

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



DLN: 93493134052794

Department of the Treasury

Return of Organization Exempt From Income Tax

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

OMB No 1545-0047

Internal	Revenue	Service	► The organization may have to use a copy of this return to satisfy s	ctate rep	ording requirem	iciics	Inspection
A Fo	r the 2	2012 cale	endar year, or tax year beginning 07-01-2012 , 2012, and ending 06-3	0-2013			
B Ch	eck if a	pplicable	C Name of organization MUNSON MEDICAL CENTER		D Emplo	yer id	entification number
☐ Add	lress ch	nange			38-13	36283	30
∏ Na	ne cha	nge	Doing Business As				
┌ Init	ıal retu	rn	Number and street (or P O box if mail is not delivered to street address) Room/su	ııte	E Teleph	ono nu	mhar
Г Тег	mınated	d	PO BOX 1188		· ·		
┌ Am	ended i	return	City or town, state or country, and ZIP + 4		(231)	935-	5000
C Apr	lication	n pending	TRAVERSE CITY, MI 496851188		G Gross	rocounte	s \$ 512,037,725
		,	F Name and address of principal officer	Ш(а)			
			ALFRED PILONG	П(а)	Is this a group affiliates?	retur	T Yes ▼ No
			1105 SIXTH ST TRAVERSE CITY, MI 49684				
			TRAVERSE CITT, MI 49004				uded? \(\text{Yes} \) No
I Ta	x-exem	npt status	▼ 501(c)(3)	1	If "No," attacr	ı a iist	(see instructions)
1 W	ehsite	•••• \Λ/\Λ/'	W MUNSONHEALTHCARE ORG	H(c)	Group exempt	tion ni	umber ►
				1		1.	
	n of org rt I	ganization Sumi	Corporation	L Yea	ar of formation 19	947	M State of legal domicile MI
Pa			<u> </u>				
			escribe the organization's mission or most significant activities FAL PART OF MUNSON HEALTHCARE, MUNSON MEDICAL CENTEI	REXIST	S TO DELIVER	RCOM	1PREHENSIVE
			Y CARE TO PATIENTS IN PARTNERSHIP WITH PHYSICIANS				
ž	-						
图	-						
臺	2 (Check th	is box 🖊 if the organization discontinued its operations or disposed	of more t	than 25% of its	net a	ssets
Activities & Governance							
න් ග	3 1	Number	of voting members of the governing body (Part VI, line 1a)			3	20
Ĕ	4 1	Number	of independent voting members of the governing body (Part VI, line 1b)		4	13
χĮΛ	5	Total nur	nber of individuals employed in calendar year 2012 (Part V, line 2a)			5	4,248
ă	6	Total nur	nber of volunteers (estimate if necessary)			6	350
	I		elated business revenue from Part VIII, column (C), line 12			7a	50,877
	ы	Net unrel	ated business taxable income from Form 990-T, line 34	<u> </u>		7b	12,567
					Prior Year		Current Year
α.	8	Contrib	outions and grants (Part VIII, line 1h)		2,890,	-	13,692,326
w							
entie	9	_	m service revenue (Part VIII, line 2g)		455,632,		
Ravenue	10	Invest	ment income (Part VIII, column (A), lines 3, 4, and 7d)		10,157,	619	15,845,427
Rayenue	10 11	Invest Other	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)			619	476,205,605 15,845,427 5,165,395
Revenue	10	Invest Other I Total r	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), lin	e	10,157,	619 918	15,845,427
Revenue	10 11	Invest Other I Total re 12)	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	e	10,157, 4,847,	619 918 966	15,845,427 5,165,395
Revenue	10 11 12	Invest Other (Total r 12) . Grants	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), lin		10,157, 4,847, 473,528,	619 918 966	15,845,427 5,165,395 510,908,753
	10 11 12	Invest Other (Total re 12) . Grants Benefit Salarie	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), lines 1 - 3		10,157, 4,847, 473,528, 273,	619 918 966 071	15,845,427 5,165,395 510,908,753 723,296 0
	10 11 12 13 14 15	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10)	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), lines and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528,	619 918 966 071	15,845,427 5,165,395 510,908,753 723,296 0
	10 11 12 13 14 15	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), line and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273,	619 918 966 071	15,845,427 5,165,395 510,908,753 723,296
Expenses Revenue	10 11 12 13 14 15 16a b	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), lines and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273, 220,279,	619 918 966 071	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235
	10 11 12 13 14 15 16a b	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), line and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273, 220,279,	918 966 071 573	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0
	10 11 12 13 14 15 16a b 17 18	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), line and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797,	619 918 966 071 573	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374
Expenses	10 11 12 13 14 15 16a b	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), line and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731,	619 918 966 071 573 905 549 417	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0
Expenses	10 11 12 13 14 15 16a b 17 18	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), line and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797,	619 918 966 071 573 905 549 417	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374
Expenses	10 11 12 13 14 15 16a b 17 18	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), line and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, sinning of Curre	619 918 966 071 573 905 549 417	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379
Expenses	10 11 12 13 14 15 16a b 17 18 19	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e Revenu	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), line and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, sinning of Curre Year	619 918 966 071 573 905 549 417 ent	5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year
	10 11 12 13 14 15 16a b 17 18 19	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e Revenu	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), line and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, Jinning of Curre Year 587,352,	918 966 071 573 905 549 417 ent 193 159	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year 644,627,684
Not Assets or Expenses Fund Balances	10 11 12 13 14 15 16a b 17 18 19	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e Revenu	ment income (Part VIII, column (A), lines 3, 4, and 7d) revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) evenue—add lines 8 through 11 (must equal Part VIII, column (A), line and similar amounts paid (Part IX, column (A), lines 1–3)		10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, Jinning of Curre Year 587,352, 312,256,	918 966 071 573 905 549 417 ent 193 159	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year 644,627,684 275,686,748
A Fend Balances Expenses	10 11 12 13 14 15 16a b 17 18 19	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e Revenu Total a Total li Net as Signa	ment income (Part VIII, column (A), lines 3, 4, and 7d)	Beg	10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, pinning of Curre Year 587,352, 312,256, 275,096, medules and sta	918 966 071 573 905 549 417 193 159 034	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year 644,627,684 275,686,748 368,940,936 nts, and to the best of
and Darkers of Expenses Expenses	10 11 12 13 14 15 16a b 17 18 19 20 21 22 11 11 r pena	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e Revenu Total a Total III Net as Signa alties of p	ment income (Part VIII, column (A), lines 3, 4, and 7d)	Beg	10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, sinning of Curre Year 587,352, 312,256, 275,096, medules and state on st	918 966 071 573 905 549 417 193 159 034	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year 644,627,684 275,686,748 368,940,936 nts, and to the best of
Sign Feed Balances Expenses	10 11 12 13 14 15 16a b 17 18 19 20 21 22 11 17 r penal nowled arer had	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other of Total e Revenu Total a Total li Net as Signa alties of p dge and b as any kn	ment income (Part VIII, column (A), lines 3, 4, and 7d)	Beg	10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, sinning of Curre Year 587,352, 312,256, 275,096, medules and stater) is based on	918 966 071 573 905 549 417 193 159 034	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year 644,627,684 275,686,748 368,940,936 nts, and to the best of
and Darkers of Expenses Expenses	10 11 12 13 14 15 16a b 17 18 19 20 21 22 11 17 r penal nowled arer had	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other of Total e Revenu Total a Total li Net as Signa dities of p dige and b as any kn	ment income (Part VIII, column (A), lines 3, 4, and 7d)	Beg	10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, sinning of Curre Year 587,352, 312,256, 275,096, medules and state on st	918 966 071 573 905 549 417 193 159 034	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year 644,627,684 275,686,748 368,940,936 nts, and to the best of
Sign Feed Balances Expenses	10 11 12 13 14 15 16a b 17 18 19 20 21 22 11 17 r penal nowled arer had	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total a Total II Net as Signa alties of page and b as any kn	ment income (Part VIII, column (A), lines 3, 4, and 7d)	Beg	10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, sinning of Curre Year 587,352, 312,256, 275,096, medules and state er) is based on	918 966 071 573 905 549 417 193 159 034	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year 644,627,684 275,686,748 368,940,936 nts, and to the best of
Sign Care Parameters of Expenses Care Parameters of	10 11 12 13 14 15 16a b 17 18 19 20 21 22 t III r penanowled orer had	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total e Revenu Total a Total li Net as Signa alties of p dige and b as any kn	ment income (Part VIII, column (A), lines 3, 4, and 7d)	Beg	10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, sinning of Curre Year 587,352, 312,256, 275,096, hedules and state on st	918 966 071 573 905 549 417 ent 193 159 034	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year 644,627,684 275,686,748 368,940,936 nts, and to the best of
Sign Paragraph P	10 11 12 13 14 15 16a b 17 18 19 20 21 22 t III r penanowled orer had	Invest Other (Total r. 12) . Grants Benefit Salarie 5-10) Profess Total fur Other (Total a Total III Net as Signa alties of page and b as any kn MARK Type Profess Figna	ment income (Part VIII, column (A), lines 3, 4, and 7d)	Beg	10,157, 4,847, 473,528, 273, 220,279, 215,244, 435,797, 37,731, sinning of Curre Year 587,352, 312,256, 275,096, hedules and state er) is based on	918 966 071 573 905 549 417 ent 193 159 034	15,845,427 5,165,395 510,908,753 723,296 0 232,012,235 0 235,489,843 468,225,374 42,683,379 End of Year 644,627,684 275,686,748 368,940,936 nts, and to the best of

May the IRS discuss this return with the preparer shown above? (see instructions) $\,$.

Firm's address 🟲

Use Only

Phone no

┌Yes ┌ No

_			Form 990 (2012
e Total program service expenses ►	421,031,628		
(Expenses \$	including grants of \$) (Revenue \$)
d Other program services (Describe	ın Schedule O)		

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^{\bullet}	3		Νo
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space,			No
•	the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7		
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^{\bullet}	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 $\sqrt[N]{2}$	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			
а	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
	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X.	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a		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? <i>If</i> "Yes," complete Schedule G, Part II	18		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Par	t IV Checklist of Required Schedules (continued)			
21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	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		Νo
С	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)			
а	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV			
_		28a		N o
	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	Yes	
С	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	33		No
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	38	Yes	

-	Chack of School of Contains a grandous to any question in this Bort V			г
	Check if Schedule O contains a response to any question in this Part V	•	Yes	. l No
1	Enter the number reported in Box 3 of Form 1096 Enter -0 - if not applicable 1a 410			.40
	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable 1b 0			
	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable			
	gaming (gambling) winnings to prize winners?	1c		
	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			
)	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	
			.,	
	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes	
	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
1	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		N
)	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			
	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		N e
	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		N
	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	_		_
	Door the organization have applied successful that are successful successful to the table of the control of the	5c		.
•	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions?	6a		N
,	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts			
	were not tax deductible?	6b		
	Organizations that may receive deductible contributions under section 170(c).			
	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		N
	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		N
	If "Yes," indicate the number of Forms 8282 filed during the year			
	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit	7-		N.
	Contract?	7e 7f		N N
	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as			IN
	required?	7g		
	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a	7h		
	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?			
	Sponsoring organizations maintaining donor advised funds.	8		
	Did the organization make any taxable distributions under section 4966?	9a		
	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
	Section 501(c)(7) organizations. Enter			
	Initiation fees and capital contributions included on Part VIII, line 12 10a			
	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
	Section 501(c)(12) organizations. Enter			
	Gross income from members or shareholders			
)	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
	If "Yes," enter the amount of tax-exempt interest received or accrued during the			
	year			
	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		
)	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			
	Enter the amount of reserves on hand			
	Did the organization receive any payments for indoor tanning services during the tax year?	14a		N
	If "Yes " has it filed a Form 720 to report these payments? If "No " provide an explanation in Schedule O	14h		

Se	ection 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			
	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			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?.	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6	Did the organization have members or stockholders?	6	Yes	
	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
а	The governing body?	8a	Yes	
ь	Each committee with authority to act on behalf of the governing body?	8b	Yes	
	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
Se	ection B. Policies (This Section B requests information about policies not required by the Internal R	eveni	ıe Cod	
	,		Yes	No
L0a	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
L1a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
Ь	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
L2a	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	
С	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	
L3	Did the organization have a written whistleblower policy?	13	Yes	
L4	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?			
а	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)			
L6a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		No
Se	ection C. Disclosure			
L7	List the States with which a copy of this Form 990 is required to be filed▶			
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply Own website. Another's website. Upon request. Other (explain in Schedule O)			

Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of

►MUNSON HEALTHCARE 4230 COPPER RIDGE DR TRAVERSE CITY, MI (231) 935-7777

State the name, physical address, and telephone number of the person who possesses the books and records of the organization

interest policy, and financial statements available to the public during the tax year

Form 990	(2012	•
----------	-------	---

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

	1																			
(A) Name and Title	(B) A verage hours per week (list any hours	more t perso and	han o	one l both ector	box, an o	officer stee)		(D) Reportable compensation from the organization (W-	(E) Reportable compensation from related organizations (W- 2/1099-	(F) Estimated amount of other compensation from the										
	organizations below dotted line)	below	organizations below	organızatıons below	organizations below	organizations below	organizations below	organizations below	organizations below	organizations below	organızatıons below	Individual trustae or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	2/1099-MISC)	MISC)	organization and related organizations
See Additional Data Table																				
	•	•	•							Form 990 (2012)										

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

	(A) Name and Title	(B) A verage hours per week (list any hours	more t	than o	one both	box, ≀an	heck unless officer stee)		(D) Reportable compensation from the organization (W-	(E) Reportable compensation from related organizations (W-	- ((F) Estima mount o compens from t	ited f other sation the
		for related organizations below dotted line)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	2/1099-MISC)	2/1099-MISC)		ganizati relate organiza	ed
											+		
											+		
											+		
1b c	Sub-Total	s to Part VII, S	ection /	Δ.	•			•					
d	Total (add lines 1b and 1c) .						•	•	3,615,580)4		700,968
2	Total number of individuals (in \$100,000 of reportable compo						d abov	e) w	ho received more th	an			
												Yes	No
3	Did the organization list any f oon line 1a? <i>If</i> "Yes," complete 5					key •	emplo	yee,	, or highest compen	sated employee	3		No
4	For any individual listed on lin organization and related organ individual										4	Yes	
5	Did any person listed on line 1 services rendered to the organ									or individual for	5		No
Se	ection B. Independent Co	ntractors											
1	Complete this table for your five compensation from the organization											av vear	
	asimpensation nom the organia	Lacion Nepulcul	SILIPALIE	4 -1011			- u i c i i U	⊶. y⊂	ar chang with or Wi	ann are organizati	J.1 D 1	an yeal	

(A)	(B)	(C)
Name and business address	Description of services	Compensation
HOSPITALISTS OF NORTHWEST MICHIGAN , 1105 SIXTH ST TRAVERSE CITY MI49684	MEDICAL SERVICE	5,378,669
HURON CONSULTING , 3005 MOMENTUM PLACE CHICAGO IL 60689	CONSULTING	3,986,349
CERNER CORPORATION , PO BOX 412702 KANSAS CITY MO 64151	INFO TECHNOLOGY	3,239,894
CARDIOTHORACIC SURGEONS GT PC , 107 S CASS ST TRAVERSE CITY MI 49684	MEDICAL SERVICE	2,086,533
MAYO COLLABORATIVE SERVICES , PO BOX 9146 MINNEAPOLIS MN 55480	LABORATORY SRV	1,728,191
Total countries of our desired and the second of the secon		

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 ►110

Form 99			_					Page 9
Part V	/	Statement of Check of Schedu	o f Revenue ule O contains a respoi	nse to any question	ın thıs 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
2 £	1a	Federated cam	paigns 1a					
am	ь	Membership du	ies 1b					
ΩĔ	c	Fundraising ev	ents 1c					
iffs ar /	d	Related organiz	zations 1d	1,748,120				
% ⊞ :6	e	Government grant	s (contributions) 1e	11,622,269				
ië I Si	f	All other contribution	ons, gifts, grants, and 1f	321,937				
but the	_	similar amounts no	ot included above ions included in lines					
Contributions, Giffs, Grants and Other Similar Amounts	g	1a-1f \$						
<u>ට</u> ස	h	Total. Add line:	s 1 a - 1 f		13,692,326			
e E	2-	MEDICADE AND M	EDICAID DATE	Business Code				
Program Serwoe Revenue	2a b	MEDICARE AND MI PATIENT SERVICE	-	621990 621990	240,286,585 231,568,040	240,286,585		
	, c	SERVICES TO OTH	-	621990	2,442,098	2,442,098		
	d	HEALTH SERVICE F		621990	1,686,543	1,686,543		
å E	e	RENT FROM RELAT	TED ORGS	531120	173,211	173,211		
gra.	f	All other progra	am service revenue		49,128		49,128	
š	g	Total. Add lines	s 2a-2f		476,205,605			
	3	Investment inc	ome (including dividen		6,914,448	2,745,542		4,168,906
	4	and other simil	ar amounts) stment of tax-exempt bond	proceeds	0,914,440	2,743,342		4,100,900
	5			▶				
		·	(ı) Real	(II) Personal				
	6a	Gross rents	498,144					
	Ь	Less rental expenses						
	С	Rental income or (loss)	498,144					
	d	Net rental inco	me or (loss)		498,144			498,144
	7a	Gross amount	(ı) Securities	(II) O ther				
		from sales of assets other than inventory	9,579,553	446,220				
	b	Less cost or other basis and sales expenses	389,794	705,000				
	С	Gain or (loss)	9,189,759	-258,780				
	d		,		8,930,979	-580,765		9,511,744
enne	8a	Gross income f events (not inc \$ of contributions						
Other Revenue		See Part IV, lir	ne 18 a					
돩	c b		penses b (loss) from fundraising	events				
J	9a	Gross income f	from gaming activities ne 19 a	events : . p				
	ь	Less direct ex	penses b					
	С		(loss) from gamıng actı	vities				
	10a	Gross sales of returns and allo						
		returns and and	a a	35,927				
	ь	Less cost of g	oods sold b	34,178				
	С		(loss) from sales of inv		1,749		1,749	
	4-	Miscellaneous		Business Code 722210	2 770 205			2 770 205
	11a	CAFETERIA SA	_	621990	3,770,385 475,212			3,770,385 475,212
	b c	MISCELLANEC AUXILIARY GI		446199	419,905			419,905
	d	All other reven			. 15,555			5,5 0 5
	e	Total. Add lines		►	4,665,502			
	12	Total revenue.	See Instructions .	🕨	510,908,753	470 221 254	50,877	10 044 206
	1			l	710,506,735	478,321,254	50,877	18,844,296

ectio	on 501(c)(3) and 501(c)(4) organizations must complete all columns. All				
	Check if Schedule O contains a response to any question in this Part include amounts reported on lines 6b, p, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service	(C) Management and	(D) Fundraising
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	300,000	expenses 300,000	general expenses	expenses
2	Grants and other assistance to individuals in the United States See Part IV, line 22	423,296	423,296		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	423,230	423,230		
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	1,812,458		1,812,458	
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	170,541,268	151,430,242	19,111,026	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	19,054,355	16,890,196	2,164,159	
9	Other employee benefits	27,862,618	24,562,945	3,299,673	
10	Payroll taxes	12,741,536	11,207,583	1,533,953	
l 1	Fees for services (non-employees)				
а	Management				
b	Legal	181,841		181,841	
C	Accounting	173,951		173,951	
d	Lobbying	21,599		21,599	
е	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	51,805,655	39,556,871	11,725,585	523,19
L 2	Advertising and promotion	721,797	130,882	590,915	323,13
.3	Office expenses	5,319,960	3,481,384	1,838,576	
.4	Information technology	10,660,417	3,659,124	7,001,293	
.5	Royalties	10,000,117	3,033,121	7,001,233	
.6	Occupancy	8,351,168	7,485,105	866,063	
.7	Travel	977,613	770,101	207,512	
.8	Payments of travel or entertainment expenses for any federal, state, or local public officials	377,013	770,101	207,312	
.9	Conferences, conventions, and meetings	522,328	401,287	121,041	
20	Interest	5,669,342	5,097,872	571,470	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	26,995,290	24,275,705	2,719,585	
23	Insurance	1,681,123	1,200,149	480,974	
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)				
а	MEDICAL SUPPLIES	112,467,177	111,865,428	601,749	
ь	BAD DEBT	19,424,599	19,424,599	·	
c	REPAIRS AND MAINTENANCE	5,971,641	5,546,946	424,695	
d	MISCELLANEOUS	1,175,490	961,602	213,888	
e	All other expenses	-16,631,148	-7,639,689	-8,991,459	
25	Total functional expenses. Add lines 1 through 24e	468,225,374	421,031,628	46,670,547	523,199
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

Par	t 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
	1	Cash—non-interest-bearing	1,084,341	1	50,193
	2	Savings and temporary cash investments	78,438,418	2	100,334,093
	3	Pledges and grants receivable, net	669,040	3	624,449
	4	Accounts receivable, net	58,804,499	4	67,536,302
	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	
Assets	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	
82	7	Notes and loans receivable, net		7	
ď	8	Inventories for sale or use	10.929.153		11,882,176
	9	Prepaid expenses and deferred charges	6.234.932	9	6,845,339
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D 10a 519,023,954	, ,		5,0.0,000
	Ь	Less accumulated depreciation 10b 282,543,088	240,636,094	10c	236,480,866
	11	Investments—publicly traded securities	170,730,714	11	188,024,381
	12	Investments—other securities See Part IV, line 11	14,935,549	12	28,032,624
	13	Investments—program-related See Part IV, line 11		13	
	14	Intangible assets	517,604	14	449,717
	15	Other assets See Part IV, line 11	4,371,849	15	4,367,544
	16	Total assets. Add lines 1 through 15 (must equal line 34)	587,352,193		644,627,684
	17	Accounts payable and accrued expenses	34,324,376		39,555,331
	18	Grants payable		18	
	19	Deferred revenue	64,860	19	117,929
	20	Tax-exempt bond liabilities	128,713,437	20	127,037,476
	21	Escrow or custodial account liability Complete Part IV of Schedule D	, ,	21	· · ·
Liabilities	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified			
ap		persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule	140.452.400	25	100 070 042
		D	149,153,486		108,976,012
	26	Total liabilities. Add lines 17 through 25	312,256,159	26	275,686,748
ű		lines 27 through 29, and lines 33 and 34.	265,592,590		347,274,449
<u>ರ</u>	27	Unrestricted net assets	9,503,444	27 28	21,666,487
<u> </u>	28	Temporarily restricted net assets	9,505,444	29	21,000,407
ĭ	29	Permanently restricted net assets		29	
or Fund Balance		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
Ş	30	Capital stock or trust principal, or current funds		30	
Assets	31	Paid-in or capital surplus, or land, building or equipment fund		31	
đ	32	Retained earnings, endowment, accumulated income, or other funds		32	
Net	33	Total net assets or fund balances	275,096,034	33	368,940,936
	34	Total liabilities and net assets/fund balances	587,352,193	34	644,627,684

Pai	Reconcilliation of Net Assets Check if Schedule O contains a response to any question in this Part XI				৮
1	Total revenue (must equal Part VIII, column (A), line 12)			510.9	908,753
2	Total expenses (must equal Part IX, column (A), line 25)	2			
3	Revenue less expenses Subtract line 2 from line 1	-		400,2	225,374
	Not accept on final haloman at homeometric force (none hancel Dort V. hance 22 and none (A.V.	3		42,6	583,379
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) \cdot .	4		275,0	96,034
5	Net unrealized gains (losses) on investments	5		3,7	780,294
6	Donated services and use of facilities				
7	Investment expenses	6			
		7			
8	Prior period adjustments	8			
9	Other changes in net assets or fund balances (explain in Schedule O)	9		47,3	381,229
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33,	10			 940,936
Par	t XII Financial Statements and Reporting	10		300,5	740,530
	Check if Schedule O contains a response to any question in this Part XII				. Г
				Yes	No
1	Accounting method used to prepare the Form 990				
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 revial separate basis, consolidated basis, or both	ewed on			
	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 sep basis, consolidated basis, or both	arate			
	☐ Separate basis ☐ Both consolidated and separate basis				
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversig audit, review, or compilation of its financial statements and selection of an independent accountant?	ht of the	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain Schedule O	ın			
За	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in t Single Audit Act and OMB Circular A-133?	he	3a	Yes	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	required		Yes	

Software ID: Software Version:

EIN: 38-1362830

Name: MUNSON MEDICAL CENTER

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	Positio more unless an dire	than persoffice ctor/t	not one on is ran- rust	box s bot d a tee)	, th		(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
	hours for related organizations below dotted line)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated	Former			organizations
EDWIN A NESS TRUSTEE	0 00 40 00	х		Х				0	741,166	242,296
DANIEL T WOLF TRUSTEE	1 00 6 00	х						0	24,500	0
JOHN ERB FORMER CHAIR	6 00 1 00	х						24,500	0	0
CARL BENNER TRUSTEE	4 00	х						12,500	0	0
DAVID FRIAR MD TRUSTEE	4 00	х						12,500	0	0
JOSEPH KOSTRZEWA TRUSTEE	4 00	х						12,500	0	0
NANCY FISHER TRUSTEE	4 00	х						12,500	0	0
PATRICK E HEINTZ SECRETARY	6 00	х		х				12,500	0	0
SHIRLANNA CORREIA TRUSTEE (RET	4 00	х						12,500	0	0
GEORGE BEARUP VICE CHAIR	6 00	х		х				12,500	0	0
REX ANTINOZZI MD CHAIR	1 00 4 00	X		х				12,500	0	0
DANIEL NAVIN MD TREASURER	4 00	х		х				12,500	0	0
GORDON H WINSTANLEY TRUSTEE	4 00	х						9,375	0	0
MICHAEL D SIMPSON TRUSTEE (RET	4 00	х						9,375	0	0
EDWARD J RUTKOWSKI MD TRUSTEE	4 00	х						9,375	0	0
DOUGLAS LUCIANI TRUSTEE	4 00	х						9,375	0	0
CARL B ANDERS MD TRUSTEE	4 00	х						3,125	0	0
JOHN E PELIZZARI TRUSTEE (RET	1 00 5 00	х						0	0	0
DANIEL C EDSON TRUSTEE	4 00	х						0	0	0
JAMES W HOOK TRUSTEE	4 00	х						0	0	0
ROBERT P SCHAFER TRUSTEE	4 00	х						0	0	0
ALFRED PILONG CEO	40 00	х		х				0	0	0
TIMOTHY NELSON TRUSTEE	4 00	х						0	0	0
MARK A HEPLER CFO	22 00 18 00			Х				0	290,343	59,971
KATHLEEN MCMANUS EXECUTIVE VP	40 00			_	x			308,169	0	56,328

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

40 00

40 00

KAREN SPEIRS DO

DANIEL M WEBSTER

PHYSICIAN

PHYSICIAN

(A) Name and Title	(B) Average hours per week (list	(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	
	any hours for related organizations below dotted line)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former			organizations	
PAUL M SHIRILLA ASST SEC/VP	6 00 32 00				х			0	302,295	46,971	
DAVID MCGREAHAM MD VP MEDICAL	40 00				х			298,346	0	49,662	
CHRISTOPHER PODGES VP INFO SYST	40 00				х			277,254	0	39,820	
SUZANNE K PETERS VP HUMAN RES	40 00				х			210,965	0	34,609	
JAMES P FISCHER VP PATIENT C	40 00				х			196,483	0	26,486	
THOMAS SCHERMERHORN MD NEUROSURGEON	40 00					х		824,854	0	31,791	
AHMET SEVIMLI MD NEPHROLOGIST	40 00					х		466,026	0	46,523	
PHILOMENA COLUCCI PHYSICIAN -	40 00					х		317,640	0	20,018	

Х

Х

277,170

261,048

15,614

30,879

0

0

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493134052794

OMB No 1545-0047

SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

Total

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.

