See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

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
EVANGELICAL COMMUNITY HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
ONE HOSPITAL DRIVE

City or town, state or country, and ZIP + 4
LEWISBURG, PA 17837

D Employer identification number
24-0795411

E Telephone number
(570) 522-2741

G Gross receipts $ 182,598,960

F Name and address of principal officer
MICHAEL O'KEEFE
ONE HOSPITAL DRIVE
LEWISBURG, PA 17837

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 EVANHOSPITAL COM

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

L Year of formation 1926

M State of legal domicile PA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PROVIDE HEALTH CARE SERVICES TO THE PUBLIC AND TO BE THE COMMUNITY'S HEALTH CARE PROVIDER OF CHOICE

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**	18
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	14
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	**5**	1,227
6	Total number of volunteers (estimate if necessary)	**6**	557
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	2,962,637
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	223,651

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,617,734	2,807,525
9	Program service revenue (Part VIII, line 2g)	128,348,018	141,285,558
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,112,616	4,698,335
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,811,058	5,449,885
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	139,889,426	154,241,303
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	39,000	81,000
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)	63,500,980	71,783,728
16a	Professional fundraising fees (Part IX, column (A), line 11e)	80,850	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶464,866		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	59,894,797	66,364,805
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	123,515,627	138,229,533
19	Revenue less expenses Subtract line 18 from line 12	16,373,799	16,011,770

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	229,634,915	240,301,252
21	Total liabilities (Part X, line 26)	81,983,469	79,638,326
22	Net assets or fund balances Subtract line 21 from line 20	147,651,446	160,662,926

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

****** | 2014-02-07
Signature of officer | Date

JAMES STOPPER CPA CFO CFO
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 C GREEN CPA JD				P00350393

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

Firm's address ▶ 400 MARKET STREET
WILLIAMSPORT, PA 17701 — Phone no (570) 323-6023

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 WILL PROVIDE EXCEPTIONAL HEALTHCARE, ACCESSIBLE TO ALL, IN THE SAFEST AND MOST COMPASSIONATE ATMOSPHERE POSSIBLE OUR VISION WE WILL BE OUR COMMUNITY'S HEALTHCARE PROVIDER OF CHOICE BY PATIENTS, PHYSICIANS AND EMPLOYEES

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 $ 114,965,428 including grants of $ 81,000) (Revenue $ 141,673,824)

MEETING THE HEALTHCARE NEEDS OF THE COMMUNITY IS AT THE HEART OF EVANGELICAL COMMUNITY HOSPITAL'S MISSION AS A NOT-FOR-PROFIT CHARITABLE ORGANIZATION THE HOSPITAL'S RESOURCES PROVIDE FOR LONG-TERM INITIATIVES SUCH AS RECRUITMENT AND RETENTION OF OUTSTANDING MEDICAL PROFESSIONALS, ENHANCED TECHNOLOGIES AND NEW FACILITIES AND SERVICES THE HOSPITAL IS LICENSED TO ACCOMMODATE 130 OVERNIGHT PATIENTS, 12 ACUTE REHABILITATION UNIT PATIENTS AND 18 NEWBORN BABIES IT IS A NOT-FOR-PROFIT COMMUNITY HOSPITAL OFFERING A FULL CONTINUUM OF CARE SERVICES RANGE FROM COMPREHENSIVE DIAGNOSTIC TESTS TO DELICATE MICROSURGERY AND FROM SPECIFIC TREATMENT PROGRAMS TO NUMEROUS OUTPATIENT SERVICES IN ADDITION TO PROVIDING HOSPITAL-BASED MEDICAL SERVICES, EVANGELICAL PROVIDES A NUMBER OF COMMUNITY-BASED SERVICES DESIGNED TO IMPROVE THE HEALTH OF AREA RESIDENTS MANY OF THE EMPLOYEES AND MEDICAL STAFF LEAD HEALTH EDUCATION AND SCREENINGS AS WELL AS SUPPORT GROUPS FOR INDIVIDUALS IN THE COMMUNITY LIVING WITH SERIOUS OR CHRONIC HEALTH CONDITIONS WHETHER THROUGH CHARITABLE CARE, SUBSIDIZED HOSPITAL PROGRAMS AND SERVICES, OR COMMUNITY HEALTH EDUCATION, EVANGELICAL STRIVES TO RESPOND TO THE VALLEY'S MOST PRESSING HEALTH NEEDS

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** ▶ 114,965,428

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		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	Yes	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	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	Yes	
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**		No
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		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**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		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	1,227		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, 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		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	18		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	14		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**		Yes	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**			No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**			No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

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

▶ JAMES STOPPER CPA ONE HOSPITAL DRIVE LEWISBURG, PA (570) 522-2000

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								3,374,771	462,584	1,065,286

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 ▶ 33

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
THE QUANDEL GROUP INC 3003 NORTH FRONT ST SUITE 2-1 HARRISBURG PA 17110	CONSTRUCTION	5,489,128
STANTEC ARCHITECTURE INC 13980 COLLECTIONS CENTER DRIVE CHICAGO IL 60693	ARCHITECT	529,552
DIVERSIFIED CLINICAL SERVICES PO BOX 636981 CINCINNATI OH 45263	MANAGEMENT SERVICES	502,207
T-ROSS BROTHERS CONSTRUCTION PO BOX 70 MONTANDON PA 17850	CONSTRUCTION	469,307
EXECUTIVE HEALTH RESOURCES INC PO BOX 822688 PHILADELPHIA PA 191822688	MANAGEMENT SERVICES	277,586

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 ▶ 89

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	130,455			
	d	Related organizations	1d	8,361			
	e	Government grants (contributions)	1e	664,627			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	2,004,082			
	g	Noncash contributions included in lines 1a-1f $		70,589			
	h	**Total.** Add lines 1a-1f			2,807,525		
Program Service Revenue			Business Code				
	2a	ECH NET PATIENT SERVICE REV	621400	139,028,919	139,028,919		
	b	EASC NET PATIENT SERVICE REVENUE	621400	2,256,639	2,256,639		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f			141,285,558		
	3	Investment income (including dividends, interest, and other similar amounts)			1,949,576		1,949,576
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real	(ii) Personal			
	6a	Gross rents	1,854,089				
	b	Less rental expenses	2,272,859				
	c	Rental income or (loss)	-418,770				
	d	Net rental income or (loss)			-418,770		-418,770
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	28,724,864	16,286			
	b	Less cost or other basis and sales expenses	25,966,031	26,360			
	c	Gain or (loss)	2,758,833	-10,074			
	d	Net gain or (loss)			2,748,759		2,748,759
	8a	Gross income from fundraising events (not including $ 130,455 of contributions reported on line 1c) See Part IV, line 18	a	62,849			
	b	Less direct expenses	b	92,407			
	c	Net income or (loss) from fundraising events			-29,558		-29,558
	9a	Gross income from gaming activities See Part IV, line 19	a	1,057			
	b	Less direct expenses	b	0			
	c	Net income or (loss) from gaming activities			1,057		1,057
	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					
Other Revenue		Miscellaneous Revenue	Business Code				
	11a	LABORATORY SERVICES	621500	1,861,703		1,861,703	
	b	CAFETERIA AND VENDING MACHINE SAL	722210	688,641			688,641
	c	BILLING FEES FROM AFFILIATE	541900	662,934		662,934	
	d	All other revenue		2,683,878	388,266	438,000	1,857,612
	e	**Total.** Add lines 11a–11d			5,897,156		
	12	**Total revenue.** See Instructions			154,241,303	141,673,824	2,962,637	6,797,317

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				
2 Grants and other assistance to individuals in the United States See Part IV, line 22	81,000	81,000		
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	2,619,110		2,619,110	
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	52,863,134	44,710,694	7,937,448	214,992
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,696,137	1,383,438	306,078	6,621
9 Other employee benefits	10,773,634	9,273,864	1,454,922	44,848
10 Payroll taxes	3,831,713	3,125,260	691,494	14,959
11 Fees for services (non-employees)				
a Management	100	100		
b Legal	465,085	1,165	463,920	
c Accounting	135,312	37,530	97,782	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees	142,970	10,300	132,670	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	7,482,316	4,494,729	2,883,738	103,849
12 Advertising and promotion	440,796	15,518	425,278	
13 Office expenses	6,771,305	5,490,401	1,259,205	21,699
14 Information technology	2,396,281	344,595	2,051,686	
15 Royalties . .				
16 Occupancy	1,977,889	1,977,889		
17 Travel	68,994	44,574	21,482	2,938
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	203,869	110,156	87,084	6,629
20 Interest	2,427,998	2,427,998		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	8,345,252	8,345,252		
23 Insurance	57,969	57,969		
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	20,863,356	20,863,356		
b BAD DEBT EXPENSE	8,897,156	8,897,156		
c EQUIPMENT RENTAL & MAIN	1,938,561	469,695	1,456,333	12,533
d MA MODERNIZATION	1,297,399	1,297,399		
e All other expenses	2,452,197	1,505,390	911,009	35,798
25 **Total functional expenses.** Add lines 1 through 24e	138,229,533	114,965,428	22,799,239	464,866
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		1,840	1	2,150
	2	Savings and temporary cash investments		14,361,878	2	10,485,038
	3	Pledges and grants receivable, net		953,577	3	677,515
	4	Accounts receivable, net		12,637,256	4	13,146,488
	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		1,554,598	7	1,427,054
	8	Inventories for sale or use		2,691,288	8	3,394,595
	9	Prepaid expenses and deferred charges		2,108,960	9	2,316,667
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 214,910,654			
	b	Less accumulated depreciation	10b 95,711,604	112,567,581	10c	119,199,050
	11	Investments—publicly traded securities		70,912,948	11	76,981,404
	12	Investments—other securities See Part IV, line 11		3,269,127	12	3,675,408
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		8,575,862	15	8,995,883
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		229,634,915	16	240,301,252
Liabilities	17	Accounts payable and accrued expenses		16,963,549	17	17,935,055
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		49,995,000	20	48,335,000
	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		2,474,118	23	1,597,158
	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		12,550,802	25	11,771,113
	26	**Total liabilities.** Add lines 17 through 25		81,983,469	26	79,638,326
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		141,200,675	27	153,886,825
	28	Temporarily restricted net assets		1,395,475	28	1,368,250
	29	Permanently restricted net assets		5,055,296	29	5,407,851
		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		147,651,446	33	160,662,926
	34	Total liabilities and net assets/fund balances		229,634,915	34	240,301,252

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	154,241,303
2	Total expenses (must equal Part IX, column (A), line 25)	2	138,229,533
3	Revenue less expenses Subtract line 2 from line 1	3	16,011,770
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	147,651,446
5	Net unrealized gains (losses) on investments	5	866,468
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-3,866,758
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	160,662,926

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		

Additional Data

Software ID:
Software Version:
EIN: 24-0795411
Name: EVANGELICAL COMMUNITY HOSPITAL

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MICHAEL N O'KEEFE PRESIDENT/CEO (NON-VOTING)	40 00 1 00	X		X				404,731	0	125,062
JOHN GRIFFITH CHAIRPERSON	1 00 10	X		X				0	0	0
TIM APPLE DIRECTOR	1 00 10	X						0	0	0
JULIE BARNA DMD DIRECTOR	1 00 10	X						0	0	0
MARTHA A BARRICK DIRECTOR	1 00 10	X						0	0	0
BROOKS GRONLUND DIRECTOR	1 00 10	X						0	0	0
ROBERT L GRONLUND DIRECTOR	1 00 10	X						0	0	0
ROGER S HADDON JR DIRECTOR	1 00 10	X						0	0	0
AMANDA KESSLER DIRECTOR	1 00 10	X						0	0	0
JOHN MECKLEY ESQ DIRECTOR	1 00 10	X						0	0	0
FREDRIK B PAULSEN JR DIRECTOR	1 00 10	X						0	0	0
JULIA REDCAY DO DIRECTOR	1 00 10	X						0	0	0
W GALE REISH MD DIRECTOR	1 00 10	X						0	0	0
SUSAN FORGETT RHEAM CPA DIRECTOR	1 00 10	X						0	0	0
JOHN E RICE MD DIRECTOR	1 00 10	X						0	292,711	34,283
NORMAN S RICH DIRECTOR	1 00 10	X						0	0	0
HENRY A TRUSLOW IV DIRECTOR	1 00 10	X						0	0	0
MICHAEL R WIMER DIRECTOR	1 00 10	X						0	0	0
P RONALD ZUG DIRECTOR	1 00 10	X						0	169,873	19,532
CHRISTOPHER D OLSON DO EX-OFFICIO (NON-VOTING)	1 00 10	X						0	0	0
SHARON L PEARCE EX-OFFICIO (NON-VOTING)	1 00 10	X						0	0	0
SARA G KIRKLAND DIRECTOR EMERITUS (NON-VOTING)	1 00 10	X						0	0	0
JOHN MATHIAS DIRECTOR EMERITUS (NON-VOTING)	1 00 10	X						0	0	0
JAMES G APPLE DIRECTOR EMERITUS (NON-VOTING)	1 00 10	X						0	0	0
KENDRA A AUCKER CHIEF OPERATING OFFICER	40 00			X				259,528	0	80,195

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JAMES A STOPPER CHIEF FINANCIAL OFFICER	40 00 1 00			X				220,042	0	67,993
J LAWRENCE GINSBURG VP MEDICAL AFFAIRS	40 00				X			683,588	0	211,229
PAUL E TARVES VP OF NURSING	40 00				X			188,680	0	58,302
GLENN R EISENHAUER VP, HUMAN RESOURCES	40 00				X			159,192	0	49,190
DALE E MOYER CHIEF INFORMATION OFFICER	40 00				X			155,939	0	48,185
TAMI G RADECKE VP COMMUNITY RELATIONS/CHIEF DEVELOPMENT OFFICER	40 00				X			156,332	0	48,306
MARK K KRAMMES CHIEF CRNA	40 00					X		235,658	0	72,818
SANDRA S WALKER NURSE ANESTHETIST	45 00					X		213,602	0	66,003
LORI K GOODLING NURSE ANESTHETIST	45 00					X		208,347	0	64,379
RAYMOND J TOMASZEWSKI NURSE ANESTHETIST	44 00					X		196,595	0	60,748
BRADLEY P BOWER NURSE ANESTHETIST	43 00					X		191,136	0	59,061
CHRISTINE MARTIN FORMER OFFICER	0 00						X	101,401	0	0

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

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
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

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
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

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	3,717,474	3,351,677	2,853,652	2,701,406	2,623,000
b	Contributions	700,530	114,280	380,340	123,011	229,877
c	Net investment earnings, gains, and losses	280,387	341,323	207,310	102,387	-101,037
d	Grants or scholarships	22,640	15,894	16,598	2,000	11,900
e	Other expenditures for facilities and programs	67,350	60,316	67,522	66,203	34,346
f	Administrative expenses	17,968	13,596	5,505	4,949	4,188
g	End of year balance	4,590,433	3,717,474	3,351,677	2,853,652	2,701,406

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

- a Board designated or quasi-endowment ▶ 60 300 %
- b Permanent endowment ▶ 39 700 %
- c Temporarily restricted endowment ▶

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

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		6,859,650		6,859,650
b Buildings		106,605,932	30,518,566	76,087,366
c Leasehold improvements		2,052,671	441,865	1,610,806
d Equipment		87,122,924	62,409,795	24,713,129
e Other		12,269,477	2,341,378	9,928,099
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				119,199,050

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

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

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
BLUE CROSS CURRENT FINANCING ADVANCE	1,057,200
ACCRUED POSTRETIREMENT BENEFIT COSTS	5,648,952
ESTIMATED MEDICAL MALPRACTICE CLAIMS LIABILITY	1,629,083
CHARITABLE GIFT ANNUITIES PAYABLE	701,300
DEFERRED COMPENSATION	2,191,524
CAPITAL LEASE OBLIGATION	543,054
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	11,771,113

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	151,276,280
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	866,468		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	-6,196,757		
e	Add lines **2a** through **2d**			2e	-5,330,289
3	Subtract line **2e** from line **1**			3	156,606,569
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	-2,365,266		
c	Add lines **4a** and **4b**			4c	-2,365,266
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	154,241,303

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

1	Total expenses and losses per audited financial statements			1	138,264,799
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	8,968,925		
e	Add lines **2a** through **2d**			2e	8,968,925
3	Subtract line **2e** from line **1**			3	129,295,874
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	8,933,659		
c	Add lines **4a** and **4b**			4c	8,933,659
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	138,229,533

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 INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	ENDOWMENT FUNDS WILL BE USED TO SUPPORT VARIOUS HOSPITAL PROGRAMS SUCH AS FUNDING HELPLINE SERVICES, COMMUNITY HEALTH EDUCATION, HOSPICE SERVICES, PRE-HOSPITAL SERVICES, FAMILY PLACE (OB SERVICES), PROVIDE NURSING SCHOLARSHIPS AND TO PROVIDE FOOD, SERVICE, OR CARE FOR PEOPLE WHO DO NOT HAVE THE MEANS TO PAY FOR THE SERVICE
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X, LINE 2	THE CORPORATION 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 HAS DETERMINED THAT THERE WERE NO TAX UNCERTAINTIES THAT MET THE RECOGNITION THRESHOLD IN 2013 OR 2012 THE HOSPITAL'S FEDERAL RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX (FORM 990) AND THE FEDERAL EXEMPT ORGANIZATION BUSINESS INCOME TAX RETURNS (FORM 990-T) FOR THE YEARS ENDING PRIOR TO JUNE 30, 2010 NO LONGER REMAIN SUBJECT TO EXAMINATION BY THE INTERNAL REVENUE SERVICE ("IRS")
PART XI, LINE 2D - OTHER ADJUSTMENTS		CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENT 13,332 VALUATION GAIN 238,780 POSTRETIREMENT BENEFIT LIABILITY ADJUSTMENT 645,282 PROVISION FOR BAD DEBT (NETTED ON F/S) -8,933,659 EASC REVENUES PRIOR TO 12/19/2012 (CONSOLIDATION) 1,839,508
PART XI, LINE 4B - OTHER ADJUSTMENTS		RENTAL EXPENSES -2,272,859 SPECIAL EVENTS EXPENSE -92,407
PART XII, LINE 2D - OTHER ADJUSTMENTS		RENTAL EXPENSES 2,272,859 SPECIAL EVENTS EXPENSE 92,407 EQUITY TRANSFER TO AFFILIATE 4,450,000 EASC EXPENSES PRIOR TO 12/19/2012 (CONSOLIDATION) 2,153,659
PART XII, LINE 4B - OTHER ADJUSTMENTS		PROVISION FOR BAD DEBT (NETTED ON F/S) 8,933,659

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a. Form 990-EZ filers are not required to complete this part.

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

- **a** ☐ Mail solicitations
- **b** ☐ Internet and email solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
Total . . . . . ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 GOLF TOURNAMENT (event type)	(b) Event #2 EVAN GALA (event type)	(c) Other events 1 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	58,981	123,723	10,600	193,304
	2 Less Contributions	42,317	80,578	7,560	130,455
	3 Gross income (line 1 minus line 2)	16,664	43,145	3,040	62,849
Direct Expenses	4 Cash prizes	1,910			1,910
	5 Noncash prizes		30,775	1,627	32,402
	6 Rent/facility costs	9,180	2,848		12,028
	7 Food and beverages	5,890	13,664	1,356	20,910
	8 Entertainment		6,500	300	6,800
	9 Other direct expenses	5,840	9,937	2,580	18,357
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(92,407)
	11 Net income summary Combine line 3, column (d), and line 10 ▶				-29,558

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary Combine lines 1 and 7 in column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain _____

Does the organization operate gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a	The organization's facility	13a	
b	An outside facility	13b	

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ .....

Address ▶ .....

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____

c If "Yes," enter name and address of the third party

Name ▶ .....

Address ▶ .....

16 Gaming manager information

Name ▶ .....

Gaming manager compensation ▶ $ .....

Description of services provided ▶ .....

