E ESTABLISHMENT OF THE REBUTTABLE PRESUMPTION OF REASONABLENESS ONLY APPLIES TO CERTAIN SE NIOR MANAGEMENT PERSONNEL, INCLUDING, BUT NOT LIMITED TO, THE PRESIDENT/CHIEF EXECUTIVE OF FICER, CHIEF OPERATING OFFICER, CHIEF FINANCIAL OFFICER AND OTHER EMPLOYEES WHO REPORT DIR ECTLY TO THE PRESIDENT/CHIEF EXECUTIVE OFFICER THE COMPENSATION AND BENEFITS FOR CHIEFS O F DEPARTMENTS MAY NOT EXCEED THE 75TH PERCENTILE OF AAMC BENCHMARK DATA WITHOUT SPECIFIC A PPROVAL BY THE FINANCE COMMITTEE OF THE BOARD OF TRUSTEES EMPLOYED PHYSICIAN SALARIES MAY NOT EXCEED THE 75TH PERCENTILE OF A BLENDED FORMULA OF 25% ACADEMIC AND 75% PRIVATE PRACT ICE OF MGMA BENCHMARK DATA WITHOUT APPROVAL OF THE FINANCE COMMITTEE OF THE BOARD OF TRUST EES THE COMPENSATION AND BENEFITS OF ANY OTHER INDIVIDUALS CONTAINED IN THIS FORM 990 IS REVIEWED ANNUALLY BY THE PRESIDENT/CHIEF EXECUTIVE OFFICER, WITH ASSISTANCE FROM THE ORGAN IZATIONS HUMAN RESOURCES DEPARTMENT, IN CONJUNCTION WITH THE INDIVIDUALS JOB PERFORMANCE D URING THE YEAR AND IS BASED UPON OTHER OBJECTIVE FACTORS DESIGNED TO ENSURE THAT REASONABL E AND FAIR MARKET VALUE COMPENSATION IS PAID BY TH

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 15a & 15b	Process for determining compensation	E ORGANIZATION OTHER OBJECTIVE FACTORS INCLUDE MARKET SURVEY DATA FOR COMPARABLE POSITION S, INDIVIDUAL GOALS AND OBJECTIVES, PERSONNEL REVIEWS, EVALUATIONS, SELF-EVALUATIONS AND P ERFORMANCE FEEDBACK MEETINGS

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 19	Document availability to the public	The organization has issued tax-exempt bonds to finance various capital improvement projects, renovations and equipment In conjunction with the issuance of these tax-exempt bonds, the organization's financial statements were included with the tax-exempt bond prospectus which was made available to the general public for review In addition, the organization's filed certificate of incorporation and any amendments, BYLAWS AND conflict of interest policy can be viewed on the organization's website

Identifier	Return Reference	Explanation
Form 990, Part VII and Schedule J		Part VII reflects certain board members or board officers receiving compensation and benefits from the organization including John P Sheridan, Jr Michael E Chansky, M D , Ph D Generosa Grana, M D Roland Schwarting, M D George Weinroth Douglas Shirley Dianne S Charsha Gary Lesneski David A Bocian Adrienne Kirby, Ph D Jane M Tubbs Raymond Baraldi Carolyn E Bekes, M D Please note this remuneration was for services rendered as full-time employees of the organization, not for services rendered as a voting member or officer of the organization's board of trustees

Identifier	Return Reference	Explanation
Form 990, Part XI, Line 9	Reconciliation of Net Assets	change in fair value of interest rate swap agreements $ (261,802) change in pension benefit obligation 847,388 Net Asset Transfer From Affiliate 15,000,000 Temporarily restricted net asset transfer (82) Rounding 662 ---------- Total $ 15,586,166 ========== Community Benefit Statement Index References lower right-hand corner page number 1 Background, Page 92 2 Charitable purposes, charity care and community activites, Page 94 3 Vision and Mission of the Cooper Health System, Page 96 4 Signature Programs, Page 96 Cooper Heart Institute, Page 96 Cooper Bone & Joint Institute, Page 97 Cooper Cancer Institute, Page 98 Critical Care Medicine, Page 99 Cooper Level One Trauma Center, Page 100 Cooper Neurological Institute, Page 101 Children's Regional Hospital at Cooper, Page 103 5 Other Medical Specialties, Page 105 6 Cooper Community Benefit Programs, Page 105 Community Health Outreach, Page 106 Classes and Support Groups, Page 106 Programs, Screenings and Activities, Page 106 The Cooper Learning Center, Page 107 Trauma Education, Page 109 Safe Kids Southern New Jersey Coalition, Page 109 Life Supoprt Training Center, Page 110 Health Professional Education, Page 110 Continuing Medical Education, Page 111 Graduate Medical Education, Page 111 Cooper Medical School of Rowan University, Page 112 Training for Camcare (Local FQHC) Physicians, Page 112 Allied Health Prof Clinical/Didactic Educ/Train, Page 112 Simulation Lab, Page 112 EMS Training, Page 113 Emergency Services for Community Events, Page 113 Early Intervention Program, Page 113 Disaster Preparedness and Medical Coordination Center, Page 114 Health Outreach Project (HOP Clinic), Page 116 Support Groups, Page 116 Translation Services for Patients, Page 117 Camden Coalition of Healthcare Providers, page 117 Camden Citywide Care Management Project, Page 118 Practice Capacity Building Project, Page 119 Expansion of Access to Mental Health Care, Page 119 Palliative Care Program, Page 119 Research-clinical and Community Health, Page 120 Community Building, Page 122 Economic Development, Page 123 Community Support, Page 124 Environmental Improvements, Page 125 Leadership Development/Training for Community Members, Page 125 Efforts to address Health and Safety Issues, Page 126

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT		1 Background Cooper University Hospital, founded in 1887, is the clinical campus of Coope r Medical School of Rowan University, and the leading provider of health services to south ern New Jersey Cooper has been a vital institution in Camden for 126 years In the past d ecade, Cooper has greatly expanded its facilities and services in Camden and throughout So uth Jersey The Cooper netw ork currently serves more than half a million patients a year Cooper's main hospital campus is located on the Health Sciences Campus in Camden, New Jers ey Adjacent to the Cooper Plaza/Lanning Square neighborhood, Cooper has a long history of outreach and service efforts to its local community Some of these initiatives include he alth and w ellness programs for the neighborhood, development of three neighborhood parks a nd a playground, and outreach w ith programs into local schools Cooper has also expanded i ts footprint in the city w ith the construction of a state-of-the-art medical tow er, creati on of a new medical school, a new cancer center, an urgent care center, and an Accountable Care facility, and efforts to rehabilitate nearby residential properties Cooper Universi ty Health Care has over 5,700 employees and a medical staff of more than 700 physicians in over 75 specialties The health system has been the clinical campus of the University of Medicine and Dentistry of New Jersey - Robert Wood Johnson Medical School at Camden since 1978 and is now training the next generation of physicians at our new Cooper Medical Schoo l of Rowan University Cooper offers training programs for medical students, residents, fe llows, nurses and allied health professionals in a variety of specialties Cooper Universi ty Health Care offers a netw ork of comprehensive services that include prevention and w ell ness, primary and specialty physician services, hospital care, ambulatory diagnostic and t reatment services, and home health care w ithin southern New Jersey and the entire Delaw are Valley Coupled w ith its educational goals, Cooper offers a broad agenda in the field of research Cooper physicians are involved in ongoing research and development as they keep abreast of changing modalities in medical care As an academic medical center, Cooper cont inuously strives to improve patient's quality of life through the research efforts of its medical staff Cooper University Health Care takes pride in its ability to offer a compreh ensive array of diagnostic and treatment services The hospital serves as Southern New Jer sey's major tertiary-care referral hospital for specialized services These signature prog rams include state-designated Level I Regional Trauma Center, the Cooper Cancer Institute , the Cooper Heart Institute, the Cooper Bone and Joint Institute, the Cooper Neurological Institute and Critical Care Medicine Cooper is also home to the Children's Regional Hosp ital, the only state-designated children's hospital in South Jersey The new Cooper Cancer Institute w ill open in 2013 at the corner of Haddon Avenue and Martin Luther King Bouleva rd This freestanding 103,000 square foot facility w ill provide integrated diagnostic and treatment services for cancer patients 2 Charitable Purposes, Charity Care and Community Activities Cooper is recognized by the IRS as an internal revenue code section 501(c)(3) tax-exempt organization Moreover, Cooper operates consistently w ith the follow ing criteri a outlined in IRS revenue ruling 69-545 a)Cooper provides medically necessary health care services to all individuals regardless of ability to pay-that includes charity care, self -pay, Medicare and Medicaid patients b) Cooper operates an active emergency room for all p ersons, w hich is open 24 hours a day, 7 days a w eek, 365 days per year c)Cooper maintains an open medical staff, w ith privileges available to all qualified physicians d) Cooper is governed by its Board of Trustees w hich is comprised of independent civic leaders and oth er prominent members of the community As demonstrated by the above IRS criteria, as w ell as other information contained herein, the use and control of Cooper is for the benefit of the public and that no part of the income or net earnings of the organization inures to t he benefit of any private individual nor is any private interest being served other than i ncidentally Cooper is guided by the belief that it is dedicated to the health care needs of the communities that it serves That level of determination and commitment is the very soul of Cooper Cooper provides health care services to all persons in a non-discriminator y manner regardless of race, color, creed, sex, national origins or ability to pay Moreov er, Cooper provides health care services to patients w ho meet certain criteria under its c harity care policy as defined by the New Jersey state attorney general w ithout charge or a t amounts less than established rates Cooper maintains records to identify and monitor th e amount of charity care it provides These record

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT		s include the amount of charges foregone for services and supplies furnished under its charity care policy Additionally, as outlined herein, Cooper sponsors other charitable programs which provide substantial benefit to the broader community Such programs include services to the needy and elderly population that require special support, various clinical outreach programs as well as health promotion and education for the general community welfare

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		3 Vision and Mission of The Cooper Health System Vision Statement Cooper University Healt h Care will be the health care leader in the Delaware Valley providing exceptional medical care and service for every patient, every day, in a patient-centered, family-focused envi ronment Mission Statement Cooper University Health Care is an academic medical center com mitted to world-class patient care, education, and research resulting in a healthier commu nity 4 Signature Programs Cooper Heart Institute The Cooper Heart Institute is the most comprehensive cardiovascular program in southern New Jersey At Cooper, cardiac patients h ave access to a world-renow ned team of cardiovascular experts, the most advanced technolog y and the best care options Cooper provides the full spectrum of heart care from preventi on and diagnosis, to the most innovative non-surgical techniques and surgical treatments-f rom special stenting procedures to open blocked heart arteries to beating heart surgery an d complex heart valve surgery Cooper conducts cutting-edge clinical research in areas suc h as interventional cardiology, electrophysiology and arrhythmias, and the treatment of ca rdiogenic shock The Cooper Heart Institute is the region's expert in treatment of acute m yocardial infarction, and receives urgent transfers of seriously ill cardiac patients roun d-the-clock Cooper Bone & Joint Institute The Cooper Bone and Joint Institute is staffed by orthopaedic physicians w ho provide comprehensive surgical and non-surgical services for disorders of the musculoskeletal system As part of the Level I Trauma Center in southern New Jersey, these physicians are an integral part of the trauma team that handles the mos t complex orthopaedic injuries Cooper's orthopaedic surgeons are experts w ho are developi ng innovative techniques in arthroscopic surgery, joint replacement of the shoulder, hip, and knee, ankle, elbow , and spine surgery, as w ell as hand and upper extremity surgery and re-plantation and orthopaedic reconstruction The Cooper Bone and Joint Institute also pr ovides a collaborative multidisciplinary concussion program and orthopaedic rehabilitation The Cooper Bone and Joint Institute has over 27 comprehensive programs offering a unique treatment continuum of care w ithin a highly integrated health care delivery netw ork The goal of the Cooper Bone and Joint Institute is simple to return its patients to normal fu nction as quickly and safely as possible To reach this goal, the medical professionals at the Cooper Bone and Joint Institute enlist a comprehensive, leading edge approach to the prevention, assessment, treatment and rehabilitation of musculoskeletal injuries The Coop er Bone and Joint Institute's highly trained team of surgeons, nurses, physician assistant s, rehabilitation specialists and various medical support personnel w orks w ith each patien t and their primary care physician to develop a treatment plan specifically for that patie nt By combining extensive clinical expertise w ith a compassionate, caring, treatment phil osophy, the Cooper Bone and Joint Institute has created a program know n for its quality of care Cooper Cancer Institute Within the Cooper Cancer Institute, multidisciplinary, dise ase-site specific teams, consisting of physicians (medical, gynecologic, radiation and sur gical oncologists), nurses and other clinical specialists, w ork together to provide cancer patients w ith the most advanced diagnostic and treatment technologies available - from cu tting edge radiation oncology technologies such as the CyberKnife, to advanced chemotherap y regimens to innovative surgical techniques including minimally invasive and robotic surg eries - as w ell as access to groundbreaking clinical trials and dynamic patient-physician relationships A full complement of support services including nutritional counseling, gen etic testing and counseling, social w ork services, complementary medicine therapies and be havioral health support services provides complete, compassionate care for all CCI patient s Cooper Cancer Institute is a Major Clinical Research Affiliate of The Cancer Institute of New Jersey, a National Cancer Institute-designated Comprehensive Cancer Center Cooper University Health Care is the only accredited American College of Surgeons Teaching Hospit al Cancer Program in South Jersey Critical Care Medicine Cooper has earned the distinguis hed reputation as the critical care provider to the region's most seriously ill The openi ng of a state-of-the-art intensive care unit and the development of an acclaimed clinical research program have catapulted critical care at Cooper to a new level of clinical and ac ademic excellence More than 40 percent of inter-hospital transfers from South Jersey are directed to Cooper's critical care service since the implementation of the Cooper Transfer Center Critical care physicians at Cooper are among the w orld's experts in the treatment and research of sepsis and septic shock. Cooper i