Open to Public Inspection

	e of the organization SON MEDICAL CENTER								Employer i	ident if icat io	n numbei		
HONS	ON ME	DICAL CLIV	ILK						38-13628	330			
Pa	rt I	Reas	on for Pu	blic Charity Sta	tus (All ord	anızatıons	must com	plete this p					
				te foundation becaus									
1	Г	A chur	ch, convent	ion of churches, or a	ssociation of	churches d	escribed in s e	ection 170(l	o)(1)(A)(i).				
2	Г	A scho	ol described	d in section 170(b)(1	L)(A)(ii). (At	tach Schedu	ıle E)	•					
3	Ī			perative hospital se				n 170(b)(1)	(A)(iii).				
4	Ė	A medi	cal researc	h organization opera ity, and state						1)(A)(iii). E	nter the		
5	г			erated for the benefi	t of a college	or universit	v owned or o	nerated by a	a government	al unit desc	rihed in	_	
•	'	=	· ·	(A)(iv). (Complete P	=	. or annversi	ey owned or o	peracea by	a government	ar arme dese	mbea m		
6	_			local government or	•	al unit desc	rihed in secti	ion 170(h)(1	1)(A)(y)				
7	'r		•	at normally receives	_					com the gen	ral publi	_	
,	,	_		on 170(b)(1)(A)(vi).		•	support nom	a governine	ental unit of h	on the gene	erai publi	-	
8	Г			: described in sectio	•	•	nplete Part II	[)					
9	Г		-	at normally receives			-	-	outions, mem	bership fees	, and gros	ss	
				rities related to its e									
		ıts sup	port from ar	oss investment inco	me and unrel	lated busine	ss taxable ın	come (less	section 511	tax) from bu	sınesses		
										,			
10	Г	acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part III) An organization organized and operated exclusively to test for public safety See section 509(a)(4).											
11	, _	_								o carry out t	he nurno	ses of	
	'	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											
				ibes the type of supp	or <u>tı</u> ng organ	ization and d	omplete line	s 11e th <u>ro</u> u	gh 11h				
		a	Type I	b Type II c	Type III - Functionally integrated d Type III - Non-functionally integrated								
е	Γ	•	-	ox, I certify that the	_				•	•	•		
			han foundati n 509(a)(2)	ion managers and ot	her than one	or more pub	licly support	ed organizat	tions describe	ed in sectior	1 509(a)(1) or	
f				received a written d	etermination	from the IR:	S that it is a	Type I. Typ	e II. or Type	III supporti	na oraani	zation.	
-			this box					.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, , , ,	тт опрост			
g				2006, has the organ	ızatıon accep	oted any gift	or contributi	on from any	of the				
			ng persons?									T	
		• • •		rectly or indirectly of	•		_	persons des	scribed in (ii)		Yes	No	
				governing body of th			17			11g			
				er of a person descr						11g(
_				lled entity of a perso						11g(iii)		
h		Provide	e the followi	ng information about	the supporte	ed organizat	ion(s)						
	i) Nan	ne of	(ii) EIN	(iii) Type of	(iv) Is t	the	(v) Did you	ı notıfy	(vi) Is	the	(vii) Ar	nount o	
	suppo			organization	organızatı		the organi		organizati		1	etary	
0	rganiz	ation		(described on	col (i) list		ın col (i) d		col (i) orgain the U		sup	port	
				lines 1-9 above or IRC section		your governing support? document?				5 /			
				(see		ne.							
				instructions))	\	l Na	V	No	V	No.	1		
					Yes	No	Yes	No	Yes	No	-		
-								-			-		
				i e		1	1	1		1			

Sch	edule A (Form 990 or 990-EZ) 2012							Page 2
Pa	(Complete only if you o	hecked the bo	x on line 5, 7,	or 8 of Part I o	r if the organiza	ation faile	ed to q	
	Part III. If the organiza ection A. Public Support	tion fails to qu	alify under the	tests listed bel	ow, please com	<u>iplete Pa</u>	rt III.)	
	ection A. Public Support endar year (or fiscal year beginning					1		
	in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2	312	(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							
6	(f) Public support. Subtract line 5 from							
	line 4							
S	ection B. Total Support							
Cal	endar year (or fiscal year beginning	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 20)12	(f) Total
_	in) ► A mounts from line 4		. ,		. ,	, ,		. ,
7 8	Gross income from interest,							
0	dividends, payments received on							
	securities loans, rents, royalties							
	and income from similar							
9	sources Net income from unrelated							
9	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							
4.0	10)		<u> </u>					
12	Gross receipts from related activitie					12		
13	First five years. If the Form 990 is this box and stop here							ization, check
	ection C. Computation of Pub				<u> </u>	<u> </u>		
14	Public support percentage for 2012			11, column (f))		14		
15	Public support percentage for 2011			, , , , , , ,		15		
	33 1/3% support test—2012. If the o	· ·	•	on line 13 and l	ine 14 is 33 1/20%		chack ti	nie hov
104	and stop here. The organization qua				me 1 1 13 33 1/3/0	or more,	JIICCK CI	► □
b	33 1/3% support test—2011. If the				and line 15 is 33	3 1/3% or n	nore, ch	eck this
	box and stop here. The organization						. 4 4	▶□
1/a	10%-facts-and-circumstances test- is 10% or more, and if the organizat							•
	in Part IV how the organization mee							
	organization				4	r	,	▶ □
b	10%-facts-and-circumstances test-							
	15 is 10% or more, and if the organ Explain in Part IV how the organizat							lv
	supported organization	ion meets the T	acts-ana-cncum:	stances test III	ic organization qu	uiiiiE5 45 i	a public	·y ▶□
18	Private foundation. If the organizat	on did not check	c a box on line 13	, 16a, 16b, 17a,	or 17b, check thi	s box and	see	·
	instructions							▶ ┌

Schedule A (Form 990 or 990-EZ) 2012 Page 3 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 (a) 2008 **(b)** 2009 (c) 2010 (d) 2011 (e) 2012 (f) Total in) 🟲 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") 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						
3	furnished by a governmental unit to						
	the organization without charge						
6	Total. Add lines 1 through 5						
	Amounts included on lines 1, 2,						
<i>7</i> a	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						
С	Add lines 7a and 7b						
8	Public support (Subtract line 7c						
	from line 6)						
_Se	ction B. Total Support						
Cale	ndar year (or fiscal year beginning	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
	in) ►	(u) 2000	(6) 2003	(6) 2010	(4) 2011	(6) 2012	(1) 10tai
9	A mounts from line 6						
10a	Gross income from interest,						
	dividends, payments received on						
	securities loans, rents, royalties						
	and income from similar						
	sources						
Ь	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						
11	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)			Librari Corretto con	6.01	E04(-)(2)	
14	First five years. If the Form 990 is for	or the organization	on's first, second	i, thira, fourth, or	ππη tax year as a	1 501(c)(3) org	anization, ►
	check this box and stop here	a Cunnaut Da					
	ction C. Computation of Public			1.2		T I	
15	Public support percentage for 2012			13, column (T))		15	
16	Public support percentage from 2011	L Schedule A, Pa	art III, line 15			16	
Se	ction D. Computation of Inve	stment Inco	me Percenta	ge			
17	Investment income percentage for 20				nn (f))	17	
					. , ,		
18	Investment income percentage from					18	
19a	33 1/3% support tests—2012. If the o						ıd lıne 17 ıs not ▶□

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 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Schedule A (Form 990 or 990-EZ) 2012

DLN: 93493134052794

OMB No 1545-0047

Political Campaign and Lobbying Activities SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527 ▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ. ► See separate instructions.

Inspection

If the organization answered "Yes" to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- ◆ Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- ◆ Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- ◆ Section 527 organizations Complete Part I-A only

If the organization answered "Yes" to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- ◆ Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes" to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35c (Proxy Tax), then

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

	MSON MEDICAL CENTER			Employer ider	itirication number
	NOON TIEBZONE CENTER			38-1362830	
Par	t I-A Complete if the or	ganization is exempt under s	section 501(d	c) or is a section 527	organization.
1	Provide a description of the org	ganızatıon's dırect and ındırect politic	al campaign acti	vities in Part IV	
2	Political expenditures			▶	\$
3	Volunteer hours				
Dar	t T-B Complete if the or	ganization is exempt under s	section 501/	-)(3)	
1	•	e tax incurred by the organization und	-		ф
2	·	e tax incurred by organization manage			₽
3	·	section 4955 tax, did it file Form 472		, , , , , , , , , , , , , , , , , , ,	→ Yes 「No
4a	Was a correction made?		「Yes		
b	If "Yes," describe in Part IV				1 165 1 110
	•	ganization is exempt under s	section 501(d	c), except section 50)1(c)(3).
1	•	ended by the filing organization for se	-		\$
2		organization's funds contributed to otl			
	exempt function activities	-	-	▶	\$
3	Total exempt function expendi	tures Add lines 1 and 2 Enter here a	and on Form 112	0-POL, line 17b ►	\$
4	Did the filing organization file F	Form 1120-POL for this year?			☐ Yes ☐ No
5	organization made payments f amount of political contribution	nd employer identification number (EI For each organization listed, enter the ns received that were promptly and di political action committee (PAC) If a	e amount paid fro rectly delivered	m the filing organization's to a separate political orga	funds Also enter the anization, such as a
	(a) Name	(b) Address	(c) EIN	(d) A mount paid from filing organization's funds If none, enter -0-	(e) A mount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

e Grassroots ceiling amount (150% of line 2d, column (e))

f Grassroots lobbying expenditures

Sch	nedule C (Form 990 or 990-EZ) 2012					Page 2
Pa	art II-A Complete if the organization	is exempt under	section 501(c)(3) and fil	ed Form 5768	(election
_	under section 501(h)). Check ► if the filing organization belongs to a	an affiliated group (and	lict in Part IV os	ach affiliated are	un mambar's nam	o addross EIN
	expenses, and share of excess lobb	ying expenditures)		_	up member s nam	e, address, LTN
<u>B</u>	Check Frifthe filing organization checked box	x A and "limited contro	ıl" provisions apı	oly		
	Limits on Lobbying E (The term "expenditures" means an		l .)		(a) Filing organization's totals	(b) Affiliated group totals
1a	Total lobbying expenditures to influence public o	pınıon (grass roots lob	bying)			
b	Total lobbying expenditures to influence a legisla	ative body (direct lobb	yıng)			
c	Total lobbying expenditures (add lines 1a and 1b	o)				
d	O ther exempt purpose expenditures					
e	Total exempt purpose expenditures (add lines 1c					
f	Lobbying nontaxable amount Enter the amount fo					
	If the amount on line 1e, column (a) or (b) is:	The lobbying nontax	able amount is:			
	Not over \$500,000	20% of the amount on li	ne 1e			
	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the	e excess over \$500,0	000		
	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the	e excess over \$1,000			
	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the	excess over \$1,500,	.000		
	Over \$17,000,000	\$1,000,000				
	Grassroots nontaxable amount (enter 25% of lin	e 1f)				
_	Subtract line 1g from line 1a If zero or less, ente	•		-		
i	Subtract line 1f from line 1c If zero or less, ente			-		
_	If there is an amount other than zero on either lin		organization file	Form 4720 rep	ortina	1
-	section 4911 tax for this year?					┌ Yes ┌ No
_	4-Voor Av	veraging Period U	Inder Section	F01/b)		
	(Some organizations that made a scolumns below. See the	section 501(h) el	ection do not	have to cor		ne five
	Lobbying Expe	enditures During	4-Year Avera	ging Period		1
	Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a	Lobbying nontaxable amount					
b	Lobbying ceiling amount (150% of line 2a, column(e))					
c	Total lobbying expenditures					
d	Grassroots nontavable amount					

Part II-B	Complete if the organization is exempt under section 501(c)(3) ar	nd has NOT
	filed Form 5768 (election under section 501(h)).	

Ear a	ach "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying	(a	1)	(b)
activ		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
а	Volunteers?	Yes		
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
C	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?	Yes		8,50
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		Νo	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	O ther activities?	Yes		13,09
j	Total Add lines 1c through 1i			21,59
2a	Did the activities in line 1 cause the organization to be not described in section $501(c)(3)$?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912		İ	
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		•	
D	titt A. Complete if the everyingtion is everynt under coetien FO4/c/(4), coetie	- FA4/-	\	

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2		
3	Did the organization agree to carry over lobbying and political expenditures from the prior year?	3		

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
а	Current year	2a	
b	Carryover from last year	2b	
C	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and	4	
_	political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1 Also, complete this part for any additional information

Identifier	Return Reference	Explanation
		GRASSROOTS LOBBYING EXPENSES GRANTED TO ORGANIZATIONS OTHER ACTIVITIES INDICATE THE PORTION OF DUES ALLOCATED TO LOBBYING EXPENSES PAID TO REGIONAL OR NATIONAL ORGANIZATIONS

DLN: 93493134052794

OMB No 1545-0047

Open to Public **Inspection**

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.

Employer identification number Name of the organization MUNSON MEDICAL CENTER 38-1362830 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 Total number at end of year 1 Aggregate contributions to (during year) 3 Aggregate grants from (during year) Aggregate value at end of year 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? 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? Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7. Purpose(s) of conservation easements held by the organization (check all that apply) Protection of natural habitat Preservation of a certified historic structure Preservation of open space 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 Total number of conservation easements 2a Total acreage restricted by conservation easements 2b Number of conservation easements on a certified historic structure included in (a) Number of conservation easements included in (c) acquired after 8/17/06, and not on a

	nistoric structure listed in the National Register	Zu			
3	Number of conservation easements modified, transferred, released, extinguished, or terminated l	by th	e 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 enforcement of the conservation easements it holds?	ng of	violations, and	┌ Yes	ΓN
6	Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements	nts d	uring the year		
7	A mount of expenses incurred in monitoring, inspecting, and enforcing conservation easements d	urınç	the year		
	▶ \$				
8	Does each conservation easement reported on line 2(d) above satisfy the requirements of section and section $170(h)(4)(B)(II)$?	n 17	'0(h)(4)(B)(ı)	┌ Yes	ΓN
0	In Part VIII, describe how the organization reports conservation eacoments in its revenue and o	vnon	so 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.

- 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
- 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

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

Revenues included in Form 990, Part VIII, line 1

3	Organizations Maintaining Co										
3	Using the organization's acquisition, access collection items (check all that apply)	ion, and other recor	ds, ch	eck any	of the fo	llowing that	are a	significant	use of	ıts	
а	Public exhibition		d	┌ Loa	an or ex	change prog	ams				
b	Scholarly research		e	┌ ot	ner						
c	Preservation for future generations										
4	Provide a description of the organization's c Part XIII	ollections and expla	ın hov	v they fur	ther the	organization	ı's ex	empt purpo	se in		
5	During the year, did the organization solicit							ıılar	_		_
_	assets to be sold to raise funds rather than									Yes	<u> По</u>
Par	Part IV, line 9, or reported an air					on answere	d "Y	es" to Forr	n 990	,	
1a	Is the organization an agent, trustee, custo included on Form 990, Part X?	dian or other interme	ediary	for contr	ibutions	or other ass	etsı	not	Γ,	Yes	┌ No
b	If "Yes," explain the arrangement in Part XI	II and complete the	follow	ving table		Г	1		A		
_						-	4 -		Amou	nt	
C C	Beginning balance						1c				
d	Additions during the year					-	1d				
e •	Distributions during the year					}	1e				
f	Ending balance					L	1f				
2a	Did the organization include an amount on F	orm 990, Part X, line	e 21?						,	Yes	□ No
_ь	If "Yes," explain the arrangement in Part XI										ı
Pa	rt V Endowment Funds. Complete										
1a	Beginning of year balance	(a)Current year 180,234,157	(D)	Prior year 166,996,7		Two years back 143,412,065	-	128,015,7			ars back 1,976,653
та b	Contributions	12,760,078		9,477,5		996,567	1	2,073,9			815,757
_	Net investment earnings, gains, and losses	12,700,070		3,177,3	-	330,307		2,073,3			013,737
С	Net investment earnings, gams, and losses	18,163,160		4,724,6	67	23,516,814		14,807,6	77	-2	0,538,618
d	Grants or scholarships	589,921									
e	Other expenditures for facilities and programs	80,507		87,1	50	141,430		1,054,7	34		4,238,065
f	Administrative expenses	792,541		877,6	67	787,311		430,5	14		
g	End of year balance	209,694,426		180,234,1	57	166,996,705		143,412,0	65	12	8,015,726
2	Provide the estimated percentage of the cui	rent year end baland	ce (lın	e 1g, col	ımn (a)) held as					
2 a	Provide the estimated percentage of the cui Board designated or quasi-endowment >	rent year end baland 89 670 %	ce (lın	e 1g, col	ımn (a)) held as					
	· · · · ·	•	ce (lın	e 1g, col	ımn (a)) held as					
a	Board designated or quasi-endowment ► Permanent endowment ►	•	ce (lin	e 1g, col	ımn (a)) held as					
a b	Board designated or quasi-endowment	89 670 % 330 %	ce (lin	e 1g, col	ımn (a)) held as					
a b	Board designated or quasi-endowment Permanent endowment Temporarily restricted endowment 10 The percentages in lines 2a, 2b, and 2c shows Are there endowment funds not in the posses	89 670 % 330 % uld equal 100%					d for	the			
a b c	Board designated or quasi-endowment Permanent endowment Temporarily restricted endowment 10 The percentages in lines 2a, 2b, and 2c shows Are there endowment funds not in the posses organization by	89 670 % 330 % uld equal 100% ssion of the organiza					d for	_	2-(7)	Yes	No No
a b c	Board designated or quasi-endowment Permanent endowment Temporarily restricted endowment 10 The percentages in lines 2a, 2b, and 2c shows Are there endowment funds not in the posses organization by (i) unrelated organizations	89 670 % 330 % uld equal 100% ssion of the organiza	ation (that are h			d for	[3a(i)		No No
a b c 3a	Board designated or quasi-endowment Permanent endowment Temporarily restricted endowment 10 The percentages in lines 2a, 2b, and 2c shows the content of the percentages of the percentage of the percenta	89 670 % 330 % uld equal 100% ssion of the organiza	ation 1	that are h	eld and	admınıstere 	d for	[3a(ii)	Yes	
a b c 3a	Board designated or quasi-endowment Permanent endowment Temporarily restricted endowment 10 The percentages in lines 2a, 2b, and 2c shows Are there endowment funds not in the possed organization by (i) unrelated organizations (ii) related organizations If "Yes" to 3a(II), are the related organizations	89 670 % 330 % uld equal 100% ssion of the organizations of the organizations of the organizations of the organizations are quirectly the state of the organizations are quirectly the state of the organizations are quirectly the state of the organizations are quirectly the organizations are quirectly the organizations are quirectly the organizations are quirectly the organization of	ation 1	that are h	eld and	admınıstere 	d for	[
a b c 3a b	Board designated or quasi-endowment Permanent endowment Permanent endowment Permanent endowment Permanent percentages in lines 2a, 2b, and 2c shows the second percentages in lines 2a, 2b, and 2c shows the second percentages in lines 2a, 2b, and 2c shows the second percentages in lines 2a, 2b, and 2c shows the second percentages in lines 2a, 2b, and 2c shows the second percentages in lines 2a, 2b, and 2c shows the second percentage in lines 2a, 2b, and 2b	89 670 % 330 % uld equal 100% ssion of the organization	ation 1 · · · d on S dowm	that are h 	eld and	admınıstere 	d for	[3a(ii)	Yes	
a b c 3a b	Board designated or quasi-endowment Permanent endowment Permanent endowment Permanent endowment Permanent percentages in lines 2a, 2b, and 2c shows the content of the percentages in lines 2a, 2b, and 2c shows the content of the posses or an interpretation by (i) unrelated organizations (ii) related organizations If "Yes" to 3a(II), are the related organization describe in Part XIII the intended uses of the content of th	89 670 % 330 % uld equal 100% ssion of the organization	ation 1 · · · d on S dowm	that are h 	eld and	admınıstere 	her	[3a(ii) 3b	Yes Yes	
a b c 3a b 4 Par	Board designated or quasi-endowment Permanent endowment Permanent endowment Permanent endowment Permanent percentages in lines 2a, 2b, and 2c shows the percentages in lines 2a, 2b, and 2c shows are there endowment funds not in the posse organization by (i) unrelated organizations	89 670 % 330 % uld equal 100% ssion of the organization	ation 1 · · · d on S dowm	that are h chedule l ent funds irt X, line (a) Cost	eld and	administere	her r)	(c) Accumula	3a(ii) 3b	Yes Yes (d) Boo	No
a b c 3a b 4 Par	Board designated or quasi-endowment Permanent endowment Permanent endowment Permanent endowment Permanent percentages in lines 2a, 2b, and 2c shows the percentages in lines 2a, 2b, and 2c shows are there endowment funds not in the posses organization by (i) unrelated organizations	89 670 % 330 % uld equal 100% ssion of the organization	ation 1 · · · d on S dowm	that are h chedule l ent funds irt X, line (a) Cost	eld and	administere	her r) ,697	(c) Accumula	3b ted	Yes Yes (d) Boo	No ok value
a b c 3a b 4 Par	Board designated or quasi-endowment ► Permanent endowment ► Temporarily restricted endowment ► 10 The percentages in lines 2a, 2b, and 2c sho Are there endowment funds not in the posse organization by (i) unrelated organizations (ii) related organizations If "Yes" to 3a(ii), are the related organization Describe in Part XIII the intended uses of the state	89 670 % 330 % uld equal 100% ssion of the organization	ation 1 · · · d on S dowm	that are h chedule l ent funds irt X, line (a) Cost	eld and	administere	her r) ,697	(c) Accumula depreciatio	3b ted	Yes Yes (d) Boo	No ok value
a b c 3a b 4 Pa i	Board designated or quasi-endowment Permanent endowment 10 Temporarily restricted endowment 10 The percentages in lines 2a, 2b, and 2c shows a companization by (i) unrelated organizations	89 670 % 330 % uld equal 100% ssion of the organization	ation 1 · · · d on S dowm	that are h chedule l ent funds irt X, line (a) Cost	eld and	administere	her r) ,697 ,384 ,646	(c) Accumula depreciatio	3a(ii) 3b tted n ,959 ,260	Yes Yes (d) Boo	No ok value 4,105,697 7,818,425
a b c 3a Par	Board designated or quasi-endowment Permanent endowment Parmanent endowment Parmanent endowment Parmanent processed and 2c should be sufficiently restricted endowment Parmanent	89 670 % 330 % uld equal 100% ssion of the organization is entered as required the organization is entered in the organization in the organization in the organization is entered in the organization in the organization in the organization in the organization is entered in the organization i	ation to do on S dowm	that are h chedule l ent funds irt X, line (a) Cost	eld and	(b)Cost or of basis (other	her r) ,697 ,384 ,646 ,293	(c) Accumula depreciatio	3a(ii) 3b ted n ,959 ,260 ,054	Yes Yes 146	No k value 1,105,697 7,818,425 178,386

Part VIII Investments—Other Securities. See	Form 990, Part X, line 12) - •	
(a) Description of security or category	(b)Book value	(c) Metho	d of valuation
(including name of security)		Cost or end-or	f-year market value
l)Financial derivatives			
Closely-held equity interests			
ther			
otal. (Column (b) must equal Form 990, Part X, col (B) line 12)			
art VIIII Investments—Program Related. See			
(a) Description of investment type	(b) Book value		od of valuation
		Cost or end-or	f-year market value
			
otal. (Column (b) must equal Form 990, Part X, col (B) line 13)			
Part IX Other Assets. See Form 990, Part X, III			
(a) Descrip	ption		(b) Book value
Part X Other Liabilities. See Form 990, Part X	(, line 25.		
Part X Other Liabilities. See Form 990, Part X (a) Description of liability	(, line 25.		
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes	(, line 25. (b) Book value		
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes INIMUM PENSION LIABILITY	78,671,744		
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes INIMUM PENSION LIABILITY EFERRED POST RETIREMENT BENEFITS	78,671,744 14,106,111		
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes INIMUM PENSION LIABILITY EFERRED POST RETIREMENT BENEFITS ESERVE FOR THIRD PARTY SETTLEMENTS	78,671,744 14,106,111 5,303,335	<u>.</u>	
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes INIMUM PENSION LIABILITY EFERRED POST RETIREMENT BENEFITS ESERVE FOR THIRD PARTY SETTLEMENTS STIMATED THIRD PARTY SETTLEMENTS	78,671,744 14,106,111 5,303,335 5,280,407		
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes INIMUM PENSION LIABILITY EFERRED POST RETIREMENT BENEFITS ESERVE FOR THIRD PARTY SETTLEMENTS STIMATED THIRD PARTY SETTLEMENTS WAP MARKET VALUE BASIS	78,671,744 14,106,111 5,303,335 5,280,407 3,750,957	, , , , , , ,	
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes INIMUM PENSION LIABILITY EFERRED POST RETIREMENT BENEFITS ESERVE FOR THIRD PARTY SETTLEMENTS STIMATED THIRD PARTY SETTLEMENTS WAP MARKET VALUE BASIS AREPAYMENT LIABILITY	78,671,744 14,106,111 5,303,335 5,280,407 3,750,957 1,831,662	, , , , , , ,	
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes INIMUM PENSION LIABILITY EFERRED POST RETIREMENT BENEFITS ESERVE FOR THIRD PARTY SETTLEMENTS STIMATED THIRD PARTY SETTLEMENTS WAP MARKET VALUE BASIS AREPAYMENT LIABILITY	78,671,744 14,106,111 5,303,335 5,280,407 3,750,957	, , , , , , , ,	
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes INIMUM PENSION LIABILITY EFERRED POST RETIREMENT BENEFITS ESERVE FOR THIRD PARTY SETTLEMENTS STIMATED THIRD PARTY SETTLEMENTS WAP MARKET VALUE BASIS AREPAYMENT LIABILITY	78,671,744 14,106,111 5,303,335 5,280,407 3,750,957 1,831,662	, , , , , , ,	
Part X Other Liabilities. See Form 990, Part X (a) Description of liability ederal income taxes INIMUM PENSION LIABILITY EFERRED POST RETIREMENT BENEFITS ESERVE FOR THIRD PARTY SETTLEMENTS STIMATED THIRD PARTY SETTLEMENTS WAP MARKET VALUE BASIS AREPAYMENT LIABILITY	78,671,744 14,106,111 5,303,335 5,280,407 3,750,957 1,831,662	, , , , , , ,	
·	78,671,744 14,106,111 5,303,335 5,280,407 3,750,957 1,831,662	, , , , , , , <u>*</u>	

Part	XI Reconciliation of Revenue per Audited Financial Statements With Revenue	per R	eturn
1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
а	Net unrealized gains on investments		
b	Donated services and use of facilities		
C	Recoveries of prior year grants		
d	Other (Describe in Part XIII)		
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
а	Investment expenses not included on Form 990, Part VIII, line 7b . 4a		
b	Other (Describe in Part XIII)		
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	
Part	XII Reconciliation of Expenses per Audited Financial Statements With Expense	s per	Return
1	Total expenses and losses per audited financial statements	1	
2	A mounts included on line 1 but not on Form 990, Part IX, line 25		
а	Donated services and use of facilities		
b	Prior year adjustments		
C	Other losses		
d	Other (Describe in Part XIII)		
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
3 4	Subtract line 2e from line 1	3	
		3	
4	A mounts included on Form 990, Part IX, line 25, but not on line 1:	3	
4 a	Amounts included on Form 990, Part IX, line 25, but not on line 1: Investment expenses not included on Form 990, Part VIII, line 7b 4a	3 - 4c	

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
INTENDED USES FOR ENDOWMENT FUNDS	LINE 4	THE BOARD OF TRUSTEES DESIGNATES SUBSTANTIAL INVESTMENTS FOR THE REPLACEMENT, IMPROVEMENT, AND THE EXPANSION OF TANGIBLE FACILITIES OWNED BY MUNSON MEDICAL CENTER TO ENSURE FUNDS ARE AVAILABLE TO MAINTAIN THE HOSPITAL ASSETS TO CARRY OUT ITS MISSION A PORTION OF THE TERM ENDOWMENT ASSETS ARE THOSE HELD FOR SPECIFIC MEDICAL PURPOSES, AS DEFINED BY DONORS THOSE ASSETS ARE BEING HELD FOR A VARIETY OF DONOR INTERESTS INCLUDING ADAPTIVE SPORTS, PEDIATRIC THERAPY, OTHER PEDIATRIC MEDICAL NEEDS, RESEARCH, AND PATIENT ASSISTANCE MUNSON MEDICAL CENTER HAS NO FIN 48 LIABILITIES, AND THEREFORE, NO FOOTNOTE DISCLOSURE ON THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS

OMB No 1545-0047

Open to Public Inspection

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

Name of the organization MUNSON MEDICAL CENTER

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

Hospitals

Employer identification number

38-1362830

Pa	rt I Financial Assi	istance an	d Certain	Other Community	Benefits at Cost					
						_		Yes	No	
1a	Did the organization have	a financial as	ssistance po	licy during the tax year?	? If "No," skip to questi	on 6a	1a	Yes		
b	If "Yes," was it a written j	policy?				[1b	Yes		
2	If the organization had mi financial assistance polic		•			pplication of the				
	Applied uniformly to a Generally tailored to i				mly to most hospital fac	cilities				
3	Answer the following base organization's patients di			nce eligibility criteria th	at applied to the larges	t number of the				
а	Did the organization use I					providing <i>free</i> care?	За	Yes		
	「 100%									
b	b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care									
	□ 200% □ 250% □	300%	50% 🔽 40	0%		%				
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"?										
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?										
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?										
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?										
6a	6a Did the organization prepare a community benefit report during the tax year?									
	If "Yes," did the organiza					F	6a 6b	Yes		
	Complete the following ta	ble using the	worksheets	provided in the Schedule	e H instructions Do not	submit these				
	worksheets with the Sche	dule H								
7	Financial Assistance		Other Com	munity Benefits at Co	ost					
	ancial Assistance and Means-Tested	(a) Number of activities or programs	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community bene expense		(f) Perce otal exp		
a	vernment Programs Financial Assistance at cost	(optional)					+			
ь	(from Worksheet 1) Medicaid (from Worksheet 3,			5,097,633		5,097,6	33	1 1	20 %	
С	column a)			41,146,801	30,344,920	10,801,8	81	2 3	70 %	
d	government programs (from Worksheet 3, column b) . Total Financial Assistance			545,142	259,580	285,5	62	0 0	60 %	
u	and Means-Tested Government Programs			46,789,576	30,604,500	16,185,0	76	3 5	50 %	
e	Other Benefits Community health									
C	improvement services and community benefit operations			3,678,395	338,230	3,340,1	65	0.7	30 %	
f	(from Worksheet 4) Health professions education				·					
g	(from Worksheet 5) Subsidized health services			4,868,150	1,310,630	3,557,5			80 %	
h	(from Worksheet 6) Research (from Worksheet 7)			322,056 1,156,007	583 87,000	321,4 1,069,0	_		70 % 30 %	
1	Cash and in-kind contributions for community benefit (from Worksheet 8)			638,915	57,000	638,9			40 %	
j	Total. Other Benefits			10,663,523	1,736,443	8,927,0	-		50 %	
k	Total. Add lines 7d and 7j .			57,453,099	32,340,943	25,112,1	_	5 5	00 %	

