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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 07-01-2012 , 2012, and ending 06-30-2013

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

C Name of organization
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite
3801 SPRING STREET
Suite

City or town, state or country, and ZIP + 4
RACINE, WI 53405

D Employer identification number
39-1264986

E Telephone number
(262) 687-2011

G Gross receipts $ 396,725,915

F Name and address of principal officer
John Oliverio
400 W River Woods Pkwy
Milwaukee, WI 53212

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

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

H(c) Group exemption number ▶ 0928

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

J **Website: ▶** WWW MYWHEATON ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | L Year of formation 1974 | M State of legal domicile WI

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
To provide inpatient and outpatient patient healthcare services to individuals located in Southeast Wisconsin

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

3 Number of voting members of the governing body (Part VI, line 1a)	3	20
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	6
5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	3,549
6 Total number of volunteers (estimate if necessary)	6	674
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	1,521,374
b Net unrelated business taxable income from Form 990-T, line 34	7b	321,058

		Prior Year	Current Year
Revenue	8 Contributions and grants (Part VIII, line 1h)	460,476	286,058
	9 Program service revenue (Part VIII, line 2g)	371,376,484	374,652,461
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	85,640	1,471,349
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	15,624,575	20,316,047
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	387,547,175	396,725,915
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,233	20,940
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	158,114,524	165,532,420
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	207,666,146	197,716,181
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	365,781,903	363,269,541
	19 Revenue less expenses Subtract line 18 from line 12	21,765,272	33,456,374

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	368,486,001	399,638,364
	21 Total liabilities (Part X, line 26)	57,582,620	57,755,165
	22 Net assets or fund balances Subtract line 21 from line 20	310,903,381	341,883,199

Part II Signature Block

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

Sign Here

****** | 2014-05-15
Signature of officer | Date

JONATHAN W SOHN SENIOR VP AND CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

AS A MEMBER OF WHEATON FRANCISCAN HEALTHCARE, OUR AFFILIATES STRIVE TO LIVE OUT THE HEALING MINISTRY OF JESUS WHILE PROVIDING EXCEPTIONAL AND COMPASSIONATE HEALTHCARE SERVICES THAT PROMOTE THE DIGNITY AND WELL BEING OF THE PATIENTS AND COMMUNITIES WE SERVE OUR VISION IS TO BE RECOGNIZED FOR SUPERIOR HEALTHCARE SERVICE, CLINICAL EXCELLENCE, AS THE HEALTHCARE EMPLOYER OF CHOICE, AND THE PREFERRED PARTNER OF PHYSICIANS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☑ **Yes** ☐ **No**

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ **Yes** ☑ **No**

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 295,342,060 including grants of $ 20,940) (Revenue $ 391,764,105)

WHEATON FRANCISCAN SERVICES, INC (WFSI) is a Catholic, not-for-profit health care and housing organization serving at sites in Wisconsin, Iowa, Illinois, and Colorado The System includes 15 hospital sites*, three transitional and extended-care facilities, two home health agencies, more than 3,000 physicians, more than 70 clinic sites with 518 employed physicians, and approximately 2,620 units of assisted living and other housing, and the corporate services offices in Wheaton, Illinois, and Glendale, Wisconsin Started more than 130 years ago and formally incorporated in 1983, WFSI is committed to living out the Mission and Values of its Sponsors, the Wheaton Franciscan Sisters, by providing excellent and compassionate health care and housing services to all, regardless of their ability to pay WFSI was incorporated in 1983 to preserve and strengthen Judeo-Christian values, provide a framework for lay expertise and involvement, respond to an increasingly complex environment, ensure continuity of Franciscan sponsorship, and assure viability and excellence throughout the organization As a not-for-profit organization, WFSI reinvests all net income into the communities it serves Its multiple entities are dedicated to delivering quality health care to patients and residents through highly-trained staff, advanced technology, and superior and compassionate service, caring for each person's body, mind, and spirit with respect and dignity, working to improve the health of the communities, and ensuring health care access for everyone WFSI is organized into market-based regional holding companies organized in the Southeast, Wisconsin region, as well as other regional holding companies conducting services in Illinois, Iowa, and Colorado The System's housing and spiritual development services are organized under the holding company name of Franciscan Ministries, Inc Since 2006, the "doing business as" name for WFSI's health care ministry has been Wheaton Franciscan Healthcare (WFH) 2012 marked the 11th consecutive year Wheaton Franciscan Healthcare in Southeast Wisconsin was named one of the top 100 most efficient, best performing health care networks in the nation, according to IMS (formerly SDI), the nation's premier integrated health network (IHN) evaluation system The top 100 ranking is based on integration in areas such as managed care, information systems, and physician affiliations Wheaton Franciscan Healthcare scored above the nation's top 100 integrated health networks' average score in the areas of hospital utilization, physician participation, services and access, outpatient utilization, integration, and integrated technology Other national recognitions include being named one of the best performing 50 systems in Thompson Reuters' 100 Top Hospitals Health Systems Quality/Efficiency Study in 2009 Wheaton Franciscan Healthcare has been recognized for its dedication to patient privacy and is now a FairWarning Ready Certified Care Provider Wheaton received the certification for taking cutting-edge measures to ensure sensitive patient information is protected at all times, and patient privacy monitoring is one of the essentials Wheaton Franciscan Healthcare is also a recipient of the ECRI Institute's Healthcare Supply Chain Achievement Award The award honors organizations that demonstrate excellence in overall cost management and in adopting best practice solutions in supply chain processes Wheaton is one of five health care organizations nationwide to be honored Wheaton Franciscan Healthcare has also received a 2009 VIP Award from McKesson Technology Solutions for its success in using information technology to enhance patient safety across nine hospital sites and more than 100 physician offices The VIP Awards are presented annually to organizations that demonstrate vision, innovation and performance in the use of healthcare IT Wheaton Franciscan Healthcare was one of five health care organizations selected by a panel of experts in the field of health care IT use to receive the award Please see our full 2013 Annual Report online at www WheatonAnnualReport org CORPORATE STRUCTURE Parent Company Wheaton Franciscan Services, Inc DBA Wheaton Franciscan Healthcare Health care ministry Wheaton Franciscan Healthcare Housing ministry Franciscan Ministries, Inc Health Care Mission Wheaton Franciscan Healthcare is committed to living out the healing ministry of Jesus by providing exceptional and compassionate health care service that promotes the dignity and well being of the people we serve Health Care Vision Our health ministries will be recognized in each community we serve for superior and compassionate patient service, clinical excellence, as the health care employer of choice, and the preferred partner of physicians Housing Mission Franciscan Ministries is committed to providing quality and affordable housing in a compassionate environment that promotes wholeness of life within ourselves and the communities we serve Housing Vision Our housing ministries will be recognized for excellence in property management and a well-integrated network of support services that provide hope, growth, and opportunity Values Our common Values, which flow from our Mission and Catholic tradition, must have meaning for every one of us Through them we put the healing ministry of Jesus into practice throughout the Wheaton Franciscan System Respect We value each person as sacred, created in the image and likeness of God, which gives worth and meaning to each person's life Integrity We value honesty and words and actions that build trust Development We value personal and professional growth that combines the physical, emotional, spiritual and relational aspects of life and work Excellence We value superior performance in our work and service Stewardship We value our responsibility to use human, financial, and natural resources entrusted to us for the common good, with special concern for those who are poor WHEATON FRANCISCAN HEALTHCARE Wheaton Franciscan Services, Inc 's health care division, doing business as Wheaton Franciscan Healthcare (WFH), consists of facilities in Illinois, Iowa, and Wisconsin SYSTEM STATISTICS Hospital Sites 15 Staffed Hospital beds 1,679 Long-term Care Facilities 3 Home Health Agencies 2 Units of Housing 2,620 Associates 17,229 Affiliated Physicians 2,172 Employed Physicians 518 Emergency Room Visits 332,308 Newborns 8,418 Hospital Admissions 66,820 Hospital Patient Days 322,563 Skilled Nursing Unit Patient Days 19,025 Long-term Care Facility Patient Days 83,354 Hospital Outpatient Visits 1,576,902 Hospice Days 27,743 Home Health Visits 124,106 Medical Group Physician Visits 1,518,467 WFH ORGANIZATIONS Iowa Covenant Medical Center, Inc Mercy Hospital of Franciscan Sisters, Inc Sartori Memorial Hospital, Inc Covenant Clinic Covenant Foundation, Inc Sartori Health Care Foundation, Inc Illinois Marianjoy Rehabilitation Hospital and Clinics Marianjoy Medical Group Marianjoy Foundation RUSH OAK PARK HOSPITAL, Inc OSF Services Canticle Ministries Upendo Village Wisconsin Wheaton Franciscan - Elmbrook Memorial, Midwest Spine and Orthopedic Hospital and Wisconsin Heart Hospital, and St Joseph Campuses All Saints St Francis Franklin Franciscan Woods The Terrace at St Francis Wheaton Franciscan Home Health Wheaton Franciscan Hospice Wheaton Franciscan Laboratories Wheaton Franciscan Medical Group All Saints Foundation Volunteers in Partnership with Wheaton Franciscan Healthcare-All Saints St Joseph Foundation Elmbrook Memorial Foundation Circle of Life Foundation The Foundation for St Francis and Franklin AFFILIATIONS INCLUDE Midwest Orthopedic Specialty Hospital - Franklin, WI United Hospital System - Kenosha, Wisconsin St Catherine's Medical Center and Kenosha Medical Center Campuses WHEATON FRANCISCAN HEALTHCARE COMMUNITY IMPACT FOR SYSTEM / 2013 Charity Care $43,946,084 Charity Care is defined as free or discounted health services provided to those who cannot afford to pay and who meet all criteria for financial assistance Charity care is based on actual costs, not charges, and does not include bad debt Unreimbursed cost of public programs $99,435,176 Unreimbursed cost of public programs is defined as the shortfall experienced when payments received are below the cost of treating public beneficiaries through Medicaid and other local public programs Community Health Improvement Services $3,807,719 Community Health Improvement Services are defined as clinical and non-clinical services designed to improve community health, which are provided to the community for free or for fees that did not cover costs Financial contributions $2,697,345 Financial contributions are defined as contributions, including cash, non-cash items such as food, furniture, equipment, supplies, and loaned staff for volunteer and charitable purposes, made to individuals, community grou

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 295,342,060

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	**1a**	0			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	**2a**	3,549			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			**2b**	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			**13a**		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a 20			
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	1b 6			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		9		No

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

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

Section C. Disclosure

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

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

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

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

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

▶ELIZABETH A RITTER 400 WEST RIVER WOODS PARKWAY MILWAUKEE, WI (414)465-3542

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

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

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Sub-Total . . . . ▶										
c Total from continuation sheets to Part VII, Section A . . . . ▶										
d Total (add lines 1b and 1c) . . . . ▶								1,367,024	10,624,915	1,737,850

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶67

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
RACINE ANESTHESIA SERVICES LLC , PO Box 33058 PALM BEACH GARDENS FL 33420	PHYSICIAN SERVICE	9,400,353
RILEY CONSTRUCTION COMPANY INC , 5301 99th Ave KENOSHA WI 53144	CONSTRUCTION SERVICE	2,611,020
HOSPITAL SHARED SERVICES , Lockbox 17033 DENVER CO 80217	SECURITY SERVICE	1,425,741
ARAMARK CTS , 12483 COLLECTIONS CTR DR CHICAGO IL 60693	clinical technology	2,764,152
SYSCO FOOD SRVS OF EASTE , ONE SYSCO DRIVE JACKSON WI 53037	professional	1,742,704

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 ▶39

Part VIII **Statement of Revenue**

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

					(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	270,164				
	e	Government grants (contributions)	1e	15,235				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	659				
	g	Noncash contributions included in lines 1a-1f $						
	h	**Total.** Add lines 1a-1f ▶			286,058			
Program Service Revenue				Business Code				
	2a	PATIENT REVENUES		900099	362,041,076	362,041,076		
	b	PHARMACY OPERATIONS		446110	12,333,015	10,891,286	1,441,729	
	c	LABORATORY SERVICES		621500	73,168	-6,477	79,645	
	d	HEALTH & WELLNESS		900099	205,202	205,202		
	e							
	f	All other program service revenue						
	g	**Total.** Add lines 2a–2f ▶			374,652,461			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶			30,949			30,949
	4	Income from investment of tax-exempt bond proceeds ▶			0			
	5	Royalties ▶			0			
			(i) Real	(ii) Personal				
	6a	Gross rents	463,089					
	b	Less rental expenses						
	c	Rental income or (loss)	463,089	0				
	d	Net rental income or (loss) ▶			463,089			463,089
			(i) Securities	(ii) Other				
	7a	Gross amount from sales of assets other than inventory		1,440,400				
	b	Less cost or other basis and sales expenses						
	c	Gain or (loss)		1,440,400				
	d	Net gain or (loss) ▶			1,440,400			1,440,400
	8a	Gross income from fundraising events (not including $ ______ of contributions reported on line 1c) See Part IV, line 18	a					
	b	Less direct expenses	b					
	c	Net income or (loss) from fundraising events ▶			0			
	9a	Gross income from gaming activities See Part IV, line 19	a					
	b	Less direct expenses	b					
	c	Net income or (loss) from gaming activities ▶			0			
	10a	Gross sales of inventory, less returns and allowances	a					
	b	Less cost of goods sold	b					
	c	Net income or (loss) from sales of inventory ▶			0			
		Miscellaneous Revenue		Business Code				
	11a	CAFETERIA REVENUE		722514	1,219,940			1,219,940
	b	LITTLE SAINTS DAYCARE		624410	959,972	959,972		
	c	LIFELINE		900099	234,288	234,288		
	d	All other revenue			17,438,758	17,438,758		
	e	**Total.** Add lines 11a–11d ▶			19,852,958			
	12	**Total revenue.** See Instructions ▶			396,725,915	391,764,105	1,521,374	3,154,378

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

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

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	20,940	20,940		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	565,513		565,513	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	127,623,306	123,832,011	3,791,295	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	13,371,037	12,973,825	397,212	
9	Other employee benefits	16,055,408	15,578,451	476,957	
10	Payroll taxes	7,917,156	7,758,813	158,343	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	0			
c	Accounting	0			
d	Lobbying	0			
e	Professional fundraising services See Part IV, line 17	0			
f	Investment management fees	0			
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	8,205,129	7,743,000	462,129	
12	Advertising and promotion	52,245	49,752	2,493	
13	Office expenses	10,001,854	9,248,501	753,353	
14	Information technology	0			
15	Royalties . .	0			
16	Occupancy	6,932,079	5,756,675	1,175,404	
17	Travel	230,172	110,719	119,453	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	989,079	984,319	4,760	
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	14,885,861	14,885,861		
23	Insurance	0			
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	MANAGEMENT FEES	59,037,048		59,037,048	
b	BAD DEBT	15,764,485	15,764,485		
c	MEDICAL SUPPLIES	57,202,923	57,202,923		
d	HOSPITAL ASSESSMENT	10,098,888	10,098,888		
e	All other expenses	14,316,418	13,332,897	983,521	
25	**Total functional expenses.** Add lines 1 through 24e	363,269,541	295,342,060	67,927,481	0
26	**Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X **Balance Sheet**

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

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing	19,207	1	19,322
	2	Savings and temporary cash investments	169,151	2	207,801
	3	Pledges and grants receivable, net	0	3	0
	4	Accounts receivable, net	43,342,653	4	49,850,150
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L	0	6	0
	7	Notes and loans receivable, net	0	7	0
	8	Inventories for sale or use	6,221,781	8	5,628,212
	9	Prepaid expenses and deferred charges	395,064	9	381,354
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D — 10a: 428,320,376			
	b	Less accumulated depreciation — 10b: 248,882,044	175,597,464	10c	179,438,332
	11	Investments—publicly traded securities	0	11	0
	12	Investments—other securities See Part IV, line 11	0	12	0
	13	Investments—program-related See Part IV, line 11	0	13	0
	14	Intangible assets	0	14	0
	15	Other assets See Part IV, line 11	142,740,681	15	164,113,193
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	368,486,001	16	399,638,364
Liabilities	17	Accounts payable and accrued expenses	50,292,177	17	19,982,549
	18	Grants payable	0	18	0
	19	Deferred revenue	104,966	19	128,261
	20	Tax-exempt bond liabilities	0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D	0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	0	22	0
	23	Secured mortgages and notes payable to unrelated third parties	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 D	7,185,477	25	37,644,355
	26	**Total liabilities.** Add lines 17 through 25	57,582,620	26	57,755,165
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	310,834,019	27	341,827,354
	28	Temporarily restricted net assets	69,362	28	55,845
	29	Permanently restricted net assets	0	29	0
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	310,903,381	33	341,883,199
	34	Total liabilities and net assets/fund balances	368,486,001	34	399,638,364

Part XI **Reconcilliation of Net Assets**

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	396,725,915
2	Total expenses (must equal Part IX, column (A), line 25)	2	363,269,541
3	Revenue less expenses Subtract line 2 from line 1	3	33,456,374
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	310,903,381
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-2,476,556
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	341,883,199