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		s also the regıon's leadıng provıder of therapeutıc hypothermıa, and has establıshed the C ooper Resuscıtatıon Center for handlıng the transfer and care of patıents after cardıac ar rest When a chıld has a serıous ıllness or has suffered serıous traumа, Cooper dırects th e hıghest calıber of attentıon to the chıld's crıtıcal care needs Cooper's pedıatrıc ınte nsıve care servıce, w hıch admıts nearly 1,200 chıldren each year, ıs staffed by pedıatrıc crıtıcal care specıalısts w ho have the most sophıstıcated medıcal equıpment at theır dıspo sal When patıents must be transported here from area hospıtals, an experıenced team of cr ıtıcal care transport specıalısts provıde ongoıng monıtorıng durıng the ground or aır tran sport experıenced team of crıtıcal care transport specıalısts provıde ongoıng monıtorıng durıng the ground or aır transport

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		Cooper Level One Trauma Center Each year, nearly 3,000 critically injured patients are transported to Cooper's Level I Trauma Center, South Jersey's only Level I trauma service Whether they arrive by helicopter or ambulance, the mission of the trauma team remains the same resuscitate, evaluate and treat the patient's injuries as quickly as possible Cooper's Trauma Center is known and respected throughout the region and is the most active trauma center in the entire Delaware Valley Cooper's trauma teams have saved tens of thousands of lives The Trauma Center at Cooper was established in 1982 and is one of only three New Jersey state-designated Level I trauma centers Cooper serves as the regional trauma center for southern New Jersey including Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, Ocean and Salem Counties, and as a resource for the Level II Trauma Centers in our region A Level I trauma center cares for severely injured patients including persons involved in motor vehicle accidents, falls, and assaults with guns, knives, or other blunt objects The Level I Trauma Center at Cooper has also been recognized and verified by the American College of Surgeons as a Level I Trauma Center With Pediatric Commitment Cooper's trauma center is part of a statewide network of trauma centers These centers participate in multiple national research studies to advance treatments for brain damage, spinal cord injuries and shock management Cooper's nationally recognized Traumatic Injury Prevention Program (TIPP) is geared toward youth violence prevention, and drinking and driving prevention This program is presented an average of 100 times per year Cooper Neurological Institute Cooper has one of the most progressive patient- and family-centered neurological centers in the region - offering the most advanced system on the East Coast for noninvasive treatment for brain disorders The Cooper Neurological Institute (CNI) is located in an 11,500 square-foot facility in Three Cooper Plaza on the campus of Cooper University Hospital The CNI is dedicated to providing exceptional, compassionate and easy-to-access care to patients with neurological diseases and disorders - and applying innovative and promising solutions, from surgery and minimally invasive procedures of the brain and spine, to radiosurgery and magnetic guidance systems The medical staff at the CNI includes renowned neurologists, neurosurgeons and many other subspecialists Cooper University Hospital's neurological institute is the only one in central and southern New Jersey, and one of the first hospitals in the United States, to offer patients the Leksell Gamma Knife Perfexion Gamma Knife Perfexion radiosurgery is available for the treatment of patients with brain disorders such as cancers and tumors, vascular abnormalities, functional disorders, and ocular disorders The Gamma Knife surgical technology provides brain surgery without any incisions, and is as precise as a pinpoint A patient can normally return home the same day The CNI also treats patients for Parkinson's Disease, tremors and dystonia CNI provides deep brain stimulation (DBS) which involves the implantation in the brain of a thin electrode which is connected to a neurostimulator the size of a pacemaker Once in place, patients can experience relieved or decreased symptoms of tremor, rigidity, slowness of movement, stiffness, and balance CNI also provides help for patients with gait or balance dysfunction The fall prevention program offers expert diagnosis and treatment in a multidisciplinary environment to identify any treatable underlying causes of the patient's balance dysfunction The CNI provides a full range of services - from sophisticated diagnostics to advanced rehabilitation resources - and offers the most progressive medical and surgical treatments in virtually every neurological field Children's Regional Hospital at Cooper A "hospital-within-our-hospital," the Children's Regional Hospital (CRH) provides the finest pediatric services available to the children of southern New Jersey Designated by the State Department of Health as a specialty, acute care children's hospital, Cooper is uniquely equipped and carefully staffed to treat the region's most critically ill and seriously injured children, from newborns to adolescents Physicians and surgeons were recruited from the best children's hospitals in the nation And because they are experts in their field, they are also faculty members at Cooper Medical School of Rowan University Cooper has the only pediatric trauma program in South Jersey, and the highest level Newborn Intensive Care Unit which was recently awarded NIDCAP developmental certification-only the second hospital in the world to receive this certification Cooper also has a Regional Cleft-Palate Craniofacial Program In addition to its facilities and staff, the CRH membership in the National Association of Children's Hospitals and

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		Related Institutions (NACHRI) ensures access to the most current standards of pediatric c are in practice in the U S CRH's participation in international, national, and statewide research collaboratives like the CRH's cancer group, AIDS clinical trials group and UMDNJ- New Jersey Medical School Asthma and Allergy Study Group also allow the CRH to offer patie nts access to the latest treatment modalities Each year, about 5,000 children are admitte d to the Children's Regional Hospital at Cooper for specialized care Another 15,000 child ren are treated each year in its pediatric emergency room In addition, there are more tha n 60,000 outpatient visits each year to the pediatric medicine and surgical specialists of the CRH The CHR provides a wide range of pediatric services for infants, children and ad olescents from southern New Jersey, Philadelphia and throughout the Delaw are Valley The C RH's services are comprehensive with the clinical staff and medical technology to diagnose the most complex pediatric diseases in an environment w here the focus is on the child and the family In addition to its highly skilled physicians, the CRH is staffed with nurses, clinical specialists, therapists, nutritionalists, social w orkers and technicians w ho are dedicated to providing the highest caliber of care in each of their respective profession s Their excellent training is complemented by their dedication to serving the special nee ds of children 5 Other Medical Specialties Cooper offers a variety of innovative prevent ion programs, state-of-the-art diagnostic and treatment techniques, and a dedicated team o f physicians, nurses and other medical professionals From its signature programs in cance r, cardiology, critical care, neurology, orthopaedics and trauma to its innovative program s in radiology, oncology and pediatrics, Cooper offers a full range of care and services f or adults and children By examining Cooper's specialties, it is clear w hy the name Cooper is synonymous with World Class Care and leading edge facilities and services throughout t he Delaw are Valley

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		6 Cooper Community Benefit Programs The health of its surrounding communities is of Coope r's utmost concern From healthcare programs for the community to educational and employme nt programs, Cooper strives to be a responsible, involved community advocate Cooper's Com munity Benefit Activities Community health, health education, clinical services and fundr aising/grant w riting for community benefit programs Community Health Outreach - Classes a nd health screenings for the community a Classes and support groups offered by Cooper in clude, but are not limited to, the follow ing - Breastfeeding The benefits of breastfeedi ng and discusses how to get started, positioning techniques and community resources - Chil dbirth Preparation / Education Classes- One-Day, Tw o-Part Series - Obstetrical Unit Tours - Infant/Child CPR Class-certification - CPR The Friends and Family Course- Non-Certified - Prenatal Yoga - Early Pregnancy Consultation All You Need to Know - Breathing and Rela xation Class - Breastfeeding Support Group - Baby 101 New born Care and Characteristics - Child and Infant Car Seat Safety Workshops and Programs b Community programs, screenings and activities, most of w hich are free of charge Includes events and educational classes such as (not an all inclusive list) - Diabetes Support Group - Health Screenings - Stro ke - Cholesterol - Glucose - Blood Pressure - Peripheral Vascular Disease - Asthma Educati on for children and families - Zumba - The Healthy Weigh Weight Management Program - The Diabetes Weigh Personalized Diabetes Management Program - Chair Yoga - Yoga for Women - R ipa Center Health Living Seminars - Core and More - Tai Chi - Flip Fitness - Viva Mat Pila tes - Breast Health Education - OB/GYN Flu Clinic - Flu Vaccine - Community Based Diabetes Self Management Education Classes - Health Conferences and Health Fairs - Health and Well ness-Nutrition Program - Healthy Living Free Seminars - eHealth Connection New sletters - H ealth eTalk Web Chat - Teachers and Coaches Seminars - Safe Sitter Interactive Baby Sittin g Course - Cooper Cancer Institute's Dr Diane Barton Complementary Medicine Program - Re storative Yoga - Qi Gong - Mindful Meditation - Live, Lunch and Learn - Annual Survivors D ay - Bonnie's Book Club - Cooper in Schools - Health education for school professionals, p arents and students - Concussion and sports related injuries education and outreach c The Cooper Learning Center - offers the follow ing programs and services - Educational Assess ments - Reading Enrichment Programs - Comprehensive ADD & ADHD Assessments - Fast Forw ard Language Programs - Writing and Language Programs - Math Programs - Anger Management - Soc ial Skills - Study Skills - Parenting Sessions - Therapeutic Services - Psychological Serv ices - Services and Programs for Teachers and Schools - Lanning Square Summer Reading Prog ram for underserved Camden children - The Rookie Reader Program Trauma Education The Trau ma Outreach Program is a combination of 16 educational and interventional classes that foc us on injury/trauma prevention For the past 15 years the Trauma Outreach Programs has bee n committed to reducing the incidence of trauma injuries in southern New Jersey by deliver ing comprehensive trauma/injury intervention programs Programs and classes include such t opics as Alcohol Abuse and Outcomes, Don't fall for Us, Drivers Education, Prom Program, Risk Taking, Teen Drug Use and Outcomes, Youth Gang Violence, Tours of the Trauma Facilit ies for Schools and Students, and Safe Kids Walk to School Day The Department also provide s courses, programs and education sessions for local EMS organizations Safe Kids Southern New Jersey Coalition This local coalition covers the Camden, Gloucester, and Burlington county area and is one of over 300 groups across the country and around the w orld organize d by the National SAFE KIDS Campaign Cooper University Hospital serves as the lead organi zation for the coalition of hospitals, public safety departments, non-profits, businesses, and concerned parents The mission of the coalition is to reduce accidental injuries and deaths of children ages 14 and under through education in schools Safe Kids Southern New Jersey draw s on the strength of its grassroots participation and brings together a cross-s ection of community leadership including law enforcement, firefighters and paramedics, med ical and health professionals, educators, parents, businesses, public policymakers, and me dia Current programs also include classes on car seat safety, bike helmet safety, summer safety, home safety, sports safety, pedestrian safety programs and other training and educ ational programs or initiatives Life Support Training Center Basic Life Support (BLS) Tr aining teaches the process of supplying rescue breaths and chest compressions to individua ls experiencing cardiac arrest The BLS training program has existed internally for over a decade In the past tw o years the Life Support Tr

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		aining Center has expanded the program and now offers classes to other organizations and c ommunity members The purpose of expanding the program is to educate and empow er the commu nity about Basic Life Support There are tw o basic program activities that are offered thr ough the Life Support Training Center Healthcare Provider BLS for health care professiona ls and HeartSaver AED for community members

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		Health professional education - physicians, medical students, nurses, etc, scholarships Continuing Medical Education In July 2012, Cooper received a six-year accreditation with commendation (until July 2018) The year 2011 marked our twenty-first accredited year as a national sponsor of CME. In July 2006, Cooper received a six-year accreditation with commendation (until July 2012) This is a major accomplishment for The Cooper Health System' Cooper is the only hospital or health system in southern New Jersey with national accreditation Moreover, only an average of 7 percent of all national CME providers receive a six-year accreditation with commendation (approximately 49 providers) All CME activities target primary care physicians and physicians from all specialties Other allied health professionals including fellows, residents, advanced practice nurses, physician assistants, nurses , technicians, and medical students also attend This year's topics included anesthesiology, various cancers, gynecologic oncology, cancer survivorship, orthopaedics, hypnosis, cardiovascular disease, rheumatology, pediatric emergencies, and clinical research All areas of interest are covered in our in-house series and joint-sponsorship series Graduate Medical Education Cooper's GME programs train approximately 260 residents and fellows per year Cooper Medical School of Rowan University In October 2009, Cooper and Rowan University announced a landmark partnership to establish a Medical School - the first four-year Allopathic Medical School ever in Southern New Jersey and the first new Medical School in 35 years in the State The key factor for this partnership is the collaboration between Rowan and Cooper to work together to forge a founding philosophy for the school, explore partnerships in research areas, and create committees to work toward Liaison Committee on Medical Education (LCME) accreditation of the School Cooper Medical School of Rowan University is located in Camden, NJ at Broadway and Benson Streets The six-floor, 200,000 square-foot School welcomed its Inaugural Class of 50 students in August 2012 Training for CAMcare (local FQHC) Physicians Cooper provides continuing medical education programs to physicians employed with the local FQHC Allied Health Professional Clinical and Didactic Education/Training Cooper University Hospital provided education to, approximately, 74 allied health professional students in three different fields within the Center for Allied Health Education School of Cardiovascular Perfusion, School of Diagnostic Imaging, and the School of Radiation Therapy Simulation Lab The Cooper University Hospital Simulation Laboratory is dedicated to advancing patient safety and healthcare provider education at all clinical levels We aim to be a resource to our Cooper Departments and to other hospitals and healthcare providers in our community and region One-to-one and small group instruction utilizing lifelike mannequins is conducted by facilitators trained in the use of computer driven simulation adjuncts Attention is focused on maintaining a non-threatening learning environment, providing adequate mechanisms for positive feedback and developing a supportive student-facilitator relationship This includes training for medical students EMS Training Cooper provides medical director services and training for numerous local EMS services Subsidized health services, ER and trauma, hospital outpatient, behavioral health, palliative care Emergency Services for Community Events Cooper provides emergency services for local community events Early Intervention Program The Cooper University Hospital EIP/Family HIV Treatment Center was established in 1990 to serve a four county area of southern New Jersey consisting of Camden, Burlington, Gloucester, and Salem counties It is a regional, multidisciplinary outpatient center that has provided a full range of services to over 1400 patients The primary mission of the EIP/HIV Family Treatment Center at Cooper is to provide comprehensive medical and supportive services to HIV infected individuals regardless of their ability to pay The center also frequently serves as a port of entry for many HIV infected Camden residents into any type of medical care Disaster Preparedness and Medical Coordination Center The mission of the Division of EMS and Disaster Medicine is to maintain the integrity of the health care continuum as it relates to the response for a mass casualty incident involving chemical, biological, radiological, nuclear, traumatic, and natural events through clinical care, education, training, and research The goals for the Division are to provide subject matter expertise related to disaster medicine (emergency medical services, emergency medicine, trauma, toxicology, pediatrics, infectious diseases, environmental safety, radiation safety, and industrial hygiene), to provide education and training for all audiences involved in disaster

