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DLN: 93493107000084

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

Open to Public Inspec<u>tio</u>n

The organization may have to use a copy of this return to satisfy state reporting requirements Internal Revenue Service A For the 2012 calendar year, or tax year beginning 07-01-2012 , 2012, and ending 06-30-2013 Name of organization
ASPIRUS WAUSAU HOSPITAL Inc D Employer identification number **B** Check if applicable Address change 39-1138241 Doing Business As Name change Initial return Number and street (or P O box if mail is not delivered to street address) Room/suite E Telephone number 333 Pine Ridge Blvd Terminated (715)847-2988 Amended return City or town, state or country, and ZIP + 4 Wausau, WI 54401 Application pending **G** Gross receipts \$ 365,397,166 Name and address of principal officer **H(a)** Is this a group return for Darrell Lentz ┌ Yes 🗸 No affiliates? 333 Pine Ridge Blvd Wausau, WI 54401 **H(b)** Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions) **▽** 501(c)(3) **▽** Tax-exempt status ☐ 4947(a)(1) or ☐ 527 501(c) () ◀ (insert no) H(c) Group exemption number ► Website: ► www aspirus org L Year of formation 1970 M State of legal domicile WI Part I Summary Briefly describe the organization's mission or most significant activities
ASPIRUS IS AN INTEGRATED, COMMUNITY-GOVERNED HEALTHCARE SYSTEM WHICH leads by advancing initiatives dedicated to improving the health of all we serve Activities & Governance 2 Check this box 📂 if the organization discontinued its operations or disposed of more than 25% of its net assets 3 Number of voting members of the governing body (Part VI, line 1a) . . . 17 4 11 4 Number of independent voting members of the governing body (Part VI, line 1b) . 5 2,641 Total number of individuals employed in calendar year 2012 (Part V, line 2a) . Total number of volunteers (estimate if necessary) 6 658 7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 1,153,041 **b** Net unrelated business taxable income from Form 990-T, line 34 72,760 **Prior Year Current Year** Contributions and grants (Part VIII, line 1h) . 543.612 528,760 352,474,883 345,289,439 Program service revenue (Part VIII, line 2g) . 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 7,634,324 5,225,570 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 2,899,438 2,959,388 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12 363,552,257 354,003,157 13 96,808 Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . 126,208 14 Benefits paid to or for members (Part IX, column (A), line 4) 0 0 Salaries, other compensation, employee benefits (Part IX, column (A), lines 15 Expenses 140,137,735 144,103,683 5-10)16a Professional fundraising fees (Part IX, column (A), line 11e) . . . 0 0 b Total fundraising expenses (Part IX, column (D), line 25) \blacktriangleright 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 182,560,951 184,919,509 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 322,824,894 329,120,000 19 Revenue less expenses Subtract line 18 from line 12 . 40,727,363 24,883,157 Assets or d Balances **Beginning of Current End of Year** 20 Total assets (Part X, line 16) . 396,800,774 438,097,350 Net y 21 Total liabilities (Part X, line 26) 137,923,004 155,620,921 22 Net assets or fund balances Subtract line 21 from line 20 258,877,770 282,476,429 Signature Block Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge 2014-04-16 Signature of officer Date Sian Here SIDNEY C SCZYGELSKI SR VP FINANCE/CFO/ASST TREAS Type or print name and title Date Print/Type preparer's name Preparer's signature PTIN Check Γ self-employed Paid Firm's name FRNST & YOUNG US LLP Firm's EIN 🕨 **Preparer**

Use Only

Firm's address ► 111 MONUMENT CIRCLE STE 4000

INDIANAPOLIS, IN 46204 May the IRS discuss this return with the preparer shown above? (see instructions) Phone no (317) 681-7000

□Yes □No

Par	t III	Statement of Program S Check if Schedule O contains a				
1	Briefl	y describe the organization's mis	sion			
DED	ICATE		H OF ALL WE SERV	/E WE WORK COLLA	WHICH LEADS BY ADVANCIN BORATIVELY WITH OTHERS W	
2	the pr	e organization undertake any sig ior Form 990 or 990-EZ?				┌ Yes ┌ No
	If "Ye	s," describe these new services	on Schedule O			
3		e organization cease conducting			nducts, any program	┌ Yes ┌ No
	If "Ye	s," describe these changes on S	chedule O			
4	expen		(c)(4) organization:	s are required to repor	ree largest program services, as t the amount of grants and alloca	
4a	(Code	, , ,	226,237,394 HOSPITAL SERVICES FO	including grants of \$ OR residents of Wausau and	102,808) (Revenue \$ d the surrounding communities regardles	347,408,746) ss of ability to pay
4b	(Code) (Expenses \$		including grants of \$) (Revenue \$)
4c	(Code	e) (Expenses \$		ıncludıng grants of \$) (Revenue \$)
	O + l.	w www warm a switcher /Decemb	Cabadula C \			
4d		r program services (Describe in enses \$	including grants o	f \$) (Revenue \$)
4e	Tota	l program service expenses 🕨	226,237,394			

art IV	Checklist of	Required	Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 📆	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		N o
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV^{\square}	9		No
LO	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10		No
l1	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		N o
е	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
L2a	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	
L3	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		Νo
l4a	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
L5	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
l6	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
L7	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		No
L9	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		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
а	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

- 11	Statements Regarding Other 1RS Filings and Tax Compliance			
	Check if Schedule O contains a response to any question in this Part V	•	Yes	No
1	Enter the number reported in Box 3 of Form 1096 Enter -0 - if not applicable 1a 327		103	- 110
	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?	1 c	Yes	
	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	
1	Did the organization have unrelated business gross income of \$1,000 or more during the year?	За	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
	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?			
	, , , , , , , , , , , , , , , , , , , ,	5c		
	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		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	7a		N
	services provided to the payor?	7a 7b		
	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to			
	file Form 8282?	7c		N
	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit			
	contract?	7e		N
	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		N
	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	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?	8		
	Sponsoring organizations maintaining donor advised funds.			
	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			
	Section 501(c)(29) qualified nonprofit health insurance issuers.	1		
	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		
ı	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	1		
	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		

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

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	Yes	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? $$.	5		Νo
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		No
	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	
	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
	The governing body?	8a	Yes	
	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	<u>even</u> u		
10-	Did the example tion have lead chanters, branches or offlicted?	10a	Yes	No
	Did the organization have local chapters, branches, or affiliates?	10a		No
	affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing	10b		
114	the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
	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)			
	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	
Ь	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes	
Se	ection C. Disclosure			
17	List the States with which a copy of this Form 990 is required to be filed▶WI			

Own website Another's website Vipon request Other (explain in Schedule O)

Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

State the name, physical address, and telephone number of the person who possesses the books and records of the organization FSIDNEY C SCZYGELSKI 333 PINE RIDGE BLVD Wausau, WI (715) 847-2250

Form	990	(2012)
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Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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	1								
(A) Name and Title	(B) A verage hours per week (list any hours for related	more t perso and	han o	one l both ector	box, an o	officer stee)		(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
	organizations below dotted line)	Individual trustae or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	2,1033 HI3C)		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) Average hours per week (list any hours	more t	tion (han d on is	ne l both	box, an	heck unless officer stee)		(D) Reportable compensation from the organization (W-	(E) Reportable compensation from related organizations (W	-	(F) Estima imount o compens from t	ited fother sation :he
		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)		rganizati relati organiza	ed
1b	Sub-Total							▶					
C	Total from continuation sheet	_			•	•	•	•	2,937,662	4,421,04	11		1,112,660
d 	Total (add lines 1b and 1c). Total number of individuals (in						d abov				-1		1,112,000
-	\$100,000 of reportable compo						u ubo v	c , ,,	no received more cr	ıan			
												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	Yes	
4	For any individual listed on lin organization and related organ individual										4	Yes	
5	Did any person listed on line 1									or individual for	-	1	
	services rendered to the orgai	nization? <i>If</i> "Yes	," compl	ete S	ched	ule 3	lforsu	ch pe	erson	[5		No
Se	ection B. Independent Co	ntractors											
1	Complete this table for your fire	ve highest comp										tav usa:	

(A) Name and business address	(B) Description of services	(C) Compensation
Wisconsin Emergency Medical , 333 Pine Ridge Blvd WAUSAU WI 54401	ER physicians	6,535,699
GE Medical Systems , 8200 W Tower Avenue MILWAUKEE WI 53223	EQUIP MAINTENANCE	2,700,458
Hospitalist Medicine , PO Box 645037 CINCINNATI OH 452645037	CONTRACT PHYSICIANS	2,253,507
Cheryl A Swanson DBA Rain Resource , PO Box 131463 ROSEVILLE MN 551130013	EPIC CONSULTANTS	2,123,727
Judges Inc , PO Box 756 PLOVER WI 54467	LAUNDRY SERVICES	1,948,783
Total number of independent controlling (including but not limited to those li	isted shave \ who recoved more than	

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 -213

		Check If Schedi	of Revenue ule O contains a respor	se to any question	(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512,513,or 514
s ts	1a	Federated cam	paigns 1a					
ant	ь	Membership du	ies 1b					
, Gr Amo	С	Fundraising eve	ents 1c					
iffs Iar /	d	Related organiz	zations 1d	528,760				
s, G imil	e	Government grant	s (contributions) 1e					
Contributions, Gifts, Grants and Other Similar Amounts	f	sımılar amounts no			ļ			
ntril 4 Ot	g	Noncash contribution 1a-1f \$	ons included in lines					
Cont and	h	Total. Add lines	s 1a-1f	· · · •	528,760			
e				Business Code				
Program Serwce Revenue	2a	PATIENT SERVICE	REVENUE	621400	277,525,183	277,525,183		
Реч	Ь	LAB REVENUE		621400	55,598,356	55,312,192	286,164	
мсе	С	RENTAL REVENUE		532000	4,911,234	4,911,234		
Seri	d	CONTRACT SERVIO		621400	4,238,665	4,238,665		
an	e	MOBILE UNIT REVE		621400	525,207	525,207		
rogr	f	All other progra	am service revenue		2,490,794	2,490,794		
	g		s 2a-2f		345,289,439			
	3		ome (including dividen ar amounts)		6,556,100			6,556,100
	4	Income from inves	stment of tax-exempt bond	proceeds 🕨	0			
	5	Royalties			0			
	6a	Gross rents	(ı) Real	(II) Personal				
	Ь	Less rental						
	l c	expenses Rental income	0	0				
	ď	or (loss)	me or (loss)		0			
	"	Wee remaining	(ı) Securities	► (II) O ther				
	7a	Gross amount from sales of assets other than inventory	10,029,116	34,363				
	Ь	Less cost or other basis and	11,386,442	7,567				
	l c	sales expenses Gaın or (loss)	-1,357,326	26,796				
	d	Net gain or (los			-1,330,530	26,796		-1,357,326
en e	8a	Gross income f	rom fundraising	·				
Other Revenue		\$of contributions See Part IV , lin	s reported on line 1c)					
the	ь	Less direct ex	penses b					
ō	С		(loss) from fundraising	events 🛌	0			
	9a	Gross income f See Part IV, lin	rom gaming activities ne 19 a					
	b c		penses b (loss) from gaming acti	vities	0			
	10a	Gross sales of returns and allo	owances .	-				
	b c		oods sold b (loss) from sales of invo	entory	ol			
	٣	Miscellaneous		Business Code	<u> </u>			
	11a		IN WESTWOOD	523000	384,953		384,953	
	ь	CAFETERIA A		722210	1,571,665	1,447,342	124,323	
	С	PHONE RENTA		561439	217,123		217,123	
	d		ue		785,647	645,169	140,478	
	e	Total. Add lines	s 11a-11d	🕨	2,959,388			
				<u> -</u>				

Form 990 (2012) Page **10** Part IX Statement of Functional Expenses Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) Check if Schedule O contains a response to any question in this Part IX (D) (B) (C) Do not include amounts reported on lines 6b, (A) Program service Management and Fund raising 7b. 8b. 9b. and 10b of Part VIII. Total expenses expenses general expenses expenses Grants and other assistance to governments and organizations in the United States See Part IV, line 21 96,808 96,808 Grants and other assistance to individuals in the United States See Part IV, line 22 0 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16 0 Benefits paid to or for members 0 Compensation of current officers, directors, trustees, and 2,993,050 2,993,050 key employees Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . 108,370,744 Other salaries and wages 76,011,240 32,359,504 Pension plan accruals and contributions (include section 401(k) 5,530,632 3,879,185 1,651,447 and 403(b) employer contributions) Other employee benefits 19,536,503 13,702,903 5,833,600 10 7,672,754 5,381,670 2,291,084 11 Fees for services (non-employees) Management 2,923,715 2,923,715 338,643 338,643 Legal 310,577 310,577 0 0 Professional fundraising services See Part IV, line 17 Investment management fees 46,606 46,606 Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on 33,161,076 23,259,179 9,901,897 Schedule O) Advertising and promotion . . 2,248,039 1,576,775 671,264 12 13 Office expenses . . . 66,953,231 46,960,996 19,992,235 14 Information technology . . 0 15 0 Royalties . . 9,430,813 2,816,041 16 Occupancy 6,614,772 **17** 419,647 294,340 125,307 Travel 18 Payments of travel or entertainment expenses for any federal, state, or local public officials 0 749,613 19 Conferences, conventions, and meetings . 525,779 223,834 20 1,444,657 1,013,282 431,375 Payments to affiliates 21 O 13,351,748 22 Depreciation, depletion, and amortization . 9,364,916 3,986,832 23 126,771 88,917 37,854 24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O) a CORP & CLINIC ALLOCATION 31,796,697 22,302,203 9,494,494 **HOSPITAL TAX** 8,855,978 6,211,583 2,644,395 c BAD DEBT 4,266,931 2,992,825 1,274,106 d EQUIPMENT RENTAL & MAINTENANCE 3,043,059 2,134,401 908,658 5,451,708 3,825,620 1,626,088 e All other expenses Total functional expenses. Add lines 1 through 24e 25 329,120,000 226,237,394 102,882,606 0 Joint costs. Complete this line only if the organization 26 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

Pai	rt 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	44,681,380	1	45,251,024
	2	Savings and temporary cash investments	4,795,000	2	5,088,000
	3	Pledges and grants receivable, net	0	3	0
	4	Accounts receivable, net	45,666,342	4	44,592,558
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	o	5	0
ts	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		J	
Assets	_		0	6	0
Ą	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	5,939,229	8	5,506,347
	9	Prepaid expenses and deferred charges	1,301,311	9	1,532,008
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D 10a 324,121,591			
	b	Less accumulated depreciation 10b 190,921,368	120,948,101	10c	133,200,223
	11	Investments—publicly traded securities	156,351,141	11	189,807,968
	12	Investments—other securities See Part IV, line 11	0	12	0
	13	Investments—program-related See Part IV, line 11	2,691,986	13	2,988,934
	14	Intangible assets	0	14	0
	15	Other assets See Part IV, line 11	14,426,284	15	10,130,288
	16	Total assets. Add lines 1 through 15 (must equal line 34)	396,800,774	16	438,097,350
	17	Accounts payable and accrued expenses	23,025,786	17	26,677,968
	18	Grants payable	0	18	0
	19	Deferred revenue	0	19	0
	20	Tax-exempt bond liabilities	100,620,000	20	119,200,000
8	21	Escrow or custodial account liability Complete Part IV of Schedule D	0	21	0
Liabilitie	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified			
<u> </u>		persons Complete Part II of Schedule L	0	22	0
	23	Secured mortgages and notes payable to unrelated third parties	0	23	0
	24	Unsecured notes and loans payable to unrelated third parties	0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule	14,277,218	25	9,742,953
	26	D	137,923,004	26	155,620,921
	20	Organizations that follow SFAS 117 (ASC 958), check here ▶ 🔽 and complete	137,323,004	20	130,020,921
Fund Balances	27	lines 27 through 29, and lines 33 and 34. Unrestricted net assets	258,877,770	27	282,476,429
<u>ଅ</u>	28	Temporarily restricted net assets	230,077,770	28	0
<u>a</u>	29	Permanently restricted net assets	0	29	
Ĭ	29	·	0	29	
or Fi		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	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
Net	33	Total net assets or fund balances	258,877,770	33	282,476,429
	34	Total liabilities and net assets/fund balances	396,800,774	34	438,097,350 Form 990 (2012)

Par	Reconcilliation of Net Assets Check if Schedule O contains a response to any question in this Part XI				
1	Total revenue (must equal Part VIII, column (A), line 12)	1		354,0	003,157
2	Total expenses (must equal Part IX, column (A), line 25)	2		320 .	120,000
3	Revenue less expenses Subtract line 2 from line 1			329,1	.20,000
_		3	3 24,883,15		383,157
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4		258,8	377,770
5	Net unrealized gains (losses) on investments	5		124	522,248
6	Donated services and use of facilities			12,0	722,240
	-	6			
7	Investment expenses	7			
8	Prior period adjustments	8			
9	Other changes in net assets or fund balances (explain in Schedule O)	•			
		9		-13,9	906,746
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10		282,4	176,429
Par	t XII Financial Statements and Reporting	•			
	Check if Schedule O contains a response to any question in this Part XII				. \sqsubset
				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 review a separate basis, consolidated basis, or both	wed 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 sepa basis, consolidated basis, or both	rate			
	☐ 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 oversight audit, review, or compilation of its financial statements and selection of an independent accountant?	t of the	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	1			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	е	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the reaudit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	equired	3b		

Software ID: Software Version:

EIN: 39-1138241

Name: ASPIRUS WAUSAU HOSPITAL Inc

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

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	dıre	than	o not one son i er an trust	box s bo d a tee)	, th	Ι	(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 employee	Former			organizations	
JON G KRUEGER CHAIR	10	х		х				0	0	0	
KATHY J STASSER VICE CHAIR	10	х		х				0	0	0	
STEPHEN B STINE MD SECRETARY	1 0	х		х				0	0	0	
BRIAN J PRUNTY TREASURER	1 0	х		х				0	0	0	
CHIP COURTNEY BOARD MEMBER	1 0 1 0	x						0	0	0	
KATHY KELSEY FOLEY BOARD MEMBER	10	х						0	0	0	
STEPHEN P FOX MD BOARD MEMBER	10	х						0	0	0	
DAVID M HECK BOARD MEMBER	10	х						0	0	0	
RONALD L KLIMISCH BOARD MEMBER	1 0 1 0	х						0	0	0	
JEFFREY M NEHRING BOARD MEMBER	10	×									
TODD R NICKLAUS BOARD MEMBER	10	×						0	0	0	
CHRISTOPHER A REISING MD BOARD MEMBER	1 0 1 0	х						0	0	0	
THOMAS RENGEL MD BOARD MEMBER/PHYSICIAN	39 0 1 0	х						432,476	0	19,124	
MATTHEW D ROWE BOARD MEMBER	10	х						0	0	0	
BRIAN D SMITH MD BOARD MEMBER/PHYSICIAN	1 0 39 0	х						0	329,723	48,416	
THOMAS A VOELKER MD BOARD MEMBER/PHYSICIAN	1 0 39 0	х						0	324,472	44,543	
LISA WESTPHAL BOARD MEMBER	10	x						0	0	0	
FERNANDO A RIVERON MD BOARD MEMBER	10	x						0	0	0	
ROBERT J BERNKLAU BOARD MEMBER	10	X						0	0	0	
MARK A VOSS MD BOARD MEMBER	10	x						0	0	0	
DUANE L ERWIN AI PRES/CEO/EX OFFICIO	1 0 39 0			х				0	807,484	134,626	
SIDNEY C SCZYGELSKI SR VP FINANCE/CFO/ASST TREAS	1 0 39 0			х				0	390,057	79,956	
MARITA HATTEM INTERIM PRESIDENT	39 0 1 0			х				247,460	0	41,037	
JACOB KEMPEN vp clinical services	40 0 0 0				х			185,340	0	18,135	
NORMA JEAN BURGENER VP EXTENDED SERVICES	40 0 0 0				x			180,489	0	37,589	

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest

Compensated Employees, and Independent Contractors (A) (B) (C) (D) (E) (F) Name and Title Position (do not check Reportable Reportable Estimated amount Average hours more than one box, compensation compensation of other unless person is both from the from related compensation per an officer and a organization (Worganizations (Wfrom the week director/trustee) 2/1099-MISC) 2/1099-MISC) organization and (list any related Highest compensated employee Former Individual to director Institutional Trustee hours organizations for employee related organizations trustee below dotted line) 40 0 KATHRYN J DRENGLER Х 219,581 0 48,439 VP patient care/CNO 0 0 0 0 ROGER LUCAS Χ 0 265,458 54,232 vp human resources 40 0 40 0 JEANNE D SCINTO 202,025 0 Χ 48,174 VP CORP QUALITY & PT SVCS 0 0 0 0 RICK L NEVERS Χ 0 245,545 61,758 VP of marketing/planning 40 0 0 0 DEAN DANNER Х 0 307,442 42,541 SVP COO of ACI 40 0 0 0 Todd Richardson Χ 0 234,425 6,765 VP & Chief Information Officer 40 0 40 0 JOEL RUEBER THRU 11913 Х 220,594 0 31,114 EXEC DIR ASPIRUS NETWORK 0 0 40 0 CATHERINE WALDVOGEL Х 164,337 0 32,311 registered nurse 0 0 40 0 RAYMOND WERY Х 172,057 0 34,482 medical physicist consultant 0 0 40 0 GREGG SILBERG Х 182,994 0 6,944 Chief Academic Officer-Dean 0 0 40 0 Bruce Hasselquist Х 168,303 27,660 0 Medical Physicist Consultant 0 0 0 0 RICK R REDING Х 0 331,098 42,393 Former board member 40 0 0 0 Robert Milican 0 Χ 239,503 44,694 Former Board Member 40 0 0 0 Wendy Hanneman Х 0 515,930 43,591 FORMER BOARD MEMBER 40 0 0 0 Robert Erickson Χ 0 28,035 0 FORMER BOARD MEMBER 0 0 39 0 Diane Postler-Slattery 458,465 0 Х 81,546 former officer 10 0 0 JEANNE ROWE Х 103,541 0 3,901 FORMER KEY EMPLOYEE 0 0 0 0 **GERALD MOUREY** Х 0 171,122 27,767 FORMER KEY EMPLOYEE 0 0 0 0 CARI LOGEMANN Χ 230,747 50,922 FORMER KEY EMPLOYEE 40 0

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493107000084

Employer identification number

OMB No 1545-0047

SCHEDULE A

(Form 990 or 990EZ)

Name of the organization

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.