Part XII **Financial Statements and Reporting**

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

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

Additional Data

Software ID:
Software Version:
EIN: 39-1264986
Name: WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Stephen Cardamone DO Chair - Director	0 0 40 0	X		X					872,054	242,268
Susan Boland President / Vice Chair - Direc	0 0 40 0	X		X					405,656	53,811
Robert Stern MD Director	0 0 40 0	X							258,940	36,545
Tod Poremski MD Director	0 0 40 0	X							178,962	19,743
Debra Standridge Director	0 0 40 0	X							553,922	77,861
Jerry Hardacre MD Secretary / Ex-Officio - Direc	0 0 40 0	X		X					426,621	49,521
Kumari Chintamaneni MD Director	0 0 40 0	X							515,886	32,041
Nicholas Omdahl MD Secretary / Ex-Officio - Direc	0 0 40 0	X		X					398,896	47,060
Daniel Donovan DO Director	0 0 40 0	X							269,848	36,528
Daniel Mattes Director	0 0 40 0	X							506,116	78,233
Donald Roach MD Director	0 0 40 0	X							280,274	36,678
David Ashpole MD Director	0 0 40 0	X							572,934	57,272
Neal Harmelink MD Director	1 0	X								
John Andreoli Director	1 0	X								
Patrick Diem Director	1 0	X								
Sr M Ramona Dombrowski Director	1 0	X								
Charles Klein MD Director	1 0	X								
Chris Leberfing Director	1 0	X								
Kevin Roche Director	1 0	X								
Brian Smigelski Director	1 0	X								
Paul Mason Sr VP and Chief Operating Offi	40 0				X			232,959		45,103
Mary Ouimet Sr VP and Chief Nursing Office	40 0				X			233,306		54,145
Timothy Sio VP Operations South Market	40 0					X		201,633		11,338
Constance Slomczewski VP Operations South Market	40 0					X		174,488		22,842
Isabelle Garibaldi VP Operations CVI	40 0					X		174,169		9,989

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Kelly Schneider Physician Assistant	40 0					X		165,184		12,136
Robert Umhoefer Director - Outpatient Pharmaci	40 0					X		185,285		46,544
Richard Pierce-Ruhland MD Vice Chair - Director	0 0 40 0						X		306,151	42,182
Kenneth Buser President / Vice Chair - Direc	0 0 40 0						X		581,762	342,286
John Jack Manley MD Director	0 0 40 0						X		434,921	54,792
John Oliverio Director	0 0 40 0						X		2,867,549	216,989
Jon Sohn Director	0 0 40 0						X		606,334	73,743
Steven Ryder MD Director	0 0 40 0						X		588,089	38,200

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SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Employer identification number
39-1264986

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) Name of supported organization	**(ii)** EIN	**(iii)** Type of organization (described on lines 1- 9 above or IRC section **(see instructions)**)	**(iv)** Is the organization in col **(i)** listed in your governing document?		**(v)** Did you notify the organization in col **(i)** of your support?		**(vi)** Is the organization in col **(i)** organized in the U S ?		**(vii)** Amount of monetary support
			Yes	No	Yes	No	Yes	No	
Total									

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (see instructions) **12**

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** . . . . ▶☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) **14**

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

16a **33 1/3% support test—2012.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2012.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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2012

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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
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC	39-1264986

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $

3 Volunteer hours

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	**(a)** Filing organization's totals	**(b)** Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		

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

	(a)	(b)
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

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

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

Lobbying Expenditures During 4-Year Averaging Period

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

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?	Yes		10,156
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	Other activities?	Yes		
j	Total Add lines 1c through 1i			10,156
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
Other Activities	Sch C, Pt II-B, Line 1i	Wheaton Franciscan Healthcare and Franciscan Ministries are part of a controlled group of healthcare and housing organizations that are related through a common parent organization Certain entities within this controlled group engage in limited lobbying activities that benefit each organization collectively Wheaton Franciscan Healthcare employs one full time Vice President of Strategic Planning and Government Relations whose duties include a portion of lobbying activities These lobbying activities approximate 20% of total annual salary A benefits factor of 25% is added, and the total is allocated amongst the organizations receiving the benefit of these services The lobbying activities include such things as preservation of Medicare and Medicaid funding, monitoring federal legislation that may impact the organization, participating in and coordinating visits with elected officials, coordinating advocacy activities in conjunction with relevant trade associations, and providing awareness on specific state related legislative issues when the need arises (e g state hospital assessment legislation in Wisconsin) The portion of direct expenses related to annual employee business travel to Washington DC or other locations, in order to lobby for issues important to healthcare providers and patients, have been included if applicable Finally, any trade association dues containing a percentage portion allocable to lobbying activities, has been added or estimated, as appropriate Lobbying expenses incurred by each organization directly, are reflected on their respective IRS Form 990, and can be summarized as follows Wheaton Franciscan Services, Inc #36-3262111 $61,723 Wheaton Franciscan Healthcare - Southeast Wisconsin, Inc #39-1566865 $57,464 Wheaton Franciscan, Inc #39-0816857 $17,376 Wheaton Franciscan Healthcare - St Francis, Inc #39-0907740 $9,567 Wheaton Franciscan Healthcare - All Saints, Inc #39-1264986 $10,156 Wheaton Franciscan Healthcare - Franklin, Inc #56-2592868 $2,300 Wheaton Franciscan Home Health and Hospice, Inc #39-1559428 $ 852 Marianjoy, Inc #36-3483589 $5,035 Marianjoy Rehabilitation Hospitals and Clinics, Inc #36-2680776 $14,507 Wheaton Franciscan Healthcare - Iowa, Inc #42-1177001 $5,035 Covenant Medical Center, Inc #42-1264647 $26,692 Sartori Hospital, Inc #42-0758901 $4,668 Mercy Hospital, Inc #42-1178403 $2,069 TOTAL LOBBYING EXPENSES $217,444

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Employer identification number
39-1264986

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶________

4 Number of states where property subject to conservation easement is located ▶________

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶________

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ________

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ________

(ii) Assets included in Form 990, Part X ▶ $ ________

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ________

b Assets included in Form 990, Part X ▶ $ ________

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

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

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

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table

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

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

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

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

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

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

a Board designated or quasi-endowment ▶

b Permanent endowment ▶

c Temporarily restricted endowment ▶

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

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		2,772,429		2,772,429
b Buildings		314,695,190	168,660,900	146,034,290
c Leasehold improvements		1,424,332	1,424,332	
d Equipment		79,352,622	67,990,040	11,362,582
e Other		30,075,803	10,806,772	19,269,031
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				179,438,332

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

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

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

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

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

(a) Description	(b) Book value
(1) ACCOUNTS REC OTHER	163,577,206
(2) NOTE RECEIVABLE	313,381
(3) INVESTMENT IN STOCKS	141,334
(4) SPECIFIC FUND CHECKING	77,737
(5) LAKESHORE MANOR	3,535
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	164,113,193

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

1 (a) Description of liability	(b) Book value
Federal income taxes	0
DUE TO THIRD PARTY PAYORS	35,510,810
ASBESTOS ABATEMENT LIABILITY	2,133,545
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	37,644,355

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

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

1	Total revenue, gains, and other support per audited financial statements			1	388,027,013
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	388,027,013
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b	8,698,902		
c	Add lines **4a** and **4b**			4c	8,698,902
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	396,725,915

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

1	Total expenses and losses per audited financial statements			1	326,704,046
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	326,704,046
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b	36,565,495		
c	Add lines **4a** and **4b**			4c	36,565,495
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	363,269,541

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
Schedule D Net Assets, Revenue, and Expense Reconciliations		Affiliates of Wheaton Franciscan Healthcare have a consolidated audit prepared for the entire controlled group of healthcare providers Because of this, certain parts of this IRS Form 990 regarding individually prepared audits have been answered accordingly and per IRS instructions Normally, Affiliates of Wheaton Franciscan Healthcare will use an internally prepared document, that breaks the consolidated audit down to the entity level, and tie each 990 accordingly However, for external reporting purposes, certain reclassifications were made to correct for hospital based billing issues As such, Part XI Line 4b was utilized so that ending net assets would tie out after the following reclassifications were made 1) We increased revenues in the amount of 8,676,096 which represented hospital based billing revenues 6,965,906 and EHR Revenues 1,710,190 which was originally recorded at Wheaton Franciscan Medical Group (39-1791586) 2) We increased revenues by 15,948 related to Wheaton Franciscan Medical Group (39-1791586) and 4,390 related to Wheaton Franciscan Services (36-3262111) of which both are due to donations that passed through All Saints hospital from All Saints foundation 3) We also increased revenues by 2,468 due to a reclass of expense from revenue to expense for transactions coded to an incorrect account Total Revenue Adjustments $6,965,906 + 1,710,190 + 15,948 + 4,390 + 2,468 = $8,698,902 4) We increased expenses in the amount of 36,542,689 which represented hospital based billing expenses which was originally recorded at Wheaton Franciscan Medical Group (39-1791586) 5) We increased expenses by 2,468 due to a reclass from revenue to expense for transactions coded to an incorrect account 6) We increased expenses by 15,948 related to Wheaton Franciscan Medical Group (39-1791586) and 4,390 related to Wheaton Franciscan Services (36-3262111)of which both are contribution expense for donations passed through All Saints hospital from All Saints foundation Total Expense Adjustments $36,542,689 + 2,468 + 15,948 + 4,390 = $36,565,495 TOTAL ADJUSTMENTS $27,866,593 (36,565,495 - 8,698,902) RECONCILIATION OF ENDING NET ASSETS BEGINNING NET ASSETS $310,903,381 +/- NET INCOME (LOSS) PER 990 33,456,374 +/- TRANSFERS FROM AFFILIATES (30,335,183) +/- INTERFUND TRANSFERS 6,879 +/- PRIOR PERIOD ADJUSTMENTS (GRANTS) (14,845) +/- HOSPITAL BASED BILLING ADJUSTMENTS 27,866,593 ENDING NET ASSETS $341,883,199

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SCHEDULE F
(Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Employer identification number
39-1264986

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

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

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States.

3 Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

	(a) Region	**(b)** Number of offices in the region	**(c)** Number of employees, agents, and independent contractors in region	**(d)** Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	**(e)** If activity listed in (d) is a program service, describe specific type of service(s) in region	**(f)** Total expenditures for and investments in region
	Sub-Saharan Africa			Program Services	DONATED MED SUPPLIES	96,036
3a	Sub-total					96,036
b	Total from continuation sheets to Part I					
c	**Totals** (add lines 3a and 3b)					96,036

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Part II can be duplicated if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶

3 Enter total number of other organizations or entities . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
HOSPITAL MISSION SISTERS	Sub-Saharan Africa				96,036	MED SUPPLIES	FMV

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*	☐ Yes	☑ No
2	Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organizationmay be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*	☐ Yes	☑ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*	☐ Yes	☑ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*	☐ Yes	☑ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*	☐ Yes	☑ No

Part V **Supplemental Information**

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	ReturnReference	Explanation

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SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Employer identification number
39-1264986

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☑ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☐ 100% ☐ 150% ☑ 200% ☐ Other ____ %	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other ____ %	3b	Yes	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			11,801,403		11,801,403	3 400 %
b Medicaid (from Worksheet 3, column a)			59,007,442	53,628,358	5,379,084	1 550 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			70,808,845	53,628,358	17,180,487	4 950 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			102,364	400	101,964	0 030 %
f Health professions education (from Worksheet 5)			2,338,537		2,338,537	0 670 %
g Subsidized health services (from Worksheet 6)			21,223,547	18,035,570	3,197,977	0 920 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			631,444	2,000	629,444	0 180 %
j **Total.** Other Benefits			24,295,892	18,037,970	6,267,922	1 800 %
k **Total.** Add lines 7d and 7j			95,104,737	71,666,328	23,448,409	6 750 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support			53,945		53,945	0 020 %
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy			135		135	
8 Workforce development			608		608	
9 Other						
10 **Total**			54,688		54,688	0 020 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	15,764,485		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	82,665,289
6	Enter Medicare allowable costs of care relating to payments on line 5	6	87,910,408
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-5,245,119

8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

			Yes	No
9a	Did the organization have a written debt collection policy during the tax year?	9a	Yes	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	Yes	

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

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year?
2

	Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	WFH-ALL SAINTS - SPRING STREET CAMPUS 3801 SPRING ST RACINE, WI 53405 http //www mywheaton org/all-saints/	X	X		X			X			1
2	WFH-ALL SAINTS - WI AVE CAMPUS 1320 WISCONSIN AVE RACINE, WI 53403 http //www mywheaton org/all-saints/	X	X		X						1

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group WFH-ALL SAINTS

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

			Yes	No
	Community 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 health needs assessment (CHNA)? If "No," skip to line 9	1	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☑ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☑ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 13			
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	5	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website			
b	☑ Available upon request from the hospital facility			
c	☑ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide plan			
e	☑ Inclusion of a community benefit section in operational plans			
f	☑ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☑ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $ ______			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that			
Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 % If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 % If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply) **a** ☑ Income level **b** ☑ Asset level **c** ☑ Medical indigency **d** ☑ Insurance status **e** ☑ Uninsured discount **f** ☑ Medicaid/Medicare **g** ☐ State regulation **h** ☑ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply) **a** ☑ The policy was posted on the hospital facility's website **b** ☐ The policy was attached to billing invoices **c** ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms **d** ☐ The policy was posted in the hospital facility's admissions offices **e** ☐ The policy was provided, in writing, to patients on admission to the hospital facility **f** ☑ The policy was available upon request **g** ☑ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP **a** ☐ Reporting to credit agency **b** ☐ Lawsuits **c** ☐ Liens on residences **d** ☐ Body attachments **e** ☐ Other similar actions (describe in Part VI)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged **a** ☐ Reporting to credit agency **b** ☐ Lawsuits **c** ☐ Liens on residences **d** ☐ Body attachments **e** ☐ Other similar actions (describe in Part VI)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**19**	Yes	

If "No," indicate why

- **a** ☐ The hospital facility did not provide care for any emergency medical conditions
- **b** ☐ The hospital facility's policy was not in writing
- **c** ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- **d** ☐ Other (describe in Part VI)

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

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care

- **a** ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- **b** ☑ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- **c** ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- **d** ☐ Other (describe in Part VI)

		Yes	No
21 During the tax year, did the hospital facility charge any FAP-eligible individuals to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?	**22**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

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

How many non-hospital health care facilities did the organization operate during the tax year?
8

	Name and address	Type of Facility (describe)
1	WFH-ALL SAINTS CARDIOVASCULAR INSTITUTE 3803 SPRING STREET RACINE, WI 53405	CARDIOVASCULAR INSTITUTE
2	WFH-ALL SAINTS WPOB A & B 3805 SPRING STREET RACINE, WI 53405	PROFESSIONAL OFFICE BUILDING
3	WFH-ALL SAINTS SPRING ST CLINIC 3807 SPRING STREET RACINE, WI 53405	CLINIC
4	WFH-ALL SAINTS ST LUKE HLTH PAVILION 3821 SPRING STREET RACINE, WI 53405	HEALTH PAVILION
5	WFH-ALL SAINTS MOB 1244 WISCONSIN AVE RACINE, WI 53403	MEDICAL OFFICE BUILDING
6	WFH-ALL SAINTS ATRIUM MOB 3811 SPRING STREET RACINE, WI 53405	MEDICAL OFFICE BUILDING
7	WFH-ALL SAINTS PCP SITE 10340 Washington Ave Sturtevant, WI 53177	CLINIC
8	WFH-ALL SAINTS SOUTHSIDE CLINIC 4328 Old Green Bay Road Mount Pleasant, WI 53403	CLINIC
9		
10		