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		preparedness through the National Disaster Life Support Regional Training Center, to participate in research initiatives to maintain the highest level of preparedness and pre-hospital care through evidence based medicine, to support a highly trained medical strike team that can respond to large chemical, biological, radiological, nuclear, and traumatic mass casualty events, and to collaborate with local, state, regional, and federal partners to assist in effective disaster planning The MCC serves as the regional hub for healthcare related emergency planning, training and response The MCC located at CUH provides situational awareness, resource management, and information management for the healthcare continuum as it relates to emergency preparedness, response, mitigation and recovery The primary area of responsibility for the CUH MCC is the entire southern Region of New Jersey which consists of the seven southern-most counties as well as integration with Southeastern Pennsylvania (including the City of Philadelphia) and the State of Delaware (includes the City of Wilmington)

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		The MCC utilizes the expertise provided by the Division of EMS and Disaster Medicine, regional law enforcement, fire departments, emergency medical services, Chemical, Biological, Radiological, Nuclear, and Explosive (CBRNE) teams, technical rescue teams, etc , to assis t the healthcare continuum in meeting their mission In January, 2010 Cooper sent a medica l team to Haiti after the devastating earthquake injured thousands of Haitians The team s pent two weeks treating patients and helping coordinate an effort to set up hospitals and clinics for the injured Health Outreach Project (HOP Clinic) The HOP Clinic is a service learning program created to provide medical care and reinforce skills for third- and four th-year medical students The Adult Medicine Clinic, which has been in existence for more than 5 years, maximizes the student's mission of service learning In addition, the progra m offers a clinic for pediatric medicine and a clinic for obstetrics/gynecology Cooper pr ovides care to a diverse community, representing the underserved, uninsured and underinsur ed patients, including the low income and high risk population of Camden City By providin g quality care to underserved and uninsured Camden residents, the free clinics helps allev iate the burden of health disparities in the city Support Groups Cancer Support Groups - There are times w hen the support of friends and family isn't enough Spending time w ith o thers w ho have a shared or similar experience and sharing experiences helps w ith depressio n and anxiety, and is the key to recovery Cooper's support groups, activities and social events encourage fitness and the maintenance of a healthy body and mind Groups included b ut are not limited to Prostate Support Group & Lecture Series - The Cooper Cancer Institu te is proud to present the Prostate Support Group, the only such support group in southw es tern New Jersey This is a joint venture of leaders in the care and treatment of prostate diseases and the Cooper Prostate Center The meetings are intended to allow survivors of p rostate diseases and their families to become w ell informed, give and receive the support of others, ask questions, and express their concerns Sister Will You Help Me? - A breast cancer support group for w omen of color and faith The group's mission is to empow er throu gh know ledge, encourage through sisterhood, enlighten through faith and to bond through lo ve Latino Cancer Survivors My Genes, My Risk Young Women With Breast Cancer Support Group Smoking Cessation Group - Whether you have been smoking for 3 years or 30 years, it is no t too late to quit and improve health The program is based on empirically supported thera pies that have been found to help people quit smoking Translation Services for Patients Cooper provides translation services for patients w hose first language is not English Cam den Coalition of Healthcare Providers Cooper provides significant support to this organiz ation w hich w as created six years ago as an opportunity for providers to netw ork and discu ss the common issues they face in running medical practices in Camden and providing care i n a poor, urban environment Tw o staff (Medical Director and Program Manager) and one soci al w orker are supported by Cooper The remaining staff is supported in full by grant funds The Coalition's primary projects include Camden Citywide Care Management Project In Sep tember 2007, the Coalition began implementation of a Citywide Care Management Project to r each out to high utilizers of city emergency rooms and hospitals A part-time nurse practi tioner, community health w orker, and a full-time social w orker staff the project Patients are enrolled to the project by referral from emergency department physicians, inpatient p hysicians, and social w orkers The project provides "transitional" primary care w ith a goa l of moving the patients into a primary care setting that can meet their needs With over sixty patients enrolled in our project, w e are visiting them in homeless shelters, abandon ed homes, hospital rooms, ED gurneys, and street corners Many of the patients are homeles s w ith criminal histories, substance abuse, chronic illnesses, and mental health problems The advantage of running a project like this, using a citywide coalition, is our ability to encourage collaboration betw een the hospitals, to share data, to identify common challe nges, and to address the challenges w ith coordinated solutions For instance w e've improve d access to the homeless shelter and streamlined the application process for long-term fed eral disability Practice Capacity Building Project The Coalition's philosophy is that by increasing capacity w ithin local primary care offices w e can help them achieve higher pati ent satisfaction, improved economic viability, and better health outcomes Monthly roundta ble meetings and seminars have been held for local office managers and providers to encour age peer-to-peer linkages, increase skills and kno

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		wledge of modern medical office management techniques and educate in specific practice man agement topics Participation in this group leads to on-site consultation for individual o ffices, focusing on process flows, operations management, analyzing cycle times, and infor mation management Expansion of Access to Mental Health Care Psychiatry services are extre mely difficult to access in underserved communities The Coalition is developing a system of joint primary care/psychiatry appointments to increase a primary care provider's capaci ty to provide mental health care The psychiatrist w ill provide mentoring, coaching and co nsultation to the primary provider Palliative Care Program The Palliative Care Program i s designed to be integrated as part of a patient's care plan at anytime, to manage symptom s related to treatment such as chemotherapy, or for symptoms that linger or appear after t reatment is complete Palliative care is the comprehensive treatment of the discomfort, sy mptoms and stress of serious illness It does not replace a patient's primary treatment, b ut w orks together w ith treatment at any point in a patient's care Palliative care also ad dresses psychological, social and spiritual concerns - all to achieve the best quality of life possible for each patient At Cooper, the Palliative Care Program can help patients m anage the common side effects of illness such as pain, fatigue, nausea, constipation, dia rrhea, depression and anxiety, difficulty breathing, loss of appetite and w eight loss, w ea kness, sleep problems, confusion and end-of-life

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		Research-Clinical and Community Health The Cooper Research Institute, established in Janu ary 2003, coordinates clinical trials and supports researchers at Cooper Through basic an d clinical research, faculty at Cooper is bringing scientific discoveries to life and prov iding thousands of patients in South Jersey w ith access to cutting-edge treatments in fiel ds such as cancer, cardiology, critical care, diabetes, and gene therapy Cooper faculty m embers currently conduct approximately 340 National Institutes of Health (NIH) and industr y-sponsored clinical trials each year Many of these studies are only available in South J ersey at Cooper By participating in a clinical trial, an individual may have the first ch ance to benefit from improved treatment methods and the opportunity to make an important c ontribution to medical science Past research by Cooper faculty has led to new standards o f care and novel therapies in fields such as cancer, cardiology, surgery, and orthopaedics For example, Cooper faculty members have conducted studies that led to new cancer treat ments such as Rituxan for lymphoma, Iressa for advanced non-small cell lung cancer, Tamoxi fen to prevent breast cancer, and Cisplatin plus radiation therapy for cervical cancer Am ong other medical advances credited to the Cooper Research Institute are - New joint repl acements, such as ceramic-on-ceramic (COC) hip replacements COC hip replacements appear t o be the most durable implants available - The new onyx mechanical heart valve w hose uniq ue design results in the formation of fewer blood clots than w ith other artificial valves - A new surgical adhesive, Bioglue, w hich is w idely used in cardiothoracic surgery as an adjunct to standard methods of achieving hemostasis in adult patients w ith open surgical r epair of large vessels - New cardiology medications, such as Reopro, the first GP IIB/III A inhibitor, w hich reduces cardiac ischemic complications associated w ith percutaneous cor onary intervention Reopro is the gold standard among GP IIB/IIIA inhibitors Community Bu ilding and Community Activities Cooper sponsors various non-profit organizations to promo te and build a healthy community Some of the various activities that Cooper sponsored, pr ovided, planned, partnered or participated in during 2012 are as follow s Cooper's Communi ty Building activities include but are not limited to - Physical improvements and housing revitalization projects - Neighborhood Revitalization Tax Credit Project - Cooper Univers ity Hospital has served as the lead and is partnering w ith Metro Camden Habitat for Humani ty, Saint Joseph's Carpenter Society, Center for Family Services, Greater Camden Partnersh ip, the Cooper Lanning Civic Association and additional community partners on $2 million i n funding from the Neighborhood Revitalization Tax Credit (NRTC) program through the N J Department of Community Affairs to improve housing and community conditions in the Cooper Plaza Neighborhood Cooper University Hospital has served as the lead in w riting and admin istering the grant on behalf of the community partners This includes a second phase of NR TC projects - New Parks and Park Maintenance Cooper has partnered w ith Camden City, Camd en County and community groups on the construction of three new neighborhood parks Cooper has taken the responsibility for the ongoing maintenance and upkeep of the three parks - Cooper has been a partner w ith Camden County and community organizations for the ongoing streetscape and landscape improvements in the Cooper Plaza Neighborhood funded through the County Cooper has facilitated meetings to coordinate the project w ith the County and com munity organizations and address community questions or concerns - Housing Rehabilitation Cooper partners w ith non-profits to advance efforts to improve housing in the Cooper Pla za neighborhood This includes a partnership w ith Saint Joseph's Carpenter Society, Habita t for Humanity and other partners to utilize grant funding for rehabilitation and housing improvements in the Cooper Plaza neighborhood in Camden - Homeow nership Partnerships Coo per has partnered w ith non-profit organizations such as Saint Joseph's Carpenter Society a nd Metro Camden Habitat for Humanity to promote home ow nership opportunities in the Cooper Plaza Neighborhood to further stabilize the community w ith occupied housing Economic Dev elopment - assisting business development, creating new employment opportunities - Broadw ay Main Street Cooper partners w ith and participates in the Broadw ay Main Street Program to encourage economic grow th on the corridor - Cooper's Ferry Partnership Cooper is a me mber of the Cooper's Ferry Partnership Cooper actively w orks w ith the organization on com munity issues and additional projects to improve the neighborhoods in Camden and foster ec onomic development opportunities This includes collaboration and partnerships on initiati ves and opportunities to facilitate the revival of

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		the City of Camden as a place where people choose to live, work, visit, and invest - Camden Special Services District Cooper is a partner for the Camden Special Services District that provides maintenance and a human presence through "Ambassadors" in Camden's Downtown University District and Broadway Corridor to remove graffiti, clean streets, pickup litter and debris, provide additional maintenance services and serve as a daily presence on these corridors Community Support - mentoring, neighborhood support, disaster readiness, neighborhood safety - Cooper Lanning Civic Association and Lanning Square West Association - Participation in association meetings, project coordination, events and administrative support - Neighborhood Concert Series In 2012, Cooper University Hospital continued the series with four free community concerts in Cooper Commons Park and the Lanning Square Park during the summer - Cooper Plaza Neighborhood Watch - Cooper supports the Cooper Plaza neighborhood and the Cooper Lanning Civic Association during the community's neighborhood watch initiative by providing space and food for the effort - Promise Neighborhood Initiative Cooper University Hospital has been an active partner with the City of Camden, Center for Family Services and other community groups on the planning effort and the Promise Neighborhood Initiative to develop a comprehensive approach to social services for children and families living in the Cooper Lanning neighborhood - Cooper Health Sciences Academy at Charles Brimm Arts High Schoo This program provides sophomore students at the Brimm High School with health education and health profession career exposure during the high school academic year through lectures, guest speakers, presentations and seminars - Camden Safety Zone Initiative Cooper University Hospital has partnered with Camden County through a federal grant to provide surveillance cameras in the Cooper Plaza Neighborhood to improve safety for the community Environmental Improvements - Clean and Safe Cooper Plaza Program Partnership with the Greater Camden Partnership and the Camden Special Services District to provide maintenance services in the Cooper Plaza Neighborhood to improve the physical appearance and upkeep of the neighborhood in order to provide an enhanced sense of safety and a maintained neighborhood for residents and visitors - Streetscaping, landscaping and park maintenance in community Leadership development/training for community members Cooper provides development and training to include but not limited to - Child passenger safety technician classes - Child passenger safety training, booster seat program - Fire safety teacher in-service sessions

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT (CONTINUED)		Coalition building and collaborative efforts to address health and safety issues - Camden Higher Education and Health Care Task Force Cooper is a founding member and active participant in the Camden Higher Education and Health Care Task Force ("Eds and Meds") - Cooper's Ferry Partnership Cooper is a member of Cooper's Ferry Partnership and actively works with the organization as a dues paying member to collaborate on community issues and additional projects to improve the neighborhoods in Camden - Cooper is an active participant in the Camden Higher Education and Health Care Task Force ("Eds and Meds") - Housing Implementation Task Force Cooper convenes meetings with non-profits, community organizations, and government agencies to discuss opportunities to improve housing options in the City of Camden Workforce Development - Career fairs and education STRIVE, Woodland Community Development Corporation, Camden County and Camden One Stop - Cooper Health Sciences Academy Recruits local high school students for a 10 month supplemental educational experience with exposure to various health science careers - Youth Career Mentoring and Summer Employment Program Cooper's Youth Career Mentoring and Summer Employment Program provides opportunities for Camden residents that are in high school to work in paid internship positions for six weeks in the summer at various departments at Cooper The program provides for tours, career mentoring opportunities and career exploration for high school students - Cooper participates and serves in a collaborative effort with organizations like the Camden County Workforce Investment Board in the development and retention of workforce opportunities in Camden County and works with the Board on literacy programs and initiatives to prepare individuals to gain employment