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

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
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

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 ☑ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
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 ☑ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
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		No
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		
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)		545	311,629		311,629	0 240 %
b Medicaid (from Worksheet 3, column a)		19,328	10,626,501	5,556,344	5,070,157	3 920 %
c Costs of other means-tested government programs (from Worksheet 3, column b)		337	41,224		41,224	0 030 %
d **Total** Financial Assistance and Means-Tested Government Programs		20,210	10,979,354	5,556,344	5,423,010	4 190 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	111	19,105	660,088	36,824	623,264	0 480 %
f Health professions education (from Worksheet 5)	11	290	292,116		292,116	0 230 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	1		16,361		16,361	0 010 %
j **Total.** Other Benefits	123	19,395	968,565	36,824	931,741	0 720 %
k **Total.** Add lines 7d and 7j	123	39,605	11,947,919	5,593,168	6,354,751	4 910 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support	3		11,522		11,522	0 010 %
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building	12	133	13,966		13,966	0 010 %
7	Community health improvement advocacy						
8	Workforce development	14	137	126,295		126,295	0 100 %
9	Other						
10	**Total**	29	270	151,783		151,783	0 120 %

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	2,902,961		
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	341,072		
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	26,018,582		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	39,547,544		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-13,528,962		
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	EVANGELICAL COMMUNITY HOSPITAL ONE HOSPITAL DRIVE LEWISBURG, PA 17837	X	X					X		INPATIENT REHABILITATION, HOSPICE	

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 EVANGELICAL COMMUNITY HOSPITAL

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**	Yes	
	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 100.000000000000% 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**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

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

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

Part V Facility Information *(continued)*

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

How many non-hospital health care facilities did the organization operate during the tax year?
1

	Name and address	Type of Facility (describe)
1	EVANGELICAL AMBULATORY SURGICAL CENTER 210 JPM ROAD SUITE 100 LEWISBURG,PA 17837	OUTPATIENT SURGICAL CENTER
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 6A THE COMMUNITY BENEFIT REPORT IS AVAILABLE ON THE HOSPITAL'S WEBSITE OR UPON REQUEST
		PART I, LINE 7 THE HOSPITAL USED THE COST-TO-CHARGE RATIO TO DETERMINE THE AMOUNTS INCLUDED IN LINE 7

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $8,897,156
		PART II AS A COMMUNITY AND HEALTH RESOURCE FOR MORE THAN 87 YEARS, EVANGELICAL COMMUNITY HOSPITAL HAS CONTINUALLY DEMONSTRATED ITS COMMITMENT TO THE CENTRAL SUSQUEHANNA VALLEY BY TAKING CARE OF PATIENTS NEEDING TREATMENT, AND BY ITS OUTREACH TO THE COMMUNITY BEYOND THE DAILY CARE OF PATIENTS, THE HOSPITAL EXTENDS ITS REACH TO PROVIDE PREVENTION AND WELLNESS EDUCATION TO RESIDENTS OF THE VALLEY OUTREACH INCLUDES CHARITY-CARE FOR THOSE WHO CANNOT AFFORD MEDICAL TREATMENT, HEALTH SCREENINGS TARGETING THE UN/UNDER-INSURED, HEALTH EDUCATION FOCUSING ON HEALTHY LIFESTYLE CHANGES, CHILD SAFETY SEAT INSPECTIONS, SCHOOL AGED HEALTH INITIATIVES, AND LECTURES ON HEALTH CONCERNS AND TOPICS MANY OF THESE PROGRAMS ARE PROVIDED AT MINIMAL OR NO COST, AND ARE SUBSIDIZED USING HOSPITAL RESOURCES COMMUNITY BENEFIT THE COMMUNITY BENEFIT COMMITTEE OF THE HOSPITAL CONTINUES TO FOCUS ON DEVELOPING NEW WAYS OF IDENTIFYING AND ADDRESSING HEALTH NEEDS IN OUR REGION THE HOSPITAL UTILIZES THE INTERNAL DOCUMENTATION PROCESS DEVELOPED TO CAPTURE COMMUNITY BENEFIT OUTREACH DELIVERED BY THE MAJORITY OF ITS EMPLOYEES THE COMMITTEE CONSISTS OF MEMBERS FROM THE HOSPITAL'S BOARD OF DIRECTORS, EXECUTIVE OPERATING TEAM, MANAGEMENT STAFF, AS WELL AS FRONT-LINE CLINICAL AND ADMINISTRATIVE EMPLOYEES THE COMMUNITY BENEFIT COMMITTEE WORKS COOPERATIVELY WITH DEPARTMENTS OF THE HOSPITAL AND OTHER ORGANIZATIONS IN THE COMMUNITY TO ADDRESS UNMET NEEDS THE COMMUNITY BENEFIT TEAM WAS INSTRUMENTAL IN DEVELOPING AND ADOPTING THE HOSPITAL'S IMPLEMENTATION PLAN BELOW IS A SYNOPSIS OF EACH SUB-COMMITTEE THE PRIMARY GOALS OF THE IMPROVING HEALTHY BEHAVIOR COMMITTEE ARE 1 CONTINUE TO OFFER A VARIETY OF EDUCATIONAL PROGRAMMING FOR THE YOUTH IN THE COMMUNITY AT NO COST EVANGELICAL COMMUNITY HOSPITAL OFFERS A WIDE VARIETY OF EDUCATIONAL PROGRAMS GEARED TOWARD HEALTHY EATING, HYGIENE, STAYING ACTIVE AND LIVING TOBACCO-FREE THESE PROGRAMS WILL BE OFFERED WITHIN OUR SERVICE AREA AND WILL SPECIFICALLY TARGET LOCAL SCHOOL DISTRICTS ADDITIONAL PROGRAMMING WILL BE ADDED FOR SPECIFIC IDENTIFIED POPULATIONS, I E PRESCHOOLS, YMCA'S, AND OTHER FACILITIES AS REQUESTED 2 DEVELOP AND IMPLEMENT A WALKING PROGRAM FOR YOUTH OF THE SERVICE AREA THE WALKING PROGRAM WILL PROMOTE TAKING HEALTHIER STEPS FOR STAYING ACTIVE THIS PROGRAM WILL BE OFFERED TO LOCAL SCHOOL DISTRICTS AS A BEFORE-SCHOOL PROGRAM THROUGH THE WALKING PROGRAM EVANGELICAL WILL OFFER MATERIAL ON HEALTHY EATING AND LIVING TOBACCO FREE TO ALL SCHOOL DISTRICTS WITHIN THE HOSPITAL'S FOOTPRINT 3 DEVELOP AND IMPLEMENT 10,000 STEPS PROGRAM INTO THE GREATER SUSQUEHANNA VALLEY THIS PROGRAM WILL PROMOTE GOOD HEALTH AND HELP PARTICIPANTS DEVELOP A FITNESS REGIME BY ENCOURAGING THEM TO STRIVE FOR 10,000 STEPS A DAY (THE EQUIVALENT OF WALKING ROUGHLY FIVE MILES) A PERSON WHO WALKS AT LEAST 10,000 STEPS A DAY COULD BURN 2,000 - 3,500 EXTRA CALORIES PER WEEK 4 DEVELOP AND IMPLEMENT A NEW EDUCATIONAL PROGRAM TO OFFER LOCAL YMCA'S AND SUMMER/DAY CAMPS TO EDUCATE STUDENTS ON THE IMPORTANCE OF HEALTHY EATING, BEING ACTIVE, AND LIVING TOBACCO-FREE 5 PARTNER WITH CLINICAL OUTCOMES GROUP, INC IN SUNBURY AND THE PA DEPARTMENT OF HEALTH TO PROMOTE YOUNG LUNGS AT PLAY, A PROGRAM DESIGNED TO PROVIDE AWARENESS OF THE EFFECTS OF SECOND-HAND SMOKE ON CHILDREN AND YOUTH THE HOSPITAL WILL HELP BRING THIS PROGRAM INTO PARKS, RECREATIONAL FACILITIES, BOROUGHS, TOWNSHIP AND COUNTIES BY PRESENTING YOUNG LUNGS AT PLAY WHEN NEEDED 6 DEVELOP AN IMPROVING HEALTHY BEHAVIORS TEAM COMPRISED OF KEY PERSONNEL FROM HOSPITAL SERVICE AREAS WITH THE EXPECTATION TO ENHANCE OUR COMMUNITY'S EDUCATION, ACCESS AND AWARENESS OF HEALTHY BEHAVIORS TEAM PARTICIPANTS WOULD INCLUDE PERSONNEL FROM ADMINISTRATION, CENTER FOR BREAST HEALTH, NUTRITIONAL SERVICES, FINANCE, CARDIAC REHABILITATION, COMMUNITY HEALTH, OUTPATIENT CLINIC, PULMONARY SERVICES, FITNESS CENTER, CENTER FOR ORTHOPEADICS, DIABETIC EDUCATION, REHABILITATION SERVICES, WOMEN'S ADVISORY GROUP, AND MARKETING AND COMMUNICATIONS THE PRIMARY GOALS OF THE IMPROVING ACCESS TO HEALTHCARE COMMITTEE ARE 1 CONTINUE TO OFFER A VARIETY OF HEALTH SCREENING PROGRAMS FOR THE COMMUNITY AT MINIMAL OR NO COST CURRENTLY, EVANGELICAL COMMUNITY HOSPITAL OFFERS A WIDE VARIETY OF HEALTH SCREENS WITHIN OUR SERVICE AREA SPECIFICALLY TARGETED TO UN/UNDER-INSURED COMMUNITY MEMBERS ADDITIONAL SCREENS WILL BE ADDED FOR SPECIFIC IDENTIFIED POPULATIONS, I E UN/UNDER-INSURED, RURALLY LOCATED, YOUTH AND MINORITY GROUPS 2 COLLABORATE WITH THE HOSPITAL'S EMPLOYED PHYSICIAN NETWORK, THE EVANGELICAL MEDICAL SERVICE ORGANIZATION (EMSO), FAMILY PRACTICE CENTERS AND EVANGELICAL'S HOSPITALISTS TO DEVELOP AND DEPLOY THE "YOUR WELLNESS PRESCRIPTION PAD" "YOUR WELLNESS PRESCRIPTION PAD" PROVIDES AN EASY WAY FOR PHYSICIANS AND MID-LEVEL PROVIDERS TO REFER OR "PRESCRIBE" EDUCATION AND PROGRAMS DEVELOPED TO ADDRESS PREVENTION OF COMMON ISSUES AND DISEASES AND ENCOURAGEMENT OF WELLNESS ACTIVITIES 3 DEVELOP A COMMUNITY HEALTH COALITION THE COALITION WILL BE COMPRISED OF LOCAL NONPROFIT, GOVERNMENTAL, AND COMMUNITY ORGANIZATIONS FOR THE PURPOSE OF SHARING INFORMATION, DEVELOPING CROSS-REFERRAL NETWORKS, AND ENHANCING FUNDING OPPORTUNITIES FOR THE MOST PRESSING COMMUNITY HEALTH NEEDS FACING VALLEY RESIDENTS 4 EXPAND THE OUTREACH OF THE HOSPITAL'S "FREE OR REDUCED-FEE MAMMOGRAPHY PROGRAM" TO REACH HIGH-RISK WOMEN (E G , MINORITY POPULATIONS, AMISH AND MENNONITES, AND THOSE WITHOUT INSURANCE) 5 DEVELOP AND EXPAND A NEW SURVIVORSHIP ASSISTANCE PROGRAM FOR CANCER SURVIVORS THIS PROGRAM WILL OFFER CANCER PATIENTS RESOURCES AND SUPPORT FOR THE RELATED EMOTIONAL AND MENTAL ISSUES THAT OFTEN RESULT FROM A CANCER DIAGNOSIS, (I E FINANCIAL AND LEGAL COUNSELING, FAMILY AND RELATIONSHIP ISSUES, WORK/CAREER CONCERNS, AND PERSONAL ISSUES) 6 DEVELOP AND EXECUTE OUTREACH EFFORTS TO IMPROVE ACCESS TO CARE AT EVANGELICAL COMMUNITY HOSPITAL AND THE LARGER HEALTH SERVICES NETWORK A IMPLEMENTATION OF A CALL CENTER FOR PHYSICIAN AND SERVICE REFERRALSB DEVELOP OUTREACH EFFORTS TO ENCOURAGE USE OF EMERGENCY DEPARTMENT'S NEW "ERGENTCARE" OR "FAST TRACK" PROCESS TO REDUCE THE WAITING TIME TO RECEIVE CARE FOR EMERGENT ILLNESSES AND INJURIES 7 DEVELOP AN ACCESS TO CARE TEAM COMPRISED OF KEY PERSONNEL FROM HOSPITAL SERVICE AREAS WITH THE GOAL TO ENHANCE OUR ABILITY TO PROVIDE BETTER ACCESS TO CARE THEY INCLUDE MANAGED CARE, REGISTRATION, FINANCE, PATIENT ACCOUNTS, COMMUNITY HEALTH, EMSO, EMERGENCY DEPARTMENT, OUTPATIENT CASE MANAGEMENT COORDINATOR, NURSING, SOCIAL SERVICES, AND MARKETING & COMMUNICATIONS CANCER AWARENESS AND EDUCATION IS EXTREMELY IMPORTANT THE FOLLOWING PROGRAMS WERE OFFERED IN FY13, THE CORRESPONDING NUMBER BESIDE THE PROGRAM DOCUMENTS THE NUMBER OF PEOPLE SERVED PROGRAM INDIVIDUALS SERVEDLOOK GOOD, FEEL BETTER 1- 3 WOMEN MONTHLYCANCER SUPPORT GROUP 2 MONTHLY GROUPS, 5-6 WOMEN EACHHOSPITAL'S EMPLOYEE HEALTH FAIR (EDUCATION ON BREAST CANCER AWARENESS, SMOKING CESSATION, EARLY DETECTION AND PREVENTATIVE HEALTH ACTIVITIES) 160 EMPLOYEES AND FAMILY MEMBERSBREAST HEALTH LECTURE 4 PARTICIPANTSI CAN COPE SURVIVOR PROGRAM 10 PARTICIPANTSCOPING WITH THE HOLIDAYS PROGRAM 18 PARTICIPANTSCOMMUNITY EVENT TO SUPPORT BREAST CANCER 250 PARTICIPANTSLIFE AFTER LOSS BEREAVEMENT SUPPORT GROUP 8 PARTICIPANTSOTHER HEALTH EDUCATION AND PREVENTION ACTIVITIES INCLUDE PROGRAM INDIVIDUALS SERVEDMONTHLY SUPPORT GROUPS 1673 PARTICIPANTSFREE HEART HEALTH SCREENINGS 55 PARTICIPANTSTALK WITH THE DOC LECTURE SERIES 71 PARTICIPANTSMEN'S HEALTH SCREEN 53 PARTICIPANTSWOMEN'S HEALTH SCREEN 104 PARTICIPANTSCHILD SAFETY SEAT REPLACEMENT 42 FAULTY SEATSYOUTH BIKE HELMET GIVEAWAY PROGRAM 156 HELMETS GIVEN* OVER 20 EDUCATIONAL HEALTH RELATED LECTURES PROVIDED AT NO COST *PROPER HAND WASHING IS ESSENTIAL FOR PEOPLE OF ALL AGES TO LIMIT AND PROHIBIT THE SPREAD OF DISEASE AND GERMS EVANGELICAL COMMUNITY HOSPITAL'S GERM CITY PROGRAM USES AN ENTERTAINING TECHNIQUE TO STRESS THE IMPORTANCE OF FREQUENT, EFFECTIVE HAND WASHING AND SEE IMMEDIATE RESULTS IN FY13, MORE THAN 1353 STUDENTS IN THE LOCAL SCHOOLS PARTICIPATED IN THE GERM CITY PROGRAM AND WERE EDUCATED ON PROPER HAND WASHING TECHNIQUES

Identifier	ReturnReference	Explanation
		PART III, LINE 4 ACCOUNTS RECEIVABLE- PATIENTS 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 ARE ESTIMATED BASED UPON A PERIODIC REVIEW OF THE ACCOUNTS RECEIVABLE AGING, PAYOR CLASSIFICATIONS AND APPLICATION OF HISTORICAL WRITE-OFF PERCENTAGES THE COSTING METHODOLOGY USED IN DETERMINING BAD DEBTS EXPENSE AT COST AND ESTIMATED AMOUNT OF THE ORGANIZATION'S BAD DEBT EXPENSE ATTRIBUTED TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY IS BAD DEBT EXPENSE TIMES THE COST TO CHARGE RATIO IN DETERMINING BAD DEBT EXPENSE, PATIENT LIABILITIES ARE NET OF THIRD-PARTY PAYMENTS AND ANY PATIENT PAYMENTS THE METHOD THE ORGANIZATION USES TO DETERMINE THE AMOUNT THAT REASONABLY COULD BE ATTRIBUTED TO PATIENTS WHO LIKELY WOULD QUALIFY FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL'S CHARITY CARE POLICY, BUT DID NOT ADEQUATELY COMPLETE THE CHARITY CARE PAPERWORK WE BELIEVE THAT A PORTION OF OUR BAD DEBTS RESULTS FROM SERVICES PROVIDED TO PATIENTS WHO MEET THE CHARITY CARE GUIDELINES BUT WERE UNABLE OR UNWILLING TO PROVIDE THE APPROPRIATE DOCUMENTATION TO ALLOW THAT CLASSIFICATION THESE WOULD BE CLASSIFIED AS BAD DEBT EXPENSE TIMES THE COST TO CHARGE RATIO TO ARRIVE AT COST THE ORGANIZATION ACCOUNTS FOR DISCOUNTS AND PAYMENTS ON PATIENT ACCOUNTS AS A REDUCTION OF REVENUE/ACCOUNTS RECEIVABLE DISCOUNTS AND PAYMENTS ARE NOT COMPONENTS OF BAD DEBT EXPENSE EVANGELICAL COMMUNITY HOSPITAL PROVIDES CARE TO ALL PATIENTS WHO NEED IT, REGARDLESS OF THEIR ABILITY TO PAY THIS IS PART OF THE HOSPITAL'S MISSION
		PART III, LINE 8 THE HOSPITAL CONTINUES TO PROVIDE CARE TO ALL PRESENTING AND ADMITTED PATIENTS, REGARDLESS OF ABILITY OR PAY NOTWITHSTANDING THE COSTS TO PROVIDE CARE, RECEIVING "LESS" THAN WHAT IT COSTS TO PROVIDE ADEQUATE CARE TO MEDICARE COVERED LIVES DOES THE HOSPITAL A DISSERVICE THIS SHORTFALL SHOULD COUNT AS A COMMUNITY BENEFIT THE HOSPITAL USES THE COST-TO-CHARGE RATIO TO DETERMINE THE MEDICARE ALLOWABLE COSTS

Identifier	ReturnReference	Explanation
		PART III, LINE 9B IN ACCORDANCE WITH THE COLLECTION POLICY, BAD DEBT ACCOUNTS WILL BE ELIGIBLE FOR A CHARITY CARE DISCOUNT IF THE PATIENT MEETS CHARITY CARE POLICY GUIDELINES THE PATIENT WILL NEED TO SUPPLY INCOME INFORMATION IN ORDER TO DETERMINE ELIGIBILITY FOR CHARITY CARE PER POLICY ALSO SEE RESPONSE TO PART III LINE 4 ABOVE
EVANGELICAL COMMUNITY HOSPITAL		PART V, SECTION B, LINE 3 IN 2012, EVANGELICAL COMMUNITY HOSPITAL PARTICIPATED IN A FIVE-COUNTY (SNYDER, UNION, MONTOUR, NORTHUMBERLAND AND COLUMBIA) COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) LED BY ACTION HEALTH TRIPP UMBACH WAS SELECTED TO CONDUCT THE ASSESSMENT AND REPORT ON THE FINDINGS THE ASSESSMENT CONSISTED OF INTERVIEWS WITH KEY COMMUNITY STAKEHOLDERS AND FOCUS GROUPS FOCUS GROUP PARTICIPANTS FOR EVANGELICAL'S SERVICES AREA CONSISTED OF HEALTHCARE PROVIDERS, RESIDENTS FROM THE LATINO COMMUNITY AND UN/UNDER-INSURED RESIDENTS KEY COMMUNITY STAKEHOLDER INTERVIEWS CONSISTED OF LEADERS FROM ORGANIZATIONS SUCH AS AGENCY ON AGING, PA DEPARTMENT OF HEALTH, AMERICAN CANCER SOCIETY, FAITH-BASED ORGANIZATIONS, LOCAL SCHOOLS AND UNIVERSITIES, BUSINESSES AND NONPROFIT ORGANIZATIONS

Identifier	ReturnReference	Explanation
EVANGELICAL COMMUNITY HOSPITAL		PART V, SECTION B, LINE 4 IN 2012, EVANGELICAL COMMUNITY HOSPITAL PARTICIPATED IN A FIVE-COUNTY (SNYDER, UNION, MONTOUR, NORTHUMBERLAND AND COLUMBIA) COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) THE ASSESSMENT PROCESS WAS LED BY ACTION HEALTH, AN ORGANIZATION THAT FOSTERS COLLABORATION BETWEEN HOSPITALS AND LOCAL EDUCATIONAL INSTITUTIONS FOR THE PURPOSE OF MEETING THE HEALTH NEEDS OF THE COMMUNITY THE OTHER FACILITIES THAT WERE INVOLVED WERE GEISINGER, GEISINGER-SHAMOKIN AREA COMMUNITY HOSPITAL, BLOOMSBURG HOSPITAL AND BLOOMSBURG UNIVERSITY
EVANGELICAL COMMUNITY HOSPITAL		PART V, SECTION B, LINE 7 THE THIRD AND FINAL MOST PRESSING NEED IDENTIFIED THROUGH THE 2012 CHNA WAS THE NEED FOR ADEQUATE PUBLIC TRANSPORTATION - THIS HAS NOT BEEN FULLY ADDRESSED BY THE HOSPITAL THE ISSUE OF ENSURING ADEQUATE PUBLIC TRANSPORTATION FOR VALLEY RESIDENTS IS A CONCERN FOR THE HOSPITAL IN RESPONSE TO THIS IDENTIFIED NEED, HOSPITAL ADMINISTRATION HAS PROVIDED TIME DURING BUSINESS HOURS FOR A MEMBER OF THE COMMUNITY BENEFIT COMMITTEE TO SERVE ON THE REGIONAL NORTH CENTRAL PA PUBLIC TRANSPORTATION TASK FORCE IN ADDITION, KEY PERSONNEL IN SOCIAL SERVICES, CASE MANAGEMENT AND THE EMERGENCY DEPARTMENT ARE WORKING TOGETHER TO ADDRESS TRANSPORTATION ISSUES AS THEY RELATE TO PATIENTS WHO COME TO THE HOSPITAL FOR EMERGENT OR SCHEDULED CARE, BUT ARE UNABLE TO RETURN HOME DUE TO THE LACK OF TRANSPORTATION A SPECIAL FUND HAS BEEN ESTABLISHED FOR THIS PURPOSE MAKING TAXI-FARE AVAILABLE TO THESE PATIENTS WHEN NEEDED REPRESENTATIVES OF THE HOSPITAL WILL CONTINUE TO ADVOCATE AND SUPPORT EFFORTS IN OUR COMMUNITY TO ADDRESS AND SOLVE THE MOST URGENT TRANSPORTATION NEEDS IN THE VALLEY, ESPECIALLY AS THEY RELATE TO THOSE WHO HAVE DIFFICULTY ACCESSING HEALTHCARE DUE TO LACK OF TRANSPORTATION HOWEVER, A SPECIAL SUBCOMMITTEE OF THE COMMUNITY BENEFITS COMMITTEE WILL NOT BE DEVELOPED AND STAFFED FOR THE PURPOSE OF ADDRESSING TRANSPORTATION NEEDS

Identifier	ReturnReference	Explanation
EVANGELICAL COMMUNITY HOSPITAL		PART V, SECTION B, LINE 12H MEDICAL ASSISTANCE DENIAL
EVANGELICAL COMMUNITY HOSPITAL		PART V, SECTION B, LINE 14G POLICY IS PRESENTED TO PATIENTS BY HRSI WHEN WORKING WITH PATIENTS ON MEDICAL ASSISTANCE APPLICATIONS HRSI IS A THIRD PARTY USED BY EVANGELICAL COMMUNITY HOSPITAL TO WORK WITH PATIENTS FOR OBTAINING FINANCIAL ASSISTANCE

