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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 07-01-2012 , 2012, and ending 06-30-2013

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

C Name of organization
ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
100 ABINGTON EXECUTIVE PARK

City or town, state or country, and ZIP + 4
CLARKS SUMMIT, PA 18411

D Employer identification number
23-2523395

E Telephone number
(570) 348-1300

G Gross receipts $ 55,552,380

F Name and address of principal officer
WILLIAM CONABOY
100 ABINGTON EXECUTIVE PARK
CLARKS SUMMIT, PA 18411

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 ALLIED-SERVICES ORG

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

L Year of formation 1966

M State of legal domicile PA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO OPERATE A REHABILITATION HOSPITAL PROVIDING ALL TYPES OF REHABILITATIVE SERVICES

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	10
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	9
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	**5**	546
6	Total number of volunteers (estimate if necessary)	**6**	104
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
8	Contributions and grants (Part VIII, line 1h)	179,710	31,206
9	Program service revenue (Part VIII, line 2g)	37,173,703	37,458,931
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	490,021	764,796
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	177,816	1,371,223
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	38,021,250	39,626,156
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	1,997,485
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)	19,356,721	21,256,719
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)	14,000,134	14,151,003
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	33,356,855	37,405,207
19	Revenue less expenses Subtract line 18 from line 12	4,664,395	2,220,949

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	38,312,436	39,098,856
21	Total liabilities (Part X, line 26)	16,022,484	13,862,143
22	Net assets or fund balances Subtract line 21 from line 20	22,289,952	25,236,713

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

****** | 2014-05-09
Signature of officer | Date

WILLIAM CONABOY PRESIDENT/CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
JULIUS GREEN CPA				P00350393

Firm's name ▶ PARENTEBEARD LLC | Firm's EIN ▶ 23-2932984

Firm's address ▶ 1650 MARKET STREET SUITE 4500
PHILADELPHIA, PA 19103 | Phone no (215) 972-0701

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

WE ARE COMMITTED TO THE PEOPLE OF OUR COMMUNITY, TO HELP THEM OVERCOME CHALLENGES AND REACH THEIR GREATEST POTENTIAL BY PROVIDING QUALITY CARE, PEOPLE ORIENTED SERVICES, AND COMFORT THROUGH OPERATION OF A REHABILITATION HOSPITAL, WHICH PROVIDES ALL TYPES OF REHABILITATIVE SERVICES

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 $ 31,391,991 including grants of $ 1,997,485) (Revenue $ 37,272,491)

OPERATED A REHABILITATION HOSPITAL, LICENSED FOR 103-BEDS, THAT PROVIDED VARIOUS TYPES OF REHABILITATIVE SERVICES ALSO OPERATED 32 LICENSED BEDS AT LOCAL HOSPITALS DURING 2012, THE HOSPITAL HAD 21,796 PATIENT DAYS, OF WHICH 75% WERE MEDICARE THE TOTAL OCCUPANCY FOR THE REHABILITATION HOSPITAL WAS 44% SERVICES WERE PROVIDED TO PATIENTS WHO MET CERTAIN CRITERIA WITHOUT CHARGE OR AT AMOUNTS LESS THAN ESTABLISHED RATES CHARGES FORGONE FOR SERVICES RENDERED AND SUPPLIES FURNISHED UNDER THE CHARITY CARE POLICY AMOUNTED TO $187,719 DURING THE YEAR ENDED JUNE 30, 2013

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** ▶ 31,391,991

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		No
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		No
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		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI 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**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *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**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
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**		No
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**		
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	39		
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	546		
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			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible 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			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			
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** 10		
	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** 9		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		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**	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		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**		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	**16b**		

Section C. Disclosure

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

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 ▶ DAVID ARGUST 100 ABINGTON EXECUTIVE PARK CLARKS SUMMIT, PA (570) 348-1335

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			
(1) EDWARD LYNETT DIRECTOR	1 00 2 00	X						0	0	0
(2) THOMAS G SPEICHER VICE CHAIRMAN	1 00 4 00	X		X				0	0	0
(3) MICHAEL J ARONICA MD TREASURER	1 00 4 00	X		X				0	0	0
(4) RICHARD WEINBERGER DO SECRETARY	1 00 1 00	X		X				0	0	0
(5) WILLIAM CONABOY ESQ DIRECTOR	10 00 30 00	X						0	525,089	14,838
(6) ROBERT POMENTO DIRECTOR	1 00 1 00	X						0	0	0
(7) KENNETH KROGULSKI CFA DIRECTOR	1 00 7 00	X						0	0	0
(8) SHERRY DAVIDOWITZ DIRECTOR	1 00 1 00	X						0	0	0
(9) JOSEPH SAVITZ ESQ DIRECTOR	1 00 1 00	X						0	0	0
(10) THOMAS MELONE CPA CHAIRMAN	1 00 5 00	X		X				0	0	0
(11) JACQUELINE BROZENA ASST SECRETARY	10 00 30 00			X				0	293,150	6,965
(12) MICHAEL AVVISATO ASST TREASURER	10 00 30 00			X				0	293,601	15,500
(13) ROBERT COLE VP OF SYSTEM IMPROVEMENT	40 00					X		149,030	0	12,468
(14) DIANA POPE-ALBRIGHT ASST VICE PRESIDENT	40 00					X		112,452	0	11,642
(15) JOHN HARVEY DIRECTOR OF PSYCHOLOGY	40 00					X		113,919	0	2,268
(16) BONNIE HALUSKA ASST VICE PRESIDENT	40 00					X		111,073	0	1,814

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)** . . . . . ▶								486,474	1,111,840	65,495

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 ▶ 4

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
OWENS AND MINOR INC PO BOC 8500-55182 PHILADELPHIA PA 191785182	MEDICAL SUPPLIES	1,587,351
MASLOW LUMIA BARTORILLO 182 NORTH FRANKLIN STREET WILKES BARRE PA 18701	ADVERTISING	525,520
XPEDX PO BOX 644520 PITTSBURGH PA 15264	CLEANING SUPPLIES	507,010
US FOODSERVICE ALLENTOWN 1200 HOOVER AVE ALLENTOWN PA 18103	FOOD AND DIETARY SUPPLIES	434,000
NOVITAS SOLUTIONS PO BOX 3385 MECHANICSBURG PA 17055	MEDICARE INTERMEDIARY	338,497
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 ▶ 10		

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				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 31,206				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f	▶	31,206			
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REV	623000	36,492,189	36,492,189		
	b	PA MODERNIZATION ASSESSMENT	623000	780,302	780,302		
	c	MAINTENANCE CLINIC REV	624310	186,440			186,440
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f	▶	37,458,931			
	3	Investment income (including dividends, interest, and other similar amounts)	▶	321,750			321,750
	4	Income from investment of tax-exempt bond proceeds	▶				
	5	Royalties	▶				
			(i) Real / (ii) Personal				
	6a	Gross rents	174,824				
	b	Less rental expenses	238,555				
	c	Rental income or (loss)	-63,731				
	d	Net rental income or (loss)	▶	-63,731			-63,731
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	16,128,965 / 1,750				
	b	Less cost or other basis and sales expenses	15,687,669 / 0				
	c	Gain or (loss)	441,296 / 1,750				
	d	Net gain or (loss)	▶	443,046			443,046
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events	▶				
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities	▶				
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory	▶				
		Miscellaneous Revenue	Business Code				
	11a	DEPAUL SCHOOL TUITION REV	900099	941,121			941,121
	b	MARKETING REIMBURSEMENT	900099	326,220			326,220
	c	CAFETERIA & VENDING REV	722210	156,018			156,018
	d	All other revenue		11,595			11,595
	e	**Total.** Add lines 11a–11d	▶	1,434,954			
	12	**Total revenue.** See Instructions	▶	39,626,156	37,272,491	0	2,322,459

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	1,997,485	1,997,485		
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	17,355,377	17,032,435	322,942	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	592,333	581,311	11,022	
9 Other employee benefits	1,662,585	1,631,648	30,937	
10 Payroll taxes	1,646,424	1,615,788	30,636	
11 Fees for services (non-employees)				
a Management				
b Legal	16,239		16,239	
c Accounting	26,978		26,978	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	4,243,776	1,243,793	2,999,983	
12 Advertising and promotion	339,880	337,180	2,700	
13 Office expenses	538,423	513,880	24,543	
14 Information technology				
15 Royalties . .				
16 Occupancy	1,508,918	833,687	675,231	
17 Travel	102,831	102,631	200	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	65,433	50,849	14,584	
20 Interest	400,589	400,589		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	963,848	934,928	28,920	
23 Insurance	328,052		328,052	
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 MEDICAL SUPPLIES	1,516,501	1,516,501		
b EQUIPMENT RENTAL & MAIN	1,157,188	183,602	973,586	
c PA MODERNIZATION ASSESS	780,302	780,302		
d FOOD & FOOD SERVICES	679,826	661,195	18,631	
e All other expenses	1,482,219	974,187	508,032	
25 **Total functional expenses.** Add lines 1 through 24e	37,405,207	31,391,991	6,013,216	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		1,605	1	1,600
	2	Savings and temporary cash investments		5,459,907	2	5,272,435
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		2,160,716	4	2,259,067
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	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			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		253,429	8	176,333
	9	Prepaid expenses and deferred charges		316,512	9	443,592
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 40,402,358			
	b	Less accumulated depreciation	10b 33,317,097	7,796,995	10c	7,085,261
	11	Investments—publicly traded securities		18,523,562	11	20,012,419
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		3,799,710	15	3,848,149
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		38,312,436	16	39,098,856
Liabilities	17	Accounts payable and accrued expenses		1,925,280	17	1,938,536
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		12,798,025	20	11,208,080
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	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			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		1,299,179	25	715,527
	26	**Total liabilities.** Add lines 17 through 25		16,022,484	26	13,862,143
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		22,289,952	27	25,236,713
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		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		22,289,952	33	25,236,713
	34	Total liabilities and net assets/fund balances		38,312,436	34	39,098,856

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	39,626,156
2	Total expenses (must equal Part IX, column (A), line 25)	2	37,405,207
3	Revenue less expenses Subtract line 2 from line 1	3	2,220,949
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	22,289,952
5	Net unrealized gains (losses) on investments	5	725,811
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	1
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	25,236,713

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		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE

Employer identification number
23-2523395

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 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
ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE

Employer identification number
23-2523395

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	(b) (c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance					
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					

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

4 Describe in Part 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		125,354		125,354
b Buildings		27,042,891	21,713,500	5,329,391
c Leasehold improvements		910,777	791,615	119,162
d Equipment		12,323,336	10,811,982	1,511,354
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				7,085,261

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
(1) DEFERRED FINANCING COSTS, NET	187,977
(2) ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	1,950,829
(3) INTERCOMPANY RECEIVABLES, NET	1,709,343
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	3,848,149

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
INTERCOMPANY PAYABLES, NET	331,927
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	383,600
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	715,527

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	40,590,522
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	725,811		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	725,811
3	Subtract line **2e** from line **1**			3	39,864,711
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b	-238,555		
c	Add lines **4a** and **4b**			4c	-238,555
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	39,626,156

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

1	Total expenses and losses per audited financial statements			1	37,643,762
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	238,555		
e	Add lines **2a** through **2d**			2e	238,555
3	Subtract line **2e** from line **1**			3	37,405,207
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	37,405,207

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
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X, LINE 2	ALLIED ACCOUNTS FOR UNCERTAINTY IN INCOME TAXES USING A RECOGNITION THRESHOLD OF MORE-LIKELY-THAN-NOT TO BE SUSTAINED UPON EXAMINATION BY THE APPROPRIATE TAXING AUTHORITY MEASUREMENT OF THE TAX UNCERTAINTY OCCURS IF THE RECOGNITION THRESHOLD HAS BEEN MET MANAGEMENT DETERMINED THAT THERE WERE NO TAX UNCERTAINTIES THAT MET THE RECOGNITION THRESHOLD IN 2013 AND 2012 ALLIED'S FEDERAL RETURNS OF ORGANIZATION EXEMPT FROM INCOME TAX FOR YEARS PRIOR TO 2010 ARE NO LONGER SUBJECT TO EXAMINATION BY THE INTERNAL REVENUE SERVICE
PART XI, LINE 4B - OTHER ADJUSTMENTS		RENTAL EXPENSES -238,555
PART XII, LINE 2D - OTHER ADJUSTMENTS		RENTAL EXPENSES 238,555

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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
ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE

Employer identification number
23-2523395

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 _____ %			
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)		200	137,962		137,962	0 370 %
b Medicaid (from Worksheet 3, column a)		750	2,243,513	917,104	1,326,409	3 560 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs		950	2,381,475	917,104	1,464,371	3 930 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		45	589,968	403,516	186,452	0 500 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)		100	74,035		74,035	0 200 %
j **Total.** Other Benefits		145	664,003	403,516	260,487	0 700 %
k **Total.** Add lines 7d and 7j		1,095	3,045,478	1,320,620	1,724,858	4 630 %

Part II **Community Building Activities** Complete this 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						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 **Total**						

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	228,806		
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	137,962		
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	28,332,895		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	22,417,804		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	5,915,091		
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	INSTITUTE OF REHABILITATION MEDICINE 100 ABINGTON EXECUTIVE PARK DRIVE CLARKS SUMMIT,PA 18411									REHABILITATION CENTER	

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 INSTITUTE OF REHABILITATION MEDICINE

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**	Yes	
	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 12			
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**	Yes	
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**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**		No
	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**		No
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**		No
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 000000000000% 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 200 000000000000% 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**		No
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?

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

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, 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 7 THE MAJORITY OF THE NET COMMUNITY BENEFIT EXPENSES, UNREIMBURSED MEDICAID, WERE CALCULATED USING OUR INTERNAL COST ACCOUNTING SYSTEM, WHICH ADDRESSES ALL PATIENT SEGMENTS CHARITY CARE WAS CALCULATED USING A COST-TO-CHARGE RATIO ALL OTHER AMOUNTS ARE CALCULATED AS DIRECT EXPENSE AND REVENUE AS RECORDED ON THE GENERAL LEDGER
		PART I, L7 COL(F) COMMUNITY BENEFIT PERCENTAGE IS NET COMMUNITY BENEFIT EXPENSE DIVIDED BY TOTAL EXPENSE LESS PROVISION FOR DOUBTFUL COLLECTIONS THE AMOUNT OF BAD DEBT EXPENSE WAS $105,197

Identifier	ReturnReference	Explanation
		PART II ALLIED REHAB HOSPITAL AND THE JOHN HEINZ REHAB HOSPITAL HAVE A LONG-STANDING TRADITION OF CONTRIBUTING TO HEALTHIER COMMUNITIES BY INITIATING PROGRAMS SUCH AS A PROFESSIONAL SPEAKERS' BUREAU, HEALTH EDUCATION THROUGH SEMINARS AND PUBLIC INFORMATION SESSIONS, AND OFFERING OUR CLINICAL EXPERTISE IN REHABILITATION MEDICINE FOR THE GREATER BENEFIT OF THE COMMUNITY SOME EXAMPLES OF ALLIED REHAB AND JOHN HEINZ REHAB HOSPITAL FOR COMMUNITY BUILDING ACTIVITIES DURING THE YEAR - USE OF FACILITY SPACE AND/OR PRINT SERVICES BY ORGANIZATIONS SUCH AS AMERICAN HEART ASSOCIATION, AMERICAN CANCER SOCIETY, PARENTS LOVING CHILDREN THROUGH AUTISM, AUTISM COALITION, ALS SUPPORT GROUP, FAMILY SERVICE ASSOCIATION, BLIND ASSOCIATION, EPILEPSY SUPPORT GROUP, DIABETES EDUCATION CLASSES, PARKINSONS FOUNDATION, PULMONARY SUPPORT GROUP, SUSAN G KOMEN BREAST CANCER FOUNDATION - COMMUNITY PRESENTATIONS TO SERVICE ORGANIZATIONS, SCHOOL STUDENTS, SENIOR CITIZENS RANGED FROM OSTEOPOROSIS AWARENESS, BALANCE DISORDERS AND FALL PREVENTION, STROKE PREVENTION, HEAD INJURY PREVENTION/CONCUSSION TESTING, LYMPHEDEMA, SPORTS INJURIES, PULMONARY REHABILITATION, NEUROLOGICAL REHAB, HOME HEALTH, AND SENIOR HEALTH ISSUES PEDIATRIC SERVICES PROVIDED THROUGH EACH REHAB HOSPITAL INCLUDES A SIGNIFICANT PERCENTAGE OF CHARITY CARE FOR THE UNDERINSURED THE REHAB HOSPITALS ALSO HAVE CREATED AND SUPPORTED DEVELOPMENTAL PROGRAMS THROUGHOUT THE YEAR FOR CHILDREN WITH A VARIETY OF DISABILITIES, ESPECIALLY AUTISTIC CHILDREN AND CHILDREN WITH DYSLEXIA THE DEPAUL SCHOOL FOR CHILDREN WITH LEARNING DISABILITIES IS A EXAMPLE OF A NECESSARY EDUCATION-BASED PROGRAM, FOR WHICH ALLIED REHAB HOSPITAL HAS UNDERWRITTEN THE EXTRAORDINARY ANNUAL COST SINCE 1991 THIS PRIMARY SCHOOL SERVED 67 (FALL 2013) LOCAL CHILDREN WITH DYSLEXIA WHO COULD NOT EXCEL IN OTHER PUBLIC OR OTHER PRIVATE SCHOOL ENVIRONMENTS THE COST TO ALLIED SERVICES INSTITUTE FOR 2012-13 WAS $186,452
		PART III, LINE 4 ACCOUNTS RECEIVABLE ARE REPORTED AT NET REALIZABLE VALUE ACCOUNTS ARE WRITTEN OFF WHEN THEY ARE DETERMINED TO BE UNCOLLECTABLE BASED ON MANAGEMENT'S ASSESSMENT OF INDIVIDUAL ACCOUNTS THE ALLOWANCE FOR DOUBTFUL COLLECTIONS IS ESTIMATED BASED UPON A PERIODIC REVIEW OF THE A/R AGING, PAYOR CLASSIFICATIONS AND APPLICATION OF HISTORICAL WRITE-OFF PERCENTAGES