Inspection

ASPIR	JS WA	USAU HOS	PITAL Inc									
					- (.11				39-11382			
	rt I			blic Charity Sta						<u>istructions</u>		
	organı —		•	te foundation becaus	•			•	•			
1	<u> </u>		•	ion of churches, or a				ection 170(1)(1)(A)(I).			
2				d in section 170(b)(1			•	470/b)/4)	(.) (!!!)			
3	<u> </u>			perative hospital se						43/43/:::3 5		
4				h organization opera ity, and state	tea in conjun	iction with a	nospitai desc	cribed in sec	tion 170(B)(1)(A)(III). E	nter the	
5	Г			erated for the benefi	t of a college	or universit	y owned or o	perated by a	a government	al unit desc	ribed in	
	·	_	<u>.</u>	(A)(iv). (Complete P	_				-			
6	Г			local government o	*	tal unit desc	rıbed ın secti	on 170(b)(1	L)(A)(v).			
7	Γ			at normally receives						om the gen	eral publi	С
	_			on 170(b)(1)(A)(vi).								
8	<u> </u>		-	: described in sectio			•	-			_	
9	ı			at normally receives								SS
				rities related to its e								
				oss investment inco						tax) from bu	isinesses	
4.0	_			ganızatıon after June 								
10	_	_		ganized and operated							LL	
11	ı			ganized and operated ly supported organiz								
		the box that describes the type of supporting organization and complete lines 11e through 11h a Type I b Type II c Type III - Functionally integrated d Type III - Non-functionally integrated										
		a	Type I	b	┌ Type II	I - Function	ally integrate	d d [Type III - No	n-functiona	lly integr	ated
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	ions describ	ed in section	n 509(a)(1)or
f				received a written de	etermination	from the IR:	S that it is a	Type I, Typ	e II, or Type	III supporti	ng organi	zation,
		check	this box									厂
g				2006, has the organ	ızatıon accep	oted any gift	or contributi	on from any	of the			
			ng persons? erson who d	rectly or indirectly o	ontrols, eith	er alone or t	oaether with	persons des	scribed in (ii)		Yes	No
				governing body of th				•	,	11g		
				er of a person descr		_				11g		
		(iii) A	35% contro	lled entity of a perso	n described	ın (ı) or (ıı) a	above?			11g((iii)	
h		Provide	e the followi	ng information about	the supporte	ed organizat	ion(s)				l .	
											_	
_) Nan		(ii) EIN	(iii) Type of	(iv) Is t		(v) Did you	•	(vi) Is			nount of
	uppo	rted ation		organization (described on	organızatı col (i) lıs		the organiz		organizati col (i) org			etary port
O.	yanız	ation		lines 1- 9 above	your gove		suppor	•	in the U		Sup	port
				or IRC section	docume	_						
				(see							_	
				instructions))	Yes	No	Yes	No	Yes	No		

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 organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported									
	organization				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,						
/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: 93493107000084

OMB No 1545-0047

Inspection

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.

Political Campaign and Lobbying Activities

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

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

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

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

• Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A If the organization answered "Yes" to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35c (Proxy Tax), then ◆ Section 501(c)(4), (5), or (6) organizations Complete Part III Name of the organization **Employer identification number** ASPIRUS WAUSAU HOSPITAL Inc 39-1138241 Complete if the organization is exempt under section 501(c) or is a section 527 organization. Provide a description of the organization's direct and indirect political campaign activities in Part IV 2 Political expenditures 3 Volunteer hours Part I-B Complete if the organization is exempt under section 501(c)(3). Enter the amount of any excise tax incurred by the organization under section 4955 2 Enter the amount of any excise tax incurred by organization managers under section 4955 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes 3 Was a correction made? ☐ Yes □ No If "Yes," describe in Part IV Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3). Enter the amount directly expended by the filing organization for section 527 exempt function activities Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities 3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b Did the filing organization file Form 1120-POL for this year? 4 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV **(c)** EIN (e) A mount of political (a) Name (b) Address (d) A mount paid from contributions received filing organization's and promptly and funds If none, enter -0directly 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					
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	0,000		
	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) and has NOT	
	filed Form 5768 (election under section 501(h)).	

	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \					
For e	r each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying	(;	a)		(b)	
activ		Yes	No	'	Amoun	it
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?		No			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		Νo			
С	Media advertisements?		No	1		
d	Mailings to members, legislators, or the public?		Νo			
е	Publications, or published or broadcast statements?		Νo			
f	Grants to other organizations for lobbying purposes?		No			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No			
i	O ther activities?	Yes			1	.8,444
j	Total Add lines 1c through 1i				1	.8,444
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		•	1		
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912					
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No			
Par	t III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(6).	501(c)(5),	or s	ectio	n
					Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?		L	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		
Par	t III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "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				
С	Total	2c				
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3				
1	If notices were sent and the amount on line 2c exceeds the amount on line 3, what nortion of the excess					

Part IV Supplemental Information

political expenditure next year?

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

does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and

Taxable amount of lobbying and political expenditures (see instructions)

Identifier	Return Reference	Explanation
LOBBYING ACTIVITIES	,	A PORTION OF OUR ANNUAL WISCONSIN HOSPITAL ASSOCIATION AND AMERICAN HOSPITAL ASSOCIATION DUES ARE USED FOR LOBBYING ACTIVITIES FOR AHA THE PERCENT THAT IS SPECIFIC TO LOBBYING PURPOSES IS 23 98% AND FOR THE WHA PORTION THE LOBBYING IS 11 5%

DLN: 93493107000084

OMB No 1545-0047

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.

Open to Public Inspection

	me of the organization	Employer identification number					
ASP	IRUS WAUSAU HOSPITAL Inc		39-1138241				
Pa	organizations Maintaining Donor Ad organization answered "Yes" to Form 990	0, Part IV, line 6.	·				
1	-	(a) Donor advised funds	(b) Funds and other accounts				
L	Total number at end of year						
	Aggregate contributions to (during year)						
	Aggregate grants from (during year)						
	Aggregate value at end of year		L				
	Did the organization inform all donors and donor advis funds are the organization's property, subject to the o		or advised Yes No				
ı	Did the organization inform all grantees, donors, and oused only for charitable purposes and not for the bene conferring impermissible private benefit?						
Pa I	t II Conservation Easements. Complete	if the organization answered "Yes" to	o Form 990, Part IV, line 7.				
	Purpose(s) of conservation easements held by the organization of land for public use (e.g., recreation) Protection of natural habitat Preservation of open space Complete lines 2a through 2d if the organization held	n or education) Preservation of an Preservation of a c	certified historic structure				
	easement on the last day of the tax year	1 qualified conservation contribution in a	Held at the End of the Year				
а	Total number of conservation easements		2a				
b	Total acreage restricted by conservation easements	ŀ	2b				
:	Number of conservation easements on a certified hist	toric structure included in (a)	2c 2c				
ı	Number of conservation easements included in (c) ac historic structure listed in the National Register		2d				
	Number of conservation easements modified, transfer	- rred, released, extinguished, or terminate	d by the organization during				
	the tax year -						
	Number of states where property subject to conserva	tion assement is located by					
	Does the organization have a written policy regarding enforcement of the conservation easements it holds?	the periodic monitoring, inspection, hand	— dling of violations, and Yes No				
	Staff and volunteer hours devoted to monitoring, insper		,				
	Amount of expenses incurred in monitoring, inspecting	ng, and enforcing conservation easements	s during the year				
	▶ \$						
	Does each conservation easement reported on line 2 and section $170(h)(4)(B)(II)$?	(d) above satisfy the requirements of sec	tion 170(h)(4)(B)(i)				
	In Part XIII, describe how the organization reports cobalance sheet, and include, if applicable, the text of the organization's accounting for conservation easem	he footnote to the organization's financial nents	statements that describes				
ar	Complete if the organization answered "		or Other Similar Assets.				
3	If the organization elected, as permitted under SFAS works of art, historical treasures, or other similar ass service, provide, in Part XIII, the text of the footnote	ets held for public exhibition, education,	or research in furtherance of public				
b	If the organization elected, as permitted under SFAS works of art, historical treasures, or other similar ass service, provide the following amounts relating to the	116 (ASC 958), to report in its revenue ets held for public exhibition, education,	statement and balance sheet				
	(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, histofollowing amounts required to be reported under SFAS		,				
1	Revenues included in Form 990, Part VIII, line 1		► \$				
b	Assets included in Form 990, Part X		▶ \$				

Part	Organizations Maintaining Co	llections of Ar	t, His	itori	<u>cai ii</u>	reasi	ures, or C	<u>rtne</u>	r Similar A	ssets (d	continued)
3	Using the organization's acquisition, access collection items (check all that apply)	ion, and other reco	rds, cł	neck	any of	the fol	lowing that	are a	sıgnıfıcant us	e of its	
а	Public exhibition		d	Γ	Loan	orex	change prog	rams	i		
b	Scholarly research		e	Γ	Othe	r					
c	Preservation for future generations										
4	Provide a description of the organization's co	ollections and expl	aın hov	w the	y furthe	er the	organızatıor	n's ex	kempt purpose	ın	
5	During the year, did the organization solicit								nılar	_	_
	assets to be sold to raise funds rather than t		-							┌ Yes	No
Par	t IV Escrow and Custodial Arrang Part IV, line 9, or reported an an						n answere	ed "Y	es" to Form	990,	
1a	Is the organization an agent, trustee, custod included on Form 990, Part X?	lian or other interm	iediary	ford	ontribu	utions	or other ass	sets	not	┌ Yes	┌ No
b	If "Yes," explain the arrangement in Part XII	II and complete the	e follov	wing	able		-		<u> </u>		
									Α	mount	
C	Beginning balance							1c			
d	Additions during the year							1d			
е	Distributions during the year							1e			
f	Ending balance						L	1f			
2a	Did the organization include an amount on Fo	orm 990, Part X, Iır	ne 21?	•						☐ Yes	┌ No
b	If "Yes," explain the arrangement in Part XII	I Check here if the	e expla	anatı	n has	been	provided in F	art :	XIII		Γ
Pa	rt V Endowment Funds. Complete										
_		(a)Current year	(b) Prior	year	b (c)	Two years bac	k (d)	Three years back	(e)Four	years back
1a	Beginning of year balance							+			
Ь	Contributions							_			
С	Net investment earnings, gains, and losses										
d	Grants or scholarships										
e	Other expenditures for facilities										
	and programs							_			
f	Administrative expenses							+			
g	End of year balance										
2	Provide the estimated percentage of the cur	rent year end balan	ice (lir	ne 1g	, colum	ın (a))	held as				
а	Board designated or quasi-endowment 🕨										
b	Permanent endowment ►										
c	Temporarily restricted endowment ► The percentages in lines 2a, 2b, and 2c sho	uld equal 100%									
3a	Are there endowment funds not in the posses organization by	ssion of the organiz	zatıon	that	are hel	d and	admınıstere	d for	the	Yes	s No
	(i) unrelated organizations								3a	(i)	
	(ii) related organizations								3a	(ii)	
	If "Yes" to 3a(II), are the related organizatio					•		•	3	Bb	
4	Describe in Part XIII the intended uses of the					10					
Par	t VI Land, Buildings, and Equipme Description of property	ent. See Form 9	90, Pa		Cost or		(b)Cost or of	ther	(c) Accumulated	d (d) B	look value
	bescription of property				(investi		basis (othe		depreciation	. (.,)	
1a	and						9,080	,160			9,080,160
b I	Buildings						186,763	3,364	102,136,15	57	84,627,207
c I	_easehold improvements						206	5,742	98,32	22	108,420
d i	Equipment						101,720	,341	82,947,14	19	18,773,192
_e (Other	<u> </u>					26,350	,984	5,739,74	10	20,611,244
Tota	I. Add lines 1a through 1e <i>(Column (d) must e</i>	equal Form 990, Part	X, colu	ımn (B), line	10(c).)			1	.33,200,223

Part VII Investments—Other Securities. See	Form 990, Part X, line 12	2.	
(a) Description of security or category	(b)Book value	(c) Metho	od of valuation
(including name of security)		Cost or end-o	f-year market value
(1)Financial derivatives			
(2)Closely-held equity interests			
Other			
Total. (Column (b) must equal Form 990, Part X, col (B) line 12)			
Part VIII Investments—Program Related. See			
(a) Description of investment type	(b) Book value	(c) Metho	od of valuation
		Cost or end-o	f-year market value
Total. (Column (b) must equal Form 990, Part X, col (B) line 13)			
Part IX Other Assets. See Form 990, Part X, Irr			
(a) Descrip			(b) Book value
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15			
Part X Other Liabilities. See Form 990, Part X			
1 (a) Description of liability	(b) Book value		
Federal income taxes	0		
AMOUNTS PAYABLE TO 3RD PARTY REIMB	1,311,444		
RETIREE HEALTHCARE BENEFITS	2,780,819		
INTEREST RATE SWAP	2,279,000		
DEFERRED COMPENSATION ACCRUAL	1,169,702		
LONG TERM INSURANCE LIABILITY	2,201,988		
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	9,742,953		
2. Fin 48 (ASC 740) Footnote In Part XIII, provide the tex		nization's financial stater	ments that reports the

j Par	Reconciliation of Revenue per Audited Financial Statements with Revenue per Retur	<u>n</u>
1	Total revenue, gains, and other support per audited financial statements	
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	
3	Subtract line 2e from line 1	
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	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	
Part	t XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Ret	urn
1	Total expenses and losses per audited financial statements	
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	
3	Subtract line 2e from line 1	
4	Amounts included on Form 990, Part IX, line 25, 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	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	
Part	t XIII Supplemental Information	
Com	nplete 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

OMB No 1545-0047

Open to Public Inspection

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

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

Hospitals

Name of the organization ASPIRUS WAUSAU HOSPITAL Inc

Employer identification number

39-1138241

Pa	Part I Financial Assistance and Certain Other Community Benefits at Cost								
								Yes	No
1a	Did the organization have	a financial as	ssistance po	licy during the tax year?	P If "No," skip to questi	on 6a	1a	Yes	
b	If "Yes," was it a written p	policy?					1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year								
	Applied uniformly to a Generally tailored to i				mly to most hospital fac	cilities			
3	Answer the following base organization's patients du			nce eligibility criteria th	at applied to the larges	t number of the			
а	Did the organization use f If "Yes," indicate which o					providing <i>fre</i> e care?	3a	Yes	
	┌ 100% ┌ 150% ┌	200% ┌ 0	ther						
b	Did the organization use I which of the following was				-	•	3b	Yes	
	Г 200% Г 250% Г	300%	50% Г 40	0%		%			
C	If the organization used for criteria for determining el used an asset test or othe discounted care	igibility for fre	ee or discoun	ted care Include in the	description whether th	e organization			
4	Did the organization's fina								
5a	provide for free or discour Did the organization budg	et amounts fo	or free or disc				4	Yes	
	the tax year? If "Yes," did the organiza	hian'a financia					<u>5a</u>	Yes	<u> </u>
	If "Yes" to line 5b, as a re						<u>5b</u>	Yes	
C	care to a patient who was	_			on unable to provide he		5c		No
6a	Did the organization prep	are a commur	nity benefit re	eport during the tax yea	r?		6a	Yes	
b	If "Yes," did the organiza	tion make it a	vailable to th	ne public?			6b	Yes	
	Complete the following ta worksheets with the Sche	_	worksheets p	provided in the Schedule	e H instructions Do not	t submit these			
7	Financial Assistance	and Certain	Other Com	munity Benefits at Co	ost			•	1
	ancial Assistance and Means-Tested overnment Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community ber expense		(f) Perce total exp	
a	Financial Assistance at cost (from Worksheet 1)			16,354,354	0	16,354,	354	5.0	30 %
b	Medicaid (from Worksheet 3, column a)			36,960,604	19,602,067	17,358,			40 %
С	Costs of other means-tested government programs (from Worksheet 3, column b)			5,619,708	4,268,570	1,351,	138	0 4	20 %
d	Total Financial Assistance and Means-Tested Government Programs			58,934,666	23,870,637	35,064,	029	10 7	90 %
	Other Benefits			30,331,300	23,010,031	33,004,		107	
е	Community health improvement services and community benefit operations (from Worksheet 4)	33	3,948	4,033,448	2,695,412	1,338,	036	0.4	10 %
f	Health professions education		-						
g	(from Worksheet 5) Subsidized health services	46	1,415	3,190,288	15,280	3,175,			80 %
h	(from Worksheet 6) Research (from Worksheet 7)	1	2,044	6,774,837 142,640	4,175,567 0	2,599, 142,	-		00 % 40 %
ı	Cash and in-kind contributions for community benefit (from Worksheet 8)	7	300	13,536	0		536		0 %
J	Total. Other Benefits	91	7,707	14,154,749	6,886,259	7,268,	_	2 2	30 %
k	Total. Add lines 7d and 7j .	91	7,707	73,089,415	30,756,896	42,332,	519	13 0	20 %

	rt II Community Buildi	na Activitie	e Complete t	his table if the or	1201721	on co	nduct	od any commun	utv. k	nuldin	Pag
Pa	activities during the of the communities	tax year, an									
		(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	2		488					488		
3	Community support	3		784					784		
4	Environmental improvements										
5	Leadership development and training										
6	for community members Coalition building	2	15	808					808		
7	Community health improvement	2	13	808					808		
8	Workforce development	1 4	119	1,354	1				,354		
9	Other	4	119	1,816				1,	,816		
.0	Total	12	134	5,250				5,	,250		
	Bad Debt, Medicar	e, & Collec	tion Practic	es						T.,	ı
ect 1	ion A. Bad Debt Expense Did the organization report ba	d deht evnense	ın accordance	with Heathcare Fin:	ancial M	anade	ment Δ	ssociation		Yes	No.
•	Statement No 15?								1	Yes	
2	Enter the amount of the organ methodology used by the orga		•	•		_					
3	Enter the estimated amount of				to	2		4,195,775			
_	patients eligible under the org	anızatıon's fına	ncıal assıstan	ce policy Explain in	Part VI						
	the methodology used by the cany, for including this portion				nale, if	3					
4	Provide in Part VI the text of to or the page number on which t	the footnote to	the organization	on's financial statem		t desc	rıbes b	ad debt expense			
ect	ion B. Medicare										
5	Enter total revenue received f	rom Medicare ((including DSH	and IME)		5		76,048,555			
6	Enter Medicare allowable cost	s of care relati	ng to payments	s on line 5		6		89,471,969			
7	Subtract line 6 from line 5 Th	•	. ,			7		-13,423,414			
8	Describe in Part VI the extent Also describe in Part VI the c Check the box that describes	osting method	ology or source								
	Cost accounting system	r c∘	st to charge ra	tio Г	Other						
ect	ion C. Collection Practices										
9a	Did the organization have a wr								9a	Yes	
b	If "Yes," did the organization's contain provisions on the colle assistance? Describe in Part	ection practice	s to be followed	d for patients who ar	e known	to qua	alify for	financial	9b	Yes	
Pa	rt IV Management Comp	anies and J	oint Ventur	es (owned 10% or more by a	officers, dire	ectors, tr	ustees, ke	ey employees, and physici	ans—se	ee instruc	tions)
	(a) Name of entity	(b	Description of practivity of entity		c) Organiz profit % o ownersh	r stock		d) Officers, directors, trustees, or key employees' profit % r stock ownership %	pro	e) Physio ofit % oi ownershi	stock
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Part V	Facility Information										
Section	n A. Hospital Facilities	Licensed	General	Children'	Teaching	Critical	Research	ER-24 houre	ER-other		
smalles How ma organiza 1	order of size from largest to t—see instructions) iny hospital facilities did the ation operate during the tax year? ———	ed hospital	al medical & surgical	n's hospital	ng hospital	l access hospital	rch facility	hours	ner		
Name, a	address, and primary website address									Other (Describe)	Facility reporting group
1	ASPIRUS WAUSAU HOSPITAL INC 333 PINE RIDGE BLVD WAUSAU,WI 54401	Х	Х					х			