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

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

Identifier	ReturnReference	Explanation
OTHER INFORMATION		Schedule H Part 1 Line 6a The Annual Report that outlines the Hospital's community benefit information is contained in a report prepared by the system, Wheaton Franciscan Services, Inc (FEIN #36-3262111) which is the ultimate parent organization of an integrated health care system operated in Wisconsin, Illinois, Iowa, and Colorado For more information, please see our annual report at www mywheaton org It is available under "About Wheaton" by selecting "Community Impact," and scrolling down to "2013 Annual Report" Schedule H Part 1 Line 7 Community Benefit amounts are reported using total actual costs per the hospital's managerial accounting system in use, which includes all patient segments including inpatient, outpatient, emergency room, private insurance, Medicaid, Medicare, Medicare HMO, uninsured, and self-pay patients Medicare is reported using the most recently filed cost report at the time the Annual Report and related community benefit information are published Amounts are compiled using a software application recommended by the Catholic Health Association because it has the ability to provide the information in a format suitable for Schedule H presentation After the data is entered by the Site Finance Directors, its accuracy is verified by employees who are trained in community benefit reporting, and then approved by the Chief Financial Officer and the President/CEO of the organization After amounts are verified and approved, community benefit amounts become finalized Wheaton Franciscan Healthcare complies with Illinois state law which requires reporting to the Attorney General's Office Additionally, Wheaton Franciscan Healthcare voluntarily reports community benefit information in Wisconsin and Iowa by making the information readily available on certain websites Finally, the information is compiled with the assistance of the software, for presentation in IRS Forms 990 Schedule H and Statement of Program Service Accomplishments Part III Schedule H Part 1 Line 7 Column f Wheaton Franciscan Healthcare organizations follow guidelines established by the Catholic Health Association, who recommends that bad debt expense not be included in community benefit amounts As a result of this applied methodology, a total amount of $15,764,485 has not been included in the calculation of the percentages reported on Schedule H Line 7 Column f Schedule H Part 1 Line 7g In the Southeast Wisconsin and Marianjoy regions, physician clinics are operated by a separate legal entity and are therefore not included in Community Benefit amounts on hospital 990's In the Iowa region, clinic operations are included as a department of the hospital, Covenant Medical Center, Inc Clinic operations for the Iowa clinics are included only in the community benefit reporting of charity care, government sponsored health care, and Medicare shortfall Therefore, for all entities, including Covenant Medical Center, Inc , costs related to physician clinics are not included in subsidized health services reported on Schedule H Part I Line 7g Schedule H Part III Section A Lines 1-4 As part of an annual process, affiliates of Wheaton Franciscan Healthcare complete a consolidated audit each year, which for June 30, 2013, contained a footnote on Bad Debt which appeared under item (3) "Summary of Significant Accounting Policies" on page 14 of the attached audited financial statements Note that while FASB ASU 2011-07 requires certain organizations present bad debt as a reduction from patient service revenue for financial statement presentation, for IRS Form 990 presentation, these amounts are classified as bad debt expense It is the practice of Wheaton Franciscan Healthcare to record actual bad debt expense for each organization at the time the amount due is determined to be uncollectible, and thus written off With the onset of presumptive care effective July 1, 2011, practices are now in place to retroactively determine a patient's eligibility under Wheaton's Charity Care Policy, and remove those amounts from bad debt expense in order to correctly show these patients as charity care Wheaton Franciscan Healthcare's position is therefore that none of the patients resulting in uncollectible accounts would have qualified as charity care patients as this determination is made at the time of admission, and corrective action is taken based on presumptive care Bad debt expense is only determined after many months of collection efforts, and for this reason Part III Section A Line 3 is reported as none (ie at zero) Additionally, since the organization follows guidelines established by the Catholic Health Association and the related state counterpart in Wisconsin, Iowa, or Illinois as appropriate, Wheaton Franciscan Healthcare does not include any form of bad debt expense in its annual reporting of community benefit amounts Schedule H Part III Section B Line 6-8 Schedule H Part III Section B Line 6 reports "allowable costs of care" as taken from the most recently filed Medicare cost report available at the time the Community Benefit Report is published The Medicare cost report calculates its allowable total costs based on applicable Medicare regulations Medicare and Medicaid cost is determined using individual cost center cost-to-charge ratios This cost to charge ratio is determined using all payer cost and all payer charges The cost to charge ratio is applied to the actual Medicare and Medicaid charges to determine the Medicare and Medicaid cost This organization has adopted the cost and charge practices as recommended by the Catholic Health Association and the Wisconsin, Iowa, or Illinois Hospital Association as applicable, and therefore, does not count any Medicare shortfall numbers in its annual reporting of Community Benefit amounts While we are not allowed to report Medicare HMO shortfalls as a component of the total Medicare shortfall reported on Schedule H Part III Section B Line 7 based on currently written IRS instructions, it is noteworthy to mention that had we been allowed to include Medicare HMO, our shortfall would have been higher by $3,674,092, for a total adjusted Medicare Shortfall (including Medicare HMO) of $8,919,211 Schedule H Part III Section C Line 9b Wheaton Franciscan Healthcare has a policy that outlines all collection practices for patients who are known to qualify for government programs and for our charity care program We make every attempt to assist the patient in enrolling in government insurance plans or our own charity care program allowing for free or discounted care If the patient does not qualify for any type of aid or charity care, declines to establish a reasonable payment plan or pay the liability, the patient will be moved into a bad debt status, and the account is sent to a collection agency This does not occur before the patient has received several notices and a final written warning Schedule H Part V Section A and Section C Affiliates of Wheaton Franciscan Healthcare have defined and reported "hospital facilities" to include only those bricks and mortar buildings that actually have inpatient beds, in addition to meeting all other criteria under Wisconsin, Iowa, or Illinois state laws, as applicable, required for hospital licensing Although there are other facilities within our system built to hospital standards, performing hospital-based billing, and conforming to other "hospital" standards under state law, until there is further guidance from the IRS, these facilities have been reported in Section C, due to their lack of having state certified inpatient beds Schedule H Part V Section B Line 1j, 3, 4, 6i, and 7 Wheaton Franciscan Healthcare's Community Health Needs Reports provide additional detailed information in response to many of the Schedule H questions on our Community Health Needs Assessments and Implementation Plans These reports can be directly accessed for our various hospitals at the following websites Wisconsin Hospital Facilities Please go to www mywheaton org and select "About Wheaton" then "Community Impact" At the bottom of this page there will be a link to each of our hospitals Select the applicable hospital, and to the left select "Community Needs Assessment" There are two reports available for each hospital facility, "Health Needs Report - Assessment of our Community" and "Answering the Call - Meeting our Community Needs" There are also various City and County reports, Health Survey reports, Secondary Data reports, and Key Informant Interview reports that support the findings in the final assessments and plans Iowa Hospital Facilities Please go to www wheatoniowa org and select "About Us", then "Commitment to the Community", then "Community Health Needs Assessment" One fully summarized report is assessable for each of the three Iowa Hospital Facilities that contains detailed information on the Community Health Needs Assessment, Implementation Plan, and all supporting data
Other Information		Wheaton Franciscan Healthcare - All Saints Foundation Wheaton Franciscan Healthcare - All Saints Foundation supports a number of projects affiliated with the hospital The Foundation solicits philanthropic contributions on behalf of the hospital departments and facilities listed above, and engages in activities to benefit the general community as well Fundraising efforts help to make many valuable services possible, including free or discounted health care services for low-income individuals, targeted services to senior patients, and scholarships to enhance the professional development of Wheaton Franciscan Healthcare staff Specific examples of how Wheaton Franciscan Healthcare - All Saints Foundation helps meet the needs of the community include " Hope Fund The financial burden of cancer can be devastating in most households In an economically depressed community, an individual who is newly diagnosed with cancer may be forced to decide between taking time from work to receive the medical treatment so desperately needed and continuing to work to put food on the table They may have to decide between paying the rent or mortgage, the utility bill or buying gas for the car and paying for their treatment For many who teeter so close to the financial edge, the decision to "put family first" is often the decision made, thus foregoing or delaying treatment in order to meet living expenses The Hope Fund was established so no cancer patient has to make this type of decision Designed to support those diagnosed with cancer, the Hope Fund helps to offset expenses not supported by existing benefit programs With help from the Oncology Navigator and the Social Worker, the patient applies for assistance from the Hope Fund to meet daily needs such as transportation for medical purposes, living expenses, or medical co-payments The Oncology Navigator works with the Social Worker and patient to thoroughly assess financial need through established criteria Once approved, funding is granted to meet the designated expenses " Financial Counseling Wheaton Franciscan Healthcare - All Saints' financial counselors help underinsured and uninsured individuals find public sources of health insurance and other assistance to cover their medical expenses More than 4,000 patients a year receive these services, allowing them to maintain their health with a primary-care physician and reduce their reliance on emergency department visits " Mental Health and Addiction Programs These outstanding programs provide mental health and addiction support for all ages For example, the Fresh Start program - a unique partnership with the Racine Unified School District - helps grade school children with adjustment difficulties to develop positive behaviors, receive proper medications, and find family-centered support Positive outcomes include a return to the traditional classroom, continued appropriate behaviors, and academic success in a mainstream setting " Racine PAD Program Sudden cardiac arrest (SCA) is one of the leading causes of death in America claiming more than 250,000 lives each year Although most victims are middle-aged or elderly, it can strike anyone, anywhere, at any time For every one minute in defibrillation delay, the chance of survival is reduced by 10% SCA does not have to result in death If the heart is shocked quickly with a defibrillator, a normal heart rhythm can be restored The Racine Area Public Access Defibrillator Program (PAD) has been credited for saving many lives in our community over the years In one case, Gus Schumann collapsed while playing golf, and two off-duty Racine firefighters rushed to begin CPR and used a defibrillator to save his life This quick action was aided by the defibrillator that was placed at the golf course for just this situation " Health Care Education Scholarships The Nursing Scholarship Program is working to positively impact nurse recruitment, retention, and satisfaction Scholarships allow entry-level hospital employees to pursue a nursing career despite limited resources Wheaton Franciscan Healthcare - All Saints' School of Radiologic Technology is also working to provide endowed scholarships for worthy individuals in the fast-growing field of radiology " The Racine County Mammogram Coalition (RCMC) is a group of six community organizations, each having built strong relationships with their diverse client populations Each agency provides outreach and education while supporting and encouraging women to seek an annual, age appropriate breast cancer screening The Coaltion was formed in 2009 with five partners and two health care providers It has provided important education and screening which has markedly increased the county's mammogram rate and has served as a resource to women seeking breast cancer screening RCMC works to provide outreach and breast cancer screening built on the trust of clients through long-term relationships Outreach is conducted in numerous ways which motivates clients to seek mammogram screening Coalition partners guide women from registration through the screening process to appropriate follow-up care Clients are monitored by the coalition to ensure follow up Previous clients are sent reminders for annual screening and aided to complete those screenings Within two years of RCMC formation, screenings increased in Racine County by 28% New partners have increased the diversity of RCMC clients and the geographic area of service " Upendo Village HIV/AIDS Women Project - Kenya Founded by the Wheaton Franciscan Sisters, Upendo Village HIV/AIDS Women Project provides a safe haven for women and children in Kenya affected by HIV/AIDS All Saints sponsors a nurse who provides care for residents of the Village More than 5,000 women and children have been served by this model program, which respects both Kenyan cultural traditions and the legalities required by incorporation in the U S Volunteers in Partnership with Wheaton Franciscan Healthcare - All Saints (Racine, Wisconsin) Volunteers in Partnership (VIP) exists to support the hospital facilities through volunteer time spent on patient care activities, gift shop support, special events, and other duties as needed Support is also provided in order to purchase equipment, fund local scholarships, and to support other programs on an as needed basis Schedule H Part VI Line 6 Wheaton Franciscan Healthcare-All Saints Inc is a member of the Wheaton Franciscan Healthcare system, which operates an integrated health care delivery system in Southeast Wisconsin The sole member of the hospital, Wheaton Franciscan Healthcare - Southeast Wisconsin, Inc is a supporting organization and as such, provides corporate services at a consolidated level for its hospitals and other supported organizations, including Wheaton Franciscan Healthcare-All Saints Inc In completing its role, many community benefit activities that would otherwise be undertaken directly by the hospital are undertaken by Wheaton Franciscan Healthcare on behalf of its member hospitals and other organizations even though Wheaton Franciscan Healthcare-All Saints Inc is first seen as a community hospital which serves its own direct community Originally established by the Franciscan Sisters, Daughters of the Sacred Hearts of Jesus and Mary, St Clara Province (the "Wheaton Franciscan Sisters"), Wheaton Franciscan Healthcare is dedicated to improving the lives of the patients it serves not only by providing exceptional and compassionate care, but by dedicating resources to the communities we serve Schedule H Part VI Line 7 Wheaton Franciscan Healthcare operates several health care organizations and files community benefit reports in Illinois as required by Illinois state law In two other states where Wheaton Franciscan Healthcare conducts business (Iowa and Wisconsin), community benefit reporting is not required, but Wheaton voluntarily makes this information available on several websites

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Employer identification number
39-1264986

Part I General Information on Grants and Assistance

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

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

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Wheaton Franciscan Medical Group Inc 400 W Riverwoods Pkwy Glendale, WI 53212	39-1791586	501(c)(3)	15,948				Transfer of Funds from All Saints foundation to support the ongoing operations

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

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

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

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

Part IV **Supplemental Information.**

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

Identifier	Return Reference	Explanation
Procedure for monitoring grants in the US	Sch I, Part I, Line 2	Wheaton Franciscan Healthcare and Franciscan Ministries maintain files and reYords to manage the decision-making and award process for organizations that it provides community sponsorship dollars to Decisions are made by a Community Sponsorship Committee with leaders who hold positions in Diversity, Strategic Planning, Mission Services, Marketing and Philanthropy The Committee generally strives to sponsor organizations that have missions that align with the mission, vision and values of Wheaton Franciscan Healthcare and/or Franciscan Ministries The committee also looks for certain other criteria when deciding which organizations will receive contributions, including but not limited to supporting healthcare or housing related activities within the Southeast Wisconsin, Iowa, and Illinois markets, supporting programming that work to further diversity and cultural competency, aligning with other WFH business relationships or service lines, supporting student academic achievement or workforce development initiatives, and finally, supporting environmental "green" initiatives Leaders periodically meet with representatives of sponsored organizations to discuss objectives including how dollars will be spent Currently, confirmation letters are sent to sponsored organizations when award dollars are given, that confirm the dollar amount awarded and the intended purpose, with a request that the recipient acknowledge receipt of the funds in written correspondence Files are maintained in the Organizational Change and Leadership Performance Department to include copies of letters of request, award and denial letters along with acknowledgement receipts from sponsored organizations

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Employer identification number
39-1264986

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Also complete this part for any additional information

Identifier	Return Reference	Explanation
Other Information		Schedule J Part I Line 3 The compensation of the filing organization's CEO and/or the Executive Director is determined at the parent organization level, using the process described in Schedule O related to Part VI Section B Line 15 The parent organization, Wheaton Franciscan Services, Inc (FEIN 36-3262111) uses a compensation committee, independent compensation consultants, and compensation surveys and studies to determine appropriate levels of compensation that are reflective of fair market value All compensation is approved by the independent board and/or compensation committee, acting free from conflicts of interest Schedule J Part I Line 4a Reportable compensation of Stephen Cardamone includes $193,880 in severance payments made during calendar year 2012 Schedule J Part I Line 4b John Oliverio received a 2012 taxable payout of $993,744 related to a supplemental nonqualified retirement plan known as the Wheaton Franciscan Services Benefit Restoration Plan Schedule J Part II Column D Nontaxable benefits of Stephen Cardamone include $148,234 in accrued severance payments to be paid as wages in a future year Nontaxable benefits of Kenneth Buser include $239,996 in accrued severance payments to be paid as wages in a future year

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 39-1264986
Name: WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Paul Mason	(i)	197,915	34,200	844	22,565	22,538	278,062	
	(ii)							
Mary Ouimet	(i)	199,118	33,900	288	22,916	31,229	287,451	
	(ii)							
Timothy Sio	(i)	177,872	21,700	2,061	10,446	892	212,971	
	(ii)							
Constance Slomczewski	(i)	155,155	14,400	4,933	14,192	8,650	197,330	
	(ii)							
Isabelle Garibaldi	(i)	159,260	14,200	709		9,989	184,158	
	(ii)							
Kelly Schneider	(i)	164,888		296	11,049	1,087	177,320	
	(ii)							
Robert Umhoefer	(i)	154,733	30,000	552	43,844	2,700	231,829	
	(ii)							
Stephen Cardamone DO	(i)							
	(ii)	600,746	257,900	13,408	79,414	162,854	1,114,322	193,880
Richard Pierce-Ruhland MD	(i)							
	(ii)	305,593		558	21,394	20,788	348,333	
Kenneth Buser	(i)							
	(ii)	470,168	90,800	20,794	53,429	288,857	924,048	
John Jack Manley MD	(i)							
	(ii)	431,398		3,523	17,885	36,907	489,713	
Susan Boland	(i)							
	(ii)	317,476	78,200	9,980	36,060	17,751	459,467	
Robert Stern MD	(i)							
	(ii)	253,311		5,629	17,899	18,646	295,485	
John Oliverio	(i)							
	(ii)	980,246	868,800	1,018,503	153,150	63,839	3,084,538	
Tod Poremski MD	(i)							
	(ii)	177,259		1,703	9,228	10,515	198,705	
Jon Sohn	(i)							
	(ii)	408,238	185,700	12,396	46,813	26,930	680,077	
Debra Standridge	(i)							
	(ii)	423,689	116,100	14,133	49,895	27,966	631,783	
Jerry Hardacre MD	(i)							
	(ii)	425,718		903	21,408	28,113	476,142	
Kumari Chintamaneni MD	(i)							
	(ii)	510,325		5,561	13,400	18,641	547,927	
Steven Ryder MD	(i)							
	(ii)	585,832		2,257	21,281	16,919	626,289	

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Nicholas Omdahl MD	(i) (ii)	345,176	49,300	4,420	21,130	25,930	445,956	
Daniel Donovan DO	(i) (ii)	267,813		2,035	17,877	18,651	306,376	
Daniel Mattes	(i) (ii)	351,938	141,800	12,378	50,707	27,526	584,349	
Donald Roach MD	(i) (ii)	279,205		1,069	21,319	15,359	316,952	
David Ashpole MD	(i) (ii)	570,266		2,668	17,885	39,387	630,206	

Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Employer identification number
39-1264986

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	**(b)** Relationship between interested person and the organization	**(c)** Amount of transaction	**(d)** Description of transaction	**(e)** Sharing of organization's revenues?	
				Yes	**No**
(1) Metropolitan Urology J Matteucci	Brother of Mary Ouimet	263,800	Medical Director		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization	Employer identification number
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC	39-1264986