Identifier	ReturnReference	Explanation
EVANGELICAL COMMUNITY HOSPITAL		PART V, SECTION B, LINE 20D PATIENTS ARE CHARGED THE FULL AMOUNT AND THEN CHARITY CARE DISCOUNT IS APPLIED AS AN ADJUSTMENT
		PART VI, LINE 2 IN 2012, EVANGELICAL COMMUNITY HOSPITAL PARTICIPATED IN A FIVE-COUNTY (SNYDER, UNION, MONTOUR, NORTHUMBERLAND AND COLUMBIA) COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) THE ASSESSMENT PROCESS WAS LED BY ACTION HEALTH, AN ORGANIZATION THAT FOSTERS COLLABORATION BETWEEN HOSPITALS AND LOCAL EDUCATIONAL INSTITUTIONS FOR THE PURPOSE OF MEETING THE HEALTH NEEDS OF THE COMMUNITY THE FIRST STEP IN THE PROCESS WAS FOR ACTION HEALTH TO FORM A NEEDS ASSESSMENT OVERSIGHT COMMITTEE WITH THAT IN PLACE, IN OCTOBER 2011 THE OVERSIGHT COMMITTEE SELECTED TRIPP UMBACH TO CONDUCT THE ASSESSMENT AND REPORT ON THE FINDINGS THE ASSESSMENT CONSISTED OF THE USE OF SECONDARY DATA, INTERVIEWS WITH KEY COMMUNITY STAKEHOLDERS AND FOCUS GROUPS FOCUS GROUP PARTICIPANTS FOR EVANGELICAL'S SERVICES AREA CONSISTED OF HEALTHCARE PROVIDERS, RESIDENTS FROM THE LATINO COMMUNITY AND UN/UNDER-INSURED RESIDENTS KEY COMMUNITY STAKEHOLDER INTERVIEWS CONSISTED OF LEADERS FROM ORGANIZATIONS SUCH AS AGENCY ON AGING, PA DEPARTMENT OF HEALTH, AMERICAN CANCER SOCIETY, FAITH-BASED ORGANIZATIONS, LOCAL SCHOOLS AND UNIVERSITIES, BUSINESSES AND NONPROFIT ORGANIZATIONS CONSISTENT FINDINGS ACROSS THE REGION INCLUDE 1) IMPROVING ACCESS TO HEALTHCARE FOR UN/UNDER-INSURED RESIDENTS NEED FOR INCREASED ACCESS TO AFFORDABLE HEALTH INSURANCE AND INCREASED NUMBER OF HEALTHCARE PROVIDERS IN GENERAL AND SPECIFICALLY, HEALTHCARE PROVIDERS THAT WILL ACCEPT STATE-FUNDED MEDICAL INSURANCE 2) IMPROVING HEALTHY BEHAVIORS NEED FOR INCREASED AWARENESS AND EDUCATION, MOTIVATION AND/OR INCENTIVES FOR RESIDENTS WHO PRACTICE HEALTHY BEHAVIORS AND INCREASED ACCESS TO HEALTHY OPTIONS IN THE REGION 3) COMMUNITY DEVELOPMENT, SPECIFICALLY TRANSPORTATION BECAUSE OF THE RURAL NATURE OF OUR REGION, THE LACK OF TRANSPORTATION AND LIMITED TRANSLATION SERVICES CREATE MAJOR BARRIERS FOR COMMUNITY MEMBERS TO ACCESS HEALTHCARE AND OTHER PRIMARY HEALTH RESOURCES IN OUR AREA SINCE 2012 THE ADMINISTRATION AND STAFF OF EVANGELICAL COMMUNITY HOSPITAL HAS ACTIVELY COMMITTED TO PLAYING A KEY ROLE IN ADDRESSING THE CURRENT NEEDS OF ITS COMMUNITY TWO TASK FORCES LED BY MEMBERS OF THE COMMUNITY HEALTH AND WELLNESS TEAM AND KEY LEADERS WITHIN THE EVANGELICAL HOSPITAL SYSTEM HAVE DEVELOPED AND ARE OFFERING NEW PROGRAMMING, AS WELL AS WORKING TO IMPROVE EXISTING PROGRAMS THAT DIRECTLY IMPACT THE SURROUNDING COMMUNITY THE SOLE PURPOSE OF THE TASK FORCES IS TO ADDRESS THE UNMET NEEDS OF RESIDENTS IN OUR COMMUNITY IN TWO OF THE THREE SPECIFIC AREAS 1) IMPROVING ACCESS TO HEALTHCARE, AND 2) IMPROVING HEALTHY BEHAVIORS PROGRAMMING IN CLINICAL DEPARTMENTS, PATIENT PROCESSES, AND OUTREACH EFFORTS TO THE COMMUNITY HAVE BEEN AND WILL BE MODIFIED TO FOCUS ON MEETING THE IDENTIFIED UNMET NEEDS AND WAYS IN WHICH EVANGELICAL COMMUNITY HOSPITAL CAN BRING ABOUT SYSTEMIC CHANGE THE THIRD AND FINAL MOST PRESSING NEED IDENTIFIED THROUGH THE 2012 CHNA WAS THE NEED FOR ADEQUATE PUBLIC TRANSPORTATION THIS NEED WAS IDENTIFIED THROUGH REVIEWING SECONDARY DATA AND PRIMARY INPUT FROM COMMUNITY STAKEHOLDERS AND RESIDENTIAL FOCUS GROUPS THE ISSUE OF ENSURING ADEQUATE PUBLIC TRANSPORTATION FOR VALLEY RESIDENTS IS A CONCERN FOR EVANGELICAL COMMUNITY HOSPITAL, ESPECIALLY AS THE LACK OF TRANSPORTATION CREATES SIGNIFICANT BARRIERS FOR SOME RESIDENTS WHEN ATTEMPTING TO ACCESS HEALTHCARE RESIDENTS MAY HAVE THE ABILITY TO SCHEDULE APPOINTMENTS WITH HEALTHCARE PROVIDERS, BUT MAY NEED TO CANCEL THOSE SAME APPOINTMENTS DUE TO THEIR INABILITY TO FIND ADEQUATE TRANSPORTATION TO AND FROM AN APPOINTMENT THIS PRACTICE DISCOURAGES HEALTHCARE PROVIDERS' (PHYSICIANS AND DENTISTS) ACCEPTANCE OF STATE-FUNDED HEALTH INSURANCES DUE TO THE INABILITY OF THE UN/ UNDER-INSURED TO KEEP THEIR SCHEDULED APPOINTMENTS IN RESPONSE TO THIS IDENTIFIED NEED, HOSPITAL ADMINISTRATION HAS PROVIDED TIME DURING BUSINESS HOURS FOR A MEMBER OF THE COMMUNITY BENEFIT COMMITTEE TO SERVE ON THE REGIONAL NORTH CENTRAL PA PUBLIC TRANSPORTATION TASK FORCE THE REPRESENTATIVE HAS BEEN SERVING AS A MEMBER OF THIS COMMITTEE SINCE 2012 IN ADDITION, KEY PERSONNEL IN SOCIAL SERVICES, CASE MANAGEMENT AND THE EMERGENCY DEPARTMENT ARE WORKING TOGETHER TO ADDRESS TRANSPORTATION ISSUES AS THEY RELATE TO PATIENTS WHO COME TO THE HOSPITAL FOR EMERGENT OR SCHEDULED CARE, BUT ARE UNABLE TO RETURN HOME DUE TO THE LACK OF TRANSPORTATION A SPECIAL FUND HAS BEEN ESTABLISHED FOR THIS PURPOSE MAKING TAXI-FARE AVAILABLE TO THESE PATIENTS WHEN NEEDED IN ADDITION, THE REPRESENTATIVES OF THE HOSPITAL WILL CONTINUE TO ADVOCATE AND SUPPORT EFFORTS IN OUR COMMUNITY TO ADDRESS AND SOLVE THE MOST URGENT TRANSPORTATION NEEDS IN THE VALLEY, ESPECIALLY AS THEY RELATE TO THOSE WHO HAVE DIFFICULTY ACCESSING HEALTHCARE DUE TO LACK OF TRANSPORTATION HOWEVER, A SPECIAL SUBCOMMITTEE OF THE COMMUNITY BENEFITS COMMITTEE, SUCH AS THOSE FOR IMPROVING ACCESS TO HEALTHCARE OR IMPROVING HEALTHY BEHAVIORS, WILL NOT BE DEVELOPED AND STAFFED FOR THE PURPOSE OF ADDRESSING TRANSPORTATION NEEDS

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 AS A COMMUNITY HOSPITAL, EVANGELICAL IS DEDICATED TO IMPROVING THE HEALTH AND WELL-BEING OF ALL ITS CONSTITUENTS THROUGH THE FINANCIAL ASSISTANCE PROGRAM, MEDICAL CARE IS PROVIDED REGARDLESS OF A PATIENT'S ABILITY TO PAY, INSUFFICIENT HEALTH INSURANCE OR WHETHER A GOVERNMENT-SPONSORED PROGRAM COVERS THE FULL COST OF SERVICES AND AS THE COUNTRY'S ECONOMIC FUTURE REMAINS UNCERTAIN, EVANGELICAL WILL CONTINUE TO PROVIDE CARE FOR THOSE WHO NEED IT EVANGELICAL WILL PROVIDE SERVICES AT NO CHARGE OR REDUCED CHARGES TO THOSE WHO ARE FINANCIALLY UNABLE TO PAY FOR THOSE SERVICES EVANGELICAL WILL NOT ARBITRARILY RESTRICT THE PROVISIONS OF HEALTH SERVICES TO CERTAIN INDIVIDUALS OR GROUPS EVANGELICAL COMMUNITY HOSPITAL'S REGISTRATION DEPARTMENT REPRESENTATIVES INFORM OUR UNINSURED OR UNDER INSURED PATIENTS, OF OUR FINANCIAL ASSISTANCE PROGRAM FINANCIAL ASSISTANCE APPLICATIONS ARE OFFERED TO THESE PATIENTS AND IN ADDITION, THEY HAVE THE OPPORTUNITY TO CALL OUR FINANCIAL COUNSELOR THE FINANCIAL COUNSELOR DISCUSSES THE AVAILABILITY OF VARIOUS GOVERNMENT BENEFITS SUCH AS MEDICAID OR STATE PROGRAMS TO ASSIST THE PATIENT WITH QUALIFICATIONS FOR THESE PROGRAMS THE FINANCIAL COUNSELOR WILL ALSO ASSIST THE PATIENT IN COMPLETING THE PROPER PAPERWORK FOR ASSISTANCE THE FINANCIAL COUNSELORS AND CASE MANAGEMENT STAFF WORK CLOSELY TO IDENTIFY AND ASSIST ELIGIBLE PATIENTS OUR SELF-PAY VENDOR ALSO INFORMS THE PATIENT THAT EVANGELICAL HAS A FINANCIAL ASSISTANCE PROGRAM AND A FINANCIAL COUNSELOR WHO WILL SEND THEM AN APPLICATION IF REQUESTED OUR THIRD PARTY VENDOR WORKS ON BEHALF OF THE ORGANIZATION TO FOLLOW THE HOSPITAL'S POLICIES REGARDING PATIENT NOTIFICATION AND THE AVAILABILITY OF FINANCIAL ASSISTANCE EVANGELICAL'S FINANCIAL ASSISTANCE POLICY POSTED ON THE EVANGELICAL WEBSITE (HTTP //WWW EVANHOSPITAL COM/PATIENTS/INSURANCE/CHARITY CARE) ALONG WITH AN APPLICATION FOR PATIENTS TO COMPLETE FOR FINANCIAL ASSISTANCE EVANGELICAL COMMUNITY HOSPITAL WILL MAKE AVAILABLE A WRITTEN NOTICE TO EACH PATIENT OR THEIR REPRESENTATIVE OF THE EXISTENCE, CRITERIA AND MECHANISM FOR RECEIVING FINANCIAL ASSISTANCE THE HOSPITAL WILL CREATE AND MAINTAIN RECORDS DEMONSTRATING THAT THE REQUIRED CRITERIA AND MECHANISMARE ESTABLISHED (HOSPITAL WILL RECORD ANY AND ALL REQUESTS FOR FINANCIAL ASSISTANCE, THE DISPOSITION AND THE DOLLAR AMOUNT OF EVANGELICAL'S FINANCIAL ASSISTANCE PROGRAM PROVIDED) IN ALL INSTANCES, PATIENT CONFIDENTIALITY WILL BE PROTECTED ELIGIBILITY WILL BE DETERMINED BY COMPARING HOUSEHOLD FAMILY INCOME AGAINST THE INCOME POVERTY GUIDELINES INCOME IS DEFINED AS THE TOTAL ANNUAL CASH RECEIPTS BEFORE TAXES FROM ALL SOURCES AN INDIVIDUAL NOTICE OF AVAILABILITY OF EVANGELICAL'S FINANCIAL ASSISTANCE PROGRAM WILL BE GIVEN TO EACH PATIENT OR THEIR REPRESENTATIVE PRIOR TO SERVICES BEING RENDERED, WITH THE EXCEPTION OF EMERGENCY SERVICES THESE NOTICES SHALL BE AVAILABLE IN ALL REGISTRATION AREAS OF THE HOSPITAL AND SHALL INCLUDE THE MOST CURRENT AVAILABLE "HOUSEHOLD INCOME GUIDELINES" AS PUBLISHED IN THE FEDERAL REGISTER THE PATIENT ACCOUNTS DIRECTOR OR HIS/HER DESIGNEE SHALL REVIEW ALL APPLICATIONS FOR THE EVANGELICAL FINANCIAL ASSISTANCE PROGRAM IT IS THE HEAD APPLICANT'S RESPONSIBILITY TO PROVIDE PROOF OF INCOME WHEN LANGUAGE IS A BARRIER, EVANGELICAL OFFERS A SPECIAL INTERPRETER CONFERENCING TELEPHONE SERVICE INTERPRETATION SERVICES ARE AVAILABLE FOR A MULTITUDE OF PATIENT/CAREGIVER INTERACTIONS WHEN A NON-ENGLISH SPEAKING PATIENT, NO MATTER HIS OR HER NATIVE TONGUE, CALLS INTO THE HOSPITAL, HEOR SHE WILL BE ABLE TO BE UNDERSTOOD THROUGH A TELEPHONE INTERPRETER THIS IS AVAILABLE FOR OUTBOUND CALLS TO THE PATIENT AS WELL THE PROCESS CONTRIBUTES TO IMPROVED PATIENT CARE AND CLINICAL OUTCOMES AND MAKES A VITAL DIFFERENCE IN THE QUALITY OF SERVICE EVANGELICAL IS ABLE TO PROVIDE TO NON-ENGLISH SPEAKING PATIENTS
		PART VI, LINE 4 EVANGELICAL COMMUNITY HOSPITAL (ECH) IS LOCATED IN LEWISBURG, PA (UNION COUNTY), THE HEART OF CENTRAL PA THE HOSPITAL IS CONVENIENTLY LOCATED OFF INTERSTATE 80 ON U S ROUTE 15 ECH SERVES THE RESIDENTS OF UNION, SNYDER & NORTHUMBERLAND COUNTIES AND SURROUNDING AREAS ECH IS THE 3RD LARGEST EMPLOYER IN UNION COUNTY WITH MORE THAN 1,200 EMPLOYEES ACCORDING TO THE HOSPITAL AND HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA, ECH'S TOTAL IMPACT ON THE REGIONAL ECONOMY TOPS MORE THAN $180 MILLION ECH IS A 132 LICENSED-BED ACUTE CARE COMMUNITY HOSPITAL WITH OVER 1,200 EMPLOYEES AND NEARLY 200 MEDICAL STAFF MEMBERS ECH HAS A BUSY EMERGENCY DEPARTMENT WITH OVER 32,911 VISITS IN 2013 ECH HAS EARNED THE PATIENT SAFETY EXCELLENCE AWARD FOUR OF THE PAST FIVE YEARS FROM HEALTHGRADES (A LEADING NATIONAL INDEPENDENT HEALTHCARE RATINGS ORGANIZATION) THE PRIMARY SERVICE AREA OF RESIDENTS OF ECH INCLUDES 17810, 17812, 17843, 17813, 17730, 17827, 17829, 17831, 17876, 17833, 17835, 17837, 17749, 17842, 17844, 17845, 17847, 17850, 17853, 17855, 17856, 17857, 17861, 17862, 17864, 17865, 17086, 17870, 17801, 17880, 17882, 17772, 17883, 17777, 17886, 17887, 17885, 17889 OUR SECONDARY SERVICE AREA IS FROM THE FOLLOWING ZIP CODES 16820, 17866, 17014, 17017, 17821, 17823, 17830, 17737, 17834, 17836, 17045, 17840, 17747, 17832, 17049, 17841, 17062, 17752, 17851, 17756, 17860, 17080, 16872, 17867, 17868, 17872, 17877, 17881, 17884, 16882 THE REGION IS HOME TO SEVERAL COLLEGES, UNIVERSITIES AND TECHNICAL SCHOOLS AS WELL AS STRONG PUBLIC SCHOOL SYSTEMS IT HAS A VERY DIVERSE HISTORY AND RURAL APPEAL, YET FEATURES BUSINESS AND HEALTHCARE FACILITIES USING THE LATEST ADVANCES IN SCIENCE AND TECHNOLOGY TRADITIONAL HOSPITALS IN OUR REGION CONSIST OF GEISINGER MEDICAL CENTER, SUNBURY COMMUNITY HOSPITAL (FOR-PROFIT SYSTEM), SHAMOKIN AREA COMMUNITY HOSPITAL, SUSQUEHANNA HEALTH SYSTEM, AND BLOOMSBURG HOSPITAL ACCORDING TO THE MOST RECENT DATA FROM THE NEEDS ASSESSMENT, THE REGION IS PRIMARILY RURAL IN NATURE THIS DATA WAS REAFFIRMED DURING THE ASSESSMENT PROCESS THROUGH COMMUNITY LEADERS AND KEY STAKEOLDER INTERVIEWS AND FOCUS GROUP DISCUSSIONS FURTHERMORE WITH THE RURAL NATURE OF OUR AREA AND THE LACK OF A COORDINATED AND INTEGRATED TRANSPORTATION SYSTEM LIMITS COMMUNITY MEMBERS TO ACCESSIBLE HEALTH CARE AND RECREATIONAL OPPORTUNITIES WITH THE LIMITATIONS OF ACCESSIBILITY TO HEALTHCARE AND HEALTHY OPTIONS LEADS TO UNHEALTHY LIFESTYLES AND OVER USE OF OUR EMERGENCY DEPARTMENT SERVICES CITY-DATA COM FOR UNION COUNTY INDICATES THAT THE POPULATION CONSISTS OF WHITE NON-HISPANIC (85 2%), BLACK (6 8%), HISPANIC (5 2%), TWO OR MORE RACES (1 2%), AND ASIAN ALONE (1 2%) THE MEDIAN RESIDENT AGE IS 38 0 ESTIMATED MEDIAN HOUSEHOLD INCOME IN 2009 $49,803 RESIDENTS WITH INCOME BELOW THE POVERTY LEVEL IN 2009 8 9%PERSONS ENROLLED IN HOSPITAL INSURANCE AND/OR SUPPLEMENTAL MEDICAL INSURANCE (MEDICARE) IN JULY 1, 2003 6,234 (5,612 AGED, 622 DISABLED), POPULATION WITHOUT HEALTH INSURANCE COVERAGE IN 2000 11%, CHILDREN UNDER 18 WITHOUT HEALTH INSURANCE COVERAGE IN 2000 9%89 6% OF RESIDENTS OF UNION COUNTY SPEAK ENGLISH AT HOME, 3 7% OF RESIDENTS SPEAK SPANISH AT HOME, 5 7% OF RESIDENTS SPEAK OTHER INDO-EUROPEAN LANGUAGE AT HOME, 0 8% OF RESIDENTS SPEAK ASIAN OR PACIFIC ISLAND LANGUAGE AT HOME, 0 2% OF RESIDENTS SPEAK OTHER LANGUAGE AT HOME CITY-DATA COM FOR SNYDER COUNTY INDICATES THE POPULATION CONSISTS OF WHITE NON-HISPANIC (96 4%), HISPANIC (1 4%), BLACK (1 0%) THE MEDIAN RESIDENT AGE IS 36 7 ESTIMATED MEDIAN HOUSEHOLD INCOME IN 2009 $44,426 RESIDENTS WITH INCOME BELOW THE POVERTY LEVEL IN 2009 9 9%PERSONS ENROLLED IN HOSPITAL INSURANCE AND/OR SUPPLEMENTAL MEDICAL INSURANCE (MEDICARE) IN JULY 1, 2003 6,148 (5,230 AGED, 918 DISABLED), POPULATION WITHOUT HEALTH INSURANCE COVERAGE IN 2000 9%, CHILDREN UNDER 18 WITHOUT HEALTH INSURANCE COVERAGE IN 2000 8%92 0% OF RESIDENTS OF SNYDER COUNTY SPEAK ENGLISH AT HOME, 1 5% OF RESIDENTS SPEAK SPANISH AT HOME, 6 3% OF RESIDENTS SPEAK OTHER INDO-EUROPEAN LANGUAGE AT HOME, 0 2% OF RESIDENTS SPEAK ASIAN OR PACIFIC ISLAND LANGUAGE AT HOME, 0 1% OF RESIDENTS SPEAK OTHER LANGUAGE AT HOME CITY-DATA COM FOR NORTHUMBERLAND COUNTY INDICATES THAT THE POPULATION CONSISTS OF WHITE NON-HISPANIC (95 5%), BLACK (2 0%), HISPANIC (1 8%), TWO OR MORE RACES (0 5%) ESTIMATED MEDIAN HOUSEHOLD INCOME IN 2009 $37,602, RESIDENTS WITH INCOME BELOW THE POVERTY LEVEL IN 2009 11 9%, PERSONS ENROLLED IN HOSPITAL INSURANCE AND/OR SUPPLEMENTAL MEDICAL INSURANCE (MEDICARE) IN JULY 1, 2003 19,762 (16,930 AGED, 2,832 DISABLED) POPULATION WITHOUT HEALTH INSURANCE COVERAGE IN 2000 10%, CHILDREN UNDER 18 WITHOUT HEALTH INSURANCE COVERAGE IN 2000 8%, 95 6% OF RESIDENTS OF NORTHUMBERLAND COUNTY SPEAK ENGLISH AT HOME, 1 5% OF RESIDENTS SPEAK SPANISH AT HOME, 2 6% OF RESIDENTS SPEAK OTHER INDO-EUROPEAN LANGUAGE AT HOME, 0 3% OF RESIDENTS SPEAK ASIAN OR PACIFIC ISLAND LANGUAGE AT HOME, 0 1% OF RESIDENTS SPEAK OTHER LANGUAGE AT HOME ECH OPERATES AN EMERGENCY DEPARTMENT THAT IS OPEN TO ALL PERSONS REGARDLESS OF THEIR ABILITY TO PAY FOR SERVICES WE HAVE OPEN MEDICAL STAFF WITH PRIVILEGES AVAILABLE TO QUALIFIED PHYSICIANS IN THE AREA ECH HAS A BOARD OF DIRECTORS IN WHICH INDEPENDENT COMMUNITY PERSONS ARE REPRESENTED ECH IS AFFILIATED WITH HEALTHCARE FACILITIES, SUCH AS GEISINGER MEDICAL CENTER, TO PROVIDE THE BEST MEDICAL CARE FOR OUR PATIENTS ECH WORKS WITH THE FOLLOWING ORGANIZATIONS PENN COLLEGE, CENTRAL SUSQUEHANNA INTERMEDIATE UNIT, BLOOMSBURG UNIVERSITY, AND THOMAS JEFFERSON UNIVERSITY TO ENGAGE IN TRAINING AND EDUCATION OF HEALTH CARE PROFESSIONALS ECH PROVIDES FINANCIAL AID TO SUPPORT STUDENTS CHOOSING THE NURSING PROFESSION THROUGH THE MAE KEEFER AND CRYSTAL SNYDER NURSING SCHOLARSHIP FUND ECH PARTICIPATES WITH THE FOLLOWING MAJOR HEALTH PLANS CAPITAL BLUE CROSS, GEISINGER HEALTH PLAN, HIGHMARK BLUESHIELD, HEALTHAMERICA/HEALTH ASSURANCE, KEYSTONE HEALTH PLAN CENTRAL, AND MEDICARE THE SECONDARY DATA COLLECTION FINDINGS FROM THE MOST RECENT COMMUNITY HEALTH NEEDS ASSESSMENT SUMMARIZES THE FOLLOWING WITH REGARD TO DEMOGRAPHICS AND THE NEEDS OF THE COMMUNITY EVANGELICAL SERVICE AREA SHOWS A SLIGHT DECLINE IN POPULATION OVER THE PAST FIVE YEARS WHILE PENNSYLVANIA, AS A STATE, SHOWS A SLIGHT INCREASE KEY FINDINGS ANNUAL AVERAGE INCOME IN OUR SERVICE AREA IS $53,064 NORTHUMBERLAND COUNTY HAS THE LOWEST AVERAGE INCOME AT $45,871 AVERAGE INCOME IN ALL OF PENNSYLVANIA IS $64,308 16 6% OF EVANGELICAL'S SERVICE AREA IS REPORTED AS NOT HAVING A HIGH SCHOOL DIPLOMA THIS IS FOUR POINTS HIGHER THAT THE STATE AVERAGE OF 12 6% ACCORDING TO THE COUNTY HEALTH RANKINGS EVANGELICAL SHOWS A POOR RANKING IN THE FOLLOWING CATEGORIES EMPLOYMENT, EDUCATION AND DIET AND EXERCISE WE KNOW THAT THESE THREE FACTORS ARE HIGHLY CORRELATED I E POOR EMPLOYMENT CAN LEAD TO LOWER INCOME WHICH CAN THEN LEAD TO FEWER OPTIONS FOR GOOD EDUCATIONAL OPPORTUNITIES AND THEREFORE POORER HEALTH DECISIONS IN TERMS OF DIET AND EXERCISE WHEN COMPARED TO THE REST OF THE STATE AND EVEN THE UNITED STATES AS A WHOLE, EVANGELICAL SHOWS VERY LITTLE DIVERSITY WITH ONLY 5 1% OF THE POPULATION IDENTIFYING AS A RACE/ETHNICITY OTHER THAN WHITE, NON-HISPANIC PENNSYLVANIA IS AT 19 6% AND THE UNITED STATES AT 35% SUNBURY AND ALLENWOOD SCORED THE HIGHEST IN THE COMMUNITY NEED INDEX, MEANING THEY HAVE THE MOST BARRIERS TO COMMUNITY HEALTH CARE ACCESS SUNBURY SHOWED VERY HIGH RATES OF INDIVIDUALS LIVING IN POVERTY, 65 AND OLDER (11%), FAMILIES WITH MARRIED INDIVIDUALS WITH CHILDREN (17%), AND FAMILIES WITH SINGLE INDIVIDUALS WITH CHILDREN (50%) ALLENWOOD SHOWS THE HIGHEST UNEMPLOYMENT RATE AT 17%, BUT THIS COULD BE MISLEADING DUE TO A FEDERAL PRISON BEING LOCATED IN THAT TOWN TURBOTVILLE SHOWS THE LOWEST UNEMPLOYMENT RATE (4%) AND LOWEST RATE OF INDIVIDUALS LIVING IN POVERTY, 65 AND OLDER (9%), MARRIED WITH CHILDREN LIVING IN POVERTY (5%) AND SINGLE LIVING WITH CHILDREN IN POVERTY (8%) ACCORDING TO THE COUNTY HEALTH RANKINGS (PENNSYLVANIA'S COUNTIES ARE RANKED 1 THROUGH 67 1 BEING THE BEST SCORE AND 67 BEING THE WORST) UNION AND SNYDER COUNTIES RANKED IN THE TOP 15 FOR HEALTH OUTCOMES WHILE NORTHUMBERLAND COUNTY RANKED IN THE BOTTOM 15 FOR HEALTH OUTCOMES UNION COUNTY WAS NAMED THE HEALTHIEST COUNTY AND RANKED NUMBER ONE IN QUALITY OF CARE ACCORDING TO THE 2011 COUNTY HEALTH RANKINGS CONSEQUENTLY, UNION COUNTY RANKED IN THE BOTTOM FIVE FOR ITS BUILT ENVIRONMENT WHICH REFERS TO ACCESS TO RECREATIONAL FACILITIES, LIMITED ACCESS TO HEALTHY FOODS AND NUMBER OF FAST FOOD RESTAURANTS TOBACCO USE IN EVANGELICAL'S SERVICE AREA RANKED AS FOLLOWS, NORTHUMBERLAND COUNTY WAS 64 OUT OF 67 COUNTIES, UNION COUNTY WAS 38 OUT OF 67 AND SNYDER COUNTY CAME IN AT THE LOWEST WITH A RANKING OF 16 OUT OF 67 WITH REGARD TO ALCOHOL USE EVANGELICAL'S SERVICE AREA RANKED AS FOLLOWS, NORTHUMBERLAND COUNTY, 38, UNION COUNTY, 19 , AND SNYDER COUNTY, NUMBER 1 (OUT OF 67)