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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)

	ASPIRUS WAUSAU HOSPTIAL INC	,	,
Name of hospital facility or facility reporting group			

	single facility filers only: line Number of Hospital Facility (from Schedule H, Part V, Section A)	_	Yes	No
Com	munity Health Needs Assessment (Lines 1 through 8c are optional for tax years begining on or before March 23, 2012)			
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community	1		l
	health needs assessment (CHNA)? If "No," skip to line 9	1	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
а	A definition of the community served by the hospital facility			
b	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			
d	How data was obtained			l
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			l
h	▼ The process for consulting with persons representing the community's interests			l
i	Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA $$ 20 $$ $$ $$ 21 $$			
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the	_	V	
4	persons the hospital facility consulted	3	Yes	
4	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	A vailable upon request from the hospital facility			l
c	Other (describe in Part VI)			l
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply			
	to date)			
а	Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	Execution of the implementation strategy			l
C	Participation in the development of a community-wide plan			
d	Participation in the execution of a community-wide plan			l
e	Inclusion of a community benefit section in operational plans			l
f	Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	Prioritization of health needs in its community			
h	Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	Yes	
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		N
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		L
C	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$			

Pa	art V Facility Information (continued)			
Fin	nancial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that			
	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	Yes	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for free care $\frac{150}{6}$ %			
	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 300% 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			
ь	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	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				
f				
g				
	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 assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	Yes	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during			
	the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
а	Reporting to credit agency			
b	Lawsuits			
C	Liens on residences			
d	Body attachments			
е				
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	Yes	
	If "Yes," check all actions in which the hospital facility or a third party engaged			
a	Reporting to credit agency			
b				
C	Liens on residences			
d	Body attachments			
е	Other similar actions (describe in Part VI)	l		l

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Ċ	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			
е	Other (describe in Part VI)			
Pol	licy Relating to Emergency Medical Care			
			Yes	No
L 9	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	Yes	
	If "No," indicate why			
	The hospital facility did not provide care for any emergency medical conditions			
b	The hospital facility's policy was not in writing			
C	The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d	Other (describe in Part VI)			
Cha	arges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)			
	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	The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b	The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c	The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d	Other (describe in Part VI)			
21	During the tax year, did the hospital facility charge any FAP-eligible individuals to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	21		No
	If "Yes," explain in Part VI			
22	During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?	22		No

Part V Facility Information (continued)

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

Ho	ow many non-hospital health care facilities did the organization operate during the tax year?				
Naı	me and address	Type of Facility (describe)			
1	northwoods surgery center LLC 611 Veterans Parkway woodruff, WI 54568	general medical & surgical			
2	Pine ridge surgery center 2500 pine ridge blvd wausau, WI 54401	general medical & surgical			
3	Stevens point surgery center llc 5409 vern holmes drive stevens point, WI 54481	general medical & surgical			
4					
5					
6					
7					
8					
9					
10					

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Part VI Supplemental Information

Complete this part to provide the following information

- Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, Part V, $Section \ A, \ and \ Part \ V, \ Section \ B, \ lines \ 1j, \ 3, \ 4, \ 5c, \ 6i, \ 7, \ 10, \ 11, \ 12h, \ 14g, \ 16e, \ 17e, \ 18e, \ 19c, \ 19d, \ 20d, \ 21, \ and \ 22d, \$
- 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
- 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
- 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
- State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files

Identifier	ReturnReference	Evalanation
art I, line 7	RetuilRelefelice	Explanation The provision for bad debts is based on management's
		assessment of historical and expected net collection considering business and economic conditions, trends in
		healthcare coverage, and other collection indicators Throughout the year, management assesses the adequacy of
		the allowance for uncollectible accounts based upon these
		trends The results of this review are then used to make any modifications to the provision for bad debts to establish an
		estimated allowance for uncollectible accounts Accounts receivable are written off after all collection efforts have been
		followed in accordance with Aspirus' policies Bad Debt Policy and Procedure POLICY I Aspirus financial policy 5360
		requires settlement of a patient self-pay bill or account will be
		referred for outside collection II Failure to meet these requirement in policy 5360 will result in the account being
		considered for bad debt once all collection efforts have been exhausted. The account will be removed from accounts.
		receivable and turned over to an outside agency or law firm fo collection Prior to this happening, the following criteria must
		met A Patient Financial Services staff will make reasonable
		collection efforts by way of 1 Monthly statements 2 Collect letters 3 Collection phone calls III All collection activity an
		patient contacts will be documented on the individual account IV All collection accounts are to be treated the same
		regardless of payor type self-pay, general insurance, Medica or Medical Assistance V Patient Financial Services staff wil
		use sound business judgment when working with the account
		the discretion of the Financial Counselor, credit reports will b requested from the Credit Bureau and property verification
		obtained through the County Treasurers Office PROCEDURE I The final step is to submit the account to a collection agen
		or law firm Each account is reviewed to determine if the account has met the bad debt criteria. Once it has been
		determined that all requirements have been met, the account
		transferred from accounts receivable to bad debt by the Financial Counselor Specific procedures pertaining to the
		detailed procedural steps for transferring to the Agency can l found in Policy/Procedure ID# 7155 dated 6/11/10 A
		Additional information regarding Medicare bad debts 1 The debt must be related to covered services and derived from
		deductible and coinsurance amounts 2 Aspirus Wausau
		Hospital must provide reasonable collection efforts 3 The d is actually not collectable (at least 120 days outstanding fro
		the date of the first billing to the patient) 4 Sound business judgment establishes that there was no likelihood of recover
		any time in the future II BAD DEBT RECOVERIES A Payments on monthly remittance advices from outside
		collection agencies will be posted to each individual account
		Payments made directly to Aspirus, but intended for collection accounts will be posted to the appropriate account and repor
		daily/weekly to collection agencies for reconciliation of their records C Invoices for commissions due to collection
		agencies will be processed monthly Invoice and remittance advice will be reviewed by the Financial Counselor Team Lea
		and approved by the Manager/Director, then submitted to Fis
		Services for check processing and payment to agencies for commissions due
rt II		As any good corporate citizen, Aspirus Wausau Hospital is involved in a wide range of community building activities. An
		while some of these are undertaken simply because there is community need and Aspirus is in a position to help, others a
		undertaken for much more specific reasons. The goal of Aspi
		Wausau Hospitals community benefits activities is to addres key community health issues as identified by the community
		needs assessment The Marathon County LIFE Report spearheaded by the United Way of Marathon County The
		following is a list of "Community Building" activities reported Part II and brief descriptions of them Economic Developmen
		(F2) - Centergy Centergy is an organization comprising
		business and civic leaders working together to address the regions workforce, business and community development
		needs It works to encourage business sector development, support local businesses, attract new businesses, achieve
		growth for higher education facilities, and improve life in gene for all central Wisconsin residents -Central Wausau Progres
		This is another community development program that combi
		the vision, resources, and efforts of many partners throughou the Wausau area -City County IT Meeting This group
		collaborates to address information technology issues in Wausau and Marathon County As the countys largest
		employer, Aspirus Wausau Hospital plays a significant role MCDEVCO Marathon County Economic Development
		Corporation, in private and public partnership with Marathon
		County Government and The Wausau Region Chamber of Commerce, provides leadership for reviewing and
		recommending all initiatives related to education and econor development MCDEVCO is committed to business growth, a
		well as providing a high quality of life and building strong
		communities in the Marathon County Region -Wausau Regio Chamber The local member of the US Chamber of Commerc
		the Wausau Region Chamber dedicates itself to improving th local business community and economy through advocacy,
		growth/development, marketing and professional development Aspirus Wausau Hospital is a longtime Chamber member and
		provides a leadership role in multiple ways Community Supp
		(F3) -Boy Scouts of America BSA has a thriving council, the Samoset, located in Wausau This organization encourages t
		physical, civic, social and educational development of boys a Aspirus Wausau Hospital supports its efforts BSA activities
		help address the following Marathon County LIFE Report Key
		Calls to Action Alcohol and Drug Misuse, and Overweight a Obesity -Rotary Rotary is a worldwide organization of busin
		and professional leaders that provides humanitarian service,
		encourages high ethical standards in all vocations, and helps build goodwill and peace in the world. The Object of Rotary is
		encourage and foster the ideal of service as a basis of worthy enterprise. The local club has about 85 members and truly
		benefits the community -United Way Aspirus Wausau Hosp
		has deep and longstanding involvement with the local United Way As a pacesetter organization, Aspirus demonstrates

leadership in its internal support campaign to benefit the United Way, which has restructured to follow a road map to community success that directs its support to organizations that improve

Education, Health and Income in the community

The provision for bad debts is based on management's
assessment of historical and expected net collection
considering business and economic conditions, trends in health
care coverage, and other collection indicators. Throughout the
year, management assesses the adequacy of the allowance for
uncollectible accounts based upon these trends The results of
this review are then used to make any modifications to the
provision for bad debts to establish an estimated allowance for
uncollectible accounts Accounts receivable are written off after
all collection efforts have been followed in accordance with
Aspirus' policies Overall, the allowance for uncollectible
accounts as a percentage of accounts receivable has not
changed significantly for the year ended June 30, 2013 Part III
Line 4 The costing methodology used was the patient care cost
to charge ratio which was derived from the calculation on IRS
Worksheet 2 Part III Line 8 The costing methodology is
CMS2552 as filed cost report Aspirus Wausau Hospital feels
that the Medicare shortfall should be treated as a community
benefit Aspirus is there to treat the community and they have a
large percentage of Medicare benefit patients If those patients
were to be refused, then they would not receive health care
Part III Line 9B Aspirus Wausau Hospital makes reasonable
efforts to determine if financial assistance should be offered
before assigning a case to a collection agency Aspirus informs
patients and offers them Financial Assistance Application
forms at the time of registration, in emergency rooms, financial
service offices, the billing office, and on statements and letters
Aspirus can only pursue the applicants who have completed the
financial assistance application forms in their entirety
Aspirus Wausau Hospital, Inc operates 1 hospital facility
Aspirus Wausau Hospital, Inc 333 Pine Ridge Blvd Wausau, WI
54401 Part V, Section B Ministry St Clare's Hospital 3400
Ministry Pkwy Weston, WI 54476

Explanation

ReturnReference

Identifier

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	Recumiterence	A spirus Wausau Hospital is a leader in assessing the health
		needs of the community It has developed strong partnerships with key community agencies and helped spearhead initiatives
		to assess the communitys health needs and factors supporting
		a high quality of life and vibrant community In 1996, the United Way led a collaborative effort to perform a community health
		assessment that focused on data rather than perception With support from Aspirus and other community partners, the United
		Way performed a community assessment and published in June
		1997 the first issue of what was called the Marathon County Local Indicators For Excellence (LIFE) Report Since that time,
		Aspirus Wausau Hospital has maintained strong involvement in the community assessment process, from pledging cash
		support and in kind donations to steering committee chairs and
		members The eighth and most recent version of the needs assessment (2011-2013) identified five Top Calls to Action
		Unemployment/Jobs Providing a Living Wage - Alcohol and Drug Misuse - Development of Young Children - Ages 0-6 -
		Overweight/Obesity - Basic Needs - Food and Shelter In
		addition to the above listed five health priorities, the 2011- 2013 LIFE Report also identified two Issues to Watch Aging
		Issues and Domestic Abuse Here are some facts about Marathon County - Of surveyed residents, 76 8 percent agreed
		that obesity is a concern in the community - 12 2 percent of
		residents live at or below the poverty level, and 18 7 percent of children live at or below the poverty level - 14 2 percent of
		Marathon County residents are 65 or older - In 2010, there were 760 Driving While Intoxicated arrests in Marathon County
		Patient education of eligibility for assistance Aspirus Wausau
		Hospital makes lists of available government assistance programs available to patients and families in the cashiers
		office, which is located off the main lobby. In addition, all patients are made aware of Aspirus Wausau Hospitals financial
		aid programs through statements and follow up letters Financial
		counselors seek to meet one on one with any patients who do not have insurance, so counselors can explain all options
Community Information		available According the U.S. Census Bureau, Marathon County had a
Community Information		population of 134,063 in 2010 And while there are
		demographic and population numbers for the areas that Aspirus Wausau Hospital considers its primary and secondary market
		areas, Marathon County bears special attention, as it is the home of Aspirus Wausau Hospital and many of the systems
		corporate functions In fact, Marathon County in many respects
		is the "home" of Aspirus and is the single largest source of patients among the counties Aspirus serves. The importance of
		Marathon County to the business of Aspirus Wausau Hospital cannot be overstated From May 2011 through April 2012 -80
		percent of patients treated and released at the Aspirus Wausau
		Hospital Emergency Department were Marathon County residents -53 percent of non-newborn inpatient discharges
		were patients who live in Marathon County Aside from Wausau, the county seat classified by the U.S. Census Bureau as a
		'Metropolitan Statistical Area,' Marathon County is largely rural
		With a total area of 1,576 square miles, it is the largest county in Wisconsin by land area. Here are some details about its
		population About Marathon County (2010) Persons per square mile 86 8 Persons under 5 years old 65% Persons under 18
		years old 24 5% Persons 65+ years old 14 2% White 91 3%
		Asian 5 3% People per household 2 49 % Population below poverty level 8 7 Median household income \$49,356 Source
		US Census Bureau Service Areas and Demographics Aspirus Wausau Hospital The AWH considers its market to be 13
		counties located in North Central Wisconsin and four counties
		located in Upper Michigan The 13 North Central Wisconsin counties represent its primary and secondary service areas and
		accounted for 94 1% of all admissions in calendar year 2012 In our primary service area, which includes Langlade, Lincoln,
		Marathon, and Taylor county, total population in 2011 was
		203,472, population aged 65 and older was 15 8%, median income was \$51,212, and the unemployment rate was 6 7% In
		our secondary services area, including Clark, Forest, Iron, O neida, Portage, Price, Shawano, Vilas, and Wood counties,
		total population in 2011 was 308,214, population aged 65 and older was 17 9%, median income was \$46,170, and the
		unemployment rate was 6 9% In our Michigan service area,
		including Gogebic, Houghton, Keweenaw, and Ontonagon Counties, total population in 2011 was 61,991, population aged
		65 and older was 14 1%, median income was \$48,669, and the unemployment rate was 8 9% Please see our complete
		Community Health Needs Assessment for additional data
		Source U S Census Bureau, Wisconsin Department of Work Force Development, Michigan Department of Technology,
		Management, and Budget, January 2013 Aspirus is the largest employers in Marathon County Aspirus Wausau Hospital
		3,000 employees Greenheck Fan Corp 1,500 employees
		Wausau School District 1,476 employees Footlocker com/Eastbay 1,300 employees Kolbe & Kolbe
		Millworks Inc 1,122 employees Wausau Papers 984 employees Prime Healthcare/UMR 820 employees Marathon
		Cheese 800 employees Marathon County 752 employees
		North Central Health Care 685 employees Source Comprehensive Annual Financial Report Marathon County,
		Wisconsin, December 31, 2011 Much of north central and central Wisconsin and the Upper Peninsula of Michigan qualify
		as health professional shortage areas and medically
		underserved areas According to the Health Resources and Services Administration, all or part of the following 16 counties
		is designated as health professional shortage areas Clark, Florence, Forest, Iron (WI), Langlade, Marathon, Oneida, Price,
		Shawano, Taylor, Vılas, Wood, Gogebic, Iron (MI), Keweenaw,
		and Ontonagon The following 14 counties are designated as health professional shortage areas for mental health Clark,
		Florence, Forest, Iron (WI), Langlade, Marathon, Oneida, Price, Shawano, Taylor, Vilas, Wood, Gogebic, and Iron (MI) Similarly,
		all or part of the following 18 counties are designated as medically underserved areas Clark, Florence, Forest, Iron (WI),
		Langlade, Marathon, Portage, Price, Shawano, Taylor, Vilas,
		Wood, Baraga, Gogebic, Houghton, Iron (MI), Keweenaw, and Ontonagon

Identifier	ReturnReference	Explanation
Identifier Promotion of Community Health	ReturnReference	Aspirus Wausau Hospital is a true community organization. It was created in the 1970s when community leaders decided the two local hospitals operating at that time could be more effective and more efficient if they merged. Today, that community leadership and vision endures. Aspirus Wausau Hospital is guided by a community board of directors, which the organizations bylaws state must consist of eight or nine physicians and 11 to 14 community members. This board helps ensure that strategic and operational decisions at Aspirus. Wausau Hospital are made with the communitys best interest in mind. In addition, Aspirus Wausau Hospital maintains an open medical staff, meaning that it extends medical staff privileges to all qualified physicians in the community. As a not-for-profit organization, Aspirus Wausau Hospital reinvests surplus funds in health services for the community, such as new technology that advances care and improves access. Aspirus Wausau Hospital also works collaboratively with other health care and academic entities to offer professional health education opportunities that benefit the communities. For example, the University of Wisconsin Wausau Family Medicine Residency Program is based on the Aspirus Wausau Hospital medical campus, and produces skilled, dedicated family medicine physicians. The vast majority of residency graduates end up practicing in north central Wisconsin, making the residency program incredibly valuable to the ongoing easy access to high
		quality primary health care Aspirus Wausau Hospital is the vehicle by which extensive volunteer efforts are organized There are more than 1,000 Aspirus Volunteers who support the provision of excellent medical care at the hospital and in other venues. These volunteers also provide valuable community outreach through the Lifeline home health monitoring program, the HANDS program that teaches young children the importance of hand hygiene, and Meals on Wheels. Aspirus Wausau Hospital also supports valuable clinical research through Aspirus Heart & Vascular Institute (AHVI) Research & Education and through the Aspirus Regional Cancer Center (ARCC) AHVI Research & Education has about 10 open trials at any given time, and seeks to advance the safe, effective and compassionate practice of cardiovascular medicine in north central Wisconsin. Through a research affiliation with the University of Wisconsin Comprehensive Cancer Center in Madison, ARCC is part of a satellite system called Wisconsin Oncology Network offering clinical trials to patients with advanced disease. ARCC is also able to offer federally sponsored studies available through the Eastern Cooperative.
Affiliated Health Care System		A spirus Wausau Hospital is one of six hospitals under the A spirus Wausau Hospital is one of six hospitals under the A spirus, Inc umbrella Each of the other five hospitals is a small, critical access facility, while A spirus Wausau Hospital is a regional tertiary care facility. The A spirus system is relatively young, especially in the Upper Peninsula of Michigan, where three of the critical access hospitals are located. These facilities all operate as local sources of charity care and strong corporate citizens. In fact, A spirus Keweenaw Hospital received in January 2011 the Winks Gundlach A ward for strong and consistent support of the Keweenaw Community Foundation. This commitment to local community is reflected throughout the A spirus service area. In Wausau, the A spirus Health Foundation raises money for various health related initiatives in the community and within A spirus. In addition to raising money and receiving community gifts, the Foundation also determines the best way to utilize its resources to make the biggest impact on the community. Throughout the A spirus service area, affiliated foundations serve the needs of their respective communities. The Community Health Foundation serves. Antigo, WI and surrounding communities. Memorial Health Center Foundation serves Medford, WI and surrounding communities. A spirus O ntonagon Foundation serves. O ntonagon, MI and surrounding communities. A spirus Grand View Foundation serves I ronwood, MI and surrounding communities. While A spirus has grown and expanded its service area rapidly in the past six years, system leaders are making a concerted effort to collaborate internally to make the continuum of care as seamless as possible for customers. This means providing high quality, efficient service from primary care to specialty services and post-acute care such as rehabilitation and home care. By integrating services, and communicating effectively among providers, A spirus is better able to meet patient needs and improve outcomes. This could be the most

Identifier	ReturnReference	Explanation
State Filing of Community Benefit Report		Aspirus, Inc has three hospitals in Wisconsin Aspirus Wausau Hospital in Wausau, Langlade Hospital in Antigo and Memorial Health Center in Medford Each of these centers files a community benefit report Aspirus, Inc also has three hospitals in Michigans Upper Peninsula Aspirus Keweenaw Hospital in Laurium, Aspirus Grand View in Ironwood and Aspirus Ontonagon Hospital in Ontonagon Each of these facilities is responsible for its own community benefits reporting

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Schedule I (Form 990)

Grants and Other Assistance to Organizations, Governments and Individuals in the United States OMB No 1545-0047

2012

DLN: 93493107000084

Open to Public

Department of the Treasury Internal Revenue Service Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.