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
The Cooper Health System a New Jersey
Non-Profit Corporation

Employer identification number
21-0634462

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

(a) Name, address, and EIN (if applicable) 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" to 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 entity? Yes	(g) No
(1) Cooper Medical Services Inc One Cooper Plaza Camden, NJ 08103 22-3832149	Health Svcs	NJ	501(c)(3)	11	CH SYSTEM	Yes	
(2) The Cooper Foundation One Cooper Plaza Camden, NJ 08103 22-2213715	Support CHS	NJ	501(c)(3)	7	CH SYSTEM		No
(3) The Cooper Hlth Sys - Wrkrs Comp Trust One Cooper Plaza Camden, NJ 08103 22-6409235	Support CHS	NJ	501(c)(3)	11	CH SYSTEM	Yes	
(4) Cooper Cancer Center Inc One Cooper Plaza Camden, NJ 08103 46-0943572	Health Svcs	NJ	501(c)(3)	11	ch system	Yes	

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

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

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to 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	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) C & H Collection Svs Inc Rte 70 Three Exec Campus Ste 310 Cherry Hill, NJ 08002 22-2603503	Collection	NJ	CH Services	c corp					
(2) Cooper Custom Packs Inc Rte 70 Three Exec Campus Ste 310 Cherry Hill, NJ 08002 22-3236745	medical suppl	NJ	CH Services	c corp					
(3) Cooper Data Services Inc Rte 70 Three Exec Campus Ste 310 Cherry Hill, NJ 08002 22-3192943	data services	NJ	CH Services	c corp					
(4) Cooper Healthcare Management Inc Rte 70 Three Exec Campus Ste 310 Cherry Hill, NJ 08002 22-2599494	Management	NJ	CH Services	c corp					
(5) Cooper Healthcare Properties Inc Rte 70 Three Exec Campus Ste 310 Cherry Hill, NJ 08002 22-2567105	real estate m	NJ	CH Services	c corp					
(6) Cooper Healthcare Services Rte 70 Three Exec Campus Ste 310 Cherry Hill, NJ 08002 22-2567106	Health Svcs	NJ	CH SYSTEM	c corp			100 000 %		

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

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

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

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

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

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

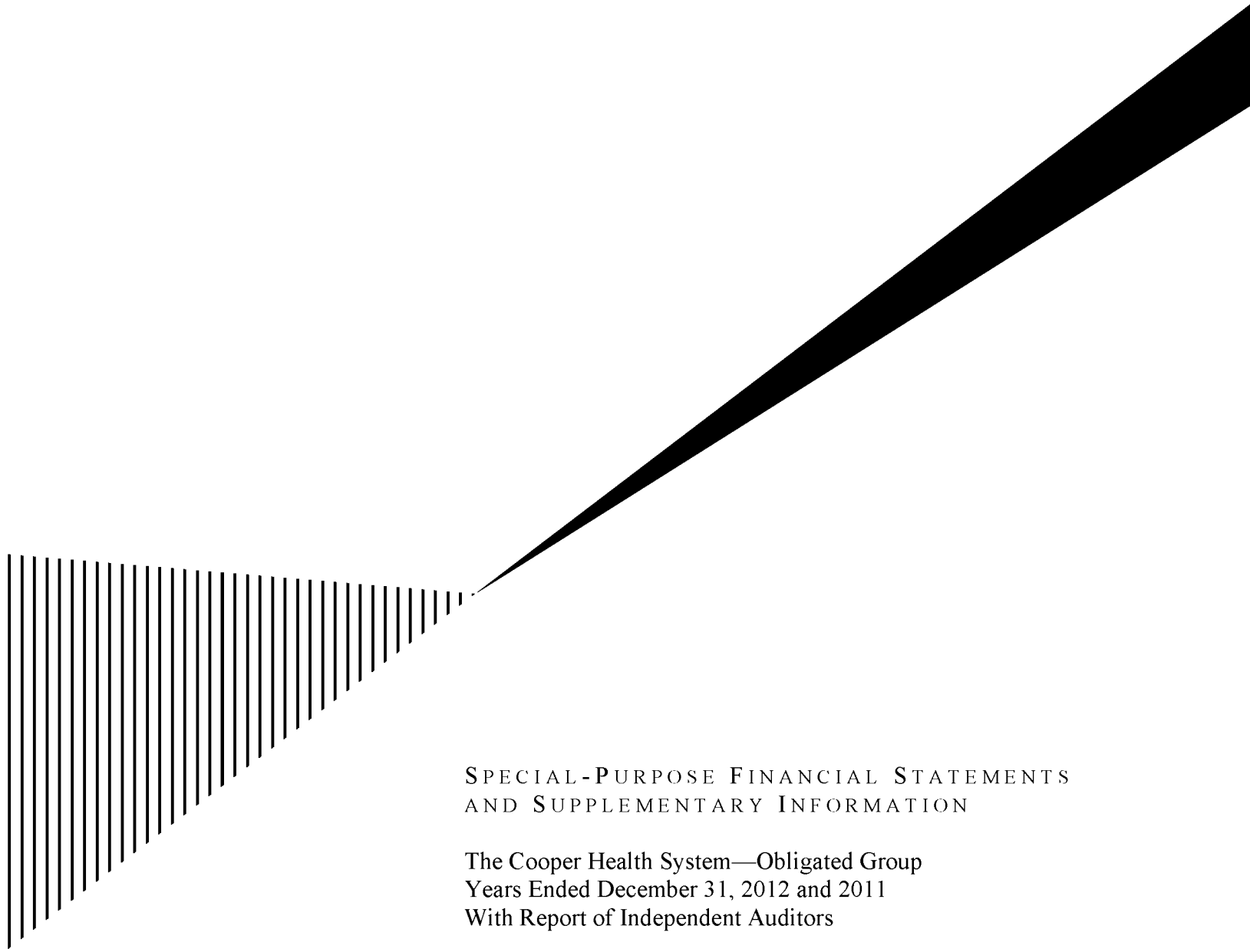
Additional Data

Return to Form

Software ID:
Software Version:
EIN: 21-0634462
Name: The Cooper Health System a New Jersey Non-Profit Corporation

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
COOPER MEDICAL SERVICES	K	3,894,000	CASH-FMV
COOPER HEALTHCARE PROPERTIES INC	K	434,000	CASH-FMV
C & H COLLECTION SERVICES INC	L	163,000	CASH-FMV
COOPER HEALTHCARE PROPERTIES INC	L	111,000	CASH-FMV
COOPER MEDICAL SERVICES	L	507,000	CASH-FMV
THE COOPER FOUNDATION	C	1,467,000	CASH-FMV
COOPER HEALTHCARE SERVICES INC	S	15,000,000	CASH-FMV



SPECIAL-PURPOSE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

The Cooper Health System—Obligated Group
Years Ended December 31, 2012 and 2011
With Report of Independent Auditors

Ernst & Young LLP

ERNST & YOUNG

The Cooper Health System—Obligated Group

Special-Purpose Financial Statements
and Supplementary Information

Years Ended December 31, 2012 and 2011

Contents

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Report of Independent Auditors

Board of Trustees
The Cooper Health System

We have audited the accompanying special-purpose financial statements of The Cooper Health System—Obligated Group, which comprise the special-purpose balance sheets as of December 31, 2012 and 2011, and the related special-purpose statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the special-purpose financial statements

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements on the basis of the financial reporting provisions of the Master Trust Indenture between the Obligated Group and the Bank of New York Mellon dated February 15, 1997 described in Note 2, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on these special-purpose financial statements based on our audits We conducted our audits in accordance with auditing standards generally accepted in the United States Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control Accordingly, we express no such opinion An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities of the Obligated Group as of December 31, 2012 and 2011, and results of its operations and its cash flows on the basis of accounting described in Note 2

Change in Accounting Principle

As discussed in Note 2 to the accompanying special-purpose financial statements, in 2012 the Obligated Group adopted the provisions of Accounting Standards Update No 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, which resulted in a change to the presentation of the provision for bad debts on the special-purpose statements of operations and changes in net assets effective January 1, 2011 Our opinion is not modified with respect to this matter

Contractual Basis of Accounting

As described in Note 2 to the special-purpose financial statements, the financial statements have been prepared by the Obligated Group on the basis of the financial reporting provisions of the Master Trust Indenture between the Bank of New York-Mellon and the Obligated Group, which is a basis of accounting other than U S generally accepted accounting principles, to comply with the financial reporting provisions of the Master Trust Indenture referred to above Our opinion is not modified with respect to this matter

Restriction on Use

Our report is intended solely for the information and use of management and the Board of Trustees of the Obligated Group, the trustee under the Master Trust Indenture, rating agencies and bondholders and is not intended to be and should not be used by anyone other than these specified parties

Ernst + Young LLP

April 29, 2013

The Cooper Health System—Obligated Group

Special-Purpose Balance Sheets
(In Thousands)

	December 31	
	2012	**2011**
Assets		
Current assets		
Cash and cash equivalents	**$ 100,323**	$ 42,070
Current portion of assets limited as to use – externally designated	**18,804**	19,544
Patient accounts receivable, net of allowance for doubtful accounts of $22,127 in 2012 and $30,542 in 2011	**106,150**	91,684
Prepaid expenses and other current assets	**28,104**	33,286
Due from affiliate, net	**–**	1,213
Total current assets	**253,381**	187,797
Assets limited as to use		
Internally designated by Board of Trustees	**155,297**	149,426
Externally designated under debt agreements, net of current portion	**13,875**	13,780
Externally designated under self-insurance programs, net of current portion	**47,755**	54,876
	216,927	218,082
Property, plant, and equipment, net	**358,263**	345,571
Other assets, net	**5,971**	4,900
Note receivable	**15,781**	–
Total assets	**$ 850,323**	$ 756,350

	December 31	
	2012	**2011**
Liabilities and net assets		
Current liabilities		
Accounts payable	**$ 16,118**	$ 17,491
Accrued expenses	**93,531**	67,131
Current portion of estimated settlements due to third-party payors	**4,699**	3,758
Current portion of self-insured reserves	**14,483**	14,062
Current portion of long-term debt	**6,615**	6,184
Due to affiliates	**2,706**	–
Total current liabilities	**138,152**	108,626
Estimated settlements due to third-party payors, net of current portion	**18,050**	17,571
Accrued retirement benefits	**8,145**	12,859
Self-insured reserves, net of current portion	**57,372**	63,345
Notes payable	**22,296**	–
Long-term debt, net of current portion	**240,606**	246,238
Deferred revenue and other liabilities	**23,455**	22,910
Total liabilities	**508,076**	471,549
Net assets		
Unrestricted	**341,808**	284,362
Permanently restricted	**439**	439
Total net assets	**342,247**	284,801
Total liabilities and net assets	**$ 850,323**	$ 756,350

See accompanying notes.

The Cooper Health System—Obligated Group

Special-Purpose Statements of Operations and Changes in Net Assets

(In Thousands)

	Year Ended December 31	
	2012	**2011**
Unrestricted net assets		
Revenue		
Net patient service revenue	**$ 821,717**	$ 805,781
Provision for bad debts	**(62,058)**	(86,161)
Net patient service revenue less provision for bad debts	**759,659**	719,620
Other revenue	**63,660**	55,950
Total revenue	**823,319**	775,570
Expenses		
Salaries, wages and fringe benefits	**491,969**	462,087
Supplies and other	**260,561**	244,096
Malpractice	**18,546**	16,778
Depreciation and amortization	**35,052**	38,074
Interest	**9,987**	10,825
Total expenses	**816,115**	771,860
Operating income before malpractice actuarial gain	**7,204**	3,710
Malpractice actuarial gain	**6,613**	4,854
Operating income	**13,817**	8,564
Nonoperating gains and losses		
Investment income	**9,504**	7,654
Net change in unrealized gains on trading securities	**103**	2,407
Loss on fixed asset disposal	**–**	(2,470)
Change in fair value of interest rate swap agreements	**(262)**	(6,960)
Excess of revenue over expenses	**23,162**	9,195
Other changes in unrestricted net assets		
Change in pension benefit obligation	**847**	(14,115)
Contributions for capital acquisitions	**18,761**	4,872
Net change in net unrealized gains and losses on investments	**(324)**	692
Net asset transfer from affiliate	**15,000**	–
Increase in unrestricted net assets	**57,446**	644
Increase in net assets	**57,446**	644
Net assets, at beginning of year	**284,801**	284,157
Net assets, at end of year	**$ 342,247**	$ 284,801

See accompanying notes.