Pa	rt II Community Building activities during the of the communities in	tax year, an									
	of the communities i	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense		rect off revenue	-	(e) Net communit building expense		(f) Pero total ex	
1	Physical improvements and housing	, , ,									
2	Economic development			25,984				25,	,984	0	010 %
3	Community support			21,752	:			21,	,752		
4	Environmental improvements			303,336	;			303,	,336	0	070 %
5	Leadership development and training			·							
6	for community members Coalition building										
7	Community health improvement advocacy			6.25					625		
8	Workforce development			625 29,249					625		010 %
9	Other			,				,			
10	Total	o 9 Callac	tion Dunctic	380,946				380,	946	0	090 %
	rt IIII Bad Debt, Medicar tion A. Bad Debt Expense	e, & Collec	tion Practic	es						Yes	No
1	Did the organization report bac Statement No 15?					anage	ment A	ssociation • • • •	1	Yes	
2	Enter the amount of the organi methodology used by the orga		•	-		2		6,684,728			
3	Enter the estimated amount of patients eligible under the org the methodology used by the any, for including this portion of	anızatıon's fina organızatıon to	ancıal assıstan estımate thıs	ce policy Explain in amount and the ratio	Part VI	3		886,395			
4	Provide in Part VI the text of t or the page number on which t						rıbes ba	ad debt expense			
Sect	tion B. Medicare					ī					
5	Enter total revenue received fi					5		232,165,370			
6	Enter Medicare allowable cost					6 7		225,751,640			
7 8	Subtract line 6 from line 5 Th Describe in Part VI the extent Also describe in Part VI the c Check the box that describes	to which any : osting method the method us	shortfall report ology or source ed	ed in line 7 should b e used to determine		l as co					
	Cost accounting system	▽ c₀	st to charge ra	tio Γ	Other						
Sect	tion C. Collection Practices										
9a b	Did the organization have a wr If "Yes," did the organization's contain provisions on the colle assistance? Describe in Part V	collection polection	licy that applie s to be followe	d to the largest num d for patients who ar	e known	to qua	lify for	financial	9a 9b	Yes	
Pa	rt IV Management Comp	anies and J	loint Ventur	es (owned 10% or more by	officers, dire	ctors, tr	ustees, ke	y employees, and physici	ans—s	ee instruci	tions)
	(a) Name of entity	(E	 Description of p activity of entit 		c) Organiz profit % o ownersh	r stock	e	l) Officers, directors, trustees, or key mployees' profit % stock ownership %	pr	e) Physion ofit % or ownershi	stock
1 N	W MI SURGERY CENTER	AMBULATORY SU	JRGERY CENTER		4	9 000 9	%			51 (000 %
2											
3											
4									+		
5									+		
6									+		
7											
8											
9									T		
10							+				
11							\top		+		
12							_		+		
		1					-		+		

Part V Facility Information										
Section A. Hospital Facilities	Licensed	Gene	Children'	Teaching	Crtical	Research	ER-24	ER-0		
(list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year?	sed hospital	General medical & surgical	en's hospital	ning hospital	al access hospital	arch facility	4 hours	other	O ther (Describe)	Facility reporting group
1 MUNSON MEDICAL CENTER 1105 SIXTH ST TRAVERSE CITY, MI 49684	Х	Х		Х	Х	Х	Х			
										_
Name, address, and primary website address MUNSON MEDICAL CENTER 1105 SIXTH ST		eurgical	<u>1</u>			×	×		Other (Describe)	Facility reporting gro

Schedule H (Form 990) 2012

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\)$

MUNSON	MEDICA	L	CENT	ΕR

Name of hospital facility or facility reporting group

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	
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		
a b	If "Yes," indicate what the CHNA report describes (check all that apply)	1		1
a b		_	Yes	<u> </u>
a b				
ь	A definition of the community served by the hospital facility			
	Demographics of the community			
	Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
	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			
	Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	▼ Other (describe in Part VI)			
	Indicate the tax year the hospital facility last conducted a CHNA 20 $\underline{12}$. 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	3	Vas	
1	persons the hospital facility consulted	3	Yes	<u> </u>
•	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)			
а	▼ 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) Adoption of an implementation strategy that addresses each of the community health needs identified through the			
а	CHNA			
Ь	Execution of the implementation strategy			
c	Participation in the development of a community-wide plan			
	Participation in the execution of a community-wide plan			
e	▼ Inclusion of a community benefit section in operational plans			
	A doption of a budget for provision of services that address the needs identified in the CHNA			
	Prioritization of health needs in its community			
_	Prioritization of services that the hospital facility will undertake to meet health needs in its community			ĺ
	Other (describe in Part VI)			
	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI			ĺ
	which needs it has not addressed and the reasons why it has not addressed such needs	7		Νo
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as	0-		NI -
h	required by section 501(r)(3)?	8a		No
	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		

Part V Facility Information (continued)							
Financial Assistance Policy Yes N							
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 $\frac{200 \text{ 0}}{\%}$						
	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 4000% 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)						
а	▼ Income level						
b	Asset level						
c	Medical indigency						
d	Insurance status						
е	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)						
а	The policy was posted on the hospital facility's website						
b	The policy was attached to billing invoices						
C	lacksquare 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						
е	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)						
	ling and Collections						
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial	15	Yes				
16	assistance policy (FAP) that explained actions the hospital facility may take upon non-payment? Check all of the following actions against an individual that were permitted under the hospital facility's policies during	15	163				
	the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP						
а	Reporting to credit agency						
b	Lawsuits						
c	Liens on residences						
d	Body attachments						
е	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						
а	Reporting to credit agency						
b							
c	Liens on residences						
d	Body attachments						
е	Other similar actions (describe in Part VI)						

chedule H	(Form 990)	2012

Page

Pa	art 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)			
а	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)			
Po	olicy 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?	10	Yes	
	If "No," indicate why	1	1 03	
а				
b				
_				
С				
d	, and the same and			
	arges 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			
а				
_	can be charged			
b	, , , , , , , , , , , , , , , , , , , ,			
	maximum amounts that can be charged			
С	The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
	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		l _{No}
	If "Yes," explain in Part VI			1,,0
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		Νo
	If "Yes," explain in Part VI			

chedule	e H (Form	990)2012
---------	-----------	----------

Ρ	а	a	e

tinı	1	ıe	<i>je</i>	<i>iec</i>	<i>iea</i>	ied	ıed	ıed	ıed
------	---	----	-----------	------------	------------	-----	-----	-----	-----

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?
13	

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

Schedule H (Form 990) 2012

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 III, 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
- **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.)
- **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
- **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 1₁, 3, 4, 5c, 6₁, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Identifier	ReturnReference	Explanation
OTHER TESTING METHODS FOR FREE OR DISCOUNTED CARE		INCOME UP TO 200 OF THE FPG 100 DISCOUNT ON CHARGES INCOME BETWEEN 201 AND 300 FPG 75 DISCOUNT ON CHARGES INCOME BETWEEN 301 AND 400 FPG 50 DISCOUNT ON CHARGES FAMILY INCOME MAY INCLUDE ALL INCOME ATTRIBUTABLE TO ALL MEMBERS OF THE FAMILY IN THE RESIDENCE OTHER THAN MINIMAL AMOUNTS EARNED BY MINORS FAMILY INCOME INCLUDES THE FOLLOWING WHEN COMPUTING FPG INCLUDES EARNINGS UNEMPLOYMENT COMPENSATION WORKERS COMPENSATION SOCIAL SECURITY SUPPLEMENTAL SECURITY INCOME PUBLIC ASSISTANCE VETERANS PAYMENTS SURVIVOR BENEFITS PENSION OR RETIREMENT INCOME INTEREST DIVIDENDS RENTS ROYALTIES INCOME FROM ESTATES EDUCATIONAL ASSISTANCE ALIMONY CHILD SUPPORT ASSISTANCE FROM OUTSIDE THE HOUSEHOLD AND OTHER MISCELLANEOUS SOURCES CASH CHECKING AND SAVINGS BALANCES MONEY MARKET ACCOUNTS CERTIFICATES OF DEPOSIT IRAS TRUSTS INHERITANCES ANNUITIES SAVINGS BONDS STOCKS MUTUAL FUNDS ANDOR CASH VALUE OF LIFE INSURANCE
SUBSIDIZED HEALTH SERVICES EXPLANATION	PART I LINE 7G	THERE ARE NO PHYSICIAN CLINICS IN SUBSIDIZED HEALTH SERVICES

Identifier	ReturnReference	Explanation
EXCLUSIONS FROM PERCENT OF TOTAL EXPENSE	PART I LINE / COLUMN F	TOTAL EXPENSES FROM FORM 990 PART IX LINE 25 ARE 468225375 AND THE PROPORTIONATE SHARE OF TOTAL EXPENSES OF THE AMBULATORY SURGERY CENTER IS 8065840 THE BAD DEBT EXPENSE INCLUDED IN THIS AMOUNT WAS 19587287 THE NET EXPENSE OF 456703956 WAS USED FOR PURPOSES OF CALCULATING LINE 7 COLUMN F
COSTING METHODOLOGY EXPLANATION	PARI I LINE /	COST VALUES FOR LINE 7 ARE BASED ON THE COST TO CHARGE RATIO COMPUTATION

Identifier	ReturnReference	Explanation
COMMUNITY BUILDING ACTIVITIES	PART II	MUNSON MEDICAL CENTER MMC PROVIDED 380946 IN COMMUNITYBUILDING ACTIVITIES DURING THE 2012 TAX YEAR THE MOST SIGNIFICANT PORTION OF THIS INVESTMENT WAS AN ENVIRONMENTAL PROJECT TO RESTORE A LOCAL CREEK ON HOSPITAL PROPERTY ADDITIONAL ACTIVITIES INCLUDED ADMINISTRATIVE SUPPORT ON MANY BOARDS WORKFORCE DEVELOPMENT AND ENVIRONMENTAL IMPROVEMENTS INCLUDING WASTE REDUCTION AND RECYCLING MMC CONTINUES AS A GUIDING FORCE IN MICHIGANS REGION 7 BIOTERRORISMDISASTER PREPAREDNESS AS PART OF CRITICAL WORKFORCE DEVELOPMENT MUNSON STAFF ATTENDS MANY REGIONAL CAREER DAYS PROVIDING STUDENTS WITH INFORMATION ON WHY THEY MIGHT WANT TO BE EMPLOYED IN THE OFTENCRITICAL AREA OF HEALTH CARE MUNSON ALSO IS COLLABORATING WITH THE LOCAL COLLEGE TO DEVELOP HEALTHCARE INFORMATION TECHNOLOGY PROGRAMS
BAD DEBT EXPENSE EXPLANATION	PART III LINE 4	TO DETERMINE THE AMOUNT OF BAD DEBT ATTRIBUTABLE TO PATIENTS WHO WOULD PROBABLY QUALIFY UNDER MUNSON MEDICAL CENTERS CHARITY CARE POLICY MUNSON DIRECTED AN INTERNAL STUDY FROM A 3MONTH SAMPLE OF CURRENT BAD DEBT ACCOUNTS FIRST THE STUDY IDENTIFIED THE SELFPAY PORTION OF THE BAD DEBT EXPENSE THEN THE SELFPAY ACCOUNTS WERE ANALYZED USING REVENUE CYCLE ANALYTIC SOFTWARE TO IDENTIFY POTENTIAL CHARITY CARE CANDIDATES USING THE SOFTWARE ESTIMATIONS A PORTION OF THE SELFPAY ACCOUNTS WERE DEEMED CHARITY CARE ELIGIBLE THAT ESTIMATED PORTION WAS APPLIED TO THE SELFPAY BAD DEBT DOLLAR AMOUNT TO DETERMINE THE AMOUNT OF BAD DEBT THAT WOULD BE CONSIDERED CHARITY IF THE PROPER APPLICATIONS AND DOCUMENTATION WERE AVAILABLE FROM THE PATIENTS THE ACCOUNTS RECEIVABLE FOOTNOTE TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF MUNSON HEALTHCARE AND SUBSIDIARIES STATES THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS IS BASED UPON MANAGEMENTS ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING BUSINESS AND GENERAL ECONOMIC CONDITIONS IN ITS SERVICE AREA TRENDS IN HEALTH CARE COVERAGE AND OTHER COLLECTION INDICATORS THROUGHOUT THE YEAR MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON ACCOUNTS RECEIVABLE PAYOR COMPOSITION AND HISTORICAL WRITEOFF EXPERIENCE BY PAYOR CATEGORY AND OTHER FACTORS THE RESULTS OF THESE REVIEWS ARE THEN USED TO MAKE ANY MODIFICATIONS TO THE PROVISION FOR UNCOLLECTIBLE ACCOUNTS TO ESTABLISH AN APPROPRIATE ALLO WANCE FOR UNCOLLECTIBLE ACCOUNTS AFTER AMOUNTS DUE FROM THIRDPARTY PAYORS ARE SATISFIED AND REASONABLE EFFORTS TO COLLECT FROM THE PATIENT HAVE BEEN EXHAUSTED THE ORGANIZATION FOLLOWS ESTABLISHED GUIDELINES FOR PLACING CERTAIN PASTDUE PATIENT BALANCES WITH COLLECTION AGENCIES

Identifier	ReturnReference	Explanation
COLLECTION PRACTICES EXPLANATION	PART III LINE 9B	MUNSON HEALTHCARES INTERNAL AND EXTERNAL COLLECTION PRACTICES INCLUDING ACTIONS THE HOSPITAL MAY TAKE IN THE EVENT OF NONPAYMENT INCLUDING COLLECTIONS ACTIONS AND REPORTING TO COLLECTION AGENCIES SHALL TAKE INTO ACCOUNT THE EXTENT TO WHICH THE PATIENT QUALIFIES FOR CHARITY A PATIENTS GOOD FAITH EFFORT TO APPLY FOR A GOVERNMENTAL PROGRAM OR FOR CHARITY FROM MUNSON HEALTHCARE AND A PATIENTS GOOD FAITH EFFORT TO COMPLY WITH HISHER PAYMENT AGREEMENTS WITH MUNSON HEALTHCARE FOR PATIENTS WHO QUALIFY FOR CHARITY AND WHO ARE COOPERATING IN GOOD FAITH TO RESOLVE THEIR DISCOUNTED HOSPITAL BILLS MUNSON HEALTHCARE MAY OFFER EXTENDED PAYMENT PLANS WILL NOT SEND UNPAID BILLS TO OUTSIDE COLLECTION AGENCIES AND WILL CEASE ALL COLLECTION EFFORTS ON ANY UNPAID BALANCES ON ACCOUNTS THAT WERE OPENED WITHIN ONE YEAR OF THE DATE THAT THE PATIENT QUALIFIED
NEEDS ASSESSMENT	PART VI	THE MUNSON HEALTHCARE BOARD OF DIRECTORS MAINTAINS A STANDING COMMUNITY HEALTH COMMITTEE CHC TO SERVE THE MUNSON HEALTHCARE SYSTEM THE CHC CONSISTS OF MUNSON HEALTHCARE BOARD MEMBERS FROM MUNSON HEALTHCARE HOSPITALS AND OTHER INTERESTED AREA PHYSICIANS AND COMMUNITY MEMBERS APPOINTED BY THE MUNSON HEALTHCARE BOARD CHAIRPERSON THE CHC MEETS AT LEAST QUARTERLY TO REVIEW EXISTING PROGRAMS AND SERVICES RELATED TO CURRENT COMMUNITY HEALTH NEEDS CONSIDER THE MHC RESPONSE TO ANY EMERGING HEALTH TRENDS AS IDENTIFIED BY COMMUNITY HEALTH NEEDS ASSESSMENT AND REVIEW ANY NEW COMMUNITY HEALTH BASED COLLABORATION OR PROGRAM THE CHC IS RESPONSIBLE FOR COMMUNICATING INTERNALLY AND EXTERNALLY THE SIGNIFICANCE OF MHC COMMUNITY BENEFIT PROGRAMS AND SERVICES THIS COMMITTEE IS SUPPORTED BY A COMMUNITY HEALTH DEPARTMENT OF MUNSON MEDICAL CENTER MUNSON MEDICAL CENTER MMC IS A SIGNIFICANT CONTRIBUTOR TO REGIONAL EFFORTS THAT ASSESS THE HEALTH STATUS OF THE TOTAL POPULATION WITHIN OUR EXTENSIVE GEOGRAPHICAL AREA COMMUNITY HEALTH ASSESSMENT IS AN IMPORTANT COMPONENT OF A COMMUNITY HEALTH IMPROVEMENT STRATEGY AS IT PROVIDES GUIDANCE AS TO WHERE EFFORTS SHOULD BE CONCENTRATED AS WELL AS WHERE PROGRESS HAS BEEN MADE THE DATA DOCUMENTED THROUGH AN ASSESSMENT SERVES AS A USEFUL REFERENCE FOR PROGRAM AND RESOURCE DEVELOPMENT EFFORTS COMMUNITY WIDE MUNSON PREPARED A COMMUNITY NEEDS ASSESSMENT AND IMPLEMENTATION STRATEGY TO MEET THE REQUIREMENTS OF IRC SEC 501R DURING FISCAL 2013 IN ACCORDANCE WITH THE PLANS OF THE COMMUNITY HEALTH COMMUNITY HEALTH COMMUNITY HEALTH COMMUNITY HEALTH COMMUNITY HEALTH COMMUNITY COLLABORATIVES IN FIVE COUNTIES ANTRIM BENZIE GRAND TRAVERSE LEELANAU AND KALKASKA THE TRAVERSE CITY CHAMBER OF COMMERCE THE LOCAL UNITED WAY THE POVERTY REDUCTION INITIATIVE AND OTHER REGIONAL ASSOCIATIONS TO MAINTAIN

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	PART VI	IT IS THE GOAL OF MUNSON HEALTHCARE TO COMMUNICATE AND EDUCATE PATIENTS AND THE
		PUBLIC REGARDING THE AVAILABILITY OF FINANCIAL ASSISTANCE THIS IS ACHIEVED THROUGH ONE OR MORE OF THE FOLLOWING METHODS INFORMATION
		BROCHURES AVAILABLE AT THE REGISTRATION DESKS BROCHURES THAT DESCRIBE MUNSON HEALTHCARES FINANCIAL ASSISTANCE PROGRAM ARE AVAILABLE AT
		ALL REGISTRATION SITES THE BROCHURE HAS CLEAR INFORMATION ON HOW TO CONTACT A FINANCIAL
		COUNSELOR STATEMENT ON BILLS STATEMENTS INCLUDE VERBIAGE THAT INSTRUCTS THE PATIENT TO CALL PATIENT FINANCIAL ASSISTANCE IF THEY NEED
		HELP WITH THEIR BILL SIGNS IN THE ER REGISTRATION AREA ADVISES THE PATIENTS THAT THEIR CARE IS NOT WITHHELD IF THEY HAVE NO INSURANCE OR MEANS TO
		PAY REFERRAL BY REGISTRATION STAFF AT THE TIME OF REGISTRATION SELFPAY PATIENTS OR ANY PATIENT
		THAT MAY HAVE CONCERNS REGARDING THEIR UPCOMING ADMISSION IS REFERRED TO THE FINANCIAL COUNSELING STAFF MUNSON MEDICAL CENTER
		FINANCIAL COUNSELORS ARE AVAILABLE TO TALK WITH PATIENTS ABOUT THEIR FINANCIAL CONCERNS THE COUNSELORS VISIT ALL INPATIENTS THAT ARE DEEMED
		SELFPAY TO SEE IF THEY HAVE CONCERNS AND TO DETERMINE IF THEY WOULD LIKE HELP IF THE PATIENT
		WOULD LIKE HELP THE COUNSELORS GATHER INCOME INFORMATION AND SCREEN THE PATIENT FOR MEDICAID GENERALLY THESE TWO ACTIONS WILL DETERMINE WHAT
		PROGRAM THE PATIENT MIGHT QUALIFY FOR ONCE THE COUNSELOR DETERMINES WHAT THE PATIENT MAY QUALIFY FOR THE COUNSELOR EDUCATES THE PATIENT
		ON THE AVAILABLE PROGRAMS AND ASSISTS THEM WITH COMPLETING THE APPROPRIATE APPLICATIONS THE COUNSELORS ALSO IDENTIFY ALL SELFPAY
		OUTPATIENTS AND GO THROUGH THE SAME PROCESS ONLY BY PHONE THE GOAL IS TO TALK WITH PATIENTS
		PRIOR TO ADMISSION BUT WHEN THAT IS NOT POSSIBLE THE CALL IS MADE SOON AFTER DISCHARGE AVAILABLE PROGRAMS INCLUDE BUT ARE NOT LIMITED TO
		MEDICAID AND ALL OF ITS SUBSETS SOCIAL SECURITY DISABILITY TRAVERSE HEALTH CLINIC MUNSON HEALTHCARE FINANCIAL ASSITANCE AND MUNSON
COMMUNITY INFORMATION	PART VI	MEDICAL CENTER MEDS PROGRAM MUNSON MEDICAL CENTER DESCRIPTION MUNSON
		MEDICAL CENTER MMC IS THE LARGEST HOSPITAL IN NORTHERN LOWER PENINSULA OF MICHIGAN WITH 391 LICENSED ACUTE CARE BEDS AND FACILITIES ON TWO
		MAJOR CAMPUSES ONE OF EIGHT HOSPITALS IN THE MUNSON HEALTHCARE SYSTEM MMC SERVES AS A RURAL REFERRAL CENTER FOR THE SURROUNDING 24COUNTY
		AREA WITH MORE THAN 22000 INPATIENT ADMISSIONS AND 489000 OUTPATIENT VISITS IN 2013 THE HOSPITAL SERVED MORE THAN 14000 SURGICAL CASES JUST OVER
		1800 OBSTETRICAL BIRTHS AND NEARLY 52000 EMERGENCY ROOM VISITS LAST YEAR THE HOSPITAL HAS
		AN ACTIVE MEDICAL STAFF OF 420 AND MORE THAN 370 VOLUNTEERS WITH MORE THAN 3700 EMPLOYEES MMC IS THE LARGEST EMPLOYER IN NORTHERN MICHIGAN DUE
		TO ITS GEOGRAPHIC LOCATION AND COMPREHENSIVE ARRAY OF SERVICES OFFERED MMC IS DESIGNATED A RURAL REFERRAL CENTER BY THE CENTERS FOR
		MEDICARE AND MEDICAID MMC IS ALSO RECOGNIZED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES CMS AS A SOLE COMMUNITY HOSPITAL BECAUSE OF THIS
		STATUS IT IS EQUIPPED TO PROVIDE CRITICAL CARE FOR PATIENTS IN 24 COUNTIES HOSPITAL SERVICES
		MMC PROVIDES SERVICES IN MORE THAN 50 DIFFERENT MEDICAL SPECIALTIES AND OFFERS A WIDE RANGE OF INPATIENT AND OUTPATIENT SERVICE MMC HAS AN
		AWARDWINNING OPENHEART SURGERY AND INTERVENTIONAL CARDIOLOGY PROGRAM PLUS THE ONLY LEVEL II TRAUMA CENTER IN MICHIGANS REGION 7
		WHICH COVERS 17 COUNTIES AND THE ONLY NEONATAL INTENSIVE CARE UNIT IN NORTHERN LOWER MICHIGAN MMC IS ALSO A DESIGNATED PRIMARY STROKE CENTER
		BY THE JOINT COMMISSION AND ACCREDITED AS A COMPREHENSIVE COMMUNITY CANCER CENTER BY THE
		AMERICAN COLLEGE OF SURGEONS SPECIALIZED INPATIENT UNITS AVAILABLE AT MMC INCLUDE MEDICALSURGICAL INTENSIVE CARE CARDIAC
		INTENSIVE CARE NEONATAL INTENSIVE CARE ONCOLOGY ORTHOPEDICS INPATIENT MENTAL HEALTH AND PHYSICAL MEDICINE AND REHABILITATION
		COMPLEX SURGERY SUCH AS VASCULAR AND NEUROSURGERY ARE AVAILABLE AS WELL AS LESS COMPLEX SAMEDAY SURGERY A BROAD SPECTRUM OF
		DIAGNOSTIC AND THERAPEUTIC SERVICES SUPPORT MMCS PROGRAMS INCLUDING COMPREHENSIVE RADIOLOGY SERVICES WITH CT MRI TRADITIONAL AND
		OPEN PETCT ULTRASOUND NUCLEAR MEDICINE DIGITAL MAMMOGRAPHY AND XRAY COMPREHENSIVE CANCER
		TREATMENT INCLUDING RADIATION ONCOLOGY DELIVERED VIA BRACHYTHERAPY IMRT RADIATION THERAPY AND THE LATEST IN STEREOTACTIC
		RADIOSURGERY COMPUTERIZED INPATIENT AND OUTPATIENT LABORATORY SERVICES COMPREHENSIVE REHABILITATION SERVICES INCLUDING PHYSICAL
		OCCUPATIONAL SPEECH AND HEARING AND WOUND THERAPY PROGRAMS A DEDICATED CARDIAC
		DIAGNOSTIC SUITE USING THE LATEST IS ECHOCARDIOGRAPHY AN ADJACENT LAB FOR DIAGNOSTIC CATHETERIZATION AND
		ELECTROPHYSIOLOGY STUDIES AND A DEDICATED CARDIAC REHABILITATION AND PREVENTION PROGRAM OBSTETRIC CLINIC FOR INDIGENT PATIENTS MENTAL
		HEALTH AND SUBSTANCE ABUSE SERVICES HOME HEALTH DME AND DIALYSIS SERVICES POPULATION SERVED BY MUNSON MEDICAL CENTER MMC SERVES
		PATIENTS FROM 24 COUNTIES IN NORTHERN LOWER MICHIGAN AND THE EASTERN PORTION OF THE UPPER PENINSULA A POPULATION BASE OF APPROXIMATELY
		580000 IN THE 11COUNTY REGION IMMEDIATELY SURROUNDING MMC 20 OF THE POPULATION ARE 65
		YEARS OR OLDER UNEMPLOYMENT RATE IS 10 IN 8 OF THE 11 COUNTIES SERVED 154 OF ADULTS AGED 1864 YEARS OF AGE LACK HEALTH INSURANCE 45 OF BIRTHS
		ARE COVERED BY MEDICAID 1956 DISCHARGES ABOUT 70 OF MMC INPATIENT DISCHARGES ORIGINATE FROM THE FIVE COUNTIES IN CLOSEST PROXIMITY TO MMC
		ANTRIM BENZIE GRAND TRAVERSE LEELANAU AND KALKASKA QUALITY MMCS REPUTATION FOR THE HIGHEST QUALITY CARE IS REPRESENTED BY REPEATED
		NATIONAL RECOGNITION RECEIVED NAMED AMONG THE 100 TOP HOSPITAL 14 TIMES BY THOMSON REUTERS NOW
		TRUVEN HEALTH ANALYTICS ONLY 3 OTHER HOSPITALS NATIONWIDE RECOGNIZED THIS MANY TIMES OR MORE NAMED ONE OF THE NATIONS 50 TOP CARDIOVASCULAR
		HOSPITALS IN 2010 FOR SUPERIOR CLINICAL AND OPERATIONAL PERFORMANCE AND AMONG THE 100 TOP CARDIOVASCULAR HOSPITALS IN 2009 2008 2006 2001
		2000 AND 1999 RECOGNIZED WITH THE EVEREST AWARD FOR NATIONAL BENCHMARKS BY THOMSON REUTERS NOW TRUVEN HEALTH ANALYTICS TWICE FOR THE
		HOSPITALS RATE OF LONGTERM IMPROVEMENT THIS RECOGNITION HELPED ESTABLISH MMC AS A NATIONAL
		BENCHMARK AGAINST WHICH OTHER HOSPITALS ARE COMPARED RECOGNIZED WITH THE 2008 AMERICAN HOSPITAL ASSOCIATIONMCKESSON QUEST FOR
		QUALITY PRIZE RUNNER UP WAS UNIVERSITY OF MICHIGAN HOSPITALS AND HEALTH CENTERS MMC RECEIVED THE MAGNET RECOGNITION AWARD FROM THE
		AMERICAN NURSES CREDENTIALING CENTER IN 2006 AND WAS REDESIGNATED IN 2011 MAGNET DESIGNATION
		RECOGNIZES EXCELLENCE IN PATIENT CARE STANDARDS RESPECT OF CULTURAL AND ETHNIC DIVERSITY LEADERSHIP OF THE NURSE ADMINISTRATOR IN
		SUPPORTING PROFESSIONAL NURSING PRACTICE AND THE MANAGEMENT AND PHILOSOPHY OF NURSING SERVICES ONLY 65 PERCENT OF HOSPITALS NATIONALLY
		HAVE ACHIEVED MAGNET STATUS