Identifier	ReturnReference	Explanation
		PART VI, LINE 5 EVANGELICAL COMMUNITY HOSPITAL HAS A TOTAL OF 132 PATIENT BEDS AND 18 BASSINETS THERE ARE NEARLY 200 PHYSICIANS ON STAFF, AND NEARLY 900 CLINICAL EMPLOYEES, INCLUDING LAB TECHNICIANS, NURSES, NURSING ASSISTANCES, PHYSICAL, OCCUPATIONAL AND SPEECH THERAPISTS, RADIOLOGY TECHNICIANS, PHLEBOTOMISTS, AND SUPPORT PERSONNEL EACH OF THESE PROFESSIONALS IS HIGHLY TRAINED TO DELIVER QUALITY AND SAFE CARE TO INPATIENTS AND OUTPATIENTS THE HOSPITAL HAS 1) AN OPEN MEDICAL STAFF WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS IN THE SUSQUEHANNA VALLEY REGION,2) A BOARD OF DIRECTORS WHO GOVERN THE ORGANIZATION THE BOARD IS COMPRISED OF COMMUNITY AND BUSINESS LEADERS, AND PHYSICIANS REPRESENTING THE GEOGRAPHIC AREA OF OUR REGION,3) AN EMERGENCY DEPARTMENT THAT IS OPEN TO ALL PERSONS IN NEED REGARDLESS OF THEIR ABILITY TO PAY FOR SERVICES,4) A HOSPICE PROGRAM THAT PROVIDES END-OF-LIFE CARE TO ALL PERSONS REGARDLESS OF THEIR ABILITY TO PAY FOR CARE,5) A BIOETHICS COMMITTEE COMPRISED OF VOLUNTEERS WHO ARE PHYSICIANS, NURSES, SOCIAL SERVICE WORKERS, PASTORAL CAREGIVERS, EDUCATORS, AND OTHER PROFESSIONALS THEY DISCUSS AND ADDRESS ETHICAL ISSUES AND DILEMMAS THAT ARE PRESENTED FOR REVIEW,6) A HISTORY OF PROVIDING FINANCIAL SUPPORT TO OTHER NONPROFIT ORGANIZATIONS FOR THE PURPOSE OF HEALTH PROMOTION AND IN COLLABORATING TO MEET UNMET NEEDS IN THE COMMUNITY 7) A COMMUNITY HEALTH AND WELLNESS DEPARTMENT THAT IS FUNDED USING HOSPITAL RESOURCES THE DEPARTMENT INITIATES AND ORGANIZES PREVENTION, WELLNESS AND HEALTH EDUCATION LECTURES, EVENTS AND ACTIVITIES DEVELOPED FOR THE SOLE PURPOSE OF IMPROVING THE HEALTH OF THOSE IN OUR REGION THE COMMUNITY HEALTH AND WELLNESS TEAM OFFERS HEALTH SCREENINGS, HEALTH FAIRS, LECTURES, SUPPORT GROUPS, FLU SHOTS, AND SAFETY INSPECTIONS IN 2012, THE COMMUNITY HEALTH AND WELLNESS STAFF PROVIDED MORE THAN 979 FLU VACCINATIONS AND MORE THAN 1550 CHILDREN ATTENDED THE ANNUAL CHILDREN'S HEALTH FAIR EVANGELICAL COMMUNITY HOSPITAL HAS AN OPEN MEDICAL STAFF THAT SUPPORTS THE COMMUNITY HEALTH CARE NEEDS THE HOSPITAL IS SUPPORTIVE OF ITS EMPLOYEES TO BE INVOLVED IN THE COMMUNITY ORGANIZATIONS TO SUPPORT AND TO BE A PART OF ADDRESSING THE NEEDS OF THE COMMUNITY SURPLUS FUNDS OF THE HOSPITAL ARE USED TO DEVELOP EMPLOYEES AND FURTHER EDUCATE STAFF TO KEEP UP WITH THE EVER CHANGING HEALTHCARE TECHNOLOGY AND NEW TREATMENT PLANS FOR DISEASES, AS WELL AS CAPITAL NEEDS OF THE ORGANIZATION TO KEEP THE NECESSARY NEW MEDICAL EQUIPMENT AVAILABLE TO BETTER TREAT THE PATIENTS OF THE COMMUNITY
		PART VI, LINE 6 THE ORGANIZATION IS PART OF AN AFFILIATED HEALTH CARE SYSTEM DUE TO THE HOSPITAL HAVING COMMON GOVERNANCE AND CONTROL FOR EVANGELICAL MEDICAL SERVICES ORGANIZATION AND EVANGELICAL COMMUNITY HOSPITAL HOMECARE PRODUCTS EVANGELICAL MEDICAL SERVICES ORGANIZATION PROVIDE HEALTHCARE SERVICES IN THE FORM OF PRIMARY AND SPECIALTY CARE PHYSICIANS TO THE COMMUNITY HOMECARE PRODUCTS PROVIDE DURABLE MEDICAL EQUIPMENT AND OXYGEN TO THE SUPPORT THE COMMUNITY NEEDS EVANGELICAL AMBULATORY SURGICAL CENTER IS AN OUTPATIENT SURGICAL CENTER THAT PROVIDES SERVICES TO PATIENTS OF THE COMMUNITY

Identifier	ReturnReference	Explanation
REPORTS FILED WITH STATES	PART VI, LINE 7	PA

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

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
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

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

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

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

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. 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
(1) SCHOLARSHIPS	33	81,000		CASH	N/A

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 APPLICANTS MUST APPLY FOR NURSING AND TRAINING DEPARTMENT SCHOLARSHIPS APPLICATIONS ARE REVIEWED BY A COMMITTEE TO DETERMINE IF THE APPLICANTS MEET THE ELIGIBILITY REQUIREMENTS APPLICANTS ARE REVIEWED BASED ON COMMUNITY SERVICE AND/OR EXTRA CURRICULAR ACTIVITIES, ACADEMIC STANDING, QUALITY OF ESSAY, FINANCIAL NEED, ETC

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

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
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

Part I Questions Regarding Compensation

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

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

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

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

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

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	PART I, LINE 4B	THE FOLLOWING INDIVIDUALS RECEIVED A DISTRIBUTION FROM A SUPPLMENTAL NONQUALIFIED RETIREMENT PLAN J LAWRENCE GINSBURG - $287,259 CHRISTINE MARTIN - $101,401 THE FOLLOWING INDIVIDUALS PARTICIPATED IN A SUPPLMENTAL NONQUALIFIED RETIREMENT PLAN MICHAEL O'KEEFE - $69,269 J LAWRENCE GINSBURG - $46,357 KENDRA AUCKER - $26,716 PAUL TARVES - $18,023 GLENN EISENHAUER - $7,105 DALE MOYER - $15,584 TAMI RADECKE - $15,202 JAMES STOPPER - $9,240
	PART I, LINE 7	THE EXECUTIVE TEAM IS ELIGIBLE TO RECEIVE A BONUS (BASED ON A % OF SALARY) WHEN THEIR INDIVIDUAL GOALS ARE MET FOR THE YEAR GOALS ARE SET FOR EACH INDIVIDUAL BASED ON FINANCIAL AND OPERATIONAL RESULTS THESE GOALS ARE REVIEWED AND APPROVED BY THE EXECUTIVE COMPENSATION COMMITTEE

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 24-0795411
Name: EVANGELICAL COMMUNITY HOSPITAL

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
MICHAEL N O'KEEFE	(I)	319,992	84,739	0	69,269	55,793	529,793	0
	(II)	0	0	0	0	0	0	0
JOHN E RICE MD	(I)	0	0	0	0	0	0	0
	(II)	292,711	0	0	0	34,283	326,994	0
P RONALD ZUG	(I)	0	0	0	0	0	0	0
	(II)	169,423	0	450	0	19,532	189,405	0
KENDRA A AUCKER	(I)	206,540	52,988	0	26,716	53,479	339,723	0
	(II)	0	0	0	0	0	0	0
JAMES A STOPPER	(I)	184,842	35,200	0	9,240	58,753	288,035	0
	(II)	0	0	0	0	0	0	0
J LAWRENCE GINSBURG	(I)	367,184	29,145	287,259	46,357	164,872	894,817	224,603
	(II)	0	0	0	0	0	0	0
PAUL E TARVES	(I)	164,269	24,411	0	18,023	40,279	246,982	0
	(II)	0	0	0	0	0	0	0
GLENN R EISENHAUER	(I)	139,767	19,425	0	7,105	42,085	208,382	0
	(II)	0	0	0	0	0	0	0
DALE E MOYER	(I)	141,987	13,952	0	15,584	32,601	204,124	0
	(II)	0	0	0	0	0	0	0
TAMI G RADECKE	(I)	137,186	19,146	0	15,202	33,104	204,638	0
	(II)	0	0	0	0	0	0	0
MARK K KRAMMES	(I)	235,158	500	0	0	72,818	308,476	0
	(II)	0	0	0	0	0	0	0
SANDRA S WALKER	(I)	213,102	500	0	0	66,003	279,605	0
	(II)	0	0	0	0	0	0	0
LORI K GOODLING	(I)	207,847	500	0	0	64,379	272,726	0
	(II)	0	0	0	0	0	0	0
RAYMOND J TOMASZEWSKI	(I)	196,095	500	0	0	60,748	257,343	0
	(II)	0	0	0	0	0	0	0
BRADLEY P BOWER	(I)	190,636	500	0	0	59,061	250,197	0
	(II)	0	0	0	0	0	0	0
CHRISTINE MARTIN	(I)	0	0	101,401	0	0	101,401	83,607
	(II)	0	0	0	0	0	0	0

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	UNION COUNTY HOSPITAL AUTHORITY	23-2739624	906460CT5	08-01-2004	23,660,000	SERIES OF 2004 BONDS - FUND CONSTRUCTION & RENOVATIONS PROJECTS		X		X		X
B	UNION COUNTY HOSPITAL AUTHORITY	23-2739624	906460DJ6	03-03-2011	30,235,000	SERIES OF 2011 BONDS - FUND CONSTRUCTION & REFUND OUTSTANDING 2009 BONDS		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	2,965,000	2,595,000		
2	Amount of bonds legally defeased				
3	Total proceeds of issue	23,373,907	29,719,008		
4	Gross proceeds in reserve funds	1,753,500	2,252,124		
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	771,220	377,544		
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	15,232,482			
11	Other spent proceeds	5,717,705	27,089,340		
12	Other unspent proceeds				
13	Year of substantial completion	2004	2012		

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X				
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X				
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0 00000%		0 00000%		%		%	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	0%		0%		%		%	
6	Total of lines 4 and 5	0%		0%		%		%	
7	Does the bond issue meet the private security or payment test?		X		X				
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X				
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of	%		%		%		%	
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?	X			X				

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

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

Identifier	Return Reference	Explanation
SCHEDULE K, PART II, LINE 3		TOTAL PROCEEDS OF ISSUE FOR BOND A ARE LESS THAN THE ISSUE PRICE LISTED IN PART I DUE TO THE UNDERWRITER'S DISCOUNT OF $189,280 OFFSET BY INVESTMENT EARNINGS TOTAL PROCEEDS OF ISSUE FOR BOND B ARE LESS THAN THE ISSUE PRICE LISTED IN PART I DUE TO THE UNDERWRITER'S DISCOUNT OF $241,880

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) JOHN D GRIFFITH	DIRECTOR OF THE BOARD	449,140	JOHN D GRIFFITH LEASES PROPERTY TO THE HOSPITAL AT AN ARM'S LENGTH TRANSACTION		No
(2) JULIE A BARNA	DIRECTOR OF THE BOARD	350,000	THE HOSPITAL PURCHASED REAL ESTATE FROM JULIE A BARNA WHO IS A MEMBER OF THE BOARD OF DIRECTORS		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

Part I Types of Property

		(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1	Art—Works of art				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded				
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other				
15	Real estate—Residential				
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ (FUNDRAISING PRIZES)	X	165	60,589	FMV
26	Other ▶ (EQUIPMENT)	X	1	10,000	DONOR COST
27	Other ▶ ( )				
28	Other ▶ ( )				

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

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

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493043016894

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
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

Identifier	Return Reference	Explanation
NEW PROGRAM SERVICES	FORM 990, PART III, LINE 2	THE HOSPITAL BEGAN A JOINT VENTURE WITH GEISINGER TO PROVIDE BUCKNELL UNIVERSITY EMPLOYEES AND STUDENTS A HEALTH AND WELLNESS CENTER

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 2	JAMES APPLE IS THE FATHER OF TIM APPLE AND BOTH SERVE ON THE BOARD ROBERT GRONLUND IS THE FATHER OF BROOKS GRONLUND AND BOTH SERVE ON THE BOARD

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 3	MANAGEMENT SERVICES FOR THE WOUND AND HBOT DEPARTMENT WERE OUTSOURCED TO DIVERSIFIED CLINICAL SERVICES

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	FORM 990 WAS REVIEWED BY THE FINANCE DEPARTMENT AND THE AUDIT COMMITTEE OF THE BOARD AT AN AUDIT COMMITTEE MEETING PRIOR TO FILING THEY WILL HAVE THE OPPORTUNITY TO ASK QUESTIONS AND CHANGES CAN BE MADE AS A RESULT IF NECESSARY BEFORE THE RETURN IS FILED

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	A CONFLICT OF INTEREST STATEMENT IS REQUIRED TO BE SIGNED ANNUALLY BY ALL VOTING BOARD MEMBERS, UPPER MANAGEMENT, AND KEY EMPLOYEES THE HUMAN RESOURCES DEPARTMENT MONITORS COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY BY VERIFYING ALL FORMS ARE COMPLETED AND SIGNED HR MAINTAINS COPIES OF ALL COMPLETED CONFLICT OF INTEREST STATEMENTS MEMBERS WITH CONFLICTS ARE REQUIRED TO ABSTAIN FROM VOTING OR BEING A PART OF ACTIVE DISCUSSIONS WHERE THEY ARE IN DIRECT CONFLICT ANYONE IN VIOLATION OF THE CONFLICT OF INTEREST POLICY IS ASKED TO STEP DOWN FROM THE BOARD

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE BOARD'S EXECUTIVE COMPENSATION COMMITTEE, WHICH IS COMPOSED SOLELY OF INDEPENDENT MEMBERS OF THE BOARD, HAS ADOPTED AND FOLLOWS A PROCESS FOR REVIEWING AND DETERMINING THE COMPENSATION OF THE CEO AND THE EXECUTIVE MANAGEMENT TEAM THE EXECUTIVE MANAGEMENT TEAM CONSISTS OF THE FOLLOWING POSITIONS CHIEF OPERATING OFFICER, CHIEF FINANCIAL OFFICER, VICE PRESIDENT OF MEDICAL AFFAIRS, VICE PRESIDENT - NURSING, VICE PRESIDENT - DEVELOPMENT, VICE PRESIDENT - HUMAN RESOURCES, CHIEF INFORMATION OFFICER THE COMMITTEE HAS ENGAGED AN INDEPENDENT COMPENSATION CONSULTANT TO PROVIDE INFORMATION AND ADVICE TO THE COMMITTEE, INCLUDING BUT NOT LIMITED TO, PROVIDING INDEPENDENT COMPENSATION COMPARABILITY DATA FOR FUNCTIONALLY COMPARABLE POSITIONS IN SIMILARLY SITUATED HOSPITALS THE DATA IS PROVIDED ON AN ANNUAL BASIS AND IS REVIEWED BY THE COMMITTEE, ALONG WITH OTHER INFORMATION, PRIOR TO APPROVING ANY CHANGES TO COMPENSATION THE INDEPENDENCE OF THE COMMITTEE'S MEMBERS IS REVIEWED AND VERIFIED PRIOR TO THE START OF THE ANNUAL COMPENSATION REVIEW PROCESS SHOULD A CONFLICT PRESENT, THOSE INDIVIDUALS WITH ACTUAL OR PERCEIVED CONFLICTS ABSTAIN FROM VOTING UNTIL SUCH TIME AS THE CONFLICT CAN BE RESOLVED OR A REPLACEMENT MEMBER IS APPOINTED TO THE COMMITTEE. THE COMMITTEE'S DELIBERATIONS AND DECISIONS ARE GUIDED BY A WRITTEN COMPENSATION PHILOSOPHY AND DOCUMENTED THROUGH WRITTEN MINUTES TAKEN DURING EACH MEETING THE MINUTES INCLUDE, AMONG OTHER THINGS, THE WRITTEN MATERIALS DISTRIBUTED OR PRESENTED DURING THE MEETING AND THE SPECIFIC DECISIONS TAKEN AT THE MEETING THE LAST REVIEW TOOK PLACE IN 2013