Attach to Form 990

Name of the organization
ASPIRUS WAUSAU HOSPITAL Inc

39-1138241

Does the organization mail the selection criteria used	to award the grants	orassistance?					✓ Yes
Describe in Part IV the org							
		o Governments and receive					d "Yes" to
(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount 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) WAUSAU AREA MOBILE MEALS 610 SCOTT STREET STE G WAUSAU, WI 54403	39-1238060	501(c)(3)	11,000				DONATION DONATION SPONSORSHIP SPONSORSHIP DONATION SPONSORSHIP PLEDGE
(2) LEIGH YAWKEY WOODSON ART MUSEUM 700 N TWELFTH STREET WAUSAU,WI 54403	23-7367344	501(c)(3)	10,000				Sponsorship
(3) WAUSAU DANCE THEATRE PO BOX 18015 MERRIFIELD,VA 22118	23-7281913	501(c)(3)	7,500				GENERAL SUPPORT
(4) WIFC-DISCO CURES CANCER PO BOX 2048 WAUSAU, WI 54402	39-0942767	n/a	7,500	I			sponsorship

1001	Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line	e 22.
	Part III can be duplicated if additional space is needed.	

(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

Part IV Supplemental Information.

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

Identifier	Return Reference	Explanation
·	Procedures for Monitoring the Use of Grants	THE EXECUTIVE DIRECTOR OF ASPIRUS HEALTH FOUNDATION ADMINISTERS THE FUNDS IN THE ASPIRUS COMMUNITY PARTNER FUND (CPF) THE FUNDS FROM CPF ARE GIVEN TO COMMUNITY PROGRAMS TO INCREASE THE QUALITY OF LIFE IN THE REGION OR ARE RELATED TO HEALTH INITIATIVES THEY ARE NOT USED, IN GENERAL, FOR SPONSORSHIPS OR MARKETING-ALBEIT, WE WORK CLOSELY WITH MARKETING WHEN DISPERSING FUNDS FROM THE ACCOUNT AN ANNUAL BUDGET IS SET FOR THE CPF AND THROUGHOUT THE YEAR WE MAINTAIN RECORDS TO TRACK WHO GETS THE FUNDS, AMOUNTS DISPERSED, AND WHY

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

DLN: 93493107000084

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 organization ASPIRUS WAUSAU HOSPITAL Inc **Employer identification number**

Pa	rt I Questions Regarding Compensation			
			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First-class or charter travel ☐ Housing allowance or residence for personal use			
	▼ Travel for companions			
	▼ 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	Yes	
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	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	▼ Compensation committee ▼ Written employment contract			
	☐ Independent compensation consultant ☐ Compensation survey or study			
	Form 990 of other organizations Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
а	Receive a severance payment or change-of-control payment?	4a	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
а	The organization?	5a		No
b	Any related organization?	5b		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
а	The organization?	6a		No
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			
	ın 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 IIII Supplemental Information

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

Identifier	Return Reference	Explanation
Supplemental Compensation Information		Tavel for companions Retreat in which spouses attended, spousal portion taxed Companion Travel Wendy Hannemen \$250 Brian Smith \$125 Thomas Voelker \$325 Diane Postler-Slattery \$450 Sidney Sczygelski \$235 Rick Nevers \$250 Gross-Up Payments Wendy Hannemen \$9,476 Brian Smith \$9,476 Rick Reding \$7,978 Robert Millican \$8,076 Thomas Voelker \$878 Club Dues Duane Erwin \$826 Jeanne Rowe \$191 Joel Rueber \$1,078 Norma Jean Burgener \$588 Kathryn Drengler \$826 Marita Hattem \$588 Jeanne Scinto \$1,078 Rick Nevers \$1,018 Dean Danner \$1,078 Peter Hessert \$1,078 Timothy Gengler \$509 Gerald Mourey \$255 Gregg Silberg \$207 Todd Richardson \$225 Cari Logemann \$826 Housing Allowance Gregg Silberg \$3,458 Todd Richardson \$6,400
Compensation Information	Schedule J, Part I, Line 4a - Severance Payment	Jeanne Rowe \$104,530 Gregg Silberg \$104,000 Gerald Mourey \$102,086 Schedule J, Part I, Line 4b - Supplemental nonqualified retirement 457(F) distribution- DIANE POSTLER-SLATTERY \$43,117 Roger Lucas \$15,829 MARITA HATTEM \$15,671 RICK NEVERS \$9,913 Dean Danner \$20,160 Joel Rueber \$14,430 Robert Erickson \$28,035
457(f) Retirement Plan profile		KEY EMPLOYEES OF THE COMPANY OR A PARTICIPATING AFFILIATE ARE ELIGIBLE TO PARTICIPATE IN THE PLAN THE PLAN YEAR IS JANUARY 1ST TO DECEMBER 31ST EMPLOYER CONTRIBUTIONS THE CONTRIBUTION MADE BY THE EMPLOYER IS A THREE-TIERED STRUCTURE DEPENDING UPON THE EXECUTIVE'S POSITION, WHICH ARE AS FOLLOWS 9% FOR VICE PRESIDENT, 13% FOR SENIOR LEADERSHIP COUNCIL, AND 15% FOR THE CEO IF THE PARTICIPANT TERMINATES DURING THE YEAR, THE PARTICIPANT'S EXECUTIVE ALLOWANCE IS PRORATED BASED ON THE NUMBER OF FULL CALENDAR MONTHS FROM THE BEGINNING OF THE PLAN YEAR TO THE BEGINNING OF THE CALENDAR MONTH CLOSEST TO THE CHANGE OR TERMINATION OF EMPLOYMENT, TO 12 DISTRIBUTIONS CONTINUATION OF EMPLOYMENT HAROUGH THE DEFERRED VESTING DATE, THE DATE ON WHICH THE PARTICIPANT'S EMPLOYMENT IS TERMINATED AS A RESULT OF DEATH OR DISABILITY, THE DATE ON WHICH THE PARTICIPANT INCURS AN INVOLUNTARY SEPARATION FROM SERVICE WITHOUT REASONABLE CAUSE, OR THE DATE THAT IS 24 MONTHS FOLLOWING THE PARTICIPANT'S SEPARATION FROM SERVICE, BUT ONLY IF THE PARTICIPANT'S INTEREST HAS NOT BEEN FORFEITED FOR COMPETITION DURING SUCH 24 MONTH PERIOD AND THE PARTICIPANT HAS NOT ENGAGED IN COMPETITION AFTER HIS OR HER SEPARATION FROM SERVICE AND PRIOR TO HIS OR HER DEATH, THE PARTICIPANT SHALL BE VESTED AT HIS OR HER DATE OF DEATH

Software ID: Software Version:

EIN: 39-1138241

Name: ASPIRUS WAUSAU HOSPITAL Inc

(A) Name	,	(B) Breakdown of	f W-2 and/or 1099-MIS	SC compensation	(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation reported in prior Form	
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation	compensation	benefits	(B)(ı)-(D)	990 or Form 990-EZ	
THOMAS RENGEL MD	(1) (11)		30,950 0	14,478	4,900 0	14,224 0	451,600 0	0	
BRIAN D SMITH MD	(ı) (ıı)		0	0 19,450	0 17,632	0 30,784	0 378,139	0	
THOMAS A VOELKER MD	(ı) (ıı)		0	0 10,163	0 17,512	0 27,031	0 369,015	0	
DUANE L ERWIN	(ı) (ıı)		0 216,804	0 14,754	0 11,512	0 123,114	0 942,110	0	
SIDNEY C SCZYGELSKI	(ı) (ıı)		0 85,154	0 2,020	0 13,716	0 66,240	0 470,013	0	
MARITA HATTEM	(ı) (ıı)		28,777 0	25,813 0	6,159 0	34,878 0	288,497 0	0	
JEANNE ROWE	(ı) (ıı)		0	104,530 0	0 0	3,901 0	107,442 0	0	
JOEL RUEBER THRU 11913	(ı) (ıı)		26,529 0	16,967 0	7,278 0	23,836 0	251,708 0	(
JACOB KEMPEN	(ı) (ıı)		25,616 0	2,999 0	7,624 0	10,511 0	203,475 0	C	
NORMA JEAN BURGENER	(ı) (ıı)		27,990 0	4,440 0	7,597 0	29,992 0	218,078 0	(
KATHRYN J DRENGLER	(ı) (ıı)		33,412 0	3,600 0	11,094 0	37,345 0	268,020 0	 (
ROGER LUCAS	(ı) (ıı)		0 53,812	0 20,354	0 10,340	0 43,892	0 319,690	(
JEANNE D SCINTO	(ı) (ıı)		33,846 0	3,719 0	8,570 0	39,604 0	250,199 0	0	
RICK L NEVERS	(ı) (ıı)		0	0 13,101	0 11,107	0 50,651	0 307,303	(
DEAN DANNER	(1) (11)		0 67,919	0 26,847	0 16,036	0 26,505	0 349,983	C	
RICK R REDING	(1) (11)) 310,342	1 0	0 20,756	0 17,512	0 24,881	0 373,491	C	
GERALD MOUREY	(ı) (ıı)		0 23,170	0 102,688	0 5,584	0 22,183	0 198,889	(
CATHERINE WALDVOGEL	(ı) (ıı)		0	1,162	10,458 0	21,853 0	196,648 0	(
RAYMOND WERY	(1) (11)		0	2,114	10,148 0	24,334 0	206,539 0	(
CARI LO GEMANN	(I) (II))) 192,237	1	0 1,846	0 8,474	0 42,448	0 281,669	C	

<u>Form 990, Schedule J, P</u>	orm 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees											
(A) Name		(B) Breakdown o	f W-2 and/or 1099-MIS	SC compensation	(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation				
		(i) Base Compensation	(ii) Bonus & (iii) Other compensation		compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ				
Robert Milican	(1)	0	0	0	0	0	0	0				
	(11)	221,053	0	18,450	16,574	28,120	284,197	0				
GREGG SILBERG (I		75,011	0	107,983	1,200	5,744	189,938	0				
	(11)	O	0	0	0	0	0	0				
Bruce Hasselquist	(1)	166,988	0	1,315	3,403	24,257	195,963	0				
	(11)	0	0	0	0	0	0	0				
Todd Richardson	(1)	0	0	0	0	0	0	0				
	(11)	67,707	160,000	6,718	923	5,842	241,190	0				
Wendy Hanneman (0	0	0	0	0	0	0				
	(11)	497,378	250	18,302	17,512	26,079	559,521	0				
Diane Postler-Slattery	(1)	281,162	132,064	45,239	13,716	67,830	540,011	0				
	1(11)	0	۱ ′ ۸	ا م ' ما	ا م '	· ^	ا م ن	0				

0 28,035 0

0 28,035

Robert Erickson

(ı) (ıı) Schedule K (Form 990)

Supplemental Information on Tax Exempt Bonds

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

► Attach to Form 990.

► See separate instructions.

OMB No 1545-0047

2012

DLN: 93493107000084

Open to Public Inspection

Internal Revenue Service Name of the organization

Department of the Treasury

ASPIRUS WAUSAU HOSPITAL Inc

Employer identification number

AS	SPIRUS WAUSAU HOSPITAL Inc							39-	39-1138241						
P	Part I Bond Issues														
	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue	price	(f) Des	cription of p	purpose	(g) Def	feased	beha	On alf of uer		Pool ncing
_					<u> </u>	!	<u> </u>			Yes	No	Yes	No	Yes	No
A	Wisconsin Health & Educational facilities auth	39-1337855		02-29-2012	32,02	2 L AAA 1	REFUND BO	ONDS SER	≀IES		x		×		Х
В	wisconsin health & educational facilities auth	39-1337855	97710BLW0	10-07-2009	27,20		Refund Bon 3/18/2009				х		х		Х
c	Wisconsin Health & Educational facilities Auth	39-1337855	97710BLV2	10-07-2009	20,00	00,000	Series 199	8-VAR rat	:e demand		Х		х		Х
D	Wisconsin Health & Educational Facilities Auth	39-1337855	97710B7X4	04-12-2013	46,11		REVENUE 2013	BONDS SE	ERIES		Х		×		х
P	art III Proceeds														
					А			В			С		D		
1							0 0		0	0					
_2		sed					0		0	0			0		
_3					3	32,025,0	,000 27,833,241			20,841,864			47,001,0		
4	<u> </u>					0 0		0	0					0	
_5							0		0	0					0
6							0 0		0	0		0	22,999,59		,999,596
7	·						0 1,429,347		19,347	340,678					0
8							0 0		0	0			0		
9							0		0	0			0		
10		ceeds					0	26,40	03,894	20,501,186			24,001,113		
11	Other spent proceeds						0		0	0					0
12	Other unspent proceeds						0		0				0 (0
13	Year of substantial completion	1			200	J 6		2006		1999					
_					Yes	No	Yes	5 N	No	Yes	N	ю	Yes	\dashv	No
14	Were the bonds issued as part	Were the bonds issued as part of a current refunding issue?					X			X	<u> </u>		Х	\perp	
15	Were the bonds issued as part			Х		,	Х		×	<u> </u>			X		
16	Has the final allocation of proc	Х		Х			Х	T				Х			
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?						Х			Х			Х		
Pa	art IIII Private Business Us	se													
					A			В			<u>C</u>			D	
					Yes	No	Ye	5 <u></u>	No	Yes	N	lo	Yes	$-\!\!\!\!+\!\!\!\!\!-$	No

property financed by tax-exempt bonds?

financed property?

Was the organization a partner in a partnership, or a member of an LLC, which owned

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

Χ

Χ

Χ

Χ

Χ

Χ

Χ

Part Private Business Use (Continued) В C D Α Yes No Yes No Yes No Yes No Are there any management or service contracts that may result in private business use За Х Χ Х Х of bond-financed property? If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property? Are there any research agreements that may result in private business use of bond-Χ Χ Х Χ financed property? If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? Enter the percentage of financed property used in a private business use by entities 4 0% 0% 0% 0 00000% other than a section 501(c)(3) organization or a state or local government Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section % 0 00000% 0 00000% 501(c)(3) organization, or a state or local government Total of lines 4 and 5 0% 0% 0% 0 00000% Does the bond issue meet the private security or payment test? 7 Χ Χ Χ Χ Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were Χ Χ Χ Х issued? If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of % % % % If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections Χ Χ Χ Χ 1 141-12 and 1 145-2? Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Х Χ Х Χ Regulations sections 1 141-12 and 1 145-2? Part IV Arbitrage В С D Α Yes No No Yes No Yes Yes No Has the issuer filed Form 8038-T? 1 Χ Χ Χ Х If "No" to line 1, did the following apply? 2 Rebate not due vet? а Χ Exception to rebate? Х Х b Χ No rebate due? c Χ Χ If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed Is the bond issue a variable rate issue? 3 Χ Χ Χ Χ Has the organization or the governmental issuer entered 4a Х Χ Χ Χ into a qualified hedge with respect to the bond issue? Name of provider Term of hedge C Was the hedge superintegrated? d Χ Χ Χ Χ Was a hedge terminated? Χ Χ Χ

Par	t IV Arbitrage (Continued)								
		Α	i	В		С		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		×		x		x		x
ь	Name of provider	0 0		0		0			
С	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		х		x		x		Х
7	Has the organization established written procedures to monitor the requirements of section 148?	х		х		X		Х	

Part V Procedures To Undertake Corrective Action

1	Has the organization established written procedures to ensure
	that violations of federal tax requirements are timely identified
	and corrected through the voluntary closing agreement program if
	self-remediation is not available under applicable regulations?

Α		В		С		D			
Yes	No	Yes	No	Yes	No	Yes	No		
х		x		х		x			

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

Identifier	Return Reference	Explanation
SCHEDULE K, SUPPLEMENTAL INFORMATION ON TAX EXEMPT BONDS	PART III LN 9	POLICY STATES WE WILL SEEK BOND COUNSEL OPINION FOR ALL REMEDIAL ACTIONS

Schedule K (Form 990) 2012

OMB No 1545-0047

SCHEDULE 0

(Form 990 or 990-EZ) Department of the Treasury

Internal Revenue Service

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.

Supplemental Information to Form 990 or 990-EZ

Name of the organization ASPIRUS WAUSAU HOSPITAL Inc

Employer identification number

Identifier	Return Reference	Explanation
MEMBERS OF STOCKHOLDERS	Form 990, Part VI, Question 6	THE PARENT ORGANIZATION, ASPIRUS, INC IS THE SOLE CORPORATE MEMBER OF ASPIRUS WAUSAU HOSPITAL, INC
Descr Classes of Persons, Decisions Requiring Appr & Type of Voting Rights	Form 990, Part VI, Question 7b	THE FOLLOWING ACTIONS MUST BE APPROVED BY THE SOLE MEMBER OF THE ORGANIZATION, ASPIRUS WAU SAU HOSPITAL, INC 1) CHANGE OR AMEND THE ARTICLES OF INCORPORATION OR BY LAWS 2) CHANGE T HE MISSION, PURPOSE OR SCOPE OF THE CORPORATION, 3) RATIFICATION OR REMOVAL OF DIRECTORS O R OFFICERS, 4) CHANGE THE FORMULA OR METHODOLOGY FOR DETERMINING PHY SICIAN COMPENSATION, 5) APPROVAL OF ANNUAL OPERATING AND CAPITAL EXPENDITURE BUDGETS, STRATEGIC AND LONG RANGE P LANS
Describe the Process used by Management &/or Governing Body to Review 990	Form 990, Part VI, Question 11A	THE FORM 990 IS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM AND REVIEWED BY THE ORGANIZATIO N'S MANAGEMENT THE FORM 990 IS PROVIDED TO THE BOARD MEMBERS FOR REVIEW AND FINAL APPROVA L PRIOR TO FILING THE RETURN
Description of Process to Monitor Transactions for Conflicts of Interest	Form 990, Part VI, Question 12c	BOARD MEMBERS AND KEY EMPLOYEES ARE REQUIRED TO SIGN ANNUAL CONFLICT OF INTEREST STATEMENT S AND ALL MANAGERS ARE REQUIRED TO SIGN BIANNUAL CONFLICT OF INTERST STATEMENTS THE ORGAN IZATION'S CEO AND BOARD CHAIR REVIEW THE STATEMENTS AND HIGHLIGHT POTENTIOAL CONFLICTS TH E BOARD DETERMINES ON A CASE BY CASE BASIS ANY ACTIONS REQUIRED INDIVIDUALS ARE NOT PERMI TITED TO VOTE ON ANY TRANSACTION WHERE A CONFLICT HAS BEEN DETERMINED TO EXIST ALL CONFLIC TS AND PROCEEDINGS ARE NOTED IN THE MEETING MINUTES
Offices & Positions for Which Process was Used, & Year Process was Begun	Form 990, Part VI, Question 15a & 15b	THE ORGANIZATION HAD AN INDEPENDENT AUDIT FOR EXECUTIVE COMPENSATION WHICH INCLUDED BASE S ALARY, INCENTIVE PLANS, AND BENEFITS FOR ALL OFFICER AND EXECUTIVE POSITIONS THE REVIEW W AS COMMISSSIONED BY THE COMPENSATION COMMITTEE OF THE BOARD AND WAS CONDUCTED BY AN INDEPE NDENT CONSULTING FIRM THE MARKET ANALYSIS WAS COMPLETED IN MARCH/APRIL 2013 AND PRESENTED TO THE COMPENSATION COMMITTEE OF THE BOARD IN AUGUST FOR FINAL COMPENSATION DETERMINATION
Avail of Gov Docs, Conflict of Interest Policy, & Fin Stmts to Gen Public	Form 990, Part VI, Question 19	THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, NOR ITS FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC
FEES FOR SERVICES - OTHER	FORM 990, Part IX, Line 11g	Contract Purchase Services 9,785,079 Physician Contract Services 6,485,766 Medical Directo rships 5,064,599 Lab Purchase Services-PBB Clinics 2,278,445 Outside Services-Lab 2,199,77 1 Patient and Medical Transport 1,930,901 Linen Contract 1,394,426 Blood Center of WI Cont racts 1,059,806 Contract Labor 860,224 Call Pay Contract- Central WI Anesthesia 790,790 Fo od Service 446,674 Warehouse Contract 400,970 Consulting Fees 251,225 Miscellaneous 212,40 0 TOTAL 33,161,076 OTHER CHANGES IN NET ASSETS OR FUND BALANCES FORM 990, PART XI, LINE 9 Interest Rate Sw ap \$847,746 Interest Rate Sw ap Valuation Adjustment \$(295,638) Post Retire ment Healthcare Benefit Adjustment \$658,668 Net Asset Transfer to Aspirus Inc \$(15,000,00) 0) Loss on Early Extinguishment of Debt \$(117,522)\$(13,906,746) Oversight or Selection Process Form 990, Part XII, Question 2c THE AUDIT COMMITTEE OF THE BOARD OF D IRECTORS OF ASPIRUS, INC , THE PARENT ORGANIZATION OF ASPIRUS WAUSAU HOSPITAL, INC , ASSUM ES THE RESPONSIBILITY FOR THE OVERSIGHT OF THE AUDIT OF THE FINANCIAL STATEMENTS AND SELEC TION OF THE INDEPENDENT ACCOUNTANT THERE WAS NO CHANGE IN THIS PROCESS IN THE PAST YEAR