Identifier	ReturnReference	Explanation
HEALTH OF COMMUNITY IN RELATION TO EXEMPT PURPOSE	PART VI	THE MUNSON MEDICAL CENTER BOARD OF TRUSTEES IS MADE UP OF COMMUNITY MEMBERS ALL OF WHOM RESIDE IN THE HOSPITALS PRIMARY SERVICE AREA THESE
		INDIVIDUALS GIVE COUNTLESS HOURS OF SERVICE TO THE HOSPITAL IN THEIR OVERSIGHT ROLE ADDITIONALLY 100 OF MUNSON MEDICAL CENTER
		TRUSTEES SUPPORT MUNSON FINANCIALLY MEDICAL STAFF PRIVILEGES ARE OFFERED TO ALL QUALIFIED PHYSICIANS IN THE COMMUNITY SUBJECT TO
		CREDENTIALING REVIEW AND REQUIREMENTS OF THE MEDICAL STAFF AND THE BOARD OF TRUSTEES MUNSON MEDICAL CENTER UTILIZES SURPLUS FUNDS TO
		MAINTAIN ACCESS TO PATIENT SERVICES AND IMPROVE CARE TO PATIENTS THROUGHOUT ITS SERVICE AREA EXAMPLES OF HOW MUNSON MEDICAL CENTER
		PROMOTES THE HEALTH OF THE COMMUNITY THROUGH PROGRAMS INCLUDE HEALTHY FUTURES A PARTNERSHIP OF AREA HEALTH CARE PROVIDERS HEALTH
		DEPARTMENTS AND MUNSON HEALTHCARE CREATED TO IMPROVE THE HEALTH OF PREGNANT WOMEN AND CHILDREN UP TO AGE FIVE THE PROGRAM INCLUDES
		CENTRAL ACCESSDATA MANAGEMENT REGISTERED NURSE RN CARE COORDINATION EDUCATIONAL MAILINGS AND HEALTH CARERELATED FINANCIAL
		ASSISTANCE THE HEALTHY FUTURES MODEL OF RN CARE COORDINATION CONSISTS OF AN OUTCOMESBASED APPROACH TO INTERVENTION IN THE AREAS OF
		BREASTFEEDING LONGEVITY ACCESS TO HEALTH CARE AND IMMUNIZATIONS MEDS PROGRAM A PROGRAM THAT PROVIDES TO PATIENTS WITHOUT RESOURCES BEING
		DISCHARGED FROM THE HOSPITAL NEEDED MEDICATIONS AS WELL AS ENROLLING THOSE PATIENTS INTO PHARMACEUTICAL COMPANY SPONSORED
		ASSISTANCE PROGRAMS SO THEY MAY CONTINUE TO GET THE NEEDED PHARMACEUTICALS THE MEDS PROGRAM ALSO PROVIDES ASSISTANCE TO THOSE
		NEEDING MEDICATIONS FROM THE OUTPATIENT INFUSION CLINIC POVERTY REDUCTION INITIATIVE PRI A COLLABORATIVE GROUP OF ORGANIZATIONS AND
		INDIVIDUALS WORKING TO ADDRESS ISSUES OF POVERTY IN THE FIVE COUNTY SERVICE AREA OF MUNSON MEDICAL CENTER PROJECTS SUPPORTED BY
		THE PRI WORK GROUPS INCLUDE EFFORTS TO EXPAND ACCESS TO MEDICAL AND DENTAL CARE JOB TRAINING OPPORTUNITIES JOB RETENTION COMMUNITY
		RESOURCE MOBILIZATION AND DATA COLLECTION MUNSONS INVOLVEMENT IN PRI INCLUDES MEMBERSHIP ON THE ADVISORY COUNCIL STEERING COMMITTEE AND
		NAVIGATORS NORTHERN MICHIGAN DIABETES INITIATIVE NMDI A GROUP OF STAKEHOLDERS AND STEERING COMMITTEE MEMBERS THAT REPRESENT THE
		12 COUNTY SERVICE AREA WITH A VISION TO IMPROVE THE CHRONIC CARE MANAGEMENT OF DIABETES NMDI IS
		COMMITTED TO PROVIDING LOCAL REGIONAL AND NATIONAL RESOURCES FOR THE PREVENTION AND MANAGEMENT OF DIABETES WHILE MOST DIABETES
		COLLABORATIVES FOCUS ON PROVIDING OPTIMAL EVIDENCE BASED CARE MANAGEMENT TO THE PERSON ALREADY DIAGNOSED WITH DIABETES NMDI FOCUSES
		ON CONCURRENT UPSTREAM TARGETED EDUCATION OF THREE SPECIFIC POPULATIONS THE GENERAL COMMUNITY THE SOCIOECONOMICALLY CHALLENGED
		HIGH RISK POPULATION AND RURAL PRIMARY CARE PROVIDERS PCP CARING FOR DIABETIC PATIENTS COLLABORATION WITH THE TRAVERSE HEALTH CLINIC
		TRAVERSE HEALTH CLINIC THC SERVES AS A MAJOR PRIMARY CARE SAFETY NET PROVIDER FOR LOWINCOME UNINSURED PERSONS IN THE REGION THC OPERATES A
		LARGE VOLUNTEER ACCESS PROGRAM COALITION HEALTH ACCESS PROGRAMCHAP FOR THE UNINSURED IN COLLABORATION WITH COMMUNITY PROVIDERS IN THE
		REGION MUNSON PROVIDES DIRECT FUNDS TO THC THROUGH A FORMAL SERVICE AGREEMENT AND A COMMUNITY BENEFIT SUBSIDY TO HELP SUPPORT
		OPERATIONS MUNSON DONATES MILLIONS OF DOLLARS WORTH OF DIRECT SERVICES TO UNINSURED THC CHAP PATIENTS EACH YEAR AND ALSO DONATES
		MEDICATIONS PHARMACIST STAFF TIME AND OTHER INKIND SERVICES TO THC THC HAS JUST TRANSITIONED IN 2013 FROM A FREE CLINIC MODEL TO BECOME AN
		FQHC COMMUNITY HEALTH CENTER MEDICAL EDUCATIONTHE MUNSON FAMILY PRACTICE RESIDENCY PROGRAM INTEGRATES OSTEOPATHIC AND ALLOPATHIC
		MEDICINE TOGETHER WITH THE RESOURCES OF MUNSON MEDICAL CENTER THIS DUALLY ACCREDITED 555 PROGRAM ACCEPTS BOTH DO AND MD TRAINEES THE
		PROGRAM IS AFFILIATED WITH THE MICHIGAN STATE UNIVERSITY MMC ALSO PARTNERS WITH SEVERAL COLLEGES AND SCHOOLS OF NURSING TO PROVIDE
		INTERNSHIPS AND CLINICAL EXPERIENCES FOR REGISTERED NURSES RESPIRATORY THERAPISTS PHARMACISTS AND OTHER HEALTH PROFESSIONALS
		OBESITY INITIATIVE A COLLABORATIVE EFFORT LED BY MUNSON MEDICAL CENTER WITH OVER TWENTY COMMITTED COMMUNITY PARTNERS FOUR FOCUS AREA
		STRATEGIES WERE SELECTED FOR GREATEST COMMUNITY IMPACT PROVIDERS SCHOOLS BUSINESSES AND COMMUNITY AWARENESS THIS COLLABORATION
		ALLOWS PARTNERS TO WORK TO GETHER TO ADOPT CONSISTENT CLEAR AND UNIFIED MESSAGES AND DEVELOP COMMON INTERVENTION STRATEGIES IN AN
		EFFORT TO CREATE COLLECTIVE IMPACT MATERNAL SMOKING A COLLABORATIVE GROUP OF 11 PLUS
		PARTNERS COVERING 21 COUNTIES WHOSE FOCUS IS TO REDUCE THE MATERNAL SMOKING RATE IN THIS AREA RECENT SURVEYS HAVE BEEN COMPLETED TO FURTHER
		WORKING TOGETHER THIS TEAM IS CREATING A COMPREHENSIVE COMMUNICATION PLAN TO HELP
		EDUCATE MOTHERS ON THE DANGERS OF MATERNAL SMOKING THIS TEAM WILL BE WORKING WITH HEALTHCARE PROVIDERS TO ENSURE THIS
		INFORMATION IS COMMUNICATED TO THEIR PATIENTS TRAINING ON MOTIVATIONAL INTERVIEWING WILL ALSO BE PROVIDED TO HEALTH CARE PROFESSIONALS
AFFILIATED HEALTH CARE INFORMATION	PART VI	MUNSON MEDICAL CENTERS SOLE CORPORATE MEMBER IS MUNSON HEALTHCARE A 501C3 CORPORATION THE MUNSON HEALTHCARE SYSTEM CONSISTS OF A MAJOR
		TERTIARY REFERRAL HOSPITAL SEVERAL RURALBASED MEDICAL CENTERS EXTENSIVE OUTPATIENT TREATMENT AND REHABILITATION FACILITIES AND ANCILLARY
		EMERGENCY TRANSPORTATION AND HOMEBASED MEDICAL SERVICES THAT COVER 24 COUNTIES IN MICHIGANS NORTHERN LOWER PENINSULA AND THE
		EASTERN PORTION OF THE UPPER PENINSULA THE MOST SIGNIFICANT OF THE MUNSON HEALTHCARE SUBSIDIARIES IS MUNSON MEDICAL CENTER MMC MMC
		IS ONE OF SEVEN NOTFORPROFIT HOSPITALS WHICH ARE AFFILIATED WITH EACH OTHER AND SERVE AS THE ONLY HOSPITALS IN THEIR COMMUNITIES EACH OF THE
		AFFILIATED HOSPITALS HAS INDIVIDUAL COMMUNITY HEALTH INITIATIVES ANDOR PROMOTION ACTIVITIES AS WELL AS SHARED INITIATIVES MMC WORKS IN
		COOPERATION WITH OTHER ENTITIES IN THE MUNSON HEALTHCARE SYSTEM TO PROVIDE A FULL RANGE OF HEALTH SERVICES TO THE COMMUNITIES IN ITS
		SERVICE AREA THE HOME HEALTH DIVISION OF MUNSON HEALTHCARE PROVIDES HOME NURSE AND AIDE SERVICES IN ADDITION TO DURABLE MEDICAL
		EQUIPMENT AND A PALLIATIVE CARE AND HOSPICE PROGRAM ON THE MUNSON CAMPUS CLOSE TO 210000 DOLLARS IN COMMUNITY BENEFIT IN THE FORM OF
		CHARITY CARE AND UNREIMBURSED MEDICAID ARE PROVIDED THROUGH THIS DIVISION EACH YEAR NORTH FLIGHT INC IS THE CHARITABLE TRANSPORTATION
		ENTITY IN THE SYSTEM WITH ITS FIXED WING AND HELICOPTER AIR SERVICES IN COMBINATION WITH GROUND TRANSPORT PATIENTS IN THE SYSTEM ARE
		ABLE TO ACCESS APPROPRIATE CARE NORTH FLIGHT INC PROVIDED 12 MILLION IN CHARITY CARE AND UNREIMBURSED MEDICAID IN THE PAST FISCAL YEAR
		MUNSON MEDICAL GROUP THE EMPLOYED PHYSICIAN ORGANIZATION IN THE SYSTEM PROVIDED ALMOST A HALF MILLION DOLLARS IN CHARITY CARE AND
		COMMUNITY BENEFIT IN TAX YEAR 2012 MMC PERFORMS THE NEEDS ASSESSMENTS FOR MUNSON HEALTHCARE UTILIZING THIS NEEDS ASSESSMENT MUNSON
		THE NEEDS ASSESSMENTS FOR MUNSON HEALTHCARE UTILIZING THIS NEEDS ASSESSMENT MUNSON HEALTHCARE COORDINATES COMMUNITY BENEFIT PROGRAMS THROUGH PLANNING DEVELOPING
		THE NEEDS ASSESSMENTS FOR MUNSON HEALTHCARE UTILIZING THIS NEEDS ASSESSMENT MUNSON HEALTHCARE COORDINATES COMMUNITY BENEFIT PROGRAMS THROUGH PLANNING DEVELOPING IMPLEMENTING EVALUATING AND FUNDING PROGRAMS THAT ADDRESS COMMUNITY NEEDS IN TOTAL THE MUNSON HEALTHCARE SYSTEM PROVIDED 419 MILLION
		THE NEEDS ASSESSMENTS FOR MUNSON HEALTHCARE UTILIZING THIS NEEDS ASSESSMENT MUNSON HEALTHCARE COORDINATES COMMUNITY BENEFIT PROGRAMS THROUGH PLANNING DEVELOPING IMPLEMENTING EVALUATING AND FUNDING PROGRAMS THAT ADDRESS COMMUNITY NEEDS IN TOTAL THE

Identifier	ReturnReference	Explanation
MUNSON MEDICAL CENTER LINE NUMBER 1 PART V LINE 3	PART V LINE 3	A COLLABORATIVE 12MEMBER STEERING COMMITTEE GUIDED THE CHNA PROCESS THIS STEERING COMMITTEE WAS COMPRISED OF HOSPITAL LEADERS AND PUBLIC HEALTH OFFICIALS AS THE CHNA PROCESS PROGRESSED 129 INDIVIDUALS FROM MULTIPLE AREA ORGANIZATIONS WERE INVOLVED TO ENSURE INPUT FROM THOSE WHO HAVE A BROAD KNOWLEDGE OF THE COMMUNITY FURTHER A GROUP OF KEY PHYSICIAN LEADERS FROM THE REGION ALSO WAS CONSULTED FOR INPUT INDIVIDUALS POSSESSING BROAD KNOWLEDGE OF ALL SEGMENTS OF THE FIVECOUNTY AREA PARTICIPATED IN 10 FOCUS GROUPS TO HELP ASSESS HEALTH CARE NEEDS SESSIONS WERE CONDUCTED WITH FIVE AREA COUNTY COLLABORATIVES AS WELL AS PEOPLE LIVING IN POVERTY YOUTH THOSE WHO PROVIDE SERVICES TO SENIORS AND BEHAVIORAL HEALTH PROVIDERS THESE GROUPS WERE SELECTED BECAUSE OF THEIR KNOWLEDGE OF PEOPLE AND AREAS MOST IMPACTED BY HEALTH DISPARITIES BEHAVIORAL HEALTH PROVIDERS WERE AN IMPORTANT INITIAL FOCUS GROUP BECAUSE THERE IS ALMOST NO SECONDARY MENTAL HEALTH DATA AVAILABLE FOCUS GROUPS SERVING A SPECIFIC POPULATION IE SENIORS BEHAVIORAL HEALTH WERE ASKED ABOUT HEALTH NEEDS SPECIFIC TO THE GROUPS AREA OF EXPERTISE EACH FOCUS GROUP DETERMINED A COMPRHENSIVE LIST OF HEALTH NEEDS THEN PRIORITIZED ITS TOP FOUR TO SIX HEALTH NEEDS IN ADDITION SIXTEEN KEY INFORMANT INTERVIEWS WERE CONDUCTED BETWEEN JANUARY 2012 TO JULY 2012 WITH INDIVIDUALS FROM THE COURTS AREA FOUNDATIONS FREE AND FEDERALLY QUALIFIED HEALTH CENTER CLINICS THE MIGRANT CLINIC THE TRIBAL CLINIC ORGANIZATIONS WHO SERVE SENIORS AND ADOLESCENT HEALTH CLINIC PROVIDERS TO ASSESS THE GREATEST HEALTH NEEDS THEY OBSERVE KEY INFORMANTS WERE ASKED THE SAME FOUR QUESTIONS AS THE FOCUS GROUPS FOCUSING ON THEIR SPECIFIC POPULATION AREA OF EXPERTISE KEY INFORMANTS WERE CHOSEN BECAUSE OF THEIR KNOWLEDGE OF PEOPLE AND AREAS MOST IMPACTED BY HEALTH DISPARITIES
MUNSON MEDICAL CENTER LINE NUMBER 1 PART V LINE 4	PART V LINE 4	PAUL OLIVER MEMORIAL HOSPITAL

MUNSON MEDICAL CENTER LINE	PART V LINE 7	WHILE MMC ASSESSES AND SUPPORTS SMOKING
NUMBER 1 PART V LINE 7	[· · · · · · · · · · · · · · · · · · ·	CESSATION EFFORTS FOR THEIR EMPLOYEES THROUGH
		THE HEALTH BY CHOICE PROGRAM ENCOURAGES ALL
		PATIENTS TO QUIT AND MAINTAINS A TOBACCO FREE
		CAMPUS IT DOES NOT CURRENTLY OFFER ANY SMOKING
		CESSATIONCOUNSELING PROGRAMS BECAUSE IT SEEKS
		TO AVOID DUPLICATION OF SERVICES CURRENTLY
		COMMUNITY PROGRAMS ARE OFFERED BY THE TRAVERSE
		BAY AREA TOBACCO COALITION AND THE ADOLESCENT
		HEALTH CLINICS WHICH OFFER INDIVIDUALIZED OUIT
		PLANS FOR THE POPULATION THEY SERVE MMC DOES
		OFFER PRINTED AND ELECTRONIC RESOURCES TO
		PATIENTS AND EMPLOYEES WHO EXPRESS THE DESIRE TO
		OUIT USING TOBACCO AND REFERS THEM TO THE STATE
		OF MICHIGAN WEBSITE WHICH OFFERS RESOURCES AND
		TIPS FOR QUITTING AS WELL AS THE ABILITY TO CREATE
		A PERSONALIZED PLAN MMC DOES NOT DIRECTLY
		ADDRESS HOUSING ISSUES AFFORDABILITY
		FORECLOSURE VACANCIES THIS PRIORITY DID NOT MEET
		THE DEFINED EVALUATION CRITERIA AND IT WAS
		DETERMINED INTERNALLY THAT MMC DOES NOT HAVE
		THE ABILITY TO DIRECTLY AFFECT CHANGE WITHIN THIS
		NEED NOR ARE THERE SYSTEM RESOURCES AVAILABLE
		TO INFLUENCE CHANGE IT WAS ALSO DETERMINED THERE
		<u> </u>
		ARE OTHER COMMUNITY ORGANIZATIONS BETTER
		ALIGNED TO ADDRESS THIS PRIORITY MMC IS HOWEVER
		A MEMBER OF THE FIVE AREA COUNTY COLLABORATIVES
		WHICH INCLUDE REPRESENTATION FROM AGENCIES
		THAT ADDRESS HOUSING ISSUES SUCH AS NORTHWEST
		COMMUNITY ACTION AGENCY THE MICHIGAN STATE
		HOUSING DEVELOPMENT AUTHORITY AND THE GRAND
		VISION
IUNSON MEDICAL CENTER LINE	IPARI V LINE 120	PATIENTS WHOSE FAMILY INCOME EXCEEDS 400 OF THE
NUMBER 1 PART V LINE 12H		FPG MAY BE ELIGIBLE TO RECEIVE DISCOUNTED RATES
		ON A CASEBYCASE BASIS BASED ON THEIR SPECIFIC
		CIRCUMSTANCES IE HIGH DEBTTOINCOME RATIO AT THE
		SOLE DISCRETION OF MUNSON HEALTHCARE

Explanation

ReturnReference

Identifier

Identifier	ReturnReference	Explanation
MUNSON MEDICAL CENTER LINE NUMBER 1 PART V LINE 14G	PART V LINE 14G	IT IS THE GOAL OF MUNSON HEALTHCARE TO COMMUNICATE TO THE PATIENTS AND TO THE PUBLIC THE AVAILABILITY OF FINANCIAL ASSISTANCE TO THOSE WHO QUALIFY THIS WILL BE ACHIEVED THROUGH ONE OR MORE OF THE FOLLOWING METHODS INFORMATION BROCHURES AVAILABLE AT THE REGISTRATION DESKS INFORMATION POSTED ON THE WEBSITE STATEMENT ON BILLS ANDOR SIGNS IN THE REGISTRATION AREAS
MUNSON MEDICAL CENTER LINE NUMBER 1 PART V LINE 20D	PART V LINE 20D	SELFPAYNO INSURANCE PATIENTS ARE GIVEN A DISCOUNT EQUAL TO 15 OFF THEIR TOTAL BILL FOR ALL MEDICALLY NECESSARY AND EMERGENCY SERVICES THIS RATE WAS DETERMINED BY TAKING THE AVERAGE OF COMMERCIAL RATES NOT INCLUDING BLUE CROSS

Software ID: Software Version:

EIN: 38-1362830

Name: MUNSON MEDICAL CENTER

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

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

(list in order of size, from largest to smallest)

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

13

me and address	Type of Facility (describe)	
MUNSON COMMUNITY HEALTH CENTER 550 MUNSON AVENUE TRAVERSE CITY, MI 49686	OUTPATIENT	
BIEDERMAN CANCER CENTER 1120 SIXTH ST TRAVERSE CITY, MI 49684	OUTPATIENT	
MRI CENTER 217 S MADISON TRAVERSE CITY, MI 49684	OUTPATIENT	
SMITH FAMILY BREAST HEALTH CENTER COPPER RIDGE TRAVERSE CITY, MI 49684	OUTPATIENT	
IV THERAPY 1200 SIXTH ST TRAVERSE CITY, MI 49684	OUTPATIENT	
CHEMICAL DEPENDENCY CENTER 420 BROOK ST TRAVERSE CITY, MI 49684	OUTPATIENT	
PHYSICAL THERAPY 3643 WEST FRONT ST TRAVERSE CITY, MI 49684	OUTPATIENT	
MUNSON MANOR 1220 MEDICAL CAMPUS DR TRAVERSE CITY, MI 49684	OUTPATIENT	
PHYSICAL THERAPY 211 S HIGH ST NORTHPORT, MI 49670	OUTPATIENT	
ADVANCED WOUND CENTER 5085 ANNA DR TRAVERSE CITY, MI 49684	OUTPATIENT	
MUNSON HOSPICE HOUSE 450 BROOK ST TRAVERSE CITY, MI 49684	OUTPATIENT	
MUNSON RENAL DIALYSIS 4062 WEST ROYAL DRIVE TRAVERSE CITY, MI 49684	OUTPATIENT	
REHAB POOL FACILITY 1202 GARFIELD TRAVERSE CITY, MI 49684	OUTPATIENT	

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -

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

DLN: 93493134052794

Open to Public **Inspection**

Department of the Treasury Internal Revenue Service

Schedule I

(Form 990)

Name of the organization

Employer identification number

MONSON MEDICAL CENTER						38-1362830	
		s and Assistance				•	
	ed to award the grants	ostantiate the amount of t s or assistance? ures for monitoring the us					✓ Yes N
		o Governments and receive					d "Yes" to
(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) A mount of cash grant	(e) A mount of non- cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) TRAVERSE HEALTH CLINIC 3155 LOGAN VALLEY TRAVERSE CITY, MI 49684	30-0224028	501(C)	300,000		1	1	MEDICALLY UNDERSERVE
		overnment organizations					1
For Danamuark Poduction Act Not				Cat No FOOFED			hadula I (Form 000) 2012

Identifier

Return Reference

(a)Type of grant or assistance	(b)Number of recipients	(c) A mount of cash grant	(d) A mount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
See Additional Data Table					
Part IV Supplemental Inform					

Explanation

Software ID: **Software Version:**

EIN: 38-1362830

Name: MUNSON MEDICAL CENTER

Form 990, Schedule I, Part III, Grants and Other Assistance to Individuals in the United States

(a)Type of grant or assistance	(b) Number of recipients	(c) A mount of cash grant	(d)A mount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
MEDICAL INSURANCE PAYMENT	14	7,542			
TRANSPORT, HOUSING, WIGS	100	72,638			
MEDICAL, TRANSPORT & DRUG	144	85,795			
MAMMOGRAPHY ASSISTANCE	332	19,042			
TRANSPORT, HOUSING, FOOD	721	171,863			
HOUSING ASSISTANCE	39	30,277			
HEART SCREENING	53	3,916			
SCHOLARSHIPS FOR BABY SWI	30	18,407			
DIABETES ED SCHOLARSHIP	17	4,350			
MEALS FOR PATIENT FAMILY	2122		9,466	FMV	MEALS

DLN: 93493134052794

OMB No 1545-0047

Schedule J (Form 990)

Department of the Treasury Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest **Compensated Employees** ► Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

Compensation Information

► Attach to Form 990. ► See separate instructions.

Open to Public Inspection

Name	of the	organizatio	n
MUNSO	N MEDI	CAL CENTER	

Employer identification number

38-1362830

26	Questions Regarding Compensation		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form		1.00	
	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		
	an access, an access, an access, and access, and access, and access and access and access and access and access			
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			
	✓ 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			
а	Receive a severance payment or change-of-control payment?	4a		Νo
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		Νo
	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			
а	The organization?	5a		Νo
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			
а	The organization?	6a		Νo
b	Any related organization?	6b		Νo
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was			
	subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III			
		8		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9		

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

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

Note. The sum of columns (B)(1)-(111) 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	f W-2 and/or 1099-MI:	SC compensation	(C) Retirement and	(D) Nontaxable	(E) Total of	(F) Compensation
	(i) Base compensation	(ii) Bonus & ıncentıve compensatıon	(iii) Other reportable compensation	other deferred compensation	benefits	columns (B)(ı)-(D)	reported as deferred in prior Form 990
See Additional Data Table							

Schedule J (Form 990) 2012

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

Also complete this part for any addition	ilai illioilliation	
Identifier	Return Reference	Explanation
SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS	4	EDWIN A NESS 0 210,942 0 MARK A HEPLER 0 24,893 0 KATHLEEN MCMANUS 0 26,204 0 PAUL M SHIRILLA 0 16,138 0 DAVID MCGREAHAM, MD 0 16,345 0 CHRISTOPHER PODGES 0 14,926 0 SUZANNE K PETERS 0 10,906 0 JAMES P FISCHER 0 10,608 0
OTHER ADDITIONAL INFORMATION		EXECUTIVE SUPPLEMENTAL EXECUTIVE RETIREMENT PLANS SUBJECT TO REVIEW AND APPROVAL BY THE BOARD COMPENSATION AND EXECUTIVE LEADERSHIP COMMITTEE, IN ORDER TO RECRUIT AND MAINTAIN QUALIFIED EXECUTIVES, INCLUDING THE PRESIDENT AND VICE-PRESIDENTS, A COMPETITIVE BENEFIT PACKAGE IS OFFERED WHICH INCLUDES PARTICIPATION IN A NON-QUALIFIED SUPPLEMENTAL RETIREMENT PLAN FOR THE PRESIDENT, THE PLAN PROVIDES A TARGETED BENEFIT AT AGE 62 ANNUAL CONTRIBUTIONS, AT MUNSON'S DISCRETION, ARE MADE TO THE PLAN IN ORDER TO ACHIEVE THE TARGETED RETIREMENT BENEFIT LEVEL VICE-PRESIDENTS ARE ELIGIBLE TO PARTICIPATE IN AN AMOUNT NOT TO EXCEED 6% OF BASE COMPENSATION, FUNDED ANNUALLY, AT THE SOLE DISCRETION OF MUNSON THESE FUNDS ARE AVAILABLE TO VESTED PARTICIPANTS UPON SEPARATION OF EMPLOYMENT FROM MUNSON EXECUTIVE SEVERANCE PLAN SUBJECT TO REVIEW AND APPROVAL BY THE BOARD COMPENSATION AND EXECUTIVE LEADERSHIP COMMITTEE, IN ORDER TO RECRUIT AND MAINTAIN QUALIFIED EXECUTIVES, A COMPETITIVE BENEFIT PACKAGE IS OFFERED TO THE PRESIDENT AND VICE-PRESIDENTS WHICH INCLUDES A SEVERANCE PLAN MUNSON HAS A SEVERANCE PLAN FOR THE PRESIDENT AND THE VICE-PRESIDENT/EXECUTIVE LEVEL POSITIONS WHICH PROVIDES FOR THE PRESIDENT UP TO TWO YEARS OF PAY IN THE EVENT EMPLOYMENT ENDS UNDER CERTAIN CONDITIONS AND FOR VICE PRESIDENTS, UP TO ONE-YEAR OF PAY IN THE EVENT EMPLOYMENT ENDS UNDER CERTAIN CONDITIONS THE PLAN PROVIDES FOR A 50% OFFSET FOR SUBSEQUENT EMPLOYMENT DURING THE SEVERANCE PERIOD MEDICAL BENEFITS ARE PROVIDED DURING THE SEVERANCE PERIOD

Schedule J (Form 990) 2012

Software ID: Software Version:

EIN: 38-1362830

Name: MUNSON MEDICAL CENTER

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

(A) Name	,	(B) Breakdown o	of W-2 and/or 1099-MIS	SC compensation	(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation	
	(i) Base (ii) Bonus & (iii) Other compensation		` '	compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ		
EDWIN A NESS	(I) (II))) 581,988	157,658	3 1,520	223,317	18,979	983,462		
MARK A HEPLER	(I) (II))) 241,424	31,844	17,075	39,379	20,592	350,314	4,348	
KATHLEEN MCMANUS	(ı) (ıı)		48,113	1,198	41,735	14,593	364,497		
PAUL M SHIRILLA	(ı) (ıı))) 264,793	33,615	3,887	32,025	14,946	349,266		
DAVID MCGREAHAM MD	(ı) (ıı)		<u> </u>		31,384	·			
CHRISTOPHER PODGES	(ı) (ıı)		33,004	1,568	31,652	8,168	317,074		
SUZANNE K PETERS	(ı) (ıı)) 161,334)	21,315	28,316	20,586	14,023	245,574	3,245	
JAMES P FISCHER	(ı) (ıı)		19,810	2,787	21,041	5,445	222,969		
THOMAS SCHERMERHORN MD	(ı) (ıı)			17,805	12,375	19,416	856,645		
AHMET SEVIMLI MD	(ı) (ıı)			17,456	26,914	19,609	512,549		
PHILOMENA COLUCCI	(ı) (ıı)			39,317	12,375	7,643	337,658		
KAREN SPEIRS DO	(ı) (ıı)		16,000	1,231	12,375	3,239	292,784		
DANIEL M WEBSTER	(I) (II)) 242,668)	13,890	4,490	14,560	16,319	291,927		
1								· · · · · · · · · · · · · · · · · · ·	

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -Schedule K

DLN: 93493134052794 OMB No 1545-0047

Open to Public

Inspection

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.