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

Identifier	Return Reference	Explanation
	FORM 990, PART VI, LINE 1	THE EXECUTIVE COMMITTEE OF THE BOARD IS COMPRISED OF THE CHAIRPERSON, THE VICE-CHAIRPERSON OF THE BOARD, THE IMMEDIATE PAST CHAIRPERSON OF THE BOARD, THE CHAIR OF THE FINANCE COMMITTEE AND THE PRESIDENT OF THE MEDICAL STAFF NO PERSON IS ELIGIBLE TO SERVE ON THE EXECUTIVE COMMITTEE IN MORE THAN ONCE CAPACITY IN THE EVENT THAT ANY PERSON IS ELIGIBLE TO SERVE ON THE EXECUTIVE COMMITTEE IN MORE THAN ONE CAPACITY, THE CHAIRPERSON SHALL NOMINATE ANOTHER BOARD MEMBER TO SERVE ON THE EXECUTIVE COMMITTEE. THE EXECUTIVE COMMITTEE SHALL INCLUDE AT LEAST ONE PHYSICIAN WHO IS A BOARD MEMBER THE PRESIDENT SHALL SERVE AS AN EX-OFFICIO MEMBER OF THE EXECUTIVE COMMITTEE WITHOUT A VOTE. THE EXECUTIVE COMMITTEE IS EMPOWERED TO ACT FOR THE BOARD IN THE GOVERNANCE OF ECH BETWEEN REGULAR MEETINGS OF THE BOARD, WHEN SUCH ACTION IS REQUIRED FOR THE TIMELY CONDUCT OF ECH BUSINESS, EXCEPT THE FOLLOWING 1) SUCH POWERS AS MAY BY LAW OR THESE BYLAWS BE REQUIRED TO BE EXERCISED BY THE BOARD 2) SUCH POWERS AS THE BOARD MAY BY RESOLUTION EXPRESSLY RESERVE TO ITSELF 3) THE PURCHASE OR SALE OF REAL PROPERTY, 4) HIRING OR TERMINATING THE EMPLOYMENT OF THE PRESIDENT, 5) AMENDING OR REVISING THE BOARD APPROVED BUDGET 6) TAKING ANY ACTION WHICH IS A "FUNDAMENTAL CHANGE" WITHIN THE MEANING OF CHAPTER 59 OF THE NONPROFIT CORPORATION LAW OF 1988 (OR ANY SIMILAR SUCCESSOR STATUTE), 7) THE BORROWING OF MONEY, 8) COMMITMENTS OR EXPENDITURES GREATER THAN $500,000

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 9	CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENT 13,332 VALUATION GAIN 238,780 POSTRETIREMENT BENEFIT LIABILITY ADJUSTMENT 645,282 EQUITY TRANSFER TO AFFILIATE -4,450,000 EASC ACTIVITY PRIOR TO CONSOLIDATION -314,152

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493043016894

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
EVANGELICAL COMMUNITY HOSPITAL

Employer identification number
24-0795411

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
(1) EVANGELICAL AMBULATORY SURGICAL CENTER 210 JPM ROAD LEWISBURG, PA 17837 23-3021240	HEALTHCARE - SURGERY	PA	4,094,413	1,636,448	EVANGELICAL COMMUNITY HOSPITAL

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	No

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) CENTRAL SUSQUEHANNA HEALTHCARE PROVIDERS INC ONE HOSPITAL DRIVE LEWISBURG, PA 17837 23-2452170	MEDICAL SERVICES	PA	EVANGELICAL COMMUNITY HOSPITAL	C	16,134	170,893	50 000 %		No
(2) ECH PHARMACY & HOMECARE PRODUCTS INC ONE HOSPITAL DRIVE LEWISBURG, PA 17837 23-2353576	SALES OF MEDICAL DRUGS AND SUPPLIES	PA	EVANGELICAL MEDICAL SERVICE ORGANIZATION	C	1,881,099	1,671,136			No
(3) EVANGELICAL MEDICAL SERVICE ORGANIZATION ONE HOSPITAL DRIVE LEWISBURG, PA 17837 23-2809429	MEDICAL SERVICES	PA	EVANGELICAL COMMUNITY HOSPITAL	C	21,970,568	11,729,600	100 000 %		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	No
c	Gift, grant, or capital contribution from related organization(s)	1c	No
d	Loans or loan guarantees to or for related organization(s)	1d	No
e	Loans or loan guarantees by related organization(s)	1e	No
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	Yes
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	Yes
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
See Additional Data Table			

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

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

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

Software ID:
Software Version:
EIN: 24-0795411
Name: EVANGELICAL COMMUNITY HOSPITAL

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
EVANGELICAL MEDICAL SERVICES ORGANIZATION	R	4,450,000	CASH
EVANGELICAL MEDICAL SERVICES ORGANIZATION	P	1,074,234	CASH
EVANGELICAL COMMUNITY HOSPITAL PHARMACY & HOME CARE PRODUCTS INC	P	53,000	CASH
EVANGELICAL MEDICAL SERVICES ORGANIZATION	O	1,433,927	HOURS SPENT WORKING FOR AFFILIATE
EVANGELICAL COMMUNITY HOSPITAL PHARMACY & HOME CARE PRODUCTS INC	O	110,973	HOURS SPENT WORKING FOR AFFILIATE
EVANGELICAL COMMUNITY HOSPITAL PHARMACY & HOME CARE PRODUCTS INC	J	128,000	CASH
EVANGELICAL MEDICAL SERVICES ORGANIZATION	J	821,971	CASH

Evangelical Community Hospital and Controlled Entities

Consolidated Financial Statements and Supplementary Information

June 30, 2013 and 2012

Evangelical Community Hospital and Controlled Entities

Table of Contents
June 30, 2013 and 2012

ParenteBeard

Independent Auditors' Report

Board of Directors
Evangelical Community Hospital

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Evangelical Community Hospital 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 financial statements.

Management's Responsibility for the 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 auditors' 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 Evangelical Community Hospital 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.

Emphasis of Matter

As disclosed in Note 2 to the consolidated financial statements, Evangelical Community Hospital and controlled entities adopted new authoritative guidance for the presentation and disclosure of patient service revenue, provision for bad debts, and the allowance for doubtful accounts in 2013. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 43 – 50 are presented for purposes of additional analysis rather than to present the financial position, results of operations, changes in net assets, and cash flows of the individual companies and are 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 audit 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

Williamsport, Pennsylvania
October 29, 2013

Evangelical Community Hospital and Controlled Entities

Consolidated Balance Sheet
June 30, 2013 and 2012

Assets	2013	2012
Current Assets		
Cash and cash equivalents	$ 11,363,400	$ 15,335,069
Assets whose use is limited under trust indenture, held by trustee	2,697,755	2,658,545
Accounts receivable		
Patients (net of estimated allowance for doubtful accounts of $7,609,000 in 2013 and $6,219,000 in 2012)	14,586,210	13,363,495
Other (net of estimated allowance for doubtful accounts of $32,000 in 2013 and $33,000 in 2012)	510,135	1,020,083
Estimated third-party payor settlements	439,748	356,700
Current portion of note receivable	124,715	115,844
Inventories of drugs and supplies	3,651,564	2,904,220
Prepaid expenses and other current assets	2,653,030	2,412,699
Total current assets	36,026,557	38,166,655
Assets Whose Use is Limited		
By Board for future capital improvements	64,097,767	59,333,761
Internally designated for deferred compensation plans	10,522,112	8,648,515
Under trust indenture, held by trustee	4,030,117	4,005,714
Board-designated unrestricted contributions	3,112,567	2,397,581
Long-Term Investments	1,822,059	1,654,723
Beneficial Interest in Perpetual Trusts	3,793,240	3,554,460
Beneficial Interest in Charitable Remainder Trusts	252,808	229,584
Pledges Receivable, Net	677,515	953,577
Note Receivable	1,221,532	1,345,947
Property and Equipment, Net	120,099,932	113,549,941
Goodwill	2,367,218	2,367,218
Estimated Medical Malpractice Insurance Recoveries	1,208,969	1,113,454
Deferred Financing Costs and Other Assets, Net	4,359,678	4,065,433
Total assets	$ 253,592,071	$ 241,386,563

Liabilities and Net Assets	2013	2012
Current Liabilities		
Current maturities of		
Hospital revenue bonds	$ 1,715,000	$ 1,660,000
Notes payable	877,734	876,961
Capital lease obligations	1,065,115	402,119
Accounts payable		
Trade	4,311,333	4,837,945
Construction	1,601,150	2,356,575
Accrued and withheld payroll taxes, etc	603,374	564,171
Accrued expenses	11,519,412	11,375,999
Environmental remediation liability	-	174,488
Blue Cross current financing advance	1,057,200	1,057,200
Current portion of accrued postretirement benefit costs	285,878	267,382
Total current liabilities	23,036,196	23,572,840
Long-Term Debt		
Hospital revenue bonds	46,620,000	48,335,000
Notes payable	719,424	1,597,158
Capital lease obligations	1,977,642	544,114
Deferred Compensation	13,279,292	11,264,889
Charitable Gift Annuities Payable	701,300	685,626
Accrued Postretirement Benefit Costs	5,363,074	6,060,271
Estimated Medical Malpractice Claims Liability	1,973,530	1,865,699
Total liabilities	93,670,458	93,925,597
Net Assets		
Unrestricted	153,145,512	141,010,195
Temporarily restricted	1,368,250	1,395,475
Permanently restricted	5,407,851	5,055,296
Total net assets	159,921,613	147,460,966
Total liabilities and net assets	$ 253,592,071	$ 241,386,563

See notes to consolidated financial statements

Evangelical Community Hospital and Controlled Entities

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

	2013	2012
Unrestricted Revenues, Gains, and Other Support		
Patient service revenues (net of contractual allowances and discounts)	$ 164,426,238	$ 148,564,268
Provision for bad debts	(10,370,446)	(9,424,048)
Net patient service revenues less provision for bad debts	154,055,792	139,140,220
Other revenues	7,811,938	5,503,942
Net assets released from restrictions	231,271	239,156
(Loss) gain on the sale and disposal of property and equipment	(10,074)	5,742
Total unrestricted revenues, gains, and other support	162,088,927	144,889,060
Expenses		
Salaries and wages	60,574,544	54,357,172
Supplies and expenses	49,854,097	46,160,424
Employee benefits	21,249,924	15,851,219
Physician salaries and fees	14,381,583	11,702,357
Depreciation	9,338,653	7,792,161
Interest (net of capitalized interest of $208,538 in 2013 and $1,114,148 in 2012)	2,427,998	1,665,052
Insurance	688,694	1,098,903
Amortization	76,451	77,391
Total expenses	158,591,944	138,704,679
Operating income	3,496,983	6,184,381
Other Income		
Investment income	5,322,318	2,067,894
Contributions	1,377,721	1,023,702
Equity in income of investees	51,730	68,281
Total other income	6,751,769	3,159,877
Revenues in excess of expenses	10,248,752	9,344,258
Grant Income Used for Long-Term Purposes	638,321	1,017,235
Net Assets Released from Restrictions Used for Purchase of Property and Equipment	602,962	675,614
Postretirement Benefit Liability Adjustment	645,282	(968,942)
Increase in unrestricted net assets	$ 12,135,317	$ 10,068,165

See notes to consolidated financial statements

Evangelical Community Hospital 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	$ 10,248,752	$ 9,344,258
Grant income used for long-term purposes	638,321	1,017,235
Net assets released from restrictions used for purchase of property and equipment	602,962	675,614
Postretirement benefit liability adjustment	645,282	(968,942)
Increase in unrestricted net assets	12,135,317	10,068,165
Temporarily Restricted Net Assets		
Contributions and grants	743,848	544,184
Investment income	60,253	78,672
Change in value of split-interest agreement	2,906	(8,946)
Net assets released from restrictions	(834,232)	(914,770)
Decrease in temporarily restricted net assets	(27,225)	(300,860)
Permanently Restricted Net Assets		
Valuation gain (loss)	238,780	(238,807)
Contributions	111,541	114,280
Change in value of split-interest agreement	10,426	(6,928)
Investment income (loss)	(8,192)	(712)
Increase (decrease) in permanently restricted net assets	352,555	(132,167)
Increase in net assets	12,460,647	9,635,138
Net Assets, Beginning	147,460,966	137,825,828
Net Assets, Ending	$ 159,921,613	$ 147,460,966

See notes to consolidated financial statements

Evangelical Community Hospital and Controlled Entities

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

	2013	2012
Cash Flows from Operating Activities		
Increase in net assets	$ 12,460,647	$ 9,635,138
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	9,415,104	7,869,552
Provision for bad debts	10,370,446	9,424,048
Loss (gain) on the sale and disposal of property and equipment	10,074	(5,742)
Unrestricted net realized and unrealized gains and losses on investments other than trading securities	(4,359,415)	(257,791)
Equity in income of investees	(51,730)	(68,281)
Purchase of equity in investees	(887,237)	(712,448)
Distributions received from investees	-	27,162
Restricted contributions	(1,004,022)	(236,544)
Grant income used for long-term purposes	(638,321)	(1,017,235)
Postretirement benefit liability adjustment	(645,282)	968,942
Changes in assets and liabilities		
Accounts receivable	(10,681,761)	(11,815,375)
Estimated third-party payor settlements	(83,048)	(1,247,201)
Inventories of drugs and supplies	(479,193)	76,298
Prepaid expenses and other assets	(236,019)	(1,540,106)
Accounts payable, trade	(562,501)	434,477
Accrued and withheld payroll taxes, etc	39,203	(451,950)
Accrued expenses and other liabilities	2,097,670	4,138,956
Environmental remediation liability	(174,488)	(1,154,799)
Net cash provided by operating activities	14,590,127	14,067,101
Cash Flows from Investing Activities		
Net (purchases) sales of investments	(3,224,123)	12,095,469
Purchases of property and equipment	(11,020,145)	(31,858,752)
Acquisition of controlling interest in Evangelical Ambulatory Surgical Center, LLC, net of cash acquired	(185,384)	-
Increase in other assets	(250,000)	-
Repayment of note receivable	115,544	107,616
Proceeds from the sale of property and equipment	13,550	33,200
Purchase of goodwill	-	(311,234)
Net cash used in investing activities	(14,550,558)	(19,933,701)
Cash Flows from Financing Activities		
Repayment of long-term debt	(2,536,961)	(1,810,882)
Repayment of capital lease obligation	(2,375,253)	(386,613)
Proceeds from restricted contributions	1,018,080	814,871
Payment of construction payables	(755,425)	(3,609,757)
Grant income used for long-term purposes	638,321	1,017,235
Proceeds from the issuance of long-term debt	-	2,525,000
Net cash used in financing activities	(4,011,238)	(1,450,146)
Net decrease in cash and cash equivalents	(3,971,669)	(7,316,746)
Cash and Cash Equivalents, Beginning	15,335,069	22,651,815
Cash and Cash Equivalents, Ending	$ 11,363,400	$ 15,335,069
Supplemental Disclosure of Cash Flow Information		
Interest paid, net of amounts capitalized	$ 2,434,633	$ 1,533,358
Supplemental Disclocure of Non-Cash Investing and Financing Activities:		
Capital lease obligation incurred for purchase of equipment	$ 4,471,777	$ -
Accounts payable incurred for capital projects	$ 1,601,150	$ 2,356,575
Assets and liabilities acquired with controlling interest in Evangelical Ambulatory Surgical Center, LLC (Note 1)		
Cash	$ 757,591	$ -
Accounts receivable, patients, net	401,452	-
Inventories of drugs and supplies	268,151	-
Prepaids expenses and other current assets	99,827	-
Property and equipment, net	420,346	-
Accounts payable, trade	40,072	-
Accrued expenses	146,049	-

See notes to consolidated financial statements

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Evangelical Community Hospital (the "Hospital") is a not-for-profit acute care hospital located in Lewisburg, Pennsylvania. The Hospital provides inpatient, outpatient, and emergency care services for residents of its primary service area which includes Lewisburg, Pennsylvania and surrounding communities in Union, Northumberland, and Snyder Counties, Pennsylvania. The Hospital functions as the parent corporation for a group of affiliated organizations related by way of common ownership and/or control. The affiliated organizations consist of Evangelical Medical Services Organization ("EMSO"), Evangelical Community Hospital Pharmacy and Home Care Products, Inc. ("PHCP") and Evangelical Ambulatory Surgical Center, LLC ("EASC").

EMSO is operated in connection with and for the benefit of the Hospital. In this capacity, EMSO provides ambulatory healthcare services. The members of EMSO are those individuals who, from time to time, serve as voting members of the Hospital's Board of Directors. In their capacity as members of EMSO, these individuals have the right to, among other things; approve major expenditures, long-term borrowings, and annual operating and capital budgets.

PHCP is a for profit corporation which provides durable medical equipment services. EMSO owns 100% of its outstanding stock.

EASC is operated in connection with and for the benefit of the Hospital. In this capacity, EASC provides outpatient surgical healthcare services. The Hospital owned 50% of the outstanding stock of EASC at June 30, 2012, and acquired the remaining 50% during 2013.

Basis of Consolidation

The consolidated financial statements include the accounts of the Hospital, EMSO, PHCP, and EASC (collectively referred to as, the "Corporation") in 2013; the consolidated financial statements do not include the accounts of EASC in 2012. All significant intercompany transactions and balances have been eliminated in consolidation.

Subsequent Events

The Corporation evaluated subsequent events for recognition or disclosure through October 29, 2013, the date the financial statements were issued.

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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include investments in highly liquid debt instruments purchased with a maturity of three months or less, excluding assets whose use is limited and long-term investments.

Patient Accounts Receivable

Patient 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. In evaluating the collectability of patient accounts receivable, the Corporation analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. For receivables associated with services provided to patients who have third-party coverage, the Corporation analyzes contractual amounts due and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with self-pay patients, the Corporation records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable to pay the portion of their bill for which they are financially responsible. The difference between the billed rates and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

The Corporation's allowance for doubtful accounts for self-pay patients increased to 88% of self-pay accounts receivable at June 30, 2013, from 85% of self-pay accounts receivable at June 30, 2012. In addition, the Organization's self-pay account write-offs (net of recoveries) decreased to approximately $8,430,000 in 2013, from approximately $9,140,000 in 2012. The increases in doubtful accounts were the result of higher deductibles, increases in self-pay due to unemployment, and reductions in coverage. The Corporation did not significantly change its patient financial assistance policy in 2013 or 2012. The Corporation does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors.

Assets Whose Use is Limited

Assets whose use is limited include assets set aside 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 set aside by the Board of Directors for the Corporation's deferred compensation plans; assets held by a bond trustee under a trust indenture; and unrestricted contributions set aside by the Board of Directors, over which the Board retains control and may, at its discretion, subsequently use for other purposes. Amounts available to meet current liabilities of the Corporation have been reclassified as current assets in the accompanying consolidated balance sheet.

Inventories of Drugs and Supplies

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

Investments and Investment Risk

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheet. Investment income or loss (including realized gains and losses on investments, unrealized gains and losses on trading securities, interest, and dividends) is included in the determination of revenues in excess of expenses unless the income or loss is restricted by donor or law. Donor-restricted investment income is reported as an increase in temporarily restricted or permanently restricted net assets depending on the type of restriction.

The Corporation's investments are comprised of a variety of financial instruments and are managed by investment managers. The fair values reported in the consolidated balance sheet are exposed 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 accompanying consolidated financial statements could change materially in the near term.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is computed using the straight-line method based on the estimated useful life of each classification of depreciable asset. Assets under capital lease arrangements are amortized over the shorter of the lease term or the useful life of the asset. Such amortization is included in depreciation expense in the accompanying consolidated statement of operations. Net interest costs incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of those constructed assets.

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

Costs incurred in connection with the issuance of long-term debt have been deferred and are being amortized over the term of the debt using the effective interest method. Amortization of deferred financing costs amounted to $76,451 in 2013 and $77,391 in 2012.

Goodwill

Goodwill represents the excess of the amount paid to acquire medical practices over the fair value of the net assets purchased. The Corporation follows authoritative guidance regarding goodwill and other intangible assets with indefinite lives, which requires that such assets be reviewed annually or more frequently if impairment indicators arise. The Corporation has the option not to calculate annually the fair value of an indefinite-lived intangible asset if management determines that it is more likely than not that the asset is impaired. This permits the Corporation to assess qualitative factors when testing goodwill for impairment. If the Corporation concludes that it is more likely than not that the goodwill is not impaired, then the Corporation is not required to take further action. If indicators arise that further testing is needed, the Corporation will estimate the fair value of its identified reporting units and compare those estimates against the related carrying values. During 2013, the qualitative factors evaluated by the Corporation included the financial performance and cash flows of the services provided by the acquired medical practices.

Other Investments

Other assets include the Corporation's investment in several entities in which the Corporation has a financial interest. Where the Corporation has the ability to influence management or has a twenty percent or more interest in the entity, the investment is recorded at cost, adjusted for the Corporation's proportionate share of their undistributed earnings or losses. All other investments in such entities are recorded at cost.

Impairment of Long-Lived Assets

At each balance sheet date, management evaluates whether any property, equipment, or other long-lived assets have been impaired. The Corporation made no impairment related adjustments to the carrying values of long-lived assets in 2013 and 2012.

Promises to Give

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the estimated future cash flows. The discounts on those amounts are computed using a credit-adjusted interest rate applicable to the year in which the promise is received. Amortization of the discount is included in contribution income.

Split-Interest Agreements

The Corporation has received as contributions various types of split-interest agreements, including charitable gift annuities, perpetual trusts, and charitable remainder trusts.

Under the terms of numerous charitable gift annuity agreements, the Corporation has recorded the donated assets at their fair value as of the date of each agreement and the liabilities to the donors or their beneficiaries at the present value of the estimated future payments to be paid by the Corporation to such individuals. The amount of the contribution is the difference between the fair value of the donated assets and the related liability and is recorded as unrestricted contributions, unless otherwise restricted by the donor. Included in assets whose use is limited, Board designated unrestricted contributions at June 30, 2013 and 2012 were $1,023,949 and $993,645, respectively, related to these charitable gift annuities. The Corporation's liability related to these charitable gift annuities at June 30, 2013 and 2012 was $701,300 and $685,626, respectively.