Identifier	ReturnReference	Explanation
		PART III, LINE 9B PATIENTS WHO ARE KNOWN TO QUALITY FOR FINANCIAL ASSISTANCE ARE NOT PURSUED FOR COLLECTIONS THE IDENTIFICATION OF THOSE PATIENTS THAT QUALIFY FOR FINANCIAL ASSISTANCE IS PERFORMED DURING THE ADMISSION PROCESS OF THE PATIENT TO THE HOSPITAL IN SOME INSTANCES, FINANCIAL CIRCUMSTANCES OF A PATIENT MAY CHANGE WHICH MAY RESULT IN THEM BECOMING ELIGIBLE FOR FINANCIAL ASSISTANCE SUBSEQUENT TO ADMISSION TO OR DISCHARGE FROM THE FACILITY IN THESE INSTANCES, UPON APPROVAL OF FINANCIAL ASSISTANCE, THEY WOULD NO LONGER BE SUBJECT TO THE ORGANIZATION'S COLLECTION POLICY
INSTITUTE OF REHABILITATION MEDICINE		PART V, SECTION B, LINE 3 THE FOLLOWING NARRATIVE PRESENTS THE RESEARCH METHODS USED AND STAKEHOLDER GROUPS INTERVIEWED DURING THE PREPARATION OF THE CHNA RESEARCH METHODSSURVEYS IN AUGUST OF 2012, A HOUSEHOLD SURVEY OF LACKAWANNA AND LUZERNE COUNTY RESIDENTS WAS CONDUCTED IN ORDER TO GAIN AN UNDERSTANDING OF THE COUNTIES' HEALTH NEEDS THE SURVEY WAS SENT TO 12,000 RESIDENTS, WHOSE ADDRESSES WERE DRAWN AT RANDOM BY A COMMERCIAL RANDOM SAMPLING ORGANIZATION OF THOSE MAILED, 2,014 (17 PERCENT) WERE RETURNED AND MARKED "UNDELIVERABLE" BY THE POST OFFICE DUE TO INACCURATE OR PARTIAL ADDRESSES OR BECAUSE THE RECIPIENT HAD MOVED AND THERE WAS NO FORWARDING ADDRESS FIFTEEN WERE DEEMED UNUSABLE ANOTHER FIFTEEN SURVEYS WERE RECEIVED AFTER THE DEADLINE AND WERE NOT INCLUDED IN THE ANALYSIS THE NUMBER OF SURVEYS WAS CHOSEN TO EXCEED 5 PERCENT OF THE HOUSEHOLDS AND ACCOUNT FOR UNUSABLE SURVEYS THE MINIMUM GOAL WAS A 95 PERCENT CONFIDENCE INTERVAL, WITH A 5 PERCENT MARGIN OF ERROR THIS WOULD HAVE REQUIRED A MINIMUM OF 377 RESPONSES THE INSTITUTE SURPASSED THAT GOAL BY RECEIVING A TOTAL OF 1,457 USEABLE SURVEYS RETURNED, RESULTING IN A 12 1 PERCENT RESPONSE RATE, WHICH IS SLIGHTLY LESS THAN A 3 PERCENT MARGIN OF ERROR ADDITIONALLY, 200 SPANISH LANGUAGE SURVEYS WERE PREPARED AND DISTRIBUTED TO LOCAL HISPANIC CHURCHES AND FREE MEDICAL CLINICS IN LACKAWANNA AND LUZERNE COUNTIES A LOCAL HOUSING AGENCY ALSO HELPED DISTRIBUTE SPANISH LANGUAGE SURVEYS OVERALL, FOUR PERCENT OF THE HISPANIC POPULATION RESPONDED ANOTHER 200 SURVEYS WERE DISTRIBUTED TO AFRICAN AMERICAN AND OTHER MINORITY OR IMMIGRANT POPULATIONS THESE SURVEYS WERE DISTRIBUTED THROUGH LOCAL YOUTH ORGANIZATIONS AND FREE MEDICAL CLINICS OVERALL, THREE PERCENT OF THE AFRICAN AMERICAN POPULATION RESPONDED THE SURVEY WAS PREFACED WITH THE PURPOSE, INSTRUCTIONS, AND AN INFORMED CONSENT THE INFORMED CONSENT INDICATED THE SURVEY'S PURPOSE, CONTACT INFORMATION FOR THE CONSULTANTS AND THE SPONSORING ORGANIZATION, ALONG WITH LANGUAGE EXPLAINING THE RESPONDENT'S RIGHT TO ASK QUESTIONS AND THE RIGHT TO SKIP QUESTIONS THE INFORMED CONSENT INDICATED THAT ALL RESPONSES WOULD BE KEPT CONFIDENTIAL AND PRESENTED IN AGGREGATE FORM THE CONSENT INDICATED THAT THE ONLY PARTIES THAT WOULD SEE THE INDIVIDUAL SURVEYS WERE THE PROJECT CONSULTANTS THIS INFORMED CONSENT MET ALL FEDERAL STANDARDS ESTABLISHED FOR THE PROTECTION OF HUMAN SUBJECT RIGHTS IN RESEARCH THE WILKES UNIVERSITY INSTITUTIONAL REVIEW BOARD (IRB) REVIEWED AND APPROVED ALL OF THE PRIMARY RESEARCH INSTRUMENTS AND INFORMED CONSENTS THE SURVEY RESPONSES WERE UPLOADED INTO THE STATISTICAL PACKAGES FOR THE SOCIAL SCIENCES (SPSS) SPSS IS AN INTEGRATED SOFTWARE PROGRAM USED FOR THE ANALYTICAL DATA ANALYSIS A VERIFICATION PROCESS WAS PERFORMED THROUGH FACT CHECKING THE DATA ENTERED INTERVIEWS A TOTAL OF SIXTEEN INTERVIEWS WERE CONDUCTED WITH 26 STAKEHOLDERS THE FOLLOWING GROUPS WERE REPRESENTED -MAJOR EMPLOYERS -FEDERALLY QUALIFIED HEALTH CENTER AND A FREE MEDICAL CLINIC -PENNSYLVANIA DEPARTMENT OF PUBLIC HEALTH - SOCIAL SCIENTISTS/RESEARCHERS -PHILANTHROPIST AND HEALTH POLICY ADVISOR -DISEASE-BASED ORGANIZATION -SOCIAL SERVICE ORGANIZATION - MENTAL AND BEHAVIORAL HEALTH ORGANIZATIONS - EPIDEMIOLOGY/ENVIRONMENTAL SPECIALISTS -PRIMARY CARE PHYSICIAN -SURGEON -MEDICAL TECHNOLOGIST/CLINICAL LABORATORY -INSURER CARE WAS TAKEN TO INTERVIEW STAKEHOLDERS THAT EITHER REPRESENTED THE ENTIRE STUDY REGION OR TO INTERVIEW REPRESENTATIVES FROM EACH COUNTY REPRESENTING ONE OF THE AFOREMENTIONED AFFILIATIONS INTERVIEWS RANGED FROM 45 MINUTES TO THREE HOURS IN DURATION INTERVIEWS WERE SEMI-STRUCTURED PROMPTS WERE USED ON OCCASION AND EACH INTERVIEWEE HAD THE OPPORTUNITY TO ADD OPEN COMMENTS AT THE END INTERVIEWER NOTES AND PERIPHERAL MATERIAL PROVIDED BY THE INTERVIEWEE WERE USED IN THE SUMMATION OF THE INTERVIEW SECTION FOCUS GROUPS THE INSTITUTE IDENTIFIED HIGH-PRIORITY STAKEHOLDERS REPRESENTING VARIOUS SEGMENTS OF THE COMMUNITY IN ORDER TO ASSESS THE UNIQUE HEALTH CARE NEEDS OF SPECIFIC GROUPS THE FOLLOWING FOCUS GROUPS WERE CONDUCTED - HISPANIC/LATINO COMMUNITY -AFRICAN AMERICAN COMMUNITY (2 SEPARATE GROUPS) -IMPOVERISHED - AGING -PHYSICALLY & MENTALLY CHALLENGED -YOUTH - CHRONIC DISEASE/PUBLIC HEALTH ORGANIZATIONS - MAJOR EMPLOYERS -BEHAVIORAL BASED (SUBSTANCE ABUSE) ORGANIZATIONS THE SESSIONS WERE ANALYZED USING BOTH INTERVIEWER NOTES AS WELL AS KEYWORD ANALYSIS THROUGH THE USE OF THE INSTITUTE'S QUALITATIVE ANALYSIS SOFTWARE THE SESSIONS WERE DIGITALLY RECORDED AND WILL BE STORED ON THE WILKES UNIVERSITY SECURE NETWORK FOR 24 MONTHS FOLLOWING COMPLETION OF THE PROJECT SECONDARY DATA SECONDARY DATA WAS PROCURED FROM THE PENNSYLVANIA DEPARTMENT OF HEALTH, THE U S CENSUS BUREAU AND THE CENTER FOR RURAL PENNSYLVANIA, THE BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM (BRFSS), AND THE COUNTY HEALTH RANKINGS PREPARED BY THE UNIVERSITY OF WISCONSIN POPULATION HEALTH INSTITUTE AND THE ROBERT WOOD JOHNSON FOUNDATION THE DATA INCLUDE DEMOGRAPHIC AND ECONOMIC INDICATORS, HEALTH STATUS, INCIDENCE OF DISEASES, AND INSURANCE STATUS ADDITIONALLY, THE DATA WERE BENCHMARKED AGAINST STATEWIDE INDICATORS DATA REGARDING THE HEALTH CARE DELIVERY SYSTEM WAS PROCURED FROM THE PENNSYLVANIA DEPARTMENT OF HEALTH, PENNSYLVANIA COST CONTAINMENT COUNCIL, THE LOCAL PARTICIPATING HOSPITALS, PENNSYLVANIA HEALTH CARE ASSOCIATION, AND THE U S DEPARTMENT OF HEALTH PATIENT PERCEPTION AN ELECTRONIC SURVEY WAS DISTRIBUTED TO MEMBERS OF THE LACKAWANNA AND LUZERNE COUNTY MEDICAL SOCIETIES, MEMBERS OF WHICH ARE ALLOPATHIC (MD) AND OSTEOPATHIC (DO) PHYSICIANS FROM BOTH ORGANIZATIONS, 525 MEMBERS RECEIVED THE LINK THE RESPONSE RATE WAS 4 4 PERCENT, WHICH IS A VERY LOW RESPONSE RATE FOUR PRIMARY CARE AND SPECIALTY PHYSICIANS CONSENTED TO ONE-TO-ONE INTERVIEWS FINALLY, FOUR INDIVIDUALS OR PATIENTS PARTICIPATED IN ONE-TO-ONE INTERVIEWS HOSPITAL DATA HOSPITAL UTILIZATION DATA AND PHYSICIAN/SPECIALTY DATA WERE PROVIDED BY EACH INSTITUTION INVOLVED IN THE CHNA PROCESS AS NOTED BELOW DATA WERE PROVIDED FOR THE 2011 CALENDAR YEAR IT SHOULD BE NOTED HOWEVER, THAT ALL THE INSTITUTIONS WERE ENGAGED IN MERGERS/ACQUISITIONS OR SYSTEM UPGRADES DURING THE TIME PERIOD, THEREFORE CURRENT PHYSICIAN COUNTS MAY BE DIFFERENT PATIENT EXPORT DATA ALLONE HEALTH PROVIDED PATIENT EXPORT DATA DATA WERE PROVIDED FOR MEMBERS WHO LIVED IN LUZERNE AND LACKAWANNA COUNTIES BETWEEN 2009 AND 2011 FOR EACH REPORT, UTILIZATION DATA OUTSIDE AND INSIDE BLUE CROSS OF NORTHEASTERN PENNSYLVANIAS THIRTEEN-COUNTY SERVICE AREA WERE PRESENTED THE SERVICE AREA INCLUDES BRADFORD, CARBON, CLINTON, LACKAWANNA, LUZERNE, LYCOMING, MONROE, PIKE, SULLIVAN, SUSQUEHANNA, TIOGA, WAYNE AND WYOMING COUNTIES THE INFORMATION IN EACH FILE WAS AS FOLLOWS INPATIENT ADMISSIONS BY CLINICAL CONDITION AND ADMISSIONS BY CLINICAL CONDITION AND BY PROVIDER CITY AND STATE OF THE PROVIDER WERE PRESENTED WHEN AVAILABLE OUTPATIENT THE DATA INCLUDED A SUMMARY OF ALL OF NON-HOSPITAL VISITS BY CLINICAL CONDITION, DETAILS OF NON-HOSPITAL VISITS BY CLINICAL CONDITION AND BY PROVIDER TYPE, SUMMARY OF THE HOSPITAL VISITS BY CLINICAL CONDITION, AND THE HOSPITAL VISITS BY CLINICAL CONDITION AND BY PROVIDER INCLUDING THE CITY, AND STATE WHEN AVAILABLE RELATIVE RISK SCORE THIS FILE SHOWS THE RELATIVE RISK SCORE OF THOSE MEMBERS WHO HAD AT LEAST ONE IN-PATIENT ADMISSION OUTSIDE BCNEPAS SERVICE AREA, COMPARED WITH THOSE MEMBERS WHO HAD IN-PATIENT ADMISSIONS ONLY INSIDE THE SERVICE AREA THE HIGHER THE SCORE, THE HIGHER THE PATIENT RISK THE COMPARISON SHOWED THAT THOSE MEMBERS WITH IN-PATIENT ADMISSIONS OUTSIDE THE SERVICE AREA HAD A SIGNIFICANTLY HIGHER RISK SCORE AND PRESUMABLY HAD SIGNIFICANTLY MORE COMPLEX ISSUES THAN THOSE WHO HAD IN-PATIENT ADMISSIONS ONLY INSIDE THE SERVICE AREA ASSET MAP THE DATA FROM THE ASSET MAP WAS SECURED THROUGH INTERNET SEARCHES OF PROVIDERS AND PROGRAMS, INFORMATION FROM INTERVIEWEES AND FOCUS GROUP PARTICIPANTS AND THE PHONE BOOK THE MAP DETAILED HEALTH CARE PROGRAMS, RESOURCES AND INITIATIVES COORDINATED BY NON-PROFIT ORGANIZATIONS AND GOVERNMENT THE CATEGORIES INCLUDED, BUT WERE NOT LIMITED TO AGING, DISEASE BASED, TEEN PREGNANCY, SUICIDE, LOW-INCOME, BEHAVIORAL AND MENTAL HEALTH PROGRAMS AND SERVICES

Identifier	ReturnReference	Explanation
INSTITUTE OF REHABILITATION MEDICINE		PART V, SECTION B, LINE 4 YES OTHER PARTICIPATING HOSPITALS INCLUDED GEISINGER COMMUNITY MEDICAL CENTER, CHS WYOMING VALLEY HEALTH CARE, MOSES TAYLOR HOSPITAL, REGIONAL HOSPITAL OF SCRANTON, COMMONWEALTH HEALTH SYSTEM
INSTITUTE OF REHABILITATION MEDICINE		PART V, SECTION B, LINE 7 THE FOLLOWING EXCERPT FROM ALLIED SERVICES IMPLEMENTATION STRATEGIES LISTS THOSE ISSUES THAT, ALTHOUGH IDENTIFIED IN THE CHNA, WERE NOT ADDRESSED WITHIN THE IMPLEMENTATION PLAN THE FOLLOWING CHNA-IDENTIFIED NEEDS WILL NOT BE ADDRESSED 1 THE PERCEPTION OF [POOR] QUALITY MUST BE ADDRESSED WITH MEDICAL PROFESSIONALS AND RESIDENTS/PATIENTS 2 PHYSICIAN SKILLS, SUCH AS TIME MANAGEMENT AND CUSTOMER SERVICE, ARE NEEDED 3 PHYSICIAN SHORTAGE MUST BE ADDRESSED 4 LACKAWANNA AND LUZERNE COUNTIES FALL BEHIND THE COMMONWEALTH IN SEVERAL AREAS WITH REGARD TO HEALTH STATUS AND PHYSICIANS PER CAPITA 5 THERE IS A PERCEPTION OF POOR QUALITY OF CARE WITHIN THE REGION 6 RESPONDENTS ARE DISAPPOINTED BY THE LACK OF RESPECT AND LACK OF COOPERATION WITHIN THE HEALTH CARE SYSTEM 7 RESEARCH AND INNOVATION IMPROVE PERCEPTIONS OF QUALITY 8 PRIMARY CARE PHYSICIANS SEE THAT THE QUALITY OF SPECIALISTS IS AN ISSUE 9 PRIMARY CARE PHYSICIANS SEE THE WAIT TIME TO SEE SPECIALISTS, COUPLED WITH TESTING, PROGNOSIS AND TREATMENT PLAN, AS A PROBLEM RESPONSE FOUNDED IN 2009, THE COMMONWEALTH MEDICAL COLLEGE (TCMC) HAS SERVED AS A CONVENER AND CATALYST FOR COMMUNITY EFFORTS TO IMPROVE THE HEALTH OF NORTHEASTERN AND CENTRAL PENNSYLVANIANS TCMC WAS FOUNDED FOR THE EXPRESS PURPOSE OF INCREASING THE REGION'S SUPPLY OF PHYSICIANS AND SPECIALISTS, AND HAS RECEIVED WIDESPREAD PUBLIC SUPPORT MOREOVER, THE COLLEGE HAS TAKEN A LEADERSHIP ROLE IN REGIONAL POPULATION HEALTH RESEARCH AND NEEDS ASSESSMENTS (INCLUDING THE 2012 CHNA) OUR SUPPORT OF TCMC INCLUDES OFFERING EXTENDED INTERNSHIP AND "SHADOWING" OPPORTUNITIES FOR MEDICAL STUDENTS, PRESENTATIONS, LECTURES, MENTORING OF MEDICAL STUDENTS BY ALLIED CLINICIANS AND ADMINISTRATORS WITH REGARD TO THE FINDINGS LISTED ABOVE (ITEMS 1 THROUGH 9), ALLIED PREFERS TO COMPLEMENT AND INDIRECTLY SUPPORT, RATHER THAN DUPLICATE, TCMC'S WORK AND CONTINUING EFFORTS TO EDUCATE HIGHLY-QUALIFIED PHYSICIANS THAT WILL SERVE OUR REGION FURTHER, SOME OF THESE FINDINGS (E G , PHYSICIAN COMMUNICATION/ATTITUDES, PHYSICIAN-PATIENT COMMUNICATIONS, OUT-MIGRATION OF PATIENTS) MAY BE TARGETED FOR COLLABORATIVE ACTION BY THE HEALTHY NORTHEAST PENNSYLVANIA INITIATIVE, THE INSTITUTE FOR PUBLIC POLICY & ECONOMIC DEVELOPMENT ALLIED IS A MEMBER OF BOTH OF THESE ORGANIZATIONS 10 RESPONDENTS ARE IN OVERALL GOOD HEALTH 11 BASED ON RESEARCH RESULTS, INCOME AND MENTAL HEALTH STATUS ARE RELATED 12 THERE ARE A HIGH NUMBER OF OVERWEIGHT AND OBESE RESIDENTS 13 THERE ARE MANY LOW INCOME RESIDENTS 14 SUBSTANCE ABUSE IS A PROBLEM IN THE REGION 15 THERE IS A STRONG CORRELATION BETWEEN SUBSTANCE ABUSE AND POVERTY 16 SOCIAL SERVICE RESOURCES ARE DISJOINTED AND STRESSED RESPONSE AS NORTHEASTERN PENNSYLVANIA'S LEADING PROVIDER OF CARE TO PERSONS WITH DISABILITIES AND CHRONIC ILLNESS, ALLIED SERVICES INTEGRATED HEALTH SYSTEM IS SERVING A POPULATION THAT IS DISPROPORTIONATELY AFFECTED BY POOR PHYSICAL HEALTH, OBESITY, POVERTY, UNEMPLOYMENT, AND POOR MENTAL HEALTH AS MENTIONED ABOVE, A VARIETY OF DEPARTMENTS AND PROFESSIONS PLAY A PART IN HELPING OUR PATIENTS/CONSUMERS TO SECURE APPROPRIATE SERVICES FROM OTHER HEALTH, HUMAN SERVICE, SOCIAL SERVICE, AND HEALTH INSURANCE PROGRAMS ALLIED SUPPORTS (AND AVOIDS DUPLICATING) THE EFFORTS OF NONPROFITS THAT PROVIDE SOCIAL SERVICES, JOB TRAINING, SOBRIETY/SUBSTANCE ABUSE COUNSELING TO INDIVIDUALS, AND OF AGENCIES THAT PROMOTE REGIONAL ECONOMIC DEVELOPMENT OUR SUPPORT TAKES THE FORM OF VOLUNTARY CONTRIBUTIONS, FREE MEETING SPACE OR OTHER IN-KIND ASSISTANCE, AND "RELEASE TIME" FOR STAFF WHO WISH TO TAKE PART AS VOLUNTEERS 17 EACH INSURER IS USING A DIFFERENT METHODOLOGY TO REACH PLAN PARTICIPANTS ABOUT WELLNESS PROGRAMS 18 NAMES OF RENOWNED FACILITIES IMPROVE PERCEPTIONS OF QUALITY 19 FACILITY DESIGN AND DECOR IMPACT QUALITY PERCEPTION RESPONSE SEVERAL OF THE CONCLUSIONS LISTED IN THE CHNA (ITEMS 17 19, ABOVE) ARE BASED ON THE OPINIONS OF CHNA SURVEY RESPONDENTS THESE STATEMENTS ARE NOT INDICATIVE OF SPECIFIC COMMUNITY NEEDS OR PUBLIC HEALTH PROBLEMS WE PROPOSE NO STRATEGIES TO ADDRESS THESE COMMENTS

Identifier	ReturnReference	Explanation
INSTITUTE OF REHABILITATION MEDICINE		PART V, SECTION B, LINE 20D SLIDING SCALE BASED ON POVERTY INCOME GUIDELINES
		PART VI, LINE 2 IN ADDITION TO THE HOSPITALS' COMMUNITY HEALTH NEEDS ASSESSMENT & IMPLEMENTATION STRATEGY (ADOPTED IN MAY OF 2013), PERIODIC ASSESSMENTS OF REGIONAL COMMUNITY NEEDS ARE CONDUCTED, USING INTERNAL INFORMATION AND EXTERNAL DATA SOURCES THOSE SOURCES INCLUDE LOCAL HEALTH STATISTICS AND TRENDS REPORTED BY THE PENNSYLVANIA DEPARTMENT OF HEALTH, DEPARTMENT OF PUBLIC WELFARE, DEPARTMENTS OF AGING & LONG-TERM LIVING AND PENNSYLVANIA HEALTH CARE COST CONTAINMENT COUNCIL, PENNSYLVANIA HEALTH CARE ASSOCIATION, AND U S DEPARTMENT OF HEALTH & HUMAN SERVICES' HEALTHY PEOPLE 2020 PROGRAM