Department of the Treasury Internal Revenue Service

(Form 990)

										loyer identification number					
MUN	ISON MEDICAL CENTER									38	-13628	30			
Pa	rt I Bond Issues									•					
	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue	orice	(f)) Description	n of purpose	(g) De	feased	(h) On behalf of ıssuer			Pool ncing
										Yes	No	Yes	No	Yes	No
	CTY GRD TRAVSE HOSP FIN AUTH 2011	38-6004832	386523EE0	08-10-2011	128,72	8,067	REFU	EFUND PRIOR BONDS			×		×		Х
Pai	THE Proceeds				-										
	A					<u> </u>		В	С			D			
1	A mount of bonds retired														
2	A mount of bonds legally defea	asea 													
3	Total proceeds of issue Gross proceeds in reserve fun	- J -			12	28,728,0	067								
4	Capitalized interest from proc														
5															
6	-														
7						1,756,7	787								
8	Credit enhancement from proc														
9	Working capital expenditures	·													
10	Capital expenditures from pro-	ceeds													
11	O ther spent proceeds				126,971,281										
12	O ther unspent proceeds														
13	Year of substantial completion	n 			╛.				ı						
			2		Yes	No		Yes	No	Yes	<u> </u>	lo	Yes		No
14	Were the bonds issued as part				X										
15						X									
16	Has the final allocation of proceeds been made?				Х										
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?														
Par	t IIII Private Business U	Jse													
					<u> </u>		_	<u> </u>			C			D	
	Was the organization a partne	r in a nartnership o	ra member of an II	C which owned	Yes	No	+	Yes	No	Yes	 	lo	Yes	+	No
1	vvas the organization a partie		a member of all LL	.c, willen owned		X	1								

Are there any lease arrangements that may result in private business use of bond-

property financed by tax-exempt bonds?

financed property?

Χ

Χ

Sche	dule K (Form 990) 2012									Page 2
Par	Private Business Use (Continued)									•
				A		В		C		D
_	Are there any management or service contracts that may result in private	hueinase usa	Yes	No	Yes	No	Yes	No	Yes	No
За	of bond-financed property?	busiliess use	Х							
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or counsel to review any management or service contracts relating to the fina property?			х						
С	Are there any research agreements that may result in private business use financed property?	e of bond-	Х							
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or counsel to review any research agreements relating to the financed proper			х						
4	Enter the percentage of financed property used in a private business use b other than a section $501(c)(3)$ organization or a state or local government			%		%		%		%
5	Enter the percentage of financed property used in a private business use a unrelated trade or business activity carried on by your organization, another (c)(3) organization, or a state or local government			%		%		%		%
6	Total of lines 4 and 5			%		%		%		%
7	Does the bond issue meet the private security or payment test?			Х						
8a	Has there been a sale or disposition of any of the bond financed property to nongovernmental person other than a 501(c)(3) organization since the bon issued?			х						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or	disposed of		%		%		%		%
С	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations : 1 141-12 and 1 145-2?	sections		х						
9	Has the organization established written procedures to ensure that all none bonds of the issue are remediated in accordance with the requirements unclean Regulations sections 1 141-12 and 1 145-2?		X							
Doo										
Par	t IV Arbitrage	Α			В		С		D	
		Yes	No	Yes	No	Ye		No	Yes	No
1	Has the issuer filed Form 8038-T?		Х							
2	If "No" to line 1, did the following apply?							<u> </u>	I	
a	Rebate not due yet?		Х						Ī	
b	Exception to rebate?		Х							
С	No rebate due?	Х								
	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?	Х								
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		Х							
b	Name of provider									
С	Term of hedge	ļ								
d	Was the hedge superintegrated?									
e	Was a hedge terminated?									

Pai	rt IV Arbitrage (Continued)									
			А		В		С		D	
			Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in contract (GIC)?	a guaranteed investment		X						
b	Name of provider									
С	Term of GIC									
d	Was the regulatory safe harbor fo value of the GIC satisfied?	or establishing the fair market								
6	Were any gross proceeds investo period?	ed beyond an available temporary		X						
7	Has the organization established the requirements of section 148		×							
Pa	rt V Procedures To Unde	rtake Corrective Action								
			А		В		С		D	
			Yes	No	Yes	No	Yes	No	Yes	No
1	Has the organization established that violations of federal tax requ and corrected through the volunt self-remediation is not available	urements are timely identified ary closing agreement program if	Х							
				_	_	_				
Pa	art VI Supplemental Info	ormation. Complete this part to pr	ovide addition	<u>ıal ınformatı</u>	on for respor	ises to ques	tions on Sche	edule K (see	instructions)).
	Identifier	Return Reference				Explana	ation			

Part VI Supplemental Inf	ormation. Complete this part to	provide additional information for responses to questions on Schedule K (see instructions).
Identifier	Return Reference	Explanation
PURPOSE OF ISSUE DESCRIPTION		CTY GRD TRAVSE HOSP FIN AUTH 2011 THE SERIES 2011A 2011B AND 2011C BONDS WERE ISSUED TO PURCHASE AND CANCEL TENDERED BONDS TENDERED DURING A TENDER PROGRAM INITIATED BY MUNSON HEALTHCARE THE TENDERED BONDS INCLUDED COUNTY OF GRAND TRAVERSE HOSPITAL AUTHORITY MUNSON HEALTHCARE OBLIGATED GROUP HOSPITAL REVENUE AND REFUNDING BONDS SERIES 1998A ISSUED 9198 REVENUE BONDS SERIES 2001A ISSUED 1901 REVENUE REFUNDING BONDS SERIES 2002A ISSUED 91702 REVENUE REFUNDING BONDS SERIES 2005A ISSUED 11305 AND REVENUE BONDS SERIES 2005B ISSUED 11305
DATE REBATE COMPUTATION PERFORMED	SCHEDULE K	CTY GRD TRAVSE HOSP FIN AUTH 2011 081013

Schedule K (Form 990) 2012

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493134052794

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

Employer identification number

UNSON MEDICAL CI							-"	ipioye	i ideiiti	i icacioi	i iiuiiibc	
	- D			- FO1/-\/C	\	F01/2\/4\		3-136				
	s Benefit Tra										10b	
	of disqualified pe				disqualified	(c) Descr					(d) Corr	ected?
1 (a) italiie (or aroquarmed pe	1 ` '		and organiz		(4) 50301	iption c	, craii.	Jaction		Yes	No
												-110
											_	
2 Enter the am	ount of tax incur	red by organiza	ation ma	anagers or o	disqualified per	sons during th	e yearı	under	section			
4958							٠.		> \$			
3 Enter the am	ount of tax, if an	y, on line 2, ab	ove, rei	mbursed by	the organizati	on			> \$			
ow III I and	ns to and/or	Fuere Inter		Davasas								
	olete if the organ					, line 38a, or F	orm 99	0, Par	t IV, lın	ne 26, o	r ıf the	
orgar	nization reported						_			•	_	
a) Name of	(b) Relationshi	' ` ' '	1 ` ′		(e)Origin) In	(h		(i)Wr	
nterested person	with organization	on of loan		m the zation?	principa amount		der	ault?	A ppro		agreer	nentz
p 3. 3 3									committee?			
			То	From			Yes	No	Yes	No	Yes	No
											_	
											_	
											_	
											_	
									<u> </u>		_	
tal				\$								
	ts or Assista						-					
	plete if the org								1.,			
(a) Name of Inte person		telationship bet ested person ar		(c) A mour	nt of assistance	(d) Type	ofassis	stance	(e)	Purpos	e of ass	istanc
person	l iliter	organization	iu tile									
		<u> </u>										

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) A mount of transaction	(d) Description of transaction	(e) Sh of organiz reven	f zatıon's
				Yes	No
(1) MEGAN COX	FAMILY OF TRUST	53,731	RELATED FAMILY COMP		No
(2) HOSPITALISTS OF NORTHWEST MI	OWNER ISTRUSTEE	5,690,967	GROUP PRACTICE PHYSI		No
(3) MUNSON SERVICES INC	E NESS TRUSTEE	2,318,252	CONTRACT EMPLOYEES		No
(4) PULMONARY AND CRITICAL CARE PHYSICI	OWNER ISTRUSTEE	1,617,120	GROUP PRACTICE PHYSI		No
(5) GLORIA WOLF	FAMILY OF TRUST	75,529	RELATED FAMILY COMP		No
(6) JEFF BERRY	FAMILY OF TRUST	92,485	RELATED FAMILY COMP		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

Schedule L (Form 990 or 990-EZ) 2012

efile GRAPHIC print - DO NOT PROCESS

SCHEDULE O

As Filed Data -

DLN: 93493134052794

OMB No 1545-0047

2012

Open to Public Inspection

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

Name of the organization MUNSON MEDICAL CENTER

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Employer identification number

38-1362830

ldentifier	Return Reference	Explanation
ADDITIONAL INFORMATION	FORM 990, PART VI	WRITTEN JOINT VENTURE POLICY APPROVED AFTER YEAR-END

ldentifier	Return Reference	Explanation
•	6, PART VÎ, LINE 6	MUNSON MEDICAL CENTER IS ORGANIZED ON A NONSTOCK MEMBERSHIP BASIS THE SOLE MEMBER IS MUNSON HEALTHCARE, AN IRS SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION IN THE EVENT OF DISSOLUTION, MUNSON MEDICAL CENTER'S NET ASSETS WOULD BE DISTRIBUTED TO MUNSON HEALTHCARE

ldentifier	Return Reference	Explanation
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	FOUR TRUSTEES OF MUNSON MEDICAL CENTER ARE DIRECTORS OF MUNSON HEALTHCARE. OTHER TRUSTEES ARE CHOSEN FROM AMONG THOSE NOMINATED BY THE GOVERNANCE COMMITTEE.

ldentifier F	Return Reference	Explanation
SUBJECT TO PA	FORM 990, PAGE 6, PART VI, INE 7B	CERTAIN DECISIONS OF THE MUNSON MEDICAL CENTER (MMC) TRUSTEES ARE APPROVED BY THE MUNSON HEALTHCARE BOARD OF DIRECTORS INCLUDING ADOPTION, AMENDMENT, RESTATEMENT OR REPEAL OF THE ARTICLES OF INCORPORATION OR BY LAWS OF MMC, ADOPTION, EXECUTION, REVOCATION OR ABANDONMENT OF A PLAN OF DISSOLUTION, MERGER, CONSOLIDATION, OR REORGANIZATION INVOLVING MMC, SALE, LEASE, EXCHANGE OR OTHER DISPOSITION OF ALL OR SUBSTANTIALLY ALL OF THE PROPERTY AND ASSETS OF MMC, ACQUISITION OF OR THE ESTABLISHMENT OF ANY SUBSIDIARY OR AFFILIATE OF MMC, ADOPTION OF ALL OPERATING BUDGETS AND CAPITAL EXPENDITURE BUDGETS FOR MMC, INCURRENCE OF OPERATING OR CAPITAL EXPENDITURES BY MMC WHICH CAUSE THE AGGREGATE OPERATING OR CAPITAL EXPENDITURES TO EXCEED BUDGETED AGGREGATES BY MORE THAN FIVE PERCENT (5%) IN ANY FISCAL YEAR, INCURRENCE OF SECURED BORROWINGS OF MMC, WITH THE EXCEPTION OF EQUIPMENT LEASES AND PURCHASE MONEY SECURITY INTERESTS APPROVED AS PART OF MMC'S BUDGET, ADOPTION OR CHANGE IN THE MISSION STATEMENT, PURPOSES OR THE STRATEGIC GOALS OF MMC, CHANGING SUBSTANTIALLY THE SCOPE OF MMC'S CLINICAL SERVICES AND PROGRAMS OFFERED BY MMC, AND APPOINTMENT OR REMOVAL THE PRESIDENT OF MMC

ldentifier	Return Reference	Explanation
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11B	THE MUNSON MEDICAL CENTER BOARD IS COMMITTED TO THE ACCURACY AND THOROUGHNESS OF THE FORM 990 REPORTING MUNSON MEDICAL CENTER BELONGS TO THE MUNSON HEALTHCARE SYSTEM MUNSON HEALTHCARE IS THE PARENT COMPANY IN THE MUNSON HEALTHCARE SYSTEM, WHICH UNDERGOES AN AUDIT BY AN EXTERNAL AUDIT FIRM AT THE CORPORATE LEVEL, THE RESPONSIBLE INDIVIDUALS FROM THE FINANCE, ADMINISTRATION, PATIENT FINANCIAL SERVICES, LEGAL, HUMAN RESOURCES, PUBLIC RELATIONS, AND FUND DEVELOPMENT DEPARTMENTS PREPARE AND REVIEW PORTIONS OF THE FORM 990 THE COMPENSATION AND LEADERSHIP DEVELOPMENT COMMITTEE REVIEWS THE COMPENSATION INFORMATION CONTAINED IN THE CORE FORM AS WELL AS THE SCHEDULE J INFORMATION THE CONFLICT, VALUATION AND COMPLIANCE COMMITTEE OVERSEES THE CONFLICT OF INTEREST DISCLOSURE PROCESS FOR BOARD MEMBERS AND KEY EMPLOYEES TO ENSURE COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY THE AUDIT COMMITTEE OVERSEES THE FORM 990 PREPARATION PROCESS BY ENSURING PROPER CONTROLS, POLICIES, PEOPLE AND RESOURCES ARE IN PLACE TO PRODUCE AN ACCURATE RETURN

ldentifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	THE MUNSON HEALTHCARE BOARD OF DIRECTORS (THE SYSTEM PARENT ORGANIZATION) HAS A STANDING CONFLICT, VALUATION AND COMPLIANCE ("CVC") COMMITTEE. THE CVC COMMITTEE IS COMPOSED OF INDEPENDENT BOARD AND COMMUNITY MEMBERS. THE CVC COMMITTEE IS DELEGATED AUTHORITY BY THE BOARD TO REVIEW AND APPROVE THE REASONABLENESS/FAIR MARKET VALUE OF FINANCIAL TRANSACTIONS/ARRANGEMENTS WITH DISQUALIFIED PERSONS. ANNUALLY EACH BOARD MEMBER OF MUNSON HEALTHCARE AND ALL OF ITS SUBSIDIARY/CONTROLLED ENTITIES AND ALL MUNSON EXECUTIVES ARE REQUIRED TO COMPLETE A CONFLICT OF INTEREST DISCLOSURE/QUESTIONNAIRE. THE RESPONSES TO THE DISCLOSURE/QUESTIONNAIRE ARE REVIEWED BY THE MUNSON LEGAL DEPARTMENT. ANY FINANCIAL ARRANGEMENTS/POTENTIAL CONFLICTS IDENTIFIED THRU THE DISCLOSURE/QUESTIONNAIRES ARE PRESENTED TO THE CVC COMMITTEE FOR ITS REVIEW AND DETERMINATION AS TO THE REASONABLENESS/FAIR MARKET VALUE.

ldentifier	Return Reference	Explanation
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	THE PROCESS FOR DETERMINING APPROPRIATE LEVELS OF PAY FOR EXECUTIVE POSITIONS WITHIN MUNSON HEALTHCARE IS CAREFULLY AND THOUGHTFULLY DIRECTED BY THE BOARD OF DIRECTORS, THROUGH THE COMPENSATION AND EXECUTIVE LEADERSHIP DEVELOPMENT COMMITTEE. THE COMMITTEE UTILIZES "BEST PRACTICES" METHODS OF DETERMINING COMPENSATION AND, AS SUCH, IS COMPOSED OF SEVEN MEMBERS WHOSE VOTING MEMBERS ARE INDEPENDENT. THE COMMITTEE IS CHARGED WITH ENSURING THAT EXECUTIVE COMPENSATION IS DESIGNED TO ATTRACT AND RETAIN HIGH QUALITY, PROFESSIONAL LEADERSHIP WHILE MAINTAINING STRONG STEWARDSHIP FOR THE ORGANIZATION ANNUALLY, THE COMMITTEE RETAINS A NATIONAL INDEPENDENT CONSULTANT TO ENSURE THAT MHC'S COMPENSATION PRACTICES AND LEVELS ARE INDEPENDENTLY REVIEWED WHILE BEING COMPETITIVE AND REASONABLE. COMPENSATION LEVELS REFLECT THE SCOPE OF EACH EXECUTIVE'S RESPONSIBILITIES, EDUCATIONAL BACKGROUND, EXPERIENCE, AND INDUSTRY STANDING AS WELL AS INDIVIDUAL AND ORGANIZATIONAL PERFORMANCE. ANNUAL COMPENSATION FOR MUNSON EXECUTIVES IS DETERMINED IN PART BY MEASURABLE PROGRESS TOWARD THE ORGANIZATIONS GOALS INCLUDING CONTINUED IMPROVEMENT IN CLINICAL QUALITY, COMMUNITY HEALTH, AND OPERATIONAL EFFICIENCIES MUNSON HEALTHCARES INTENT FOR EXECUTIVE BASE COMPENSATION IS TO BE AT THE MEDIAN WHEN COMPARED TO LIKE-SIZE NON-PROFIT HOSPITALS AND HEALTHCARE SYSTEMS.

ldentifier	Return Reference	Explanation
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	COMPENSATION OF OTHER KEY EMPLOYEES IS CONSISTENT WITH THAT OF THE TOP EXECUTIVES FOR MUNSON MEDICAL CENTER

ldentifier	Return Reference	Explanation
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	THE MUNSON MEDICAL CENTER ARTICLES OF INCORPORATION ARE AVAILABLE TO THE PUBLIC ON THE MICHIGAN DEPARTMENT OF TREASURY WEBSITE. MUNSON MEDICAL CENTER DOES NOT MAKE THE BY LAWS OR CONFLICT OF INTEREST POLICY AVAILABLE TO THE PUBLIC ANNUALLY, MUNSON HEALTHCARE, PARENT CORPORATION, SUBMITS ITS ANNUAL CONSOLIDATED FINANCIAL STATEMENTS TO THE MSRB IN COMPLIANCE WITH BOND DISCLOSURE REQUIREMENTS ADDITIONALLY, MUNSON MEDICAL CENTER PREPARES AND DISTRIBUTES AN ANNUAL REPORT TO THE COMMUNITY, WHICH CONTAINS FINANCIAL AS WELL AS PROGRAM DATA

ldentifier	Return Reference	Explanation
GROUP RETURN METHOD	FORM 990, PAGE 7, PART VII	PARENT ORGANIZATION HAS FILED A SEPARATE RETURN

ldentifier	Return Reference	Explanation
OTHER FEES FOR SERVICES	FORM 990, PART IX, LINE 11G	PURCHASED SERVICES 21,494,571 10,219,164 523,199 PROFESSIONAL FEES 18,062,300 1,506,421 0

ldentifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS EXPLANATION	l '	INVEST IN MUNSON HEALTHCARE FOUNDATION CONTRIBUTIO 12,832,478 PENSION AND POST RETIREMENT CHANGES 41,109,930 SWAP MARKET VALUE CHANGE 2,208,255 TRANSFERS TO AFFILIATES -8,100,000 TEMPORARILY RESTRICTED ACTIVITY -669,434 -

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -**SCHEDULE R**

(Form 990)

Name of the organization MUNSON MEDICAL CENTER

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

Employer identification number

38-1362830

DLN: 93493134052794

Open to Public Inspection

► Attach to Form 990. ► See separate instructions. Department of the Treasury Internal Revenue Service

Part I Identification of Disregarded Entities (Comple	te if the organizatio	n answered "Yes" t	o Form 990, F	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	D	(f) irect controlling entity		
Part II Identification of Related Tax-Exempt Organiz or more related tax-exempt organizations during the	ations (Complete i e tax year.)	f the organization a	l Inswered "Yes		art IV,	line 34 because it	had o	ne
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code se	ction Public charity (if section 501	status (c)(3))	(f) Direct controlling entity	Section (13) contact en	ontroll ntity?
See Additional Data Table							Yes	No
								\perp
For Paperwork Reduction Act Notice, see the Instructions for Form 990.		Cat No 501	257			Schedule R (For	000) :	2013

Part III	Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Pai	rt 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 Disprop allocat	rtionate	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j Gene mana parti	ral or aging	(k) Percentage ownership
				311,			Yes	No		Yes	No	
(1) MUNSON MEDICAL BUILDING PARTNERS PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2830005	REAL ESTAT		MUNSON MED MUNSON MEDICAL CENTER	RELATED	787,235	2,510,747		No		Yes		72 480 %
(2) NORTHERN MICHIGAN SUPPLY ALLIANCE	PURCHASING	MI	N/A					No			No	
2651 AERO PARK DR TRAVERSE CITY, MI 49686 38-3453378												
(3) MUNSON MEDICAL BUILDING PARTNERS PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2830005	REAL ESTAT		MUNSON MED MUNSON MEDICAL CENTER	RELATED	787,235	2,510,747		No		Yes		72 480 %
(4) NORTHERN MICHIGAN SUPPLY ALLIANCE 2651 AERO PARK DR TRAVERSE CITY, MI 49686 38-3453378	PURCHASING	MI	N/A					No			No	

Part IV

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

IN of n	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total Income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	No
e Additional Data Table									

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule											
$oldsymbol{1}$ During the tax year, did the organization engage in any of the following transactions with one or more relative to the same of the tax year, and the organization engage in any of the following transactions with one or more relative to the same of the tax year, and the organization engage in any of the following transactions with one or more relative to the same of the tax year, and the organization engage in any of the following transactions with one or more relative to the same of the tax year, and the organization engage in any of the following transactions with one or more relative to the same of the tax year.	lated organizations li	sted in Parts II-IV?									
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity				1a	Yes						
Gift, grant, or capital contribution to related organization(s)											
Gift, grant, or capital contribution from related organization(s)											
d Loans or loan guarantees to or for related organization(s)											
e Loans or loan guarantees by related organization(s)											
f Dividends from related organization(s)											
f Dividends from related organization(s)											
g Sale of assets to related organization(s)											
h Purchase of assets from related organization(s)											
i Exchange of assets with related organization(s)											
j Lease of facilities, equipment, or other assets to related organization(s)											
k Lease of facilities, equipment, or other assets from related organization(s)											
l Performance of services or membership or fundraising solicitations for related organization(s)											
m Performance of services or membership or fundraising solicitations by related organization(s)											
$oldsymbol{n}$ Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)				1n		No					
• Sharing of paid employees with related organization(s)				10	Yes						
p Reimbursement paid to related organization(s) for expenses											
q Reimbursement paid by related organization(s) for expenses				1q	Yes						
r Other transfer of cash or property to related organization(s)				1r	Yes						
s Other transfer of cash or property from related organization(s)											
2 If the answer to any of the above is "Yes," see the instructions for information on who must complete		· · · · · · · · · · · · · · · · · · ·									
(a) Name of other organization (b) Transaction type (a-s) (c) (d) Amount involved Method of determining amo											
ee Additional Data Table											

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

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 re	garding exclu	sion for ce		nent	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	end-of-year	(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	
			514)	Yes	No			Yes	No		Yes	No		
												1		

Software ID: Software Version:

EIN: 38-1362830

Name: MUNSON MEDICAL CENTER

Schedule R (Form 990) 2012 Page 5

Part VII Supplemental Information

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

Identifier	Return	Explanation		
	Reference			
ADDITIONAL	SCHEDULE R	MUNSON MEDICAL CENTER USED THE ACCRUAL METHOD OF ACCOUNTING TO VALUE THE TRANSACTIONS WITH RELATED ENTITIES ALL		
INFORMATION		INTERCOMPANY TRANSACTIONS WITH RELATED ENTITIES WERE REVIEWED SUMMARIZED AND RECONCILED TO DETERMINE THE DISCLOSURE		
		AMOUNTS		
Farm 000 Cabadula B Bart IV. Identification of Balatad Organizations Tarrable as a Composition on Trust				

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust									
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	entity (C corp, S corp,	(f) Share of total Income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512(b)(control entity	ion (13) olled sy?
MEDICAL OFFICE CONDOMINIUM MEDICAL OFFICE CONDOMINIUM PO BOX 1188 TRAVERSE CITY, MI 496851188 20-1902620	REAL ESTAT	MI	MUNSON MED MUNSON MEDICAL CENTER	or trust)	115,629	34,425	74 000 %	Yes	No No
SIXTH STREET DRUGS PO BOX 1188 TRAVERSE CITY, MI 496851188	PHARMACY	MI	N/A						No
38-2298290 MUNSON SUPPORT SERVICES	LAUNDRY		N/A					Yes	
PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2872821		MI							
MUNSON SERVICES INC	PHARMACY		N/A						No
PO BOX 1188 TRAVERSE CITY, MI 496851188 38-3144382		MI							
MEDICAL OFFICE BUILDING CONDOMINIUM MEDICAL OFFICE BUILDING CONDOMINIUM PO BOX 1188 TRAVERSE CITY, MI 496851188 38-3567278	REAL ESTAT	MI	MUNSON MED MUNSON MEDICAL CENTER	C CORP	60,202	21,733	78 000 %		No
MUNSON MOBILE IMAGING	IMAGING		N/A						No
PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2704069		MI							
MEDICAL OFFICE CONDOMINIUM MEDICAL OFFICE CONDOMINIUM PO BOX 1188 TRAVERSE CITY, MI 496851188 20-1902620	REAL ESTAT	MI	MUNSON MED MUNSON MEDICAL CENTER	C CORP	115,629	34,425	74 000 %		No
SIXTH STREET DRUGS	PHARMACY		N/A						No
PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2298290		MI							
MUNSON SUPPORT SERVICES	LAUNDRY		N/A					Yes	
PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2872821		MI							
MUNSON SERVICES INC	PHARMACY		N/A						No
PO BOX 1188 TRAVERSE CITY, MI 496851188 38-3144382		MI							
MEDICAL OFFICE BUILDING CONDOMINIUM MEDICAL OFFICE BUILDING CONDOMINIUM PO BOX 1188 TRAVERSE CITY, MI 496851188 38-3567278	REAL ESTAT	MI	MUNSON MED MUNSON MEDICAL CENTER	C CORP	60,202	21,733	78 000 %		No
MUNSON MOBILE IMAGING	IMAGING		N/A						No
PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2704069		MI							

--> Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved MUNSON DIALYSIS CENTER L 130,451 FMV MUNSON DIALYSIS CENTER 754,248 FMV Q MUNSON DIALYSIS CENTER 2,280,379 FMV 0 MUNSON HEALTHCARE В 3,200,000 FMV MUNSON HEALTHCARE М 1,541,796 FMV MUNSON HEALTHCARE 0 915,348 FMV MUNSON HEALTHCARE Ρ 2,153,009 FMV MUNSON HEALTHCARE Q 6,865,785 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI С 1,748,120 FMV 523,199 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Μ 90,872 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Q MUNSON HOME CARE J 131,304 FMV MUNSON HOME CARE L 54,536 FMV 11,138,017 FMV MUNSON HOME CARE Q J 58,800 FMV MUNSON HOME HEALTH MUNSON HOME HEALTH Q 2,035,777 FMV 3,393,853 FMV MUNSON HOME SERVICES Q MUNSON MEDICAL BUILDING PARTNERS Κ 725,305 FMV MUNSON MEDICAL BUILDING PARTNERS Q 211,893 FMV MUNSON MEDICAL GROUP В 4,900,000 FMV L 440,712 FMV MUNSON MEDICAL GROUP MUNSON MEDICAL GROUP Ρ 86,697 FMV Q 17,062,339 FMV MUNSON MEDICAL GROUP MUNSON MEDICAL GROUP 0 5,901,702 FMV MUNSON MEDICAL GROUP Μ 482,674 FMV