Identifier	Return Reference	Explanation
OTHER INFORMATION		Part III Line 2 In August 2012, Wheaton Franciscan Healthcare - All Saints, Inc opened a new Clinic located in Sturtevant, WI in an attempt to expand their South Market Region Th is new location houses various hospital and medical group service lines, including but not limited to Obstetrics and Gynecology, Pediatrics, and Internal and Family Medicine While these are not new service lines, it represents an expansion of services provided to this demographic Part V Line 1a and Part VII Section B Line 1-2 Effective for calendar year 2 011 and beyond 1099-MISC reporting, Wheaton Franciscan Healthcare streamlined their report ing of IRS Forms 1099-MISC so that most 1099-MISC were reported using the FEIN number of t he parent organization or of a related organization The actual expense continues to be ei ther paid by, or transferred to, the individual entity, which is normally a subsidiary or related organization to the organization(s) issuing the 1099 For this reason, the reader may notice on some 990's that there are top 5 independent contractors reported, but no 109 9s are reported Likewise on the 990's of the organization(s) reporting number of 1099's, there may be a disproportionate share of 1099's reported as compared with the actual expen ses of the organization Part VI Section A Line 6-8b All Saints has one member which hold s several reserved powers over All Saints These reserved powers include, but are not limi ted to, the election of members of the governing body and election of officers, approval o f certain financial expenditures in accordance with policy, and approval of budgets and st rategic plans, these approvals are based on recommendations from the governing body Part VI Section B Lines 10a and 10b Wheaton Franciscan Healthcare and Franciscan Ministries ar e part of a controlled group of health care and housing providers, controlled under a comm on parent organization Wheaton Franciscan Services, Inc Some of these organizations are e xempt through the Catholic Group Ruling and other organizations have a stand-alone exempti on (IRS determination) letter As such, these related affiliates have certain policies and procedures that were adopted at the parent level, but are applicable to the entire contro lled group of organizations All policy and procedure matters are handled in a manner to e nsure that all activities are consistent with the organization's overall exempt purposes Please see Schedule R for a full listing of all related affiliate organizations Part VI S ection B Lines 11a and 11b Affiliates of Wheaton Franciscan Healthcare use a multiple-lev el review process on all Federal and State information and tax returns to ensure accurate and timely filing for all organizations Under the direction of the Tax Manager, the Accou nting Department prepares Forms 990, 990-T, and associated state filings When complete, t he return is first reviewed by the Accounting Director, who focuses on the income statemen t and balance sheet items, and all schedules where transactions of this type might be repo rted If discrepancies are found, the item will be corrected prior to the next step in the review process Once cleared through Accounting, the return is provided to the Tax Depart ment, where the Tax Manager and Vice President of Treasury and Risk Management focus their review on consistency of reporting between all returns, accuracy of tax related informati on, and explanation and understanding of any outliers Again, any problems or questions ar e investigated and corrected Depending on the level of complexity of the year in question , as well as the individual issues specific to that filing, certain returns may be selecte d for outside review by a public accounting firm This decision will vary from year to yea r based on many factors, and sometimes outside review is not utilized at all Also, certai n schedules, such as Schedule K, Schedule H, and Schedule J, may be selected for review by outside bond counsel, a community benefit associate, and/or the compensation committee re spectfully and as needed This decision will vary from year to year, again based on many f actors The Tax Department, upon completion of all levels of review, will schedule an appo intment with the Senior Vice President and CFO, who will perform a review prior to signing the return Once signed, the return is cleared to provide to members of the Board of Dire ctors The parent organization, Wheaton Franciscan Services, Inc has designated that the Audit Committee review the parent return in certain years, where the 990 is explained at a high level by management representatives, and any questions or concerns that the Committe e has can be addressed At a later date and prior to efiling, the full board is provided ac cess to all 990's throughout the system via an online portal A similar process exists at the regional holding company levels - a 990 is selected for review in certain years by the Finance and Operations Committee Similarly, the

Identifier	Return Reference	Explanation
OTHER INFORMATION		990 is explained at a high level, and Committee questions or concerns are addressed Membe rs of the full board are provided access to all 990's within that region prior to efiling via an online portal Part VI Section B Lines 12a - 12c As part of an annual process, con flict of interest questions are sent out to all Officers, Directors, and other individuals in key positions using software designed to capture this information The responses are a nalyzed in order to determine information on potential conflicts, as well as information o n business and family relationships for purposes of answering certain questions on IRS For m 990 Responses to these questions are reviewed by the Vice President of Compliance and t he Manager of Tax Compliance, and follow up action, if any, are documented within the soft ware After an approximate 3 and again at 6 weeks, names of all non responders are compile d, and these individuals receive either an email or letter reminding them to complete the information Responses to questions continue to be reviewed and documented throughout this time period Approximately 1 month prior to the filing deadline of IRS Form 990, response s to date are compiled Any response requiring disclosure is entered into the information return The remaining non responder names are determined, and a letter, along with the act ual Conflict of Interest Policy, is sent to the Chairperson of each board The letter outl ines the current non responders, as well as any Officer or Board member that has disclosed a financial interest that might pose a potential conflict of interest Depending upon the nature of the financial interest and work done by the board, several actions may be consi dered - the board member with a financial interest would need to voluntarily excuse him or herself from the deliberations and/or voting on such a matter, or, if necessary, the boar d would determine that the subject's financial interest was an actual conflict of interest , in which case the board member would be informed by the board Chairperson that he or she would not be allowed to vote in any such matters due to this real or perceived conflict o f interest Minutes of the board meeting would document this decision process, and reflect whatever action(s) are ultimately taken The board chairperson is also required to discus s with non responders the repercussions of not responding, and require the board member to complete the annual conflict of interest disclosure questions before being allowed to con tinue in any board matters If the board member refuses, the Chairperson has the authority to determine the appropriate action, including, but not limited to prohibiting them from participating in deliberations, preventing them from voting, and/or removing them as a boa rd member Part VI Section B Lines 15a - 15b The compensation of the CEO of Wheaton Franc iscan Services Inc (WFSI) and other officers and key employees of the filing organization is reviewed and approved on an annual basis by the Executive Committee of the WFSI Board of Directors, an independent board, acting in a manner consistent with its conflicts of in terest policy The board's decision is informed by an opinion on market comparable compens ation data provided to the board by an independent compensation expert The organization m aintains contemporaneous documentation of the substantiation of the deliberation and decis ion by the board Additionally, this 990 has reported an employed physician who has served as either an Officer, Director, or has been listed as a Key Employee Employed physicians have a slightly different compensation structure, depending on which organization they ar e employed by, as follows

Identifier	Return Reference	Explanation
Other Information		Wheaton Franciscan Medical Group The compensation for the organization's President and other officers and key management employees is reviewed and approved on an annual basis, as part of the WFSI Executive Compensation Plan, by the Executive Committee of the Wheaton Franciscan Services, Inc Board of Directors (the "Executive Committee of the WFSI Board"), an independent board, acting in a manner consistent with its conflicts of interest policy The WFSI Board's decision is informed by an opinion on market comparable compensation data provided to the WFSI Board by an independent compensation expert The WFSI Board maintains contemporaneous documentation of the substantiation of the deliberation and decisions it makes With respect to the organization's officers and/or key employees that are practicing physicians, the Wheaton Franciscan Medical Group (WFMG) Physician Compensation Plan is also reviewed and approved on an annual basis by the Executive Committee of the WFSI Board, an independent board, acting in a manner consistent with its conflicts of interest policy The Executive Committee of the WFSI Board's decision on the organization's physician compensation plan is informed by an opinion on market comparable physician compensation data provided to the board committee by an independent physician compensation expert The Executive Committee of the WFSI Board maintains contemporaneous documentation of the substantiation of the deliberation and decisions it makes For those officer and/or key employee physicians that are paid for their services other than pursuant to the WFSI Executive Compensation Plan or the WFMG Physician Compensation Plan, the compensation terms of the written contract with the physician are approved by either the WFSI Board of Directors, the WFSI CEO or by the WFMG President or another authorized individual, in accordance with the level of authority delegated to the same by the WFSI Board of Directors in accordance with its financial transactions policy In each case, decisions are made in accordance with the organization's conflict of interest requirements Also, in each case, the compensation paid pursuant to a contract is determined with reference to market comparable information Organizational policy requires that contemporaneous documentation of the same be maintained Metro Physicians The compensation for the President and other officers and key employees of the organization was reviewed and approved by the Wheaton Franciscan Services, Inc Board of Directors, an independent board, acting in a manner consistent with its conflicts of interest policy The board's decision was informed by an opinion on market comparable compensation data provided to the board by an independent compensation expert The organization maintained contemporaneous documentation of the substantiation of the deliberation and decision by the board Part VI Section C Line 19 Affiliates of Wheaton Franciscan Healthcare and Franciscan Ministries provide upon request certain documents including our financial statements, conflict of interest policy, and governing documents that support our tax exempt status, including, but not limited to, articles of incorporation and bylaws Requests for information are considered on a case-by-case basis, and this process is outlined in our Public Disclosure Policy As part of the requirements for tax exempt bond financing, the consolidated financial statements of Wheaton Franciscan Services, Inc (#36-3262111), the parent corporation of Wheaton Franciscan Healthcare and Franciscan Ministries affiliates are required to be provided each quarter to the Municipal Securities Rule Making Board (MSRB) The vehicle used to accomplish this is through an external website (http //emma msrb org/) referred to as "EMMA" (Electronic Municipal Market Access System) The financial statements are uploaded each quarter to the website, and along with other information provided at the bond's inception, are available for viewing by the general public Part VII Column B Wheaton Franciscan Healthcare and Franciscan Ministries are a controlled group of related healthcare and housing organizations As such, many employees who are at the Director level or above, or who are Officers and/or Directors of organizations where Wheaton has common boards and other overlaps, spend significant time devoted to tasks not only for the filing organization, but also for related organizations While there is no official time study tracking that is done, it is estimated that for each employee, tasks devoted to related organizations could approximate up to 80% or more of total hours

Identifier	Return Reference	Explanation
other information		Part XI, Line 9 The amount reported in "Other changes in net assets or fund balances" includes an equity transfer made of $30,335,183 that represents this organization's share of expense items related to Wheaton Franciscan Medical Group, Inc (#39-1791586) operations In addition, 27,866,593 is included which represents hospital based billing that was originally recorded at Wheaton Franciscan Medical Group (39-1791586) We decreased net assets in the amount of 14,845 which relates to a prior period adjustment regarding a grant We increased net assets by 6,879 for interfund transfer which relates to intercompany transaction from prior yr Reconciliation of Ending Net Assets Beginning Net Assets $ 310,903,381 + Net Income per 990 $ 33,456,374 + Transfers from Affiliate $ (30,335,183) + Interfund Transfers $ 6,879 + PPA-Grant $ (14,845) + Hospital Based Billing $ 27,866,593 Ending Net Assets = $ 341,883,199 For additional items please refer to Sch D Part XIII Disclosure Statement Related to Form 5471 Information return of US persons with respect to certain foreign corporations filed on behalf of the taxpayer Under the constructive ownership rules of Internal Revenue Code Sections 958(a) and (b), the taxpayer is required to file Forms 5471, Information Return of US persons with respect to certain foreign corporations, as a category 5 filer with respect to certain controlled foreign corporations (cfcs) These filing requirements are or will be satisfied through the filing of Forms 5471 for these cfcs by other US taxpayers identified below who have the same filing requirement Taxpayer name Wheaton Franciscan Services, Inc Address 26 W171 Roosevelt Road, Wheaton IL 60187 FEIN number of US Tax return with which form 5471 was filed 36-3262111 IRS Service Center where US Tax return was or will be filed e-filed

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Employer identification number
39-1264986

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
See Additional Data Table							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) SRLM LTD PSHP(1) PO BOX 667 WHEATON, IL 60187 36-3811835	HOUSING	IL	SRLM INC						0			

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) WHEATON FRANCISCAN ENTERPRISES INC 400 WEST RIVER WOODS PARKWAY GLENDALE, WI 53212 39-1985204	HOLDING CO	WI	WF HOLDINGS INC	C CORP					No
(2) WHEATON FRANCISCAN HOLDINGS INC 400 WEST RIVER WOODS PARKWAY GLENDALE, WI 53212 39-1836357	HOLDING CO	WI	WFH-SE WI	C CORP					No
(3) WHEATON FRANCISCAN MED GRP-SUSSEX INC 400 WEST RIVER WOODS PARKWAY GLENDALE, WI 53212 39-1361100	MED GROUP	WI	WF HOLDINGS INC	C CORP					No
(4) WHEATON FRANCISCAN PROVIDER NETWORK INC 400 WEST RIVER WOODS PARKWAY GLENDALE, WI 53212 39-1952140	PROVDR CONTRACT	WI	WFH-SE WI	C CORP					No
(5) WHEATON FRANCISCAN INSURANCE COMPANY 98-0691609	FINANCIAL	UK	WFSI						No

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

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

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	**1a**		**No**
b Gift, grant, or capital contribution to related organization(s)	**1b**	**Yes**	
c Gift, grant, or capital contribution from related organization(s)	**1c**	**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**		
g Sale of assets to related organization(s)	**1g**		**No**
h Purchase of assets from related organization(s)	**1h**		**No**
i Exchange of assets with related organization(s)	**1i**	**Yes**	
j Lease of facilities, equipment, or other assets to related organization(s)	**1j**	**Yes**	
k Lease of facilities, equipment, or other assets from related organization(s)	**1k**	**Yes**	
l Performance of services or membership or fundraising solicitations for related organization(s)	**1l**	**Yes**	
m Performance of services or membership or fundraising solicitations by related organization(s)	**1m**	**Yes**	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	**1n**	**Yes**	
o Sharing of paid employees with related organization(s)	**1o**	**Yes**	
p Reimbursement paid to related organization(s) for expenses	**1p**	**Yes**	
q Reimbursement paid by related organization(s) for expenses	**1q**	**Yes**	
r Other transfer of cash or property to related organization(s)	**1r**	**Yes**	
s Other transfer of cash or property from related organization(s)	**1s**	**Yes**	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	**(b)** Transaction type (a-s)	**(c)** Amount involved	**(d)** Method of determining amount involved
(1) WFH-ALL SAINTS FOUNDATION	R	270,164	FMV

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

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

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

Software ID:
Software Version:
EIN: 39-1264986
Name: WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation
FOOTNOTES	FOOTNOTES 1 - 3	(1) Starved Rock - LaSalle Manor, Ltd Partnership was terminated on 02/11/2013, and as such, this is the last fiscal year the organization will be listed as related (2) Synergon Health System Inc is listed with no direct controlling entity because of the two organizations with an interest, Rush Presbyterian and OSF Services Inc, neither can appoint a majority of the board, therefore neither organization "controls" (3) UHS, Inc is listed without a direct controlling entity because of the two organizations with an interest, KHMC Community Board and OSF Services Inc, neither can appoint a majority of the board, and since KHMC is not an entity (it is a community board), neither body "controls"

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Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2012

Attachment Sequence No **179**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
WHEATON FRANCISCAN HEALTHCARE-ALL SAINTS INC	GENERAL DEPRECIATION	39-1264986

Part I **Election To Expense Certain Property Under Section 179**
Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	$ 2,000,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6			

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2013 Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property **)** (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	1,233

Part III **MACRS Depreciation (Do not** include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV **Summary** (see instructions)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	1,233
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A—Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.***)**

24a Do you have evidence to support the business/investment use claimed? ☐ **Yes** ☐ **No** | **24b** If "Yes," is the evidence written? ☐ **Yes** ☐ **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						**25**		
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		

28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 **28**

29 Add amounts in column (i), line 26 Enter here and on line 7, page 1 . . . . **29**

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles) . .												
31 Total commuting miles driven during the year .												
32 Total other personal(noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use? .												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners . . .		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2012 tax year (see instructions)					

43 Amortization of costs that began before your 2012 tax year **43**

44 Total. Add amounts in column (f) See the instructions for where to report **44**

KPMG

WHEATON FRANCISCAN SERVICES, INC.

Consolidated Financial Statements and
Supplementary Information

June 30, 2013 and 2012

(With Independent Auditors' Report Thereon)

WHEATON FRANCISCAN SERVICES, INC.

Table of Contents

KPMG LLP
Aon Center
Suite 5500
200 East Randolph Drive
Chicago, IL 60601-6436

Independent Auditors' Report

The Board of Directors
Wheaton Franciscan Services, Inc.:

Report on the Financial Statements

We have audited the accompanying consolidated balance sheets of Wheaton Franciscan Services, Inc. (WFSI), which comprise the consolidated balance sheets as of June 30, 2013 and 2012, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements. We did not audit the financial statements of Franciscan Ministries, Inc. (FMI), a wholly owned subsidiary, which statements reflect total assets constituting 4.7% for both 2013 and 2012 and total revenues constituting 1.5% and 1.6% in 2013 and 2012, respectively, 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 FMI, is based solely on the reports of the other auditors.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. 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 from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

KPMG

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Wheaton Franciscan Services, Inc. as of June 30, 2013 and 2012, and the results of their operations and their cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in schedules 1 through 6 is presented for purposes 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 audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

Chicago, Illinois
October 22, 2013

WHEATON FRANCISCAN SERVICES, INC.

Consolidated Balance Sheets

June 30, 2013 and 2012

(In thousands)

Assets		**2013**	**2012**
Current assets			
Cash and cash equivalents	$	25,660	59,870
Short-term investments		11,448	41,353
Assets whose use is limited – required for current liabilities		57,286	56,951
Patient accounts receivable, net of uncollectible accounts of approximately $56,767 in 2013 and $55,626 in 2012		220,309	201,437
Securities lending collateral		—	4,514
Inventories of supplies		25,229	25,309
Prepaid expenses and other		46,285	42,225
Total current assets		386,217	431,659
Noncurrent assets whose use is limited		733,766	722,853
Property, plant, and equipment, net		1,103,788	1,086,294
Other assets			
Restricted assets		19,288	16,739
Deferred expenses, net		5,367	5,523
Investments in unconsolidated affiliates		24,472	22,198
Other long-term assets		28,988	25,067
Total other assets		78,115	69,527
Total assets	$	2,301,886	2,310,333
Liabilities and Net Assets			
Current liabilities			
Current installments of long-term debt – bonds	$	11,760	9,255
Long-term debt subject to short-term remarketing agreements		39,978	40,038
Current installments of long-term debt – mortgages		8,234	1,912
Accounts payable and accrued expenses		255,221	265,571
Payable under securities lending agreement		—	4,514
Estimated third-party payor settlements		18,817	22,383
Total current liabilities		334,010	343,673
Long-term debt, excluding current installments and net unamortized bond issue premiums – bonds		699,131	712,233
Long-term debt, excluding current installments – mortgages		30,738	36,298
Accrued pension liability		136,712	298,198
Other		101,913	98,008
Total liabilities		1,302,504	1,488,410
Net assets			
Unrestricted		980,094	805,184
Temporarily restricted		16,190	13,842
Permanently restricted		3,098	2,897
Total net assets		999,382	821,923
Total liabilities and net assets	$	2,301,886	2,310,333

See accompanying notes to consolidated financial statements

WHEATON FRANCISCAN SERVICES, INC.