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 UPON REGISTRATION OR ADMISSION, PATIENTS WHO MAY HAVE A SELF PAY BALANCE ARE ADVISED ABOUT ALLIED'S FINANCIAL ASSISTANCE PROGAM AS AN OPTION THE APPLICATION PROCESS TO QUALIFY, ALONG WITH ALL OF THE REQUIREMENTS NECESSARY TO APPLY ARE EXPLAINED APPLICATIONS ARE HANDED TO THESE PATIENTS IN PERSON OR THEY ARE ADVISED THAT THE APPLICATION CAN BE DOWNLOADED VIA ALLIED'S WEBSITE ADDITIONALLY, WHEN PATIENTS ARE CONTACTED ABOUT NON PAYMENT OF THEIR SELF PAY BY THE PATIENT FINANCE DEPARTMENT, THEY ARE AGAIN ADVISED OF THE AVAILABILITY OF THE FINANCIAL ASSISTANCE PROGRAM AS A VIABLE OPTION AND ENCOURAGED TO APPLY IF THEY ARE UNABLE TO AFFORD THEIR MEDICAL BILL INTREPRETER SERVICES ARE MADE AVAILABLE TO NON ENGLISH SPEAKING PATIENTS VIA TELEPHONE OR IN PERSON ALL PATIENTS DURING THE ADMISSION PROCESS ARE OFFERED EDUCATION AND ASSISTANCE WITH REGARD TO THEIR ELIGIBILITY FOR VARIOUS FEDERAL, STATE OR LOCAL GOVERNMENTAL PROGRAMS, AS WELL AS OUR CHARITY CARE PROGRAM COPIES OF OUR CHARITY CARE GUIDELINES AND UNCOMPENSATED CARE APPLICATION ARE AVAILABLE UPON REQUEST
		PART VI, LINE 4 OVER 80% OF OUR ALLIED AND JOHN HEINZ PATIENTS RESIDE IN LUZERNE OR LACKAWANNA COUNTIES IN 2009, THESE TWO COUNTIES HAD A COMBINED POPULATION OF 514,982 PERSONS RESIDING IN 213,941 HOUSEHOLDS ACCORDING TO THE SAME SOURCE, ROUGHLY 94% OF AREA RESIDENTS SELF-IDENTIFIED AS CAUCASIAN/WHITE, 3% AS BLACK, 1% AS ASIAN, AND 2% "OTHER" RACES THE REGIONAL POPULATION IS SIGNIFICANTLY OLDER THAN THAT OF PENNSYLVANIA 18 7% WAS AGE 65 OR OLDER, COMPARED TO 15 2% FOR THE STATE AS A WHOLE MEDIAN HOUSEHOLD INCOME IN OUR REGION IS COMPARATIVELY LOW, AT $41,594 FOR LACKAWANNA COUNTY AND $44,401 FOR LUZERNE COUNTY, COMPARED TO $47,913 FOR PENNSYLVANIA AND $50,007 FOR THE NATION AS A WHOLE (2009) LOCAL EDUCATIONAL ATTAINMENT IS ALSO A SIGNIFICANT CONCERN ONLY 18% OF LOCAL RESIDENTS HAVE EARNED A BACHELOR'S DEGREE OR HIGHER, COMPARED TO 26% FOR THE STATE

Identifier	ReturnReference	Explanation
		PART VI, LINE 5 ALLIED SERVICES WAS FOUNDED OVER 50 YEARS AGO WHEN A GROUP OF SCRANTON AREA CHARITIES BEGAN COLLABORATING TO CREATE NEW OPPORTUNITIES AND BETTER SERVICES FOR NORTHEASTERN PENNSYLVANIANS WITH DISABILITIES TODAY, WITH OVER 3000 EMPLOYEES IN 23 COUNTIES, ALLIED SERVICES IS THE REGION'S LEADING PROVIDER OF POST-ACUTE CARE AND RESIDENTIAL CARE TO PERSONS WITH DISABILITIES AND CHRONIC ILLNESSES ALLIED SERVICES IS A CONTINUUM OF POST-ACUTE AND COMMUNITY-BASED PROGRAMS UNITED BY A COMMON AIM TO IMPROVE THE HEALTH, INDEPENDENCE AND LIFE QUALITY OF OUR CONSUMERS OUR PROGRAMS INCLUDE INPATIENT AND OUTPATIENT MEDICAL REHABILITATION, SKILLED NURSING CARE, TRANSITIONAL REHABILITATION, HOME HEALTH CARE AND IN-HOME SERVICES, VOCATIONAL REHABILITATION, RESIDENTIAL PROGRAMS FOR ADULTS WITH DEVELOPMENTAL OR BEHAVIORAL DISABILITIES AND SENIOR ASSISTED LIVING EACH DAY, THESE SERVICES TOUCH THE LIVES OF SOME 5,000 PERSONS MEDICAL REHABILITATION HOSPITALS IN SCRANTON AND WILKES-BARRE ARE THE CORE AND MOST WIDELY RECOGNIZED COMPONENT OF THE ALLIED SYSTEM COMPLEMENTED BY A NETWORK OF 15 OUTPATIENT CLINICS IN A FIVE-COUNTY AREA, OUR HOSPITALS PROVIDE COMPREHENSIVE REHABILITATION SERVICES FOR SPINAL CORD AND NEUROLOGICAL INJURIES/DISEASE, STROKE, TRAUMATIC BRAIN INJURY, AND OTHER LIFE-CHANGING ILLNESSES AND INJURIES BEYOND PROVIDING DIRECT CARE AND SUPPORT SERVICES TO ADULTS AND CHILDREN, ALLIED'S RESOURCES (CLINICIANS, FACILITIES, EXPERTISE, MANAGEMENT) SERVE THE LARGER REGION THROUGH - THE EDUCATION AND TRAINING OF HEALTH PROFESSIONALS THROUGH SYMPOSIA, INTERNSHIP AND EDUCATIONAL OPPORTUNITIES OFFERED TO PHYSICIANS, PHARMACISTS, NURSES AND OTHER HEALTH CAREERS - ORGANIZED PEER SUPPORT AND HEALTH EDUCATION FOR PERSONS AFFECTED BY TRAUMATIC BRAIN INJURY, SPINAL CORD INJURY, PEDIATRIC DISABILITIES, PARKINSON'S DISEASE AND OTHER CONDITIONS - ACCREDITED, IN-SCHOOL INJURY PREVENTION PROGRAMS FOR SCHOOL CHILDREN, TEACHERS AND COACHES- AFFORDABLE WELLNESS/EXERCISE PROGRAMS AND FACILITIES FOR PERSONS WITH DISABILITIES, CHRONIC ILLNESS, LIMITED MOBILITY- EXTRA-MURAL SOCIAL AND RECREATIONAL PROGRAMS FOR KIDS WITH AUTISM SPECTRUM DISORDER AND FOR THEIR FAMILIES - LEADERSHIP, VOLUNTEER SERVICE AND IN-KIND SUPPORT FOR LOCAL HEALTH CARE CHARITIES (E G , NORTHEAST REGIONAL CANCER INSTITUTE, AMERICAN HEART ASSOCIATION, ALZHEIMER'S ASSOCIATION, MUSCULAR DYSTROPHY ASSOCIATION, LEUKEMIA & LYMPHOMA SOCIETY, PARKINSONS FOUNDATION, INDIVIDUAL ABILITIES IN MOTION, NATIONAL ALLIANCE FOR THE MENTALLY ILL, RONALD MCDONALD HOUSE CHARITIES OF NORTHEASTERN PENNSYLVANIA, AND OTHERS)- THE DEPAUL SCHOOL, AN ACCREDITED, YEAR-ROUND EDUCATIONAL PROGRAM FOR CHILDREN WITH DYSLEXIA AND OTHER LEARNING DISABILITIES- OPENING OUR FACILITIES (E G , MEETING AND DINING FACILITIES, GROUNDS, AND PEDIATRIC GYMS TO AREA NONPROFIT AND VOLUNTEER GROUPS THAT SERVE OUR COMMUNITY) THE NEIGHBORS, BUSINESSES AND GRANT-MAKERS THAT SUPPORT ALLIED ARE CRUCIAL TO ITS SUCCESS THEIR GENEROSITY ALLOWS US TO PROVIDE CARE TO THE UNINSURED AND UNDER-INSURED, TO CORRECT DEFICIENCIES AND FILL GAPS IN THE REGION'S HEALTH AND HUMAN SERVICE SYSTEMS, TO ENSURE CONTINUITY OF CARE WHEN PROGRAM FUNDING (E G , FROM PUBLIC GRANTS OR THIRD-PARTY PAYERS) IS INTERRUPTED, AND TO OFFER PATIENTS THE LATEST, MOST EFFECTIVE MEDICAL AND REHAB TECHNOLOGIES
		PART VI, LINE 6 WITHOUT EXCEPTION, OUR AFFILIATE ORGANIZATIONS/PROGRAMS EACH PLAY UNIQUE AND CRITICAL FUNCTIONS IN OUR REGION'S CONTINUUM OF CARE FOR PERSONS WITH DISABILITIES AND THE AGED THESE INCLUDE ALLIED SKILLED NURSING & REHABILITATION CENTER, SCRANTON THE CENTER IS HOME TO SOME 371 PERSONS WHOSE CHRONIC ILLNESS AND/OR SEVERE DISABILITIES DEMAND ROUND-THE-CLOCK, SKILLED CARE THE CENTER IS RECOGNIZED FOR ITS SERVICES TO MEDICALLY-COMPLEX, TECHNOLOGY-DEPENDENT PATIENTS, INCLUDING THOSE WHO NEED RESPIRATORS, HEMODIALYSIS OR SPECIALIZED PROGRAMS FOR DEMENTIA ABOUT 70% TO 80% OF SNRC RESIDENTS ARE ECONOMICALLY DISADVANTAGED (MEDICAID-ELIGIBLE) A FAR HIGHER PERCENTAGE THAN MOST LONG-TERM CARE ORGANIZATIONS IN THE REGION AND STATE THESE ATTRIBUTES MAKE THE CENTER AN ESSENTIAL HEALTH CARE RESOURCE FOR A GROWING POPULATION OF SENIORS IN NORTHEASTERN AND CENTRAL PENNSYLVANIA, AS WELL AS THEIR PHYSICIANS, CAREGIVERS AND FAMILIES ALLIED TERRACE THE TERRACE IS A MODERN, WELL-APPOINTED, FULL SERVICE ASSISTED LIVING FACILITY FOR SENIORS WHO ARE ABLE TO LIVE INDEPENDENTLY IF PROVIDED WITH HELP FOR MEALS, HOUSEKEEPING, LAUNDRY AND PERSONAL CARE CONSISTENT WITH NATIONAL AND REGIONAL TRENDS, THE TERRACE IS SERVING THE FAST-GROWING COMMUNITY OF SENIORS WHO ARE SUCCESSFULLY "AGING IN PLACE", THANKS TO INTENSIVE, HIGH-QUALITY SUPPORT SERVICES (E G , MEDICATION MANAGEMENT, IN-HOME HEALTH AND PERSONAL CARE) TO ENSURE THEIR CONTINUED HEALTH AND SAFETY IN THIS WAY, ALLIED TERRACE IS EXTENDING AND ENRICHING THE LIVES OF ITS 60 RESIDENTS, WHILE REDUCING THEIR RISK (AND POTENTIAL COSTS) OF INJURY, DEBILITATION, ACUTE ILLNESS, HOSPITALIZATION OR INSTITUTIONALIZATION ALLIED CONTINUING CARE RETIREMENT COMMUNITY ALLIED CCRC WAS FORMED IN 2006 FOR THE PURPOSES OF PROVIDING INDEPENDENT LIVING SERVICES IN SPACE LEASED FROM ALLIED TERRACE, SENIORS WHO ARE CAPABLE OF INDEPENDENTLY MANAGING ACTIVITIES OF DAILY LIVING (MEAL PREPARATION, LIGHT HOUSEKEEPING, SELF-CARE, ETC) OCCUPY THESE UNITS, WHILE ENJOYING FULL ACCESS TO THE TERRACE'S SOCIAL AND RECREATIONAL OPPORTUNITIES TWO INDIVIDUALS OCCUPIED CCRC UNITS DURING THIS PERIOD VOCATIONAL SERVICES FOR OVER 50 YEARS, ALLIED'S VOCATIONAL SERVICES PROGRAMS HAVE PROVIDED TRAINING AND GAINFUL EMPLOYMENT TO TEENS AND ADULTS WITH PHYSICAL, INTELLECTUAL AND DEVELOPMENTAL DISABILITIES EACH YEAR, OVER 500 PARTICIPANTS ARE INVOLVED IN PROJECTS THAT ENHANCE THEIR SKILLS, EMPLOYABILITY AND SELF-RELIANCE WHILE OUR VOCATIONAL PROGRAMS DRAW UPON STATE AND FEDERAL TRAINING DOLLARS, THE JOBS THEMSELVES DEPEND UPON A CONTINUAL SUPPLY OF WORK FROM BUSINESS AND INDUSTRY PARTNERS, FOR SERVICES SUCH AS PACKAGING, LIGHT ASSEMBLY, SORTING, SCANNING, MAILING, CLEANING AND LANDSCAPING ONGOING COMMUNITY FUNDRAISING ENSURES THAT ALLIED MAINTAINS THE SKILLED STAFF, SPECIALIZED EQUIPMENT AND FACILITIES TO KEEP THIS DIVERSE "ENTERPRISE" PRODUCTIVE AND GROWING THE RESULT TRAINING, JOB, EDUCATIONAL AND SOCIAL OPPORTUNITIES FOR DISABLED INDIVIDUALS WHO MIGHT OTHERWISE BE ISOLATED AND IDLE AT HOME DEVELOPMENTAL SERVICES FOR ADULTS WHO HAVE BOTH INTELLECTUAL AND PHYSICAL DISABILITIES/ILLNESSES, ALLIED'S INTERMEDIATE CARE FACILITY IS A COMFORTABLE, SAFE RESIDENTIAL ENVIRONMENT WHERE SKILLED NURSING AND PERSONAL SUPERVISION ARE AVAILABLE "24-7" RESIDENTS RECEIVE MEALS, PERSONAL CARE (DRESSING, BATHING, GROOMING, ETC), MEDICAL AND MEDICATION MANAGEMENT, SOCIAL AND RECREATIONAL PROGRAMS IN A HOME-LIKE SETTING FOR CONSUMERS WHO ARE ABLE TO LIVE MORE INDEPENDENTLY, ALLIED OFFERS A RANGE OF COMMUNITY LIVING OPTIONS IN SMALL GROUP HOMES THROUGHOUT THE REGION IN ALL PROGRAM SETTINGS, HOWEVER, OUR DEVELOPMENTAL PROGRAMS HAVE MET A GROWING REGIONAL DEMAND FOR RESIDENTIAL CARE FOR OLDER ADULTS WHOSE INTELLECTUAL AND COMPLEX PHYSICAL DISABILITIES/MEDICAL CONDITIONS DEMAND MORE INTENSIVE, SPECIALIZED LEVELS OF CARE AT THE URGING OF LOCAL AND REGIONAL AUTHORITIES, ALLIED HAS ASSUMED THIS ROLE WITH A LONG AND SUCCESSFUL TRACK RECORD IN MEDICAL REHAB, LONG-TERM CARE, SKILLED NURSING AND PROGRAM MANAGEMENT, ALLIED IS UNIQUELY QUALIFIED TO MEET THE DEMAND BEHAVIORAL SERVICES SIMILARLY, OUR BEHAVIORAL SERVICES HAVE EXPANDED BOTH GEOGRAPHICALLY AND PROGRAMMATICALLY IN RECENT YEARS, PROVIDING SPECIALIZED RESIDENTIAL AND COMMUNITY-BASED SERVICES TO THE CHRONICALLY MENTALLY ILL STAFF MEMBERS WORK WITH CONSUMERS AS THEY RE-CONNECT WITH JOBS, FAMILIES, PEER AND COMMUNITY RESOURCES AS THEY PURSUE SOBRIETY, PHYSICAL AND MENTAL HEALTH, AND INDEPENDENT LIVING THROUGH AN INTENSIVE PROGRAM OF COUNSELING AND BEHAVIORAL SUPPORTS, THE PROGRAM ATTACKS LONGSTANDING PATTERNS OF MENTAL HEALTH CRISES, HOSPITALIZATION AND/OR INSTITUTIONALIZATION (AND RELATED "COSTS" TO INDIVIDUALS AND COMMUNITIES) ALLIED PROJECT OPPORTUNITY LOCATED IN JERMYN, (LACKAWANNA COUNTY) PA , THE SIX UNITS OF HOUSING ARE MANAGED BY ALLIED'S BEHAVIORAL HEALTH DIVISION INDIVIDUALS WHO ARE RECOVERING FROM CHRONIC MENTAL HEALTH PROBLEMS FIND SAFE, PLEASANT, AFFORDABLE ACCOMMODATIONS AT PROJECT OPPORTUNITY, SUBSIDIZED BY THE HUD SECTION 8 PROGRAM HOME HEALTH & IN-HOME SERVICES THESE PROGRAMS PROVIDE ESSENTIAL MEDICAL AND SUPPORT SERVICES TO PERSONS WITH DISABILITIES THROUGHOUT A 23-COUNTY AREA OF NORTHEASTERN/CENTRAL PENNSYLVANIA REGISTERED NURSES, PHYSICAL AND OCCUPATIONAL THERAPISTS, PERSONAL CARE AND HOME CARE WORKERS HELP KEEP THEM HEALTHY AND SAFE AT HOME ACTIVITIES RANGE FROM MAKING MEALS OR DOING HOUSEHOLD CHORES, OR MONITORING THE PATIENT'S PHYSICAL AND MENTAL HEALTH, TO ADDRESSING MEDICAL OR POST-SURGICAL NEEDS SUCH AS WOUND DRESSING, MEDICATION MANAGEMENT, ETC THE HEALTH EDUCATION, MEDICAL SUPPORT, PRACTICAL ASSISTANCE AND CASE MANAGEMENT PROVIDED BY IN-HOME AND HOME HEALTH PROFESSIONALS ARE ESSENTIAL TO THE HEALTH, LIFE QUALITY AND INDEPENDENCE OF THEIR CONSUMERS ABSENT SUCH PROGRAMS, EXTENDED HOSPITALIZATIONS, RE-HOSPITALIZATION AND/OR INSTITUTIONALIZATION WOULD BE UNAVOIDABLE ALLIED SERVICES FOUNDATION THE FOUNDATION IS THE COMMUNITY RELATIONS AND FUNDRAISING ARM OF ALLIED SERVICES THE FOUNDATION'S FUNDRAISING APPEALS, SPONSORSHIP AND GRANT SOLICITATIONS GENERATE SUPPORT FOR ALLIED'S PEDIATRIC PROGRAMS, DEPAUL SCHOOL, VOCATIONAL PROGRAMS AND OTHER COMMUNITY SERVICES THIS DEPARTMENT ALSO COORDINATES THE COMMUNITY VOLUNTEERS AND EMPLOYEE VOLUNTEERS WHO HELP TO RAISE FUNDS AND PROVIDE IN-KIND, NON-MEDICAL SERVICES TO OUR RESIDENTS, PATIENTS AND CONSUMERS PUBLIC RELATIONS, OUTREACH, INTERNAL COMMUNICATIONS, CHARITABLE FUND COMPLIANCE AND ACCOUNTABILITY ARE ALSO AMONG THE FOUNDATION'S DUTIES