Under the terms of several perpetual trust agreements, the Corporation recorded assets and recognized permanently restricted contributions at the fair value of the Corporation's beneficial interest in the perpetual trust assets. Income earned on the trust assets and distributed to the Corporation is recorded as investment income in the accompanying consolidated statement of operations, unless otherwise restricted by the donor. Subsequent changes in fair values are recorded as valuation gain or loss in permanently restricted net assets. The fair value of the Corporation's beneficial interest in such perpetual trust assets was $3,793,240 and $3,554,460 at June 30, 2013 and 2012, respectively.

Under the terms of a charitable remainder trust agreement where the Corporation does not control the assets, the Corporation recorded an asset and recognized a temporarily restricted contribution at the fair value of the Corporation's beneficial interest in charitable remainder trust assets. Subsequent to certain events, the Corporation is entitled to the principal and income remaining in the trust. Subsequent changes in fair value are recorded as a change in value of split-interest agreement in temporarily restricted net assets. The fair value of the Corporation's beneficial interest in such charitable remainder trust assets was $101,801 and $88,899 at June 30, 2013 and 2012, respectively.

Under the terms of a charitable remainder trust agreement where the Corporation does not control the assets, the Corporation recorded an asset and recognized a permanently restricted contribution at the fair value of the Corporation's beneficial interest in charitable remainder trust assets. Subsequent to certain events, the Corporation is entitled to a portion of the principal and income remaining in the trust. Subsequent changes in fair value are recorded as a change in value of split-interest agreement in permanently restricted net assets. The fair value of the Corporation's beneficial interest in such charitable remainder trust assets was $151,007 and $140,685 at June 30, 2013 and 2012, respectively.

Endowment Spending Policy

Commonwealth of Pennsylvania law permits the Corporation to allocate to income each year a portion of endowment return. The law allows non-profit organizations to spend a percentage of the market value of their endowment funds, including realized and unrealized gains. The percentage, which by law must be between 2% and 7%, is elected annually by the Board of Directors. The endowment market value is determined based on an average spanning three years. The Corporation's policy for fiscal years 2013 and 2012 allowed for a payout of up to 5% of the three-year average balance, which is based on market value.

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 the determination of revenues in excess of expenses, consistent with industry practice, include postretirement benefit liability adjustment, contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets) and grant income used for long-term purposes.

Net Patient Service Revenue

The Corporation reports net patient service revenue at the estimated net realizable amounts from patients, third party payors, and others for services rendered, including an estimate for retroactive adjustments that may occur as a result of future audits and reviews. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits and reviews.

The Corporation has agreements with third-party payors that provide for payments to the Corporation at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs discounted charges, per diem payments, and contracted amounts. The Corporation recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of these established rates for the services rendered. For uninsured patients that do not qualify for charity care, the Corporation recognizes revenues on the basis of its standard rates, discounted in accordance with the Corporation's policy. On the basis of historical experience, a significant portion of the Corporation's uninsured patients will be unable to pay for the services provided. Thus, the Corporation records a significant provision for bad debts related to uninsured patients in the period the services are provided. Patient service revenues, net of contractual allowances and discounts (but before the provision for doubtful accounts), recognized in 2013 and 2012 from these major payor sources, are approximately as follows:

	Third-Party Government Payors	Third-Party Commercial Payors	Self Pay	Total
June 30, 2013	$ 45,321,000	$ 111,281,000	$ 7,824,000	$ 164,426,000
June 30, 2012	$ 45,892,000	$ 95,767,000	$ 6,905,000	$ 148,564,000

Premium Revenues

The Corporation has agreements with various health maintenance organizations to provide medical services to subscribing participants. Under these agreements, the Corporation receives monthly capitation payments based on the number of participants regardless of services actually performed. Premium revenues are included in net patient service revenues in the accompanying consolidated statement of operations.

Charity Care

The Corporation provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Such patients are identified based on financial information obtained from the patient (or their guarantor) and subsequent analysis which includes the patient's ability to pay for services rendered. Because the Corporation does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as a component of net patient service revenue or patient accounts receivable.

Lease Revenue

The Corporation accounts for its real estate leasing activities as operating leases.

Donor-Restricted Gifts

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

Income Taxes

The Hospital is a not-for-profit corporation as described in Section 501(c) (3) of the Internal Revenue Code and is exempt from federal income taxes on its exempt income under Section 501(a) of the Internal Revenue Code.

EMSO and PHCP are subject to federal and state income taxes.

EASC is a limited liability company that is not subject to federal or state income taxes. Previously, its Members elected to report the taxable income or loss on their respective tax returns; however, after the Corporation became the sole Member, it elected not to be treated as a separate entity for federal income tax purposes and under applicable Treasury regulations will be disregarded as a separate entity for federal income tax purposes. Going forward, EASC will be reported in the Hospital's Federal Return of Organization Exempt from Income Tax.

The Corporation 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 has determined that there were no tax uncertainties that met the recognition threshold in 2013 and 2012.

The Corporation's policy is to recognize interest related to unrecognized tax benefits in interest expense and penalties in operating expenses.

The Hospital's federal Return of Organization Exempt from Income Tax (Form 990) and the federal Exempt Organization Business Income Tax Returns (Form 990-T) for the years ending prior to June 30, 2010 no longer remain subject to examination by the Internal Revenue Service ("IRS").

The federal income tax returns (Form 1120) for EMSO and PHCP and the federal partnership income tax returns (Form 1065) for EASC for the years ending prior to June 30, 2010 no longer remain subject to examination by the IRS.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs amounted to approximately $456,000 in 2013 and $516,000 in 2012.

Estimated Malpractice Costs

The provision for estimated medical malpractice claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported, including costs associated with litigating or settling claims. Anticipated insurance recoveries associated with reported claims are reported separately in the Corporation's consolidated balance sheet at net realizable value.

Temporarily and Permanently Restricted Net Assets

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

Grant Income Used for Long-Term Purposes

The Corporation has been awarded various grants associated with its recent surgical and cardiovascular expansion project. Such grant awards were utilized for debt service payments, site acquisition, site preparation and construction. Such amounts are classified as grant income used for long-term purposes in the accompanying statements of operations and changes in net assets.

Reclassifications

Certain amounts in the 2012 consolidated financial statements have been reclassified to conform to the current year presentation.

2. New Accounting Standards

Net Patient Service Revenue and Allowance for Doubtful Accounts

The Corporation adopted new authoritative guidance related to patient service revenue, provision for bad debts, and the allowance for doubtful accounts for the year ended June 30, 2013. The objective of the new guidance is to provide financial statement users with greater transparency about a health care entity's net patient service revenues and related allowance for doubtful accounts.

The new authoritative guidance requires the following changes to existing accounting practices:

- Reclassification on the consolidated statement of operations to present the provision for bad debts from an operating expense to a deduction from patient service revenue, net of contractual allowances and discounts;

- Enhanced disclosure about policies for recognizing revenue and the provision for bad debts by major payor source of revenue, and qualitative and quantitative information about significant changes in the allowance for doubtful accounts related to patient accounts receivable, including significant estimates and underlying assumptions, self-pay write-offs, third-party write-offs, and uninsured transactions; and

- Disclosure of patient service revenue, net of contractual allowances and discounts, by major payor source.

The new authoritative guidance also requires retrospective application related to presentation in the consolidated statement of operations and prospective application to the disclosure requirements.

As a result of adopting the new authoritative guidance, the Corporation reclassified its provision for bad debts in the consolidated statement of operations for the year ended June 30, 2012, decreasing total unrestricted revenues, gains, and other support and total expenses by approximately $9,424,000. No other reclassifications or modifications have been made to the Corporation's 2012 consolidated financial statements as a result of adoption.

Fair Value Measurements

The Corporation adopted new and clarified guidance on fair value measurements (highest and best use, equity instruments, managed net portfolio positions, and application of premiums and discounts) and disclosure (quantitative information, valuation processes and sensitivity of unobservable inputs, assets not in highest and best use, and assets not measured at fair value) for the year ended June 30, 2013. Such guidance is included in the Financial Accounting Standards Board's Accounting Standards Update ("ASU") No. 2011-04, *Fair Value Measurements and Disclosures (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs,* which is effective for periods beginning after December 15, 2011. The adoption of this guidance did not have a material impact on the Corporation's consolidated financial statements, but did modify consolidated financial statement disclosures.

Goodwill

The Corporation adopted new authoritative guidance on testing goodwill for impairment, which allows entities to assess qualitative factors to determine if it is more-likely-than-not that goodwill might be impaired and whether it is necessary to perform the two-step goodwill impairment test required under the current accounting standards. The adoption did not have a material effect on the Corporation's consolidated financial statements.

3. Net Patient Service Revenues

The Corporation has agreements with third-party payors that provide for payments to the Corporation at amounts different from its established rates. A significant portion of the Corporation'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 acute care services and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to patient classification systems that are based on clinical, diagnostic, and other factors. The Corporation is reimbursed for cost reimbursable expenditures at tentative interim rates, with final settlement determined after submission of annual cost reports by the Corporation and audits thereof by the Medicare fiscal intermediary. The Corporation's Medicare cost reports have been settled by the Medicare fiscal intermediary through June 30, 2011. Approximately 23% in 2013 and 24% in 2012 of net patient service revenue was attributable to the Medicare program.

- Medical Assistance: Inpatient acute care services rendered to Medical Assistance program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Outpatient services are paid based on a published fee schedule. Approximately 3% in 2013 and 4% in 2012 of net patient service revenue was attributable to the Medical Assistance program.

- Blue Cross: Inpatient services rendered to Capital Blue Cross subscribers are reimbursed at prospectively determined rates per case. Outpatient services are paid based on a percentage of established Corporation rates. Prior to July 1, 2006, the Corporation was tentatively reimbursed on an interim basis at other than contract rates with final settlement subsequently determined based on an analysis of actual claims. The Corporation's Capital Blue Cross contract has been settled through June 30, 2012. Approximately 33% in 2013 and 34% in 2012 of net patient service revenue was attributable to Blue Cross.

The Corporation has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Corporation under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Revenues received under certain third-party arrangements are subject to audit and retroactive adjustment. Net patient service revenue was increased by approximately $1,911,000 in 2013 as a result of adjustments to prior year estimates and settlement of outstanding cost reports, primarily as a result of the Corporation re-opening previously closed cost reports in order to receive disproportionate share payments it was entitled to. No such adjustments were recorded in 2012.

4. Charity Care and Community Support

The Corporation maintains records to identify and monitor the level of charity care and community service it provides. The costs associated with the charity care services provided are estimated by applying a cost-to-charge ratio to the amount of gross uncompensated charges for the patients receiving charity care. The level of charity care provided by the Corporation amounted to approximately $341,000 in 2013 and $269,000 in 2012.

Community Support

Support of those in need includes services provided to persons who cannot afford healthcare because of inadequate resources and/or who are uninsured or underinsured, excluding those who qualify for charity care under the Corporation's policies. Community support also includes governmental program shortfalls, primarily from the Medicare and Medical Assistance programs. The approximate costs associated with Corporation's community support for the years ended June 30, 2013 and 2012 are as follows:

	2013	2012
Governmental program shortfalls	$ 16,607,000	$ 19,361,000
Services provided for which payment was not received	$ 4,036,000	$ 3,920,000
Community health education programs	$ 559,000	$ 501,000
Volunteer services	$ 1,235,000	$ 1,088,000

Costs associated with governmental program shortfalls and services provided for which payment was not received are estimated by applying a cost-to-charge ratio to the related amount of gross charges. Costs associated with community health education programs are estimated based upon actual costs incurred to provide such programs, including an allocation of overhead costs to provide such programs. The cost of volunteer services, which do not meet the criteria for recognition, is estimated based upon the total number of volunteer hours tracked by the Corporation multiplied by the statewide average wage rate, as published by the Center for Workforce Information and Analysis.

5. Investments

The Corporation's investments are presented on the consolidated balance sheet as follows:

	2013	2012
Assets whose use is limited:		
Under trust indenture, held by trustee:		
Current portion	$ 2,697,755	$ 2,658,545
Noncurrent portion	4,030,117	4,005,714
By board for future capital improvements	64,097,767	59,333,761
Internally designated for deferred compensation plans	10,522,112	8,648,515
Board-designated unrestricted contributions	3,112,567	2,397,581
Long-term investments	1,822,059	1,654,723
Total	$ 86,282,377	$ 78,698,839

Assets Whose Use is Limited

The composition of assets whose use is limited ("AWUIL") at June 30, 2013 and 2012 is set forth in the following table:

	2013	2012
By Board for future capital improvements:		
Cash and cash equivalents	$ 2,876,823	$ 3,801,871
Marketable equity securities:		
Consumer discretionary	4,653,274	2,266,488
Financial	3,360,222	2,158,084
Information technology	3,140,381	3,409,864
Healthcare	2,467,772	2,111,066
Industrial	2,004,398	1,737,724
Energy	1,650,199	986,559
Other	202,142	1,169,131
International	-	3,483,909
Equity mutual funds:		
International	6,231,777	684,618
Other	2,955,105	1,767,842
Large cap	2,850,130	4,120,525
Real estate	1,986,179	1,672,577
Small cap	21,441	25,393
Fixed income mutual funds	16,778,101	15,812,433
Debt securities:		
Corporate, investment grade	5,820,191	6,580,026
Mortgage backed	4,187,309	4,184,120
Other	1,054,166	979,064
U.S. government and agency obligations	914,337	1,476,434
Cash surrender value of life insurance policies	774,822	739,237
Other	168,998	166,796
Total	$ 64,097,767	$ 59,333,761

	2013	2012
Internally designated for deferred compensation plans:		
Cash and cash equivalents	$ 61,888	$ 52,446
Cash surrender value of life insurance policies	7,900,067	6,528,888
Equity mutual funds:		
Small cap	603,021	145,542
Mid cap	548,164	63,042
Large cap	450,807	804,624
International	427,887	333,890
Other	128,178	59,570
Fixed income mutual funds	402,100	660,513
Total	$ 10,522,112	$ 8,648,515
Under trust indenture, held by trustee (Note 9):		
Cash and cash equivalents	$ 2,733,362	$ 6,664,211
Debt securities:		
Corporate, investment grade	1,985,635	-
Mortgage backed	1,035,070	-
U.S. government and agency obligations	949,615	-
Other	24,190	48
Total	6,727,872	6,664,259
Less funds held by trustee available to meet current liabilities	2,697,755	2,658,545
Noncurrent portion of funds held by trustee	$ 4,030,117	$ 4,005,714
Board-designated unrestricted contributions:		
Cash and cash equivalents	$ 48,340	$ 52,252
Equity mutual funds:		
Large cap	1,200,648	855,030
International	293,504	276,344
Other	186,796	192,641
Small cap	124,133	108,288
Fixed income mutual funds	1,224,434	907,511
Debt securities:		
U.S. government and agency obligations	34,712	5,515
Total	$ 3,112,567	$ 2,397,581

Long-Term Investments

The composition of long-term investments at June 30, 2013 and 2012 is set forth in the following table:

	2013	2012
Cash and cash equivalents	$ 41,349	$ 20,484
Marketable equity securities		
Information technology	66,940	42,917
Consumer discretionary	61,931	26,887
Healthcare	56,909	44,742
Other	25,801	71,029
Industrial	25,482	11,465
Financial	22,456	7,658
Energy	15,650	14,012
Equity mutual funds		
Large cap	557,629	469,108
International	112,278	96,638
Other	79,669	91,298
Small cap	26,453	30,075
Fixed income mutual funds	558,371	574,242
Debt securities.		
Corporate, investment grade	128,734	139,091
U S government and agency obligations	41,560	14,547
Other	847	530
Total	$ 1,822,059	$ 1,654,723

Investment Income

Unrestricted investment income, gains, and losses for assets whose use is limited, cash and cash equivalents and long-term investments, net of spending policy, are comprised of the following in 2013 and 2012:

	2013	2012
Investment income		
Other revenues		
Unrealized gains (losses) on trading securities	$ 856,955	$ (293,725)
Interest and dividend income	228,369	189,267
Realized gains on sales of securities	602	14,615
Total other revenues	1,085,926	(89,843)
Other income.		
Realized gains on sales of securities	2,776,629	896,997
Interest and dividend income	2,020,488	2,103,608
Unrealized gains (losses) on trading securities	866,468	(624,998)
Investment fees	(341,267)	(307,992)
Total other income	5,322,318	2,067,615
Total	$ 6,408,244	$ 1,977,772

6. Fair Value Measurements and Financial Instruments

Fair Value Measurements

The Corporation measures its trading securities, beneficial interest in perpetual trusts, and beneficial interest in charitable remainder trusts on a recurring basis at fair value in accordance with generally accepted accounting principles.

Fair value is defined as the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework established 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 the Corporation for identical assets or liabilities. 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 or liability through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets or liabilities, quoted market prices in markets that are not active for identical or similar assets or liabilities, 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 financial instruments listed below was determined using the following valuation hierarchy at June 30, 2013 and 2012:

	2013				
	Carrying Value	Fair Value	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets – Recurring fair value measurements:					
Investments and AWUIL.					
Cash and cash equivalents	$ 5,761,762	$ 5,761,762	$ 5,761,762	$ -	$ -
Marketable equity securities					
Consumer discretionary	4,715,205	4,715,205	4,715,205	-	-
Financial	3,382,678	3,382,678	3,382,678	-	-
Information technology	3,207,321	3,207,321	3,207,321	-	-
Healthcare	2,524,681	2,524,681	2,524,681	-	-
Industrial	2,029,880	2,029,880	2,029,880	-	-
Energy	1,665,849	1,665,849	1,665,849	-	-
Other	227,943	227,943	227,943	-	-
Equity mutual funds				-	
International	7,065,446	7,065,446	7,065,446	-	-
Large cap	5,059,214	5,059,214	5,059,214	-	-
Other	3,349,748	3,349,748	3,349,748	-	-
Real estate	1,986,179	1,986,179	1,986,179	-	-
Small cap	775,048	775,048	775,048	-	-
Mid cap	548,164	548,164	548,164	-	-
Fixed income mutual funds	18,963,006	18,963,006	18,963,006	-	-
Debt Securities					
Corporate, investment grade	7,934,560	7,934,560	-	7,934,560	-
Mortgage backed	5,222,379	5,222,379	-	5,222,379	-
U.S. government and agency obligations	1,940,224	1,940,224	-	1,940,224	-
Other	1,054,166	1,054,166	-	1,054,166	-
Other	194,035	194,035	-	194,035	-
Total investments	77,607,488	77,607,488	61,262,124	16,345,364	-
Beneficial interest in perpetual trusts	3,793,240	3,793,240	-	-	3,793,240
Beneficial interest in charitable remainder trusts	252,808	252,808	-	-	252,808
Total assets	$ 81,653,536	$ 81,653,536	$ 61,262,124	$ 16,345,364	$ 4,046,048

	2013				
	Carrying Value	Fair Value	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets disclosed at fair value:					
Cash and cash equivalents	$ 11,363,400	$ 11,363,400	$ 11,363,400	$ -	$ -
Pledges receivable, net	677,515	677,515	-	677,515	-
Total	$ 12,040,915	$ 12,040,915	$ 11,363,400	$ 677,515	$ -
Liabilities disclosed at fair value,					
Long-term debt					
Bonds payable (Note 9)	$ 48,335,000	$ 50,424,674	$ -	$ 50,424,674	$ -
Notes payable (Note 10)	1,597,158	1,597,158	-	-	1,597,158
Total	$ 49,932,158	$ 52,021,832	$ -	$ 50,424,674	$ 1,597,158

	2012				
	Carrying Value	Fair Value	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets – Recurring fair value measurements:					
Investments and AWUIL	$ 10,591,264	$ 10,591,264	$ 10,591,264	$ -	$ -
Cash and cash equivalents					
Marketable equity securities					
Information technology	3,452,781	3,452,781	3,452,781	-	-
Consumer discretionary	2,293,375	2,293,375	2,293,375	-	-
Financial	2,165,742	2,165,742	2,165,742	-	-
Healthcare	2,155,808	2,155,808	2,155,808	-	-
Industrial	1,749,189	1,749,189	1,749,189	-	-
Other	1,240,160	1,240,160	1,240,160	-	-
Energy	1,000,571	1,000,571	1,000,571	-	-
International	3,483,909	3,483,909	3,483,909		
Equity mutual funds.				-	
Large cap	6,249,287	6,249,287	6,249,287	-	-
Other	2,111,351	2,111,351	2,111,351	-	-
Real estate	1,672,577	1,672,577	1,672,577	-	-
International	1,391,490	1,391,490	1,391,490	-	-
Small cap	309,298	309,298	309,298	-	-
Mid cap	63,042	63,042	63,042	-	-
Fixed income mutual funds	17,954,699	17,954,699	17,954,699	-	-

	2012				
	Carrying Value	Fair Value	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities					
Corporate	$ 6,719,117	$ 6,719,117	$ -	$ 6,719,117	$ -
Mortgage backed	4,184,120	4,184,120	-	4,184,120	-
U S government and agency obligations	1,496,496	1,496,496	-	1,496,496	-
Other	979,064	979,064	-	979,064	-
Other	167,374	167,374	-	167,374	-
Total investments	71,430,714	71,430,714	57,884,543	13,546,171	-
Beneficial interest in perpetual trusts	3,554,460	3,554,460	-	-	3,554,460
Beneficial interest in charitable remainder trusts	229,584	229,584	-	-	229,584
Total assets	$ 75,214,758	$ 75,214,758	$ 57,884,543	$ 13,546,171	$ 3,784,044
Assets disclosed at fair value,					
Cash and cash equivalents	$ 15,335,069	$ 15,335,069	$ 15,335,069	$ -	$ -
Pledges receivable, net	953,577	953,577	-	953,577	-
Total	$ 16,288,646	$ 16,288,646	$ 15,335,069	$ 953,577	$ -
Liabilities disclosed at fair value:					
Long-term debt.					
Bonds payable (Note 9)	$ 49,995,000	$ 53,023,000	$ -	$ 53,023,000	$ -
Notes payable (Note 10)	2,474,119	2,474,119	-	-	2,474,119
Total	$ 52,469,119	$ 55,497,119	$ -	$ 53,023,000	$ 2,474,119

Investments also include $8,674,889 and $7,268,125 at June 30, 2013 and 2012, respectively, of cash surrender value of life insurance policies. These are excluded from the fair value hierarchy because they are recorded at contract value.