Consolidated Statements of Operations

Years ended June 30, 2013 and 2012

(In thousands)

		2013	2012
Net patient service revenues before bad debt	$	1,642,700	1,622,196
Provision for bad debts		75,197	80,564
Net patient service revenues		1,567,503	1,541,632
Other revenues:			
Other		194,413	180,144
Net assets released from restrictions		1,499	1,766
Total revenues		1,763,415	1,723,542
Expenses:			
Salaries and fringe benefits		1,015,594	986,429
Purchased services, supplies, and other		566,539	550,361
Interest		33,119	34,346
Depreciation and amortization		108,675	108,841
Total expenses		1,723,927	1,679,977
Income from operations		39,488	43,565
Nonoperating gains (losses):			
Investment return		26,242	17,517
Loss on early extinguishment of debt		—	(123)
Loan forgiveness		—	797
Swap valuation adjustments		2,037	(1,294)
Loss on sale of business assets		—	(770)
Other, net		855	(22,369)
Nonoperating gains (losses), net		29,134	(6,242)
Revenues and gains in excess of expenses and losses before discontinued operations		68,622	37,323
Gain from discontinued operations (including loss on sale of $2,318 in 2012)		—	4,403
Revenues and gains in excess of expenses and losses		68,622	41,726
Other changes in unrestricted net assets:			
Net assets released from restrictions used for purchase of property, plant, and equipment		2,135	2,707
Change in unrecognized net defined-benefit plan costs		103,708	(151,426)
Equity transactions of unconsolidated affiliates and other, net		445	(3,903)
Change in unrestricted net assets	$	174,910	(110,896)

See accompanying notes to consolidated financial statements.

WHEATON FRANCISCAN SERVICES, INC.

Consolidated Statements of Changes in Net Assets

Years ended June 30, 2013 and 2012

(In thousands)

		2013	2012
Unrestricted net assets:			
Revenues and gains in excess of expenses and losses	$	68,622	41,726
Net assets released from restrictions used for purchase of property, plant, and equipment		2,135	2,707
Change in unrecognized net defined-benefit plan costs		103,708	(151,426)
Equity transactions of unconsolidated affiliates and other, net		445	(3,903)
Change in unrestricted net assets		174,910	(110,896)
Temporarily restricted net assets:			
Contributions for specific purposes		5,557	4,417
Net assets released from restrictions used for purchase of property, plant, and equipment		(2,135)	(2,707)
Net assets released from restrictions for operations		(1,499)	(1,766)
Investment income		425	486
Equity transactions of unconsolidated affiliates and other, net		—	(2,232)
Change in temporarily restricted net assets		2,348	(1,802)
Permanently restricted net assets:			
Contributions for endowment funds		—	100
Investment income		201	34
Change in permanently restricted net assets		201	134
Change in net assets		177,459	(112,564)
Net assets at beginning of year		821,923	934,487
Net assets at end of year	$	999,382	821,923

See accompanying notes to consolidated financial statements.

WHEATON FRANCISCAN SERVICES, INC.

Consolidated Statements of Cash Flows

Years ended June 30, 2013 and 2012

(In thousands)

		2013	2012
Cash flows from operating activities			
Change in net assets	$	177,459	(112,564)
Adjustments to reconcile change in net assets to net cash provided by operating activities			
Gain from discontinued operations		—	(4,403)
Depreciation and amortization		108,675	108,841
Provision for bad debts		75,197	80,564
Amortization of bond issuance costs and premiums or discounts included in interest expense		(1,134)	(1,073)
Net realized and change in unrealized gains and losses on investments		(2,332)	3,162
Loss on early extinguishment of debt		—	123
Loan forgiveness		—	(797)
Loss on sale of business assets		—	770
Net assets released from restrictions and used for operations		1,499	1,766
Restricted contributions and investment income		(6,183)	(5,037)
Income of unconsolidated affiliates		(18,456)	(16,508)
Investment in unconsolidated affiliates, net of cash distributions		16,182	15,028
Change in unrecognized net defined-benefit plan costs, net of additional pension contribution in 2013 of $57,777 and 2012 of $17,488		(161,486)	133,938
Equity transactions of unconsolidated affiliates and other		(445)	6,135
Nonoperating gains – swap valuation adjustments		(2,037)	1,294
Changes in assets and liabilities			
Patient accounts receivable		(94,069)	(96,865)
Estimated third-party payor settlements, net		(3,566)	4,245
Inventories of supplies		80	(1,055)
Prepaid expenses and other		(4,172)	5,012
Deferred tax assets, net		—	13,408
Accounts payable and accrued expenses		(10,350)	9,441
Other liabilities		5,942	(6,924)
Net cash provided by continuing operating activities		80,804	138,501
Net cash used in operating activities of discontinued operations		—	(448)
Cash flows from investing activities			
Purchase of property, plant, and equipment		(125,371)	(111,161)
Gross purchases of investments		(702,124)	(1,288,919)
Gross sales or maturities of investments		723,113	1,141,495
Proceeds from sale of business and other assets		—	167,565
Net change in notes receivable and other		(4,719)	145
Net change in restricted assets		(2,549)	1,668
Net cash used in continuing investing activities		(111,650)	(89,207)
Cash flows from financing activities			
Repayments of long-term debt – bonds		(9,255)	(35,790)
Repayments of long-term debt – mortgages		(11,798)	(2,416)
Proceeds from issuance of long-term debt-mortgages		12,560	—
Transfers from (to) unconsolidated affiliates and other		445	(2,600)
Net assets released from restrictions and used for operations		(1,499)	(1,766)
Proceeds from restricted contributions and investment income		6,183	5,037
Net cash used in continuing financing activities		(3,364)	(37,535)
Net change in cash and cash equivalents		(34,210)	11,311
Cash and cash equivalents at beginning of year		59,870	48,559
Cash and cash equivalents at end of year	$	25,660	59,870
Supplemental disclosure of cash flow information			
Cash paid for interest, net of amounts capitalized	$	34,443	35,637

See accompanying notes to consolidated financial statements

(1) Organization

Wheaton Franciscan Services, Inc. (WFSI) is organized as an Illinois not-for-profit organization and operates under the tenets of the Roman Catholic Church and in accordance with the philosophy and values of the Franciscan Sisters. WFSI's subsidiaries provide: (1) general healthcare services to residents within their geographic locations including inpatient, outpatient, emergency room, physician, long-term care, and other related services and (2) affordable housing for low-income families and the elderly. Expenses included in the accompanying consolidated financial statements relate primarily to the provision of healthcare services, housing services, and general and administrative costs.

(2) Basis of Consolidation

WFSI considers all wholly owned or controlled entities in which it has an economic interest as subsidiaries for consolidated financial statement purposes. The accompanying consolidated financial statements include WFSI and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

WFSI and its subsidiaries are not-for-profit 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, except as follows:

- Wheaton Franciscan Holdings, Inc., Wheaton Franciscan Provider Network, Inc., Wheaton Franciscan Enterprises, Inc., and Wheaton Franciscan Medical Group – Sussex are for-profit organizations.
- Northeast Iowa Real Estate Investments, Ltd. is a not-for-profit corporation exempt from federal income taxes on related income under Section 501(c)(2) of the Code.

WFSI and certain of its subsidiaries (herein referred to as The Obligated Group) entered into a Master Trust Indenture (MTI), dated as of June 1, 1985 and amended and restated as of April 22, 2004, in order to obtain financing or refinancing for the acquisition or betterment of various hospital and long-term care facilities. The Obligated Group members comprise the following at June 30, 2013:

Wheaton Franciscan Services, Inc.
Southeast Wisconsin Region:
  Wheaton Franciscan Healthcare – Southeast Wisconsin, Inc.
  Wheaton Franciscan, Inc. (previously named St. Joseph Regional Medical Center, Inc., The Heart Hospital of Wisconsin, Inc., and Wheaton Franciscan Healthcare – Elmbrook Memorial, Inc.)
  Wheaton Franciscan Healthcare – St. Francis, Inc.
  Wheaton Franciscan Healthcare – Franklin, Inc.
  Wheaton Franciscan Healthcare – All Saints, Inc.
  Wheaton Franciscan Medical Group, Inc.
Marianjoy Rehabilitation Hospital & Clinics, Inc.

Iowa Region:
Wheaton Franciscan Healthcare-Iowa Inc.
Covenant Medical Center, Inc.

St. Catherine's Hospital, Inc. (St. Catherine's)

The non-Obligated Group members are as follows:

O.S.F. Services, Inc.

Southeast Wisconsin Region:
Wheaton Franciscan Healthcare-Terrace at St. Francis, Inc.
Wheaton Franciscan Home Health and Hospice, Inc.
Wheaton Franciscan Healthcare-Pharmacy Enterprises and Franciscan Woods, Inc.
Wheaton Franciscan Holdings, Inc.

Marianjoy Region:
Marianjoy, Inc.
Rehabilitation Medicine Clinic, Inc.

Iowa Region:
Sartori Memorial Hospital, Inc.
Mercy Hospital of Franciscan Sisters, Inc.

Franciscan Ministries, Inc.

(3) Summary of Significant Accounting Policies

- The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- The consolidated statements of operations include revenues and gains in excess of expenses and losses. Transactions deemed by management to be ongoing, major, or central to the provision of healthcare services are reported as revenue and expenses. Transactions incidental to the provision of healthcare services are reported as nonoperating gains and losses.
- Net patient service revenues are reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.
- Cash and cash equivalents include demand deposits and investments in highly liquid debt instruments with a maturity of three months or less at the time of purchase, excluding amounts

presented as assets whose use is limited and restricted assets. Short-term investments are comprised of highly liquid debt instruments with maturity greater than three months and less than 12 months at the time of purchase.

- Inventories of supplies are stated at the lower of cost (first-in, first-out) or market.
- Investments are measured at fair value in the accompanying consolidated balance sheets. Fair value is determined primarily on the basis of quoted market prices or observable market inputs. All investments are classified as trading securities. Investment income or loss (including realized gains and losses on investments, unrealized gains and losses on trading securities, interest, and dividends) is included in revenues and gains in excess of expenses and losses unless the income or loss is restricted by donors, in which case the investment return is recorded directly to temporarily or permanently restricted net assets. Unrealized gains and losses on investments designated as other-than-trading securities are excluded from income from operations.
- Assets whose use is limited include assets set aside by the boards of directors for specific purposes, OSF Services, Inc., and deferred compensation plans, over which the boards retain control and may at their discretion subsequently use for other purposes; assets held under escrow agreements; assets held by trustees under bond indenture agreements; assets posted as collateral for swap agreements; assets held through interests in foundations; assets held by a captive insurance company; and assets held by Franciscan Ministries, Inc. (FMI). Assets whose use is limited, which are required for obligations classified as current liabilities, are reported as current assets in the accompanying consolidated balance sheets.
- Property, plant, and equipment acquisitions are recorded at cost. Property, plant, and equipment donated for operations are recorded as additions to temporarily restricted net assets at fair value at the date of receipt and as net assets released from restriction when the assets are placed in service. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Net interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component cost of acquiring those assets.
- Deferred finance charges are included in deferred expenses and are amortized over the life of the respective debt or underlying liquidity facility, whichever is shorter, using either the straight-line or the weighted average bonds outstanding method. Bond discounts and premiums are amortized over the life of the respective debt using the straight-line or the weighted average bonds outstanding method. Amortization of deferred finance charges and bond discounts and premiums are reflected as a component of interest expense in the accompanying consolidated statements of operations.
- Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income within nonoperating gains (losses) in the period that includes the enactment date. WFSI recognizes the effect of income tax positions only if those

positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

At June 30, 2013 and 2012, WFSI had net operating loss (NOL) carryforwards for financial reporting and federal and state income tax purposes aggregating approximately $228 and $501, respectively, for federal and $491 and $716, respectively, for state. Using a federal tax rate of 34.0% and state tax rate of 7.9%, these NOL carryforwards give rise to deferred tax assets before valuation allowance of $116 and $227 at June 30, 2013 and 2012, respectively. The valuation allowance for deferred tax assets was $116 and $227 at June 30, 2013 and 2012, respectively. The NOL carryforwards have expiration dates through 2029. Management evaluates the need to maintain a valuation allowance for deferred tax assets based on the assessment of whether it is more likely than not that deferred tax benefits will be realized through the generation of future taxable income. Appropriate consideration is given to all available evidence, both positive and negative, in assessing the need for a valuation allowance. Amounts released from the valuation allowance are included in other, net in nonoperating gains (losses) in the consolidated statements of operations. The quantitative and qualitative analysis of current and expected earnings, tax-planning strategies, and general business risks resulted in a more likely than not conclusion of being able to realize a significant portion of the deferred tax assets during 2012.

On January 1, 2012, WF-Holdings, Inc. completed a technical transfer of its 50% interest in Midwest Orthopedic Specialty Hospital, LLC. (MOSH) to WFH-Southeast Wisconsin, Inc. Federal and state income tax expense was $21,438 in 2012 reported in other, net nonoperating gains (losses) in the consolidated statements of operations; however, $13,408 was offset by the utilization of NOL carryforwards in 2012.

No other temporary differences have been considered based on materiality to the consolidated financial statements.

- Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is to be reviewed for impairment at least annually or whenever events or circumstances indicate that the carrying value may not be recoverable. In September 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-08, *Testing Goodwill for Impairment*, which provides an entity the option to perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount prior to performing the two-step goodwill impairment test. If this is the case, the two-step goodwill impairment test is required. If it is more likely than not that the fair value of a reporting is greater than its carrying amount, the two-step goodwill impairment test is not required. WFSI adopted this guidance in 2013.

If the two-step goodwill impairment test is required, first, the fair value of the reporting unit is compared with its carrying value including goodwill. If the fair value of the reporting unit is less than its carrying value, an indication of goodwill impairment exists for the reporting unit and the entity must perform step two of the impairment test (measurement). Under step two, an impairment

(Continued)

loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation and the residual fair value after this allocation is the implied fair value of the reporting unit goodwill. Fair value of the reporting unit is determined using a discounted cash flow analysis. If the fair value of the reporting unit exceeds its carrying value, step two does not need to be performed.

WFSI performed its annual goodwill impairment test as of June 30, 2013 and did not identify any impairment issues. The fair value of the reporting unit is in excess of its carrying value. Goodwill totaling $5,136 at June 30, 2013 and 2012 is reported in the accompanying consolidated balance sheets within other long-term assets.

WFSI has net amortizable intangible assets of $10,110 and $5,818 at June 30, 2013 and 2012, respectively, included in other long-term assets on the consolidated balance sheets, which are being amortized from 2 to 10 years. WFSI recorded amortization expense of $1,019 and $1,113 for 2013 and 2012, respectively.

- Long-lived assets (including property, plant, and equipment, goodwill, and other intangibles) are periodically assessed for recoverability based on the occurrence of a significant adverse event or change in the environment in which WFSI operates, or if the expected future cash flows generated by the long-lived asset (undiscounted and without interest) are less than the carrying amount of the long-lived asset. An impairment loss is recognized in the period an impairment determination is made to the extent the impaired long-lived asset's carrying value exceeds its fair value.
- Amounts reported as loss on sale of business assets represent the loss by WFSI of its interest in various healthcare-related assets and joint ventures.
- Changes in unrestricted net assets, which are excluded from revenues and gains in excess of expenses and losses, consistent with industry practice, include unrealized gains and losses on investments on other-than-trading securities, permanent transfers of assets to and from unconsolidated subsidiaries and affiliates for other than goods and services, 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), changes in the funded status of the defined-benefit pension plan, and equity transactions of unconsolidated affiliates.
- Certain subsidiaries of WFSI provide care to patients who meet criteria under the community care program (charity care) without charge or at amounts less than their established rates. Because there is no effort to pursue collection of amounts determined to qualify as charity care, they are not reported as revenues.
- WFSI accounts for discontinued operations under Accounting Standard Codification guidance surrounding accounting for the impairment or disposal of long-lived assets. The guidance requires that a component entity that has been disposed of or is classified as held-for-sale and has operations and cash flows that can be clearly distinguished from the rest of the entity be reported as discontinued operations. In the period that a component entity has been disposed of or is classified as

held-for-sale, the results of operations for current and prior periods are reclassified to discontinued operations in the accompanying consolidated statements of operations.

- Temporarily restricted net assets represent those net assets whose use by WFSI and its subsidiaries has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by WFSI and its subsidiaries in perpetuity. WFSI and its subsidiaries' temporarily restricted net assets are restricted for various programs related to the provision of health and pastoral care. WFSI and its subsidiaries' investment income from permanently restricted net assets is expendable to support healthcare or other donor-designated services.

- Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. Conditional promises to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as other revenue in the accompanying consolidated statements of operations.