Identifier	ReturnReference	Explanation
REPORTS FILED WITH STATES	PART VI, LINE 7	PA
IMPLEMENTATION PLAN	PART VI	BACKGROUNDALLIED SERVICES INTEGRATED HEALTH SYSTEM IS A NONPROFIT, POST-ACUTE HEALTHCARE PROVIDER, SERVING PERSONS WHO HAVE DISABILITIES, SERIOUS INJURIES, CHRONIC OR AGE-RELATED ILLNESSES AT THE CORE OF THE SYSTEM ARE HEINZ REHAB (WILKES-BARRE) AND ALLIED REHAB (SCRANTON) HOSPITALS THE HOSPITALS OFFER MEDICAL REHABILITATION PROGRAMS FOR INDIVIDUALS WHO HAVE EXPERIENCED STROKE, BRAIN INJURY, SPINAL CORD INJURY, CHILDHOOD DISABILITIES, AND MANY OTHER INJURIES AND ILLNESSES THROUGH ITS AFFILIATED NONPROFIT ORGANIZATIONS, ALLIED SERVICES ALSO PROVIDES BEHAVIORAL HEALTH SERVICES, RESIDENTIAL AND VOCATIONAL REHABILITATION FOR PERSONS WITH DEVELOPMENTAL AND INTELLECTUAL DISABILITIES, RESIDENTIAL SKILLED NURSING AND PERSONAL CARE, AND IN-HOME NONMEDICAL AND HEALTH SERVICES THE PATIENT PROTECTION & AFFORDABLE CARE ACT REQUIRES THAT NONPROFIT HOSPITALS DEVELOP A COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) AND IMPLEMENTATION PLAN AT LEAST ONCE EVERY THREE YEARS THE CHNA PROCESS IS AN OPPORTUNITY FOR ALLIED SERVICES TO (1) REVIEW REGIONAL HEALTH AND WELLNESS NEEDS, OPPORTUNITIES AND TRENDS, AND, (2) IDENTIFY EMERGING OPPORTUNITIES TO CONTRIBUTE TO IMPROVED PUBLIC HEALTH, ESPECIALLY THE HEALTH OF PERSONS WITH DISABILITIES, LIFE-CHANGING INJURIES AND CHRONIC ILLNESSES IN MAY OF 2013, THE BOARD OF ALLIED SERVICES FORMALLY ADOPTED A CHNA PLAN DEVELOPED BY THE HEALTHY NORTHEAST PENNSYLVANIA INITIATIVE, A COLLABORATIVE ORGANIZATION COMPRISED OF HOSPITALS, HEALTHCARE PROVIDERS, UNIVERSITIES AND PUBLIC HEALTH AUTHORITIES THE CHNA INCORPORATED INPUT FROM A BROAD RANGE OF STAKEHOLDERS (INDIVIDUALS, GROUPS, ORGANIZATIONS) WHO HAD COMPLETED WRITTEN SURVEYS AND PARTICIPATED IN FOCUS GROUP GATHERINGS THEIR COMMENTS ADDRESSED A HOST OF PUBLIC HEALTH CONCERNS, FROM MENTAL/BEHAVIORAL HEALTH TO SOCIOECONOMIC CONCERNS TO THE HEALTHCARE INSURANCE AND PROVIDERS BASED ON CHNA FINDINGS AND RECOMMENDATIONS, ALLIED SERVICES DEVELOPED AN IMPLEMENTATION PLAN TO ADDRESS THOSE NEEDS/CONCERNS THAT RELATED TO THE MISSION ALLIED SERVICES AND THE RESOURCES OF ITS REHABILITATION HOSPITALS THE IMPLEMENTATION PLAN COVERS THE PERIOD JULY, 2013 THROUGH JUNE, 2016 SEVERAL OF THE IMPLEMENTATION STRATEGIES BUILD UPON EXISTING PROGRAMS AND PRACTICES FOLLOWING IS A RECAP OF IMPLEMENTATION PLAN ACTIVITIES AND OUTPUTS DURING THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2014 AREA 1 MENTAL HEALTH2012 CHNA FINDINGS MENTAL HEALTH ISSUES ARE INCREASING [SIC], BUT THE STIGMA OF TREATMENT STILL EXISTS THERE IS A STRONG CORRELATION BETWEEN SUBSTANCE ABUSE AND MENTAL HEALTH ISSUES MEDICAL PERSONNEL MUST BE TRAINED TO SPOT MENTAL HEALTH ISSUES MENTAL HEALTH IMPLEMENTATION STRATEGIES 1 IMPROVE MENTAL HEALTH AWARENESS/SENSITIVITY AMONG DIRECT CARE AND SUPPORT STAFF THROUGH TRAINING PROGRAMS, IN-SERVICE OPPORTUNITIES AND PERIODIC UPDATES ON COMMUNITY MENTAL HEALTH RESOURCESOUTCOME COMPLETION OF TRAINING BY DIRECT-CARE, CLINICAL AND CUSTOMER-CONTACT STAFF 2 PROVIDE CHARITABLE AND IN-KIND SUPPORT TO COMMUNITY MENTAL HEALTH INITIATIVES INCLUDING CRISIS INTERVENTION TRAINING FOR FIRST RESPONDERS, NATIONAL ALLIANCE FOR MENTAL ILLNESS, SUICIDE PREVENTION, CRISIS INTERVENTION ORGANIZATIONS AND PEER SUPPORT ORGANIZATIONS OUTCOME CONTINUED VOLUNTARY CONTRIBUTIONS TO THESE ORGANIZATIONS IN OUR COMMUNITY (DETAILS ENUMERATED IN SCHEDULE H)2014 IMPLEMENTATION ACTIVITIES ALLIED SERVICES BEHAVIORAL HEALTH (A DIVISION OF ALLIED HEALTH CARE SERVICES) IS A REGIONAL PROVIDER OF RESIDENTIAL PSYCHIATRIC REHABILITATION AND COMMUNITY-BASED SERVICES THAT HELP PEOPLE WITH CHRONIC MENTAL ILLNESS TO PURSUE FULL RECOVERY AND SELF-SUFFICIENCY BASED ON THE PSYCHIATRIC REHABILITATION MODEL, CERTIFIED COUNSELORS AND SUPPORT STAFF HELP CLIENTS TO ADOPT HEALTHY BEHAVIORS AND PURSUE LIFE GOALS E G INCOME STABILITY, SOBRIETY, APPROPRIATE HOUSING, RESTORATION OF FAMILY AND PEER RELATIONSHIPS, ETC THE PROGRAM SERVES LACKAWANNA, SCHUYLKILL, SUSQUEHANNA AND TIOGA COUNTY CONSUMERS CONTRIBUTING THROUGH ALLIED SERVICES BEHAVIORAL HEALTH, WE CONTINUED OUR COORDINATION WITH AND SUPPORT FOR THE NATIONAL ALLIANCE FOR MENTAL ILLNESS SCRANTON (PA) CHAPTER, PROVIDING FINANCIAL SUPPORT FOR THEIR FUNDRAISING EVENTS AND IN-KIND SUPPORT FOR PUBLIC EDUCATION ACTIVITIES DURING THE YEAR IN ADDITION, FOUR CPI (CRISIS PREVENTION/INTERVENTION) STAFF TRAINING SESSIONS WERE HELD FOR ALLIED SERVICES STAFF PRESENTED BY A CERTIFIED TRAINER AND MEMBER OF OUR MANAGEMENT TEAM, CPI TECHNIQUES DEESCALATE CRISIS SITUATIONS USING VERBAL MEANS, TO PREVENT OR CURTAIL VIOLENT, DESTRUCTIVE OR HAZARDOUS BEHAVIORS ALLIED SERVICES BEHAVIORAL HEALTH STAFF MEMBERS HAVE PROVIDED CPI TRAINING TO EMERGENCY MANAGEMENT PERSONNEL, CRISIS FIRST RESPONDERS, COURT SYSTEM EMPLOYEES AND SOCIAL WORKERS WE ALSO WORK CLOSELY WITH LACKAWANNA COUNTYS MENTAL HEALTH COURT SYSTEM, HELPING TO DIVERT FROM THE COURT SYSTEM INDIVIDUALS WHOSE ARRESTS STEM FROM PROBLEM BEHAVIORS, DRUG/ALCOHOL OR MEDICATION COMPLIANCE PROBLEMS, AND CHRONIC MENTAL ILLNESS AREA 2 COMMUNITY HEALTH EDUCATION & HEALTH RESOURCE INFORMATION2012 CHNA FINDINGS LACK OF HEALTH RESOURCE AWARENESS BY PATIENTS, RESIDENTS [OF LUZERNE AND LACKAWANNA COUNTIES] LACK OF UNDERSTANDING OF KEY HEALTH ISSUES AND PREVENTIVE CARE INFORMATION ON HEALTH PROGRAMS IS SCATTERED AND CAN BE DIFFICULT TO PIECE TOGETHER HIGH BLOOD PRESSURE AND HIGH CHOLESTEROL IS HIGH [SIC] AMONG THE SAMPLE HEALTH EDUCATION/INFORMATION IMPLEMENTATION STRATEGIES 1 CONTINUE FREE HEALTH EDUCATION LECTURES, SCREENINGS, SUPPORT GROUPS AND OTHER COMMUNITY/PATIENT EDUCATION OPPORTUNITIES OUTCOME PROVISION OF THESE SERVICES TO RESIDENTS OF LUZERNE & LACKAWANNA COUNTIES 2 CONTINUE FINANCIAL AND IN-KIND CONTRIBUTIONS (GUEST SPEAKERS, FACILITY USE, REFRESHMENTS, SUPPLIES, PATIENT EDUCATION MATERIALS) TO RECOGNIZED PROVIDERS OF HEALTH EDUCATION AND SUPPORTIVE SERVICES OUTCOME PROVISION OF THESE SERVICES TO RESIDENTS OF LUZERNE & LACKAWANNA COUNTIES 2014 IMPLEMENTATION ACTIVITIES ALLIED SERVICES REHABILITATION HOSPITALS ARE INVOLVED IN COMMUNITY HEALTH EDUCATION YEAR-ROUND, SUPPLYING EXPERT SPEAKERS, LOGISTICAL AND ADVERTISING SUPPORT, FACILITIES AND SUPPLIES FOR HEALTH LECTURES, SCREENINGS, FAIRS AND RELATED EVENTS THE SCREENINGS AND LECTURES HOSTED AT ALLIED REHAB AND HEINZ REHAB INCLUDED BALANCE/FALL PREVENTION SCREENINGS, CONCUSSION PREVENTION AND TESTING, LYMPHEDEMA, SPORTS INJURIES, STROKE REHAB SCREENINGS, CAR ADAPTATION, HEAD INJURY PREVENTION, OSTEOPOROSIS, RHEUMATOID ARTHRITIS, SPEECH/SWALLOWING CLINIC RUNNING WARM UP TECHNIQUES, EXERCISE FOR CANCER PATIENTS, HYPERCHOLESTEROLEMIA, ORTHOPEDIC TRAUMA, AND PARKINSONS REHAB FULL DETAILS ARE AVAILABLE AS PART OF SCHEDULE H OUR HOSPITALS ALSO FACILITATE AND/OR HOST SUPPORT GROUPS FOR INDIVIDUALS WHO ARE WORKING TO RECOVERY FROM TRAUMATIC BRAIN INJURY, PARKINSONS DISEASE, STROKE, LIMB AMPUTATION, MYESTHENIA GRAVIS AND OTHER DISABLING ILLNESSES DETAILS REGARDING ALLIED SERVICES FINANCIAL AND IN-KIND CONTRIBUTIONS TO HEALTH CHARITIES AND HEALTH EDUCATION PROGRAMS ARE PROVIDED IN SCHEDULE H

Identifier	ReturnReference	Explanation
		AREA 3 POPULATION DIVERSITY2012 CHNA FINDING THE REGIONS INCREASING RACIAL AND ETHNIC DIVERSITY REQUIRES CULTURAL TRAINING AND HEALTH PROFESSIONALS WITH MULTIPLE LANGUAGE PROFICIENCIES POPULATION DIVERSITY IMPLEMENTATION STRATEGIES 1 ENSURE THAT PRE-ADMISSION ASSESSMENT, NURSING ASSESSMENT AND COMMUNICATION SHEET REFLECT CULTURAL/LANGUAGE COMMUNICATION INFORMATION AND UPDATES THIS IS AN ONGOING ACTIVITY 2 ENSURE THAT CONTINUING EDUCATION OF STAFF, ORIENTATION OF NEW STAFF, AND CLINICAL MATERIALS ADDRESS CULTURAL COMPETENCE AND DIVERSITY ISSUES THIS IS AN ONGOING ACTIVITY 3 MAKE KEY PATIENT INFORMATION, COMPLIANCE, PATIENT AND CAREGIVER EDUCATION DOCUMENTS AVAILABLE IN SPANISH DOCUMENTS WILL BE TRANSLATED AND INCORPORATED INTO HOSPITALS PROCESSES FOR REGISTRATION, ADMISSIONS, DISCHARGE, ETC 2014 IMPLEMENTATION ACTIVITIESALLIED REHAB AND HEINZ REHAB RELY UPON JOINT COMMISSION STANDARDS IN ESTABLISHING EMPLOYEE CULTURAL COMPETENCY POLICIES AND PROCEDURES SPECIFICALLY, WITH LEADERSHIP FROM THEIR NURSING AND SOCIAL WORK SUPERVISORY PERSONNEL, BOTH HOSPITALS HAVE FORMALLY ADOPTED THE JOINT COMMISSIONS DIVERSITY/CULTURAL COMPETENCY ROAD MAP AND RESOURCE GUIDE THE ROAD MAP IS A GUIDE TO HEIGHTENING THE SENSITIVITY OF MANAGERS, CLINICIANS, CAREGIVERS AND SUPPORT PERSONNEL REGARDING A WIDE RANGE OF CULTURAL, RELIGIOUS AND ETHNIC TRADITIONS TOPICS INCLUDE HEALTH CARE PREFERENCES AND ATTITUDES, SOCIAL, FAMILIAL AND INTERPERSONAL NORMS, DIETARY AND CLOTHING RESTRICTIONS AND THE LIKE OUR DIVERSITY AWARENESS EFFORTS OBTAIN NOT ONLY TO SOCIAL, CULTURAL AND RELIGIOUS MINORITIES, BUT ALSO PATIENTS WITH VISION OR HEARING PROBLEMS, COGNITIVE AND INTELLECTUAL DEFICITS, AND OTHER DIFFERENCES TO ENFORCE CULTURAL COMPETENCY STANDARDS FOR ALL HOSPITAL PERSONNEL, ALLIED SERVICES HAS INCORPORATED CULTURAL COMPETENCY TRAINING MODULES INTO OUR HEALTHSTREAM ONLINE EMPLOYEE EDUCATION SYSTEM HEALTHSTREAM ALLOWS EMPLOYEES TO TRAIN AND TEST INDEPENDENTLY IN SUBJECTS APPROPRIATE TO THEIR WORK (DIVISION MANAGERS AND SUPERVISORS PREPARE A COURSE ROSTER FOR EACH POSITION TITLE, BASED ON ITS DUTIES AND RESPONSIBILITIES TYPICAL COURSES INCLUDE INFECTION CONTROL PRACTICES, FIRE SAFETY, CORPORATE COMPLIANCE, ETHICAL PRACTICES, ETC) ALLIED REHAB AND HEINZ REHAB PROCEDURES HAVE BEEN UPDATED TO IMPROVE OUR CAPACITY TO SERVE A WIDE RANGE OF PATIENTS/CONSUMERS FOR EXAMPLE, THE PREADMISSION INTAKE PROCESS NOW PROMPTS THE PATIENT TO IDENTIFY HIS/HER PREFERRED LANGUAGE, USING LANGUAGE AIDS OR INTERPRETATION SERVICES, AS NEEDED THE INFORMATION IS USED TO PROVIDE ADVANCE NOTICE TO NURSING, CLINICAL AND DIETARY DEPARTMENTS, SO THAT THE APPROPRIATE ACCOMMODATIONS ARE IN PLACE AT THE TIME OF ADMISSION IN ADDITION, MANY STANDARD FORMS E G , CONSENT FORMS, PATIENT BILL OF RIGHTS, CIVIL RIGHTS NOTICES, ETC ARE AVAILABLE IN SPANISH AND ENGLISH FINALLY, ALLIED SERVICES ASPIRE¹ ELECTRONIC HEALTH RECORDS SYSTEM WILL GENERATE WRITTEN HEALTH EDUCATION INSTRUCTIONS IN MANY LANGUAGES (EXAMPLES INCLUDE WOUND CARE INSTRUCTIONS, TIPS FOR CONTROLLING DIABETES, HYPERTENSION, OR OBESITY)HUMAN RESOURCES BEST PRACTICES AND AFFIRMATIVE ACTION INITIATIVES ARE HELPING TO BUILD ALLIED SERVICES CAPACITY TO MEET SERVE AND RESPECT THE PREFERENCES OF DIVERSE PATIENT POPULATIONS RECENT ADDITIONS TO OUR NURSING WORKFORCE HAVE EXPANDED OUR RACIAL, ETHNIC, RELIGIOUS AND LANGUAGE DIVERSITY ALLIED SERVICES RELIANCE ON THE JOINT COMMISSION ROAD MAP WILL CONTINUE, MANAGED BY AN INTER-DIVISIONAL TEAM COMPRISED OF LEADERSHIP REPRESENTATIVES FROM CLINICAL, NURSING, ADMISSIONS, HUMAN RESOURCES AND SOCIAL WORK DEPARTMENTS FINALLY, OUR HOSPITALS CONTINUE TO RELY HEAVILY ON INTERPRETALK TELEPHONIC AND FACE-TO-FACE ELECTRONIC TRANSLATION SERVICES TO ACCOMMODATE NON-ENGLISH SPEAKERS AND PERSONS WITH SPECIAL NEEDS DURING THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013, TELE-TRANSLATION SERVICES WERE PROVIDED FOR 118 ENCOUNTERS WITH PATIENTS WHOSE PRIMARY LANGUAGES INCLUDED SPANISH, GUJARATI, PUNJABI, NEPALI, HINDI, LAOTIAN, VIETNAMESE, ARABIC, AND INDONESIAN TWENTY-EIGHT FACE-TO-FACE TRANSLATION SESSIONS WERE ALSO PROVIDED ALTHOUGH INTREPRETALK WAS AVAILABLE TO OUR PATIENTS LONG BEFORE ALLIED SERVICES ADOPTION OF THE CHNA, IT CONTINUES AS AN ESSENTIAL TOOL AS WE WORK TO SERVE DIVERSE POPULATIONS WITH RESPECT AND DIGNITY RECENT ADOPTION OF A VIDEO-ENABLED (SKYPE-LIKE) EQUIPMENT AND SOFTWARE HAS EXPANDED THIS CAPACITY EVEN FURTHER AREA 4 PROVIDER COMMUNICATION & COLLABORATION2012 CHNA FINDINGS LACK OF COLLABORATION AMONG ORGANIZATIONS, RESOURCES, PROVIDERS AREA HOSPITALS HAVE OPPORTUNITIES TO WORK TOGETHER IN SEVERAL SPECIALTY AREAS THERE IS A PERCEPTION OF UNAVAILABILITY OF HEALTH CARE PROVIDERS WITHIN THE REGION THERE IS NO COLLABORATION BETWEEN PRIMARY CARE PHYSICIANS AND SPECIALISTS COMMUNICATION & COLLABORATION IMPLEMENTATION STRATEGIES 1 COMPLETE THE IMPLEMENTATION OF ASPIRE¹ EHR SYSTEM-WIDE TO IMPROVE THE ACCURACY, TIMELINESS, AND EFFECTIVE USE OF CLINICAL INFORMATION, AND TO ENABLE INTEGRATED, MULTI-DISCIPLINARY DECISION MAKING, FOR SAFER AND MORE EFFECTIVE CARE OUTCOMES INCLUDE MORE EFFECTIVE, EFFICIENT CARE 2 INSTITUTE REAL TIME PATIENT TRACKING/REPORTING TO REFERRING PHYSICIANS, HOSPITALS, ETC OUTCOMES INCLUDE BETTER COORDINATION OF CAREE G , REDUCED LAG-TIME IN OBTAINING/EXPEDITING PHYSICIAN ORDERS, IMPROVED SAFETY AND EFFICIENCY OF TRANSITIONS BETWEEN CARE SETTINGS AND DISCHARGES TO OTHER FACILITIES OR TO HOME 3 CONTINUE OUTREACH TO PHYSICIANS, SPECIALISTS, CARE COORDINATORS, COMMUNITY HEALTH AND HOME HEALTH ORGANIZATIONS REGARDING ALLIED REHAB AND HEINZ REHAB PROGRAMSOUTCOMES INCLUDE WRITTEN AND IN-PERSON COMMUNICATIONS WITH PHYSICIANS/SPECIALISTS, CARE PROVIDERS, HOSPITALS, HOME HEALTH ORGANIZATIONS, LONG TERM CARE ORGANIZATIONS2014 IMPLEMENTATION ACTIVITIESTHE IMPLEMENTATION OF THE ASPIRE¹ ELECTRONIC MEDICAL RECORDS SYSTEM BEGAN WITH ALLIED SERVICES HOME HEALTH IN APRIL OF 2013, AND CONTINUED WITH REHABILITATION HOSPITALS GOING LIVE IN FEBRUARY, 2014 MANY MONTHS OF INTENSIVE SYSTEM DEVELOPMENT, TESTING, AND STAFF TRAINING ENABLED ALLIED SERVICES TO BRING THE ASPIRE¹ EMR SYSTEM TO THE COMMUNITY WE SERVE ASPIRE¹ PROMISES TO REDUCE THE PAPERWORK AND DATA-ENTRY BURDEN OF CLINICIANS AND CAREGIVERS, FREEING VALUABLE TIME FOR PATIENT CARE ITS FEATURES ALSO IMPROVE THE SPEED AND ACCURACY OF CARE-RELATED FUNCTIONS SUCH AS PHYSICIAN ORDER ENTRY/INSTRUCTIONS, ENTRY AND AVAILABILITY OF CLINICAL PROGRESS NOTES, MEDICATION SAFETY AND ALLERGY ALERT S, CLINICAL BEST PRACTICES, AND PREPARATION OF COMPLETE, PATIENT-FRIENDLY DISCHARGE INSTRUCTIONS ALL OF THESE FEATURES CONTRIBUTE TO BETTER HEALTH OUTCOMES FOR OUR PATIENTS AT THIS EARLY STAGE, THE CLINICAL AND INFORMATIONAL BENEFITS OF ASPIRE¹ ARE STILL RELATIVELY NEW ALLIED SERVICES ANTICIPATES SIGNIFICANT BENEFITS AT ALL LEVELS AT THE BEDSIDE, IN THE PROVISION OF REHAB THERAPIES AND NURSING CARE, IN CLINICAL COORDINATION AND CARE MANAGEMENT, AND AFTER-CARE FURTHER, WE EXPECT THAT IT WILL INFORM THE DEVELOPMENT AND MANAGEMENT OF EVIDENCE-BASED PRACTICES AND POLICIES WHICH WILL IMPROVE PATIENT HEALTH WITH REGARD TO OUT-BOUND COMMUNICATION TO PHYSICIANS, HOME HEALTH AND OTHER FOLLOW-ON CARE PROVIDERS THROUGH ASPIRE¹ ALLIED CONTINUES TO INTEGRATE ITS SYSTEMS TO PROVIDE SINGLE-POINT REPORTING TO ITS USER COMMUNITY A CORPORATE-WIDE PATIENT INDEX, WHICH CURRENTLY SUPPORTS HOME HEALTH AND REHABILITATION HOSPITAL DIVISIONS, WILL EXPAND TO OUR NEW TRANSITIONAL CARE UNIT WHEN IT OPENS ON JUNE 1, 2014 PLANNING IS UNDERWAY TO INCLUDE ALL PATIENTS OF ALL DIVISIONS WITHIN THIS SYSTEM BY THE END OF NEXT FISCAL YEAR, JUNE 30, 2015

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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
ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE

Employer identification number
23-2523395

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) ALLIED SERVICES FOUNDATION 100 ABINGTON EXECUTIVE PARK CLARKS SUMMIT, PA 18411	23-2523682	501(C)(3)	1,997,485		CASH		INVESTMENT OF FUNDS AND EVENTUAL USE FOR PURCHASE OF FIXED ASSETS

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

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
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 THE ENTITIES RECEIVING GRANTS ARE RELATED ORGANIZATIONS WITH COMMON MANAGEMENT THE MONITORING OF GRANT FUNDING IS PERFORMED BY EXPENSE REVIEW PRIOR TO REIMBURSMENT OF FUNDS

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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
ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE

Employer identification number
23-2523395

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**		No
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				
(1)WILLIAM CONABOY ESQ DIRECTOR	(i)	0	0	0	0	0	0	0
	(ii)	525,089	0	0	0	14,838	539,927	0
(2)JACQUELINE BROZENA ASST SECRETARY	(i)	0	0	0	0	0	0	0
	(ii)	293,150	0	0	0	6,965	300,115	0
(3)MICHAEL AVVISATO ASST TREASURER	(i)	0	0	0	0	0	0	0
	(ii)	293,601	0	0	0	15,500	309,101	0
(4)ROBERT COLE VP OF SYSTEM IMPROVEMENT	(i)	149,030	0	0	0	12,468	161,498	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 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

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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
ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE

Employer identification number
23-2523395

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 6	THE MEMBERS OF ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE (THE "HOSPITAL") SHALL BE THOSE PERSONS SERVING FROM TIME TO TIME AS MEMBERS OF THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS OF ALLIED SERVICES FOUNDATION (THE "FOUNDATION"), IN EACH CASE TO SERVE IN SUCH CAPACITY AT THE DISCRETION OF THE FOUNDATION, AND SUBJECT TO REMOVAL BY THE FOUNDATION AT ANY TIME, WITH OR WITHOUT CAUSE.