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved 115,257 FMV MUNSON SERVICES INC L MUNSON SERVICES INC 2,318,252 FMV 0 MUNSON SERVICES INC Ρ 80,622 FMV 5,357,472 FMV Q MUNSON SERVICES INC 2,169,305 FMV MUNSON SUPPORT SERVICES М MUNSON SUPPORT SERVICES Q 1,958,963 FMV MUNSON SUPPORT SERVICES R 132,175 FMV NORTH FLIGHT INC Ρ 51,499 FMV NORTH FLIGHT INC Q 5,716,790 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE Е 915,000 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE J 173,211 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE Ρ 18,761,541 FMV 1,077,734 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 0 NORTHERN MICHIGAN SUPPLY ALLIANCE Q 1,031,346 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE М 1,888,464 FMV 811,113 FMV PAUL OLIVER MEMORIAL HOSPITAL L 0 PAUL OLIVER MEMORIAL HOSPITAL 1,044,383 FMV PAUL OLIVER MEMORIAL HOSPITAL Q 6,135,851 FMV SIXTH STREET CONDO ASSOCIATION Q 243,680 FMV Κ 371,384 FMV SIXTH STREET CONDO ASSOCIATION SIXTH STREET CONDO ASSOCIATION L 56,184 FMV 222,710 FMV MEDICAL OFFICE BUILDING CONDOMINIUM Q ASSOCIATION MEDICAL OFFICE BUILDING CONDOMINIUM Κ 179,072 FMV ASSOCIATION 130,451 FMV MUNSON DIALYSIS CENTER L MUNSON DIALYSIS CENTER 754,248 FMV Q

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved 2,280,379 FMV MUNSON DIALYSIS CENTER 0 MUNSON HEALTHCARE 3,200,000 FMV В MUNSON HEALTHCARE Μ 1,541,796 FMV 915,348 FMV 0 MUNSON HEALTHCARE Ρ MUNSON HEALTHCARE 2,153,009 FMV MUNSON HEALTHCARE Q 6,865,785 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI С 1,748,120 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Μ 523,199 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Q 90,872 FMV MUNSON HOME CARE J 131,304 FMV MUNSON HOME CARE L 54,536 FMV MUNSON HOME CARE Q 11,138,017 FMV 58,800 FMV MUNSON HOME HEALTH J 2,035,777 FMV MUNSON HOME HEALTH Q MUNSON HOME SERVICES Q 3,393,853 FMV 725,305 FMV MUNSON MEDICAL BUILDING PARTNERS Κ MUNSON MEDICAL BUILDING PARTNERS Q 211,893 FMV В MUNSON MEDICAL GROUP 4,900,000 FMV MUNSON MEDICAL GROUP L 440,712 FMV Ρ 86,697 FMV MUNSON MEDICAL GROUP MUNSON MEDICAL GROUP 17,062,339 FMV Q 5,901,702 FMV MUNSON MEDICAL GROUP 0 MUNSON MEDICAL GROUP Μ 482,674 FMV 115,257 FMV MUNSON SERVICES INC L MUNSON SERVICES INC 2,318,252 FMV 0

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved MUNSON SERVICES INC Ρ 80,622 FMV MUNSON SERVICES INC 5,357,472 FMV Q MUNSON SUPPORT SERVICES Μ 2,169,305 FMV Q 1,958,963 FMV MUNSON SUPPORT SERVICES 132,175 FMV MUNSON SUPPORT SERVICES R NORTH FLIGHT INC Ρ 51,499 FMV NORTH FLIGHT INC Q 5,716,790 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE Е 915,000 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE J 173,211 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE Ρ 18,761,541 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 0 1,077,734 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 1,031,346 FMV Q NORTHERN MICHIGAN SUPPLY ALLIANCE М 1,888,464 FMV L 811,113 FMV PAUL OLIVER MEMORIAL HOSPITAL PAUL OLIVER MEMORIAL HOSPITAL 0 1,044,383 FMV 6,135,851 FMV PAUL OLIVER MEMORIAL HOSPITAL Q SIXTH STREET CONDO ASSOCIATION Q 243,680 FMV Κ SIXTH STREET CONDO ASSOCIATION 371,384 FMV 56,184 FMV SIXTH STREET CONDO ASSOCIATION L MEDICAL OFFICE BUILDING CONDOMINIUM Q 222,710 FMV ASSOCIATION MEDICAL OFFICE BUILDING CONDOMINIUM Κ 179,072 FMV **ASSOCIATION** MUNSON DIALYSIS CENTER 1 130,451 FMV MUNSON DIALYSIS CENTER Q 754,248 FMV MUNSON DIALYSIS CENTER 0 2,280,379 FMV MUNSON HEALTHCARE 3,200,000 FMV В

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved MUNSON HEALTHCARE 1,541,796 FMV М MUNSON HEALTHCARE 915,348 FMV 0 MUNSON HEALTHCARE Ρ 2,153,009 FMV 6,865,785 FMV Q MUNSON HEALTHCARE С 1,748,120 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI MUNSON HEALTHCARE REGIONAL FOUNDATI М 523,199 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Q 90,872 FMV MUNSON HOME CARE J 131,304 FMV MUNSON HOME CARE L 54,536 FMV MUNSON HOME CARE Q 11,138,017 FMV MUNSON HOME HEALTH J 58,800 FMV MUNSON HOME HEALTH 2,035,777 FMV Q MUNSON HOME SERVICES Q 3,393,853 FMV Κ 725,305 FMV MUNSON MEDICAL BUILDING PARTNERS MUNSON MEDICAL BUILDING PARTNERS Q 211,893 FMV 4,900,000 FMV MUNSON MEDICAL GROUP В 440,712 FMV MUNSON MEDICAL GROUP L Ρ 86,697 FMV MUNSON MEDICAL GROUP MUNSON MEDICAL GROUP Q 17,062,339 FMV 0 5,901,702 FMV MUNSON MEDICAL GROUP MUNSON MEDICAL GROUP Μ 482,674 FMV 115,257 FMV MUNSON SERVICES INC 1 MUNSON SERVICES INC 0 2,318,252 FMV Ρ 80,622 FMV MUNSON SERVICES INC MUNSON SERVICES INC 5,357,472 FMV Q

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved MUNSON SUPPORT SERVICES 2,169,305 FMV М MUNSON SUPPORT SERVICES 1,958,963 FMV Q MUNSON SUPPORT SERVICES R 132,175 FMV Р 51,499 FMV NORTH FLIGHT INC 5,716,790 FMV NORTH FLIGHT INC Q NORTHERN MICHIGAN SUPPLY ALLIANCE Е 915,000 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE J 173,211 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE Ρ 18,761,541 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 0 1,077,734 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 1,031,346 FMV Q NORTHERN MICHIGAN SUPPLY ALLIANCE М 1,888,464 FMV PAUL OLIVER MEMORIAL HOSPITAL L 811,113 FMV PAUL OLIVER MEMORIAL HOSPITAL 0 1,044,383 FMV PAUL OLIVER MEMORIAL HOSPITAL Q 6,135,851 FMV SIXTH STREET CONDO ASSOCIATION Q 243,680 FMV 371,384 FMV SIXTH STREET CONDO ASSOCIATION Κ SIXTH STREET CONDO ASSOCIATION L 56,184 FMV MEDICAL OFFICE BUILDING CONDOMINIUM Q 222,710 FMV ASSOCIATION MEDICAL OFFICE BUILDING CONDOMINIUM Κ 179,072 FMV ASSOCIATION 130,451 FMV MUNSON DIALYSIS CENTER L MUNSON DIALYSIS CENTER 754,248 FMV Q 2,280,379 FMV MUNSON DIALYSIS CENTER 0 MUNSON HEALTHCARE В 3,200,000 FMV MUNSON HEALTHCARE Μ 1,541,796 FMV 915,348 FMV MUNSON HEALTHCARE 0

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved MUNSON HEALTHCARE Ρ 2,153,009 FMV MUNSON HEALTHCARE 6,865,785 FMV Q MUNSON HEALTHCARE REGIONAL FOUNDATI С 1,748,120 FMV 523,199 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI М 90,872 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Q MUNSON HOME CARE J 131,304 FMV MUNSON HOME CARE L 54,536 FMV MUNSON HOME CARE Q 11,138,017 FMV MUNSON HOME HEALTH J 58,800 FMV MUNSON HOME HEALTH Q 2,035,777 FMV MUNSON HOME SERVICES Q 3,393,853 FMV MUNSON MEDICAL BUILDING PARTNERS Κ 725,305 FMV 211,893 FMV MUNSON MEDICAL BUILDING PARTNERS Q В 4,900,000 FMV MUNSON MEDICAL GROUP MUNSON MEDICAL GROUP L 440,712 FMV 86,697 FMV MUNSON MEDICAL GROUP Ρ MUNSON MEDICAL GROUP Q 17,062,339 FMV MUNSON MEDICAL GROUP 0 5,901,702 FMV MUNSON MEDICAL GROUP М 482,674 FMV L 115,257 FMV MUNSON SERVICES INC MUNSON SERVICES INC 0 2,318,252 FMV 80,622 FMV MUNSON SERVICES INC Ρ MUNSON SERVICES INC Q 5,357,472 FMV MUNSON SUPPORT SERVICES М 2,169,305 FMV MUNSON SUPPORT SERVICES 1,958,963 FMV Q

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved 132,175 FMV MUNSON SUPPORT SERVICES R NORTH FLIGHT INC Ρ 51,499 FMV NORTH FLIGHT INC Q 5,716,790 FMV Е 915,000 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE NORTHERN MICHIGAN SUPPLY ALLIANCE J 173,211 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE Ρ 18,761,541 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 0 1,077,734 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE Q 1,031,346 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE М 1,888,464 FMV PAUL OLIVER MEMORIAL HOSPITAL 811,113 FMV L PAUL OLIVER MEMORIAL HOSPITAL 0 1,044,383 FMV PAUL OLIVER MEMORIAL HOSPITAL 6,135,851 FMV Q SIXTH STREET CONDO ASSOCIATION Q 243,680 FMV Κ 371,384 FMV SIXTH STREET CONDO ASSOCIATION SIXTH STREET CONDO ASSOCIATION L 56,184 FMV 222,710 FMV MEDICAL OFFICE BUILDING CONDOMINIUM Q ASSOCIATION Κ 179,072 FMV MEDICAL OFFICE BUILDING CONDOMINIUM ASSOCIATION MUNSON DIALYSIS CENTER L 130,451 FMV MUNSON DIALYSIS CENTER Q 754,248 FMV 0 MUNSON DIALYSIS CENTER 2,280,379 FMV В 3,200,000 FMV MUNSON HEALTHCARE 1,541,796 FMV MUNSON HEALTHCARE М MUNSON HEALTHCARE 0 915,348 FMV Ρ MUNSON HEALTHCARE 2,153,009 FMV MUNSON HEALTHCARE 6,865,785 FMV Q

Form 990, Schedule R, Part V - Transactions With Related Organizations			
(a) Name of other organization	(b) Transaction type(a-s)	(c) A mount Involved	(d) Method of determining amount involved
MUNSON HEALTHCARE REGIONAL FOUNDATI	С	1,748,120	FMV
MUNSON HEALTHCARE REGIONAL FOUNDATI	М	523,199	FMV
MUNSON HEALTHCARE REGIONAL FOUNDATI	Q	90,872	FMV
MUNSON HOME CARE	J	131,304	FMV
MUNSON HOME CARE	L	54,536	FMV
MUNSON HOME CARE	Q	11,138,017	FMV
MUNSON HOME HEALTH	J	58,800	FMV
MUNSON HOME HEALTH	Q	2,035,777	FMV
MUNSON HOME SERVICES	Q	3,393,853	FMV
MUNSON MEDICAL BUILDING PARTNERS	К	725,305	FMV
MUNSON MEDICAL BUILDING PARTNERS	Q	211,893	FMV
MUNSON MEDICAL GROUP	В	4,900,000	FMV
MUNSON MEDICAL GROUP	L	440,712	FMV
MUNSON MEDICAL GROUP	P	86,697	FMV
MUNSON MEDICAL GROUP	Q	17,062,339	FMV
MUNSON MEDICAL GROUP	0	5,901,702	FMV
MUNSON MEDICAL GROUP	М	482,674	FMV
MUNSON SERVICES INC	L	115,257	FMV
MUNSON SERVICES INC	0	2,318,252	FMV
MUNSON SERVICES INC	Р	80,622	FMV
MUNSON SERVICES INC	Q	5,357,472	FMV
MUNSON SUPPORT SERVICES	М	2,169,305	FMV
MUNSON SUPPORT SERVICES	Q	1,958,963	FMV
MUNSON SUPPORT SERVICES	R	132,175	FMV
NORTH FLIGHT INC	Р	51,499	FMV
	'	•	

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved NORTH FLIGHT INC 5,716,790 FMV Q NORTHERN MICHIGAN SUPPLY ALLIANCE 915,000 FMV Е NORTHERN MICHIGAN SUPPLY ALLIANCE J 173,211 FMV Р 18,761,541 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 1,077,734 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 0 NORTHERN MICHIGAN SUPPLY ALLIANCE Q 1,031,346 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE М 1,888,464 FMV PAUL OLIVER MEMORIAL HOSPITAL L 811,113 FMV PAUL OLIVER MEMORIAL HOSPITAL 0 1,044,383 FMV PAUL OLIVER MEMORIAL HOSPITAL 6,135,851 FMV Q SIXTH STREET CONDO ASSOCIATION Q 243,680 FMV Κ 371,384 FMV SIXTH STREET CONDO ASSOCIATION SIXTH STREET CONDO ASSOCIATION L 56,184 FMV Q 222,710 FMV MEDICAL OFFICE BUILDING CONDOMINIUM ASSOCIATION MEDICAL OFFICE BUILDING CONDOMINIUM Κ 179,072 FMV ASSOCIATION 130,451 FMV MUNSON DIALYSIS CENTER L MUNSON DIALYSIS CENTER Q 754,248 FMV MUNSON DIALYSIS CENTER 0 2,280,379 FMV MUNSON HEALTHCARE В 3,200,000 FMV MUNSON HEALTHCARE Μ 1,541,796 FMV 0 915,348 FMV MUNSON HEALTHCARE MUNSON HEALTHCARE Ρ 2,153,009 FMV MUNSON HEALTHCARE Q 6,865,785 FMV С MUNSON HEALTHCARE REGIONAL FOUNDATI 1,748,120 FMV 523,199 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Μ

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved 90,872 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Q MUNSON HOME CARE 131,304 FMV J MUNSON HOME CARE L 54,536 FMV 11,138,017 FMV Q MUNSON HOME CARE J 58,800 FMV MUNSON HOME HEALTH MUNSON HOME HEALTH Q 2,035,777 FMV MUNSON HOME SERVICES Q 3,393,853 FMV MUNSON MEDICAL BUILDING PARTNERS Κ 725,305 FMV MUNSON MEDICAL BUILDING PARTNERS Q 211,893 FMV MUNSON MEDICAL GROUP В 4,900,000 FMV MUNSON MEDICAL GROUP L 440,712 FMV MUNSON MEDICAL GROUP Ρ 86,697 FMV 17,062,339 FMV MUNSON MEDICAL GROUP Q 5,901,702 FMV MUNSON MEDICAL GROUP 0 MUNSON MEDICAL GROUP М 482,674 FMV 115,257 FMV MUNSON SERVICES INC L 0 MUNSON SERVICES INC 2,318,252 FMV Ρ MUNSON SERVICES INC 80,622 FMV MUNSON SERVICES INC Q 5,357,472 FMV 2,169,305 FMV MUNSON SUPPORT SERVICES Μ MUNSON SUPPORT SERVICES 1,958,963 FMV Q 132,175 FMV MUNSON SUPPORT SERVICES R NORTH FLIGHT INC Ρ 51,499 FMV NORTH FLIGHT INC Q 5,716,790 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 915,000 FMV Е

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved J 173,211 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE NORTHERN MICHIGAN SUPPLY ALLIANCE Ρ 18,761,541 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 0 1,077,734 FMV Q 1,031,346 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE NORTHERN MICHIGAN SUPPLY ALLIANCE М 1,888,464 FMV PAUL OLIVER MEMORIAL HOSPITAL L 811,113 FMV PAUL OLIVER MEMORIAL HOSPITAL 0 1,044,383 FMV PAUL OLIVER MEMORIAL HOSPITAL Q 6,135,851 FMV SIXTH STREET CONDO ASSOCIATION Q 243,680 FMV SIXTH STREET CONDO ASSOCIATION Κ 371,384 FMV SIXTH STREET CONDO ASSOCIATION L 56,184 FMV MEDICAL OFFICE BUILDING CONDOMINIUM 222,710 FMV Q **ASSOCIATION** MEDICAL OFFICE BUILDING CONDOMINIUM Κ 179,072 FMV ASSOCIATION MUNSON DIALYSIS CENTER L 130,451 FMV MUNSON DIALYSIS CENTER Q 754,248 FMV 2,280,379 FMV MUNSON DIALYSIS CENTER 0 MUNSON HEALTHCARE В 3,200,000 FMV MUNSON HEALTHCARE М 1,541,796 FMV MUNSON HEALTHCARE 0 915,348 FMV Ρ MUNSON HEALTHCARE 2,153,009 FMV 6,865,785 FMV MUNSON HEALTHCARE Q MUNSON HEALTHCARE REGIONAL FOUNDATI С 1,748,120 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Μ 523,199 FMV 90,872 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Q MUNSON HOME CARE 131,304 FMV

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved 54,536 FMV MUNSON HOME CARE L MUNSON HOME CARE 11,138,017 FMV Q MUNSON HOME HEALTH J 58,800 FMV 2,035,777 FMV Q MUNSON HOME HEALTH MUNSON HOME SERVICES 3,393,853 FMV Q MUNSON MEDICAL BUILDING PARTNERS Κ 725,305 FMV MUNSON MEDICAL BUILDING PARTNERS Q 211,893 FMV MUNSON MEDICAL GROUP В 4,900,000 FMV MUNSON MEDICAL GROUP L 440,712 FMV MUNSON MEDICAL GROUP Ρ 86,697 FMV MUNSON MEDICAL GROUP Q 17,062,339 FMV MUNSON MEDICAL GROUP 0 5,901,702 FMV 482,674 FMV MUNSON MEDICAL GROUP М 115,257 FMV MUNSON SERVICES INC L MUNSON SERVICES INC 0 2,318,252 FMV 80,622 FMV MUNSON SERVICES INC Ρ 5,357,472 FMV MUNSON SERVICES INC Q MUNSON SUPPORT SERVICES Μ 2,169,305 FMV MUNSON SUPPORT SERVICES Q 1,958,963 FMV R 132,175 FMV MUNSON SUPPORT SERVICES NORTH FLIGHT INC Р 51,499 FMV 5,716,790 FMV NORTH FLIGHT INC Q NORTHERN MICHIGAN SUPPLY ALLIANCE Е 915,000 FMV J NORTHERN MICHIGAN SUPPLY ALLIANCE 173,211 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 18,761,541 FMV

Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved NORTHERN MICHIGAN SUPPLY ALLIANCE 0 1,077,734 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 1,031,346 FMV Q NORTHERN MICHIGAN SUPPLY ALLIANCE Μ 1,888,464 FMV L 811,113 FMV PAUL OLIVER MEMORIAL HOSPITAL PAUL OLIVER MEMORIAL HOSPITAL 0 1,044,383 FMV PAUL OLIVER MEMORIAL HOSPITAL Q 6,135,851 FMV SIXTH STREET CONDO ASSOCIATION Q 243,680 FMV SIXTH STREET CONDO ASSOCIATION Κ 371,384 FMV SIXTH STREET CONDO ASSOCIATION L 56,184 FMV MEDICAL OFFICE BUILDING CONDOMINIUM 222,710 FMV Q ASSOCIATION MEDICAL OFFICE BUILDING CONDOMINIUM Κ 179,072 FMV ASSOCIATION MUNSON DIALYSIS CENTER L 130,451 FMV 754,248 FMV MUNSON DIALYSIS CENTER Q MUNSON DIALYSIS CENTER 0 2,280,379 FMV MUNSON HEALTHCARE В 3,200,000 FMV 1,541,796 FMV MUNSON HEALTHCARE Μ 0 MUNSON HEALTHCARE 915,348 FMV Ρ MUNSON HEALTHCARE 2,153,009 FMV MUNSON HEALTHCARE Q 6,865,785 FMV С MUNSON HEALTHCARE REGIONAL FOUNDATI 1,748,120 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Μ 523,199 FMV 90,872 FMV MUNSON HEALTHCARE REGIONAL FOUNDATI Q MUNSON HOME CARE J 131,304 FMV L MUNSON HOME CARE 54,536 FMV 11,138,017 FMV MUNSON HOME CARE Q

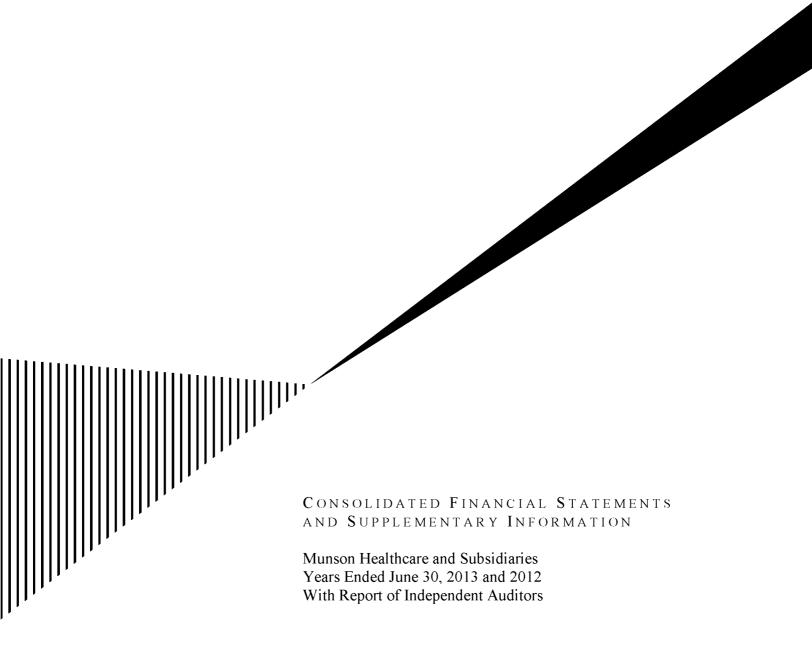
Form 990, Schedule R, Part V - Transactions With Related Organizations (b) (c) (d) Name of other organization Transaction Amount Involved Method of determining type(a-s) amount involved 58,800 FMV MUNSON HOME HEALTH J MUNSON HOME HEALTH 2,035,777 FMV Q MUNSON HOME SERVICES Q 3,393,853 FMV Κ 725,305 FMV MUNSON MEDICAL BUILDING PARTNERS 211,893 FMV MUNSON MEDICAL BUILDING PARTNERS Q 4,900,000 FMV MUNSON MEDICAL GROUP В 440,712 FMV MUNSON MEDICAL GROUP L MUNSON MEDICAL GROUP Ρ 86,697 FMV MUNSON MEDICAL GROUP Q 17,062,339 FMV MUNSON MEDICAL GROUP 0 5,901,702 FMV MUNSON MEDICAL GROUP М 482,674 FMV MUNSON SERVICES INC L 115,257 FMV 2,318,252 FMV MUNSON SERVICES INC 0 Ρ 80,622 FMV MUNSON SERVICES INC MUNSON SERVICES INC Q 5,357,472 FMV 2,169,305 FMV MUNSON SUPPORT SERVICES Μ MUNSON SUPPORT SERVICES Q 1,958,963 FMV MUNSON SUPPORT SERVICES R 132,175 FMV Ρ NORTH FLIGHT INC 51,499 FMV 5,716,790 FMV NORTH FLIGHT INC Q NORTHERN MICHIGAN SUPPLY ALLIANCE Е 915,000 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE J 173,211 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE Ρ 18,761,541 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 0 1,077,734 FMV NORTHERN MICHIGAN SUPPLY ALLIANCE 1,031,346 FMV Q

Form 990, Schedule R, Part V - Transactions With Related Organizations						
(a) Name of other organization	(b) Transaction type(a-s)	(c) A mount Involved	(d) Method of determining amount involved			
NORTHERN MICHIGAN SUPPLY ALLIANCE	М	1,888,464	FMV			
PAUL OLIVER MEMORIAL HOSPITAL	L	811,113	FMV			
PAUL OLIVER MEMORIAL HOSPITAL	0	1,044,383	FMV			
PAUL OLIVER MEMORIAL HOSPITAL	Q	6,135,851	FMV			
SIXTH STREET CONDO ASSOCIATION	Q	243,680	FMV			
SIXTH STREET CONDO ASSOCIATION	К	371,384	FMV			
SIXTH STREET CONDO ASSOCIATION	L	56,184	FMV			
MEDICAL OFFICE BUILDING CONDOMINIUM ASSOCIATION	Q	222,710	FMV			

MEDICAL OFFICE BUILDING CONDOMINIUM

ASSOCIATION

179,072 FMV



Ernst & Young LLP



Consolidated Financial Statements and Supplemental Information

Years Ended June 30, 2013 and 2012

Contents

Report of Independent Auditors	1
Consolidated Financial Statements	
Consolidated Balance Sheets	3
Consolidated Statements of Operations and Changes in Net Assets	5
Consolidated Statements of Cash Flows	7
Notes to Consolidated Financial Statements	9
Supplementary Information	
Report of Independent Auditors on Supplemental Information	37
Consolidating Balance Sheet at June 30, 2013	38
Consolidating Statement of Operations and Changes in Net Assets for the	
Year Ended June 30, 2013	39



Ernst & Young LLP

Suite 600 171 Monroe Avenue NW Grand Rapids, MI 49503

Tel +1 616 774 0710 Fax +1 616 774 0190 www.ey.com

Report of Independent Auditors

The Board of Directors

Munson Healthcare and Subsidiaries

We have audited the accompanying consolidated financial statements of Munson Healthcare and Subsidiaries (collectively, the Organization), which comprise the consolidated balance sheets as of June 30, 2013 and 2012, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Munson Healthcare and Subsidiaries at June 30, 2013 and 2012, and the consolidated results of its operations and changes in net assets and its cash flows for the years then ended in conformity with U S generally accepted accounting principles

Adoption of Accounting Standards Update 2011-07, Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities

As discussed in Note 1 to the consolidated financial statements, Munson Healthcare and Subsidiaries changed its presentation and disclosure of bad debt expense as a result of the adoption of the amendments to the Financial Accounting Standards Board Accounting Standards Codification resulting from Accounting Standards Update 2011-07, Presentation and Disclosure of Patient Service revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities. Our opinion is not modified with respect to this matter

October 2, 2013

1305-1080915

Ernst + Young LLP

Consolidated Balance Sheets (In Thousands)

	June 30			
		2013		2012
Assets				
Current assets				
Cash and cash equivalents	\$	57,440	\$	66,905
Short-term investments		61,612		25,075
Accounts receivable, net		83,516		73,620
Inventory		17,002		16,480
Other current assets		9,259		10,395
Total current assets		228,829		192,475
Investments		228,991		209,617
Investments in joint ventures		4,138		3,861
Property and equipment, net		254,727		258,995
Other assets		18,167		10,853
Total assets	\$	734,852	\$	675,801

	June 30				
	2013			2012	
Liabilities and net assets					
Current liabilities					
Current maturities of long-term debt	\$	2,010	\$	2,080	
Trade accounts payable		18,141		13,163	
Accrued compensation		23,669		22,542	
Accrued retirement benefits		2,153		1,619	
Third-party settlements and reserves		10,859		10,117	
Other current liabilities		9,635		11,693	
Total current liabilities		66,467		61,214	
Long-term debt, less current maturities		125,059		127,053	
Accrued postretirement benefit obligation		14,106		13,682	
Accrued pension obligation		78,672		119,096	
Other liabilities		6,314		6,974	
Total liabilities		290,618		328,019	
Net assets					
Unrestricted		407,563		322,812	
Temporarily restricted		34,613		23,238	
Permanently restricted		2,058		1,732	
Total net assets		444,234		347,782	
Total liabilities and net assets	\$	734,852	\$	675,801	

See accompanying notes.

Consolidated Statements of Operations and Changes in Net Assets (In Thousands)

	Yea	Year Ended June 3		
	2013		2012	
Unrestricted revenue				
Patient service revenue (net of contractuals and discounts)	\$ 55	5,712 \$	531,748	
Provision for uncollectible accounts	(2	1,358)	(22,798)	
Net patient service revenue	53	4,354	508,950	
Other operating revenue	2	9,263	20,704	
Total unrestricted revenue	563	3,617	529,654	
Operating expenses				
Salaries and wages	22.	3,226	215,557	
Fringe benefits	7:	2,168	63,267	
Contract labor		724	1,122	
Physician fees	13	8,907	17,140	
Purchased services	2	7,034	20,150	
Supplies	13	7,516	125,399	
Occupancy	1	1,837	11,394	
Equipment, software, and maintenance	13	8,668	17,830	
Depreciation and amortization	2	9,716	29,425	
Interest	:	5,013	4,855	
Insurance		2,036	3,194	
Other		7,731	7,414	
	55	4,576	516,747	
Less shared services revenue	1	2,859	11,045	
Total expenses	54	1,717	505,702	
Operating income	2	1,900	23,952	
Other gain (loss), net	13	8,258	3,634	
Loss on extinguishment of debt		_	(491)	
Swap market value changes		2,208	(4,061)	
Excess of revenue over expenses	4	2,366	23,034	

See accompanying notes.