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

- Provisions for self-insured liability claims include estimates of the ultimate costs for both reported claims and claims incurred but not reported as of the respective consolidated balance sheet dates.

- ASC No. 815, *Derivatives and Hedging*, requires that an entity recognize all derivatives as either assets or liabilities in the consolidated balance sheets and measure those instruments at fair value. The accounting for changes in the fair value of a derivative is dependent upon the intended use of the derivative and the resulting designation. WFSI is involved in various interest rate swap programs. These derivatives are not designated as hedge instruments, and therefore, changes in their fair value are recognized in the consolidated statements of operations as nonoperating gains or losses in the period of change. WFSI is exposed to credit loss in the event of nonperformance by the counterparty in any of its interest rate swap agreements.

  WFSI also maintains interest rate swap agreements, which were originally intended to effectively change the interest rate exposure on Series 1998B Bonds and the St. Francis Series 1997 Bonds, prior to redemption of debt (note 11). Notional amounts on these interest rate swap agreements are being reduced over the original term of the debt agreements to correspond with the originally scheduled reductions in principal of the related bonds. A summary of the outstanding positions under these swaps at June 30, 2013 is as follows:

(In thousands)

	Notional amount	Maturity date	Rate received	Rate paid
$	6,300	January 2015	SIFMA Index	4.83%
	28,000	August 2024	Lesser of SIFMA Index or 72% of LIBOR	4.36

The carrying value equals fair value. As of June 30, 2013 and 2012, the fair value of all outstanding swap agreements was a liability of $4,987 and $7,024, respectively, which is included as a component of other long-term liabilities. For the years ended June 30, 2013 and 2012, WFSI recognized valuation adjustments of $2,037 and ($1,294), respectively, for the change in fair value of all swap agreements. Net payments equal to differentials received or paid under all swap agreements are recognized monthly and amounted to $1,555 and $1,694 in 2013 and 2012, respectively, which have been included as interest expense in the accompanying consolidated statements of operations.

Pursuant to certain terms of its interest rate swap agreements, WFSI was required to post collateral with its counterparty for the full settlement amount of the derivative liabilities related to the floating-to-fixed swaps. As of June 30, 2013 and 2012, WFSI posted $5,548 and $7,658, respectively, of collateral related to these swaps, which are included within the current portion of assets whose use is limited.

- FMI has entered into various regulatory agreements with the U.S. Department of Housing and Urban Development (HUD) that provide both Housing Assistance Payments and Rental Assistance Payments. These subsidy payments are designed to provide for the difference between the cash needs of the housing project and the cash generated by the tenants' rental payments. Tenant leases are generally one year in duration and expire at various times during the year. The HUD subsidies are adjusted at the beginning of the lease to reflect any changes to the tenant's rent payment established during the annual recertification process.
- WFSI applies the provisions of ASC No. 820, *Fair Value Measurements and Disclosures*, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. ASC No. 820 defines fair value 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. ASC No. 820 establishes a framework for measuring fair value and expands disclosures about fair value measurements (note 8).
- WFSI applies the provisions of ASC No. 825-10, *Financial Instruments – Overall*, which gives WFSI the irrevocable option to report most financial assets and financial liabilities at fair value on an instrument-by-instrument basis, with changes in fair value reported in earnings. WFSI has not elected any additional eligible financial assets or financial liabilities to be reported at fair value.

- In August 2010, the FASB issued ASU No. 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*. ASU No. 2010-24 clarifies that a healthcare entity should not net insurance recoveries against a related malpractice claim liability or similar liability, which is consistent with the guidance in ASC 210-20, *Balance Sheet – Offsetting*. The provisions of ASU No. 2010-24 were adopted for the year ended June 30, 2013.
- ASU 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*. ASU 2011-07 required that entities that recognize significant amounts of patient service revenue at the time the services are rendered even though they do not assess the patient's ability to pay must present the provision for bad debts related to patient service revenue as a deduction from patient service revenue (net of contractual allowances and discounts) on their consolidated statements of operations. The ASU also required disclosures of patient service revenue as well as qualitative and quantitative information about changes in the allowance for doubtful accounts.
- The Medicare and Medicaid Electronic Health Record (EHR) Incentive Programs (the Programs) provide incentive payments to eligible hospitals and professionals as they adopt, implement, upgrade, or demonstrate meaningful use of certified EHR technology in their first year of participation and demonstrate meaningful use for up to five remaining participation years. The Programs define meaningful use as meeting certain core and menu criteria at certain levels dependent upon the program, the stage of meaningful use, and whether the participant is a hospital or provider professional. WFSI accounts for the Programs using International Accounting Standards (IAS) 20, *Accounting for Government Grants and Disclosures of Government Assistance*. WFSI applies the "ratable recognition" approach, which states that the grant income can be recognized ratably over the entire EHR reporting period once the "reasonable assurance" income recognition threshold of IAS 20 is met. For the years ended June 30, 2013 and 2012, WFSI recognized $21,158 and $7,536, respectively, as other revenue related to the Medicare and Medicaid EHR incentives, which have been received or are expected to be received based on certifications prepared by management under the appropriate guidelines for stage 1 meaningful use attestation.

(4) Net Patient Service Revenues

WFSI's hospitals and other patient care facilities have agreements with third-party payors that provide for payments at amounts different from established rates. A summary of the payment arrangements with major third-party payors is as follows:

- ***Medicare*** – Inpatient acute care services, certain outpatient, rehabilitation, and home health services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to their respective patient classification systems that are based on clinical, diagnostic, and other factors. The prospectively determined rates are not subject to retroactive adjustment. The classification of patients under the Medicare prospective payment systems and the appropriateness of patients' admissions are subject to validation reviews. Certain outpatient services and medical education costs related to Medicare beneficiaries are paid based upon either a cost-reimbursement method, established fee screens, or a combination thereof. WFSI is reimbursed for cost reimbursable items at tentative rates with final settlement determined after submission of annual reimbursement reports and audits thereof by Medicare fiscal intermediaries. WFSI has received final settlements through FY 2009.

- ***Medicaid*** – Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed in accordance with each state's Medicaid reimbursement program. Reimbursement under these programs is based primarily upon prospectively determined rates

  The states of Illinois, Wisconsin, and Iowa have hospital assessment programs to assist in the financing of their Medicaid programs. Pursuant to these programs, hospitals within the states of Illinois, Wisconsin, and Iowa are required to remit payment to the respective state under a tax assessment formula. WFSI has included its related assessments of $38,932 and $38,535 as purchased services, supplies, and other expense in the accompanying 2013 and 2012 consolidated statements of operations, respectively. The additional Medicaid reimbursement associated with these programs is approximately $109,383 and $105,397 for 2013 and 2012, respectively, and is included in net patient service revenue.

  The aforementioned assessment programs increase the amount of federal matching for the respective Medicaid programs, which is then passed on to hospitals as increased Medicaid reimbursement. Wisconsin's assessment program prohibits the use of assessment revenue to supplant current revenue used to support existing hospital payment levels. The State distributes the assessment revenue as increased rates for both Medicaid and Medicaid HMO patients.

- ***Other*** – WFSI's hospitals and other patient care facilities have also entered into reimbursement agreements with certain commercial insurance carriers, HMOs, and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined per diem rates.

  Net patient service revenue for the years ended June 30, 2013 and 2012 includes approximately $14,329 and $5,699, respectively, of net favorable retroactively determined reimbursement settlements from prior years with third-party payors. In addition, net patient service revenues for the year ended June 30, 2012 includes approximately $9,117 due to a settlement from Medicare for fiscal years 2007-2011 related to the Rural Floor Budget Neutrality Adjustment Appeal, which was ruled on in June 2012.

Patients' accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectibility of patients' accounts receivable, WFSI analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, WFSI analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with patient responsibility (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the patients are screened against the WFSI charity care policy and uninsured discount policy. For any remaining patient responsibility balance, WFSI records a provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

(In thousands)

WFSI's allowance for uncollectible accounts for self-pay patients, which includes uninsured patients and residual copayments and deductibles for which managed care has already paid, decreased from 91.0% of self-pay accounts receivable at June 30, 2012, to 83.2% of self-pay accounts receivable at June 30, 2013. In addition, WFSI's self-pay write-offs decreased from $82,753 for fiscal year 2012 to $79,861 for fiscal year 2013 due to favorable trends. WFSI has not changed its charity care or uninsured discount policies during fiscal years 2013 or 2012. WFSI does not maintain a material allowance for uncollectible accounts from third-party payors, nor did it have significant write-offs from third-party payors.

WFSI recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, WFSI recognizes revenue for services provided (on the basis of discounted rates, as provided by policy). On the basis of historical experience, a portion of WFSI's uninsured patients will be unable or unwilling to pay for the services provided. Thus, WFSI records a provision for bad debts related to uninsured patients in the period the services are provided. Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payor sources, is as follows:

		2013	2012
Medicare	$	568,268	551,871
Medicaid		243,425	243,574
Managed care/contracted payor		692,160	691,681
Self-pay		105,465	95,647
Other		33,382	39,423
Net patient service revenues	$	1,642,700	1,622,196

(5) Concentration of Credit Risk

Patient care subsidiaries of WFSI grant credit without collateral to their patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors for 2013 and 2012 is as follows:

	2013	2012
Medicare	28.0%	31.5%
Medicaid	9.0	8.3
Managed care	42.8	40.5
Other	20.2	19.7
	100.0%	100.0%

(In thousands)

(6) Uncompensated and Charity Care

WFSI shares its talents and resources to benefit the many communities it serves. This includes providing education to health professional and community members, research, community health improvement offerings, and subsidized health services, in addition to charity care benefits.

For charity care benefits, patient care subsidiaries of WFSI maintain records to identify and monitor the level of charity care they provide. This represents free or discounted health services provided to those who cannot afford to pay and who meet criteria for financial assistance. Charity care is based on estimated cost and does not include bad debt. The level of charity care provided during the years ended June 30, 2013 and 2012 was $43,946 and $37,796, respectively.

(7) Investments

During 1998, WFSI created the Wheaton Franciscan Services, Inc. Investment Trust (the Trust) for the sole purpose of administering a pooled investment program for WFSI, its subsidiaries, and affiliates. WFSI serves as the trustee and is responsible for managing and investing the pooled assets of the Trust. Participants accrue interest based on the Trust's actual realized earnings. The fair value of the assets in the Trust was $669,623 and $712,526 at June 30, 2013 and 2012, respectively, and is recorded as a component of assets whose use is limited.

A summary of the composition of the investment portfolio (including assets whose use is limited and restricted assets) at June 30, 2013 and 2012 is as follows:

		2013	2012
At fair value:			
Cash and cash equivalents	$	45,998	41,067
U.S. government obligations		364,931	374,811
Corporate debt securities		199,200	221,642
Asset-backed securities		27,524	36,335
Equity securities		150,543	136,718
Mutual funds		32,769	26,609
Total investments at fair value		820,965	837,182
At cost:			
Pledges receivable		823	714
Total investments	$	821,788	837,896

(In thousands)

Investments are reported in the accompanying June 30, 2013 and 2012 consolidated balance sheets as follows:

		2013	2012
Short-term investments	$	11,448	41,353
Assets whose use is limited (current and long-term):			
By boards for specific purposes		597,848	583,916
By boards for deferred compensation plans		33,234	28,173
By boards for Clara Pfaender Fund, Inc.		32,487	32,487
Held by FMI		12,858	11,215
Held by captive insurance company		35,379	40,779
Under escrow agreement		21,078	21,078
Held as collateral for swap agreements		5,548	7,658
Under indenture agreements by trustee		52,620	54,498
Restricted assets		19,288	16,739
Total investments	$	821,788	837,896

The composition of investment return on the investment portfolio for the years ended June 30, 2013 and 2012 is as follows:

		2013	2012
Interest and dividend income	$	24,665	25,416
Net realized gains on sale of investments		8,006	7,598
Change in net unrealized gains and losses		(5,674)	(10,760)
	$	26,997	22,254

Investment returns are included in the accompanying consolidated statements of operations and changes in net assets for the years ended June 30, 2013 and 2012 as follows:

		2013	2012
Other operating revenue	$	129	4,217
Investment return		26,242	17,517
Temporarily restricted net assets – investment income		425	486
Permanently restricted net assets – investment income		201	34
	$	26,997	22,254

During 2005, WFSI began participating in a securities lending program. Through this securities lending program, managed by its investment custodian, WFSI loans fixed income and equity securities included in its investment portfolio. In June 2013, WFSI exited the security lending program. At June 30, 2012, the fair value of the securities loaned was $4,380. The custodian's loan agreements require the borrowers to maintain collateral equal to at least 102% of the market value of the securities loaned. This collateral is in the form of cash and cash equivalents and fixed income securities and is revalued on a daily basis. At June 30, 2012, WFSI has presented the collateral received as securities lending collateral within current assets and the obligation to return that collateral as a current liability as payable under securities lending agreement in the accompanying consolidated balance sheets.

(8) Fair Value Measurements

(a) Fair Value of Financial Instruments

The following methods and assumptions were used by WFSI in estimating the fair value of its financial instruments:

- The carrying amount reported in the consolidated balance sheets for the following approximates fair value because of the short maturities of these instruments: cash and cash equivalents, patient accounts receivable, accounts payable and accrued expenses, and estimated third-party payor settlements.
- Assets whose use is limited, short-term investments, securities lending collateral, and restricted assets: equity securities, mutual funds, and direct U.S. government obligations are measured using quoted market prices at the reporting date multiplied by the quantity held. Corporate bonds, notes, and U.S. agency securities are measured using other observable inputs. Corporate debt securities, U.S. governmental agency securities, and asset-backed securities are measured using other observable inputs. The carrying value equals fair value. ASU No. 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, which creates a practical expedient allowing measurement of fair value based on the net asset value per share of the investment. Mutual funds are valued using net asset value per share as a practical expedient.
- Interest rate swap agreements: The fair value of interest rate swaps is determined using pricing models developed based on the LIBOR swap rate and other observable market data. The value was determined after considering the potential impact of collateralization and netting agreements, adjusted to reflect nonperformance risk of both the counterparty and WFSI. The carrying value equals fair value.
- The fair value of the fixed-rate long-term debt of WFSI and its subsidiaries was $618,142 and $629,727 at June 30, 2013 and 2012, respectively. The recorded amount of these obligations at June 30, 2013 and 2012 was $594,050 and $603,105, respectively. Fair value of fixed-rate long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to WFSI for debt of the same remaining maturities. For variable rate debt, carrying amounts approximate fair value. Fair value was estimated using quoted market prices based upon WFSI's current borrowing rating for rates for similar types of long-term debt securities.

(Continued)

(b) Fair Value Hierarchy

WFSI applies the provision of ASC No. 820, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between mutual participants at a measurement date. These provisions describe a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that WFSI has the ability to access at the measurement date.
- Level 2 are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 inputs are unobservable inputs for the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined by using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

(In thousands)

The following table presents assets and liabilities that are measured at fair value on a recurring basis at June 30, 2013:

		Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets					
Cash and cash equivalents	$	25,660	25,660	—	—
Short-term investments					
Cash and cash equivalents		14	14	—	—
U S government obligations		3,507	—	3,507	—
Corporate debt securities		7,927	—	7,927	—
Assets whose use is limited and restricted assets, excluding $823 of pledges receivable					
Cash and cash equivalents		45,984	45,984	—	—
Mutual funds		32,769	32,769	—	—
U S government obligations		361,424	256,662	104,762	—
Corporate debt securities		191,273	—	191,273	—
Asset-backed securities		27,524	4,443	23,081	—
Equity securities		150,543	150,543	—	—
Total assets	$	846,625	516,075	330,550	—
Liabilities					
Interest rate swap agreement	$	4,987	—	4,987	—

(In thousands)

The following table presents assets and liabilities that are measured at fair value on a recurring basis at June 30, 2012:

		Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets					
Cash and cash equivalents	$	59,870	59,870	—	—
Short-term investments					
Cash and cash equivalents		614	614	—	—
U S government obligations		13,737	—	13,737	—
Corporate debt securities		27,002	—	27,002	—
Securities lending collateral					
Cash and cash equivalents		4,514	4,514	—	—
Assets whose use is limited and restricted assets, excluding $714 of pledges receivable					
Cash and cash equivalents		40,453	40,453	—	—
Mutual funds		26,609	26,609	—	—
U S government obligations		361,074	261,162	99,912	—
Corporate debt securities		194,640	—	194,640	—
Asset-backed securities		36,335	3,106	33,229	—
Equity securities		136,718	136,718	—	—
Total assets	$	901,566	533,046	368,520	—
Liabilities					
Interest rate swap agreement	$	7,024	—	7,024	—

Transfers between Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. WFSI evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the year ended June 30, 2013, there were no significant transfers in or out of Levels 1, 2, or 3.

(In thousands)

(9) Asset Divestitures

Effective January 1995, WFSI and Ministry Health Care (MHC) entered into an integration agreement. This agreement was amended and restated effective October 1, 1997 creating a fully integrated economic system called Affinity. Pursuant to this agreement, WFSI and MHC continued to own and sponsor their respective operating entities within Affinity and participate in the sharing of income (loss) of all Affinity organizations. WFSI has consolidated St. Elizabeth's Hospital, its sponsored organization, in the consolidated financial statements and has reflected its share of the unconsolidated Affinity organizations, except the MHC sponsored organizations, under the equity method of accounting. In June 2011, the board of directors of WFSI approved a plan to sell all of the assets and liabilities of St. Elizabeth's Hospital, which, pursuant to the integration agreement, includes a 50% interest in Affinity. In February 2012, the sale was completed and WFSI received cash proceeds of $167,565 from the sale and the repayment of intercompany debt and recognized a loss on sale of $2,318.