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

DLN: 93493107000084

2012

OMB No 1545-0047

Open to Public Inspection

Employer identification number

Related Organizations and Unrelated Partnerships

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

Department of the Treasury Internal Revenue Service

Name of the organization

ASPIRUS WAUSAU HOSPITAL Inc

(Form 990)

SCHEDULE R

				39-113824	11			
Part I Identification of Disregarded Entities (Complete	e if the organizatio	n answered "Yes" to	o Form 990, Par	t IV, line 33.)				
(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets		(f) Direct controlling entity		
(1) Stevens Point Surgery Center LLC 5409 Vern Holmes Drive Stevens Point, WI 54481 20-2259562	Medical Srvs	WI	599,352	14,593	NA			
Part II Identification of Related Tax-Exempt Organization or more related tax-exempt organizations during the	tions (Complete ı tax year.)	f the organization a	nswered "Yes" t	to Form 990, Pa	ırt IV,	line 34 because i	t had o	ne
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code sectio	n Public charity st (if section 501(c	Public charity status (if section 501(c)(3)) (if section 501(c)(3)) (if section 501(c)(3))		(13) contro entity?	
See Additional Data Table							Yes	No
							\bot	
							+	
							+	
For Paperwork Reduction Act Notice, see the Instructions for Form 990.	ı	Cat No 501:	35Y	l		Schedule R (Form	m 990) 2	2012

(a) Name, address, and E related organizatio	(a) Name, address, and EIN of related organization		(c) Legal domicile (state or foreign country)	(d Dire contro ent	ct olling	ct Predomina Illing income(rela :y unrelated excluded fr tax unde sections 51		(f) Share of total income	(g) Share of e end-of-year assets			(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)		ral or aging	(k Percei owne	ntag
						514)			Yes	No		Yes	No			
Identification of Related line 34 because it had one of (a) Name, address, and EIN of related organization	Organizations Taxable or more related organization (b) Primary activity	as a Corpo ons treated a (c) Lega domic (state or f	s a cor I ile oreign	or Tr poration	on or	trust duri	Type (C cor	he tax y	nization an ear.) (f) Share of tota income	Shai	(g) re of en of-year assets	(h)	tage	S	(i) fection (b)(13 controll entity	3) led
1) Aspirus Network Inc	Medical Contracts				NA		C Corp								Yes res	No
000 Westhill Drive Suite 300 Vasau, WI 54401 9-1931679	riedical Contracts	WI			IVA		c corp	,						Ī	res	

	Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule					Yes	No
1 D	ırıng the tax year, dıd the orgranızatıon engage ın any of the following transactions with one or more re	ated organizations li	sted in Parts II-IV?				
а	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity				1a		No
b	Gift, grant, or capital contribution to related organization(s)				1b		No
С	Gift, grant, or capital contribution from related organization(s)				1c	Yes	
d	Loans or loan guarantees to or for related organization(s)				1d		No
e	Loans or loan guarantees by related organization(s)				1e		No
f	Dividends from related organization(s)				1f		No
g	Sale of assets to related organization(s)				1g	Yes	
h	Purchase of assets from related organization(s)				1h		No
i	Exchange of assets with related organization(s)				1i		No
j Lease of facilities, equipment, or other assets to related organization(s)							
k	Lease of facilities, equipment, or other assets from related organization(s)				1k	Yes	
I 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)							
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)							No
0	Sharing of paid employees with related organization(s)				10	Yes	
р	Reimbursement paid to related organization(s) for expenses				1 p	Yes	
q	Reimbursement paid by related organization(s) for expenses				1q	Yes	
r	Other transfer of cash or property to related organization(s)				1r	Yes	
s	Other transfer of cash or property from related organization(s)				1 s		No
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) Amount involved	(d) Method of determining amo	ount ı	nvolved	İ
ee Ad	ditional 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)	org	(e) all partners section 501(c)(3) anizations?	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtiona 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: 39-1138241

Name: ASPIRUS WAUSAU HOSPITAL Inc

Schedule R (Form 990) 2012

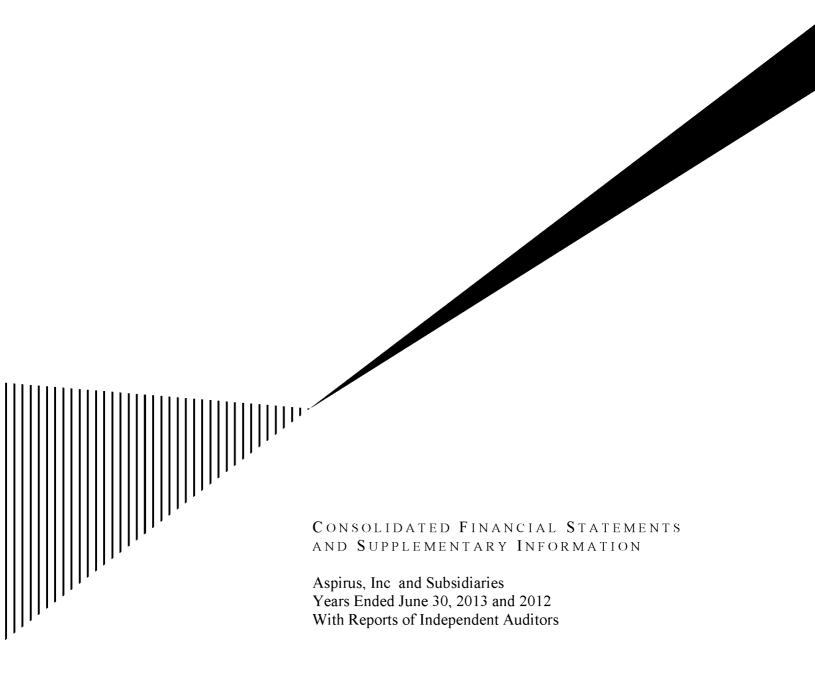
Page **5**

Part VII	Supplemental	Information
Part VII	Supplemental	iniormation

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

Identifier Return Reference Explanation Explanation						
> Form 990, Schedule R, Part	I I I I I I I I I I I I I I I I I I I					
	(a) Name of other organization		(b) Transaction type(a-s)	(c) A mount Involved	(d) Method of determining amount involved	
ASPIRUS BUILDINGS INC			Р	65,013	cost	
ASPIRUS BUILDINGS INC			J	131,464	cost	
ASPIRUS BUILDINGS INC		К	319,297	cost		
ASPIRUS BUILDINGS INC		0	104,622	cost		
ASPIRUS BUILDINGS INC			Q	137,992	cost	
ASPIRUS CLINICS INC			М	479,354	cost	
ASPIRUS CLINICS INC			Р	522,994	cost	
ASPIRUS CLINICS INC			3	1,469,199	cost	
ASPIRUS CLINICS INC			0	1,816,252	cost	
ASPIRUS CLINICS INC			L	386,476	cost	
ASPIRUS CLINICS INC			0	474,430	cost	
ASPIRUS CLINICS INC			К	3,812,190	cost	
ASPIRUS CLINICS INC			Q	10,494,613	cost	
ASPIRUS EXTENDED SERVICES	INC		0	98,809	cost	
ASPIRUS GRAND VIEW HOSPITA	AL		Q	479,006	cost	
ASPIRUS GRAND VIEW HOSPITA	AL		Q	1,799,413	cost	
ASPIRUS GRAND VIEW SVC CO	RP		Q	375,979	cost	
ASPIRUS HEALTH FOUNDATION	N		Q	62,262	cost	
ASPIRUS HEALTH FOUNDATION	N		0	73,588	cost	
ASPIRUS HEALTH FOUNDATION	N		С	300,000	cost	
ASPIRUS NETWORK INC			L	50,000	cost	
ASPIRUS NETWORK INC			Q	132,888	cost	
ASPIRUS NETWORK INC			0	176,021	cost	
ASPIRUS ONTANAGON HOSPIT	AL		Q	1,327,866 cost		
ASPIRUS SPECIALISTS INC		0	152,820	cost		

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			
ASPIRUS SPECIALISTS INC	P	203,367	COST			
ASPIRUS SPECIALISTS INC	Q	440,501	COST			
ASPIRUS SPECIALISTS INC	К	465,459	COST			
Aspirus VNA Home Health Inc	J	115,823	соѕт			



Ernst & Young LLP



Consolidated Financial Statements and Supplementary Information

Years Ended June 30, 2013 and 2012

Contents

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Ernst & Young LLP

875 East Wisconsin Avenue Milwaukee, WI 53202

Tel +1 414 273 5900 Fax +1 414 223 7200 www.ey.com

Report of Independent Auditors

The Board of Directors Aspirus, Inc

We have audited the accompanying consolidated financial statements of Aspirus, Inc and Subsidiaries 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 consolidated 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 consolidated 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 consolidated financial statements based on our audits. We did not audit the financial statements of Aspirus Grand View Hospital, Inc., Aspirus Clinics, Inc., and Aspirus Health Foundation, Inc., consolidated subsidiaries, which statements reflect total assets constituting 18% as of June 30, 2013 and 2012, and total revenues constituting 28% in 2013 and 27% in 2012 of the related consolidated totals. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Aspirus Grand View Hospital, Inc., Aspirus Clinics, Inc., and Aspirus Health Foundation, Inc., is based solely on the reports of other auditors. 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 consolidated 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

Opinion

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Aspirus, Inc and Subsidiaries at June 30, 2013 and 2012, and the consolidated results of their operations and their cash flows for the years then ended in conformity with U S generally accepted accounting principles

Ernst + Young LLP

October 4, 2013

Consolidated Balance Sheets

	June 30			
		2013		2012
	(In Thousands)			
Assets				
Current assets				
Cash and cash equivalents	\$	85,312	\$	75,167
Short-term investments		759		755
Current portion of investments limited as to use		5,174		5,283
Patient accounts receivable, net		65,548		66,780
Inventory		8,386		8,810
Prepaid expenses and other current assets		12,335		12,955
Total current assets		177,514		169,750
Investments		67,435		59,218
Investments limited as to use		182,404		143,711
Property and equipment, net		184,200		174,224
Other assets				
Investments in unconsolidated entities		80,686		69,532
Goodwill and other intangibles		4,136		4,183
Deferred bond issuance costs, net		907		499
Cash value of life insurance and other noncurrent assets		5,121		5,999
Total other assets		90,850		80,213

Total assets	\$ 702,403	\$ 627,116

	June 30		
		2013	2012
		(In Thouse	ınds)
Liabilities and net assets			
Current liabilities			
Current maturities of long-term debt			
Hospital revenue bonds	\$	4,730 \$	4,860
Clinic revenue bonds		150	150
Other debt		2,618	2,495
		7,498	7,505
Accounts payable		7,450	7,345
Amounts payable to third-party reimbursement programs		5,447	2,668
Accrued interest payable		780	655
Accrued salaries and wages		19,488	18,785
Other accrued liabilities		21,009	18,633
Total current liabilities		61,672	55,591
Long-term liabilities Long-term debt Hospital revenue bonds Clinic revenue bonds Other debt Deferred compensation Postretirement benefits Interest rate swap Other long-term liabilities	_	117,120 7,050 2,315 126,485 21,483 3,498 2,279 5,928	97,595 7,200 2,116 106,911 16,249 4,006 7,477 4,623
Total long-term liabilities		159,673	139,266
Total liabilities		221,345	194,857
Net assets Net assets Net assets attributable to noncontrolling interest		466,047 15,011	418,921 13,338
Total unrestricted net assets		481,058	432,259
Total liabilities and net assets	\$	702,403 \$	627,116

See accompanying notes.