The Cooper Health System—Obligated Group

Special-Purpose Statements of Cash Flows

(In Thousands)

	Year Ended December 31 2012	2011
Operating activities		
Increase in net assets	**$ 57,446**	$ 644
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Change in pension benefit obligation	**(847)**	14,115
Net asset transfer from affiliate	**(15,000)**	–
Change in fair value of interest rate swap agreements	**262**	6,960
Depreciation and amortization	**35,052**	38,074
Loss on disposal of property, plant, and equipment	**–**	2,470
Provision for bad debts	**62,058**	86,161
Contributions for capital acquisitions	**(18,761)**	(4,872)
Net realized and unrealized gains on investments	**(2,158)**	(3,009)
Changes in certain assets and liabilities		
Patient accounts receivable	**(76,524)**	(91,627)
Prepaid expenses and other assets	**3,929**	(8,159)
Accounts payable and accrued expenses	**21,314**	13,582
Self-insured reserves and accrued retirement benefits	**(9,419)**	(5,882)
Estimated settlements due to third-party payors	**1,420**	(2,239)
Due from/to affiliates	**3,919**	(1,551)
Deferred revenue and other liabilities	**282**	535
Net cash provided by operating activities	**62,973**	45,202
Investing activities		
Sales (purchases) of assets limited as to use, net	**4,053**	(1,619)
Capital expenditures	**(42,867)**	(38,887)
Net cash used in investing activities	**(38,814)**	(40,506)
Financing activities		
Net asset transfer from affiliate	**15,000**	–
Repayments of long-term debt	**(6,182)**	(6,741)
Issuance of note receivable	**(15,781)**	–
Proceeds from notes payable	**22,296**	–
Contributions for capital acquisitions	**18,761**	4,872
Net cash provided by (used in) financing activities	**34,094**	(1,869)
Net increase in cash and cash equivalents	**58,253**	2,827
Cash and cash equivalents at beginning of year	**42,070**	39,243
Cash and cash equivalents at end of year	**$ 100,323**	$ 42,070
Supplemental disclosure of cash flow information		
Cash paid for interest	**$ 10,432**	$ 10,915
Assets acquired under capital lease	**$ 997**	$ –

See accompanying notes

The Cooper Health System—Obligated Group

Notes to Special-Purpose Financial Statements
(In Thousands)

December 31, 2012

1. Organization

The Cooper Health System (Health System) is a New Jersey not-for-profit organization The Health System is comprised of two divisions The Cooper University Hospital (CUH), Cooper University Physicians (UP) The CUH includes the operations of Cooper Hospital/University Medical Center and The Children's Regional Hospital at Cooper, as well as programs focusing on ambulatory diagnostic and treatment services, wellness and prevention, and many other health services The UP consists primarily of the employed medical staff In 2012, the Cooper Cancer Center was formed as a New Jersey not-for-profit organization and will operate the Cancer Building and primarily lease space to CUH The Health System and the Cooper Cancer Center are the only members of the Obligated Group

The Health System also controls certain other entities which are not members of the Obligated Group and are not included in the accompanying financial statements Such entities include Cooper HealthCare Services, Inc (CHCS), Cooper Medical Services, Inc (CMS), and The Cooper Foundation (Foundation) CHCS is a holding company, and the sole shareholder of Cooper HealthCare Properties, Inc (CHCP) and C&H Collections Services (C&H) CHCP manages a number of medical office buildings for the Health System, and C&H provides collection services primarily to the Health System CMS owns and manages a medical office building on the campus of the Health System The Health System appoints all of the Board of Trustees and exercises certain control over the Foundation, which promotes the charitable, scientific and educational programs and policies of the Health System

2. Summary of Significant Accounting Policies

Special-Purpose Financial Statements

These special-purpose financial statements were prepared to comply with the requirements of The Cooper Health System Obligated Group Master Trust Indenture (the Indenture) The Indenture serves as the governing agreement for the tax-exempt Revenue Bonds of which $240,965 are outstanding at December 31, 2012 The indenture requires that The Cooper Health System prepare financial statements including only members of the Obligated Group CHCS, CMS, the Foundation and entities owned or controlled by them are not part of this obligation All significant interdivision and intercompany accounts and transactions between the members of the Obligated Group have been eliminated Under U S generally accepted accounting principles, all subsidiaries of The Cooper Health System should be presented on a consolidated basis These

2. Summary of Significant Accounting Policies (continued)

special-purpose financial statements are not presented in conformity with U S generally accepted accounting principles because they do not include controlled affiliates of the Health System that are not members of the Obligated Group

Use of Estimates

The preparation of these special-purpose financial statements has required 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 special-purpose financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

Charity Care

The Health System has a policy of providing charity care to patients who are unable to pay based on federal poverty income guidelines All charity care patients are separately identified and related charges are reduced based on financial information obtained from the patient Since management does not expect payment for charity care, the charges are excluded from net patient service revenue

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are recorded on an estimated basis in the period that the related services are rendered, and adjusted in future periods as final settlements are determined The method for making these estimates and establishing the resulting reserves are continually reviewed and updated, with any resulting adjustments reflected in operating income currently In 2012 and 2011, the special-purpose financial statements include revenue of $6,423, of which $4,497 was related to the rural floor wage index settlement, and $5,665, respectively, related to favorable adjustments of prior-year cost reports

2. Summary of Significant Accounting Policies (continued)

Other Revenue

Other revenue is comprised of grant revenue, incentive payments related to the implementation and meaningful use of certified electronic health records, salary reimbursement from affiliated parties, cafeteria revenue, support from the Foundation for operating purposes, parking and other miscellaneous items

The American Recovery and Reinvestment Act of 2009 provides for Medicare and Medicaid incentive payments for eligible hospitals and professionals that implement and achieve meaningful use of certified electronic health record (EHR) technology For Medicare and Medicaid EHR incentive payments, the Health System utilizes a grant accounting model to recognize revenue Under this accounting policy, EHR incentive payments were recognized as revenue when attestation that the EHR meaningful use criteria for the required period of time was demonstrated Accordingly, the Health System recognized approximately $5,259 and $6,133 of EHR revenue for the years ended December 31, 2012 and 2011, respectively These amounts comprised of $2,789 and $2,667 of Medicaid revenue and $2,470 and $3,466 of Medicare revenue for the years ended December 31, 2012 and 2011, respectively These amounts are included in other revenue on the special-purpose statements of operations and changes in net assets

The Health System's attestation of compliance with the meaningful use criteria is subject to audit by the federal government or its designee Additionally, Medicare EHR incentive payments received are subject to retrospective adjustment upon final settlement of the applicable cost report from which payments were calculated

Advertising Costs

The Health System expenses advertising cost as incurred In 2012 and 2011, the Health System incurred advertising expenses of $4,662 and $5,124, respectively, which are included in supplies and other on the special-purpose statements of operations and changes in net assets

Cash and Cash Equivalents

Cash and cash equivalents include various checking and savings accounts and all short-term funds, with initial maturity dates of three months or less, held on deposit with various lending institutions, excluding those classified as assets limited as to use

2. Summary of Significant Accounting Policies (continued)

Allowance for Doubtful Accounts

The Health System provides an allowance for doubtful accounts for estimated losses resulting from the unwillingness of patients to make payments for services The allowance is determined by analyzing historical data and trends Accounts receivable are charged off against the allowance for doubtful accounts when management determines that recovery is unlikely and the Health System ceases collection efforts

Supplies

Supplies are stated at the lower of cost or market, determined by the first-in, first-out (FIFO) valuation method and are included in other current assets

Derivative Financial Instruments

The Health System maintains interest rate swap agreements to mitigate the Health System's cash flow risk relating to changes in the variable interest rates of its Series 2008A and 2009A Bonds Under the swap agreements, the Health System pays interest at fixed rates and receives interest at variable rates All swap agreements are reflected at fair value on the special-purpose balance sheets The net changes in the fair value of these swap agreements are recorded in nonoperating gains and losses, on the special-purpose statements of operations and changes in net assets, and the net monthly cash exchange under the contract is reflected within interest expense The mark-to-market position of interest rate swap arrangements is included within deferred revenue and other liabilities and other assets on the special-purpose balance sheets at December 31, 2012 and 2011, respectively

Fair Value of Financial Instruments

Financial instruments consist of cash equivalents, patient accounts receivable, assets limited as to use, notes receivable, accounts payable and accrued expenses, interest-rate swaps, long-term debt and notes payable The carrying amounts reported in the special-purpose balance sheets for cash equivalents, patient accounts receivable, assets limited as to use, notes receivable, accounts payable and accrued expenses, and notes payable approximate fair value Management's estimate of the fair value of other financial instruments is described elsewhere in the notes to the special-purpose financial statements

2. Summary of Significant Accounting Policies (continued)

Assets Limited as to Use and Investment Income

Assets limited as to use are measured at fair value in the special-purpose balance sheets Assets limited as to use include internally designated assets set aside by the Board of Trustees (the Board), externally designated assets held by trustees under debt agreements (includes debt service interest, principal, and reserve funds and funds for future capital expenditures), for self-insurance programs (includes trusts for workers' compensation and for medical professional and general liability), and funds designated as such for donor restrictions Amounts set aside by the Board are designated for operations, future capital improvements, and other contingencies, as needed

The Board retains control over the internally designated assets and may, at its discretion, subsequently use the assets for other purposes Amounts internally designated by Board are classified as trading securities and all other assets limited as to use are deemed to be other-than-trading Amounts required to meet current liabilities of the Health System have been classified as current assets in the special-purpose financial statements

Investment income and realized gains and losses, net of amounts capitalized from assets limited as to use and the change in unrealized gains and losses from trading securities are recorded as nonoperating revenues

Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost or fair value at the date of donation Depreciation is provided over the estimated useful lives of the assets of each class of depreciable asset and is computed using the straight-line method Equipment under capital lease obligations is amortized by the straight-line method over the estimated useful life of the equipment Such amortization is included in depreciation and amortization in the special-purpose financial statements Interest costs incurred on borrowed funds, net of related income, during the period of construction of capital assets is capitalized as a component of acquiring the assets No amounts related to interest were capitalized during 2012 and 2011

Gifts or grants for the purchase of long-lived assets such as land, buildings, or equipment are excluded from the excess of revenue over expenses Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service

2. Summary of Significant Accounting Policies (continued)

The Health System continually evaluates whether events and circumstances have occurred that indicate the remaining estimated useful life of long-lived assets may warrant revision or that the remaining balance may not be recoverable When factors indicate that long-lived assets should be evaluated for possible impairment, the Health System uses an estimate of the related undiscounted operating income over the remaining life of the long-lived asset, or determines the fair market value of the long-lived asset in measuring whether the long-lived asset is recoverable Management believes that no revision to the remaining useful lives or write-down of long-lived assets was required as of December 31, 2012 and 2011

Other Assets

Other assets includes (1) intangible assets, net which is associated with physician practice acquisitions, which are being amortized on a straight-line basis over a period of 10 years and (2) deferred financing costs which are being amortized on the interest method over the life of the related indebtedness

Self-Insured Reserves

The Health System is self-insured for the majority of its medical malpractice, employee health, general liability and the first layer of workers' compensation risks A portion of the losses are covered with high-deductible commercial insurance policies and through trust funds The Health System accrued liabilities which include estimates of the ultimate costs, net of insurance for both reported claims and claims incurred but not reported for each of their risks

Excess of Revenue Over Expenses

The special-purpose statements of operations and changes in net assets include the excess of revenue over expenses Changes in unrestricted net assets which are excluded from the excess of revenue over expenses, include net change in net unrealized gains and losses on investments in other-than-trading securities, to the extent such losses are considered temporary, changes in pension benefit obligation, contributions for capital acquisitions (including assets acquired using donor-restricted contributions or grant funds that were to be used for the purposes of acquiring such assets) and permanent transfers from affiliates for other than goods or services

2. Summary of Significant Accounting Policies (continued)

Permanently Restricted Net Assets

Permanently restricted net assets have been restricted by donors to be maintained by the Health System in perpetuity As specified by donor, the income earned on these investments is expendable to support patient care services

Income Taxes

The Health System is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal and state income taxes pursuant to Section 501(a) of the Code and the laws of the State of New Jersey

Recent Accounting Pronouncements

In July 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, which requires companies to present its provision for doubtful accounts related to patient service revenue as a deduction from revenue, similar to contractual discounts The guidance also requires enhanced and additional disclosures regarding net patient service revenue, assessing bad debts, and the changes in the allowance for doubtful accounts This new guidance is required to be retrospectively applied and is effective for fiscal years beginning after December 15, 2011, with early application permitted The Health System adopted these provisions as of and for the year ended December 31, 2012 and retrospectively applied the presentation requirements to all periods presented The change in presentation and additional disclosures are reflected in the Health System's special-purpose statements of operations and changes in net assets, and in Note 3 The adoption of the new guidance did not have any impact on previously reported excess of revenue over expenses or net assets

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS*, which amends the wording used to describe many of the requirements in U S Generally Accepted Accounting Principles (GAAP) for measuring fair value and for disclosing information about fair value measurements, resulting in common requirements in accordance with U S GAAP and International Financial Reporting Standards (IFRS) This guidance clarifies the application of existing fair value measurement requirements and updates particular requirements for measuring fair value or

2. Summary of Significant Accounting Policies (continued)

disclosing information about fair value measurements This new guidance is effective for fiscal years beginning after December 15, 2011, and was adopted by the Health System on January 1, 2012 The adoption of this guidance did not have an impact on the Health System's results of operations, cash flows, or financial position

In December 2011, the FASB issued ASU 2011-11, *Disclosures about Offsetting Assets and Liabilities*, to address certain comparability issues between financial statements prepared in accordance with GAAP and those prepared in accordance with IFRS In January 2013, the FASB issued ASU 2013-01, *Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities*, to provide information regarding the scope of the disclosures required by ASU 2011-11 to the financial instruments and derivatives reported in an entity's financial statements ASU 2011-11 requires an entity to provide enhanced disclosures about certain financial instruments and derivatives, as defined in ASU 2013-01, to enable users of its financial statements to understand the effect of offsetting in the financial statements as well as the effect of master netting arrangements on an entity's financial condition This new guidance is effective for annual reporting period beginning on or after January 1, 2013, and interim periods within those annual periods An entity should provide the disclosures required by those amendments retrospectively for all comparative periods presented The Health System expects to adopt these provisions for the year ended December 31, 2013 The adoption will not impact the Health System's results of operation, cash flows, or financial position, however, it may result in enhanced footnote disclosures