The operations of Affinity and St. Elizabeth's Hospital have been presented in the accompanying consolidated statements of operations within discontinued operations. Further, all net cash flows related to the operating, investing, and financing activities of Affinity and St. Elizabeth's Hospital are reported separately as discontinued operations in the accompanying consolidated statements of cash flows. The sale transaction closed on February 8, 2012.

A summary of the operating components of discontinued operations as of and for the years ended June 30, 2012 is as follows:

Discontinued operations:		
Total revenues and gains	$	98,055
Expenses:		
Salaries and fringe benefits		44,773
Purchased services, supplies, and other		35,742
Provision for bad debts		2,506
Interest		2,448
Depreciation and amortization		5,865
Total expenses		91,334
Income from discontinued operations		6,721
Other changes in unrestricted net assets		(2,751)
Change in unrestricted net assets	$	3,970

(In thousands)

(10) Property, Plant, and Equipment

A summary of property, plant, and equipment at June 30, 2013 and 2012 is as follows:

		2013	2012
Land and land improvements	$	113,969	112,162
Buildings		1,272,944	1,231,210
Building equipment		353,059	334,194
Departmental equipment		610,563	617,105
		2,350,535	2,294,671
Less accumulated depreciation and amortization		1,307,448	1,266,187
		1,043,087	1,028,484
Construction in progress		60,701	57,810
Total property, plant, and equipment, net	$	1,103,788	1,086,294

Construction in progress at June 30, 2013 consists of various expansion and renovation projects. As of June 30, 2013, construction commitments are primarily related to St. Francis Hospital and St. Catherine's expansion project (note 15(c)). During the years ended June 30, 2013 and 2012, WFSI capitalized net interest cost in the amount of $1,553 and $1,687, respectively.

(11) Long-Term Debt – Bonds

Long-term debt – bonds at June 30, 2013 and 2012 are as follows:

		2013	2012
Wheaton Franciscan Services, Inc. (System Financing) – Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Series 2003A (Series 2003A Bonds) with fixed interest rates ranging from 5.0% to 5.5% and varying debt service payments through August 2033	$	99,860	101,925
Wheaton Franciscan Services, Inc. (System Financing) – Wisconsin Health and Educational Facilities Authority, Variable Rate Demand Revenue Bonds, Series 2003B (Series 2003B Bonds) with variable interest rate (effective average interest rate of 0.14% and 0.12% for the years ended June 30, 2013 and 2012, respectively) and debt service payments through August 2033		75,000	75,000

(In thousands)

		2013	2012
Wheaton Franciscan Services, Inc. (System Refinancing) – Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 2006A (Series 2006A Bonds) with fixed interest rates ranging from 5.00% to 5.25% and varying debt service payments through August 2034	$	289,300	294,095
Wheaton Franciscan Services, Inc. (System Refinancing) – Wisconsin Health and Educational Facilities Authority Revenue Refunding Bonds, Series 2006B (Series 2006B Bonds) with fixed interest rates ranging from 4.000% to 5.125% and varying debt service payments through August 2030		204,890	207,085
Wheaton Franciscan Services, Inc. (System Financing) – Wisconsin Health and Educational Facilities Authority, Variable Rate Demand Revenue Bonds, Series 2007 (Series 2007 Bonds) with variable interest rates (effective average interest rate of 0.14% and 0.12% for the years ended June 30, 2013 and 2012, respectively) and varying debt service payments through August 2036		64,180	64,380
		733,230	742,485
Unamortized net bond issue premiums		17,639	19,041
Total long-term debt		750,869	761,526
Less:			
Current installments of long-term debt		11,760	9,255
Long-term debt subject to short-term remarketing agreements		39,978	40,038
Long-term debt, excluding current installments and net unamortized bond issue premiums	$	699,131	712,233

All of the outstanding long-term bond indebtedness has been issued pursuant to the MTI, and is comprised of unsecured obligations of The Obligated Group. Each member of The Obligated Group has jointly and severally guaranteed the payment of any and all amounts due on the outstanding indebtedness issued under the MTI.

(In thousands)

The following is a summary of the bond insurer and liquidity facility for the outstanding long-term debt:

Outstanding debt series	Liquidity facility
Series 2003B Bonds*	Letter of Credit – U.S. Bank National Association, expiring in December 2016
Series 2007 Bonds*	Letter of Credit – PNC Bank, expiring in December 2016

*	Bear interest at a variable rate, which is currently determined weekly

In the event that the letters of credit are not renewed, mandatory redemption provisions become applicable, which require the then outstanding indebtedness to be paid in full or within an 18-month period.

On November 1, 2011, WFSI redeemed at par $5,300, $10,300, and $8,200 of the then outstanding principal balance on the Series 1998A Bank Bonds, Series 1998B Bank Bonds, and Series 1997 Bank Bonds, respectively. The unamortized deferred financing costs and bond discount related to the Series 1993 Revenue Bonds were written off at the time of retirement and are reported as loss on early extinguishment of debt in the amount of $123 in the accompanying 2012 consolidated statement of operations.

The Series 2003B and Series 2007 bonds are secured by letters of credit with U.S. Bank National Association and PNC Bank (collectively, the Commercial Banks), respectively. These bonds have put options that allow the holders to redeem the bonds prior to maturity. The Obligated Group has agreements with remarketing agents to remarket any bonds redeemed as a result of the exercise of the put options. If the bonds cannot be remarketed, the Commercial Banks will purchase the bonds under the letters of credit. Any liquidity advances as a result of failed remarketing are repayable to US Bank National Association and PNC Bank within 367 and 60 days, respectively, unless converted to term loans by meeting certain criteria as defined in the letter-of-credit agreements (the Agreements). Any term loans must be repaid in full by the earlier of the letter-of-credit expiration date or the date of certain other events as defined in the Agreements. The repayment terms per the Agreements for the Series 2003B and Series 2007 bonds require repayment within 24 and 18 months, respectively.

Subsequent to year end, on July 16, 2013, the Obligated Group issued $87,300 of Wisconsin Health and Educational Facilities Authority Wheaton Franciscan Services, Inc. System Revenue Bonds, Series 2013A due in varying installments through August 15, 2023 and bearing fixed interest of 2.0%. The proceeds were used for the redemption of the Wisconsin Health and Educational Facilities Authority Wheaton Franciscan Services, Inc. System Revenue Bonds, Series 2003A.

Subsequent to year end, on August 15, 2013, WFSI redeemed all of the outstanding Series 2003A Revenue Bonds $97,695. As part of this redemption, WFSI incurred a loss of $622.

(In thousands)

The principal repayment schedules shown below does not include the redemption of the 2003A debt or the issuance of the 2013A debt.

The first chart represents future principal repayments on long-term debt assuming the Series 2003B and Series 2007 variable rate demand bonds failed to be remarketed and were subsequently purchased by the letter-of-credit banks on June 30, 2013 with principal repayments accelerated in accordance with the terms of the letter-of-credit agreements. The second chart represents principal repayments based on the current status under the terms of the Standby Bond Purchase Agreements for the Bank Bonds, and all other long-term debt – bonds based on scheduled maturities or repayments as specified in the related long-term debt agreements.

Chart I

Year ending June 30:		
2014	$	51,738
2015		73,642
2016		50,080
2017		16,335
2018		15,995
Thereafter		525,440
	$	733,230

Chart II

Year ending June 30:		
2014	$	11,760
2015		12,340
2016		16,380
2017		16,850
2018		17,705
Thereafter		658,195
	$	733,230

(In thousands)

(12) Long-Term Debt – Mortgages

Long-term debt – mortgages held by FMI at June 30, 2013 and 2012 are as follows:

Housing project	Interest rate	Final maturity date	Security	2013	2012
Assisi homes					
Batavia Apartments, Inc	6 75%	November 1, 2041	HUD	$ —	9,873
Batavia Apartments, Inc	7 00	August 1, 2012	HUD	—	59
Batavia Apartments, Inc	2 65	November 1, 2047	GMAC	12,432	—
Colony Park, Inc	7 49	July 1, 2018	IHDA	1,259	1,480
Constitution House, Inc	7 81	July 1, 2016	IHDA	743	1,003
Jefferson Court, Inc	6 21	March 1, 2038	HUD	6,994	7,111
Saxony, Inc	5 54	June 1, 2035	Citigroup	6,564	6,721
Clare Gardens, Inc	5 25	July 1, 2038	HUD	2,699	2,750
Francis Heights, Inc Capmark A	6 50	February 28, 2014	HUD	174	420
Francis Heights, Inc Flex	1 00	No fixed maturity date	HUD	1,902	1,902
Francis Heights, Inc Capmark B	6 50	February 28, 2038	HUD	93	95
Francis Heights, Inc 2nd Mtge	4 00	January 31, 2038	HUD	506	861
Marian Housing Center, Inc	5 50	June 1, 2040	HUD	1,404	1,426
Marian Park, Inc	7 00	January 1, 2014	FHA	1,943	2,213
Starved Rock – LaSalle Manor Limited Partnership (SR)	3 00	July 1, 2020	GMAC	423	400
SR	6 50	April 1, 2037	GMAC	464	471
Villa St Clare, Inc	4 00	April 1, 2027	WHEDA	1,196	1,249
Other mortgages	6 13% – 7 68%			176	176
Total long-term debt – mortgages				38,972	38,210
Less current installments of mortgages				8,234	1,912
Long-term debt – mortgages, excluding current installments				$ 30,738	36,298

(In thousands)

As of June 30, 2013, scheduled annual maturities of long-term debt – mortgages for the next five years and thereafter are as follows:

Year ending June 30:		
2014	$	8,234
2015		1,037
2016		990
2017		840
2018		808
Thereafter		27,063
	$	38,972

(13) Pension Plans

WFSI and certain of its subsidiaries participate in a qualified noncontributory defined-benefit pension plan (the Plan), covering all employees who are at least 21 years of age and work 1,000 or more hours per year. The normal retirement benefit of the Plan is a monthly retirement income, a lump-sum payment, or a combination thereof which is computed based on a cash balance accumulated from contributions and interest earnings thereon equal to the one-year Treasury bill rate or a rate approved by the WFSI Finance and Operations Committee. The benefit is payable commencing any time after the vested employee's termination date but not later than age 65 unless still working. The Plan is funded based on the estimated pension cost as determined by the Plan's consulting actuary.

The cost related to employee service is recognized using the Projected Unit Credit Cost Method. Gains and losses, calculated as the difference between estimates and actual amounts of plan assets and the projected benefit obligation, are amortized over the expected future service period. The prior service credits are also amortized over the expected future service period.

Prior to January 1, 1995, the Plan had a traditional annuity benefit formula. Participants who were covered under the prior plan are grandfathered and entitled to a retirement benefit equal to the greater of their benefit as defined by the Plan or their benefit as defined by the prior plan.

(In thousands)

The following table sets forth information on the funded status, amounts recognized in the consolidated financial statements, and weighted average assumptions related to WFSI's Plan for the years ended June 30, 2013 and 2012:

		2013	2012
Change in benefit obligation:			
Benefit obligation at beginning of year	$	877,828	730,259
Service cost		34,263	29,395
Interest cost		38,887	42,327
Benefits paid		(39,237)	(35,526)
Actuarial loss		(28,552)	111,373
Curtailment		(339)	—
Plan amendment		(28,625)	—
Benefit obligation of end of year		854,225	877,828
Change in plan assets:			
Fair value of plan assets at beginning of year		579,630	565,999
Actual return on plan assets		77,120	(2,343)
Employer contributions		100,000	51,500
Benefits paid		(39,237)	(35,526)
Fair value of plan assets at end of year		717,513	579,630
Funded status	$	(136,712)	(298,198)
Amounts recognized in the accompanying consolidated balance sheets:			
Accrued pension liability	$	(136,712)	(298,198)
Accumulated charge to unrestricted net assets		194,964	298,672
Net amounts recognized in the accompanying consolidated balance sheets	$	58,252	474

The accumulated charge to unrestricted net assets represents charges or credits arising from the defined-benefit pension plan, but not yet recognized as components of net periodic benefit cost. The accumulated charge to unrestricted net assets at June 30, 2013 and 2012 of $194,964 and $298,672, respectively, comprised $263,525 and $352,275 of unrecognized net actuarial losses offset by a reduction for unrecognized prior service credits of $68,561 and $53,603 at June 30, 2013 and 2012, respectively.

The accumulated benefit obligation for the Plan was $813,839 and $831,328 at June 30, 2013 and 2012, respectively.

Several organizations participate in the Plan but are not included in the accompanying consolidated financial statements. Therefore, the amounts recognized by the participants are shown in the above table, but are not included in the consolidated financial statements. The net periodic pension cost for the years ended June 30, 2013 and 2012 related to unconsolidated subsidiaries and affiliates amounted to $2,448 and 2,304, respectively.

(In thousands)

Net periodic benefit cost for the Plan for the years ended June 30, 2013 and 2012 included the following components:

		2013	2012
Components of net periodic benefit cost:			
Service cost	$	34,263	29,395
Interest cost		38,887	42,328
Expected return on plan assets		(47,001)	(43,856)
Curtailment impact		(3,927)	—
Net amortization amounts		20,001	6,145
Net periodic benefit cost	$	42,223	34,012
Weighted average assumptions:			
Discount rate used to determine obligation		3.75%/7.75%	5.26%/8.00%
Discount rate used to determine net periodic benefit cost		3.75%/7.75%	5.26%/8.00%
Rate of compensation increase		Age-based	Age-based
Expected return on plan assets		7.00%	7.75%
Cash balance interest rate assumption		3.1%	3.1%

The weighted average discount rate used in determining the actuarial present value of the projected benefit obligation at June 30, 2013 and 2012 is 8.00%, for grandfathered participants estimated to take their retirement benefit in the form of a lump sum and 4.37% and 3.75% at June 30, 2013 and 2012, respectively, for all other participants.

Effective for terminations on or after July 1, 2013, the actuarial equivalence interest rate used for converting account balances to annuity form was updated from 8% to 4% effective July 1, 2013 and 2% effective July 1, 2014. The plan amendment resulted in a decrease to the projected benefit obligation of $28,625.

Effective July 1st, 2013, Rush Oak Park Hospital (ROPH) will no longer participate in the pension plan. This curtailment to the plan reduced the projected benefit obligation by $1,015. In addition, the plan was amended to credit ROPH participants with a full year of benefit accrual for calendar year 2013 based on pay and hours through July 1, 2013. This special termination benefit increased the projected benefit obligation by $676.

The Plan's overall expected long-term rate of return on assets is 7.00% and 7.75% for 2013 and 2012, respectively. The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The return is based exclusively on historical returns, without adjustments.

(In thousands)

WFSI is expected to contribute $50,000 to the Plan in 2014 of which approximately $29,135 is the expense of the Plan.

The benefits expected to be paid in each year from 2014 through 2017 are approximately $42,952, $51,013, $52,345, and $54,900, respectively. The aggregate benefits expected to be paid in the five years from 2018 through 2022 are approximately $354,065. The expected benefits are based on the same assumptions used to measure WFSI's benefit obligation at June 30 and include estimated future employee service.

The Plan has a statement of Investment Policy, which is reviewed and approved by the WFSI board of directors. The policy establishes goals and objectives of the fund, asset allocations, allowable and prohibited investments, socially responsible guidelines, and asset classifications as well as specific investment manager guidelines. The policy states that the rebalancing of these assets to the target allocations will be reviewed on a semiannual basis. Investments are managed by independent advisors. Management monitors the performance of these managers on a monthly basis.

The table below lists the target asset allocation and acceptable ranges and actual asset allocations as of June 30, 2013 and 2012:

	2013			2012		
Asset	**Target allocation**	**Acceptable range**	**Actual allocation**	**Target allocation**	**Acceptable range**	**Actual allocation**
Equity – large cap growth	5%	0% – 10%	5%	5%	0% – 10%	8%
Equity – large cap value	20	15% – 25%	20	20	15% – 25%	19
Equity – mid cap	10	5% – 15%	10	10	5% – 15%	10
Equity – small cap	10	5% – 15%	10	10	5% – 15%	10
Equity international	15	10% – 20%	13	15	10% – 20%	14
Fixed income and cash	40	30% – 50%	42	40	30% – 50%	39

Fair Value of Financial Instruments

The following methods and assumptions were used by WFSI in estimating the fair value of its financial instruments of the Plan:

- Common stocks, quoted mutual funds, and direct U.S. government obligations are measured using quoted market prices at the reporting date multiplied by the quantity held. Corporate bonds, notes, and U.S. agency securities are measured using other observable inputs. The carrying value equals fair value.

(In thousands)

Fair Value Hierarchy

The following tables present the Plan's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30, 2013 and 2012:

		Total, June 30, 2013	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments					
Cash and cash equivalents	$	49,194	49,194	—	—
U S government obligations		152,987	94,967	58,020	—
Corporate debt securities		106,922	—	106,922	—
Asset-backed securities		10,863	—	10,863	—
Equity securities		397,547	397,547		—
Total	$	717,513	541,708	175,805	—

		Total, June 30, 2012	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments					
Cash and cash equivalents	$	27,513	27,513	—	—
U S government obligations		96,925	45,154	51,771	—
Corporate debt securities		101,712	—	101,712	—
Asset-backed securities		13,702	—	13,702	—
Equity securities		341,516	341,516	—	—
Total *	$	581,368	414,183	167,185	—

Transfers between Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. WFSI evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the year ended June 30, 2013, there were no significant transfers in or out of Levels 1, 2, or 3.