The Corporation measures its beneficial interest in perpetual trusts at fair value based on the fund's underlying investments using unobservable inputs (Level 3) in accordance with accounting principles generally accepted in the United States of America. Changes to the beneficial interest perpetual trusts in 2013 and 2012 were as follows:

	2013	2012
Beginning balance	$ 3,554,460	$ 3,793,267
Investment income from beneficial interest in perpetual trust	222,554	199,307
Distributions from beneficial interest in perpetual trust	(222,554)	(199,307)
Valuation (loss) gain, net	238,780	(238,807)
Total	$ 3,793,240	$ 3,554,460

The Corporation measures its beneficial interest in charitable remainder trusts at fair value based on the fund's underlying investments using unobservable inputs (Level 3) in accordance with accounting principles generally accepted in the United States of America. Changes to the beneficial interest in charitable remainder trusts in 2013 and 2012 were as follows:

	2013	2012
Beginning balance	$ 229,584	$ 237,458
Contribution	9,996	-
Change in value of split interest agreement	13,228	(7,874)
Total	$ 252,808	$ 229,584

The following is a description of the valuation methodologies used for assets measured at fair value and for financial instruments disclosed at fair value. There have been no changes in methodologies used at June 30, 2013 and 2012:

Cash and cash equivalents and certificates of deposit: The carrying amounts approximate fair value because of the short maturity of these financial statements.

Debt securities: Valued based on spreads of published interest rate curves.

Marketable equity securities and mutual funds: Valued at closing prices reported on the active market on which the individual securities are traded.

Cash surrender value of life insurance policies: Recorded at contract value, which approximates fair value. The value is based on quoted prices of the underlying investments in mutual funds held by the policy contract user.

Beneficial interest in perpetual trusts and charitable remainder trusts: Valued based on the fair value of the trusts' underlying assets, which represents a proxy for discounted present value of future cash flows.

Pledges receivable: Valued based on the original pledge amount, adjusted by a discount rate that a market participant would demand and an evaluation for uncollectible pledges.

Long-term debt: Valued based on current rates offered for similar issues with similar security terms and maturities, or estimated using a discount rate that a market participant would demand.

7. Property and Equipment

Property and equipment and accumulated depreciation as of June 30, 2013 and 2012, are as follows:

	2013	2012
Land	$ 6,859,650	$ 6,767,238
Land improvements	3,980,187	3,896,657
Buildings	106,605,932	74,052,345
Fixed equipment	26,303,857	25,808,282
Movable equipment	64,536,534	53,674,783
Leasehold improvements	2,052,671	2,045,730
Construction in progress	8,289,291	35,803,112
Total	218,628,122	202,048,147
Less accumulated depreciation and amortization	98,528,190	88,498,206
Property and equipment, net	$ 120,099,932	$ 113,549,941

Depreciation expense was $9,338,653 in 2013 and $7,792,161 in 2012.

The Corporation has entered into capital lease agreements for the purchase of certain equipment. The net book value of this equipment is included in the above movable equipment and construction in progress totals. The cost of this equipment was $6,376,090 at June 30, 2013 and $1,904,313 at June 30, 2012 and accumulated depreciation totaled $1,304,019 at June 30, 2013 and $805,895 at June 30, 2012.

8. Deferred Financing Costs and Other Assets

Deferred financing costs and other assets and related accumulated amortization as of June 30, 2013 and 2012 consist of the following:

	2013	2012
Deferred financing costs:		
Cost	$ 1,992,191	$ 1,992,193
Less accumulated amortization	533,100	456,649
Net	1,459,091	1,535,544
Other investments:		
Community Hospital Alternative For Risk Transfer	2,358,300	1,471,062
Evangelical-Geisinger Health, LLC	371,394	-
Evangelical Ambulatory Surgical Center, LLC	-	904,029
Central Susquehanna Healthcare Providers, Inc.	170,893	154,798
Total	2,900,587	2,529,889
Deferred financing costs and other assets, net	$ 4,359,678	$ 4,065,433

9. Hospital Revenue Bonds

A summary of hospital revenue bonds as of June 30, 2013 and 2012 is as follows:

	2013	2012
Series 2011 Hospital Revenue Bonds due in varying annual installments through August 1, 2041, plus interest at rates ranging from 3.08% to 7.00%	$ 27,640,000	$ 28,880,000
Series 2004 Hospital Revenue Bonds due in varying annual installments through August 1, 2034, plus interest at rates ranging from 4.00% to 5.25%	20,695,000	21,115,000
Total	48,335,000	49,995,000
Less current maturities	1,715,000	1,660,000
Long-term debt	$ 46,620,000	$ 48,335,000

The scheduled principal repayments as of June 30, 2013 are as follows:

Years ending June 30:	
2014	$ 1,715,000
2015	1,785,000
2016	1,855,000
2017	1,935,000
2018	2,025,000
Thereafter	39,020,000
Total	$ 48,335,000

In March 2011, the Union County Hospital Authority (the "Authority") issued $30,235,000 of tax-exempt hospital revenue bonds (the "2011 Bonds") on behalf of the Hospital. The proceeds of the 2011 Bonds were used to fund certain construction and renovation projects, advance refund the then outstanding 2009 Bonds, establish a debt service reserve fund, and pay the costs of issuance of the 2011 Bonds.

In August 2004, the Authority issued $23,660,000 of tax-exempt hospital revenue bonds (the "2004 Bonds") on behalf of the Hospital. The proceeds of the 2004 Bonds were used to fund certain construction and renovation projects, advance refund the then outstanding 1993A Bonds, establish a debt service reserve fund, and pay the costs of issuance of the 2004 Bonds.

The Hospital is obligated for annual payments under the Supplemental Loan Agreement for the 2011 Bonds and the Second Supplemental Loan Agreement for the 2004 Bonds (collectively, the "Agreements") to meet the Authority's annual principal and interest payments due on the 2011 Bonds and the 2004 Bonds (collectively, the "Bonds"). To secure the required loan payments, the Hospital has granted the Authority a security interest in and first lien on its Gross Revenues, as such term is defined in the Agreements. Further, a trustee for the Authority holds certain funds for the benefit of the holders of the Bonds. Such funds are included with assets whose use is limited in the accompanying consolidated balance sheet. The Agreements also place limits on the incurrence of additional borrowings and the transfer of funds to affiliates as long as the Bonds are outstanding.

The Hospital has covenanted to establish and collect rates and charges for services which will be sufficient in each year to provide Net Revenues Available for Debt Service at least equal to 110% of the maximum annual debt service requirements on all long-term indebtedness of the Hospital. Net Revenues Available for Debt Service, as defined in the Agreements, is, generally, the sum of revenues in excess of expenses, depreciation, interest, amortization, and other non-cash expenses. The Hospital has also covenanted to maintain, semi-annually on June 30th and December 31st, a minimum of sixty Days Cash on Hand, as such term is defined in the Agreements.

10. Notes Payable

A summary of notes payable as of June 30, 2013 and 2012 is as follows:

	2013	2012
Mortgage payable due in annual installments of $800,000, including interest at 3 18% through January 2014; secured by certain real estate	$ 775,000	$ 1,550,000
Note payable due in monthly installments of $7,008, including interest at 1 00% through November 2021, secured by certain equipment	672,158	749,119
Note payable due in annual installments of $25,000 including interest at 0% through October 2014 with a final balloon payment of $100,000 due January 2020, secured by certain equipment	150,000	175,000
Total	1,597,158	2,474,119
Less current maturities	877,734	876,961
Long-term debt	$ 719,424	$ 1,597,158

The scheduled principal repayments as of June 30, 2013 are as follows:

Years ending June 30.	
2014	$ 877,734
2015	103,515
2016	79,304
2017	80,100
2018	80,905
Thereafter	375,600
Total	$ 1,597,158

11. Obligations Under Capital Leases

The Corporation entered into equipment leases under agreements classified as capital leases. The following is a schedule of the future minimum lease payments under the capital leases, together with the present value of the net monthly lease payments, as of June 30, 2013:

Years ending June 30	
2014	$ 1,207,529
2015	996,748
2016	725,504
2017	189,267
2018	249,436
Total minimum lease payments	3,368,484
Less amount representing interest	325,727
Present value of net minimum lease payments	$ 3,042,757

The interest rates on the capitalized leases are imputed based on the lower of the Corporation's incremental borrowing rate at the inception of the lease or the lessor's implicit rate of return.

The present value of the net minimum lease payments under capital leases has been classified in the accompanying consolidated balance sheet as follows at June 30:

	2013	2012
Current maturities of obligations under capital leases	$ 1,065,115	$ 402,119
Long-term debt	1,977,642	544,114
Total	$ 3,042,757	$ 946,233

12. Accrued Expenses

Accrued expenses at June 30, 2013 and 2012 are summarized as follows:

	2013	2012
Paid time off	$ 4,787,294	$ 4,430,114
Salaries and wages	2,537,065	2,469,981
Employee health and dental insurance coverage	1,700,000	1,800,060
Interest	1,139,376	1,132,741
Retirement plan	626,564	549,687
Workers' compensation	380,000	430,000
Other	349,113	563,416
Total	$ 11,519,412	$ 11,375,999

13. Retirement Plan

The Corporation maintains a defined contribution retirement plan covering substantially all employees which incorporates the tax-deferred salary provisions of Section 401(k) of the Internal Revenue Code. The Corporation's expense relating to this plan amounted to approximately $2,064,000 in 2013 and $1,791,000 in 2012 .

14. Deferred Compensation Plans

The Corporation maintains nonqualified deferred compensation arrangements for certain employees. Benefits payable under the terms of these arrangements are measured and accrued during the years they are earned. The Corporation funds a portion of its obligation with the trustees for the plans. Included in assets whose use is limited is $10,522,112 and $8,648,515 related to these plans at June 30, 2013 and 2012, respectively. The Corporation's obligation related to these plans amounted to $13,279,292 and $11,264,889 at June 30, 2013 and 2012, respectively.

15. Postretirement Benefit Plan

The Corporation sponsors a defined benefit postretirement healthcare plan that provides postretirement medical benefits to employees who, as of June 30, 1992, had worked five years and were eligible to receive pension benefits from the Corporation's pension plan upon attainment of age 65. Effective July 1, 1992, the plan contains cost-sharing features which are determined based upon years of service of the participants. The Corporation's policy is to fund the cost of the plan in amounts equal to the Corporation's share of medical benefit costs.

The following table sets forth the change in benefit obligation, the fair value of plan assets, and the amounts recognized in the balance sheet at June 30, 2013 and 2012:

	2013	2012
Change in benefit obligation:		
Benefit obligation, beginning of year	$ 6,327,653	$ 5,394,555
Service cost	127,995	93,781
Interest cost	219,456	251,150
Plan participants' contributions	216,326	190,027
Plan amendments	-	-
Actuarial (gain) loss	(751,295)	846,533
Benefits paid	(491,183)	(448,393)
Benefit obligation, end of year	5,648,952	6,327,653
Change in plan assets:		
Employer contribution	274,857	258,366
Plan participants' contributions	216,326	190,027
Benefits paid	(491,183)	(448,393)
Fair value of plan assets, end of year	-	-
Funded status, end of year	$ (5,648,952)	$ (6,327,653)
Benefit obligation, end of year	$ 5,648,952	$ 6,327,653
Reconciliation of amounts recognized in the balance sheet:		
Current portion of accrued postretirement benefit costs	$ 285,878	$ 267,382
Accrued postretirement benefit costs	5,363,074	6,060,271
Total	$ 5,648,952	$ 6,327,653

The following table sets forth the components of net periodic pension cost in 2013 and 2012:

	2013	2012
Service cost	$ 127,995	$ 93,781
Interest cost	219,456	251,150
Recognized net actuarial gain	(106,013)	(106,013)
Amortization of prior service cost	-	(16,396)
Net periodic benefit cost	$ 241,438	$ 222,522

The Corporation's contribution to the plan in 2014 is expected to be approximately $285,878.

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

The previously unrecognized components of net periodic postretirement benefits cost included in unrestricted net assets at June 30, 2013 and 2012 are as follows:

	2013	2012
Net actuarial gain (loss)	$ 156,516	$ (594,779)
Prior service cost	1,117,901	1,223,914
Total	$ 1,274,417	$ 629,135

Estimated amortization of prior service cost of $106,000 is expected to be recognized in net periodic postretirement benefit cost in 2014.

The weighted-average assumptions used in computing the benefit obligation at June 30, 2013 and 2012 are as follows:

	2013	2012
Discount rate	4 35 %	3 75 %
Rate of compensation increase	N/A	N/A

The weighted-average assumptions used in the measurement of net periodic postretirement benefit cost for the years ended June 30, 2013 and 2012 are as follows:

	2013	2012
Discount rate	3 75 %	5 25 %
Expected long-term return on plan assets	N/A	N/A
Rate of compensation increase	N/A	N/A

Assumed healthcare costs trend rates at June 30, 2013 and 2012 are as follows:

	2013	2012
Health care cost trend rate assumed for next year	8 00 %	7 00 %
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5 00 %	5 00 %
Year that the rate reaches the ultimate trend rate	2019	2014

The healthcare cost trends were calculated based upon the Corporation's recent history of health insurance costs and projections of future increases of insurance benefits. The Corporation expects these trends in health insurance costs to continue throughout the period that the postretirement benefits are available to eligible employees. However, because of the inherent uncertainties in estimating these costs, it is at least reasonably possible that the estimates used will change in the near term.

The effects of a 1% increase or decrease in the assumed health care cost trend rates for 2013 and 2012 are as follows:

	2013	2012
1% Increase:		
Effect on total service and interest cost components	$ 54,966	$ 49,362
Effect on accumulated postretirement benefit obligation	729,246	874,844
1% Decrease:		
Effect on total service and interest cost components	(45,135)	(40,973)
Effect on accumulated postretirement benefit obligation	(613,519)	(730,478)

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

Years ending June 30:	
2014	$ 286,000
2015	338,000
2016	347,000
2017	355,000
2018	368,000
2019-2022	1,988,000

16. Temporarily and Permanently Restricted Net Assets

Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of June 30, 2013 and 2012:

	2013	2012
Purchases of property and equipment	$ 677,515	$ 953,577
Other	690,735	441,898
Total	$ 1,368,250	$ 1,395,475

The Corporation released $834,232 in 2013 and $914,770 in 2012 of temporarily restricted net assets since the donors' restrictions had been met.

Permanently Restricted Net Assets

Permanently restricted net assets consist of permanent endowment funds held by the Corporation in perpetuity; the Corporation's beneficial interest in several perpetual trusts held by banks serving as trustee; and the Corporation's permanently restricted beneficial interest in a charitable remainder trust held by a third-party trustee. The terms of the perpetual trusts are such that the Corporation receives a portion of the income earned on the trust assets as earned in perpetuity. The terms of the charitable remainder trust are such that subsequent to certain events, the Corporation is entitled to a portion of the principal and income remaining in the trust. Trust assets consist primarily of marketable equity securities, debt securities, mutual funds, and cash equivalents and are recorded at their fair values as of June 30, 2013 and 2012 as follows:

	2013	2012
Permanent endowment funds, the income from which is expendable to support various healthcare services and provide nursing scholarships (reported as investment income)	$ 1,463,500	$ 1,360,151
Beneficial interest in perpetual trusts, the income from which is expendable to support healthcare services (reported as investment income)	3,793,240	3,554,460
Beneficial interest in charitable remainder trust, to be added to the Corporation's general endowment fund upon distribution	151,111	140,685
Total	$ 5,407,851	$ 5,055,296

17. Endowment Funds

The Corporation's endowment consists of 8 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Corporation has interpreted Pennsylvania law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Corporation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as either temporarily restricted or unrestricted net assets based on the existence of donor restrictions or by law.

The Corporation considers the following factors in the making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund

(2) The purposes of the Corporation and the donor-restricted endowment fund

(3) General economic conditions

(4) The possible effect of inflation and deflation

(5) The expected total return from income and the appreciation of investments

(6) Other resources of the Corporation

(7) The investment policies of the Corporation

The Corporation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor restricted funds that the Corporation must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the performance results of Callan's median Balanced Fund database or a weighted index comprised of 35% S&P 500; 5% Russell 2000; 10% MSCI EAFE; 35% Barclays Capital Aggregate; 10% S&P 500 Alternatives; and 5% 90 day T-bills while assuming a moderate level of investment risk. The Corporation expects its endowment funds, over time, to provide an average rate of return of approximately 7 percent annually. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Corporation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Corporation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The Corporation has a policy of appropriating for distribution each year 5 percent of its endowment funds' average fair value over the prior 12 quarters through the calendar year-end proceeding the fiscal year in which the distribution is planned. In establishing this policy, the Corporation considered the long-term expected return on its endowment. Accordingly, over the long term, the Corporation expects the current spending policy to allow its endowment to grow at an average rate of 4 percent annually. This is consistent with the Corporation's objective to maintain the purchasing power of the endowment assets in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Endowment net asset composition by type of fund as of June 30, 2013 consists of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ 358,559	$ 1,463,500	$ 1,822,059
Board-designated endowment funds	270,761	-	-	270,761
Total endowment funds	$ 270,761	$ 358,559	$ 1,463,500	$ 2,092,820

Changes in endowment net assets for the year ended June 30, 2013 consist of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 251,277	$ 298,306	$ 1,360,151	$ 1,909,734
Investment return:				
Investment income	-	67,050	(8,192)	58,858
Net (depreciation) appreciation (realized and unrealized)	19,484	50,779	-	70,263
Total investment return	19,484	117,829	(8,192)	129,121
Contributions	-	-	111,541	111,541
Appropriation of endowment assets for expenditure	-	(57,576)	-	(57,576)
	$ 270,761	$ 358,559	$ 1,463,500	$ 2,092,820

Endowment net asset composition by type of fund as of June 30, 2012 consists of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (3,734)	$ 298,306	$ 1,360,151	$ 1,654,723
Board-designated endowment funds	255,011	-	-	255,011
Total endowment funds	$ 251,277	$ 298,306	$ 1,360,151	$ 1,909,734

Changes in endowment net assets for the year ended June 30, 2012 consists of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 219,306	$ 197,632	$ 1,246,583	$ 1,663,521
Investment return:				
Investment income	6,215	47,252	(712)	52,755
Net (depreciation) appreciation (realized and unrealized)	25,756	96,872	-	122,628
Total investment return	31,971	144,124	(712)	175,383
Contributions	-	-	114,280	114,280
Appropriation of endowment assets for expenditure	-	(43,450)	-	(43,450)
	$ 251,277	$ 298,306	$ 1,360,151	$ 1,909,734

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or law requires the Corporation to retain as a fund of perpetual duration. In accordance with accounting principles accepted in the United States of America, deficiencies of this nature that are reported in unrestricted net assets were $3,734 as of June 30, 2012. This deficiency resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Directors.

18. Pledges Receivable

Capital pledge campaigns have been undertaken to raise funds in connection with various construction and renovation projects at the Corporation. Pledges related to these campaigns have been recorded as temporarily restricted contributions.

Pledges receivable are recorded as follows as of June 30, 2013 and 2012:

	2013	2012
Capital campaign pledges before unamortized discount and allowance for uncollectible pledges	$ 764,992	$ 1,101,636
Less unamortized discount	10,977	37,895
Total	754,015	1,063,741
Less allowance for uncollectible pledges	76,500	110,164
Net unconditional promises to give	$ 677,515	$ 953,577
Amounts due in:		
Less than one year	$ 407,171	$ 415,825
One to five years	357,821	685,811
Total	$ 764,992	$ 1,101,636

The net present value of these cash flows was determined using a discount rate of 4% to account for the time value of money for 2013 and 2012.

19. Medical Malpractice Claims Coverage

At June 30, 2013, the Corporation's medical malpractice insurance coverages are provided under the provisions of four insurance arrangements, as follows:

Primary coverage – Primary coverage is provided under the terms of an insurance contract which covers losses, if any, which are reported during the period the contract is in force, "claims-made coverage," subject to the per occurrence and aggregate limits of such contract.

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 continue to result in proposals to reform or restructure the MCARE Fund. MCARE Fund coverage is currently scheduled to be reduced, unless the State Insurance Commissioner determines that additional primary insurance capacity is not available at that time, and to be eliminated in 2014. The Corporation 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, the Corporation may incur additional insurance costs.

Umbrella coverage – The Corporation has an umbrella liability insurance contract which insures against losses in excess of the primary or MCARE coverage reported during the period of policy coverage.

Excess coverage – The Corporation has an excess liability insurance contract, which insures against losses in excess of the above coverages reported during the period of policy coverage.

The above primary, umbrella, and excess coverages are provided by Community Hospital Alternative for Risk Transfer ("CHART"). CHART has been formed as a reciprocal risk retention group to provide liability insurance, reinsurance, and risk management services for its subscribers. Effective May 1, 2002, the Corporation became a subscriber in CHART. The Corporation invested $2,358,300 at June 30, 2013 and $1,471,062 at June 30, 2012 in CHART and this investment is included in other assets in the accompanying consolidated balance sheet. This investment is accounted for using the cost method since the Corporation's ownership interest is less than twenty percent.

At June 30, 2013, the Corporation cannot determine the amount of any additional premiums it may be assessed nor any premium refunds it may ultimately be entitled to and has, therefore, expensed the billed premiums ratably over the term of the policy.

The Corporations' estimated future payments of its asserted and unasserted medical malpractice claims liability was $1,973,530 June 30, 2013 (of which $1,208,969 is recorded as insurance recoveries receivable) and $1,865,699 at June 30, 2012 (of which $1,113,454 is recorded as insurance recoveries receivable), using a discount rate of 2.89% at June 30, 2013 and 3% at June 30, 2012.

The Corporation believes it has adequate insurance coverages for all asserted claims and it has no knowledge of unasserted claims, which would exceed its insurance coverages.

20. Self-Funded Insurance Plans

The Corporation self-insures its employee health and dental insurance coverages. The Corporation has accrued the estimated cost of incurred and reported and incurred but not reported claims based upon data provided by the third-party administrators of the program, its historical claims experience, and its individual medical stop-loss insurance coverage. There is no aggregate stop loss insurance coverage.

The Corporation maintains a self-funded plan for workers' compensation insurance costs. The Corporation has accrued the estimated cost of incurred and reported and incurred but not reported claims based upon data provided by the third-party administrator of the program, its historical claims experience, and the terms of its excess workers' compensation insurance policy. Under the terms of this policy, the Corporation is subject to a maximum retention of $350,000 per occurrence and a per occurrence and aggregate policy limit of $1,000,000. The Corporation also maintains a $900,000 surety bond to secure its future obligations under the terms of this self-insurance program.