In October 2012, the FASB issued ASU 2012-05, *Not-for-Profit Entities: Classification of the Sale Proceeds of Donated Financial Assets in the Statement of Cash Flows*, which requires a not-for-profit entity to classify cash receipts from the sale of donated financial assets consistently with cash donations received in the statement of cash flows if those cash receipts were from the sale of donated financial assets that upon receipt were directed without any imposed limitations for sale and were converted nearly immediately into cash Accordingly, the cash receipts from the sale of those financial assets should be classified as cash inflows from operating activities unless the donor restricted the use of the contributed resources to long-term purposes, in which case those cash receipts should be classified as cash flows from financing activities Otherwise, cash receipts from the sale of donated financial assets should be classified as cash flows from investing activities This guidance is effective prospectively for fiscal years beginning after June 15, 2013 with retrospective application to all prior periods presented permitted The Health System expects to adopt these provisions for the year ended December 31, 2014 The adoption will not impact the Health System's results of operations or financial position, however, it may change the classifications on the statement of cash flows

2. Summary of Significant Accounting Policies (continued)

Reclassifications

Certain reclassifications have been made to the special-purpose financial statements of the prior year to conform to the current-year presentation

3. Net Patient Service Revenue

The Health System's service area is Southern New Jersey The Health System grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements

The Health System has agreements with third-party payors that provide for payments at amounts different from established charges The CUH's inpatient acute care services and the UP's professional services for Medicare and Medicaid program beneficiaries and the CUH's outpatient services for Medicare program beneficiaries are paid at prospectively determined rates per discharge or visit or fee schedule These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors The Health System is reimbursed for cost reimbursable and other pass-through items, such as bad debts and paramedical education, from Medicare at a tentative rate with final settlements determined after submission of annual cost reports by the Health System and audits thereof by the programs' fiscal intermediaries Provisions for estimated adjustments resulting from audit and final settlements have been recorded The Health System's cost report for fiscal years 2005 through 2009 have been audited but not final settled as of yet In the opinion of management, adequate provision has been made for any adjustment, which may result from the final settlement of these reports or appeal items Differences between the estimated adjustments and the amounts settled are recorded in the year of settlement

Collectively, net revenues from the Medicare and Medicaid programs constitute approximately 42% and 40% of the Health System's net patient service revenue for the years ended December 31, 2012 and 2011, respectively

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation, and noncompliance could subject the Health System to significant regulatory action, including fines and penalties As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term The Health

3. Net Patient Service Revenue (continued)

System believes that it is in compliance with applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing Compliance with such laws and regulations can be subject to future government review and interpretations as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs The Health System has a Corporate Compliance Program to monitor compliance with Medicare and Medicaid laws and regulations

The Health System has also entered into payment agreements with certain commercial insurance carriers and health maintenance organizations The basis for payment to the Health System under these agreements includes prospectively determined rates per discharge or visit, discounts from established charges, and prospectively determined daily rates These agreements have retrospective audit clauses allowing the payor to review and adjust claims subsequent to initial payment

Accounts receivable are reduced by an allowance for doubtful accounts The Health System's allowance for doubtful accounts totaled approximately $22,127 and $30,542 at December 31, 2012 and 2011, respectively In evaluating the collectibility of accounts receivable, the Health System analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts Management reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts For receivables associated with services provided to patients who have third-party coverage, the Health System analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely) For receivables associated with self-pay patients, the Health System records a significant provision for bad debts on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible The difference between the standard rates (or discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts

The Health System recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of the contractual rates for the services rendered For uninsured patients that do not qualify for charity care, the Health System recognizes revenue on the basis of its standard rates for services provided (or on the basis of

(In Thousands)

3. Net Patient Service Revenue (continued)

discounted rates, if negotiated or provided by policy) On the basis of historical experience, a significant portion of the Health System's uninsured patients will be unable or unwilling to pay for the services provided Thus, the Health System records a significant provision for bad debts related to uninsured patients

Patient service revenue for the year ended December 31, 2012, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payor sources, is as follows

	Third-Party Payors	Self-Pay	Total All Payors
Patient service revenue (net of contractual allowances and discounts)	$ 803,392	$ 18,325	$ 821,717

Deductibles and copayments under third-party payment programs within the third-party payor amount above are the patients' responsibility and the Health System considers these amounts in its determination of the provision for bad debts based on collection experience

The mix of accounts receivable from patients and third-party payors was as follows

	December 31 2012	2011
Commercial	**26%**	31%
HMO	**38**	34
Medicare	**18**	18
Blue Cross	**11**	10
Self-pay (including accounts which may ultimately be charity care)	**4**	4
Medicaid	**3**	3
	100%	100%

(In Thousands)

4. Charity Care and State Subsidies

The Health System provides care to those who meet the State of New Jersey Public Law 1992 (Chapter 160) charity care criteria Charity care is provided without charge or at amounts less than its established charges The Health System maintains records to identify and monitor the level of charity care it provides The cost of services provided and supplies furnished under its charity care policy is estimated using internal cost data and is calculated based on the Health System's cost accounting system The total direct and indirect amount of charity care provided, determined on the basis of cost, was $58,802 and $59,227 for the years ended December 31, 2012 and 2011, respectively

The Health System's patient acceptance policy is based upon its mission statement and its charitable purposes Accordingly, the Health System accepts all patients regardless of their ability to pay This policy results in the Health System's assumption of higher-than-normal patient receivable credit risks To the extent that the Health System realizes additional losses resulting from such higher credit risks and patients that are not identified or do not meet the Health System's defined charity care policy, such additional losses are included in the provision for bad debts

Chapter 160 established the Charity Care Subsidy Fund and the Hospital Relief Subsidy Fund to provide a mechanism and funding source to compensate certain hospitals for charity care The Health System recorded the following amounts from the funds as net patient service revenue These amounts are subject to change from year to year based on available state budget amounts and allocation methodologies A proportionate amount is in place through June 2013 While amounts are not finalized for the State of New Jersey's fiscal 2014 budget, it is anticipated that funding will be slightly reduced

	Year Ended December 31	
	2012	**2011**
Charity Care Subsidy Fund	**$ 35,832**	$ 35,741
Hospital Relief Subsidy Fund	**6,214**	6,733
	$ 42,046	$ 42,474

(In Thousands)

4. Charity Care and State Subsidies (continued)

Effective July 1, 2013, the State is preparing to replace the Hospital Relief Subsidy Fund with a new payment mechanism referred to as the Delivery System Reform Incentive Payment Pool (the Pool) The Pool will be available to certain hospitals that are able to establish performance improvement activities in one of eight specified clinical improvement areas Whether the System will receive funding from the Pool is presently unknown

5. Assets Limited as to Use and Investment Income

	December 31	
	2012	**2011**
Internally designated by Board of Trustees and for donor purposes		
Cash and cash equivalents	**$ 3,939**	$ 4,861
Equity securities		
U S companies	**30,651**	213
International companies	**61**	41
Mutual funds	**16**	15
U S treasury securities	**44,907**	56,617
Governmental asset-backed securities	**12,597**	16,564
Corporate bonds	**63,126**	71,115
	$ 155,297	$ 149,426
Externally designated – under debt agreements		
Cash and cash equivalents	**$ 9,076**	$ 9,465
U S treasury securities	**5,073**	5,591
Governmental asset-backed securities	**7,837**	7,882
	21,986	22,938
Less current portion	**8,111**	9,158
	$ 13,875	$ 13,780

(In Thousands)

5. Assets Limited as to Use and Investment Income (continued)

	December 31 2012	2011
Assets held by trustees externally designated – under debt agreements are maintained for the following purposes		
Debt service interest funds	**$ 3,259**	$ 3,445
Debt service principal funds	**4,852**	4,246
Debt service reserve funds	**13,875**	13,782
Capital addition funds	**–**	1,465
	$ 21,986	$ 22,938
Externally designated – under self-insurance programs		
Cash and cash equivalents	**$ 5,115**	$ 3,019
Equity securities		
U S companies	**8,540**	10,811
International companies	**2,006**	1,564
Governmental asset-backed securities	**2,264**	2,258
Corporate bonds	**40,523**	47,610
	58,448	65,262
Less current portion	**10,693**	10,386
	$ 47,755	$ 54,876

Investment income, net of amounts capitalized, and net unrealized gains and losses on trading securities are included in nonoperating revenues and are comprised of the following

	Year Ended December 31 2012	2011
Nonoperating revenues		
Interest and dividend income	**$ 7,125**	$ 7,744
Net realized gains (losses) on sales of securities	**2,379**	(90)
Investment income	**9,504**	7,654
Change in net unrealized gains on trading securities	**103**	2,407
	$ 9,607	$ 10,061
Change in net unrealized gains on investments	**$ (324)**	$ 692

(In Thousands)

5. Assets Limited as to Use and Investment Income (continued)

The fair value framework establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value These tiers include Level 1 – defined as observable inputs such as quoted prices in active markets, Level 2 – defined as inputs other than quoted prices in active markets that are either directly or indirectly observable, and Level 3 – defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions

In determining fair value, the Health System uses the market approach This utilizes prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities

The following table presents the fair value hierarchy for the Health System's financial assets measured at fair value on a recurring basis which include cash and cash equivalents, assets limited as to use, and the mark-to-market asset position of interest rate swap arrangements

	Total	Level 1	Level 2	Level 3
December 31, 2012				
Assets				
Cash and cash equivalents	$ 118,453	$ 118,453	$ –	$ –
Equity securities				
U S companies	39,191	39,191	–	–
International companies	2,067	2,067	–	–
Mutual funds	16	16	–	–
U S treasury securities	49,980	49,980	–	–
Governmental asset-backed securities	22,698	–	22,698	–
Corporate bonds	103,649	–	103,649	–
Total assets	$ 336,054	$ 209,707	$ 126,347	$
Liabilities				
Interest rate swaps	$ 5,809	$ –	$ 5,809	$ –
Total liabilities	$ 5,809	$ –	$ 5,809	$ –

(In Thousands)

5. Assets Limited as to Use and Investment Income (continued)

	Total	Level 1	Level 2	Level 3
December 31, 2011				
Assets				
Cash and cash equivalents	$ 59,415	$ 59,415	$ –	$ –
Equity securities				
U S companies	11,024	11,024	–	–
International companies	1,605	1,605	–	–
Mutual funds	15	15	–	–
U S treasury securities	62,208	62,208	–	–
Governmental asset-backed securities	26,704	–	26,704	–
Corporate bonds	118,725	–	118,725	–
Total assets	$ 279,696	$ 134,267	$ 145,429	$ –
Liabilities				
Interest rate swaps	$ 5,547	$ –	$ 5,547	$ –
Total liabilities	$ 5,547	$ –	$ 5,547	$ –

The Health System's Level 1 securities primarily consist of U S Treasury securities, equity securities, mutual funds, and cash and cash equivalents The Health System determines the estimated fair value for its Level 1 securities using quoted (unadjusted) prices for identical assets or liabilities in active markets

The Health System's Level 2 securities primarily consist of corporate debt, governmental asset-based securities, and interest rate swaps The Health System determines the estimated fair value for its Level 2 securities using the following methods quoted prices for similar assets/liabilities in active markets, quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time), inputs other than quoted prices that are observable for the asset/liability (e g , interest rates, yield curves volatilities, default rates, etc), and inputs that are derived principally from or corroborated by other observable market data

(In Thousands)

6. Property, Plant, and Equipment

	December 31 2012	December 31 2011	Depreciable Life
Land	**$ 2,528**	$ 1,115	
Land improvements	**1,226**	790	5–25 years
Buildings and building improvements	**359,617**	349,234	10–40 years
Fixed equipment	**28,264**	27,199	10–20 years
Major movable equipment	**255,833**	240,975	5–20 years
	647,468	619,313	
Less accumulated depreciation	**341,374**	306,589	
	306,094	312,724	
Construction in progress	**52,169**	32,847	
	$ 358,263	$ 345,571	

Depreciation expense for the years ended December 31, 2012 and 2011 amounted to $34,785 and $37,420, respectively Property, plant, and equipment, net included $1,034 and $110 of assets held under capitalized leases at December 31, 2012 and 2011, respectively

The Health System disposed of certain property, plant, and equipment resulting in a loss on disposal of $2,470 for the year ended December 31, 2011

(In Thousands)

7. Long-Term Debt

	December 31 2012	2011
2005A Camden County Improvement Authority (CCIA) Revenue Bonds, including unamortized original issue discount of $580 and $606 at December 31, 2012 and 2011, respectively, with principal payments ranging from $1,395 to $4,950 due annually on February 15 through 2035 with interest rates ranging from 5 0% to 5 25%, due February 15th and August 15th of each year	**$ 68,680**	$ 70,204
2005B CCIA Revenue Bonds, including unamortized original issue premium of $773 and $827 at December 31, 2012 and 2011, respectively, with principal payments ranging from $1,925 to $4,590 due annually on February 15th through 2027, with interest rates ranging from 4 0% to 5 25%, due February 15th and August 15th of each year	**49,893**	52,067
2004A CCIA Revenue Bonds, including unamortized original issue discount of $277 and $289 at December 31, 2012 and 2011, respectively, with principal payments ranging from $3,630 to $5,120 due annually beginning on February 15, 2028 through 2034 with an interest rate of 5 75%, due February 15th and August 15th of each year	**30,103**	30,091
2004B CCIA Variable Rate Demand Revenue Bonds, with principal payments ranging from $940 to $2,565 due annually on August 1st through 2032, with monthly interest payments, adjusted to a weekly rate determined by the remarketing agent, not to exceed 10% (0 60% and 0 34% at December 31, 2012 and 2011, respectively)	**34,465**	35,495
2008A New Jersey Economic Development Authority (NJEDA) Variable Rate Demand Revenue Bonds, with principal payments ranging from $1,800 to $13,500 due annually beginning on November 1, 2033 through 2038, with monthly interest payments, adjusted to a weekly rate determined by the remarketing agent, not to exceed 12% (0 60% and 0 37% at December 31, 2012 and 2011, respectively)	**50,000**	50,000