Consolidated Statements of Operations and Changes in Net Assets (continued) (In Thousands)

	Year Ended June 30			
		2013	2012	
Excess of revenue over expenses	\$	42,366 \$	23,034	
Unrestricted net assets				
Net assets released from restriction		1,336	4,068	
Pension and other postretirement				
benefit-related changes other than				
net periodic pension costs		41,110	(61,494)	
Grant distributions		(61)		
Increase (decrease) in unrestricted net assets		84,751	(34,392)	
Temporarily restricted net assets				
Contributions		17,033	10,732	
Pledge discounts, allowances, and other adjustments		(3,660)	(130)	
Investment income		1,381	282	
Grant distributions		_	(1,293)	
Net assets released from restriction		(3,379)	(3,993)	
Increase in temporarily restricted net assets		11,375	5,598	
Permanently restricted net assets				
Investment income		11	39	
Other adjustments		315	<i></i>	
Increase in permanently restricted net assets		326	39	
moreuse in permanently restricted net assets		320		
Increase (decrease) in net assets		96,452	(28,755)	
Net assets, beginning of period		347,782	376,537	
Net assets, end of period	\$	444,234 \$	347,782	

See accompanying notes.

Consolidated Statements of Cash Flows (In Thousands)

	Year Ended June 30		
		2013	2012
Operating activities			
Increase (decrease) in net assets	\$	96,452 \$	(28,755)
Adjustments to reconcile increase (decrease) in net			
assets to net cash provided by operating activities			
Depreciation and amortization, including deferred charges		29,785	29,501
Provision for uncollectible accounts		21,358	22,798
Net loss on sale of property and equipment		310	14
Undistributed gain on equity investment		(2,227)	(2,225)
Loss on extinguishment of debt		_	491
Change in pension and other postretirement benefits			
other than net periodic pension costs		(41,110)	61,414
Increase in restricted net assets		(11,701)	(5,637)
Net change in fair value of interest rate swaps		(2,208)	4,061
Change in other long-term assets		(6,204)	(3,742)
Change in operating assets and liabilities			
Accounts receivable, inventory, and other assets		(30,641)	(20,163)
Net change in trading investments		(56,003)	(8,663)
Accounts payable and third-party settlements		5,720	(3,947)
Accrued compensation, retirement benefits, pension,			
and postretirement benefit obligation		2,770	(11,125)
Other current liabilities		(1,853)	(29)
Net cash provided by operating activities		4,448	33,993

Consolidated Statements of Cash Flows (continued) (In Thousands)

	Year Ended June 30		
		2013	2012
Investing activities			
Purchase of property and equipment	\$	(26,465) \$	(32,630)
Proceeds from sale of property and equipment		871	153
Distributions from joint ventures		2,044	2,065
Net cash used in investing activities		(23,550)	(30,412)
Financing activities			
Proceeds from issuance of debt obligations		_	128,717
Extinguishment of debt		_	(126,684)
Principal payments of debt obligations		(2,064)	(5,157)
Debt issuance cost		_	(1,757)
Increase in restricted net assets		11,701	5,637
Net cash provided by financing activities		9,637	756
Net (decrease) increase in cash and cash equivalents		(9,465)	4,337
Cash and cash equivalents at beginning of year		66,905	62,568
Cash and cash equivalents at end of year	\$	57,440 \$	66,905
Supplemental information			
Cash paid for interest	\$	5,081 \$	3,586

See accompanying notes

Notes to Consolidated Financial Statements (In Thousands)

June 30, 2013

1. Nature of Business and Significant Accounting Policies

Reporting Entity and Corporate Structure

Munson Healthcare is a non-profit parent company and is responsible for the governance and management of its subsidiaries, which provide primary, secondary, and tertiary care to residents of the northern portion of Michigan's Lower Peninsula The overall mission of Munson Healthcare is to work with its partners to provide superior quality care and promote community health

Basis of Consolidation

The accompanying consolidated financial statements include the accounts of the parent and its subsidiaries (collectively, the Organization) Munson Healthcare, Munson Medical Center (the Hospital) and its wholly owned subsidiaries, Munson Support Services and Munson Medical Group, Paul Oliver Memorial Hospital and its wholly owned subsidiary, Paul Oliver Memorial Hospital Foundation, Munson Home Health and its wholly owned subsidiaries, Munson Home Care and Munson Home Services, Munson Services, Inc. and its wholly owned subsidiary, Sixth Street Drugs, North Flight, Inc., Munson Healthcare Regional Foundation, Munson Dialysis Center, Munson Medical Building Partnership, Northern Michigan Supply Alliance, L. L. C., and Munson Mobile Imaging, Inc. All material intercompany balances and transactions have been eliminated

The following entities are collectively referred to as the Obligated Group Munson Healthcare, Munson Medical Center (the Hospital) and its wholly owned subsidiaries, Munson Support Services and Munson Medical Group, Paul Oliver Memorial Hospital and its wholly owned subsidiary, Paul Oliver Memorial Hospital Foundation, Munson Home Health and its wholly owned subsidiaries, Munson Home Care and Munson Home Services, Munson Services, Inc and its wholly owned subsidiary, Sixth Street Drugs, North Flight, Inc , and Munson Healthcare Regional Foundation

Effective July 1, 2011, Munson Mobile Imaging, Inc was removed from the Obligated Group due to a change in its business operations

Notes to Consolidated Financial Statements (continued) (In Thousands)

1. Nature of Business and Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with U S generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period Although actual results could differ from those estimates, management believes estimated amounts recorded are reasonable and appropriate

Cash and Cash Equivalents

Cash and cash equivalents include cash and investments in highly liquid investments purchased with an original maturity of three months or less, excluding those amounts included in investments

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services provided and includes estimated retroactive revenue adjustments due to 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 Net patient service revenue increased by approximately \$1,900 and \$700 for the years ended June 30, 2013 and 2012, respectively, related to changes in estimated third-party settlements for prior years

Notes to Consolidated Financial Statements (continued) (In Thousands)

1. Nature of Business and Significant Accounting Policies (continued)

Net patient service revenue is made up of the following for the years ended June 30

	June 30, 2013			June 30, 2012		
		Amount	Percent	Amount	Percent	
Inpatient services	\$	705,285	51.8% \$	658,015	52 7%	
Outpatient services		610,149	44.8	549,389	44 0	
Professional services		45,632	3.4	40,537	3 3	
Total patient charges		1,361,066	100.0	1,247,941	100 0	
Total contractual allowances and discounts		805,354	59.2%	716,193	57 4	
Patient service revenue (net of contractual						
allowances and discounts)		555,712	40.8%	531,748	42 6%	
Provision for uncollectible accounts		21,358	1.5	22,798	18	
Net patient service revenue	\$	534,354	39.3% \$	508,950	40 8%	

Patient service revenue, net of contractual allowances and discounts and before the provision for bad debt, recognized in the year from major payor sources is as follows

	Year Ended June 30				
		2013		2012	
Third-party payors	\$	533,447	\$	500,024	
Self-pay patients		22,265		31,724	
Total payors	\$	555,712	\$	531,748	

A significant portion of the Organization's services is provided to patients under Medicare, Medicaid, Blue Cross Blue Shield of Michigan, and other agreements with third-party contractual agencies Such contracts provide for payment or reimbursement to the Organization at other-than-standard charges For the years ended June 30, 2013 and 2012, approximately 80 8% and 80 4%, respectively, of the Organization's net patient service revenue is received from the Medicare, Medicaid, and Blue Cross Blue Shield of Michigan programs Estimated settlements have been reflected in the accompanying consolidated balance sheets for differences between interim payments and the total payments to be received under the contracts

Notes to Consolidated Financial Statements (continued) (In Thousands)

1. Nature of Business and Significant Accounting Policies (continued)

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and exclusion from the Medicare and Medicaid programs As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term

Inventories

Inventories, consisting primarily of medical supplies and pharmaceuticals, are stated at the lower of cost or market value

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. For the purpose of recognizing investment returns as a component of excess of revenues over expenses, substantially all of the Organization's investments are considered to be trading securities. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in excess of revenue over expenses unless a donor or law restricts the income or loss. Gains or losses with respect to disposition of marketable securities are based on the specific-identification method.

Equity securities expose the Organization to market risk, performance risk, and liquidity risk Market risk is the risk associated with major movements of the equity markets, both foreign and domestic Performance risk is the risk associated with a company's operating performance Liquidity risk tends to be higher for foreign equities and equities related to small capitalization companies

Notes to Consolidated Financial Statements (continued) (In Thousands)

1. Nature of Business and Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are stated at cost, if purchased, or at fair market value at the date of donation Depreciation on property and equipment, excluding construction-in-progress, is computed using the straight-line method over the estimated useful lives of the assets The general range of estimated useful lives of the assets 20 to 40 years for buildings, 10 to 20 years for land improvements and 3 to 10 years for equipment Outlays for construction-in-progress are capitalized as incurred

Asset Impairment

The Organization considers whether indicators of impairment are present and performs the necessary test to determine if the carrying value of an asset is appropriate Impairment writedowns, except for those related to investments, are recognized in operating income at the time the impairment is identified

Intangible Assets

In connection with business combinations, the Organization has recorded goodwill and other intangible assets on the accompanying consolidated balance sheets as follows

0.4

Goodwill		Other Intangibles	
\$	3,786	\$	877
	_		134
	3,786		743
	_		162
\$	3,786	\$	581
		\$ 3,786 - 3,786	\$ 3,786 \$ - 3,786

Notes to Consolidated Financial Statements (continued) (In Thousands)

1. Nature of Business and Significant Accounting Policies (continued)

The Organization reviews annually, or more frequently if events or changes in circumstances suggest impairment may have occurred, the carrying value of the goodwill and intangible assets for impairment and to determine if an adjustment for other intangibles to the amortization period is necessary. If circumstances suggest that the recorded amounts of any of these assets cannot be recovered, the carrying values of such assets are reduced to fair value. If the carrying value of any of these assets is impaired, a material charge may be incurred to results of operations. Based on an analysis using discounted cash flows and comparative transaction methods, it has been determined that there was no impairment to intangible assets, including goodwill, as of June 30, 2013 and 2012.

Derivative Financial Instruments

The Organization maintains interest rate swap agreements with banks to manage its investments and capitalization, including risks associated with changes in interest rates. The Organization records its derivative instruments as either assets or liabilities in the accompanying consolidated balance sheets at fair value. The cash flows associated with the swap agreements flow through other operating expenses on the accompanying consolidated statements of operations and changes in net assets. The unrealized derivative gain or loss related to the change in fair value is included in swap market value changes on the consolidated statements of operations and changes in net assets as part of excess of revenue over expenses.

Net Assets

Net assets of the Organization are classified as unrestricted, temporarily restricted, or permanently restricted depending on the presence and characteristics of donor-imposed restrictions limiting the Organization's ability to use or dispose of contributed assets or the economic benefits embodied in those assets Donor-imposed restrictions that expire with the passage of time or that can be removed by meeting certain requirements result in temporarily restricted net assets Permanently restricted net assets are endowment funds to be held in perpetuity by the Organization Earnings, gains, and losses on restricted net assets are classified as unrestricted unless specifically restricted by the donor or by applicable state law

Notes to Consolidated Financial Statements (continued) (In Thousands)

1. Nature of Business and Significant Accounting Policies (continued)

Unconditional promises to give cash and other assets to the Organization 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

Operating Indicator

The Organization's operating indicator (operating income) includes all net patient service revenues and other revenues and expenses from the Organization's operations for the reporting period. The operating indicator excludes other gain (loss), net, loss on extinguishment of debt, and swap market value changes

Performance Indicator

The Organization's performance indicator (excess of revenue over expenses) includes all changes in unrestricted net assets other than grant distributions, net assets released from restrictions, and pension and other postretirement benefit-related changes other than net periodic pension costs

Amount Received From Shared Services

Total operating expenses are reduced by the amount reported as less shared services revenue, which represents revenue received from affiliates and other health care providers for the purchase of goods and services. The expenses related to this revenue are included in the operating expense line items

Notes to Consolidated Financial Statements (continued) (In Thousands)

1. Nature of Business and Significant Accounting Policies (continued)

Charity Care

The Organization provides care to patients who meet certain financial or economic criteria without charge or at amounts substantially less than the Organization's established rates Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported in net revenues or in accounts receivable, net The Organization provided charity care based on charges at established rates, amounting to \$15,976 and \$16,079 during the years ended June 30, 2013 and 2012, respectively The estimated costs of providing the charity care were approximately \$6,400 and \$6,500 during the years ended June 30, 2013 and 2012, respectively The estimated costs were based on a calculation, which multiplied the percentage of operating expenses to gross patient charges by the above-mentioned charity care The percentage of cost to gross charges is calculated based on the total operating expenses divided by gross patient service charges A future increase in the level of uninsured patients to the Organization and adverse trends in the provision for doubtful accounts and charity care provided could have a material unfavorable impact on future operating results

Tax Status

All entities are tax-exempt under various provisions under the Internal Revenue Code except for Munson Support Services, Munson Services, Inc., Sixth Street Drugs, Inc., Munson Medical Building Partnership, and Northern Michigan Supply Alliance, LLC Any tax provision for these entities is not material to the overall consolidated financial statements

Adoption of New Accounting Standards

In May 2011, accounting guidance was issued that specified the valuation concept of highest and best use is applicable to nonfinancial assets and liabilities only. The guidance also permits the measurement of financial instruments managed in a portfolio to be measured at the price that would be received to sell or transfer between market participants at the measurement date. In addition, the guidance allows for the use of premiums and discounts in measuring an asset or liability in the absence of a Level 1 input. This guidance also requires additional disclosures for Level 3 measurements, including the valuation process used and the use of a nonfinancial asset in a way that differs from the asset's highest and best use. The Organization adopted the provisions of this guidance in 2013, which did not have a significant impact on the consolidated financial statements as it only requires additional disclosures

Notes to Consolidated Financial Statements (continued) (In Thousands)

1. Nature of Business and Significant Accounting Policies (continued)

In July 2011, guidance was issued that requires health care entities to reflect bad debt expense as a reduction to net patient revenue (net of contractual allowances and discounts) on the statements of operations and changed in net assets. In addition, the following disclosures are required for interim and annual reporting the policy for considering collectibility in the timing and amount of revenue and bad debt recognized, patient service revenue by payor source, and qualitative and quantitative information about changes in the allowance for doubtful accounts. The Organization adopted the provisions of this guidance on July 1, 2012, which did not have a significant impact on the consolidated financial statements.

Meaningful Use Revenue

The American Recovery and Reinvestment Act of 2009 established incentive payments under Medicare and Medicaid programs for certain eligible professionals, hospitals, and critical access hospitals (Providers) Providers can receive incentive payments by adopting, implementing, and upgrading electronic health records (EHR) technology Providers can also receive incentive payments for demonstrating meaningful use of EHR technology Upon satisfaction of the meaningful use criteria, using a grant accounting model, the Organization recognized \$7,600 and \$1,200 of these incentive payments within total operating revenue on the consolidated statements of operations and changes in net assets for the year ended June 30, 2013 and 2012, respectively If specified meaningful use criteria are achieved in future periods, the Organization may qualify for additional incentive payments

Reclassifications

Certain prior year amounts were changed to conform to the current year presentation There was no effect on the net assets of the Organization

2. Accounts Receivable

The Organization provides health care services through inpatient, outpatient, and ambulatory care facilities and grants credit to patients, substantially all of whom are local residents in the communities served by the Organization The Organization generally does not require collateral or other security in extending credit to patients, however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under their health insurance program, plans, or policies, including, but not limited to, Medicare, Medicaid, health maintenance organizations, and commercial insurance policies

Notes to Consolidated Financial Statements (continued) (In Thousands)

2. Accounts Receivable (continued)

As of June 30, 2013, the Hospital expects to collect approximately 59% of all amounts due from self-pay patients (including patients without insurance and patients with deductibles and copayment balances due for which third-party coverage exists for part of the bill) The allowance for uncollectible accounts is based upon management's assessment of historical and expected net collections considering business and general economic conditions in its service area, trends in health care coverage, and other collection indicators Throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon accounts receivable payor composition and historical write-off experience by payor category and other factors. The results of these reviews are then used to make any modifications to the provision for uncollectible accounts to establish an appropriate allowance for uncollectible accounts. After amounts due from third-party payors are satisfied and reasonable efforts to collect from the patient have been exhausted, the Organization follows established guidelines for placing certain past-due patient balances with collection agencies

The Organization has a program of factoring accounts receivable with recourse to a third party The Organization is obligated to repurchase factored receivables upon occurrence of certain conditions of the program Accordingly, the Organization accounts for the factoring as a secured borrowing, maintaining the factored receivables within other current assets at their net realizable value until receivables are collected by the third party. As of June 30, 2013 and 2012, a total of \$2,076 and \$4,412, respectively, of accounts receivable has been factored and still has recourse potential. The Organization has an allowance for recourse of \$112 and \$576 as of June 30, 2013 and 2012, respectively. Total factored receivables for the years ended June 30, 2013 and 2012, were \$4,922 and \$7,312, respectively.

Notes to Consolidated Financial Statements (continued) (In Thousands)

2. Accounts Receivable (continued)

The details of accounts receivable are set forth below

	June 30				
	2013			2012	
Accounts receivable	\$	204,952	\$	184,321	
Less					
Allowance for uncollectible accounts		14,715		15,344	
Allowance for contractual adjustments		110,499		97,627	
Allowance for charity care		5,640		6,270	
Net accounts receivable		74,098		65,080	
Other		9,418		8,540	
Total net accounts receivable	\$	83,516	\$	73,620	

The composition of receivables from patients and third-party payors is as follows

	June 30			
	2013	2012		
Medicare	48%	46%		
Blue Cross Blue Shield of Michigan	13	13		
Commercial insurance and HMOs	17	17		
Medicaid	8	10		
Self-pay	14	14		
Total	100%	100%		

3. Investments in Joint Ventures

Investments in joint ventures, primarily the Northwest Michigan Surgery Center, LLC, Houghton Lake Ambulatory Center, Great Lakes Mobile PET Services, Great Lakes Family Care, and War Memorial Munson Health Services, are not majority owned (the Organization has a 50% or less ownership in each) or controlled and are recorded using the equity method Equity in earnings or losses of such joint ventures is included in other operating revenue in the consolidated statements of operations and changes in net assets and totaled \$2,227 and \$2,225 for the years ended June 30, 2013 and 2012, respectively

Notes to Consolidated Financial Statements (continued) (In Thousands)

4. Property and Equipment

Cost of property and equipment and depreciable lives are summarized as follows

	June 30				
		2013	2012		
Land	\$	14,643 \$	13,813		
Land improvements		3,100	3,079		
Buildings		322,626	310,305		
Equipment		214,790	198,830		
Construction-in-progress		16,513	24,665		
Total cost		571,672	550,692		
Accumulated depreciation		(316,945)	(291,697)		
Total property and equipment, net	\$	254,727 \$	258,995		

Construction-in-progress at June 30, 2013, consists of costs associated with the construction of the cancer center and the creek relocation project, the central processing department expansion, the Building 29 renovation, and various other information technology and facility projects Construction-in-progress at June 30, 2012, consists of costs associated with the construction of the stereotactic radiosurgery suite, the off-site business center, and various other information technology and facility projects

Notes to Consolidated Financial Statements (continued) (In Thousands)

5. Long-Term Debt

Long-term debt is as follows

	June 30	
	 2013	2012
Obligated Group Revenue bonds payable to the County of Grand Traverse Hospital Finance Authority – Series 2011 The bonds are the joint and several obligations of the Obligated Group The bonds are payable from the revenue of the Obligated Group and are collateralized by its accounts and general intangibles		
 Series 2011A \$79.860, 3 00% fixed interest at June 30, 2013 Unamortized bond premium of \$352 at June 30, 2013 Series 2011B \$24.825, 3 55% variable interest at June 30, 2013 Series 2011C \$22,000, 2 63% fixed interest at June 30, 2013 	\$ 127,037 \$	128.713
Capital Lease Due in monthly installments totaling \$1, including interest at 5 07% annually This lease is collateralized by a security agreement on a specific piece of equipment	32	_
Other Entities Notes payable due in monthly installments totaling \$48, including interest at 5 78% annually. This note is collateralized by a mortgage, security agreement, and assignment of rents on specific real estate.	_	420
Total	127,069	129,133
Current portion	(2,010)	(2,080)
Long-term portion	\$ 125.059 \$	127.053

The Obligated Group variable rate revenue bonds are secured by letter of credit agreements in the amount of \$25,063 scheduled to terminate on August 10, 2016 Variable rate bonds are remarketed weekly, with the option to convert to an adjustable or fixed rate

In connection with the outstanding bond issues, the Organization has agreed to various covenants. These covenants include restrictions on transfer of assets, additional indebtedness, and maintenance of certain financial ratios

Notes to Consolidated Financial Statements (continued) (In Thousands)

5. Long-Term Debt (continued)

In August 2011, the Obligated Group extinguished the Series 1998A, Series 2001A, Series 2002A, Series 2005A, and Series 2005B Bonds and terminated swaps related to Series 2002A and 2005A with proceeds from the County of Grand Traverse Hospital Finance Authority Revenue Refunding Bonds Series 2011A (\$81,892, inclusive of a \$372 premium), the County of Grand Traverse Hospital Finance Authority Variable Rate Revenue Refunding Bonds Series 2011B (\$24,825), and the County of Grand Traverse Hospital Finance Authority Revenue Refunding Bonds Series 2011C (\$22,000)

Minimum principal payments on long-term debt to maturity as of June 30, 2013, are as follows

2014	\$ 2,023
2015	2,148
2016	2,236
2017 and thereafter	120,310
Total minimum payments	126,717
Plus unamortized bond premium	352
Net long-term debt	\$ 127,069

On March 1, 2013, Munson Healthcare (the Guarantor) entered into an agreement with a bank to guaranty approximately \$4,500 of an affiliate's debt. In the event of default, the Guarantor will be required to pay amounts owing to the bank. In the event advances are paid to the bank by the Guarantor, the affiliate will repay the Guarantor with interest accruing monthly at the bank's Prime Rate plus 1 00%. This is a continuing obligation of the Guarantor until said obligations are paid in full to the bank. As of June 30, 2013, no advances had been paid by the Guarantor

Notes to Consolidated Financial Statements (continued) (In Thousands)

6. Interest Rate Swap Agreements

The Organization maintains fixed payor and a basis interest rate swap agreements to manage interest rate risk exposure. The fixed payer interest rate swap agreement used by the Organization effectively modifies the Organization's exposure to interest rate risk by converting the Organization's floating rate debt to a fixed rate basis, thus reducing the effect of interest rate changes on future interest expense. These agreements involve the receipt of floating rate amounts in exchange for fixed rate interest payments over the life of the agreement without an exchange of the underlying principal amount. Outstanding interest rate swap agreements are as follows.

Notional	Termination				Market Value	at J	une 30		
Amount as of June 30, 2013	Date	Receives	Pays		2013		2012	Gai	n (Loss)
Basis swap \$30 000 000	Tune 2017	70 3% of 5-vear LIBOR	SIFMA Municipal Swap Index (0.06% at June 30. 2013)	s	1.344	\$	815	¢	529
Fixed payor swaps \$24 825 000	July 2028	67% of 30-day LIBOR	3 42° o		(3,751)	ų,	(5.430)	ų,	1 679
				8	(2,407)	\$	(4 615)	\$	2 208

The Organization's basis swap derivative instrument contains provisions that require the Organization's debt to maintain an investment-grade credit rating from each of the major credit rating agencies. If, on the measurement date, the Organization's debt was to fall below investment grade and the derivative instruments were in a net liability position in an amount exceeding a stated threshold, the counterparties to the derivative instrument could request immediate and ongoing full overnight collateralization. For the years ended June 30, 2013 and 2012, the Organization's basis swap was in a positive position, requiring no collateral to be posted for either of the years.

The Organization's fixed payor swap derivative instrument contains collateralization requirements if certain conditions exist At June 30, 2013, no collateral was required to be posted Under the interest rate swap transaction, various early termination events may occur, triggering an early termination payment An early termination event occurs upon the event of the Organization's rating downgrade and nonperformance or the rating downgrade of the swap insurer, as specified in the swap agreement

The interest rate swaps are recorded in other assets and other liabilities in the accompanying consolidated balance sheets

Notes to Consolidated Financial Statements (continued) (In Thousands)

6. Interest Rate Swap Agreements (continued)

The cash flows associated with the swap agreements flow through other operating expenses on the accompanying consolidated statements of operations and changes in net assets in the amount of \$665 and \$664 for the years ended June 30, 2013 and 2012, respectively

The changes in fair value are reported in the consolidated statements of operations and changes in net assets as part of excess of revenue over expenses. The unrealized gain (loss) in fair value of the basis swaps was \$2,208 and \$(4,061) for the years ended June 30, 2013 and 2012, respectively

7. Fair Value Measurements

Accounting Standards Codification (ASC) 820, Fair Value Measurement, provides a framework for measuring fair value of certain assets and liabilities and expands disclosures about fair value measurements. As defined in ASC 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement)

The carrying values of cash and cash equivalents, accounts receivable, third-party settlements, and accounts payable are reasonable estimates of fair value due to the short-term nature of these financial instruments. Investments are recorded at their fair value. At June 30, 2013 and 2012, the fair value of the Organization's long-term debt as estimated by discounted cash flow analyses using current borrowing rates for similar types of borrowing arrangements and adjusted for credit was approximately \$131,000 and \$135,000 (Level 2), respectively (see Note 5)

Notes to Consolidated Financial Statements (continued) (In Thousands)

7. Fair Value Measurements (continued)

Certain of the Organization's financial assets are measured at fair value on a recurring basis, including money market and fixed income and equity instruments. The three levels of the fair value hierarchy and a description of the valuation methodologies used for instruments, measured at fair value are as follows

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities as of the reporting date Level 1 primarily consists of cash and financial instruments, such as money market securities and listed equities

Level 2 – Pricing inputs other than quoted prices included in Level 1 that are either directly observable or that can be derived or supported from observable data as of the reporting date Instruments in this category include certain U S government agency and sponsored entity debt securities and interest rate swap contracts

Level 3 – Pricing inputs include those that are significant to the fair value of the financial asset or financial liability and are not observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

The following tables set forth by level within the fair value hierarchy the Organization's financial assets and liabilities that were accounted for at fair value on a recurring basis as of June 30, 2013 and 2012. The financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment, could be subject to change or variation, and may affect the valuation of fair value assets and liabilities and their classification within the fair value hierarchy levels

Notes to Consolidated Financial Statements (continued) (In Thousands)

7. Fair Value Measurements (continued)

The fair value of financial assets and liabilities measured on a recurring basis was determined using the following inputs at June 30, 2013

				Fair Value Measurements at Reporting Date Using						
	F :	air Market Value	Ac	oted Prices in tive Markets or Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)		Significant nobservable Inputs (Level 3)		
Assets								_		
Cash and cash equivalents	\$	57,440	\$	57,440	\$	_	\$	_		
Money market fund and depository funds										
held by a bank trust department		19,923		19,923		_		_		
Debt securities										
US government and government										
agency obligations		110,175		_		110,175		_		
Municipal obligations		69		_		69		_		
Corporate obligations		44,764		_		44,764		_		
Foreign obligations		977		_		977		_		
Common stocks										
U S equities		95,162		95,162		_		_		
Foreign equities		18,486		18,486		_		_		
Interest rate swap		1,344		_		1,344		_		
Accrued income and other		1,047		135		912				
Total assets		349,387	\$	191,146	\$	158,241	\$			
Liabilities										
Interest rate swap	\$	3,751	\$	_	\$	3,751	\$	_		
Total liabilities	\$	3,751	\$		\$	3,751	\$			

Notes to Consolidated Financial Statements (continued) (In Thousands)

7. Fair Value Measurements (continued)

The fair value of financial assets and liabilities measured on a recurring basis was determined using the following inputs at June 30, 2012

				Fair Value Measurements at Reporting Date Using						
	F	air Market Value	Ā	oted Prices in ctive Markets or Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)		Significant nobservable Inputs (Level 3)		
Assets										
Cash and cash equivalents	\$	66,905	\$	66,905	\$	_	\$	_		
Money market fund and depository funds										
held by a bank trust department		17,063		17,063		_		_		
Debt securities										
U S government and government										
agency obligations		76,897		_		76,897		_		
Corporate obligations		41,425		_		41,425		_		
Foreign obligations		931		_		931		_		
Common stocks										
U S equities		89,156		89,156		_		_		
Foreign equities		8,220		8,220		_		_		
Rights/warrants		31		31		_				
Interest rate swap		815		_		815		_		
Accrued income and other		968		968						
Total assets	\$	302,411	\$	182,343	\$	120,068	\$			
Liabilities										
Interest rate swap	\$	5,430	\$	_	\$	5,430	\$	_		
Total liabilities	\$	5,430	\$	_	\$	5,430	\$	_		

The fair value of cash and cash equivalents and money market funds are based on quoted market prices and classified as Level 1 The fair value of Level 1 trading securities is based on quoted market prices from an active exchange The fair value of Level 2 trading securities is based on third-party market quotes for similar securities and other observable inputs. The fair value of interest rate swaps is based upon forward interest rate curves, as adjusted for a credit valuation allowance.