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7A	AS DOCUMENTED IN THE HOSPITAL'S BY LAWS, THE MEMBERS , AT THEIR ANNUAL MEETING, SHALL ELECT THE PRESIDENT OF THE BOARD FROM AMONG THE NOMINEES FOR SUCH OFFICE SUBMITTED TO THE MEMBERS BY THE PRESIDENT OF THE FOUNDATION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	THE FORM 990 WAS REVIEWED IN DETAIL BY THE CHAIRMAN OF THE BOARD AND THE CHAIRMAN OF THE AUDIT COMMITTEE. THE BOARD OF DIRECTORS IS NOTIFIED AND GIVEN ACCESS TO THE 990 VIA A WEBLINK PRIOR TO FILING WITH THE IRS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	ALLIED SERVICES CONFLICT OF INTEREST POLICY COVERS BOARD MEMBERS DOWN TO DEPARTMENT HEADS AS WELL AS ANY STAFF THAT ARE INVOLVED IN THE PURCHASING PROCESS ALL COVERED PERSONS MUST COMPLETE AN ANNUAL CONFLICT STATEMENT IF A TRANSACTION IS PROPOSED INVOLVING A CONFLICT, THE BOARD INVESTIGATES ALTERNATIVES FOR THE TRANSACTION AND MAKES A DETERMINATION IF A MORE ADVANTAGEOUS ARRANGEMENT CAN BE MADE MEMBERS INVOLVED IN THE CONFLICT MUST ABSTAIN FROM VOTING ON SUCH MATTERS ANY VIOLATIONS OF THE POLICY ARE HANDLED AS NECESSARY FROM REPRIMAND TO TERMINATION FROM THE BOARD OR EMPLOYMENT, DEPENDING ON THE SEVERITY OF THE OFFENSE COMPLIANCE WITH THIS POLICY IS MONITORED BY THE VICE PRESIDENT OF HUMAN RESOURCES

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	ALLIED PARTICIPATES IN MULTIPLE REGIONAL SALARY SURVEYS, TWO OF WHICH ARE THE SOCIETY OF HEALTHCARE HUMAN RESOURCES OF PENNSYLVANIA AND THE APPALACHIAN HEALTHCARE HUMAN RESOURCES SOCIETY, TO DETERMINE MARKET COMPETITIVENESS, AND CONSIDERS THE EXTERNAL MARKET AS A FACTOR IN THE JOB EVALUATION PROCESS COMPENSATION FOR OFFICERS AND KEY EMPLOYEES IS REVIEWED BY A COMPENSATION COMMITTEE OF THE BOARD INCREASES ARE RECOMMENDED BY THE COMMITTEE AND APPROVED BY THE BOARD OF DIRECTORS BASED ON THE EXTERNAL SURVEYS AND INTERNAL REVIEWS THIS PROCESS IS DOCUMENTED BY THE COMPENSATION COMMITTEE AND THE BOARD OF DIRECTORS FOR ALL OTHER EMPLOYEES, ALLIED SERVICES FOLLOWS AN INTERNAL JOB EVALUATION PROCESS, ADMINISTERED BY A CROSS DIVISIONAL JOB EVALUATION TEAM COMPRISED OF DIRECTORS AND ASSISTANT VICE PRESIDENTS THE JOB EVALUATION PROCESS IS BASED ON A FOURTEEN POINT FACTOR SYSTEM AND INTERNAL ALIGNMENT WITHIN JOB CLASSIFICATION THIS PROCESS IS DOCUMENTED AND LABOR GRADE RECOMMENDATIONS BASED ON BOTH INTERNAL AND EXTERNAL RESULTS ARE MADE TO THE DIVISIONAL VICE PRESIDENT AND VICE PRESIDENT OF HUMAN RESOURCES FOR FINAL APPROVAL

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

Identifier	Return Reference	Explanation
OTHER FEES	FORM 990, PART IX, LINE 11G	NURSING PROFESSIONAL FEES PROGRAM SERVICE EXPENSES 320,388 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 320,388 PHARMACY PROFESSIONAL FEES PROGRAM SERVICE EXPENSES 99,012 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 99,012 LAB PROFESSIONAL FEES PROGRAM SERVICE EXPENSES 118,872 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 118,872 RADIOLOGY PROFESSIONAL FEES PROGRAM SERVICE EXPENSES 95,474 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 95,474 PHYSIATRIST PROFESSIONAL FEES PROGRAM SERVICE EXPENSES 434,526 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 434,526 OUTSIDE SERVICES AND AMBULATORY SERVICES PROF FEES PROGRAM SERVICE EXPENSES 152,233 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 152,233 OTHER PROFESSIONAL FEES PROGRAM SERVICE EXPENSES 23,288 MANAGEMENT AND GENERAL EXPENSES 13,120 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 36,408 CONSULTING FEES PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 53,019 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 53,019 CORPORATE PURCHASED SERVICES PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 2,933,844 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 2,933,844

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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
ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE

Employer identification number
23-2523395

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
See Additional Data Table							

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?		(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	

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	No

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

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

		Yes	No
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	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d	Yes	
e Loans or loan guarantees by related organization(s)	1e	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		No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
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	Yes	
p Reimbursement paid to related organization(s) for expenses	1p	Yes	
q Reimbursement paid by related organization(s) for expenses	1q		No
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		No

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

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	

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 23-2523395
Name: ALLIED SERVICES INSTITUTE OF REHABILITATION MEDICINE

Part VII **Supplemental Information**

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

Identifier	Return Reference	Explanation	

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Allied Services Foundation and Controlled Entities

Consolidated Financial Statements and Supplementary Information

June 30, 2013 and 2012

ParenteBeard

CONFIDENCE THROUGH CLARITY

Allied Services Foundation and Controlled Entities

Table of Contents
June 30, 2013 and 2012

ParenteBeard

Independent Auditors' Report

Board of Directors
Allied Services Foundation

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Allied Services Foundation and controlled entities, which comprise the consolidated balance sheet as of June 30, 2013 and 2012, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Allied Services Foundation and controlled entities as of June 30, 2013 and 2012, and the results of their operations, changes in net assets, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole The supplementary consolidating information presented on pages 28 to 39 is presented for purposes of additional analysis rather than to present the financial position, results of operations, and changes in net assets, of the individual companies, and is not a required part of the consolidated 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 consolidated financial statements The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole

Parente Beard LLC

Wilkes-Barre, Pennsylvania
November 25, 2013

Allied Services Foundation and Controlled Entities

Consolidated Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets		
Cash and cash equivalents	$ 3,914,749	$ 4,638,048
Restricted cash, resident funds	244,120	282,652
Assets whose use is limited	49,629	53,410
Accounts receivable (net of estimated allowance for doubtful collections of $2,075,000 in 2013 and $2,352,000 in 2012)	17,327,669	17,368,825
Estimated third-party payor settlements	3,397,691	3,869,878
Inventories	1,132,646	1,178,620
Prepaid expenses and other current assets	2,289,102	2,460,003
Total current assets	28,355,606	29,851,436
Assets Whose Use is Limited	9,224,884	9,200,653
Investments	54,932,910	50,463,965
Property and Equipment, Net	39,604,746	38,235,870
Other Assets	50,000	50,000
Deferred Financing Costs, Net	228,872	273,259
Total assets	$ 132,397,018	$ 128,075,183

	2013	2012
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long-term debt	$ 3,425,174	$ 3,812,574
Accounts payable and accrued expenses	3,284,831	3,535,427
Estimated third-party payor settlements	3,615,576	4,432,429
Accrued workers' compensation	1,438,000	1,404,000
Accrued payroll and related liabilities	6,947,849	6,396,139
Accrued interest	913	954
Resident funds	244,120	282,652
Total current liabilities	18,956,463	19,864,175
Long-Term Debt	14,457,845	17,990,724
Pension Liability	10,004,056	16,039,769
Malpractice and General Liability	2,444,296	2,647,469
Workers' Compensation	4,250,300	3,816,449
Total liabilities	50,112,960	60,358,586
Net Assets		
Unrestricted	79,041,067	64,221,561
Temporarily restricted	1,122,534	1,419,477
Permanently restricted	2,120,457	2,075,559
Total net assets	82,284,058	67,716,597
Total liabilities and net assets	$ 132,397,018	$ 128,075,183

See notes to consolidated financial statements

Allied Services Foundation and Controlled Entities

Consolidated Statement of Operations
Years Ended June 30, 2013 and 2012

	2013	2012
Unrestricted Revenues		
Net patient service revenues	$ 124,695,311	$ 125,284,457
Pennsylvania hospital and nursing home assessments	3,532,462	3,245,566
Other revenues	30,552,024	34,179,099
Net assets released from restrictions	633,435	134,939
Total unrestricted revenues	159,413,232	162,844,061
Expenses		
Salaries, wages, and contract labor	91,105,766	93,197,962
Supplies and expenses	34,275,205	35,143,316
Employee benefits	20,580,138	18,731,305
Depreciation and amortization	5,165,574	5,026,867
Interest expense	679,086	1,113,657
Pennsylvania hospital and nursing home assessments	2,237,308	2,072,608
Provision for doubtful collections	878,848	746,387
Total expenses	154,921,925	156,032,102
Operating income	4,491,307	6,811,959
Investment Income	3,798,969	1,632,074
Revenues in excess of expenses	8,290,276	8,444,033
Pension Liability Adjustment	6,149,029	(9,784,710)
Net Assets Released from Restrictions for Purchase of Property and Equipment	380,201	293,777
Increase (decrease) in unrestricted net assets	$ 14,819,506	$ (1,046,900)

See notes to consolidated financial statements

Allied Services Foundation and Controlled Entities

Consolidated Statement of Changes in Net Assets
Years Ended June 30, 2013 and 2012

	2013	2012
Unrestricted Net Assets		
Revenues in excess of expenses	$ 8,290,276	$ 8,444,033
Pension liability adjustment	6,149,029	(9,784,710)
Net assets released from restrictions for purchase of property and equipment	380,201	293,777
Increase (decrease) in unrestricted net assets	14,819,506	(1,046,900)
Temporarily Restricted Net Assets		
Contributions	711,170	513,877
Investment income	5,523	7,942
Net assets released from restrictions for Operations	(633,435)	(134,939)
Purchase of property and equipment	(380,201)	(293,777)
(Decrease) increase in temporarily restricted net assets	(296,943)	93,103
Increase in Permanently Restricted Net Assets		
Contributions and investment income	44,898	14,494
(Decrease) increase in net assets	14,567,461	(939,303)
Net Assets, Beginning	67,716,597	68,655,900
Net Assets, Ending	$ 82,284,058	$ 67,716,597

See notes to consolidated financial statements

Allied Services Foundation and Controlled Entities

Consolidated Statement of Cash Flows
Years Ended June 30, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities		
Increase (decrease) in net assets	$ 14,567,461	$ (939,303)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities		
Depreciation and amortization	5,165,574	5,026,867
Provision for doubtful collections	878,848	746,387
Net realized gain on sales of investments	(1,052,033)	(350,753)
Restricted contributions and investment income	(373,776)	(193,130)
Net unrealized gain on investments	(1,670,486)	(170,510)
Pension liability adjustment	(6,149,029)	9,784,710
Changes in assets and liabilities		
Accounts receivable	(837,692)	(3,764,805)
Estimated third-party payor settlements	(344,666)	(19,894)
Inventories	45,974	(75,291)
Prepaid expenses and other current assets	170,901	(753,613)
Accounts payable and accrued expenses	301,073	(657,927)
Malpractice and general liability	(203,173)	129,586
Pension liability	113,316	(1,237,448)
Workers' compensation	467,851	355,400
Net cash provided by operating activities	11,080,143	7,880,276
Cash Flows from Investing Activities		
Net purchases of investments	(1,766,876)	(2,187,074)
Increase in other assets	-	(50,000)
Purchase of property and equipment	(6,487,685)	(5,166,573)
Net cash used in investing activities	(8,254,561)	(7,403,647)
Cash Flows from Financing Activities		
Repayment of long-term debt	(3,920,279)	(4,497,126)
Proceeds from restricted contributions and investment income	373,776	193,130
Payment of financing costs	(2,378)	-
Net cash used in financing activities	(3,548,881)	(4,303,996)
Net decrease in cash and cash equivalents	(723,299)	(3,827,367)
Cash and Cash Equivalents, Beginning	4,638,048	8,465,415
Cash and Cash Equivalents, Ending	$ 3,914,749	$ 4,638,048
Supplemental Disclosure of Cash Flow Information		
Interest paid	$ 679,127	$ 1,131,321

See notes to consolidated financial statements

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations and Basis of Presentation

Allied Services Foundation (the "Foundation") is a not-for-profit corporation located in Scranton, Pennsylvania

The consolidated financial statements include the accounts of Allied Services Foundation and controlled entities (collectively, "Allied") Control by the Foundation is established by its ability to appoint Board members as sole corporate member The following is a brief description of each of the controlled entities.

- Allied Services Institute of Rehabilitation Medicine ("ASIRM") – operates a rehabilitation hospital licensed for 103-beds ASIRM also operates 32 licensed beds at local hospitals and outpatient physical therapy clinics

- The John Heinz Institute of Rehabilitation Medicine ("Heinz") – operates a rehabilitation hospital licensed for 71-beds Heinz also operates a 21-bed skilled nursing transitional unit and outpatient physical therapy clinics

- Allied Services Skilled Nursing Center ("SNC") – operates a skilled nursing care facility licensed for 371-beds

- Allied Health Care Services ("AHCS") - provides home nursing and attendant services, provides mental health services, provides general packaging, mechanical assembly, mailing, custodial, and other services through its vocational services division, provides pharmacy services to patients at Allied's various inpatient and outpatient settings, and leases office space to third parties.

- Allied Services Personal Care, Inc ("Allied Terrace") – operates a personal care facility licensed for 84-beds

- Allied Services Risk Retention Group ("RRG") – a self-insurance company created on July 1, 2004 to provide primary medical and professional liability coverage, as well as general liability insurance and risk management services for Allied

- Allied Services Retirement Community ("ASRC") – ASRC was formed in 2006 for purposes of providing independent living services ASRC converted four existing personal care units operated by Allied Terrace into four independent living units and is leasing these units from Allied Terrace

All significant intercompany balances and transactions have been eliminated in consolidation

Allied's primary service area includes Northeastern Pennsylvania

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments purchased with an original maturity of three months or less, excluding assets whose use is limited, investments, and restricted cash, resident funds

Accounts Receivable

Accounts receivable are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts The allowance for doubtful collections is estimated based upon a periodic review of the accounts receivable aging, payor classifications, and application of historical write-off percentages

Resident Funds

Resident funds are accounted for as trust funds and are separately maintained from other funds

Assets Whose Use is Limited

Assets whose use is limited include assets designated by the board of directors for future capital improvements, over which the board retains control and may, at its discretion, subsequently use for other purposes, assets restricted under financing agreements, and assets required in connection with Allied's self-insurance programs Amounts available to meet current liabilities have been classified as current assets in the consolidated balance sheet

Investments and Investment Risk

Investments include assets available for the general use and purposes of Allied, assets whose use by Allied has been limited by donors to specific purposes, and assets to be held by Allied in perpetuity

Investments in equity securities with readily determinable fair values and all investments in debt securities and certificates of deposit are measured at fair value in the consolidated balance sheet The fair value of substantially all securities is determined by quoted market prices Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in revenues in excess of expenses unless the income or loss is restricted by donor or law Interest income is measured as earned on the accrual basis Dividends are measured based on the ex-dividend date Purchases and sales of securities and realized gains and losses are recorded on a trade-date basis

Allied's investments are comprised of a variety of financial instruments and are managed by investment advisors. The fair values reported in the consolidated balance sheet are subject to various risks including changes in the equity markets, the interest rate environment, and general economic conditions Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the consolidated balance sheet could change materially in the near term

Inventories

Inventories of drugs, supplies, and materials are stated at the lower of cost or market Cost is determined on a first-in, first-out basis

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets Depreciation was $5,118,809 in 2013 and $4,980,105 in 2012

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

Deferred Financing Costs

Deferred financing costs of $564,740 at June 30, 2013 and $562,362 at June 30, 2012 consist of costs related to long-term debt financings which are amortized over the term of the applicable debt, generally using an effective interest method Amortization was $46,765 in 2013 and $46,762 in 2012 Accumulated amortization was $335,868 and $289,103 at June 30, 2013 and 2012, respectively

Estimated Medical Malpractice and General Liability Costs

The provision for estimated medical malpractice and general liability claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by Allied has been limited by donors to support various programs of Allied Permanently restricted net assets have been restricted by donors to be maintained by Allied in perpetuity

Net Patient Service Revenues

Allied has agreements with third-party payors that provide for payments to Allied at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments

Net patient service revenues are reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined It is reasonably possible that the estimates used could change in the near term

Other Revenues

Other revenues primarily include revenues related to the provision of home attendant, mental health, pharmacy, general packaging, mechanical assembly, mailing, custodial, and other services Other revenues also include rental revenues for office space.