(In Thousands)

7. Long-Term Debt (continued)

	December 31	
	2012	**2011**
2009A CCIA Variable Rate Revenue Bonds, with principal payments ranging from $60 to $93 due monthly on March 15th through February 15, 2021, with monthly interest payments based on 67% of LIBOR, plus 168 basis points	**$ 7,824**	$ 8,619
$2,496 Equipment loan, with principal and interest payments due monthly through 2017 Principal payments ranging from $25 to $35 plus a fixed interest rate of 5 13%	**1,758**	2,085
$997 Capital Lease, with principal and interest payments due monthly through 2018 Principal payments ranging from $12 to $16 plus a fixed interest rate of 5 3%	**997**	–
New Jersey Health Care Facilities Financing Authority Capital Asset Program, Series 2007A Capital Asset Program Loan, with monthly principal payments of $30 through October 1, 2017, with monthly interest payments based on variable rate which was 2 91% and 0 50% at December 31, 2012 and 2011, respectively	**3,501**	3,861
	247,221	252,422
Less current portion	**6,615**	6,184
Long-term debt, net of current portion	**$ 240,606**	$ 246,238

Revenue Bonds

The Health System pays monthly debt service to the Bond Trustee to secure the 2004A, 2005A, 2005B, and 2009A Revenue Bonds The 2004B and 2008A Revenue Bonds are enhanced by a Letter of Credit Agreement from a bank, which expires on December 4, 2014, with renewable options as defined Under the Master Trust Indenture (MTI), the Health System granted to the Master Trustee a security interest in its gross receipts and a mortgage on the property of the Health System's main facility as defined

(In Thousands)

7. Long-Term Debt (continued)

The Health System must comply with Master Trust Indenture covenants, including requirements as to the permitted level of indebtedness, restrictions on the sale of certain assets, mergers, and other significant transactions, including a requirement that the Health System generate funds available for debt service (as defined) equivalent to at least 125% of maximum annual debt service In addition, the Letter of Credit Agreement requires the Health System to maintain minimum days cash on hand, as defined As of December 31, 2012, the Health System has complied with all financial covenants

Interest Rate Swap Agreements

The Health System has entered into interest rate swap agreements with the intent of mitigating cash flow risk relating to changes in the variable interest rates of the 2008A and 2009A Bonds Under the swap agreements, the Health System pays interest at fixed rates and receives interest at variable rates The swaps settle on a monthly basis The following schedule outlines the terms and fair market values of the interest rate swap agreements that are included in other liabilities on the accompanying special-purpose balance sheets

	Series 2008A	Series 2008A	Series 2009A
Notional amount at December 31, 2012	$25,000	$25,000	$ 7,824
Effective date	March 23, 2009	March 9, 2009	November 9, 2009
Termination date	November 1, 2029	November 1, 2029	February 15, 2016
Fixed rate	2 577%	2 428%	3 8325%
Variable rate basis	3-month USD-LIBOR-BBA	3-month USD-LIBOR-BBA	67% of 1-month USD-LIBOR-BBA
Fair value at December 31, 2012	$ (2,943)	$ (2,499)	$ (367)
Change in fair value for the year ended December 31, 2012	$ (168)	$ (139)	$ 45

During 2012, the fair value of the interest rate swap agreement exceeded the threshold and as part of the agreement required collateral to be posted Total collateral posted totaled $1,710 at December 31, 2012

(In Thousands)

7. Long-Term Debt (continued)

Line of Credit

The Health System has a $5,000 revolving line of credit with a bank at December 31, 2013 and 2012 The agreement provides for interest at 0 5% above the prime rate of interest per annum, but shall never be less than 5 5% The term of the line of credit is through December 31, 2013, which may be renewed for one-year extensions with the bank's consent The line of credit contains a negative pledge of accounts receivable of the Health System, and requires the Health System to maintain a minimum debt service coverage ratio of 1 25, as defined in the agreement There were no amounts outstanding under this line of credit at December 31, 2012 and 2011

Fair Value

The Health System uses current quoted market prices (Level 1) in estimating the fair value of its fixed rate revenue bonds and the carrying value of the variable rate demand bonds and other long-term obligations approximates fair value The fair value of the Health System's long-term obligations, excluding equipment loans and capital leases was $246,983 and $241,764 with a carrying value of $240,965 and $246,476 at December 31, 2012 and 2011, respectively

Future Payments

Scheduled principal payments on long-term debt are as follows

	Revenue Bonds	Equipment Loan and Capital Asset Program Loan	Total
2013	$ 5,748	$ 864	$ 6,612
2014	6,051	891	6,942
2015	6,316	918	7,234
2016	6,687	947	7,634
2017	7,020	2,533	9,553
Thereafter	209,227	103	209,330
	241,049	6,256	247,305
Net unamortized original issue (discount)	(84)	–	(84)
	$ 240,965	$ 6,256	$ 247,221

8. New Market Tax Credit Program

In October 2012, The Cooper Health System and the Cooper Cancer Center entered into transactions as part of the Federal New Market Tax Credit Program (the Program) Under the Program, a taxpayer may claim tax credits over a seven-year period with respect to a qualified equity investment in a qualified community development entity (CDE) An equity investment in a CDE is a qualified equity investment if substantially all of the cash provided is then used by the CDE to make qualified low-income community investments, which includes a loan to any qualified active low-income community business

In conjunction with the Program, the Health System loaned $15,781 to a financial institution through a promissory note (the Note) to be used for qualified equity investments in several CDEs Interest on the Note will accrue at 1 54% per annum with interest payments received quarterly Principal payments are received quarterly beginning December 2019 At the end of the seven-year compliance period for the new market tax credits, the Health System has the option to call the Note for a nominal amount The Note matures on July 1, 2039

Also in October 2012, the Cooper Cancer Center entered into promissory note agreements (the Agreements) totaling $22,296 with third-party CDEs as part of the program The Cooper Cancer Center was structured to meet the definition of a qualified active low-income community business under the provisions of the Program Interest payments on the Agreements are made quarterly and accrue at a fixed interest rate of 1 1% per annum Principal payments are made quarterly beginning December 2019 through September 2042 At the end of the seven-year compliance period for the new market tax credits, approximately $6,515 of the outstanding balance of the Agreements is expected to be forgiven The remaining $15,781 outstanding on the Agreements is offset by the Note owed to the Health System for purposes of cash flow The carrying values of the Health System's Note and the Cooper Cancer Center's Agreements approximate their fair value

9. Pension Plans

Defined Contribution Plan

The Health System sponsors a noncontributory defined contribution plan covering all bargaining and nonbargaining employees Employer contributions to the defined contribution plan are based on a formula as defined by the plan document Costs of the defined contribution plan charged to expense were $10,251 and $9,274 for the years ended December 31, 2012 and 2011, respectively

(In Thousands)

9. Pension Plans (continued)

Defined Benefit Pension Plan

The Health System has a frozen noncontributory defined benefit pension plan (the Plan), which covered all employees who met certain criteria The Health System uses a December 31 measurement date for the Plan The following tables summarize information about the defined benefit pension plan

	December 31	
	2012	**2011**
Change in benefit obligation		
Projected benefit obligation at beginning of year	**$ 148,278**	$ 129,843
Service cost	**695**	784
Interest cost	**6,700**	6,968
Actuarial loss	**10,128**	15,957
Benefits paid	**(4,874)**	(4,579)
Expected administrative expenses	**(965)**	(695)
Projected benefit obligation, end of year	**$ 159,962**	$ 148,278
Accumulated benefit obligation	**$ 159,962**	$ 148,278
Change in plan assets		
Fair value of plan assets at beginning of year	**$ 135,419**	$ 126,600
Actual return on plan assets, net of expenses	**17,237**	9,093
Employer contributions	**5,000**	5,000
Benefits paid	**(4,874)**	(4,579)
Administrative expenses	**(965)**	(695)
Fair value of plan assets at end of year	**$ 151,817**	$ 135,419
Funded status at year end – recognized in the special-purpose balance sheets as accrued retirement benefits	**$ (8,145)**	$ (12,859)
Cumulative amounts recognized in accumulated unrestricted net assets consist of		
Net loss	**$ 44,191**	$ 45,038

(In Thousands)

9. Pension Plans (continued)

The estimated net loss that will be amortized from other changes in unrestricted net assets into net periodic benefit cost over the next fiscal year is $4,150

	December 31	
	2012	**2011**
Components of net periodic benefit cost and other amounts recognized in other changes in unrestricted net assets		
Net periodic benefit cost		
Service cost	**$ 695**	$ 784
Interest cost	**6,700**	6,968
Expected return on plan assets	**(10,422)**	(9,751)
Recognized actuarial loss	**4,160**	2,500
	1,133	501
Other changes in pension benefit obligation recognized in other changes in unrestricted net assets		
Net loss	**(847)**	14,115
	$ 286	$ 14,616
Assumptions		
Weighted-average assumptions used to determine benefit obligations at December 31		
Discount rate	**4.12%**	4 59%
Rate of compensation increase	**N/A**	N/A
Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31		
Discount rate	**4.59%**	5 44%
Expected long-term return on plan assets	**7.75%**	7 75%
Rate of compensation increase	**N/A**	N/A

(In Thousands)

9. Pension Plans (continued)

Defined Benefit Pension Plan (continued)

To develop the expected long-term rate of return on assets assumption, the Health System considered the historical returns and the future expectations for returns for each asset class, as well as the target allocation of the pension portfolio This resulted in the selection of the 7 75% long-term rate of return on assets assumption

	Asset Allocation			December 31	
	Minimum	Target	Maximum	2012	2011
Plan assets					
Weighted-average asset allocations, by asset category					
Equity securities	35%	50%	65%	**42%**	43%
Debt securities	35	50	65	**58**	57
				100%	100%

The Health System has designed an investment strategy for Plan assets to maximize the returns without exposure to undue risk The objectives of the strategy are to provide an absolute total return on Plan assets greater than 8 5% annually, and for the total return on Plan assets to exceed the increase in the Consumer Price Index by 4 0% annually

The fair values of each major category of plan assets, according to the level within the fair value hierarchy in which the fair value measurements fall in their entirety are as follows

	Assets at Fair Value as of December 31, 2012			
	Total	Level 1	Level 2	Level 3
Money market funds	**$ 6,592**	**$ 6,592**	$ –	$ –
Mutual funds	**135,985**	**135,985**	–	–
Fund of funds	**9,240**	**–**	–	**9,240**
	$ 151,817	**$ 142,577**	$ –	**$ 9,240**

(In Thousands)

9. Pension Plans (continued)

	Assets at Fair Value as of December 31, 2011			
	Total	**Level 1**	**Level 2**	**Level 3**
Money market funds	$ 3,956	$ 3,956	$ –	$ –
Mutual funds	122,446	122,446	–	–
Fund of funds	9,017	–	–	9,017
	$ 135,419	$ 126,402	$ –	$ 9,017

Mutual funds are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end and are included in Level 1 Fund of funds are invested in various private investment funds Fair values of fund of funds are determined by the investment managers and are included in Level 3 Generally, fair value for fund of funds reflects net contribution to the funds, distributions made by the trustee and an ownership share of realized and unrealized investment income and expenses

Pension benefit plan assets classified at Level 3 in the fair value hierarchy represent other investments in which the trustee has used significant unobservable inputs in the valuation model The fair values of the fund of funds have been estimated using the net asset value per share of the investment The following table presents a reconciliation of activity for such alternative investments

	Fund of Funds
Balance, beginning of year	$ 9,017
Unrealized losses relating to instruments held at reporting date	223
Balance, end of year	$ 9,240

(In Thousands)

9. Pension Plans (continued)

Cash Flows

Contributions

Contributions expected to be made to the Plan during 2013	$	5,000

Estimated Future Benefit Payments

2013	$	6,323
2014		6,730
2015		7,227
2016		7,586
2017		8,011
2018 – 2022		45,501

10. Deferred Revenue

The Health System has a Debt Service Deposit Agreement and a Reserve Fund Agreement (collectively, the Agreements) with a financial institution (the Institution) According to the terms of such Agreements, the Institution advanced funds to the Health System, which were used as part of a construction project In return, the Institution retains the right to the interest on the debt service reserve fund (presented as assets limited as to use externally designated under debt agreement on the special-purpose balance sheets) deposits required under the terms of the 2005A Revenue Bonds

These Agreements contain a termination clause which specifies that in the event the Health System redeems, defeases, repurchases, or refunds the revenue bonds as provided for in the Master Trust Indenture, the Health System is required to pay the Institution a termination amount which is defined as an amount which would have the effect of preserving for the Institution the economic equivalent of its rights under the Agreements for the period commencing on the termination date and terminating on the last bond payment date

(In Thousands)

10. Deferred Revenue (continued)

The Health System has recorded the advances received from these Agreements as deferred revenue and is amortizing it into other revenue, using the interest method over the life of the 2005A Revenue Bond payments In 2012, the Health System terminated the Debt Service Deposit and Reserve Fund Agreements and recorded a gain of $808 in nonoperating income The unamortized balance, which is included in deferred revenue and other liabilities on the special-purpose balance sheets, was $0 and $2,423 at December 31, 2012 and 2011, respectively

11. Self-Insured Reserves

The Health System self-insures the primary layer of its employee health benefits, professional malpractice, general, and workers' compensation liabilities Recorded liabilities for the self-insured reserves are as follows

	December 31	
	2012	**2011**
Employee health benefits	**$ 2,820**	$ 2,820
Workers' compensation	**3,695**	3,654
Professional and general liability	**65,340**	70,933
	71,855	77,407
Less current portion of self-insured reserves	**14,483**	14,062
	$ 57,372	$ 63,345