Consolidated Statements of Operations and Changes in Net Assets

Revenue charter Net patient service revenue \$ 506,193 \$ 507,396 Proxision for bad debts 10,417 \$ 8,046 Income from unconsolidated entities 11,795 \$ 8,128 Other operating revenue 29,398 \$ 22,274 Total revenue 536,79 \$ 225,266 Expenses 229,127 \$ 222,566 Employee benefits 61,863 \$ 59,382 Employee benefits 61,863 \$ 59,382 Medical fees 41,441 \$ 4007 Supplies 33,967 \$ 81,837 Purchased services and other 101,270 \$ 97,980 Insurance and utilities 8,118 \$ 8,163 Depreciation and amortization 21,661 \$ 27,057 Interest 1,904 \$ 2,649 Total expenses 515,218 \$ 502,695 Incestiment moore 24,231 \$ 2,548 Contributions and other 1,341 \$ 2,214 Nonoperating gains (losses) 11,341 \$ 2,214 Investment moome 24,231 \$ 2,548 Contributions and other 1,341 \$ 2,214 Net change in fair value of interest rate swap 46,69 \$ 26,002 \$ (34) Lo		Year Ended June 30 2013 2012		
Net patient serveenee \$ 506,193 \$ \$07,396 Proxision for bad debts 10,417 \$ 8,046 Income from unconsolidated entities 11,705 \$ 8.128 Other operating revenue 536,879 529,752 Total revenue 536,879 529,752 Expenses 229,127 \$ 222,566 229,127 \$ 222,566 Employee benefits 61,863 \$ 59,382 59,382 Medical fees 4,444 \$ 4007 4007 Supplies 83,967 \$ 81,813 81,837 Purchased services and other 101,270 \$ 97,980 Insurance and utilities 8,118 \$ 8,63 Depreciation and amortization 24,625 \$ 26,119 Interest 1,504 \$ 22,625 26,119 <			nds)	
Provision for bad debts 10,417 8,046 Income from unconsolidated entities 11,105 8,128 Other operating revenue 29,398 22,274 Total revenue 536,879 529,752 Expenses 229,127 22,566 Employee benefits 61,863 59,382 Employee benefits 41,444 4,007 Supplies 83,396 81,837 Purchased services and other 101,270 97,980 Insurance and utilities 8,118 8,163 Depreciation and amortization 24,625 26,119 Interest 1,804 2,641 Total expenses 515,218 30,695 Income from operations 21,661 27,057 Nonoperating gams (losses) 1 2,421 2,548 Contributions and other 1,341 2,214 2,548 Loss on early extinguishment of debt 1,151 2,921 Loss on early extinguishment of debt 1,167 3,254 Nevenue in excess of expenses before noncontrolling interest				-00-
Income from unconsolidated entities 495,776 499,350 Other operating revenue 29,398 22,274 Total revenue 536,879 529,552 Expenses 229,127 222,566 Employee benefits 61,863 59,382 Medical fees 41,444 4,007 Supplies 83,967 81,837 Purchased services and other 101,270 97,980 Insurance and utilities 8,118 8,163 Depreciation and amortization 24,625 26,119 Interest 1,804 2,641 Total expenses 515,218 502,695 Income from operations 21,661 27,057 Nonoperating gams (losses) 21,661 27,057 Investment income 24,231 2,548 Contributions and other 1,341 2,214 Net change in fair value of interest rate swap 848 4,285 Loss on early extinguishment of debt (118) 698 Total nonoperating gams (losses), net 26,302 531		\$		
Income from unconsolidated entities 11,765 8,128 Other operating revenue 29,398 22,274 Total revenue 356,879 529,752 Expenses 229,127 222,566 Employ ee benefits 61,863 59,382 Medical fees 4,444 4,007 Supplies 83,967 81,873 Purchased services and other 101,270 97,980 Insurance and utilities 8,118 8,163 Depreciation and amortization 24,625 26,119 Interest 1,804 2,641 Total expenses 515,218 502,695 Income from operations 21,661 27,957 Nonoperating gains (losses) 21,661 27,957 Investment income 24,231 2,548 Contributions and other 1,341 2,214 Nonoperating gains (losses) 348 4,285 Loss on early extinguishment of debt 1,18 998 Total nonoperating gains (losses), net 26,302 521 Revenue in exc	Provision for bad debts			
Other operating revenue 29,398 22,274 Total revenue 536,879 529,752 Expenses 29,127 222,566 Employ ee benefits 61,863 59,382 Medical fees 1,444 4,007 Supplies 83,967 81,837 Purchased services and other 101,279 97,980 Insurance and utilities 8,118 8,163 Depreciation and amortization 24,625 26,119 Interest 1,804 26,41 Interest 1,804 26,41 Total expenses 515,218 502,695 Income from operations 21,661 27,057 Nonoperating gains (losses) 21,661 27,057 Income from operations and other 1,341 2,214 Net change in fair value of interest rate swap 848 (4,885) Loss on early extinguishment of debt 118 998 Total nonoperating gains (losses). net 26,302 52,119 Revenue in excess of expenses before noncontrolling interest 47,963 26,536 <td></td> <td></td> <td></td> <td></td>				
Total revenue 536,879 529,752 Expenses 229,127 222,666 Employ ee benefits 61,863 59,382 Medical fees 4,444 4,007 Supplies 83,967 81,837 Purchased services and other 101,270 97,980 Insurance and utilities 8,118 8,163 Depreciation and amortization 24,625 26,119 Interest 1,804 2,641 Total expenses 515,218 502,695 Income from operations 21,661 27,057 Nonoperating gains (losses) 1 24,421 2,548 Contributions and other 1,341 2,214 Net change in fair value of interest rate swap 848 4,285 Loss on early extinguishment of debt 11,341 2,91 Total nonoperating gains (losses), net 26,302 521 Revenue in excess of expenses before noncontrolling interest 47,963 26,536 Noncontrolling interest 49,94 (1,77) Revenue in excess of expenses before noncontrollin				
Expenses 229,127 222,566 Employ ee benefits 61,863 59,382 Medical fees 4,444 4,007 Supplies 83,967 81,818 Purchased services and other 101,270 97,980 Insurance and utilities 8,118 8,163 Depreciation and amortization 24,625 26,119 Interest 1,804 2,641 Interest 1,804 2,641 Income from operations 21,661 27,057 Nonoperating gains (losses) 24,231 2,548 Investment income 24,231 2,548 Contributions and other 1,341 2,214 Net change in fair value of interest rate swap 848 (4,285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,358 Noncontrolling interest 49,969 26,319 Other changes in unrestricted net assets 1,673				
Salarres and wages 229,127 222,566 Employ ee benefits 61,863 59,882 Medical fees 4,444 4,007 Supplies 83,967 81,837 Purchased services and other 101,270 97,980 Insurance and utilities 8,118 8.163 Depreciation and amortization 24,625 26,119 Interest 1,804 2,641 Total expenses 515,218 502,695 Income from operations 21,661 27.057 Nonoperating gains (losses) 24,231 2,548 Contributions and other 1,341 2,214 Net change in fair value of interest rate swap 848 (4,285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,362 Noncontrolling interest 49,94 (17) Revenue in excess of expenses 46,969 26,319 Other changes in unrestricted net assets <td>Total revenue</td> <td></td> <td>536,879</td> <td>529,752</td>	Total revenue		536,879	529,752
Employee benefits 61,863 59,382 Medical fees 4,444 4,007 Supplies 33,967 81,837 Purchased services and other 101,270 97,980 Insurance and utilities 8,118 8,163 Depreciation and amortization 24,625 26,119 Interest 1,804 2,641 Total expenses 515,218 502,695 Income from operations 21,661 27,057 Nonoperating gains (losses) 21,661 27,057 In estment income 24,231 2,548 Contributions and other 1,341 2,214 Net change in fair value of interest rate swap 848 4,2255 Loss on early extinguishment of debt (118) 698 Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,356 Noncontrolling interest 49,409 26,519 Other changes in unrestricted net assets 1,673 53 Change in fair value of interest rate swa	Expenses			
Medical fees 4,444 4,007 Supplies 83,967 81,837 Purchased services and other 101,270 97,980 Insurance and utilities 8,118 8,163 Depreciation and amortization 24,625 26,119 Interest 1,804 2,641 Total expenses 515,218 502,695 Income from operations 21,661 27,057 Nonoperating gains (losses) 1 2,4231 2,548 Contributions and other 1,341 2,214 3,44 3,214 Net change in fair value of interest rate swap 848 (4,285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,536 Noncontrolling interest 49,496 26,519 Other changes in unrestricted net assets 1 1 1 Increase in noncontrolling interest 1,673 53 1 Change in fair value of intere	Salaries and wages		229,127	222.566
Supplies 83,967 81.837 Purchased services and other 101,270 97,980 Insurance and utilities 8,118 8.163 Depreciation and amortization 24,625 26,119 Interest 1,804 2,641 Total expenses 515,218 502,695 Income from operations 21,661 27,057 Nonoperating gains (losses) 24,231 2,548 Contributions and other 1,341 2,214 Net change in fair value of interest rate swap 848 (4,285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26,519 Other changes in unrestricted net assets 1,673 53 Increase in noncontrolling interest 1,673 53 Change in fair value of interest rate swap (296) (54)				59.382
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Interest 1,804 2.641 Total expenses 515,218 502.695 Income from operations 21,661 27.057 Nonoperating gains (losses) Investment income 24,231 2.548 Contributions and other 1,341 2.214 Net change in fair value of interest rate swap 848 (4.285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26,519 Other changes in unrestricted net assets 1,673 53 Increase in noncontrolling interest 1,673 53 Change in fair value of interest rate swap (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 -	Insurance and utilities			8,163
Total expenses 515,218 502,695 Income from operations 21,661 27.057 Nonoperating gains (losses) 31,24231 2.548 Investment income 1,341 2.214 Net change in fair value of interest rate swap 848 (4.285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26,519 Other changes in unrestricted net assets 1,673 53 Change in fair value of interest rate swap (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 - Increase in unrestricted net assets 48,799 26,196 Unrestricted net assets at beginning of year 432,259 406,063 <td>•</td> <td></td> <td></td> <td></td>	•			
Income from operations 21,661 27.057 Nonoperating gains (losses) 24,231 2.548 Investment income 24,231 2.548 Contributions and other 1,341 2.214 Net change in fair value of interest rate swap 848 (4,285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26.536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26.519 Other changes in unrestricted net assets 1,673 53 Change in fair value of interest rate swap (296) (54) Equity, and other changes in net assets of unconsolidated affiliates (935) (130) Postreturement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 - Increase in unrestricted net assets 48,799 26.196 Unrestricted net assets at beginning of year 432,259 406.063				
Nonoperating gains (losses) Investment income 24,231 2.548 Contributions and other 1,341 2.214 Net change in fair value of interest rate swap 848 (4.285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26.536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26.519 Other changes in unrestricted net assets 1,673 53 Change in fair value of interest rate swap (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment (945) (192) Contribution of healthcare facilities (192) Increase in unrestricted net assets (192) Unrestricted net assets at beginning of year 432,259 406.063	Total expenses			502,695
Investment income 24,231 2.548 Contributions and other 1,341 2.214 Net change in fair value of interest rate swap 848 (4.285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26,519 Other changes in unrestricted net assets 1,673 53 Increase in noncontrolling interest 1,673 53 Change in fair value of interest rate swap (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 - Increase in unrestricted net assets 48,799 26.196 Unrestricted net assets at beginning of year 432,259 406.063	Income from operations		21,661	27.057
Investment income 24,231 2.548 Contributions and other 1,341 2.214 Net change in fair value of interest rate swap 848 (4.285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26,519 Other changes in unrestricted net assets 1,673 53 Increase in noncontrolling interest 1,673 53 Change in fair value of interest rate swap (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 - Increase in unrestricted net assets 48,799 26.196 Unrestricted net assets at beginning of year 432,259 406.063	Nonoperating gains (losses)			
Net change in fair value of interest rate swap 848 (4.285) Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26,519 Other changes in unrestricted net assets 1,673 53 Change in fair value of interest rate swap (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 - Increase in unrestricted net assets 48,799 26,196 Unrestricted net assets at beginning of year 432,259 406,063			24,231	2,548
Loss on early extinguishment of debt (118) (998) Total nonoperating gains (losses), net 26,302 (521) Revenue in excess of expenses before noncontrolling interest 47,963 26,536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26,519 Other changes in unrestricted net assets 1,673 53 Change in fair value of interest rate swap (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 - Increase in unrestricted net assets 48,799 26,196 Unrestricted net assets at beginning of year 432,259 406,063	Contributions and other		1,341	2.214
Total nonoperating gains (losses), net Revenue in excess of expenses before noncontrolling interest Noncontrolling interest Revenue in excess of expenses Other changes in unrestricted net assets Increase in noncontrolling interest Change in fair value of interest rate swap Equity and other changes in net assets of unconsolidated affiliates Postretirement healthcare benefit adjustment Contribution of healthcare facilities Increase in unrestricted net assets Unrestricted net assets at beginning of year 26,302 47,963 26,536 (17) 16,73 26,519 26,519 26,519 26,519 26,519 26,519 26,519 26,196 26,196	Net change in fair value of interest rate swap		848	(4.285)
Revenue in excess of expenses before noncontrolling interest 47,963 26.536 Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26.519 Other changes in unrestricted net assets Increase in noncontrolling interest 7 (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 — Increase in unrestricted net assets 48,799 26.196 Unrestricted net assets at beginning of year 432,259 406.063	Loss on early extinguishment of debt		(118)	(998)
Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26,519 Other changes in unrestricted net assets Increase in noncontrolling interest (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 — Increase in unrestricted net assets Unrestricted net assets at beginning of year 432,259 406.063	Total nonoperating gains (losses), net		26,302	(521)
Noncontrolling interest (994) (17) Revenue in excess of expenses 46,969 26,519 Other changes in unrestricted net assets Increase in noncontrolling interest (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 — Increase in unrestricted net assets Unrestricted net assets at beginning of year 432,259 406.063	Revenue in excess of expenses before noncontrolling interest		47.963	26.536
Revenue in excess of expenses 46,969 26.519 Other changes in unrestricted net assets Increase in noncontrolling interest 53 Change in fair value of interest rate swap (296) (54) Equity and other changes in net assets of unconsolidated affiliates (935) (130) Postretirement healthcare benefit adjustment 845 (192) Contribution of healthcare facilities 543 — Increase in unrestricted net assets 48,799 26.196 Unrestricted net assets at beginning of year 432,259 406.063				(17)
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Change in fair value of interest rate swap Equity and other changes in net assets of unconsolidated affiliates Postretirement healthcare benefit adjustment Contribution of healthcare facilities Increase in unrestricted net assets Unrestricted net assets at beginning of year (296) (54) (130) (130) (132) (192) (192) (192) (193) (193) (194) (194) (195) (194) (195) (196) (196) (196) (197) (196) (197) (197) (198)			1.673	53
Equity and other changes in net assets of unconsolidated affiliates Postretirement healthcare benefit adjustment Contribution of healthcare facilities Increase in unrestricted net assets Unrestricted net assets at beginning of year 132,259 130 (130) 142 142 153 164 175 186 187 187 188 189 180 180 180 180 180 180			,	(54)
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Contribution of healthcare facilities 543 — Increase in unrestricted net assets 48,799 26.196 Unrestricted net assets at beginning of year 406.063			` ′	
Unrestricted net assets at beginning of year 406.063			543	_
	Increase in unrestricted net assets		48,799	26,196
	Unrestricted net assets at beginning of vear		432,259	406,063
		\$		

See accompanying notes

Consolidated Statements of Cash Flows

	Year Ended June 30 2013 2012 (In Thousands)		
Operating activities	(D	40 2 00 (b	26.106
Increase in unrestricted net assets	\$	48,799 \$	26,196
Adjustments to reconcile increase in unrestricted net assets to net cash			
provided by operating activities			
Depreciation and amortization		24,625	26,119
Provision for bad debts		10,417	8,046
Net change in unrealized gains and losses on investments		(16,899)	5,884
Unrealized (gain) loss on interest rate swaps		(5,198)	2,902
Interest rate lock amortization		_	48
Share of earnings in unconsolidated affiliates		(11,705)	(8.078)
Loss on early extinguishment of debt		(118)	(998)
Gain (loss) on sale of property and equipment		17	(165)
Changes in assets and liabilities			
Patient accounts receivable		(9,185)	(9,461)
Other current assets		1,040	(5,173)
Investments		(5,782)	(10.483)
Accounts payable, accrued and other liabilities		6,211	3,376
Other long-term assets and liabilities		6,723	2,829
Net cash provided by operating activities		48,945	41.042
Investing activities			
Additions to property and equipment		(34,460)	(19,544)
Purchase of trading investments		(24,120)	(39,894)
Proceeds from sale of trading investments		_	34,894
Purchase of interest in unconsolidated entities		_	(4.538)
Net cash used in investing activities		(58,580)	(29.082)
Financing activities			
Principal payments on bonds		(6,402)	(3.827)
Bond issue costs		(0,402) 417	957
Proceeds from long-term debt		48,765	32,025
Retirement of long-term debt		(23,000)	(32.025)
Net cash provided by (used in) financing activities	-	19,780	(2.870)
Net increase in cash and cash equivalents		10,145	9.090
Cash and cash equivalents at beginning of year		75,167	66,077
Cash and cash equivalents at end of year	\$	85,312 \$	75,167
Supplemental disclosure of cash flow information			
Interest paid	\$	1,756 \$	3,192

See accompanying notes

Notes to Consolidated Financial Statements (Dollars in Thousands)

June 30, 2013 and 2012

1. Summary of Significant Accounting Policies

Principal Business Activity

Aspirus, Inc and Subsidiaries (collectively, Aspirus) provide comprehensive medical, surgical, emergency, outpatient, nursing home, home care, hospice, and clinical services to the residents of central and northern Wisconsin and the upper peninsula of Michigan

Principles of Consolidation

All significant intercompany accounts and transactions have been eliminated in consolidation

Aspirus, Inc 's subsidiaries are Aspirus Wausau Hospital, Inc (AWH), Aspirus Ontonagon Hospital, Inc (AOH), Aspirus Grand View Hospital, Inc (AGV), Aspirus Clinics, Inc (ACI), Aspirus Doctors Clinic, Inc (ADC), Aspirus Specialists, Inc (ASI), Aspirus Extended Services, Inc (AES), Aspirus VNA Home Health, Inc (AVNA), Aspirus Buildings, Inc (ABI), Aspirus Network, Inc (ANI), and Aspirus Health Foundation, Inc (AHF)

Use of Estimates

The preparation of consolidated financial statements in conformity with U S generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the amounts reported in these consolidated financial statements and accompanying notes Although estimates are considered to be fairly stated at the time the estimates are made, actual results could differ from those estimates

Aspirus considers critical accounting estimates to be those that require more significant judgments and include the allowance for contractual adjustments, community care, doubtful accounts, liability to third-party reimbursement programs, and reserves for losses and expenses related to self-funded health and dental insurance

Cash Equivalents and Short-Term Investments

Aspirus considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents, excluding amounts held as short-term investments in the investment portfolio and amounts whose use is limited Short-term investments consist of certificates of deposits with an original maturity of one year or less but more than three months and are stated at cost, which approximates fair value

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

1. Summary of Significant Accounting Policies (continued)

Patient Service Revenue and Accounts Receivable

Patient accounts receivable are uncollateralized patient obligations that are stated at the amount management expects to collect from outstanding balances. These obligations are primarily from local residents, most of whom are insured under third-party payor agreements. Aspirus bills third-party payors on each patient's behalf, or if a patient is uninsured, the patient is billed directly. Once claims are settled with the primary payor, any secondary insurance is billed, and patients are billed for co-pay and deductible amounts that are the patient's responsibility. Payments on accounts receivable are applied to the specific claim identified on the remittance advice or statement. Aspirus does not charge interest on past-due accounts.

Patient accounts receivable are recorded in the accompanying consolidated balance sheets, net of allowances for contractual adjustments, community care, and doubtful accounts

Aspirus has agreements with third-party payors that provide for payments to Aspirus at amounts different from its established rates. For uninsured patients that do not qualify for community care, Aspirus recognizes revenue on the basis of its standard or discounted rates for services provided. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Aspirus has determined, based on an assessment at the reporting-entity level, that patient service revenue is primarily recorded prior to assessing the patient's ability to pay and as such, the entire provision for bad debts is recorded as a deduction from patient service revenue in the consolidated statements of operations and changes in net assets

The provision for bad debts is based on management's assessment of historical and expected net collection considering business and economic conditions, trends in healthcare coverage, and other collection indicators for each of its major payor sources. Throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon these trends. The results of this review are then used to make any modifications to the provision for bad debts to establish an estimated allowance for uncollectible accounts. Accounts receivable are written off after all collection efforts have been followed in accordance with Aspirus' policies. Overall, the allowance for uncollectible accounts as a percentage of accounts receivable has not changed significantly for the year ended June 30, 2013, as compared to the prior year.

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

1. Summary of Significant Accounting Policies (continued)

Changes in estimated reimbursement related to prior periods increased net patient service revenue by approximately \$243 and \$4,269 for the years ended June 30, 2013 and 2012, respectively

Inventory

Inventory is valued at the lower of cost, determined using the average cost method, or market value

Investments and Investment Income

Investments in equity securities and all investments in debt securities are measured at fair value in the accompanying consolidated balance sheets

Investments limited as to use are stated at fair value and consist of investments held by bond trustees under the terms of bond agreements, investments designated by the Board of Directors for future facility replacement and expansion, amounts set aside for compensation agreements, and investments held for various other purposes. Investments limited as to use that are required for obligations classified as current liabilities are reported as current assets.

Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in nonoperating gains (losses) unless the income or loss is restricted by donor or law Unrealized gains and losses on investments are included in investment income in the consolidated statements of operations and changes in net assets Realized gains and losses are determined by specific identification

Property and Equipment

Property and equipment are recorded at cost if purchased, fair value at date received if contributed, or net book value if transferred from a related party under common control Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method Estimated useful lives range from 3 to 25 years for land improvements, 5 to 40 years for buildings, 5 to 30 years for building equipment, and 3 to 25 years for equipment

Aspirus capitalizes interest on the financing of major capital projects, including projects financed with tax-exempt borrowings

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

1. Summary of Significant Accounting Policies (continued)

Aspirus periodically evaluates whether events and circumstances have occurred that may affect the estimated useful life or recoverability of the net book value of property and equipment and the unamortized excess cost over net assets acquired If such events or circumstances indicate that the carrying amounts may not be recoverable, an impairment loss is recorded based on estimated fair value

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted net assets and are excluded from revenue in excess of expenses if the donor does not specify how the donated assets must be used

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as temporarily or permanently restricted net assets. Absent explicit donor stipulations about how long these long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service

Deferred Bond Issuance Costs

Costs relating to the issuance of revenue bonds are deferred and amortized over the life of the bonds on a basis that approximates the effective interest method

Interest Rate Swaps

Aspirus uses derivative instruments to manage its risk related to interest rate movements Aspirus' interest rate risk management strategy is to stabilize cash flow requirements by maintaining an interest rate swap to convert a portion of their variable rate debt to a fixed rate Aspirus' interest rate swap is not designated as a hedge, and accordingly, changes in fair value of the interest rate swap are recorded in nonoperating gains (losses) in the consolidated statements of operations and changes in net assets

Intangible Assets

Intangible assets consist of goodwill and other intangible assets Intangible assets whose lives are indefinite, primarily goodwill, are not amortized and are evaluated for impairment at least annually, while intangible assets with definite lives are amortized over their expected useful lives using the straight-line method

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

1. Summary of Significant Accounting Policies (continued)

Investments in Unconsolidated Entities

Investments in unconsolidated entities are accounted for using the equity or cost method, whichever is applicable

Since the date of acquisition, Aspirus' share of the operating results and other changes in net assets (if any) of its investments in unconsolidated entities are included in total revenue and changes in net assets, respectively, in Aspirus' consolidated statements of operations and changes in net assets

Revenue in Excess of Expenses

The consolidated statements of operations and changes in net assets include the classification revenue in excess of expenses, which is considered to be the performance indicator. Changes in net assets, which are excluded from the performance indicator, consistent with industry practice, include permanent transfer of assets to and from affiliates for items other than goods and services, changes in the funded status of postretirement benefits, and contributions of long-lived assets, including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets

Community Care

Aspirus provides care to patients who meet certain criteria under the community care policy without charge or at amounts less than the established rates Aspirus maintains records to identify and monitor the level of community care provided These records include the amount of charges forgone for services and supplies furnished under the community care policy Since Aspirus does not pursue collection of amounts determined to qualify as community care, they are not reported as net patient service revenue

Contributions

Contributions are considered available for unrestricted use unless specifically restricted by the donor

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

1. Summary of Significant Accounting Policies (continued)

Unconditional promises to give cash and other assets to Aspirus 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 net assets if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and are reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements

Unemployment Compensation

Aspirus has elected reimbursement financing under provisions of the Wisconsin and Michigan unemployment compensation laws Unemployment claims are paid to the state of Wisconsin and the state of Michigan as incurred Aspirus has obtained letters of credit totaling \$1,789 and \$1,121 at June 30, 2013, and \$1,789 and \$1,116 at June 30, 2012, to comply with the funding requirements for the states of Wisconsin and Michigan, respectively No draws have been made against the letters of credit to date

Advertising Costs

Advertising expenses amounted to \$2,779 and \$3,001 for the years ended June 30, 2013 and 2012, respectively All advertising costs are expensed as incurred

Income Taxes

All subsidiaries, except for Aspirus Network, Inc, are tax-exempt corporations as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code They are also exempt from state income tax

Aspirus pays taxes on certain activities considered taxable in accordance with the Code Taxes for Aspirus Network, Inc., a not-for-profit taxable corporation, were immaterial for the years ended June 30, 2013 and 2012

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

1. Summary of Significant Accounting Policies (continued)

Reclassifications

Certain reclassifications have been made to the 2012 consolidated financial statements to conform with the 2013 classifications, which had no impact on revenues over expenses, net assets, or changes in net assets as previously reported

Recent Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) The amendments in ASU 2011-04 result in common fair value measurement and disclosure requirements in GAAP and IFRS The guidance also changes the wording used to describe many of the requirements in GAAP for measuring fair value and for disclosing information about fair value measurements This new guidance is effective for Aspirus for its year ended June 30, 2013 Adoption had no material impact on Aspirus in the current year

In February 2013, the FASB issued ASU 2013-03, Clarifying the Scope and Applicability of a Particular Disclosure to Nonpublic Entities These amendments clarify that the requirement to disclose the level of the fair value hierarchy within which the fair value measurements are categorized in their entirety (Level 1, 2, or 3) does not apply to nonpublic entities for items that are not measured at fair value in the statement of financial position but for which fair value is disclosed These amendments, which are effective upon issuance, affect nonpublic entities that have total assets of \$100 million or more or that have one or more derivative instruments This new guidance is effective for Aspirus for its year ended June 30, 2013 Adoption had no material impact on Aspirus in the current year

2. Reimbursement Arrangements With Third-Party Payors

Aspirus has agreements with third-party payors that provide for reimbursement at amounts that vary from their established rates Changes in Medicare and Medicaid programs and reduction of funding levels could have a material adverse effect on the future amounts recognized as patient service revenue A summary of the basis of reimbursement with major third-party payors follows