AHCS has agreements with the Lackawanna-Susquehanna Counties, Schuylkill County, and Bradford County Mental Health and Mental Retardation Programs to provide community residential rehabilitation and supported living services to mentally handicapped individuals and to instruct rehabilitated patients in work skills Such revenues are reported at contracted amounts in the period services are rendered The recorded amounts are subject to audit by various governmental agencies

AHCS also has an agreement with the Pennsylvania Department of Public Welfare ("DPW") to provide Personal Assistant Services ("PAS") to the elderly and physically disabled in certain Pennsylvania counties The PAS are provided through two different DPW programs, or "Models", the PAS Consumer Model and the PAS Agency Model The majority of AHCS' PAS have historically been provided through the PAS Consumer Model Services provided through the PAS Consumer Model and PAS Agency Model have been paid on a fee-for-service basis and reported in the period services are rendered The recorded amounts are subject to audit by DPW

AHCS was notified by DPW that, effective January 1, 2011, agencies providing PAS through the Consumer Model were required to enroll as a separate entity (Fiscal/Employer Agent) with a separate bank account for payroll services for consumer employers to clearly delineate between the PAS Consumer Model funds and PAS Agency Model funds As a result of this change, allowable costs for the PAS Consumer Model only include payroll and related expenses In effect, DPW changed the reimbursement system effective January 1, 2011 for PAS through the Consumer Model from a prospective (fee-for-service) system to a cost-based system This decrease in allowable costs also resulted in a decrease in the revenues recognized by AHCS for services provided under the PAS Consumer Model effective January 1, 2011 This change continues to be contested by a coalition of agencies participating in the Consumer Model, including AHCS

Through October 31, 2012, DPW continued to reimburse AHCS for services provided through the PAS Consumer Model using its pre-January 1, 2011 reimbursement (fee-for-service) methodology. As a result, AHCS estimated an amount due to DPW of $2,194,000 at June 30, 2013 and $2,074,000 at June 30, 2012 This amount is included in estimated third-party payor settlements (liability) in the consolidated balance sheet It is reasonably possible that this estimate could change in the near term

Effective November 1, 2012, AHCS is no longer providing services through the PAS Consumer Model AHCS does, however, continue to provide PAS through the PAS Agency Model

AHCS leases office space and accounts for such leases as operating leases Lease revenues are recognized as billed over the term of the leases

AHCS has an agreement with the Social Security Administration ("SSA") to provide custodial, snow removal, and landscaping services at SSA's Wilkes-Barre Operations Center This contract provides for estimated annual payments approximating $2,200,000 through June 30, 2018 AHCS has an agreement with the Tobyhanna Army Depot ("TAD") to provide custodial and snow removal services at their Tobyhanna Operations Center This contract provides for estimated annual payments approximating $3,250,000 through September 30, 2015 The obligations of SSA and TAD to perform under the terms of these contracts are contingent upon the availability of funds from which payment for contract purposes can be made

Donor-Restricted Gifts

Allied reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statement of operations as net assets released from restrictions

Advertising Costs

Advertising costs are expensed as incurred and were approximately $902,000 in 2013 and $748,000 in 2012

Income Taxes

The Foundation and its controlled entities are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal income taxes on their exempt income under Section 501(a) of the Internal Revenue Code

Allied accounts for uncertainty in income taxes using a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority Measurement of the tax uncertainty occurs if the recognition threshold has been met Management determined that there were no tax uncertainties that met the recognition threshold in 2013 and 2012

Allied's federal Returns of Organization Exempt from Income Tax for years prior to 2010 are no longer subject to examination by the Internal Revenue Service

Revenues in Excess of Expenses

The consolidated statement of operations includes the determination of revenues in excess of expenses Changes in unrestricted net assets which are excluded from revenues in excess of expenses, consistent with industry practice, include pension liability adjustment and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets)

Use of Estimates

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

Subsequent Events

Allied evaluated subsequent events for recognition or disclosure through November 25, 2013, the date the consolidated financial statements were available to be issued

2. Net Patient Service Revenues

ASIRM, Heinz, and SNC have agreements with third-party payors that provide for payments at amounts different from their established rates A significant portion of the Allied's net patient service revenues is derived from these third-party payor programs A summary of the principal payment arrangements with major third-party payors follows

- **Medicare** - Inpatient rehabilitation services are paid at prospectively determined rates per discharge Outpatient rehabilitation services are paid based on a published fee schedule Skilled nursing and ancillary services provided to Medicare Part A beneficiaries are paid at prospectively determined rates per day Therapy services rendered to Medicare Part B beneficiaries are paid at the lesser of a published fee schedule or actual charges These rates vary according to patient classification systems that are based on clinical, diagnostic, and other factors and the reimbursement methodology is subject to various limitations and adjustments Approximately 47% and 48% of Allied's net patient service revenues in 2013 and 2012, respectively, were derived from Medicare program beneficiaries served by ASIRM, Heinz, and SNC

- **Medical Assistance** - Inpatient rehabilitation services and skilled nursing services provided to Medical Assistance program beneficiaries are paid at prospectively determined rates per day Outpatient services are paid based on a published fee schedule These rates vary according to patient classification systems that are based on clinical, diagnostic, and other factors and the reimbursement methodology is subject to various limitations and adjustments Approximately 20% of Allied's net patient service revenues in 2013 and 2012 were derived from Medical Assistance program beneficiaries served by ASIRM, Heinz, and SNC

- **Blue Cross** - Inpatient rehabilitation services rendered to Blue Cross subscribers are paid at prospectively determined rates per day Outpatient services are paid based on a prospectively determined percentage of charges subject to a limitation Approximately 6% and 7% of Allied's net patient service revenues in 2013 and 2012, respectively, were derived from Blue Cross program beneficiaries served by ASIRM, Heinz, and SNC

As described above, the Medicare and Medical Assistance rates are based on clinical, diagnostic, and other factors The determination of these rates is partially based on Allied's clinical assessment of its patients The documented assessments are subject to review and adjustment by the Medicare and Medical Assistance programs

Certain members of Allied also have entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations The basis for payment to Allied under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates

Pennsylvania Hospital and Nursing Home Assessments

Effective July 1, 2010, ASIRM and Heinz are subject to a Quality Care Assessment imposed by DPW under Pennsylvania Act 49 of 2010 (the "Act") The Act requires ASIRM and Heinz to pay an assessment on its net inpatient revenue from their 2008 federal fiscal year cost reports In turn, ASIRM and Heinz receive additional reimbursement from DPW and the Hospital and Healthsystem Association of Pennsylvania Assessments paid by ASIRM and Heinz were $1,408,342 in 2013 and $1,407,611 in 2012 and the additional reimbursement received by ASIRM and Heinz was $1,408,342 in 2013 and $1,407,611 in 2012

DPW also requires SNC to pay an assessment on its nursing facility days, excluding Medicare Part A days In turn, DPW provides additional reimbursement to SNC This program is a result of Pennsylvania's effort to increase the federal share of Medical Assistance funding. Assessments paid were $828,966 in 2013 and $664,997 in 2012 and the additional reimbursement received was $2,124,120 in 2013 and $1,837,955 in 2012

Prior Year Third-Party Payor Settlements

Allied's net patient service revenues were increased by approximately $791,000 in 2013 and $500,000 in 2012 as a result of prior year third party payor settlements related to ASI, Heinz and SNC

3. Assets Whose Use is Limited and Investments

The composition of assets whose use is limited and investments is set forth in the following table

	2013	2012
Cash and cash equivalents	$ 5,488,812	$ 5,068,632
Certificates of deposit	1,088,236	1,076,527
Mutual funds, fixed income		
Ultra-short bond	1,360,620	1,344,322
Short-term bond	5,308,181	6,125,175
Intermediate-term bond	10,569,691	10,471,544
Mutual funds, equity	1,263,847	1,064,491
Exchange traded funds, equity		
Large blend	633,277	475,252
Foreign large blend	155,283	135,392
Equity securities	23,095,654	19,513,479
Corporate bonds	8,776,367	5,546,232
Municipal bond	92,468	-
U S government securities		
Treasury notes	3,541,423	4,666,979
Agency obligations	2,833,564	4,230,003
Total	$ 64,207,423	$ 59,718,028

Assets whose use is limited and investments are classified on the consolidated balance sheet as follows

	2013	2012
Assets whose use is limited, current	$ 49,629	$ 53,410
Assets whose use is limited, non current	9,224,884	9,200,653
Investments	54,932,910	50,463,965
Total	$ 64,207,423	$ 59,718,028

Investment Return

Unrestricted investment income is comprised of the following.

	2013	2012
Interest and dividend income	$ 1,076,450	$ 1,110,811
Net realized gain on sales of investments	1,052,033	350,753
Net unrealized gain on investments	1,670,486	170,510
Total	$ 3,798,969	$ 1,632,074

4. Fair Value Measurements and Financial Instruments

Fair Value Measurements

Allied measures its assets whose use is limited and investments at fair value on a recurring basis in accordance with accounting principles generally accepted in the United States of America

Fair value is defined as the price that would be received to sell an asset or the price that would be paid to transer a liability in an orderly transaction between market participants at the measurement date. The framework that the authoritative guidance establishes for measuring fair value includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement

The levels of the fair value hierarchy are as follows

Level 1 – Fair value is based on unadjusted quoted prices in active markets that are accessible to Allied for identical assets These generally provide the most reliable evidence and are used to measure fair value whenever available

Level 2 – Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the asset through corroboration with observable market data Level 2 inputs include quoted market prices in active markets for similar assets, quoted market prices in markets that are not active for identical or similar assets, and other observable inputs

Level 3 – Fair value would be based on significant unobservable inputs Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows, and other similar techniques

The fair value of assets whose use is limited and investments were measured using the following inputs at June 30, 2013 and 2012

	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)
June 30, 2013:			
Cash and cash equivalents	$ 5,488,812	$ 5,488,812	$ -
Certificates of deposit	1,088,236	-	1,088,236
Mutual funds, fixed income.			
Ultra-short bond	1,360,620	1,360,620	-
Short-term bond	5,308,181	5,308,181	-
Intermediate-term bond	10,569,691	10,569,691	-
Mutual funds, equity	1,263,847	1,263,847	-
Exchange traded funds, equity			
Large blend	633,277	633,277	-
Foreign large blend	155,283	155,283	-
Equity securities	23,095,654	23,095,654	-
Corporate bonds	8,776,367	8,776,367	-
Municipal bonds	92,468	92,468	
U S government securities			
Treasury notes	3,541,423	3,541,423	-
Agency obligations	2,833,564	2,833,564	-
Total	$ 64,207,423	$ 63,119,187	$ 1,088,236
June 30, 2012:			
Cash and cash equivalents	$ 5,068,632	$ 5,068,632	$ -
Certificates of deposit	1,076,527	-	1,076,527
Mutual funds, fixed income			
Ultra-short bond	1,344,322	1,344,322	-
Short-term bond	6,125,175	6,125,175	-
Intermediate-term bond	10,471,544	10,471,544	-
Mutual funds, equity	1,064,491	1,064,491	-
Exchange traded funds, equity			
Large blend	475,252	475,252	-
Foreign large blend	135,392	135,392	-
Equity securities	19,513,479	19,513,479	-
Corporate bonds	5,546,232	5,546,232	-
U S government securities			
Treasury notes	4,666,979	4,666,979	-
Agency obligations	4,230,003	4,230,003	-
Total	$ 59,718,028	$ 58,641,501	$ 1,076,527

Allied had no financial instruments measured at fair value using Level 3 inputs at June 30, 2013 and 2012

Financial Instruments

The carrying amounts of cash and cash equivalents, resident funds, accounts receivable, estimated third party settlements, and accounts payable approximate fair value due to the short-term nature of these instruments

Assets whose use is limited and investments are valued at fair value based on quoted market prices in active markets for cash and cash equivalents, mutual funds, exchange traded funds, equity securities, corporate bonds, municipal bonds, and U S government securities or estimated using quoted prices for similar securities for certificates of deposit

The carrying amount of long-term debt, excluding Allied Services Housing loan, approximates fair value at June 30, 2013 and 2012 based on borrowing rates available to Allied for debt with similar terms, maturities, and credit risk

Since terms could not be duplicated in the market for a Pennsylvania Housing Finance Agency loan, it was not practicable to compute the fair value of this mortgage payable maintained by Allied Services Housing whose carrying value was $118,421 and $123,700 at June 30, 2013 and 2012, respectively (Note 7)

5. Property and Equipment, Net

Property and equipment and accumulated depreciation consist of the following

	2013	2012
Land	$ 2,325,241	$ 2,304,617
Land improvements	9,897,471	9,535,824
Buildings and improvements	87,471,022	84,891,912
Furniture and equipment	41,926,566	41,218,386
Construction-in-progress	2,441,661	2,009,908
Total	144,061,961	139,960,647
Less accumulated depreciation	104,457,215	101,724,777
Property and equipment, net	$ 39,604,746	$ 38,235,870

6. Demand Note Payable

Allied maintains a $1,000,000 unsecured bank line of credit Borrowings bear interest at the greater of the National Prime Rate (3 25% at June 30, 2013) or 4%. The line of credit expires February 28, 2014 There were no borrowings at June 30, 2013 and 2012

7. Revenue Notes, Mortgages, and Notes Payable

Revenue notes, mortgages, and notes payable are as follows.

	2013	2012
Allied Terrace		
Northeast Pennsylvania Hospital and Educational Authority ("NPHE Authority"), Series of 2007 Revenue Note, through June 2012, monthly payments of $36,393, including interest at 4 7%, were due, beginning July 2012, monthly payments of $36,393, including interest at 3 49%, are due, final payment scheduled in August 2019. The note is collateralized by a first mortgage on Allied Terrace's property and equipment, a first priority security interest in the gross receipts of Allied Terrace, and the unconditional guaranty of the Foundation	$ 2,410,797	$ 2,755,594
ASIRM		
Wyoming Industrial Development Authority ("WID Authority"), Series of 2007 Revenue Note, through June 2012, monthly payments of $90,982, including interest at 4 7%, were due, beginning July 2012, monthly payments of $90,982, including interest at 3 49%, are due, final payment scheduled in August 2019 The note is collateralized by a first mortgage on ASIRM's property and equipment, a first priority security interest in the gross receipts of ASIRM, and the unconditional guaranty of the Foundation	6,026,991	6,888,986
WID Authority, Series of 2008 Revenue Note, through June 2012, monthly payments of $77,335, including interest at 4 7%, were due, beginning July 2012, monthly payments of $77,335, including interest at 3 49%, are due, final payment scheduled in September 2019 The note is collateralized by a first mortgage on ASIRM's property and equipment, a first priority security interest in the gross receipts of ASIRM, and the unconditional guaranty of the Foundation	5,181,089	5,909,039

	2013	2012
Heinz		
NPHE Authority, Series of 2007 Revenue Note, through June 2012, monthly payments of $63,873, including interest at 4 7%, were due, beginning July 2012, monthly payments of $63,873, including interest at 3 15%, are due, final payment scheduled in December 2013 The note is collateralized by a first mortgage on Heinz's property and equipment, a first priority security interest in the gross receipts of Heinz, and the unconditional guaranty of the Foundation	$ 366,506	$ 1,108,076
Mortgage payable to Luzerne County, through the Business Development Loan Program, due in monthly payments of $4,656, including interest at 1 5%, through June 2022 The loan is secured by an irrevocable letter of credit assigned to Luzerne County in the amount of $750,000 expiring May 1, 2014 and the unconditional guaranty of the Foundation	465,997	514,480
SNC		
Scranton-Lackawanna Health and Welfare Authority, Series of 2001 Revenue Note, due in annual installments of $544,167, interest is payable monthly at 3 15% The loan is secured by a first mortgage on all land, buildings, and equipment of SNC and the unconditional guaranty of the Foundation	544,167	1,088,334
Foundation		
Mortgage payable repaid in 2013	-	220,865
Controlled Entities and Divisions of AHCS		
Allied Services Housing		
9 25% mortgage note requiring monthly principal and interest payments of $1,375 through April 2025, collateralized by substantially all property and equipment of the related project	118,423	123,700
Allied Services Home Office		
Mortgage payable, through May 2012, monthly payments of $33,940, including interest at 5%, were due, beginning June 2012, monthly payments of $33,940, including interest at 3 5%, are due, final payment scheduled in March 2020, collateralized by certain real estate and the unconditional guaranty of the Foundation	2,424,278	2,741,279

	2013	2012
Allied ICF/MR		
Loan payable due in monthly payments of $886 through November 2016, including interest at 7.5%, collateralized by certain real estate	$ 31,883	$ 39,769
Loan payable due in monthly payments of $838 through maturity in December 2014, including interest at 2.85%, outstanding balance due in December 2014, secured by an assigned certificate of deposit with the bank	59,500	67,731
Mental Health Services		
Loan payable due in monthly payments of $1,357 through November 2016, including interest at 7%, collateralized by certain real estate	49,255	61,566
Vocational Services		
Non-interest bearing loan payable due in quarterly payments of $5,000 through November 2015, collateralized by capital equipment	50,000	70,000
Capital lease obligation payable in monthly installments of $5,913, including interest at 6%, through September 2015, collateralized by leased assets	154,133	213,879
Total	17,883,019	21,803,298
Less current maturities	3,425,174	3,812,574
Long-term debt	$ 14,457,845	$ 17,990,724

Scheduled principal payments on revenue notes, mortgages, and notes payable are as follows

Years ending June 30	
2014	$ 3,425,174
2015	2,641,724
2016	2,618,886
2017	2,667,972
2018	2,751,449
Thereafter	3,777,814
Total	$ 17,883,019

8. Pension Plans

Allied sponsors a noncontributory defined benefit pension plan, Allied froze the activity in this plan effective October 31, 2003

The following table sets forth the funded status of the defined benefit pension plan and the accumulated benefit obligation at June 30.

	2013	2012
Fair value of plan assets	$ 31,009,762	$ 28,029,953
Benefit obligation	41,013,818	44,069,722
Funded status of the plan	$ (10,004,056)	$ (16,039,769)
Accumulated benefit obligation	$ 41,013,818	$ 44,069,722

Net periodic pension cost, contributions, and benefits paid related to the defined benefit pension plan are as follows

	2013	2012
Net periodic pension cost	$ 1,397,820	$ 426,536
Employer contributions	$ 1,284,504	$ 1,663,984
Benefits paid	$ 1,238,972	$ 1,109,591

The following table provides the amounts recognized in the consolidated balance sheet at June 30, 2013 and 2012

	2013	2012
Pension liability, current	$ -	$ -
Pension liability, noncurrent	10,004,056	16,039,769
Net amount recognized	$ 10,004,056	$ 16,039,769

The measurement date used to determine the plan asset and benefit obligation information was June 30.

A net loss of $14,587,281 at June 30, 2013 and $20,736,310 at June 30, 2012 represents the unrecognized component of net periodic pension cost included in unrestricted net assets Amortization of the net loss of $1,064,558 is expected to be recognized in net periodic pension cost in 2014.

Assumptions

The weighted average assumptions used in computing Allied's benefit obligation for the defined benefit pension plan are as follows

	2013	2012
Discount rate	4 79 %	4 19 %
Rate of compensation increase	N/A	N/A

The weighted average assumptions used in the measurement of net periodic pension cost for the defined benefit pension plan are as follows:

	2013	2012
Discount rate	4 19 %	5 54 %
Expected long-term return on plan assets	7 25 %	8 %
Rate of compensation increase	N/A	N/A

Plan Assets

The following table sets forth the actual asset allocation and target asset allocation for plan assets

	2013	2012	Target Asset Allocation
Asset category			
Equity securities	69 %	62 %	60 %
Fixed income securities	31	38	40
Total	100 %	100 %	100 %

Plan assets are invested among and within various asset classes in order to achieve sufficient diversification in accordance with Allied's risk tolerance This is achieved through the utilization of asset managers and systemic allocation to investment management styles, providing a broad exposure to different segments of the equity and fixed income markets

Allied's expected long-term rate of return on plan assets assumption was developed based on historical returns for the major asset classes This review also considered both current market conditions and projected future conditions

Fair Value of Plan Assets

The following table sets forth by level, within the fair value hierarchy (Note 4), the plan assets at fair value at June 30, 2013 and 2012

	Quoted Prices in Active Markets (Level 1)
June 30, 2013	
Mutual funds.	
Equity	
Large-cap stock	$ 16,501,346
Mid-cap stock	2,432,303
International stock	2,393,226
Fixed income	
Short-term bond	3,481,438
Intermediate-term bond	6,201,449
Total	$ 31,009,762
June 30, 2012	
Mutual funds	
Equity	
Large-cap stock	$ 13,440,188
Mid-cap stock	1,998,886
International stock	1,974,374
Fixed income.	
Short-term bond	4,770,873
Intermediate-term bond	5,845,632
Total	$ 28,029,953

Mutual funds are valued at the quoted net asset value of shares held by the plan at year end

Cash Flows

Allied expects to make contributions to the defined benefit pension plan of $669,426 during 2014.

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

Years ending June 30	
2014	$ 1,541,193
2015	1,660,027
2016	1,714,187
2017	1,804,128
2018	1,921,733
Thereafter	10,694,478
Total	$ 19,335,746

Defined Contribution Pension Plan

Allied sponsors a defined contribution plan that is available to substantially all employees Pension expense was approximately $885,000 in 2013 and $858,000 in 2012

9. Medical Malpractice Claims Coverage

Primary Coverage

Primary medical and professional liability coverage for Allied is provided through the RRG General liability coverage for Allied is also provided through the RRG The RRG is a separate legal entity established for the payment of medical malpractice and general liability claim settlements and expenses Under the terms of the RRG Agreement (the "Agreement"), Allied was required to deposit an initial capital investment of $1,131,690 into the RRG This amount, and investment earnings thereon, is included in noncurrent assets whose use is limited in the consolidated balance sheet The initial funding requirement was determined by an actuary based upon an evaluation of Allied's past claims history

The coverage limits for medical malpractice claims under the RRG are $500,000 per occurrence and $1,500,000 in the aggregate per year. The medical malpractice coverage is funded on a mature claims-made basis with retroactive coverage

MCARE Fund Coverage

The Pennsylvania Medical Care Availability and Reduction of Error Fund ("MCARE Fund") provides excess coverage per the Pennsylvania law governing the MCARE Fund Pursuant to the per occurrence and aggregate limits set forth in the controlling Pennsylvania statutes, the MCARE Fund provides coverage for losses in excess of the primary coverage that was in effect on the date of the incident The cost of MCARE Fund coverage is recognized as expense in the period incurred Increases in annual surcharges and concerns over the MCARE Fund's ability to manage and pay claims continues to result in proposals to reform or restructure the MCARE Fund MCARE Fund coverage is currently scheduled to be reduced in 2014, unless the State Insurance Commissioner determines that additional primary insurance capacity is not available at that time, and to be eliminated three years after such reduction Allied will be required to purchase additional primary insurance to take the place of the MCARE Fund coverage if it is reduced Depending upon the ultimate resolution of this matter, Allied may incur additional insurance costs

Summary

Allied's undiscounted estimated medical malpractice claims liability and general liability for both asserted and unasserted claims was $2,444,296 and $2,647,469 at June 30, 2013 and 2012, respectively It is reasonably possible that the estimates used could change materially in the near term

Allied believes it has adequate insurance coverages for all asserted claims and it has no knowledge of unasserted claims which would exceed its insurance coverages

10. Concentrations of Credit Risk

Allied grants credit without collateral to its patients, most of whom are local residents insured under third-party payor arrangements primarily with Medicare, Medical Assistance, Blue Cross, and various commercial insurance companies

Allied maintains cash accounts, which generally exceed federally insured limits Allied has not experienced any losses from maintaining cash accounts in excess of federally insured limits. Management believes it is not subject to any significant credit risk on its cash accounts

11. Commitments

Lease Commitments

Allied leases several buildings for use in its satellite operations and administrative services The amounts included as minimum future rentals include annual increases as outlined in the agreements These amounts may fluctuate based on increases in the consumer price index over the lease terms Also, in addition to minimum rentals, Allied is responsible for utilities and other expenses at several locations

The following is a schedule by year of future minimum lease payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2013.