The employee health insurance program is administered through a commercial insurance company The plan provides for covered expenses in any accredited hospital and by any licensed physician The lifetime plan maximum per person is $1,000

The Health System also provides coverage for all employees for work-related injuries and illnesses This plan pays for medical expenses and reimburses 70% of lost wages up to the state-defined maximum Stop-loss coverage is provided at various levels depending upon the circumstances surrounding the injury or illness

11. Self-Insured Reserves (continued)

For malpractice claims reported after January 1, 2005, the Health System is self-insured through a trust up to $6,500 per occurrence for Hospital and $5,500 per occurrence for Physicians and $39,000 in the annual aggregate Claims in excess of these retained amounts are covered by a commercial claims-made insurance policy

Claims prior to January 1, 2005 were covered by various programs combining self-insured captive insurance company and commercial claims-made insurance policies The estimated liability for all unreported claims as of December 31, 2011 and retained uninsured risk for all prior years is included in the self-insured reserves and covered by the self-insured trust

The estimated losses on self-insured malpractice claims are discounted at a rate of 3 5% The Health System recorded actuarial gains of $6,613 and $4,854 for the years 2012 and 2011, respectively The ultimate losses are lower than prior actuarial valuations, which is a result of favorable actual loss experience as compared to originally estimated

The Health System is also self-insured for general liability coverage, up to $1,000 per occurrence with no annual aggregate, effective January 1, 2010 with a retro date of August 30, 1994 From January 1, 2003 until December 31, 2009, liability limits were $3,000 per occurrence and from September 1, 1994 until December 31, 2002, limits were $2,000 per occurrence, both with an unlimited annual aggregate

There is at least a reasonable possibility that recorded estimates will change by a material amount in the near term

12. Commitments and Contingencies

Operating Leases

The Health System rents certain equipment and buildings under various operating lease agreements, including leases with affiliated organizations Rental expense under these lease agreements amounted to $22,689 and $22,510 in 2012 and 2011, respectively

(In Thousands)

12. Commitments and Contingencies (continued)

The future minimum rental payments required under the noncancelable operating leases are as follows

	Affiliated Organization Operating Leases	Operating Leases	Total
2013	$ 3,971	$ 15,415	$ 19,386
2014	4,090	12,500	16,590
2015	4,213	10,496	14,709
2016	4,339	6,798	11,137
2017	4,470	4,670	9,140
Thereafter	2,658	25,190	27,848

On April 12, 2006, the Health System executed an agreement to lease ground owned by the Health System to the Camden County Improvement Authority (the Authority), upon which a parking facility was constructed The parking facility was financed, constructed, and is operated by the Authority Upon completion of the construction in 2007, the Health System leased from the Authority approximately 57% of the total parking spaces in the facility pursuant to a parking license agreement that was also executed on April 12, 2006 Under the ground lease, the Health System receives base rent of $100 annually over the term of the lease, and may receive additional variable rent based upon the operations of the garage During the initial 15-year term, the Health System's parking license fee agreement increases by 3% annually during the first five years and 1 5% annually thereafter

Department of Justice Inquiry

The Health System has received a request for information from the Department of Justice as part of a nationwide regulatory review with regard to the application of National Coverage Determination (NCD) 20 4, which describes the conditions under which Medicare will pay for the implant of internal cardiac defibrillators (ICDs) The government has inquired about approximately 240 claims dating back to 2003 where Medicare made Part A payments for ICD implantation within 30 days of a myocardial infarction or 90 days of a revascularization procedure such as an angioplasty or coronary artery bypass surgery Final enforcement

12. Commitments and Contingencies (continued)

parameters that will be used by the government in evaluating the claims were announced in August 2012 and the Health System is in the process of reviewing these claims pursuant to the enforcement guidelines, in anticipation of further discussions with the government At this time, the Health System cannot realistically quantify any potential liability nor has the government made any monetary demand to date

The Health System has resolved an ongoing inquiry by the New Jersey Office of the Attorney General and the United States Attorney's Office in New Jersey concerning a physician advisory body established to address the provision of cardiovascular services at Cooper University Hospital The matter was settled by agreement effective January 17, 2013, without admission of liability Pursuant to the settlement, Cooper paid the United States and the State of New Jersey the aggregate total of $12,600 In December 2012, the Health System also paid approximately $430 for legal costs and counsel fees related to the settlement The recorded estimate of this liability was increased in 2011 by $5,000 and in 2012 by $7,600 as more details related to the Government's position became available The entire settlement payment has been accrued as of December 31, 2012

The final outcome of any current or future litigation or governmental or internal investigations, including the unresolved matter described above, cannot be accurately predicted, nor can the Health System predict any resulting penalties, fines or other sanctions that may be imposed at the discretion of federal or state regulatory authorities The Health System records accruals for such contingencies to the extent that it concludes it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated It is possible that the outcome of such matters could potentially have a material adverse impact on the Health System's future results of operations, financial position, and cash flows

13. Affiliated Transactions

University of Medicine and Dentistry of New Jersey

The Health System has a contractual relationship with the University of Medicine and Dentistry of New Jersey (UMDNJ) Under the contract, the Health System is reimbursed for certain expenses incurred for physicians' salaries and expenses relating to their teaching duties These expenses are reimbursed from the UMDNJ The Health System received $4,204 and $5,565 during the years ended December 31, 2012 and 2011, respectively

13. Affiliated Transactions (continued)

In accordance with the Reorganization plan executed by the Executive Branch of the NJ government, which established a new four-year allopathic medical school in Southern New Jersey, UMDNJ will transfer certain specified functions, property, powers and duties in the City of Camden to Rowan University

In 2010, the Health System executed an affiliation agreement with Rowan University This affiliation agreement governs the roles and duties of each party with respect to The Cooper Medical School of Rowan University The Health System has pledged support of $18,000 through 2014 beginning in 2011 This commitment to pay is contingent upon receipt by the Health System of the annual state appropriation for affiliate hospital support During 2012, the Health System received $15,026 of state appropriation and paid $10,607 in contributions to Rowan University

The Health System additionally has a contractual relationship with Rowan University Under the contract, the Health System is reimbursed for certain expenses incurred for physicians' salaries and expenses relating to their teaching duties These expenses are reimbursed from Rowan University The Health System received $2,370 during the year ended December 31, 2012

C&H Collection Services, Inc.

The Health System incurred collection expense related to unpaid patient balances of $912 and $866 for the years ended December 31, 2012 and 2011, respectively The Health System received net revenue of $163 and $163 in 2012 and 2011, respectively, for providing management services to C&H

Cooper HealthCare Properties

The Health System incurred rental expense related to office space rented in a medical office building owned and managed by CHCP of $434 and $474 for the years ended December 31, 2012 and 2011, respectively The Health System received net revenue of $111 and $111 in 2012 and 2011, respectively, for providing management services to CHCP

13. Affiliated Transactions (continued)

Cooper Medical Services

The Health System incurred rental expense related to office space rented in a medical office building owned and managed by CMS of $3,894 and $3,624 for the years ended December 31, 2012 and 2011, respectively The Health System received net revenue of $507 and $507 in 2012 and 2011, respectively, for providing management services to CMS

In 2002, CMS entered into its own tax-exempt bond financing with the Authority As part of this financing, the Health System was required to deposit funds with an externally designated trustee for future capital acquisition These funds totaled $881 at both December 31, 2012 and 2011, respectively, and are included in assets limited as to use – externally designated – under debt agreements in the special-purpose balance sheets

The Cooper Foundation

The Health System received for operating purposes $1,467 and $734 from the Foundation for the years ended December 31, 2012 and 2011, respectively, which is included in other revenue Capital acquisitions, which is included in other changes in unrestricted net assets

Cooper HealthCare Services

In 2012, Cooper HealthCare Services redeemed its equity investment in a management services organization Cooper HealthCare Services transferred $15,000 of the proceeds from this transaction to the Health System This transfer is included in other changes in unrestricted net assets

(In Thousands)

14. Functional Expenses

The Health System provides general health care services to residents within its service area Expenses related to providing these services included in the special-purpose statements of operations and changes in net assets are as follows

	Year Ended December 31	
	2012	**2011**
Health care services	**$ 419,898**	$ 413,595
General and administrative	**166,334**	144,213
Physician services	**223,270**	209,198
	$ 809,502	$ 767,006

15. Subsequent Events

In 2013, an affiliate of Cooper University Hospital entered into an agreement with AmeriHealth, Inc , a wholly owned subsidiary of Independence Blue Cross, and the parent of AmeriHealth New Jersey, to purchase a 20% passive minority interest in a newly formed LLC Cooper University Hospital will transfer at least $7,500 in cash to the affiliate to fund the affiliate's initial contribution of capital, subject to increase based upon capital requirements set by the NJ Department of Business and Insurance, as provided in the Formation Agreement

The Health System has evaluated subsequent events through April 29, 2013, the date when the special-purpose financial statements were issued No subsequent events have occurred that require disclosure in or adjustment to the special-purpose financial statements, with the exception of the item noted above

Supplementary Information

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Report of Independent Auditors on Supplementary Information

Board of Trustees
The Cooper Health System

We have audited the special-purpose financial statements of The Cooper Health System—Obligated Group as of and for the year ended December 31, 2012, and have issued our report thereon dated April 29, 2013, which contained an unmodified opinion on those financial statements Our audit was performed for the purpose of forming an opinion on the special-purpose financial statements as a whole The accompanying consolidating special-purpose balance sheet as of December 31, 2012, and consolidating special-purpose statement of operations and changes in net assets for the year then ended, are presented for purposes of additional analysis and are not a required part of the special-purpose financial statements Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements The 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 In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole

Ernst & Young LLP

April 29, 2013

The Cooper Health System—Obligated Group

Consolidating Special-Purpose Balance Sheet
(In Thousands)

December 31, 2012

	The Cooper Health System	The Cooper Cancer Center	Eliminating Entries	The Cooper Health System Obligated Group
Assets				
Current assets				
Cash and cash equivalents	$ 96,758	$ 3,565	$ –	$ 100,323
Current portion of assets limited as to use – externally designated	18,804	–	–	18,804
Patient accounts receivable, net	106,150	–	–	106,150
Prepaid expenses and other current assets	25,633	2,471	–	28,104
Total current assets	247,345	6,036	–	253,381
Assets limited as to use				
Internally designated by Board of Trustees	155,297	–	–	155,297
Externally designated under debt agreements, net of current portion	13,875	–	–	13,875
Externally designated under self-insurance programs, net of current portion	47,755	–	–	47,755
	216,927	–	–	216,927
Property, plant, and equipment, net	358,263	15,749	(15,749)	358,263
Other assets, net	5,114	857	–	5,971
Note receivable	15,781	–	–	15,781
Total assets	$ 843,430	$ 22,642	$ (15,749)	$ 850,323
Liabilities and net assets				
Current liabilities				
Accounts payable	$ 16,118	$ –	$ –	$ 16,118
Accrued expenses	93,531	–	–	93,531
Current portion of estimated settlements due to third-party payors	4,699	–	–	4,699
Current portion of self-insured reserves	14,483	–	–	14,483
Current portion of long-term debt	6,615	–	–	6,615
Due to affiliates	2,640	66	–	2,706
Total current liabilities	138,086	66		138,152
Estimated settlements due to third-party payors, net of current portion	18,050	–	–	18,050
Accrued retirement benefits	8,145	–	–	8,145
Self-insured, reserves, net of current portion	57,372	–	–	57,372
Notes payable	–	22,296	–	22,296
Long-term debt, net of current portion	240,606	–	–	240,606
Deferred revenue and other liabilities	39,204	–	(15,749)	23,455
Total liabilities	501,463	22,362	(15,749)	508,076
Net assets				
Unrestricted	341,528	280	–	341,808
Temporarily restricted	439	–	–	439
Total net assets	341,967	280	–	342,247
Total liabilities and net assets	$ 843,430	$ 22,642	$ (15,749)	$ 850,323

The Cooper Health System—Obligated Group

Consolidating Special-Purpose Statement of Operations and Changes in Net Assets
(In Thousands)

Year Ended December 31, 2012

	The Cooper Health System	The Cooper Cancer Center	Eliminating Entries	The Cooper Health System Obligated Group
Unrestricted net assets				
Revenue				
Net patient service revenue	$ 821,717	$ –	$ –	$ 821,717
Provision for bad debts	(62,058)	–	–	(62,058)
Net patient service revenue less provision for bad debts	759,659	–	–	759,659
Other revenue	63,660	345	(345)	63,660
Total revenue	823,319	345	(345)	823,319
Expenses				
Salaries, wages and fringe benefits	491,969	–	–	491,969
Supplies and other	260,899	7	(345)	260,561
Malpractice	18,546	–	–	18,546
Depreciation and amortization	35,052	–	–	35,052
Interest	9,929	58	–	9,987
Total expenses	816,395	65	(345)	816,115
Operating income before malpractice actuarial gain	6,924	280	–	7,204
Malpractice actuarial gain	6,613	–	–	6,613
Operating income	13,537	280	–	13,817
Nonoperating gains and losses				
Investment income	9,504	–	–	9,504
Net change in unrealized gains on trading securities	103	–	–	103
Change in fair value of interest rate swap agreements	(262)	–	–	(262)
Excess of revenue over expenses	22,882	280	–	23,162
Other changes in unrestricted net assets				
Change in pension benefit obligation	847	–	–	847
Contributions for capital acquisitions	18,761	–	–	18,761
Net change in net unrealized gains and losses on investments	(324)	–	–	(324)
Net asset transfer from affiliate	15,000	–	–	15,000
Increase in unrestricted net assets	57,166	280	–	57,446
Increase in net assets	57,166	280	–	57,446
Net assets, beginning of year	284,801	–	–	284,801
Net assets, end of year	$ 341,967	$ 280	$ –	$ 342,247

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