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Reimbursement Arrangements With Third-Party Payors (continued)

Medicare

Inpatient hospital acute care services rendered to Medicare program beneficiaries and defined capital costs are paid at prospectively determined rates per discharge These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors Other inpatient acute care services, which include rehabilitation, behavioral health, and hospice, are paid based on cost-reimbursement methods with certain services subject to a historical expense target limitation, prospectively determined daily rates, established fee schedules, or a combination thereof Outpatient services are paid primarily based on prospectively determined rates or fixed fee schedules Nursing home resident care is paid based on a predetermined rate per patient day, which varies depending upon the patient's level of care and type of services provided Home care services are paid based upon a predetermined rate per episode of care, which varies depending on the patient's level of care and types of services provided

Medicaid

Hospital, nursing home, and home health services rendered to Medicaid program beneficiaries are reimbursed primarily based upon prospectively determined rates

Blue Cross

Inpatient and outpatient services rendered are reimbursed on a controlled-charge basis

Other

Aspirus also receives increased lump-sum payments for Medicaid health maintenance organization (HMO) beneficiaries based on their percentage of beneficiaries with claims during the preceding month to all Medicaid claims processed the preceding month within the state. The state of Wisconsin imposes a Hospital Assessment tax to be used in part for funding the delivery of services to Medicaid beneficiaries at hospitals. For the years ended June 30, 2013 and 2012, Aspirus' tax totaled \$9,437 and \$8,494, respectively, which is reported as an expense and the related additional Medicaid reimbursement of \$11,484 and \$12,763, respectively, as net patient service revenue in the consolidated statements of operations and changes in net assets

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Reimbursement Arrangements With Third-Party Payors (continued)

Aspirus has entered into payment agreements with certain commercial insurance carriers, HMOs, and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge, discounts from established charges, and fee schedules Aspirus also has policies to provide a discount from established charges to uninsured patients. Aspirus' discount was 16% and 14% for the years ended June 30, 2013 and 2012, respectively

Aspirus is reimbursed for certain cost-reimbursable items at tentative rates with final settlements determined after audit of the related annual cost reports by the respective Medicare and Medicaid fiscal intermediaries

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments Compliance with these laws and regulations, particularly those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time Violations of these laws and regulations by healthcare providers could result in the imposition of fines and penalties, as well as repayments of previously billed and collected revenue from patient services Management believes Aspirus is in substantial compliance with current laws and regulations

3. Patient Accounts Receivable

Patient accounts receivable consisted of the following at June 30

	2013		2012
Patient accounts receivable	\$	128,193 \$	124,345
Less Allowance for contractual adjustments Allowance for uncollectible accounts and community		46,745	44,161
care		15,900	13,404
Patient accounts receivable, net	\$	65,548 \$	66,780

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

4. Net Patient Service Revenue

Net patient service revenue consisted of the following for the years ended June 30

	2013	2012
Gross patient charges		
Inpatient services	\$ 379,610	\$ 381,701
Outpatient services	373,725	353,398
Physician clinic services	325,374	301,050
Nursing home and long-term care services	10,313	10,196
	1,089,022	1,046,345
Less contractual adjustments	 582,829	538,949
	 506,193	507,396
Less provision for bad debts	10,417	8,046
Net patient service revenue	\$ 495,776	\$ 499,350

The Medicare program represented 48% and 47% of gross patient charges for the years ended June 30, 2013 and 2012, respectively The Medicaid program represents 11% of gross patient charges for each of the years ended June 30, 2013 and 2012

5. Community Care

Aspirus maintains records to identify and monitor the level of community care it provides to patients The following information reflects the level of community care provided for the years ended June 30

	2013	2012		
Charges forgone, based on established rates	\$ 26,140	\$ 24,910		
Equivalent percentage of community care charges forgone to gross patient charges	2.4%	2 4%		

Total amount of charity care provided, determined on the basis of cost, was approximately \$12,250 and \$11,876 for the years ended June 30, 2013 and 2012, respectively Cost of providing care is estimated using internal cost data

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

6. Investments

At June 30, 2013 and 2012, investments, stated at fair value, totaled \$68,194 and \$59,973, respectively, of which \$67,435 and \$59,176, respectively, were invested in mutual funds

Investments designated as limited as to use are stated at fair value and consisted of the following at June 30

	2013			2012		
Cash and cash equivalents	\$	18,583	\$	6,493		
Mutual funds		165,966		142,472		
Government bonds		1,002		_		
Corporate bonds		1,998		_		
Corporate stocks		29		29		
Total investments limited as to use	\$	187,578	\$	148,994		

The composition of investments limited as to use at June 30 is summarized as follows

	2013	2012		
Revenue fund	\$ _	\$	27	
Construction fund	21,120		_	
Bond sinking fund	_		244	
Debt service reserve fund	88		525	
Designated by Board for capital improvements	139,524		122,076	
Held for deferred compensation	21,488		16,329	
Other	5,358		9,793	
Total assets limited as to use	187,578		148,994	
Less current portion of assets limited as to use	5,174		5,283	
Total noncurrent investments limited as to use	\$ 182,404	\$	143,711	

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

6. Investments (continued)

Investment income consists of the following for the years ended June 30

	 2013	2012
Interest and dividend income	\$ 7,892	\$ 5,801
Net realized (losses) gains	(560)	2,631
Net change in unrealized gains and losses	16,899	(5,884)
	\$ 24,231	\$ 2,548

Investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements

7. Fair Value Measurements

Fair value is defined as 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. 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)

Certain of Aspirus' financial assets and financial liabilities are measured at fair value on a recurring basis, including investments in money market, mutual funds, fixed income, equity instruments, and interest rate swap agreements

Aspirus' valuation methodology for assets and liabilities measured at fair value is as follows (a) fair value for Level 1 is based upon quoted market prices, (b) fair value for Level 2 is based on model-based valuation techniques performed by an independent third-party for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets, and (c) fair value for Level 3 is based on inputs that are unobservable and significant Inputs are obtained from various sources, including dealer counterparties and other independent market sources

There were no significant transfers into or out of Level 1 or Level 2 that occurred during the year ended June 30, 2013

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

7. Fair Value Measurements (continued)

The financial instruments carried at fair value as of June 30, 2013, by valuation hierarchy, are as follows

	 Level 1	I	Level 2	Level 3	Total
Assets					
Cash equivalents	\$ 19,342	\$	_	\$ _	\$ 19,342
Mutual funds					
Fixed income	62,668		_	_	62,668
Equity	170,733		_	_	170,733
Government bonds	1,002		_	_	1,002
Corporate bonds	1,998		_	_	1,998
Corporate stocks	29		_	_	29
Total	\$ 255,772	\$	_	\$ _	\$ 255,772
Liabilities					
Interest rate swaps	\$ _	\$	(2,279)	\$ _	\$ (2,279)

The financial instruments carried at fair value as of June 30, 2012, by valuation hierarchy, are as follows

	 Level 1	Level 2]	Level 3	Total
Assets					
Cash equivalents	\$ 6,509	\$ _	\$	_	\$ 6,509
Mutual funds					
Fixed income	62,713	_		_	62,713
Equity	139,682	_		_	139,682
Corporate stocks	63	_		_	63
Total	\$ 208,967	\$ _	\$	_	\$ 208,967
Liabilities					
Interest rate swaps	 _	\$ (7,477)	\$	_	\$ (7,477)

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

7. Fair Value Measurements (continued)

Carrying amounts of cash and cash equivalents, patient accounts receivable, accounts payable, and payable to third-party payors approximate fair value due to the short-term nature of these instruments

The valuation for the estimated fair value of long-term debt is completed by a third-party service and takes into account a number of factors Based on the inputs in determining the estimated fair value of debt his liability is considered Level 2 At June 30, 2013 and 2012, the fair value of Aspirus' long-term fixed-rate debt is estimated to be \$77,895 and \$34,170, respectively The recorded value of the variable rate bonds approximates fair value at June 30, 2013 and 2012

8. Property and Equipment

Property and equipment consisted of the following at June 30

	2013			2012
Land	\$	12,164	\$	12,164
Land improvements		11,358		11,280
Buildings		156,042		154,052
Building improvements		798		741
Building equipment		81,643		81,226
Equipment		175,294		162,901
		437,299		422,364
Less accumulated depreciation		272,593		250,319
Net depreciated value		164,706		172,045
Construction-in-progress		19,494		2,179
Total property and equipment, net	\$	184,200	\$	174,224

Aspirus has committed to various capital expenditures totaling approximately \$60,004 for continuing renovations at Aspirus Construction-in-progress includes \$19,494 related to these projects as of June 30, 2013 These amounts will be funded from operating funds

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Investments in Unconsolidated Entities

Aspirus is a 50% corporate member of Memorial Health Center, Inc (MHC), an acute care hospital located in Medford, Wisconsin MHC is reimbursed by Medicare and Medicaid as a critical access hospital

Aspirus is a 45% corporate member in Langlade Memorial Hospital (LH), which is located in Antigo, Wisconsin LH operates a 25-bed acute care facility and assisted living centers On July 1, 2011, Aspirus acquired an additional 5% interest in LH LH is reimbursed by Medicare and Medicaid as a critical access hospital

Aspirus is a 50% corporate member in Aspirus Keweenaw (AK), which is located in Laurium, Michigan AK operates a 25-bed critical access hospital, clinics, and an assisted living center and is co-owner of an emergency medical transport service

AWH has a 49 8% interest in a joint venture, the Westwood Conference Center, LLC (Westwood), which owns and operates the Westwood Conference Center in Wausau, Wisconsin

Aspirus' investments in unconsolidated affiliates and its share of the revenue in excess of expenses of the unconsolidated affiliates as of and for the year ended June 30 are as follows

	2013				20	12		
			Share of Revenue in Excess of				Re	hare of venue in xcess of
	Inv	estments	E	xpenses	Investments		Expenses	
MHC	\$	27,410	\$	3,990	\$	23,689	\$	1,719
LH		39,812		5,489		34,129		4,138
AK		8,812		1,066		7,723		1,137
Others		4,652		1,160		3,991		1,084
	\$	80,686	\$	11,705	\$	69,532	\$	8,078

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

9. Investments in Unconsolidated Entities (continued)

Following is a summary of the combined financial position and combined operating results of Aspirus' investments accounted for under the equity method as of and for the year ended June 30

	 2013	2012
Assets Liabilities	\$ 289,567 96,071	\$ 247,423 78,187
Equity	 193,496	\$ 169,236
	 2013	2012
Revenue Expense	\$ 254,081 228,425	\$ 180,225 162,981
Net income	\$ 25,656	\$ 17,244

10. Long-Term Debt

Hospital Revenue Bonds

All but the 1999 refunding revenue bonds are issued under their respective bond trust indentures between the Wisconsin Health and Education Facilities Authority (Authority) and the Bank of New York Mellon Trust Company, N A, as bond trustee

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

10. Long-Term Debt (continued)

Hospital revenue bonds consisted of the following at June 30

		2013		2012
Series 2013 Refunding Revenue Bonds, subject to redemption through 2043 at amounts varying from \$10 on August 15, 2014, to \$5,530 on August 15, 2038, annual fixed interest rates varying from 2% to 5%. Net unamortized premium is \$529 at June 30, 2013	\$	48,765	\$	-
Series 2012A Refunding Revenue Bonds, subject to redemption through 2020 at amounts varying from \$2,895 on August 15, 2012, to \$4,300 on August 15, 2019, at a fixed annual interest rate of 2 22% Net unamortized discount is \$97 and \$109 at June 30, 2013 and 2012, respectively		29,130		32.025
Series 2004 Variable Rate Demand Revenue Bonds, subject to redemption through 2034 at amounts varying from \$1,800 on August 15, 2023, to \$2,800 on August 15, 2034, variable rate interest. Net unamortized discount is \$153 and \$161 at June 30, 2013 and 2012, respectively.		27,200		27.200
Series 2000 Variable Rate Demand Revenue Bonds, subject to redemption through 2036 at amounts varying from \$525 on August 15, 2021, to \$5,075 on August 15, 2036, variable rate interest. Net unamortized discount is \$0 and \$126 at June 30, 2013 and 2012, respectively. The bonds were paid off in 2013.		_		23,000
Series 1999 Refunding Revenue Bonds subject to redemption through 2016 at amounts varying from \$295 on October 1, 2010, to \$410 on October 1, 2016, annual interest rates varying from 4 20% to 5 88%. Net unamortized discount is \$0 and \$11 at June 30, 2013 and 2012, respectively. The bonds were paid off in 2013.		_		1.835
Series 1998B Variable Rate Demand Revenue Bonds, subject to redemption through 2021 at amounts varying from \$1,605 on August 15, 2011, to \$2,050 on August 15, 2021, variable rate interest. Net unamortized discount is \$4 and \$38 at June 30, 2013 and 2012, respectively.		16,755		18,395
•		121,850		102,455
Less current maturities	<u> </u>	4,730	o	4,860
Total long-term portion	<u>\$</u>	117,120	\$	97,595

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

10. Long-Term Debt (continued)

In April 2013, the Authority issued \$90,560 of Revenue Bonds for the benefit of the Aspirus, Inc Obligated Group Prior to the Series 2013 bonds, Aspirus Wausau Hospital, Inc and Memorial Health Center, Inc were the only members of the Obligated Group Upon issuance of the Series 2013 bonds, Aspirus, Inc, Aspirus Clinics, Inc, Aspirus Grand View, Inc, Aspirus Grand View Service Corp, Inc, and Langlade Hospital – Hotel Dieu of St Joseph of Antigo, Wisconsin became members of the Obligated Group, which also changed its name to Aspirus, Inc Obligated Group The proceeds from the Series 2013 bonds were used to refund the remaining principal amount on the Series 2000 bonds and for construction projects Aspirus, Inc Obligated Group is jointly and severely liable for the payment obligations under the agreement

In February 2012, the Authority issued \$32,025 of Refunding Revenue Bonds for the benefit of AWH JPMorgan Chase Bank, N A is the initial purchaser of the bonds. The fixed rate Series 2012A bonds were issued pursuant to, and secured by, the Restated Master Trust Indenture dated February 29, 2012, between U S. Bank National Association as Master Trustee and the Obligated Group. The proceeds from the Series 2012A bonds were used to refund the remaining principal amount on the Series 1998A bonds.

The Series 2004 and Series 1998B bonds are backed by a standby bond purchase agreement (liquidity facility), which currently expires in April 2016 Aspirus is able to request an extension of the then-current stated expiration date for a period of one or more years. Under the terms of the letter of credit, in the event of a failed remarketing, the provider of the letter of credit will complete a liquidity advance to purchase the bonds with the first of 12 equal quarterly installments in amounts sufficient to fully amortize the liquidity advance being due by Aspirus on the first business day, which is at least 367 days following the liquidity advance

In December 2004, the Authority issued \$45,000 of Variable Rate Revenue Bonds for the benefit of the Obligated Group The proceeds from the Series 2004 bonds were shared by AWH, \$27,200, and MHC, \$17,800 The Series 2004 bonds were issued pursuant to, and secured by, the Master Trust Indenture dated December 1, 2004, between the Authority and the Obligated Group AWH and MHC are jointly and severally liable for the payment obligations under the loan agreement The proceeds from the Series 2004 bonds were used to construct, renovate, and equip certain healthcare facilities of AWH and MHC and to pay certain expenses incurred in connection with the issuance The Series 2004 Variable Rate Revenue Bonds bear interest at interest rates for seven-day auction periods At June 30, 2013 and 2012, the adjusted annual rate was 0 35% and 0 15%, respectively The average annual interest rate on the bonds was 0 14% and 0 12% for the years ended June 30, 2013 and 2012, respectively

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

10. Long-Term Debt (continued)

In March 2000, the Authority issued \$23,000 of Series 2000 Variable Rate Demand Revenue Bonds for the benefit of AWH, which were issued pursuant to and secured by a Bond Trust Indenture between the Authority and the trustee The proceeds from the Series 2000 bonds were used for the AWH building expansion, renovation, and equipment and to pay certain expenses incurred in connection with the issuance The Series 2000 bonds were paid off in 2013 At June 30, 2012, the adjusted annual rate was 0 18% The average annual interest rate on the bonds was 0 12% for the year ended June 30, 2012

In March 1999, the Gogebic County Hospital Finance Authority issued \$4,655 of Fixed Rate Demand Revenue Bonds for the benefit of AGV. The Series 1999 bonds were issued pursuant to and secured by a Bond Trust Indenture, between the Gogebic County Hospital Finance Authority and the trustee. The proceeds from the Series 1999 bonds were used for the refinancing of the Series 1991 bonds. The Series 1999 bonds were paid off in 2013. At June 30, 2012, the adjusted annual rate was 5.88%. The average annual interest rate on the bonds was 5.88% for the year ended June 30, 2012. The bonds were paid off in 2013.

In January 1998, the Authority issued \$75,070 of revenue bonds for the benefit of AWH. The Series 1998 bonds were issued pursuant to and secured by a Bond Trust Indenture, between the Authority and the trustee. The bonds comprised two issuances, the Revenue Refunding Bonds Series 1998A and the Variable Rate Demand Revenue Bonds Series 1998B. The Series 1998B proceeds were used for various AWH capital improvement projects and capital budget items. At June 30, 2013 and 2012, the adjusted annual rate was 0.35% and 0.18%, respectively. The average annual interest rate on the bonds was 0.15% and 0.14% during the years ended June 30, 2013 and 2012, respectively.

Required payments of principal on the revenue bonds, including current maturities, are as follows

2014	\$ 4,730
2015	4,930
2016	5,135
2017	5,345
2018	5,575
Thereafter	 96,135
Total	\$ 121,850

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

10. Long-Term Debt (continued)

Clinic Revenue Bonds

The Authority has issued \$8,000 of Variable Rate Revenue Bonds for the benefit of Aspirus Clinics The Series 2001 bonds were issued pursuant to and secured by a bond trust indenture, dated February 1, 2001, between the Authority and the trustee

Aspirus Clinics' Variable Rate Revenue Bonds consisted of the following at June 30

	2013	2012
Series 2001 Variable Rate Revenue Bonds, subject to		
redemption through 2031 at amounts varying from \$100		
on February 1, 2010, to \$650 on February 1, 2031,		
variable interest rate	\$ 7,200	\$ 7,350
Less current maturities	 150	150
Total long-term portion	\$ 7,050	\$ 7,200

The Series 2001 bonds bear interest at the market rate for demand loans. At June 30, 2013 and 2012, the annual rate was 0.90%. The average annual interest rate during 2013 and 2012 on the Series 2001 bonds was 0.87% and 0.89%, respectively. The bond indenture provides for various restrictive covenants. The recorded value of the variable rate bonds approximates fair value at June 30, 2013 and 2012.

Required payments of principal on the bonds, including current maturities, are as follows

2014	\$ 150
2015	150
2016	150
2017	250
2018	250
Thereafter	 6,250
Total	\$ 7,200

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

10. Long-Term Debt (continued)

At June 30, 2013 and 2012, other long-term debt totaled \$4,933 and \$4,611, respectively, including current maturities of \$2,618 and \$2,495, respectively

11. Interest Rate Swaps

The following is a summary of the outstanding positions under interest rate swap agreements at June 30, 2013

Instrument	Year of	Notional Maturity		Annual Interest	Annual Interest
Type	Issuance	Amount Date		Rate Paid	Rate Received
Interest rate swap	2004	12.000	August 15, 2034	3 56%	68% of 1-month London Interbank Offered Rate (LIBOR)

The fair value of derivative instruments and related collateral at June 30 is as follows

	Balance Sheet Location	2013	2012
Derivatives not designated as hedging instruments	Interest rate swaps – long-term liability	\$ (2,279)	\$ (7,477)
		\$ (2,279)	\$ (7,477)
Collateral posted for denvative instruments	Investments limited as to use – noncurrent asset	\$ -	\$ 724

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

11. Interest Rate Swaps (continued)

The effect of derivative instruments on the consolidated statements of operations and changes in net assets is as follows

	Statements of Operations	mount of Gain erivatives Reco Revenue Excess of Ex	ognized in in
	and Changes in Net Assets Location	Years Ended . 2013	June 30 2012
Net payments on interest rate swaps	Loss on interest rate swaps	\$ (4,350) \$	(1,383)
Unrealized gains (losses) on derivatives	Loss on interest rate swaps	5,198	(2,902)
	-	\$ 848 \$	(4,285)

The fair value of interest rate swaps contains credit risk in the event the parties are unable to meet the terms of the contract

12. Functional Expenses

Aspirus' functional expenses are as follows

	 2013	2012		
Nursing services	\$ 64,909	\$	68,000	
Other professional services	319,461		306,869	
General services	30,454		31,456	
Administrative services	100,394		96,370	
Total	\$ 515,218	\$	502,695	

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

13. Malpractice Insurance

Aspirus has professional liability insurance for claim losses of less than \$1,000 per claim and a \$3,000 aggregate per year. The insurance covers professional liability claims incurred and reported within the policy year (claims-made coverage). Aspirus is covered against losses in excess of these amounts through mandatory participation in the Patients' Compensation Fund of the state of Wisconsin. The professional liability insurance policy is renewable annually and has been renewed by the insurance carrier for the annual period extending through February 1, 2014. In addition, Aspirus maintains umbrella coverage for claims in excess of the professional liability limits to a maximum of \$15,000 per occurrence and a \$15,000 aggregate per year.