Years ending June 30.	
2014	$ 1,345,000
2015	325,000
2016	200,000
2017	8,000
Total	$ 1,878,000

Rent expense for operating leases was approximately $1,753,000 in 2013 and $1,963,000 in 2012

Purchase Commitment

In June 2012, Allied entered into an agreement with a vendor for a system wide information technology upgrade The initial purchase outlined initial costs of approximately $10,000,000 in stages through 2022 Allied is also finalizing negotiations to authorize additional project work, requiring additional purchase commitments to the same vendor of approximately $1,500,000, which was not included in the original June 2012 agreement During the year ended June 30, 2013, Allied incurred costs in connection with this upgrade of approximately $1,484,000 Allied expects to incur costs of approximately $1,100,000 per year during the years ending June 30, 2014 through 2017, $1,000,000 per year during the years ending June 30, 2018 and 2019, and $700,000 per year during the years ending June 30, 2020 through June 30, 2022

12. Self-Funded Insurance Plans

Allied maintains self-funded plans for workers' compensation and unemployment compensation insurance costs For workers' compensation, Allied accrues the estimated cost for incurred and unreported claims based upon data provided by the third-party administrator for the program and its historical claims experience. Allied's estimated liability for reported and unreported incurred claims was $5,688,300 and $5,220,449 at June 30, 2013 and 2012, respectively In addition, Allied maintains a letter of credit as security for future claims payments The amount is determined by the Commonwealth of Pennsylvania Department of Labor and Industry and was $5,800,000 at June 30, 2013. Allied has collateralized the letter of credit with investments having a fair value of approximately $6,033,000 at June 30, 2013 These investments are included in noncurrent assets whose use is limited in the consolidated balance sheet

Allied accrues the estimated cost of incurred unemployment compensation claims based upon open cases and its historical claims experience Unemployment compensation losses are charged to expense in the period incurred

13. Rental Income

AHCS leases space in its Medical Arts Centers and its corporate offices to various doctors, medical laboratories, and other third parties The amounts included as minimum future rental income include annual increases as outlined in the agreements

The following is a schedule by year of future minimum rental income required under the lease agreements that have an initial or remaining noncancelable lease terms in excess of one year as of June 30, 2013.

Years ending June 30.	
2014	$ 1,189,000
2015	1,005,000
2016	885,000
2017	460,000
2018	239,000
Thereafter	1,428,000
Total	$ 5,206,000

Rental income was approximately $1,544,000 in 2013 and $1,560,000 in 2012

14. Contingencies

Healthcare Industry

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient services previously billed Management is not aware of any material incidents of noncompliance, however, the possible future financial effects of this matter on Allied, if any, are not presently determinable

Medical Assistance Modernization (Act 40 of 2010)

Effective July 1, 2010, DPW implemented the Act of 2010 (the "Act"), which modernized Pennsylvania's fee-for-service hospital payment system, established enhanced hospital payments through the state's Medical Assistance managed care program, and secured matching Medical Assistance funds through the establishment of the Hospital Quality Care Assessment (Note 2) Effective July 2, 2013, DPW implemented Act 55 of 2013, which reauthorized the assessment through June 30, 2016, after which time the additional reimbursement is not guaranteed to remain

Real Estate Taxes

As a not-for-profit corporation in the Commonwealth of Pennsylvania, the Foundation is an organization which has historically qualified for an exemption from real property taxes, however, a number of cities, municipalities, and school districted in the Commonwealth of Pennsylvania have challenged and continue to challenge such exemption The possible future financial effects of this matter on the Foundation, if any, are not presently determinable

Litigation

The Foundation is involved in certain litigation in various stages arising in the normal course of business After consideration of applicable insurance coverage, management believes the potential loss, if any, from such litigation would not have a material effect on the financial statements

15. Functional Expenses

Allied provides various healthcare services to individuals within its geographic location. Expenses related to providing these services are approximately as follows (in thousands)

	2013	2012
Healthcare and other related services	$ 133,261	$ 134,563
General and administrative	20,871	20,696
Fundraising	790	773
Total expenses	$ 154,922	$ 156,032

Allied Services Foundation and Controlled Entities

Consolidating Schedule, Balance Sheet
June 30, 2013

	Allied Services Institute of Rehabilitation Medicine	The John Heinz Institute of Rehabilitation Medicine	Allied Services Foundation	Allied Skilled Nursing Center	Allied Health Care Services (Combined)	Risk Retention Group	Allied Services Retirement Community	Allied Services Personal Care, Inc	Consolidation Eliminations	Consolidation Consolidated
Assets										
Current Assets										
Cash and cash equivalents	$ 5,274,035	$ 5,288,522	$ 1,478,431	$ 750	$ 8,314,183	$ -	$ 32,539	$ 100,240	$ (16,573,951)	$ 3,914,749
Restricted cash, resident funds	-	-	-	103,611	140,509	-	-	-	-	244,120
Assets whose use is limited	-	-	-	-	-	49,629	-	-	-	49,629
Accounts receivable (net of estimated allowance for doubtful collections of $2,075,000)	2,259,067	2,686,493	-	6,066,555	6,245,424	-	-	70,130	-	17,327,669
Intercompany receivables, net	1,709,343	1,345,360	6,704	558,928	3,081,678	-	-	68,833	(6,770,846)	-
Estimated third-party payor settlements	1,950,829	1,114,262	-	-	332,600	-	-	-	-	3,397,691
Inventories	176,333	49,470	-	20,083	875,731	-	-	11,029	-	1,132,646
Prepaid expenses and other current assets	443,592	75,424	-	28,829	1,708,233	26,000	-	7,024	-	2,289,102
Total current assets	11,813,199	10,559,531	1,485,135	6,778,756	20,698,358	75,629	32,539	257,256	(23,344,797)	28,355,606
Assets Whose Use Is Limited	-	-	6,039,316	-	1,174,993	2,004,675	5,900	-	-	9,224,884
Investments	20,012,419	8,300,258	18,507,444	2,562,712	1,827,509	3,722,568	-	-	-	54,932,910
Property and Equipment, Net	7,085,261	6,117,213	598,280	5,505,606	16,618,237	-	-	3,680,149	-	39,604,746
Other Assets	-	-	50,000	-	-	-	-	-	-	50,000
Deferred Financing Costs, Net	187,977	3,409	670	2,989	11,666	-	-	22,161	-	228,872
Total assets	$ 39,098,856	$ 24,980,411	$ 26,680,845	$ 14,850,063	$ 40,330,763	$ 5,802,872	$ 38,439	$ 3,959,566	$ (23,344,797)	$ 132,397,018

Allied Services Foundation and Controlled Entities

Consolidating Schedule, Balance Sheet
June 30, 2013

	Allied Services Institute of Rehabilitation Medicine	The John Heinz Institute of Rehabilitation Medicine	Allied Services Foundation	Allied Skilled Nursing Center	Allied Health Care Services (Consolidated)	Risk Retention Group	Allied Services Retirement Community	Allied Services Personal Care, Inc	Consolidation Eliminations	Consolidation Consolidated
Liabilities and Net Assets (Deficit)										
Current Liabilities										
Current maturities of long-term debt	$ 1,655,430	$ 415,720	$ -	$ 544,167	$ 451,597	$ -	$ -	$ 358,260	$ -	$ 3,425,174
Accounts payable and accrued expenses	562,044	315,521	5,105	417,291	1,835,537	49,629	16,583	83,121		3,284,831
Estimated third-party payor settlements	383,600	507,616	-	486,986	2,237,374	-	-	-	-	3,615,576
Amounts due to affiliates for working capital	-	-	-	1,404,201	15,025,336	-	-	144,414	(16,573,951)	-
Intercompany payables, net	331,927	477,293	4,982,669	640,430	152,174	103,000	3,760	79,593	(6,770,846)	-
Accrued workers' compensation	-	-	-	-	1,438,000	-	-	-	-	1,438,000
Accrued payroll and related liabilities	1,376,492	1,606,248	28,776	976,312	2,882,012	-	-	78,009	-	6,947,849
Accrued interest	-	-	-	-	913	-	-	-	-	913
Resident funds	-	-	-	103,611	140,509	-	-	-	-	244,120
Total current liabilities	4,309,493	3,322,398	5,016,550	4,572,998	24,163,452	152,629	20,343	743,397	(23,344,797)	18,956,463
Long-Term Debt	9,552,650	416,783	-	-	2,435,875	-	-	2,052,537	-	14,457,845
Pension Liability	-	-	10,004,056	-	-	-	-	-	-	10,004,056
Malpractice and General Liability	-	-	-	-	-	2,444,296	-	-	-	2,444,296
Workers' Compensation	-	-	-	-	4,250,300	-	-	-	-	4,250,300
Total liabilities	13,862,143	3,739,181	15,020,606	4,572,998	30,849,627	2,596,925	20,343	2,795,934	(23,344,797)	50,112,960
Net Assets (Deficit)										
Unrestricted	25,236,713	21,241,230	8,417,248	10,277,065	9,481,136	3,205,947	18,096	1,163,632	-	79,041,067
Temporarily restricted	-	-	1,122,534	-	-	-	-	-	-	1,122,534
Permanently restricted	-	-	2,120,457	-	-	-	-	-	-	2,120,457
Total net assets (deficit)	25,236,713	21,241,230	11,660,239	10,277,065	9,481,136	3,205,947	18,096	1,163,632	-	82,284,058
Total liabilities and net assets (deficit)	$ 39,098,856	$ 24,980,411	$ 26,680,845	$ 14,850,063	$ 40,330,763	$ 5,802,872	$ 38,439	$ 3,959,566	$ (23,344,797)	$ 132,397,018

Allied Services Foundation and Controlled Entities

Consolidating Schedule, Statement of Operations
Year Ended June 30, 2013

	Allied Services Institute of Rehabilitation Medicine	The John Heinz Institute of Rehabilitation Medicine	Allied Services Foundation	Allied Skilled Nursing Center	Allied Health Care Services (Combined)	Risk Retention Group	Allied Services Retirement Community	Allied Services Personal Care, Inc	Consolidation Eliminations	Consolidation Consolidated
Unrestricted Revenues										
Net patient service revenues	$ 36,492,189	$ 35,498,585	$ -	$ 33,068,621	$ 17,242,063	$ -	$ 33,259	$ 2,360,594	$ -	$ 124,695,311
Pennsylvania hospital and nursing home assessments	780,302	628,040	-	2,124,120	-	-	-	-	-	3,532,462
Other revenues	1,829,174	602,617	352,091	98,585	45,799,115	1,015,000	-	41,586	(19 186 144)	30,552,024
Net assets released from restrictions	-	-	633,435	-	-	-	-	-	-	633,435
Total unrestricted revenues	39,101,665	36,729,242	985,526	35,291,326	63,041,178	1,015,000	33,259	2,402,180	(19,186,144)	159,413,232
Expenses										
Salaries, wages, and contract labor	17,355,377	19,126,952	327,571	17,095,179	36,350,219	-	12,359	838,109	-	91,105,766
Supplies and expenses	11,955,542	11,553,240	897,331	11,427,226	15,873,979	683,980	36,791	1,033,260	(19 186 144)	34,275,205
Employee benefits	3,901,342	4,019,868	98,441	4,706,913	7,627,002	-	2,337	224,235	-	20,580,138
Depreciation and amortization	1,065,677	718,927	98,895	650,056	2,440,893	-	-	191,126	-	5,165,574
Interest expense	429,857	32,293	1,348	22,924	100,748	-	-	91,916	-	679,086
Pennsylvania hospital and nursing home assessments	780,302	628,040	-	828,966	-	-	-	-	-	2,237,308
Provision for doubtful collections	158,180	220,878	-	470,000	29,790	-	-	-	-	878,848
Total expenses	35,646,277	36,300,198	1,423,586	35,201,264	62,422,631	683,980	51,487	2,378,646	(19,186,144)	154,921,925
Operating income (loss)	3,455,388	429,044	(438,060)	90,062	618,547	331,020	(18,228)	23,534	-	4,491,307
Investment Income (Loss)	1,488,857	600,136	1,278,511	170,812	78,314	182,348	(9)	-	-	3,798,969
Revenues in excess of (less than) expenses	4,944,245	1,029,180	840,451	260,874	696,861	513,368	(18,237)	23,534	-	8,290,276
Pension Liability Adjustment	-	-	6,149,029	-	-	-	-	-	-	6,149,029
Net Assets Released from Restrictions for Purchase of Property and Equipment	-	-	380,201	-	-	-	-	-	-	380,201
Transfers (to) from Affiliates	(1,997,485)	27,768	1,469,799	-	323,848	-	50,000	126,070	-	-
Change in unrestricted net assets (deficit)	$ 2,946,760	$ 1,056,948	$ 8,839,480	$ 260,874	$ 1,020,709	$ 513,368	$ 31,763	$ 149,604	$ -	$ 14,819,506

Allied Services Foundation and Controlled Entities

Consolidating Schedule, Statement of Changes in Net Assets (Deficit)
Year Ended June 30, 2013

	Allied Services Institute of Rehabilitation Medicine	The John Heinz Institute of Rehabilitation Medicine	Allied Services Foundation	Allied Skilled Nursing Center	Allied Health Care Services (Combined)	Risk Retention Group	Allied Services Retirement Community	Allied Services Personal Care, Inc	Consolidation Eliminations	Consolidation Consolidated
Unrestricted Net Assets (Deficit)										
Revenues in excess of (less than) expenses	$ 4,944,245	$ 1,029,180	$ 840,451	$ 260,874	$ 696,861	$ 513,368	$ (18,237)	$ 23,534	$ -	$ 8,290,276
Pension liability adjustment	-	-	6,149,029	-	-	-	-	-	-	6,149,029
Net assets released from restrictions for purchase of property and equipment	-	-	380,201	-	-	-	-	-	-	380,201
Transfers (to) from affiliates	(1,997,485)	27,768	1,469,799	-	323,848	-	50,000	126,070	-	-
Change in unrestricted net assets (deficit)	2,946,760	1,056,948	8,839,480	260,874	1,020,709	513,368	31,763	149,604	-	14,819,506
Temporarily Restricted Net Assets										
Contributions	-	-	711,170	-	-	-	-	-	-	711,170
Investment income	-	-	5,523	-	-	-	-	-	-	5,523
Net assets released from restrictions for										
Operations	-	-	(633,435)	-	-	-	-	-	-	(633,435)
Purchase of property and equipment	-	-	(380,201)	-	-	-	-	-	-	(380,201)
Decrease in temporarily restricted net assets	-	-	(296,943)	-	-	-	-	-	-	(296,943)
Increase in Permanently Restricted Net Assets										
Contributions and investment income	-	-	44,898	-	-	-	-	-	-	44,898
Change in net assets (deficit)	2,946,760	1,056,948	8,587,435	260,874	1,020,709	513,368	31,763	149,604	-	14,567,461
Net Assets (Deficit), Beginning	22,289,953	20,184,282	3,072,804	10,016,191	8,460,427	2,692,579	(13,667)	1,014,028	-	67,716,597
Net Assets (Deficit), Ending	$ 25,236,713	$ 21,241,230	$ 11,660,239	$ 10,277,065	$ 9,481,136	$ 3,205,947	$ 18,096	$ 1,163,632	$ -	$ 82,284,058

Allied Services Foundation and Controlled Entities

Combining Schedule - Allied Health Care Services Balance Sheet
June 30 2013

	Vocational Services Division	ICF/MR	Allied Burnley	Home Office	Project Opportunity	Home Health	In Home	Mental Health Services	MAC Scranton	MAC Wilkes-Barre	Allied Pharmacy	Combination Eliminations	Combination Combined
Assets													
Current Assets													
Cash and cash equivalents	$ 545 048	$ 269 424	$ 241 640	$ 3 139 723	$ 8 955	$ 1 325 283	$ 2 078 268	$ 650	$ -	704 942	$ 250	$ -	$ 8 314 183
Restricted cash resident funds	-	138 562	-	-	1 947	-	-	-	-	-	-	-	140 509
Accounts receivable (net of estimated allowance for doubtful collections of $535 000)	1 099 974	1 833 691	207 824	66 739	(176)	807 841	1 451 777	611 692	-	2 307	163 755	-	6 245 424
Intercompany receivables net	448 122	263 089	16 893	2 088 330	-	214 359	135 640	52 991	-	65 224	284 478	(487 448)	3 081 678
Estimated third-party payor settlements	-	332 600	-	-	-	-	-	-	-	-	-	-	332 600
Inventories	285 353	6 253	5 983	16 494	-	-	-	-	-	-	561 648	-	875 731
Prepaid expenses and other current assets	84 806	4 087	18 850	742 176	1 984	6 706	330 037	25 211	-	44 376	450 000	-	1 708 233
Total current assets	2 463 303	2 847 706	491 190	6 053 462	12 710	2 354 189	3 995 722	690 544	-	816 849	1 460 131	(487 448)	20 698 358
Assets Whose Use Is Limited	-	-	-	1 132 101	42 892	-	-	-	-	-	-	-	1 174 993
Investments	1 812 478	-	-	-	15 031	-	-	-	-	-	-	-	1 827 509
Property and Equipment Net	532 791	902 310	509 527	6 588 389	83 024	13 249	4 717	402 448	-	7 178 963	402 819	-	16 618 237
Deferred Financing Costs Net	-	-	-	-	-	-	-	-	-	11 666	-	-	11 666
Total assets	$ 4 808 572	$ 3 750 016	$ 1 000 717	$ 13 773 952	$ 153 657	$ 2 367 438	$ 4 000 439	$ 1 092 992	$ -	$ 8 007 478	$ 1 862 950	$ (487 448)	$ 40 330 763
Liabilities and Net Assets (Deficit)													
Current Liabilities													
Current maturities of long-term debt	$ 88 890	$ 16 945	$ -	$ -	$ 5 787	$ -	$ -	$ 13 397	$ -	$ 326 578	$ -	$ -	$ 451 597
Accounts payable and accrued expenses	153 058	72 445	16 275	1 212 133	34 599	1 043	27 641	14 881	-	222 024	81 438	-	1 835 537
Estimated third-party payor settlements	-	-	13 846	-	-	-	2 223 344	184	-	-	-	-	2 237 374
Amounts due to affiliates for working capital	-	2 675 608	-	5 646 279	-	-	1 031 521	20 197	-	4 446 925	1 204 806	-	15 025 336
Intercompany payables net	114 282	180 528	6 025	20 520	66 072	38 960	40 408	68 914	-	94 026	9 887	(487 448)	152 174
Accrued workers' compensation	-	-	-	1 438 000	-	-	-	-	-	-	-	-	1 438 000
Accrued payroll and related liabilities	390 260	371 842	51 364	1 466 339	-	254 560	145 032	103 088	-	-	99 527	-	2 882 012
Accrued interest	-	-	-	-	913	-	-	-	-	-	-	-	913
Resident funds	-	138 562	-	-	1 947	-	-	-	-	-	-	-	140 509
Total current liabilities	746 490	3 455 930	87 510	9 783 271	109 318	294 563	3 467 946	220 661	-	5 089 553	1 395 658	(487 448)	24 163 452
Long-Term Debt													
Mortgages and notes payable	115 243	74 438	-	-	112 636	-	-	35 858	-	2 097 700	-	-	2 435 875
Workers' Compensation	-	-	-	4 250 300	-	-	-	-	-	-	-	-	4 250 300
Total liabilities	861 733	3 530 368	87 510	14 033 571	221 954	294 563	3 467 946	256 519	-	7 187 253	1 395 658	(487 448)	30 849 627
Net Assets (Deficit)													
Unrestricted	3 946 839	219 648	913 207	(259 619)	(68 297)	2 072 875	532 493	836 473	-	820 225	467 292	-	9 481 136
Total liabilities and net assets (deficit)	$ 4 808 572	$ 3 750 016	$ 1 000 717	$ 13 773 952	$ 153 657	$ 2 367 438	$ 4 000 439	$ 1 092 992	$ -	$ 8 007 478	$ 1 862 950	$ (487 448)	$ 40 330 763

Allied Services Foundation and Controlled Entities

Combining Schedule - Allied Health Care Services Statement of Operations
Year Ended June 30 2013