21. Concentrations of Credit Risk

The Corporation grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor arrangements, primarily with Medicare, Medical Assistance, Capital Blue Cross, Highmark Blue Shield, and various commercial insurance companies. The Corporation maintains allowances for potential credit losses and such losses have historically been within management's expectations.

The Corporation maintains its cash and cash equivalent balances with various financial institutions. Total cash balances in each financial institution are insured up to $250,000.

22. Future Rentals

The following is a schedule by year of the annual minimum future rentals due to the Corporation under the terms of noncancelable operating leases as of June 30, 2013:

Years ending June 30:	
2014	$ 562,055
2015	355,177
2016	177,859
2017	81,290
Total	$ 1,176,381

The Corporation expects to renew and/or lease space at the expiration of operating leases in effect as of June 30, 2013.

23. Commitments

Operating Leases

The Corporation leases certain real estate and equipment under the terms of noncancelable operating leases.

The following is a schedule by year of the future minimum payments required under operating leases as of June 30, 2013:

Years ending June 30:	
2014	$ 1,772,974
2015	1,262,142
2016	864,404
2017	693,211
2018	557,404
Thereafter	552,604
Total	$ 5,702,739

Rent expense amounted to approximately $1,581,000 in 2013 and $1,211,000 in 2012.

24. 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 the Corporation, if any, are not presently determinable.

Asbestos Removal

The Corporation's facilities, a portion of which were constructed prior to the passage of the Clean Air Act, contain encapsulated asbestos material. Current law requires that this asbestos be removed in an environmentally safe fashion prior to the demolition and renovation of the facilities. At this time, the Corporation has no plans to demolish or renovate its facilities that contain encapsulated asbestos material, and as such, cannot reasonably estimate the fair value of the liability for such asbestos removal. If plans change with respect to the use of its facilities and information becomes available to estimate such a liability, it will be recognized at that time.

25. Functional Expenses

The Corporation provides general acute care and related services to individuals within its geographic region. Expenses related to providing these services in 2013 and 2012 are approximately as follows (In thousands):

	2013	2012
Healthcare and other related services	$ 134,942	$ 116,597
General and administrative	22,970	21,495
Fundraising	680	612
Total expenses	$ 158,592	$ 138,704

26. Business and Credit Concentrations

The Corporation grants credit to patients, substantially all of whom are local residents. The Corporation generally does not require collateral or other security in extending credit; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits receivable under their health insurance programs, plans or policies.

At June 30, 2013 and 2012, concentrations of receivables from third-party payors and others are as follows:

	2013	2012
Medicare	25 %	25 %
Medicaid	14	14
Blue Cross	10	14
Other third party payers	30	27
Self-pay and others	21	20
	100 %	100 %

27. Subsequent Event

On September 6, 2013, the Corporation entered into an asset purchase agreement with SUN Orthopaedic Group, Inc. ("SUN") for the purchase of certain assets used in SUN's orthopedic medical and surgical practice and rehabilitation services for approximately $2,456,000.

Evangelical Community Hospital and Controlled Entities

Consolidating Schedule, Balance Sheet
June 30, 2013

	Evangelical Community Hospital	Evangelical Community Hospital Pharmacy & Home Care Products, Inc	Evangelical Medical Services Organization	Evangelical Ambulatory Surgical Center, LLC	Eliminations	Consolidated
Assets						
Current Assets						
Cash and cash equivalents	$ 10,132,077	$ 753,320	$ 122,892	$ 355,111	$ -	$ 11,363,400
Assets whose use is limited under trust indenture, held by trustee	2,697,755	-	-		-	2,697,755
Accounts receivable						
Patients (net of estimated allowance for doubtful accounts of ($7,609,000)	12,581,056	-	1,568,305	436,849	-	14,586,210
Other (net of estimated allowance for doubtful accounts of $32,000)	209,390	115,981	184,764		-	510,135
Affiliates	248,599	-	-		(248,599)	-
Estimated third-party payor settlements	439,748	-	-		-	439,748
Current portion of note receivable	124,715	-	-			124,715
Inventories of drugs and supplies	3,003,747	127,465	129,504	390,848	-	3,651,564
Prepaid expenses and other current assets	2,225,134	11,034	325,329	91,533	-	2,653,030
Total current assets	31,662,221	1,007,800	2,330,794	1,274,341	(248,599)	36,026,557
Assets Whose Use is Limited						
By Board for future capital improvements	64,097,767	-	-	-	-	64,097,767
Internally designated for deferred compensation plans	1,995,962	-	8,526,150	-	-	10,522,112
Under trust indenture, held by trustee	4,030,117	-	-	-	-	4,030,117
Board-designated unrestricted contributions	3,112,567	-	-	-	-	3,112,567
Long-Term Investments	1,822,059	-	-	-	-	1,822,059
Beneficial Interest in Perpetual Trusts	3,793,240	-	-	-	-	3,793,240
Beneficial Interest in Charitable Remainder Trusts	252,808	-	-	-	-	252,808
Pledges Receivable, Net	677,515	-	-	-	-	677,515
Note Receivable	1,221,532	-	-	-	-	1,221,532
Property and Equipment, Net	118,836,944	663,336	237,545	362,107	-	120,099,932
Goodwill	1,785,940	-	581,278	-	-	2,367,218
Estimated Medical Malpractice Insurance Recoveries	1,155,136	-	53,833	-	-	1,208,969
Deferred Financing Costs and Other Assets, Net	4,359,678	-	-	-	-	4,359,678
Total assets	$ 238,803,486	$ 1,671,136	$ 11,729,600	$ 1,636,448	$ (248,599)	$ 253,592,071

Evangelical Community Hospital and Controlled Entities

Consolidating Schedule, Balance Sheet
June 30, 2013

	Evangelical Community Hospital	Evangelical Community Hospital Pharmacy & Home Care Products, Inc	Evangelical Medical Services Organization	Evangelical Ambulatory Surgical Center, LLC	Eliminations	Consolidated
Liabilities and Net Assets						
Current Liabilities						
Current maturities of						
Hospital revenue bonds	$ 1,715,000	$ -	$ -	$ -	$ -	$ 1,715,000
Notes payable	877,734	-	-	-	-	877,734
Capital lease obligations	1,065,115	-	-	-	-	1,065,115
Accounts payable						
Trade	3,978,366	69,200	227,878	35,889	-	4,311,333
Construction	1,601,150	-	-	-	-	1,601,150
Affiliates	-	56,153	53,552	138,894	(248,599)	-
Accrued and withheld payroll taxes, etc	411,927	-	191,447	-	-	603,374
Accrued expenses	9,343,813	34,414	2,038,274	102,911	-	11,519,412
Blue Cross current financing advance	1,057,200	-	-	-	-	1,057,200
Current portion of accrued postretirement benefit costs	285,878	-	-	-	-	285,878
Total current liabilities	20,336,183	159,767	2,511,151	277,694	(248,599)	23,036,196
Long-Term Debt						
Hospital revenue bonds	46,620,000	-	-	-	-	46,620,000
Notes payable	719,424	-	-	-	-	719,424
Capital lease obligations	1,977,642	-	-	-	-	1,977,642
Deferred Compensation	2,152,608	-	11,126,684	-	-	13,279,292
Charitable Gift Annuities Payable	701,300	-	-	-	-	701,300
Accrued Postretirement Benefit Costs	5,363,074	-	-	-	-	5,363,074
Estimated Medical Malpractice Claims Liability	1,629,083	-	344,447	-	-	1,973,530
Total liabilities	79,499,314	159,767	13,982,282	277,694	(248,599)	93,670,458
Net Assets (Deficit)						
Unrestricted	152,528,071	1,511,369	(2,252,682)	1,358,754	-	153,145,512
Temporarily restricted	1,368,250	-	-	-	-	1,368,250
Permanently restricted	5,407,851	-	-	-	-	5,407,851
Total net assets (deficit)	159,304,172	1,511,369	(2,252,682)	1,358,754	-	159,921,613
Total liabilities and net assets	$ 238,803,486	$ 1,671,136	$ 11,729,600	$ 1,636,448	$ (248,599)	$ 253,592,071

Evangelical Community Hospital and Controlled Entities

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

	Evangelical Community Hospital	Evangelical Community Hospital Pharmacy & Home Care Products, Inc	Evangelical Medical Services Organization	Evangelical Ambulatory Surgical Center, LLC	Eliminations	Consolidated
Unrestricted Revenues, Gains, and Other Support						
Patient service revenues (net of contractual allowances and discounts)	$ 140,890,622	$ -	$ 19,441,203	$ 4,094,413	$ -	$ 164,426,238
Provision for bad debts	(8,821,268)	(80,395)	(1,356,392)	(112,391)		(10,370,446)
Net patient service revenues less provision for bad debts	132,069,354	(80,395)	18,084,811	3,982,022	-	154,055,792
Other revenues	6,037,215	1,881,099	2,529,365	3,284	(2,639,025)	7,811,938
Net assets released from restrictions	231,271	-	-	-	-	231,271
Loss on the sale and disposal of property and equipment	(10,074)	-	-	-	-	(10,074)
Total unrestricted revenues, gains, and other support	138,327,766	1,800,704	20,614,176	3,985,306 R	(2,639,025)	162,088,927
Expenses						
Salaries and wages	53,930,793	466,988	4,336,206	1,840,557	-	60,574,544
Supplies and expenses	45,406,003	773,373	3,574,894	1,788,608	(1,688,781)	49,854,097
Employee benefits	16,662,687	168,211	3,939,149	479,877	-	21,249,924
Physician salaries and fees	2,009,932	-	13,188,897	132,998	(950,244)	14,381,583
Depreciation	8,870,995	277,731	75,967	113,960	-	9,338,653
Interest (net of capitalized interest of $208,538)	2,427,998	-	-	-	-	2,427,998
Insurance	42,144	18,817	595,935	31,798	-	688,694
Amortization	76,451	-	-	-	-	76,451
Total expenses	129,427,003	1,705,120	25,711,048	4,387,798 E	(2,639,025)	158,591,944
Operating income (loss)	8,900,763	95,584	(5,096,872)	(402,492)	-	3,496,983
Other Income						
Investment income	5,321,863	-	455	-	-	5,322,318
Contributions	1,377,721	-	-	-	-	1,377,721
Equity in income of investees	51,730	-	-	-	-	51,730
Other income	6,751,314	-	455	-	-	6,751,769
Revenues in excess of (less than) expenses	15,652,077	95,584	(5,096,417)	(402,492)	-	10,248,752
Grant Income Used for Long-Term Purposes	638,321	-	-	-	-	638,321
Net Assets Released from Restrictions Used for Purchase of Property and Equipment	602,962	-	-	-	-	602,962
Postretirement Benefit Liability Adjustment	645,282	-	-	-	-	645,282
Acquisition of Evangelical Ambulatory Surgical Center, LLC	(818,271)	-	-	-	818,271	-
Transfers	(5,392,975)	(300,000)	4,750,000	-	942,975	-
Increase (decrease) in unrestricted net assets	$ 11,327,396	$ (204,416)	$ (346,417)	$ (402,492)	$ 1,761,246	$ 12,135,317

Evangelical Community Hospital and Controlled Entities

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

	Evangelical Community Hospital	Evangelical Community Hospital Pharmacy & Home Care Products, Inc	Evangelical Medical Services Organization	Evangelical Ambulatory Surgical Center, LLC	Eliminations	Consolidated
Unrestricted Net Assets						
Revenues (less than) in excess of expenses	$ 15,652,077	$ 95,584	$ (5,096,417)	$ (402,492)	$ -	$ 10,248,752
Grant income used for long-term purposes	638,321	-	-	-	-	638,321
Net assets released from restrictions used for purchase of property and equipment	602,962	-	-	-	-	602,962
Postretirement benefit liability adjustment	645,282	-	-	-	-	645,282
Acquisition of Evangelical Ambulatory Surgical Center, LLC	(818,271)	-	-	-	818,271	-
Transfers	(5,392,975)	(300,000)	4,750,000	-	942,975	-
Increase (decrease) in unrestricted net assets	11,327,396	(204,416)	(346,417)	(402,492)	1,761,246	12,135,317
Temporarily Restricted Net Assets						
Contributions and grants	743,848	-	-	-	-	743,848
Investment income	60,253	-	-	-	-	60,253
Change in value of split-interest agreement	2,906	-	-	-	-	2,906
Net assets released from restrictions	(834,232)	-	-	-	-	(834,232)
Decrease in temporarily restricted net assets	(27,225)	-	-	-	-	(27,225)
Permanently Restricted Net Assets						
Valuation gain	238,780	-	-	-	-	238,780
Contributions	111,541	-	-	-	-	111,541
Change in value of split-interest agreement	10,426	-	-	-	-	10,426
Investment loss	(8,192)	-	-	-	-	(8,192)
Decrease in permanently restricted net assets	352,555	-	-	-	-	352,555
Increase (decrease) in net assets	11,652,726	(204,416)	(346,417)	(402,492)	1,761,246	12,460,647
Net Assets (Deficit), Beginning	147,651,446	1,715,785	(1,906,265)	1,761,246	(1,761,246)	147,460,966
Net Assets (Deficit), Ending	$ 159,304,172	$ 1,511,369	$ (2,252,682)	$ 1,358,754	$ -	$ 159,921,613

Evangelical Community Hospital And Controlled Entities

Consolidating Schedule, Balance Sheet
June 30, 2012

	Evangelical Community Hospital	Evangelical Community Hospital Pharmacy & Home Care Products, Inc	Evangelical Medical Services Organization	Eliminations	Consolidated
Assets					
Current Assets					
Cash and cash equivalents	$ 14,363,718	$ 915,609	$ 55,742	$ -	$ 15,335,069
Assets whose use is limited under trust indenture, held by trustee	2,658,545	-	-	-	2,658,545
Accounts receivable					
Patients (net of estimated allowance for doubtful accounts of $6,219,000)	12,009,021	-	1,354,474	-	13,363,495
Other (net of estimated allowance for doubtful accounts of $33,000)	721,042	140,563	158,478	-	1,020,083
Affiliates	122,984	-	-	(122,984)	-
Estimated third-party payor settlements	356,700	-	-	-	356,700
Current portion of note receivable	115,844	-	-	-	115,844
Inventories of drugs and supplies	2,691,289	83,755	129,176	-	2,904,220
Prepaid expenses and other current assets	2,108,960	10,643	293,096	-	2,412,699
Total current assets	35,148,103	1,150,570	1,990,966	(122,984)	38,166,655
Assets Whose Use is Limited					
By Board for future capital improvements	59,333,761	-	-	-	59,333,761
Internally designated for deferred compensation plans	1,601,863	-	7,046,652	-	8,648,515
Under trust indenture, held by trustee	4,005,714	-	-	-	4,005,714
Board-designated unrestricted contributions	2,397,581	-	-	-	2,397,581
Long-Term Investments	1,654,723	-	-	-	1,654,723
Beneficial Interest in Perpetual Trusts	3,554,460	-	-	-	3,554,460
Beneficial Interest in Charitable Remainder Trusts	229,584	-	-	-	229,584
Pledges Receivable, Net	953,577	-	-	-	953,577
Note Receivable	1,345,947	-	-	-	1,345,947
Property and Equipment, Net	112,567,581	722,469	259,891	-	113,549,941
Goodwill	1,785,940	-	581,278	-	2,367,218
Estimated Medical Malpractice Insurance Recoveries	990,649	-	122,805	-	1,113,454
Deferred Financing Costs and Other Assets, Net	4,065,433	-	-	-	4,065,433
Total assets	$ 229,634,916	$ 1,873,039	$ 10,001,592	$ (122,984)	$ 241,386,563

Evangelical Community Hospital and Controlled Entities

Consolidating Schedule, Balance Sheet
June 30, 2012

	Evangelical Community Hospital	Evangelical Community Hospital Pharmacy & Home Care Products, Inc	Evangelical Medical Services Organization	Eliminations	Consolidated
Liabilities and Net Assets					
Current Liabilities					
Current maturities of hospital revenue bonds					
Hospital revenue bonds	$ 1,660,000	$ -	$ -	$ -	$ 1,660,000
Notes payable	876,961	-	-	-	876,961
Capital lease obligations	402,119	-	-	-	402,119
Accounts payable					
Trade	4,624,722	57,365	155,858	-	4,837,945
Construction	2,356,575	-	-	-	2,356,575
Affiliates	-	67,452	55,532	(122,984)	-
Accrued and withheld payroll taxes, etc	441,119	-	123,052	-	564,171
Accrued expenses	9,622,456	32,437	1,721,106	-	11,375,999
Environmental remediation liability	174,488	-	-	-	174,488
Blue Cross current financing advance	1,057,200	-	-	-	1,057,200
Current portion of accrued postretirement benefit costs	267,382	-	-	-	267,382
Total current liabilities	21,483,022	157,254	2,055,548	(122,984)	23,572,840
Long-Term Debt					
Hospital revenue bonds	48,335,000	-	-	-	48,335,000
Notes payable	1,597,158				1,597,158
Capital lease obligations	544,114	-	-	-	544,114
Deferred Compensation	1,804,135	-	9,460,754	-	11,264,889
Charitable Gift Annuities Payable	685,626	-	-	-	685,626
Accrued Postretirement Benefit Costs	6,060,271	-	-	-	6,060,271
Estimated Medical Malpractice Claims Liability	1,474,144	-	391,555	-	1,865,699
Total liabilities	81,983,470	157,254	11,907,857	(122,984)	93,925,597
Net Assets (Deficit)					
Unrestricted	141,200,675	1,715,785	(1,906,265)	-	141,010,195
Temporarily restricted	1,395,475	-	-	-	1,395,475
Permanently restricted	5,055,296	-	-	-	5,055,296
Total net assets (deficit)	147,651,446	1,715,785	(1,906,265)	-	147,460,966
Total liabilities and net assets	$ 229,634,916	$ 1,873,039	$ 10,001,592	$ (122,984)	$ 241,386,563

Evangelical Community Hospital and Controlled Entities

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

	Evangelical Community Hospital	Evangelical Community Hospital Pharmacy & Home Care Products, Inc	Evangelical Medical Services Organization	Eliminations	Consolidated
Unrestricted Revenues, Gains, and Other Support					
Patient service revenues (net of contractual allowances and discounts)	$ 131,321,181	$ -	$ 17,243,087	$ -	$ 148,564,268
Provision for bad debts	(7,918,576)	(76,644)	(1,428,828)	-	(9,424,048)
Net patient service revenues less provision for bad debts	123,402,605	(76,644)	15,814,259	-	139,140,220
Other revenues	5,160,342	1,875,723	567,465	(2,099,588)	5,503,942
Net assets released from restrictions	239,156	-	-	-	239,156
Loss on the sale and disposal of property and equipment	5,742				5,742
Total unrestricted revenues, gains, and other support	128,807,845	1,799,079	16,381,724	(2,099,588)	144,889,060
Expenses					
Salaries and wages	50,413,193	542,869	3,401,110	-	54,357,172
Supplies and expenses	43,699,422	801,433	3,281,021	(1,621,452)	46,160,424
Employee benefits	12,958,936	233,785	2,658,498	-	15,851,219
Physician salaries and fees	1,450,876	-	10,729,617	(478,136)	11,702,357
Depreciation	7,384,340	307,735	100,086	-	7,792,161
Interest (net of capitalized interest of $1,114,148)	1,665,052	-	-	-	1,665,052
Insurance	5,546	19,968	1,073,389	-	1,098,903
Amortization	77,391	-	-	-	77,391
Total expenses	117,654,756	1,905,790	21,243,721	(2,099,588)	138,704,679
Operating income (loss)	11,153,089	(106,711)	(4,861,997)	-	6,184,381
Other Income					
Investment income	2,067,186	-	708	-	2,067,894
Contributions	1,023,702	-	-	-	1,023,702
Equity in income of investees	68,281	-	-	-	68,281
Other income	3,159,169	-	708	-	3,159,877
Revenues in excess of (less than) expenses	14,312,258	(106,711)	(4,861,289)	-	9,344,258
Grant Income Used for Long-Term Purposes	1,017,235	-	-	-	1,017,235
Net Assets Released from Restrictions Used for Purchase of Property and Equipment	675,614	-	-	-	675,614
Postretirement Benefit Liability Adjustment	(968,942)	-	-	-	(968,942)
Transfers	(4,800,000)	-	4,800,000	-	-
Increase (decrease) in unrestricted net assets	$ 10,236,165	$ (106,711)	$ (61,289)	$ -	$ 10,068,165

Evangelical Community Hospital and Controlled Entities

Consolidating Schedule, Statement of Changes in Net Assets (Deficit)

Year Ended June 30, 2012

	Evangelical Community Hospital	Evangelical Community Hospital Pharmacy & Home Care Products, Inc.	Evangelical Medical Services Organization	Eliminations	Consolidated
Unrestricted Net Assets					
Revenues in excess of (less than) expenses	$ 14,312,258	$ (106,711)	$ (4,861,289)	$ -	$ 9,344,258
Grant income used for long-term purposes	1,017,235				1,017,235
Net assets released from restrictions used for purchase of property and equipment	675,614	-	-	-	675,614
Postretirement benefit liability adjustment	(968,942)	-	-	-	(968,942)
Transfers	(4,800,000)	-	4,800,000	-	-
Increase (decrease) in unrestricted net assets	10,236,165	(106,711)	(61,289)	-	10,068,165
Temporarily Restricted Net Assets					
Contributions and grants	544,184	-	-	-	544,184
Investment income	78,672	-	-	-	78,672
Change in value of split-interest agreement	(8,946)	-	-	-	(8,946)
Net assets released from restrictions	(914,770)	-	-	-	(914,770)
Decrease in temporarily restricted net assets	(300,860)	-	-	-	(300,860)
Permanently Restricted Net Assets					
Contributions	114,280	-	-	-	114,280
Investment loss	(712)	-	-	-	(712)
Change in value of split-interest agreement	(6,928)	-	-	-	(6,928)
Valuation loss	(238,807)	-	-	-	(238,807)
Decrease in permanently restricted net assets	(132,167)	-	-	-	(132,167)
Increase (decrease) in net assets	9,803,138	(106,711)	(61,289)	-	9,635,138
Net Assets (Deficit), Beginning	137,848,308	1,822,496	(1,844,976)	-	137,825,828
Net Assets (Deficit), Ending	$ 147,651,446	$ 1,715,785	$ (1,906,265)	$ -	$ 147,460,966