Under a claims-made policy, the risk for claims and incidents not asserted within the policy period remains with Aspirus Aspirus has recorded a liability of \$5,474 and \$6,509 at June 30, 2013 and 2012, respectively, to cover claims, including unasserted claims discounted for an expected rate of return of 20% Aspirus has recorded an insurance receivable of \$3,709 and \$4,270 at June 30, 2013 and 2012, respectively, for insurance reimbursements on known claims

14. Self-Funded Insurance

Aspirus has self-funded health and dental plans, which provide medical and dental benefits to employees and their dependents. Health and dental costs are expensed as incurred. Health and dental expense includes claims paid, reinsurance premiums, administration fees, and unpaid claims at year-end.

The health plan has reinsurance to cover catastrophic individual claims over \$300 The dental plan covers annual individual claims up to \$2 The plans have no aggregate reinsurance

Self-funded health and dental expense for the years ended June 30, 2013 and 2012, was \$32,409 and \$30,260, respectively A liability of \$4,210 and \$4,442 for claims outstanding has been recorded at June 30, 2013 and 2012, respectively

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

15. Retirement and Deferred Compensation Plans

Aspirus sponsors various defined-contribution retirement plans, which cover all eligible employees The contributions vary from 1% to 9% of participant compensation depending on years of service, age, and job classification Aspirus contributed \$10,097 and \$9,108 for the years ended June 30, 2013 and 2012, respectively, to the retirement plans

Aspirus also sponsors a nonqualified deferred compensation plan covering certain management employees The contributions vary from 9% to 17% of a participant's eligible compensation Aspirus contributed \$407 and \$449 to the deferred compensation plan for the years ended June 30, 2013 and 2012, respectively The total liability recorded for the deferred compensation plan, including unrealized gains and losses net of withdrawals, was \$3,769 and \$2,923 as of June 30, 2013 and 2012, respectively

ACI, ADC, ASI, and AOH also sponsor a nonqualified deferred compensation plan covering all eligible employees The contributions are 6% of the participant's eligible compensation. These affiliates contributed \$1,231 and \$1,215 to the deferred compensation plan for the years ended June 30, 2013 and 2012, respectively. A liability including unrealized gains and losses on the investments held for the plan, net of withdrawals, totaled \$17,649 and \$13,282 as of June 30, 2013 and 2012, respectively.

16. Postretirement Benefits Other Than Pensions

Aspirus provides certain medical benefits to certain qualifying retired employees that were hired prior to January 1, 2003. The benefits provided by the plan allow eligible retirees and dependents to continue participation in the health plans until eligible for Medicare, at full premium cost, plus 2%. At the time of eligibility for Medicare, the eligible retiree will be reimbursed up to a monthly amount equal to 1.5 times their consecutive years of service. Aspirus funds premium payments for current retirees only

Aspirus has recognized the funded status (i e, the difference between the fair value of plan assets and the projected benefit obligations) of its postretirement benefit plan on its balance sheet. At June 30, 2013 and 2012, \$922 and \$1,746, respectively, are included in other changes in unrestricted net assets that have not yet been recognized in net periodic postretirement benefit cost.

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Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

16. Postretirement Benefits Other Than Pensions (continued)

Amounts recognized in the consolidated balance sheets consisted of the following at June 30

	2013			2012
Other accrued liabilities Long-term liabilities	\$	131 3,498	\$	125 4,006
Total liability recognized	\$	3,629	\$	4,131

17. Leases

Aspirus leases various items of equipment and office space under leases classified as operating leases. Future minimum lease payments on operating leases in effect on June 30, 2013, for each of the next five years are as follows

2014	\$ 5,380
2015	3,426
2016	2,490
2017	2,067
2018	646
Thereafter	220
Total	\$ 14,229

Future minimum lease payments to related parties was \$13,585 for the year ended June 30, 2013

Rental expense was \$4,456 and \$5,287 for the years ended June 30, 2013 and 2012, respectively

18. Related Parties

AWH provided supplies and various services to MHC totaling \$1,250 and \$1,012 for the years ended June 30, 2013 and 2012, respectively The amount owed to AWH from MHC was \$299 and \$123 at June 30, 2013 and 2012, respectively AWH provided supplies and various services to LH totaling \$1,871 and \$1,400 for the years ended June 30, 2013 and 2012, respectively The amount owed to AWH from LH was \$172 and \$114 at June 30, 2013 and 2012, respectively

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

18. Related Parties (continued)

Aspirus, Inc provided computer services and other contracted services to MHC, LH, and AK totaling \$401, \$449, and \$88, respectively, for the year ended June 30, 2013 The amount owed to Aspirus, Inc from MHC, LH, and AK was \$90, \$49, and \$5, respectively, at June 30, 2013

Aspirus, Inc provided computer services and other contracted services to MHC, LH, and AK totaling \$435, \$315, and \$101, respectively, for the year ended June 30, 2012 The amount (from) owed to Aspirus, Inc (by) from MHC, LH, and AK was \$(61), \$249, and \$31, respectively, at June 30, 2012

ACI provided insurance, recruitment, billing, and administrative services to MHC's clinics totaling \$134 and \$105 for the years ended June 30, 2013 and 2012, respectively

19. Concentrations of Credit Risk

Financial instruments that potentially subject Aspirus to credit risk consist principally of cash deposits in excess of insured limits, investments, assets limited as to use, and accounts receivable

Aspirus maintains depository relationships with financial institutions Operating cash requirements require that amounts on deposit exceed Federal Depository Insurance Corporation (FDIC) limits At June 30, 2013, the amount of Aspirus' bank deposits in excess of FDIC limits was \$63,787 In addition, the investments and assets limited as to use, held by financial institutions and investment companies, are uninsured

The mix of receivables from patients and third-party payors was as follows at June 30

	2013	2012
Medicare	36%	34%
Medicaid	9	11
Other third-party payors	36	38
Patients	19	17
Total	100%	100%

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

20. Guarantees

Aspirus has guaranteed payment of \$1,860 of revenue bonds that MHC has with the Authority, dated June 3, 1999, with a final maturity on June 1, 2019, and are callable by the holder upon demand. The bonds carry an interest rate based on the average annual rate equivalent to the discount rate at which 13-week United States Treasury bills are sold. Aspirus had guaranteed payment of bank loans for medical office buildings on behalf of a certain unconsolidated entity totaling \$1,979 as of June 30, 2013. The note payable carries a fixed annual interest rate of 4.95% and is due on September 1, 2018.

21. Acquisitions and Divestitures

Aspirus has entered into a collaborative agreement with other healthcare systems. The agreement will allow Aspirus to effectively respond to healthcare reform initiatives as a virtually integrated system in order to improve patient health, enhance patient experiences, and reduce or control the cost of healthcare in the geographic areas served by the agreement

On July 1, 2011, Aspirus acquired an additional interest in LH for \$4,538, increasing its total interest to 45% On September 1, 2012 and 2011, Aspirus made an additional contribution of \$1,000 to AGV as part of the acquisition agreement Future payments to AGV consist of two annual installments of \$1,000 each, which are due on the anniversary of the agreement

22. Subsequent Events

Aspirus has evaluated events and transactions occurring subsequent to June 30, 2013, through October 4, 2013, the date of issuance of its consolidated financial statements. During this period, there were no subsequent events requiring recognition or disclosure in the consolidated financial statements.

Supplementary Information



Ernst & Young LLP

875 East Wisconsin Avenue Milwaukee, WI 53202

Tel +1 414 273 5900 Fax +1 414 223 7200 www.ey.com

Report of Independent Auditors on Supplementary Information

The Board of Directors Aspirus, Inc

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, based on our audit and the reports of other auditors, the information is fairly stated in all material respects in relation to the consolidated financial statements as whole

October 4, 2013

1309-1133539

Ernst + Young LLP

Consolidating Balance Sheet (In Thousands)

June 30, 2013

		Aspirus Wausau		Aspirus Clinics, Inc. and	Doctors Clinic	Aspirus	Aspirus Extended	Aspirus VNA Home Health, Inc. and	Aspirus	Aspirus	Aspirus Health Foundation	Aspirus Grand View		
Assets	Aspirus, Inc.	Hospital, Inc.	Hospital, Inc.	Subsidiary	Inc.	Specialists, Inc.	Services, Inc.	Subsidiary	Buildings, Inc.	Network, Inc.	Inc.	Inc.	Eliminations	Consolidated
Current assets														
Cash and eash equivalents	\$ 4.010	\$ 45,251	\$ 3,081	\$ 7.277	\$ -	\$ 181	\$ 3,770	\$ 2,728	\$ 864	\$ 632	\$ 285	s 17.233	\$ -	\$ 85,312
Short-term investments	5 4.010	5 45.251	5 5.061	3 1.211	5 –	5 161	3 3.770	5 2.720	3 604	56	5 205	703	5 –	759
Current portion of investments	_	_	_	_	_	_	_	_	_	50	_	703	_	139
limited as to use	_	5,088	10		_			_			434	_	(358)	5,174
Patient accounts receivable, net	555	44,593	1,997	10.582	_	256	465	1,539	9	_	- TJT	6.033	(481)	65,548
Inventory	13	5,506	194	1.295	_	39	18	296	_		_	1.025	(401)	8.386
Prepaid expenses and other current		5,500	174	1.273		37	10	270				1.023		0,500
assets	5,051	9,175	471	4,449	_	364	30	285	277	292	37	1.989	(10,085)	12,335
Total current assets	9,629	109,613	5,753			840	4,283	4,848	1,150	980	756	26,983	(10.924)	177,514
Total Garden a vice	,,o <u>-</u> ,	1071010	21,700	20,000		0.0	1,200	no ro	1110	700	,,,	20000	(1939 = 1)	1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Investments	29,439	32,085	_	509	_	_	_	502	405	_	4,495	_	_	67,435
Investments limited as to use	2,599	157,724	228	15.613	_	6	366	5	_	54	4,627	5,595	(4.413)	182,404
Property and equipment, net	11.903	133,200	1.498	13.538	_	68	1.556	166	2.655	=	2	19.614	=	184.200
Other assets														
Investments in unconsolidated														
entities	76,301	2,989	_	_	_	_	_	_	1.173	_	_	223	_	80,686
Investments in subsidiars	34,859	-	_	-	-	-	_	_	-	-	_	_	(34.859)	_
Goodwill and other intangibles	_	_	_	3.785	_	_	_	28	_	_	_	323	_	4.136
Deferred bond issuance costs, net	_	858	_	14	_	_	_	_	_	_	_	35	_	907
Cash value of life insurance and														
other	684	1.629	204	471	_	-	_	_	71	_	_	3,052	(990)	5,121
Total other assets	111,844	5,476	204	4,270	_	-	_	28	1,244	_	_	3,633	(35,849)	90,850
Total assets	\$ 165.414	\$ 438.098	\$ 7,683	\$ 57,533	\$ -	\$ 914	\$ 6.205	\$ 5.549	\$ 5,454	\$ 1.034	\$ 9.880	\$ 55.825	\$ (51.186)	\$ 702,403

Consolidating Balance Sheet (continued) (In Thousands)

June 30, 2013

	Aspirus, Inc.	Aspirus Wausau Hospital, Inc.	Aspirus Ontonagon Hospital, Inc.	Aspirus Clinics, Inc. and Subsidiary	Aspirus Doctors Clinic Inc.	Aspirus Specialists, Inc.	Aspirus Extended Services, Inc.	Aspirus VNA Home Health, Inc. and Subsidiary	Aspirus Buildings, Inc.	Aspirus Network, Inc.	Aspirus Health Foundation Inc.	Aspirus Grand View Inc.	Eliminations	Consolidated
Liabilities and net assets														
Current liabilities														
Current maturities of long-term														
debt														
Hospital revenue bonds	\$ -	\$ 4.730	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	S –	\$ -	\$	S - :	
Clinic revenue bonds	_	_	_	150	_	_	-	_	-	-	_	-	_	150
Other debt		=	2,093	5	=	-	-	=	=	-	-	520	=	2.618
	_	4,730	2,093	155		-	-	-	-	-	-	520		7.498
Accounts payable	463	4,542	143	1.204	_	6	29	49	_	-	46	1.449	(481)	7,450
Amounts payable to third-party														
reimbursement programs	-	1.311	1,473	-	-	_	-	-	-	-	_	2.663	-	5,447
Accrued interest payable	79	765	19	-	_	_	_	_	-	_	_	(4)	(79)	780
Accrued salaries and wages	1.321	6,274	529	8,542	-	90	199	560	-	_	_	1.973		19,488
Other accrued liabilities	4,480	15.096	2,983	5,488	_	173	237	751	312	165	407	1.281	(10.364)	21.009
Total current liabilities	6.343	32.718	7.240	15.389	-	269	465	1.360	312	165	453	7.882	(10.924)	61.672
Long-term liabilities Long-term debt														
Hospital revenue bonds	_	114,470	_	_	_	_	_	_	_	_	_	2,650	_	117,120
Clinic revenue bonds	_	_	_	7,050	_	_	_	_	_	_	_	_	_	7,050
Other debt	_	_	1.176	_	_	_	_	_	_	_	_	1.139	_	2.315
	_	114,470	1,176	7,050	_	_	_	_	_	_	_	3,789	_	126,485
Deferred compensation	2,599	1,170	65	15,113	-	6	_	5	-	54	_	2,471	-	21,483
Postretirement benefits	281	2,781	_	436	_	_	_	_	_	_	_	_	_	3,498
Interest rate swaps	_	2,279	_	_	_	_	_	_	_	_	_	_	_	2.279
Other long-term liabilities	1.672	2,202	422	885	_	_	87	44	_	_	4,413	1.606	(5,403)	5,928
Total long-term liabilities	4,552	122,902	1,663	23,484	_	6	87	49	_	54	4,413	7,866	(5,403)	159.673
Total liabilities	10,895	155,620	8,903	38,873	_	275	552	1.409	312	219	4.866	15,748	(16,327)	221.345
Net assets														
Net assets	154,519	282,478	(1,220)	18,660	_	639	5,653	4,140	5.142	815	5.014	40,100	(49,893)	466,047
Net assets attributable to			()			-2.7			· -				(/	
noncontrolling interests	_	_	_	_	_	_	_	_	_	_	_	(23)	15,034	15,011
Total unrestricted net assets	154,519	282,478	(1,220)	18,660	_	639	5,653	4,140	5,142	815	5,014	40,077	(34,859)	481,058
Total liabilities and net assets	\$ 165,414		, ,		\$ -	\$ 914							, ,	

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

Year Ended June 30, 2013

	Aspirus	. Inc	Aspirus Wausau Hospital, Inc	Aspirus Ontonagon Hospital, Inc	Aspirus Clinics, Inc. and Subsidiary	Aspirus Doctors Clinic Inc	Aspirus Specialists, Inc	Aspirus Extended Services, Inc	Aspirus VNA Home Health, Inc and Subsidiary	Aspirus Buildings, As Inc	spirus Network, Inc	Aspirus Health Foundation Inc	Aspirus Grand View Inc	Eliminations	Consolidated
Revenue		,			•				•						
Net patient service revenue	\$	3 817	\$ 330 311	\$ 13 968	\$ 94 206	\$ (20)	\$ 1 651	\$ 5,360	\$ 10.749	\$ - \$	_	\$	\$ 47.601	\$ (1.450)	\$ 506 193
Provision for bad debts		(86)	4 267	731	1 494	(75)	(30)	_	_	_	_	_	4 116	_	10 417
		3 903	326 044	13 237	92 712	55	1 681	5 360	10 749	_	_	-	43 485	(1.450)	495 776
Income on unconsolidated entities	1	0.595	799	_	_	_	_	_	_	311	_	_	_	_	11 705
Other operating revenue		2 930	17 139	1 314	10 923	_	2 334	27	2 482	1 254	1 636	466	3 160	(14 267)	29 398
Total revenue	1	7 428	343 982	14 551	103 635	55	4 015	5 387	13 231	1 565	1 636	466	46 645	(15 717)	536 879
Expenses															
Salaries and wages	1	8 260	111 364	5 065	61 025	-	1 897	2 894	6 965	105	593	228	20 836	(105)	229 127
Employee benefits		5 538	32 602	1 601	14 189	-	515	582	2 329	_	181	73	4 253	_	61 863
Medical fees		615	5 065	15	-	=	-	1	9	-	44	-	-	(1.305)	4 444
Supplies		209	64 834	1 908	9 937	-	129	464	320	4	14	1	6 629	(482)	83 967
Purchased services and other	(2	(5 (195)	91 190	4 509	27 762	17	1 498	774	3 024	505	875	332	9 464	(13.585)	101 270
Insurance and utilities		55	4 9 1 6	342	1 659	-	23	181	142	138	7	2	893	(240)	8 118
Depreciation and amortization		5 028	13 411	317	2 580	=	17	573	101	362	-	1	2 235	=	24 625
Interest		96	1 445	156	66	_	_	_	_	_	_	_	143	(102)	1 804
Total expenses		4 706	324 827	13 913	117 218	17	4 079	5 469	12 890	1 114	1 714	637	44 453	(15.819)	515 218
Income (loss) from operations	1	2 722	19 155	638	(13 583)	38	(64)	(82)	341	451	(78)	(171)	2 192	102	21 661
Nonoperating gains (losses)															
Investment income (loss)		7 496	17 820	2	42	=	=	8	14	5	-	556	652	(2.364)	24 231
Contributions and other		11	528	104	-	-	103	552	1	-	-	-	42	-	1 341
Net change in fair value of interest rate															
sw ap		-	848	-	-	-	-	_	-	-	-	-	-	_	848
Loss on early extinguishment of debt		-	(118)	_	-	_	_	_	-	_	-	-	_	_	(118)
Total nonoperating gains (losses) net		7 507	19 078	106	42	_	103	560	15	5	_	556	694	(2 364)	26 302
Revenue in excess of (less than) expenses before noncontrolling interest Noncontrolling interest	2	0 229 -	38 233 -	7 11 -	(13 541)	38	39	478	356	456 -	(78)	385	2 886 6	(2 262) (1 000)	47 963 (994)
Revenue in excess of (less than) expenses	2	0 229	38 233	744	(13 541)	38	39	478	356	456	(78)	385	2 892	(3 262)	46 969
Other changes in unrestricted net assets (Decrease) increase in noncontrolling															
interest		-	_	-	-	-	-	-	-	-	-	_	(6)	1 679	1 673
Change in fair value of interest rate															
swap		-	(296)	-	-	_	-	-	-	-	-	-	_	-	(296)
Equity and other changes in net assets															
of unconsolidated affiliates		395	_	_	_	_	_	_	_	_	_	_	_	(1.330)	(935)
Postretirement healthcare benefit					124										21-
adjustment		50	659	_	136	_	_	-	=	_	_	_	-	_	845
Contribution of healthcare facilities		20		-	(325)		_	830		-	-	-	38	-	543
Interaffiliate transfers		(390)	(15 000)		15 011	(121)	500		=	-		=			
Increase (decrease) in unrestricted net					_		_				_				
assets	2	20 284	23 596	744	1 281	(83)	539	1 308	356	456	(78)	385	2 924	(2 913)	48 799
Unrestricted net assets at beginning of	1.7	4 235	258 882	(1 964)	17 379	83	100	4 345	3 784	4 686	893	4 629	27 152	431 O.E.	432 259
Vear													37 153	(31 946)	
Unrestricted net assets at end of year	D 13	4 519	\$ 282,478	\$ (1.220)	\$ 18 660	\$ -	\$ 639	\$ 5 653	\$ 4140	\$ 5142 \$	815	\$ 5014	\$ 40 077	\$ (34.859)	\$ 481 058

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