Notes to Consolidated Financial Statements (continued) (In Thousands)

7. Fair Value Measurements (continued)

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

The following schedule summarizes the investment return and its classification in the consolidated statements of operations and changes in net assets for the years ended June 30, 2013 and 2012

	June 30			
		2013		2012
Return from				
Investment income	\$	4,763	\$	4,167
Realized gains on sale of investments, net		11,914		4,619
Change in unrealized gains (losses) on				
investments, net		3,783		(4,118)
Total	\$	20,460	\$	4,668
Classified as				
Other operating revenue	\$	418	\$	229
Other gain		18,650		4,121
Investment income on restricted net assets		1,392		318
Total	\$	20,460	\$	4,668

The Board of Trustees has designated assets for replacement, improvement, and expansion of tangible facilities in the amount of \$209,656 and \$190,432 as of June 30, 2013 and June 30, 2012, respectively Board designated assets are held in cash, cash equivalents, and investment securities

Notes to Consolidated Financial Statements (continued) (In Thousands)

8. Medical Malpractice Claims

Based on the nature of its operations, the Organization is at times subject to pending or threatened legal actions that arise in the normal course of its activities

The Organization is insured against medical malpractice claims under a claims-made policy, whereby only the claims reported to the insurance carrier during the policy period are covered regardless of when the incident giving rise to the claim occurred Terms of the policy require the Organization to be responsible for a deductible The Organization also bears the risk of the ultimate costs of any individual claims exceeding the policy limits for claims asserted in the policy year In addition to the primary layer of medical malpractice coverage, the Organization maintains a secondary layer of coverage through a segregated portfolio in an offshore captive insurance company An umbrella policy provides coverage in addition to the primary and secondary layers The reserve for estimated malpractice claims, recorded as other liabilities on the consolidated balance sheets, was approximately \$2,317 and \$2,089 at June 30, 2013 and 2012, respectively, including deductibles

If the claims-made policy was not renewed or replaced with equivalent insurance, claims based on the occurrences during the claims-made term, but reported subsequently, would be uninsured

The Organization is not aware of any medical malpractice claims, either asserted or unasserted, that would exceed the policy limits No claims have been settled during the past three years that have exceeded policy coverage limits. The cost of the Organization's insurance policy and any deductibles paid represent the Organization's cost for such claims for the year and have been charged to operations as a current expense.

Notes to Consolidated Financial Statements (continued) (In Thousands)

9. Retirement Plans

Munson Medical Center maintains a defined benefit pension plan and two separate retirement savings plans (RSP) covering substantially all of its employees as well as employees of certain affiliates Munson Medical Center bills its affiliates for pension costs based on a percentage of covered wages

The following table sets forth the funded status of the defined benefit pension plan and amounts recognized in the consolidated financial statements as of and for the years ended June 30, 2013 and 2012

		2013	2012
Change in benefit obligation of the plan			
Benefit obligation at beginning of the year	\$	332,121 \$	263,056
Service cost		9,302	7,748
Interest cost		13,984	14,644
Actuarial loss (gain)		(28,645)	52,717
Benefits paid		(6,950)	(6,044)
Benefit obligation at end of year		319,812	332,121
Change in assets of the plan			
Fair value of assets at beginning of year		213,025	198,771
Actual return on assets		20,065	5,298
Employer contributions		15,000	15,000
Benefits paid		(6,950)	(6,044)
Fair value of assets at end of year		241,140	213,025
Funded status (deficit) at end of year	\$	(78,672) \$	(119,096)
Amounts recognized in consolidated balance sheets			
Accrued pension obligation	\$	(78,672) \$	(119,096)
Accumulated adjustments to unrestricted net assets	Ψ	(10,012) 4	(115,050)
Net actuarial loss		86,349	127,880
Prior service cost		104	192
Net amount recognized	\$	7,781 \$	8,976

Notes to Consolidated Financial Statements (continued) (In Thousands)

9. Retirement Plans (continued)

	June 30		
	2013	2012	
Components of net pension benefit cost			
Service cost	\$ 9,302 \$	7,748	
Interest cost	13,984	14,644	
Expected return on assets	(16,774)	(16,732)	
Amortization of prior service cost	88	88	
Amortization of net loss	9,595	4,375	
Net periodic pension cost	\$ 16,195 \$	10,123	
Weighted-average actuarial assumptions to determine benefit cost were			
Discount rate for periodic pension costs	4.26%	5 64%	
Expected rate of return on plan assets	7.50%	8 00%	
Rate of compensation increase	3.25%	4 21%	

At June 30, 2013 and 2012, the discount rates were changed from 5 64% to 4 26% and 5 50% to 5 64%, respectively, decreasing the projected benefit obligation by approximately \$28,600 in fiscal 2013 and increasing the projected benefit obligation by approximately \$60,300 in fiscal 2012 At June 30, 2013 and 2012, the accumulated benefit obligation was \$292,174 and \$299,143, respectively

The Organization expects to contribute \$15,000 to its pension plan in 2014 The following benefit payments, which reflect expected future services, as appropriate, are expected to be paid

2014	\$ 8,885
2015	10,254
2016	11,755
2017	13,461
2018 - 2023	115,041

Notes to Consolidated Financial Statements (continued) (In Thousands)

9. Retirement Plans (continued)

The Organization's pension plan asset allocation at June 30, 2013 and 2012, by asset category as a percentage, is as follows

	Jun	e 30
	2013	2012
Equity securities	47%	43%
Debt securities	47%	48%
Cash equivalents	6%	9%

The goals of the investment program are to fully fund the obligation to pay retirement benefits in accordance with the plan documents and to provide returns that, along with appropriate funding from the Organization, maintain an asset/liability ratio that is in compliance with all applicable laws and regulations and assures timely payment of retirement benefits. Due to recent economic conditions, the Organization has delayed re-balancing to target allocations and is monitoring market conditions. The target allocation for each major category of plan assets is as follows

Equity securities	55%
Fixed income	45%

The expected long-term rate of return assumption is based on the mix of assets in the plan, the long-term earnings expected to be associated with each asset class, and the additional return expected through active management

Notes to Consolidated Financial Statements (continued) (In Thousands)

9. Retirement Plans (continued)

The following table presents the plan's financial instruments as of June 30, 2013, measured on a recurring basis within the fair value hierarchy as disclosed in Note 7

	Fair Value Measurements at June 30, 2013, Using													
		Fair Market Value	Ac	oted Prices in tive Markets or Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)							
Assets														
Money market funds – short-term														
investments	\$	13,577	\$	13,577	\$	_	\$	_						
Common stock														
U S equities		92,444		92,444		_		_						
Foreign equities		19,992		19,992		_	_							
Debt securities														
U S government and government														
agency obligations		62,122		_		62,122		_						
Corporate obligations		50,723		_		50,723		_						
Foreign obligations		1,263		_		1,263		_						
Municipal obligations		73		_		73		_						
Other		946		153		793	_							
Total assets	\$	241,140	\$	126,166	\$	114,974	\$	_						

Notes to Consolidated Financial Statements (continued) (In Thousands)

9. Retirement Plans (continued)

The following table presents the plan's financial instruments as of June 30, 2012, measured on a recurring basis within the fair value hierarchy as disclosed in Note 7

	Fair Value Measurements at June 30, 2012, Us													
		Fair Market Value	Ā	uoted Prices in ctive Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)							
Assets														
Money market funds – short-term														
investments	\$	20,038	\$	20,038	\$	_	\$	_						
Common stock														
US equities		82,497		82,497		_		_						
Foreign equities		8,604		8,604		_		_						
Debt securities														
U S government and government														
agency obligations		57,404		_		57,404		_						
Corporate obligations		42,481		_		42,481		_						
Foreign obligations		1,155		_		1,155		_						
Other		846		155		691		_						
Total assets	\$	213,025	\$	111,294	\$	101,731	\$	=						

Munson Medical Center maintains two separate RSPs

Employees who continue to accrue benefits under the defined benefit plan are eligible to defer under the first plan There is no employer-matching contribution under this plan

All employees who chose to freeze their benefit accruals in the Organization's defined benefit pension plan, employees hired after January 1, 2006, and those employees hired during 2005 who did not meet the eligibility requirements of the defined benefit plan participate in the second plan. The second plan allows for an employer-matching contribution up to a maximum of 100% of the participants' deferrals that did not exceed 67% of the participants' deferrals that did not exceed 3% of compensation, with an additional 3% discretionary contribution at year-end Accrued retirement benefits includes \$1,475 and \$1,088 at June 30, 2013 and 2012, respectively, for this plan

Notes to Consolidated Financial Statements (continued) (In Thousands)

9. Retirement Plans (continued)

Expenses charged to operations under these plans were \$5,393 and \$4,357 for the years ended June 30, 2013 and 2012, respectively

10. Postretirement Benefit Obligation

The Organization has a postretirement health plan that benefits certain employees Substantially all of the Organization's employees hired prior to December 31, 2005, may become eligible for benefits if they have 10 years of service after age 45 Under provisions of the plan, the Organization's liability is limited to a fixed amount per retiree, retirees are required to make monthly contributions and are liable for any increase in the cost of health care benefits. The plan is not funded Employees hired after December 31, 2005, are not eligible for the plan, as participation in the plan has been frozen as of that date

The following is information relating to this plan as of and for the years ended June 30, 2013 and 2012, the measurement dates for the plan

	June 30								
		2013	2012						
Benefit obligation and underfunded status	\$	(14,106) \$	(13,682)						
Employer contributions	\$	536 \$	496						
Benefits paid	\$	(536) \$	(496)						
Weighted-average assumptions Discount rate		4.26%	5 64%						

Notes to Consolidated Financial Statements (continued) (In Thousands)

10. Postretirement Benefit Obligation (continued)

The Organization expects to contribute \$668 to its postretirement plan in 2014 The following benefit payments, which reflect expected future services, as appropriate, are expected to be paid

2014	\$ 668
2015	748
2016	821
2017	887
2018	947
2019 - 2023	5,288

11. Functional Expenses

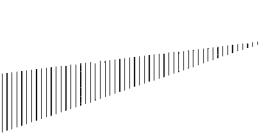
The Organization provides inpatient, outpatient, and long-term health care services to patients in northwest Michigan Expenses related to providing these services for the years ended June 30, 2013 and 2012, are as follows

	June 30									
	2013									
Health care services	\$	483,071	\$	447,468						
General and administrative		57,409		57,108						
Fundraising		1,237		1,126						
Total	\$	541,717	\$	505,702						

12. Subsequent Events

The Organization evaluated events and transactions occurring subsequent to June 30, 2013 through October 2, 2013, the date of issuance of the consolidated financial statements During this period, the Organization loaned Otsego Memorial Hospital (Otsego) approximately \$1,455, which will be repaid, with interest, over a 16-month term. The Organization also signed a non-binding commitment letter to guaranty debt (including accrued interest) of Otsego in the amount of \$18,000 with an anticipated guaranty term of 10 years. This loan and debt guarantee will strengthen the affiliation with Otsego, a key partner in the Munson Healthcare System Strategic Plan who has been a valued partner in delivering healthcare in the Organization's region

Supplementary Information





Ernst & Young LLP

Suite 600 171 Monroe Avenue NW Grand Rapids, MI 49503

Tel +1 616 774 0710 Fax +1 616 774 0190 www.ey.com

Report of Independent Auditors on Supplementary Information

The Board of Directors

Munson Healthcare and Subsidiaries

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole The consolidating balance sheet and statement of operations and changes in net assets are presented for purposes of additional analysis 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 our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole

October 2, 2013

1305-1080915

Ernst + Young LLP

Consolidating Balance Sheet (In Thousands)

June 30, 2013

Part					Munson Healthc	are Obligated G										
Carbon description Carbon		Medical Center and	Oliver Memorial Hospital and	Home Health and	Services, Inc. and	Flight,	Healthcare Regional		Eliminations	Obligated	Dialysis	Mobile Imaging,	Building Partnership	Michigan Supply Alliance,	Eliminations	Grand
Control of Control o																
Section Accordance 16.14 1.14																
Mathematic	•		\$ 4.601	\$ 3.388	\$ 862 \$	29	\$ 4.621	\$ 25	S - S		\$ 1.943	\$ 958	\$ 810	\$ 3	\$ -	
Post official line			-	-	_		_	_	_		_	-	_	-	_	
Property of the control of the con			2,154	3,962	1.170	1.370	2.554	191	_		556	277	-			83,516
Part			-			_	_	-	_		_	_	3		(1.195)	
Part			=				-		=		=	-			=	
Proper continues	Other current assets								_		3					
Mathematic 1288	Total current assets	192,895	6.996	7,705	3.933	1.523	7,175	1.926	-	222.153	2,502	1.235	823	3.311	(1.195)	228.829
Propersiment multiflation	Investments	209.695	6.640	2,775	_	=	18.807	12.744	(21.670)	228,991	_	=	=	=	_	
Poper and caupupment	Investments in joint ventures	1.288	-	_	_	_	_	2,850	_	4,138	-	_	_	_	_	4.138
Part	Investments in affiliates	-	-	_	-	-	_	5.712	(4,900)	812	_	_	_	-	(812)	
Politic sent Poli	Property and equipment, net	238,871	6.648	1.778	193	2,896	_	104	_	250,490	1.639	5	1.676	917	_	254,727
Current Hobilities	Other assets	6.132	319	-	1.202	-	10.514	_		18,167	_	_	_	-	_	18.167
Current habilities Current	Total assets	\$ 648,881	\$ 20,603	\$ 12,258	\$ 5,328 \$	4,419	\$ 36,496	\$ 23,336	\$ (26.570) §	724,751	\$ 4,141	\$ 1,240	\$ 2,499	\$ 4,228	\$ (2.007)	\$ 734,852
Trade accounts parable 14,905 434 265 373 183 25 192 - 16,377 24 149 7 1.584 - 18,141 Accord compensation 19,88 527 1.304 30 526 - 1.450 - 23,425 244 - 23,669 Accorded compensation 1,730 45 134 - 48 - 18,64 140 - 23,669 Accorded compensation 1,730 45 134 - 48 - 18,64 140 - 23,669 Accorded compensation 1,730 45 134 - 48 - 18,64 140 - 23,669 Accorded compensation 1,730 45 134 - 48 - 18,64 140 - 23,669 Accorded compensation 1,730 45 134 - 48 - 18,64 140 Accorded compensation 1,730 45 134 - 48 - 18,64 140 Accorded compensation 1,730 45 140 1,735 428 7,75 405 1,988 - 18,730 45 140 1,735 428 1,735 405 1,988 1,735 4,735 1,140 1,735 4	Current liabilities															
Accrued compensation 19.588 527 1.304 30 526 - 1.450 - 23.425 244 - 23.669 Accrued compensation 19.588 527 1.304 30 526 - 1.450 - 23.425 244 - 23.669 Accrued teniment benefits 1.730 45 1.34 - 48 - 196 - 2.153 2.153 Third-party settlements and reserves 10.884 275 10.889 Due to affiliates	9				-		_	•	S - S		_	-	-	-	\$ -	
Accused returnent benefits 1.730 45 134 - 48 - 196 - 2.153 2.153 Thind-parts settlements and reserves 10.584 275 10.889 10.889 10.889 12 1.180 (1.195) - 10.889	•						25		_		24	149	7		_	
Third-parts settlements and reserves 10.584 275 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889 10.889	•				30		_		_		_	_	_	244	_	
Due to diffilates				134	_	48	_	196	_		-	_	_	_	_	
Other current habilities 7.259 159 32 25 18 380 147 - 8.020 - 9 72 22 1.512 9.635 Total current habilities 56.076 1.440 1.735 428 775 405 1.988 - 62.847 24 158 91 3.030 317 66.467 Long-term debt. less current maturities 125.059 -	•	10.584	275	-	_	_	_	-	_		-	_			_	10.859
Total current habilities 56,076 1.440 1.735 428 775 405 1.988 - 62,847 24 158 91 3.030 317 66,467 Long-term debt, less current maturities 125,059 125,059 125,059 Accrued postretinement benefit obligation 14,106 14,106 14,106 14,106 Accrued pension obligation 78,672 1,876 1,876 6,314		-	-	-	_	_	_	_	_	_	-	_				-
Long-term debt. Less current maturities 125.059 - - - - - - - - -									=			,				
Accrued postetitement benefit obligation 78.672 14.106 14.106 Accrued pension obligation 78.672	Total current liabilities	56.076	1.440	1.735	428	775	405	1.988	_	62.847	24	158	91	3,030	317	66.467
Accrued pension obligation 78.672	Long-term debt, less current maturities	125,059	_	_	_	_	_	_	_	125.059	_	_	_	_	_	125,059
Other habilities 4.438 - - - - - - - 6.314 - - - 6.314 Total habilities 278.351 1.440 1.735 428 775 405 3.864 - 286.998 24 158 91 3.030 317 290.618 Net assets Unrestricted 348.864 15.786 10.523 4.900 3.644 2.793 19.472 (4.900) 401.082 4.117 1.082 2.408 1.198 (2.324) 407.563 Temporarily restricted 21.666 3.377 - - - 31.240 - (21.670) 34.613 - - - - - - - - - - - - - - - 2.058 Permanently restricted - - - - - - - - - - - - - -	Accrued postretirement benefit obligation	14,106	_	_	_	_	_	_	_	14,106	_	_	_	_	_	14,106
Total habilities 278.351 1.440 1.735 428 775 405 3.864 - 286.998 24 158 91 3.030 317 290.618 Net assets Unrestricted 348.864 15.786 10.523 4.900 3.644 2.793 19.472 (4.900) 401.082 4.117 1.082 2.408 1.198 (2.324) 407.563 Temporarily restricted 21.666 3.377 - - - 31.240 - (21.670) 34.613 - - - - - 34.613 Permanently restricted - - - - 2.058 - - 2.058 - - - - - - 2.058 Total net assets 370.530 19.163 10.523 4.900 3.644 36.091 19.472 (26.570) 437.753 4.117 1.082 2.408 1.198 (2.324) 444.234	Accided pension obligation	78.672	-	-	-	_	_	_	-	78,672	-	_	_	_	_	78,672
Net assets Unrestricted 348.864 15.786 10.523 4.900 3.644 2.793 19.472 (4.900) 401.082 4.117 1.082 2.408 1.198 (2.324) 407.563 Temporarily restricted 21.666 3.377 31.240 - (21.670) 34.613 34.613 Permanently restricted 2.058 2.058 Total net assets 370.530 19.163 10.523 4.900 3.644 36.091 19.472 (26.570) 437.753 4.117 1.082 2.408 1.198 (2.324) 444.234	Other liabilities	4,438	-	-	_	-	_	1,876	-	6,314	_	_	-	_	-	6,314
Unrestricted 348.864 15.786 10.523 4.900 3.644 2.793 19.472 (4.900) 401.082 4.117 1.082 2.408 1.198 (2.324) 407.563 Temporarily restricted 21.666 3.377 31.240 - (21.670) 34.613 34.613 Permanently restricted 2.058 2.058 Total net assets 370.530 19.163 10.523 4.900 3.644 36.091 19.472 (26.570) 437.753 4.117 1.082 2.408 1.198 (2.324) 444.234	Total liabilities	278.351	1.440	1.735	428	775	405	3.864	-	286,998	24	158	91	3,030	317	290.618
Unrestricted 348.864 15.786 10.523 4.900 3.644 2.793 19.472 (4.900) 401.082 4.117 1.082 2.408 1.198 (2.324) 407.563 Temporarily restricted 21.666 3.377 31.240 - (21.670) 34.613 34.613 Permanently restricted 2.058 2.058 Total net assets 370.530 19.163 10.523 4.900 3.644 36.091 19.472 (26.570) 437.753 4.117 1.082 2.408 1.198 (2.324) 444.234	Net assets															
Temporally restricted 21.666 3.377 - - - - 31.240 - (21.670) 34.613 - <		348,864	15,786	10,523	4,900	3,644	2,793	19,472	(4,900)	401,082	4,117	1.082	2,408	1.198	(2.324)	407,563
Permanently restricted - - - - - - 2.058 - - 2.058 - <th< td=""><td>Temporarily restricted</td><td>21,666</td><td>3,377</td><td>_</td><td>_</td><td>_</td><td>31,240</td><td>_</td><td>, ,</td><td>34,613</td><td>_</td><td>_</td><td>_</td><td>_</td><td>, ,</td><td></td></th<>	Temporarily restricted	21,666	3,377	_	_	_	31,240	_	, ,	34,613	_	_	_	_	, ,	
Total net assets 370.530 19.163 10.523 4.900 3.644 36.091 19.472 (26.570) 437.753 4.117 1.082 2.408 1.198 (2.324) 444.234	•	_	_	_	_	_		_	. ,		_	_	_	_	_	
		370,530	19,163	10,523	4,900	3,644		19,472	(26,570)		4,117	1,082	2,408	1,198	(2.324)	
	Total liabilities and net assets								, ,						<u> </u>	\$ 734,852

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

Year Ended June 30, 2013

			N	Aunson Healthcai	e Obligated	Group Entiti	es								
	Munson Medical Center and Subsidiaries	Paul Oliver Memorial Hospital and Subsidiary	Munson Home Health and Subsidiaries	Munson Services, Inc. and Subsidiary	North Flight, Inc.	Munson Healthcare Regional Foundation	Munson Healthcare	Munson Healthcare Eliminations		Munson Dialysis Center	Munson Mobile Imaging, Inc.	Munson Medical Building Partnership	Northern Michigan Supply Alliance, L.L.C.	Eliminations	Consolidated Grand Total
Unrestricted revenue															
Patient service revenue (net of															
contractuals and discounts)	\$ 481.528					\$ -	\$ -	\$ -		\$ 5.369	\$ 2.305	\$ -	\$ -	\$ -	\$ 555.712
Provision for uncollectible accounts	(19,680)	, ,	, .	, ,	(779)	_	_	_	(21,341)	(24)	_	7	_		(21,358)
Net patient service revenue	461,848	15.977	22.510		7.360	_	_	_	526,697	5,345	2.305		_	-	534,354
Other operating revenue	27.771	582	536		408	10	(166)	(22)	29,167	239	13	1,085	167	(1,408)	29,263
Total unrestricted revenue	489.619	16.559	23.046	19.050	7.768	10	(166)	(22)	555.864	5,584	2.318	1.092	167	(1.408)	563,617
Operating expenses															
Salaries and wages	191,007	4,904	13,394	713	4,334	_	6,030	_	220,382	_	_	_	2.844	_	223,226
Fringe benefits	62,560	1,723	3,695	106	1.330	_	1,827	_	71,241	_	_	_	927	_	72,168
Contract labor	2,832	1.327	274	2,318	18	854	2	(5.635)	1.990	2.311	_	_	363	(3.940)	724
Physician fees	17.938	969	_	_	_	_	_	_	18,907	_	_	_	_	_	18,907
Purchased services	25,183	2,222	1.449	450	1.236	204	1,605	(4.690)	27.659	361	1.547	95	217	(2.845)	27.034
Supplies	117,428	1,535	1.534	15,222	208	40	42	_	136,009	1,520	_	2	(15)	_	137.516
Occupancy	10.313	778	606	183	220	_	40	(49)	12.091	153	44	192	256	(899)	11.837
Equipment, software, and maintenance	16,607	245	259	46	913	24	146	_	18,240	19	275	_	134	_	18,668
Depreciation and amortization	27.203	1.019	169	138	566	_	78	_	29.173	164	42	209	128	_	29,716
Interest	5.004	_	_	_	_	_	_	_	5.004	_	_	9	_	_	5.013
Insurance	1.769	(59)	67	8	189	10	8	_	1.992	23	4	12	5	_	2.036
Other	4.930	548	1.063	161	99	105	507	_	7.413	111	145	(3)	65	_	7.731
	482,774	15.211	22,510	19,345	9,113	1,237	10,285	(10.374)	550,101	4,662	2.057	516	4,924	(7.684)	554,576
Less shared services revenue	17.276	1	_	173	84	1,227	5,997	(10.230)	14.528	100	_	_	4,757	(6,526)	12.859
Total expenses	465,498	15,210	22,510	19,172	9,029	10	4,288	(144)	535,573	4,562	2,057	516	167	(1,158)	541.717
Operating income (loss), net	24,121	1.349	536	(122)	(1.261)	_	(4.454)	122	20,291	1.022	261	576	_	(250)	21,900
Other gain, net	16,908	334	57	_	_	_	958	_	18,257	_	1	_	_	_	18,258
Swap market value changes	2,208	_	_	_	_	_	_	_	2,208	_	_	_	_	_	2,208
Excess (deficit) of revenue over															
expenses	\$ 43,237	\$ 1,683	\$ 593	\$ (122)	\$ (1,261)	\$ -	\$ (3,496)	\$ 122	\$ 40,756	\$ 1,022	\$ 262	\$ 576	\$ -	\$ (250)	\$ 42,366

39

Consolidating Statement of Operations and Changes in Net Assets (continued) (In Thousands)

Year Ended June 30, 2013

		Munson Healthcare Obligated Group Entities													Other Munson Healthcare Entities								
	N Ce	Aunson Aedical enter and bsidiaries	Paul Oliver Memorial Hospital and Subsidiary	Munson Home Health and Subsidiari		Munson Services, Inc. and Subsidiary	North Flight, Inc.	Munson Healthcare Regional Foundation	Munson Healthcare	Eliminations	Total Obligated Group		Munson Dialysis Center	Munson Mobile Imaging, Inc.	Munson Medical Building Partnership	Northern Michigan Supply Alliance, L.L.C.	Eliminations		nsolidated Grand Total				
Unrestricted net assets																							
Excess (deficit) of revenue over expenses	\$	43,237		\$ 5	93 \$	(122) \$	(1.261)		\$ (3.496)			\$	1,022	\$ 262	\$ 576	\$ -	\$ (250)	\$	42.366				
Net assets released from restriction		195	906		_	_	_	2.473	_	(2.238)	1.336		_	_	_	_	_		1.336				
Transfer (to) from affiliates		(3.200)	(1,000)		_	_	1.150	_	3,850	_	8()()		(500)	(300)	_	_	_		_				
Pension and other postretirement benefit-		_	-		_	_	_	-	_	_	_		_	_	_	_	_		_				
related changes other than		_	-		_	_	_	-	_	_	_		_	_	-	_			_				
net periodic pension costs		41,110	-		_	_	_	_	_	_	41,110		_	_	_	_	_		41,110				
Grant distributions		_	174		_	_	_	(2.473)	_	2,238	(61)	_	_	_	_			(61)				
Increase (decrease) in unrestricted net assets		81,342	1.763	Ś	193	(122)	(111)		354	122	83.941		522	(38)	576	-	(250)		84.751				
Temporarily restricted net assets																							
Contributions		_	275		_	=	_	16,758	-	-	17,033		_	=	-	-	=		17,033				
Pledge discounts, allowances,																							
and other adjustments		(4)	58		_	=	_	(3.714)	_	=	(3,660))	_	_	_	_	=		(3.660)				
Investment income		_	88		_	_	_	1.293	_	_	1.381		_	_	_	_	_		1.381				
Change in interest in net assets of foundation		12,832	-		_	=	_	=	-	(12,832)	-		_	=	-	-	=		-				
Net assets released from restriction		(666)	(906)		-	_	_	(2.473)	_	666	(3,379)	_	_	_	_	_		(3.379)				
Change in temporarily restricted net assets		12,162	(485)		-	_	-	11.864	-	(12,166)	11.375		-	-	-	-	-		11.375				
Permanently restricted net assets								11			1.1								11				
Investment income Other adjustments		_	_		_	_	_	11 315	_	_	11 315		_	_	_	_	_		11				
Change in permanently restricted net assets								326			326	- —							315 326				
Change in permanentiv restricted het assets					_			320			320	- —							320				
Increase (decrease) in net assets		93,504	1.278	5	93	(122)	(111)	12,190	354	(12.044)	95.642		522	(38)	576	_	(250)		96,452				
Net assets, beginning of period		277,026	17,885	9.9	3()	5,022	3,755	23,901	19,118	(14.526)	342,111		3,595	1,120	1.832	1,198	(2.074)		347.782				
Net assets, end of period	\$	370,530	\$ 19,163	\$ 10,5	23 \$	4,900 \$	3,644	\$ 36,091	\$ 19,472	\$ (26,570)	\$ 437,753	\$	4,117 \$	1,082	\$ 2,408	\$ 1,198	\$ (2,324)	\$	444,234				

Ernst & Young LLP

Assurance | Tax | Transactions | Advisory

About Ernst & Young

Ernst & Young is a global leader in assurance, tax, transaction and advisory services
Worldwide, our 144,000 people are united by our shared values and an unwavering commitment to quality. We make a difference by helping our people, our clients and our wider communities achieve their potential.

For more information, please visit www ey com

Ernst & Young refers to the global organization of member firms of Ernst & Young Global Limited, each of which is a separate legal entity Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. This Report has been prepared by Ernst & Young LLP, a client serving member firm located in the United States.