	Vocational Services Division	ICF/MR	Allied Burnley	Home Office	Project Opportunity	Home Health	In Home	Mental Health Services	MAC Scranton	MAC Wilkes-Barre	Allied Pharmacy	Combination Eliminations	Combination Combined
Unrestricted Revenues													
Net patient service revenues	$ -	$ 12 229 555	$ -	$ -	$ -	$ 5 012 508	$ -	$ -	$ -	$ -	$ -	$ -	$ 17 242 063
Other revenues	12 055 067	126 076	1 790 780	17 930 595	55 446	-	9 032 445	3 218 370	-	2 941 592	6 750 485	(8 101 741)	45 799 115
Total unrestricted revenues	12 055 067	12 355 631	1 790 780	17 930 595	55 446	5 012 508	9 032 445	3 218 370	-	2 941 592	6 750 485	(8 101 741)	63 041 178
Expenses													
Salaries wages and contract labor	6 913 628	5 679 909	1 201 931	9 193 476	3 178	3 463 249	6 699 381	1 630 576	-	1 047	1 563 844	-	36 350 219
Supplies and expenses	3 065 145	5 111 325	230 581	5 445 104	83 159	915 269	1 163 562	1 055 133	-	2 214 577	4 691 865	(8 101 741)	15 873 979
Employee benefits	1 312 611	1 422 673	211 786	2 258 410	243	572 973	1 204 458	388 472	-	80	255 296	-	7 627 002
Depreciation and amortization	188 330	105 261	46 155	1 370 300	4 873	15 923	1 509	76 270	-	468 987	163 285	-	2 440 893
Interest expense	-	4 571	-	(12 849)	11 182	-	-	3 969	-	93 875	-	-	100 748
Provision for doubtful collections	-	-	-	-	-	-	-	2 514	-	-	27 276	-	29 790
Total expenses	11 479 714	12 323 739	1 690 453	18 254 441	102 635	4 967 414	9 068 910	3 156 934	-	2 778 566	6 701 566	(8 101 741)	62 422 631
Operating income (loss)	575 353	31 892	100 327	(323 846)	(47 189)	45 094	(36 465)	61 436	-	163 026	48 919	-	618 547
Investment Income (Loss)	76 601	-	22	-	82	1 958	(76)	-	-	-	(273)		78 314
Revenues in excess of (less than) expenses	651 954	31 892	100 349	(323 846)	(47 107)	47 052	(36 541)	61 436	-	163 026	48 646	-	696 861
Transfers from (to) Affiliates	-	-	-	1 069 779	-	-	-	-	929 373	(1 675 304)	-	-	323 848
Change in unrestricted net assets (deficit)	$ 651 954	$ 31 892	$ 100 349	$ 745 933	$ (47 107)	$ 47 052	$ (36 541)	$ 61 436	$ 929 373	$ (1 512 278)	$ 48 646	$ -	$ 1 020 709

Allied Services Foundation and Controlled Entities

Consolidating Schedule, Balance Sheet
June 30, 2012

	Allied Services Institute of Rehabilitation Medicine	The John Heinz Institute of Rehabilitation Medicine	Allied Services Foundation	Allied Skilled Nursing Center	Allied Health Care Services (Combined)	Risk Retention Group	Allied Services Retirement Community	Allied Services Personal Care, Inc	Consolidation Eliminations	Consolidation Consolidated
Assets										
Current Assets										
Cash and cash equivalents	$ 5,461,507	$ 5,984,209	$ 142,862	$ 750	$ 8,611,345	$ -	$ 4,798	$ 118,756	$ (15,686,179)	$ 4,638,048
Restricted cash, resident funds	-	-	-	121,172	161,480	-	-	-	-	282,652
Assets whose use is limited	-	-	-	-	-	53,410	-	-	-	53,410
Accounts receivable (net of estimated allowance for doubtful collections of $2,352,000)	2,069,008	2,584,622	-	5,554,571	7,150,302	-	-	10,322	-	17,368,825
Intercompany receivables, net	1,563,066	1,279,009	32,584	578,533	3,774,028	-	-	48,837	(7,276,057)	-
Estimated third-party payor settlements	2,197,220	1,659,577	-	-	13,081	-	-	-	-	3,869,878
Inventories	253,429	52,437	-	20,413	844,976	-	-	7,365	-	1,178,620
Prepaid expenses and other current assets	316,512	92,609	-	60,279	1,990,603	-	-	-	-	2,460,003
Total current assets	11,860,742	11,652,463	175,446	6,335,718	22,545,815	53,410	4,798	185,280	(22,962,236)	29,851,436
Assets Whose Use Is Limited	-	-	5,950,841	-	1,273,669	1,971,043	5,100	-	-	9,200,653
Investments	18,523,562	7,700,279	17,304,189	2,391,899	999,531	3,544,505	-	-	-	50,463,965
Property and Equipment, Net	7,796,995	5,807,815	696,335	5,336,996	14,860,321	-	-	3,737,408	-	38,235,870
Other Assets	-	-	50,000	-	-	-	-	-	-	50,000
Deferred Financing Costs, Net	216,897	10,228	1,510	5,759	13,294	-	-	25,571	-	273,259
Total assets	$ 38,398,196	$ 25,170,785	$ 24,178,321	$ 14,070,372	$ 39,692,630	$ 5,568,958	$ 9,898	$ 3,948,259	$ (22,962,236)	$ 128,075,183

Allied Services Foundation and Controlled Entities

Consolidating Schedule, Balance Sheet
June 30, 2012

	Allied Services Institute of Rehabilitation Medicine	The John Heinz Institute of Rehabilitation Medicine	Allied Services Foundation	Allied Skilled Nursing Center	Allied Health Care Services (Consolidated)	Risk Retention Group	Allied Services Retirement Community	Allied Services Personal Care, Inc	Consolidation Eliminations	Consolidation Consolidated
Liabilities and Net Assets (Deficit)										
Current Liabilities										
Current maturities of long-term debt	$ 1,593,334	$ 790,060	$ 106,255	$ 544,167	$ 433,953	$ -	$ -	$ 344,805	$ -	$ 3,812,574
Accounts payable and accrued expenses	624,069	345,428	16,401	289,867	2,110,988	53,410	19,619	75,645	-	3,535,427
Estimated third-party payor settlements	793,406	847,496	-	676,627	2,114,900	-	-	-	-	4,432,429
Amounts due to affiliates for working capital	-	-	-	153,472	15,532,707	-	-	-	(15,686,179)	-
Intercompany payables, net	582,952	657,515	4,802,819	809,337	198,008	175,500	3,946	45,980	(7,276,057)	-
Accrued workers' compensation	-	-	-	-	1,404,000	-	-	-	-	1,404,000
Accrued payroll and related liabilities	1,309,791	1,513,508	25,663	915,372	2,574,793	-	-	57,012	-	6,396,139
Accrued interest	-	-	-	-	954	-	-	-	-	954
Resident funds	-	-	-	121,172	161,480	-	-	-	-	282,652
Total current liabilities	4,903,552	4,154,007	4,951,138	3,510,014	24,531,783	228,910	23,565	523,442	(22,962,236)	19,864,175
Long-Term Debt	11,204,691	832,496	114,610	544,167	2,883,971	-	-	2,410,789	-	17,990,724
Pension Liability	-	-	16,039,769	-	-	-	-	-	-	16,039,769
Malpractice and General Liability	-	-	-	-	-	2,647,469	-	-	-	2,647,469
Workers' Compensation	-	-	-	-	3,816,449	-	-	-	-	3,816,449
Total liabilities	16,108,243	4,986,503	21,105,517	4,054,181	31,232,203	2,876,379	23,565	2,934,231	(22,962,236)	60,358,586
Net Assets (Deficit)										
Unrestricted	22,289,953	20,184,282	(422,232)	10,016,191	8,460,427	2,692,579	(13,667)	1,014,028	-	64,221,561
Temporarily restricted	-	-	1,419,477	-	-	-	-	-	-	1,419,477
Permanently restricted	-	-	2,075,559	-	-	-	-	-	-	2,075,559
Total net assets (deficit)	22,289,953	20,184,282	3,072,804	10,016,191	8,460,427	2,692,579	(13,667)	1,014,028	-	67,716,597
Total liabilities and net assets (deficit)	$ 38,398,196	$ 25,170,785	$ 24,178,321	$ 14,070,372	$ 39,692,630	$ 5,568,958	$ 9,898	$ 3,948,259	$ (22,962,236)	$ 128,075,183

Allied Services Foundation and Controlled Entities

Consolidating Schedule, Statement of Operations
Year Ended June 30, 2012

	Allied Services Institute of Rehabilitation Medicine	The John Heinz Institute of Rehabilitation Medicine	Allied Services Foundation	Allied Skilled Nursing Center	Allied Health Care Services (Combined)	Risk Retention Group	Allied Services Retirement Community	Allied Services Personal Care, Inc	Consolidation Eliminations	Consolidation Consolidated
Unrestricted Revenues										
Net patient service revenues	$ 35,494,066	$ 37,125,849	$ -	$ 33,322,455	$ 17,021,123	$ -	$ 33,529	$ 2,287,435	$ -	$ 125,284,457
Pennsylvania hospital and nursing home assessments	779,087	628,524	-	1,837,955	-	-	-	-	-	3,245,566
Other revenues	1,381,413	591,120	200,283	155,567	49,847,489	1,015,000	-	42,145	(19,053,918)	34,179,099
Net assets released from restrictions	-	-	134,939	-	-	-	-	-	-	134,939
Total unrestricted revenues	37,654,566	38,345,493	335,222	35,315,977	66,868,612	1,015,000	33,529	2,329,580	(19,053,918)	162,844,061
Expenses										
Salaries, wages, and contract labor	16,169,049	18,007,432	308,068	17,113,069	40,809,514	-	11,962	778,868	-	93,197,962
Supplies and expenses	11,677,933	11,737,518	415,720	12,024,512	16,292,656	1,076,051	36,943	935,901	(19,053,918)	35,143,316
Employee benefits	3,187,672	3,679,215	70,462	4,070,749	7,523,934	-	1,702	197,571	-	18,731,305
Depreciation and amortization	1,021,015	694,708	98,895	638,946	2,382,900	-	-	190,403	-	5,026,867
Interest expense	638,715	78,357	14,412	75,108	169,495	-	-	137,570	-	1,113,657
Pennsylvania hospital and nursing home assessments	779,087	628,524	-	664,997	-	-	-	-	-	2,072,608
Provision for (recovery of) doubtful collections	105,197	233,137	-	405,000	8,335	-	-	(5,282)	-	746,387
Total expenses	33,578,668	35,058,891	907,557	34,992,381	67,186,834	1,076,051	50,607	2,235,031	(19,053,918)	156,032,102
Operating income (loss)	4,075,898	3,286,602	(572,335)	323,596	(318,222)	(61,051)	(17,078)	94,549	-	6,811,959
Investment Income (Loss)	538,660	218,791	627,690	63,615	(14,209)	197,491	43	(7)	-	1,632,074
Revenues in excess of (less than) expenses	4,614,558	3,505,393	55,355	387,211	(332,431)	136,440	(17,035)	94,542	-	8,444,033
Pension Liability Adjustment	-	-	(9,784,710)	-	-	-	-	-	-	(9,784,710)
Net Assets Released from Restrictions for Purchase of Property and Equipment	-	-	293,777	-	-	-	-	-	-	293,777
Transfers from (to) Affiliates	98,758	98,758	(323,777)	50,000	46,261	-	30,000	-	-	-
Change in unrestricted net assets (deficit)	$ 4,713,316	$ 3,604,151	$ (9,759,355)	$ 437,211	$ (286,170)	$ 136,440	$ 12,965	$ 94,542	$ -	$ (1,046,900)

Allied Services Foundation and Controlled Entities

Consolidating Schedule, Statement of Changes in Net Assets (Deficit)
Year Ended June 30, 2012

	Allied Services Institute of Rehabilitation Medicine	The John Heinz Institute of Rehabilitation Medicine	Allied Services Foundation	Allied Skilled Nursing Center	Allied Health Care Services (Combined)	Risk Retention Group	Allied Retirement Community	Allied Services Personal Care, Inc	Consolidation Eliminations	Consolidation Consolidated
Unrestricted Net Assets (Deficit)										
Revenues in excess of (less than) expenses	$ 4,614,558	$ 3,505,393	$ 55,355	$ 387,211	$ (332,431)	$ 136,440	$ (17,035)	$ 94,542	$ -	$ 8,444,033
Pension liability adjustment	-	-	(9,784,710)	-	-	-	-	-	-	(9,784,710)
Net assets released from restrictions for purchase of property and equipment	-	-	293,777	-	-	-	-	-	-	293,777
Transfers from (to) affiliates	98,758	98,758	(323,777)	50,000	46,261	-	30,000	-	-	-
Change in unrestricted net assets (deficit)	4,713,316	3,604,151	(9,759,355)	437,211	(286,170)	136,440	12,965	94,542	-	(1,046,900)
Temporarily Restricted Net Assets										
Contributions	-	-	513,877	-	-	-	-	-	-	513,877
Investment income	-	-	7,942	-	-	-	-	-	-	7,942
Net assets released from restrictions for										
Operations	-	-	(134,939)	-	-	-	-	-	-	(134,939)
Purchase of property and equipment	-	-	(293,777)	-	-	-	-	-	-	(293,777)
Increase in temporarily restricted net assets	-	-	93,103	-	-	-	-	-	-	93,103
Increase in Permanently Restricted Net Assets										
Contributions and investment income	-	-	14,494	-	-	-	-	-	-	14,494
Change in net assets (deficit)	4,713,316	3,604,151	(9,651,758)	437,211	(286,170)	136,440	12,965	94,542	-	(939,303)
Net Assets (Deficit), Beginning	17,576,637	16,580,131	12,724,562	9,578,980	8,746,597	2,556,139	(26,632)	919,486	-	68,655,900
Net Assets (Deficit), Ending	$ 22,289,953	$ 20,184,282	$ 3,072,804	$ 10,016,191	$ 8,460,427	$ 2,692,579	$ (13,667)	$ 1,014,028	$ -	$ 67,716,597

Allied Services Foundation and Controlled Entities

Combining Schedule - Allied Health Care Services Balance Sheet
June 30 2012

	Vocational Services Division	ICF/MR	Allied Burnley	Home Office	Project Opportunity	Home Health	In Home	Mental Health Services	MAC Scranton	MAC Wilkes-Barre	Allied Pharmacy	Combination Eliminations	Combination Combined
Assets													
Current Assets													
Cash and cash equivalents	$ 807 237	$ 291 121	$ 135 915	$ 4 363 353	$ 5 986	$ 1 190 330	$ 1 083 515	$ 28 651	$ 704 987	$ -	$ 250	$ -	$ 8 611 345
Restricted cash resident funds	-	156 806	-	-	1 630	-	-	-	3 044	-	-	-	161 480
Accounts receivable (net of estimated allowance for doubtful collections of $542 000)	832 735	1 692 909	196 224	14 749	72	898 949	2 704 355	572 699	-	7 897	229 713	-	7 150 302
Intercompany receivables net	582 008	241 848	-	3 110 510	-	219 364	106 777	51 726	46 317	84 419	175 274	(844 215)	3 774 028
Estimated third-party payor settlements	-	13 081	-	-	-	-	-	-	-	-	-	-	13 081
Inventories	240 819	5 965	9 141	15 525	-	-	-	-	-	-	573 526	-	844 976
Prepaid expenses and other current assets	57 141	642	12 281	1 218 336	1 839	5 537	182 994	28 228	26 500	7 105	450 000	-	1 990 603
Total current assets	2 519 940	2 402 372	353 561	8 722 473	9 527	2 314 180	4 077 641	681 304	780 848	99 421	1 428 763	(844 215)	22 545 815
Assets Whose Use Is Limited	-	-	-	1 220 746	52 923	-	-	-	-	-	-	-	1 273 669
Investments	985 878	-	-	-	13 653	-	-	-	-	-	-	-	999 531
Property and Equipment Net	681 130	666 441	545 026	6 475 754	87 897	29 171	6 225	389 468	1 588 349	3 824 757	566 103	-	14 860 321
Deferred Financing Costs Net	-	-	-	13 294	-	-	-	-	-	-	-	-	13 294
Total assets	$ 4 186 948	$ 3 068 813	$ 898 587	$ 16 432 267	$ 164 000	$ 2 343 351	$ 4 083 866	$ 1 070 772	$ 2 369 197	$ 3 924 178	$ 1 994 866	$ (844 215)	$ 39 692 630
Liabilities and Net Assets (Deficit)													
Current Liabilities													
Current maturities of long-term debt	$ 84 889	$ 16 084	$ -	$ 315 209	$ 5 277	$ -	$ -	$ 12 494	$ -	$ -	$ -	$ -	$ 433 953
Accounts payable and accrued expenses	91 299	82 575	16 530	923 673	2 884	1 514	738 246	24 878	41 923	181 163	6 303	-	2 110 988
Estimated third-party payor settlements	-	-	7 175	-	-	-	2 107 725	-	-	-	-	-	2 114 900
Amounts due to affiliates for working capital	-	1 901 039	-	7 163 296	-	-	406 607	-	3 235 382	1 383 201	1 443 182	-	15 532 707
Intercompany payables net	139 258	299 056	12 856	78 123	56 022	75 845	179 597	109 358	18 221	27 311	46 576	(844 215)	198 008
Accrued workers' compensation	-	-	-	1 404 000	-	-	-	-	-	-	-	-	1 404 000
Accrued payroll and related liabilities	377 627	334 081	49 168	1 310 999	-	240 169	82 657	99 933	-	-	80 159	-	2 574 793
Accrued interest	-	-	-	-	954	-	-	-	-	-	-	-	954
Resident funds	-	156 806	-	-	1 630	-	-	-	3 044	-	-	-	161 480
Total current liabilities	693 073	2 789 641	85 729	11 195 300	66 767	317 528	3 514 832	246 663	3 298 570	1 591 675	1 576 220	(844 215)	24 531 783
Long-Term Debt													
Mortgages and notes payable	198 990	91 416	-	2 426 070	118 423	-	-	49 072	-	-	-	-	2 883 971
Workers' Compensation	-	-	-	3 816 449	-	-	-	-	-	-	-	-	3 816 449
Total liabilities	892 063	2 881 057	85 729	17 437 819	185 190	317 528	3 514 832	295 735	3 298 570	1 591 675	1 576 220	(844 215)	31 232 203
Net Assets (Deficit)													
Unrestricted	3 294 885	187 756	812 858	(1 005 552)	(21 190)	2 025 823	569 034	775 037	(929 373)	2 332 503	418 646	-	8 460 427
Total liabilities and net assets (deficit)	$ 4 186 948	$ 3 068 813	$ 898 587	$ 16 432 267	$ 164 000	$ 2 343 351	$ 4 083 866	$ 1 070 772	$ 2 369 197	$ 3 924 178	$ 1 994 866	$ (844 215)	$ 39 692 630

Allied Services Foundation and Controlled Entities

Combining Schedule - Allied Health Care Services Statement of Operations
Year Ended June 30 2012

	Vocational Services Division	ICF/MR	Allied Burnley	Home Office	Project Opportunity	Home Health	In Home	Mental Health Services	MAC Scranton	MAC Wilkes-Barre	Allied Pharmacy	Combination Eliminations	Combination Combined
Unrestricted Revenues													
Net patient service revenues	$ -	$ 12 170 434	$ -	$ -	$ -	$ 4 850 689	$ -	$ -	$ -	$ -	$ -	$ -	$ 17 021 123
Other revenues	11 553 637	119 137	1 657 030	17 911 755	53 635	-	12 829 812	3 267 834	545 350	957 146	7 719 484	(6 767 331)	49 847 489
Total unrestricted revenues	11 553 637	12 289 571	1 657 030	17 911 755	53 635	4 850 689	12 829 812	3 267 834	545 350	957 146	7 719 484	(6 767 331)	66 868 612
Expenses													
Salaries wages and contract labor	6 842 088	5 887 421	1 120 928	9 671 563	2 815	3 172 217	10 922 509	1 667 176	1 026	-	1 521 771	-	40 809 514
Supplies and expenses	3 311 969	5 092 755	373 398	4 749 611	39 440	903 020	1 266 212	1 178 844	309 207	389 463	5 446 068	(6 767 331)	16 292 656
Employee benefits	1 039 934	1 280 636	178 090	2 041 823	215	512 836	1 886 814	352 014	79	-	231 493	-	7 523 934
Depreciation and amortization	189 205	103 810	48 205	1 381 724	5 320	28 588	1 509	102 326	84 061	255 213	182 939	-	2 382 900
Interest expense	-	6 020	-	109 595	11 650	-	-	4 822	36 924	484	-	-	169 495
Provision for doubtful collections	-	-	-	-	114	-	-	2 716	-	-	5 505	-	8 335
Total expenses	11 383 196	12 370 642	1 720 621	17 954 316	59 554	4 616 661	14 077 044	3 307 898	431 297	645 160	7 387 776	(6 767 331)	67 186 834
Operating income (loss)	170 441	(81 071)	(63 591)	(42 561)	(5 919)	234 028	(1 247 232)	(40 064)	114 053	311 986	331 708	-	(318 222)
Investment (Loss) Income	(13 527)	97	75	-	122	1 287	(84)	(94)	(692)	(579)	(814)	-	(14 209)
Revenues in excess of (less than) expenses	156 914	(80 974)	(63 516)	(42 561)	(5 797)	235 315	(1 247 316)	(40 158)	113 361	311 407	330 894	-	(332 431)
Transfers from Affiliates	3 700	-	-	42 561	-	-	-	-	-	-	-	-	46 261
Change in unrestricted net assets (deficit)	$ 160 614	$ (80 974)	$ (63 516)	$ -	$ (5 797)	$ 235 315	$ (1 247 316)	$ (40 158)	$ 113 361	$ 311 407	$ 330 894	$ -	$ (286 170)