* Total excludes $1,738 of unsettled payables to custodian of pension plan assets as of June 30, 2012.

During 1996, WFSI created a nonqualified Benefit Restoration Plan (the BRP) for senior executives employed in the organization whose benefits under the qualified plan are limited due to limitations imposed by income tax regulations. In 2001, the Plan was amended to cover certain benefits previously provided under the BRP. In 2008, the BRP was amended to vest the accrued benefits as of December 29, 2008. The payout started in January 2009 with future accrued benefits being paid out annually. Accounts payable to BRP participants of $750 and $200 at June 30, 2013 and 2012, respectively, are included in other long-term liabilities.

(14) Insurance

Professional and General Liability

Wheaton Franciscan Insurance Company (the Captive), a wholly owned subsidiary of WFSI, was formed to provide comprehensive professional and general liability insurance to the organization. Professional liability coverage for WFSI qualified subsidiaries located in Wisconsin is procured through Preferred Professional Insurance Company (PPIC), which reinsures all of the risk with the Captive. All other WFSI subsidiaries are insured directly by the Captive for professional and general liability risks.

For primary professional liability coverage for Wisconsin-based providers, WFSI pays premiums to PPIC based upon actuarial computations that estimate the expected ultimate losses by policy year. PPIC then pays the premium, net of PPIC's administrative expenses, to the Captive pursuant to a reinsurance agreement. All primary professional liability insurance coverage provided through PPIC is on an occurrence basis.

Losses in excess of the primary professional liability limits for the Wisconsin-based providers are fully covered through the hospitals' and employed physicians' mandatory participation in the Patients' Compensation Fund of the State of Wisconsin. For other regions, the Captive obtains varying levels of commercial umbrella and excess reinsurance coverage by policy year on a claims-made basis.

WFSI recognizes provisions for the ultimate cost of reported losses and for losses incurred but not reported based upon projections by WFSI management and independent actuaries. At June 30, 2013 and 2012, loss reserve accruals of $24,688 and $25,703, respectively, are included in the accompanying consolidated financial statements in other long-term liabilities. It is management's opinion that the recorded claim reserves are adequate to cover ultimate losses incurred to date. Provisions for professional and general liability self-insurance expense amounted to $3,463 and $1,708 for the years ended June 30, 2013 and 2012, respectively, and are included in purchased services, supplies, and other expenses in the accompanying consolidated statements of operations. As related to the professional and general liability, the adoption of ASU 2010-24 for the year ended June 30, 2012 had no impact on the consolidated financial statements.

Workers' Compensation and Employee Benefits

WFSI is self-insured for workers' compensation claims up to the first $250. WFSI purchases workers' compensation umbrella and excess policies to provide various levels of additional coverage by policy year. Workers' compensation self-insurance expense amounted to $5,995 and $6,238 for the years ended June 30, 2013 and 2012, respectively, and is included in salaries and fringe benefits expense in the accompanying consolidated statements of operations. The gross liability for estimated self-insured workers' compensation claims of $10,426 and $11,241 at June 30, 2013 and 2012, respectively, is included within accounts payable and accrued expenses in the accompanying consolidated balance sheets.

WFSI adopted the provisions of ASU 2010-24 for the year ended June 30, 2012. The estimated workers' compensation insurance recoveries was $1,318 and $1,045, and is included as a component of prepaid expenses and other, respectively, as of June 30, 2013 and 2012, respectively.

All claims, premiums, and administrative expenses related to benefits are processed, recorded, and paid directly through WFSI, with the exception of commercially insured HMO's in Illinois and Colorado, life insurance for all associates and long-term disability coverage for executives and physicians. Long-term disability coverage, which became commercially insured effective January 1, 2010.

WFSI internally estimates the claims incurred but unreported as of the consolidated balance sheet dates for healthcare and other employee benefits. Accrued healthcare and other benefits claims of approximately $17,746 and $19,239 at June 30, 2013 and 2012, respectively, consist of the estimated ultimate cost of reported claims and claims incurred but not reported as of the consolidated balance sheet dates and are included within accounts payable and accrued expenses. Provisions for self-insured employee healthcare and other employee benefit claims amounted to approximately $97,330 and $96,982 for the years ended June 30, 2013 and 2012, respectively, and are included with salaries and fringe benefits expense in the accompanying consolidated statements of operations. There was no impact to the consolidated financial statements for the adoption of ASU 2010-24 with respect to self-insured employee healthcare.

(15) Integration Agreements and Investments in Unconsolidated Affiliates

WFSI and certain subsidiaries also have investments in organizations that are not majority owned or controlled by WFSI organizations. WFSI and its subsidiaries account for their investments in these organizations using the equity method of accounting. The equity method of accounting is discontinued when the equity investment is reduced to zero unless WFSI or its subsidiaries has guaranteed the obligations of the organization or is committed to provide additional capital support.

(a) Felician Services, Inc.

In 2008, WFSI and Southeast Wisconsin Region entered into a Restated Integration Agreement with Felician Services, Inc. (FSI) to better fulfill both WFSI's and FSI's commitment to the mission of the health ministry of the Roman Catholic Church. The Restated Integration Agreement was retroactively effective July 1, 2006 and gives Southeast Wisconsin Region authority to manage and direct the FSI-sponsored entities at (Wheaton Franciscan Healthcare – St. Francis, Inc. and Wheaton Franciscan Healthcare – Terrace at St. Francis, Inc.,). The FSI-sponsored entities are consolidated by

WFSI within the accompanying consolidated financial statements given the degree of control and economic interest that WFSI has over the FSI-sponsored entities.

The Restated Integration Agreement provides FSI a put option that can be exercised by giving WFSI written notice. The execution of the put option requires WFSI to pay FSI an acquisition price of $28,000 for the FSI-sponsored entities, which is accrued and included in other long-term liabilities in the accompanying consolidated balance sheets. The put option has not been exercised as of June 30, 2013.

(b) United Hospital System, Inc.

Effective July 6, 1998, St. Catherine's entered into an integration agreement with United Hospital System, Inc. to operate as a single system through the formation of UHS, Inc. (United). The intent of the integration was to facilitate the development and operation of a healthcare system for the Kenosha, Wisconsin regional community and reduce the cost of and duplication of services. The integration agreement provides for the sharing of income or losses on a percentage basis of the consolidated results of operations.

WFSI accounts for its 25% equity investment in United on the equity method of accounting. WFSI has included its proportional share of United net income of $9,174 and $8,654 in 2013 and 2012, respectively, as other revenue in the accompanying consolidated statements of operations. WFSI received no cash distributions from United in 2013 or 2012. As of and for the years ended June 30, 2013 and 2012, respectively, United Hospital System, Inc. had total assets of $343,701 and $323,781, total net assets of $259,399 and $204,818, and revenue of $287,150 and $284,048.

Construction in progress at June 30, 2013 relates primarily to costs incurred for St. Catherine's expansion project. At June 30, 2013, St. Catherine's has incurred and capitalized approximately $98,000 of the costs related to the project. The project is being partially funded by United. As of June 30, 2013 and 2012, a due to United in the amount of $49,527 and $63,000, respectively, for repayment of construction advances is included in accounts payable and accrued expenses in the accompanying consolidated balance sheets.

(c) Midwest Orthopedic Specialty Hospital, LLC (MOSH)

MOSH, a joint venture entity, was formed in late 2008 to own and operate an orthopedic specialty hospital located on the second floor of the Wheaton Franciscan Healthcare – Franklin (WFH-Franklin). MOSH was granted its hospital license by the State of Wisconsin and opened for operations effective July 31, 2009. The members of MOSH are WFH-Southeast Wisconsin, Inc. and TS Ortho, LLC, an independent physician-owned entity. Each member has a 50% ownership interest in MOSH.

As of June 30, 2013 and 2012, respectively, MOSH has total assets of $46,913 and $45,523, member equity of $43,673 and $42,951, and total revenue of $75,121 and $69,885. WFH accounts for its 50% interest in MOSH under the equity method of accounting. For the years ended June 30, 2013 and 2012, WFSI has included its proportional share of MOSH's net income of $18,863 and $16,406, respectively, as other operating revenue in the accompanying consolidated statements of operations.

(In thousands)

Distributions are payable by MOSH at the discretion of the joint venture's board of managers. WFH received cash distributions of $18,500 and $15,000 from the joint venture during 2013 and 2012, respectively.

(16) Commitments and Contingencies

(a) Operating Leases

WFSI and its subsidiaries have entered into various contracts for operating leases of office space, buildings, and equipment. During 2013 and 2012, WFSI and its subsidiaries recognized $10,747 and $10,723, respectively, of lease expense under these agreements.

As of June 30, 2013, scheduled annual contractual payments under operating leases for the next five years and thereafter are as follows:

Year ending June 30:		
2014	$	7,002
2015		5,483
2016		4,354
2017		3,513
2018		3,065
Thereafter		10,605
	$	34,022

(b) Housing Contingencies

FMI entered into multiple Capital Advance Program Mortgage Notes (the Notes) in the amount of $17,100. The Notes bear no interest and repayment is not required as long as the housing projects remain available to low-income, elderly, or disabled persons in accordance with the National Affordable Housing Act of 1990 and are operated in accordance with the Regulatory Agreements and HUD Regulations. The Notes are secured by the mortgage upon the land, building, and equipment, and other amounts held by FMI. If a default occurs under the terms of the Notes, mortgages, the Regulatory Agreements, or the regulations, the entire principal and interest accrued at the stated rate would become immediately due and payable without notice. These Notes have been recorded as a direct addition to unrestricted net assets in the year received. FMI has not entered into any new notes in 2013 or 2012.

FMI also entered into agreements with various federal and state agencies whereby FMI received grants. In connection with these grants, FMI must not, among other things, dispose of any property under its control that was acquired and/or improved with grant funds for a period between 15 and 40 years. In the event of noncompliance, FMI would reimburse the agency the current fair market value of the property, less any portion of the value attributable to expenditures of nongrant funds for acquisition of, or improvement to, the property. These grants have been recorded as a direct addition to unrestricted net assets in the year received. Management believes FMI is in compliance with the grant agreements as of June 30, 2013 and 2012 and no amounts have been accrued in the accompanying consolidated balance sheets.

FMI refinanced Assisi Homes – Batavia Apartments, Inc., a wholly owned entity, on October 31, 2012. Management is working with HUD to amend its Use Agreement with final resolution expected during 2014.

(c) Litigation

WFSI and its subsidiaries are involved in litigation arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, the ultimate resolution of professional liability and other litigation matters will not have a material effect on the consolidated financial position or results from operations of WFSI and its subsidiaries.

(d) State Sales and Property Tax Exemption

Local taxing authorities throughout the country are increasingly challenging the sales and real estate tax exemptions of not-for-profit healthcare providers.

WFSI prevailed in the Wisconsin Supreme Court in its litigation related to the property tax exemption of one of its Wisconsin facilities. Since opening the Wheaton Franciscan, Inc – Wauwatosa Campus outpatient center in 2003, the City of Wauwatosa (the City) has taken the stand that because there are physician offices in the building, the entire building is taxable and the City has assessed property taxes accordingly. WFSI has paid and expensed property taxes as assessed, which are included in purchased services, supplies, and other expenses. WFSI has maintained that the majority of the facility is dedicated to hospital-based services as an extension of Wheaton Franciscan, Inc., and therefore, it should be required to pay taxes only on the physician office space in the facility. WFSI appealed the City decision to tax the entire facility seeking a refund of the taxes it has paid to date on the property plus interest. That appeals process led to the case going before a Wisconsin Circuit Court in August 2007. On March 30, 2009, the court issued a decision in the matter in WFSI's favor granting the facility's tax exemption and ordered the City to refund the taxes paid to date. The City appealed the case. In August 2010, the Wisconsin Court of Appeals reversed the trial court decision and determined that the outpatient center in the City of Wauwatosa constitutes a "doctor's office" and, therefore, is ineligible for property tax exemption under Wisconsin law. In September 2010, WFSI filed a Petition for Review to the Wisconsin Supreme Court. On July 19, 2011, the Wisconsin Supreme Court reversed the Court of Appeals' decision and ruled in favor upholding the tax-exempt status of Wheaton Franciscan, Inc. The Court concluded that two-thirds of the outpatient facility was exempt from property tax. The Court reasoned that the facility was exempt because it was used for the primary purpose of a hospital.

Notwithstanding the recent favorable decision in Wisconsin, where the majority of Wheaton Franciscan Healthcare's business is conducted, the State of Illinois is taking an alternative approach to property and sales tax for healthcare providers conducting business in its state. To date, the State of Illinois has revoked and/or is currently reviewing the ongoing property and sales tax exemption of several Illinois Hospitals (unrelated to Wheaton Franciscan Healthcare). The State's focus has been exclusively on the level of free or discounted care being provided by the hospital. Other charitable

(Continued)

factors, such as the level of government payors and/or other community services provided by the hospitals, are generally not being considered by the State as factors relevant to exemption. As of September 2013, the state of Illinois requires hospitals to report the value of services or activities provided by the hospital compared to the value of the estimated property tax bill.

(e) Legal, Regulatory, and Other Contingencies and Commitments

The laws and regulations governing the Medicare, Medicaid, and other government healthcare programs are extremely complex and subject to interpretation, making compliance an ongoing challenge for WFSI and other healthcare organizations. Recently the federal government has increased its enforcement activity, including audits and investigations related to billing practices, clinical documentation, and related matters. WFSI maintains a compliance program designed to educate employees and to detect and correct possible violations.

In 2013 and 2012, WFSI received and expects to receive future notices from the Medicare program requiring that they provide Medicare with documentation for claims to carry out the Recovery Audit Contract (RAC) program. WFSI is responding to these requests. Review of claims through the RAC program may result in a liability to the Medicare program and could have an adverse impact on the WFSI's net patient service revenues.

(f) The Patient Protection and Affordable Care Act

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (often referred to, collectively, as the Affordable Care Act of the healthcare reform law), was signed into law on March 23, 2010. The statute will change how healthcare services are delivered and reimbursed through a variety of mechanisms. The law contains stronger anti-fraud enforcement provisions and provides additional funding for enforcement activity.

On May 6, 2011, CMS issued a final rule establishing a value-based purchasing program for acute care hospitals paid under the Medicare Inpatient Prospective Payment System. Beginning in federal fiscal year 2013, incentive payments will be made based on achievement of or improvement in a set of clinical and quality measures designed to foster improved clinical outcomes. WFSI continues to monitor the impact of this regulation as regulations become finalized.

(g) Investment Risks and Uncertainties

WFSI invests in various investment securities. Investment securities are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated balance sheets.

(17) Subsequent Events

WFSI evaluated events and transactions through October 22, 2013, which is the date the consolidated financial statements were issued, noting no subsequent events other than those as previously described in the preceding notes, requiring recording or disclosure in the consolidated financial statements or related notes to the consolidated financial statements.

Schedule 1

WHEATON FRANCISCAN SERVICES, INC.

Consolidating Balance Sheet Information

June 30, 2013

(In thousands)

Assets		WFSI Healthcare	WFSI Housing	Eliminations	WFSI consolidated
Current assets					
Cash and cash equivalents	$	16,082	9,578	—	25,660
Short-term investments		11,448	—	—	11,448
Assets whose use is limited – required for current liabilities		57,286	—	—	57,286
Patient accounts receivable, net of uncollectible accounts of approximately $56,767		220,309	—	—	220,309
Inventories of supplies		25,229	—	—	25,229
Prepaid expenses and other		46,019	517	(251)	46,285
Total current assets		376,373	10,095	(251)	386,217
Noncurrent assets whose use is limited		720,908	12,858	—	733,766
Property, plant, and equipment, net		1,022,870	80,918	—	1,103,788
Other assets					
Restricted assets		19,288	—	—	19,288
Deferred expenses, net		3,412	1,955	—	5,367
Investments in unconsolidated affiliates		24,472	—	—	24,472
Notes and accounts receivable, affiliated organizations		2,872	—	(2,872)	—
Other long-term assets		25,736	3,252	—	28,988
Total other assets		75,780	5,207	(2,872)	78,115
Total assets	$	2,195,931	109,078	(3,123)	2,301,886
Liabilities and Net Assets					
Current liabilities					
Current installments of long-term debt – bonds	$	11,760	—	—	11,760
Long-term debt subject to short-term remarketing agreements		39,978	—	—	39,978
Current installments of long-term debt – mortgages		—	8,234	—	8,234
Current installments of notes payable to affiliates		—	4,114	(4,114)	—
Accounts payable and accrued expenses		250,926	4,546	(251)	255,221
Estimated third-party payor settlements		18,817	—	—	18,817
Total current liabilities		321,481	16,894	(4,365)	334,010
Long-term debt, excluding current installments and net unamortized bond issue premiums – bonds		699,131	—	—	699,131
Long-term debt, excluding current installments – mortgages		—	30,738	—	30,738
Notes payable to affiliates, excluding current installments		—	2,872	(2,872)	—
Accrued pension liability		136,712	—	—	136,712
Other		100,931	982	—	101,913
Total liabilities		1,258,255	51,486	(7,237)	1,302,504
Net assets					
Unrestricted		918,388	57,592	4,114	980,094
Temporarily restricted		16,190	—	—	16,190
Permanently restricted		3,098	—	—	3,098
Total net assets		937,676	57,592	4,114	999,382
Total liabilities and net assets	$	2,195,931	109,078	(3,123)	2,301,886

See accompanying independent auditors' report

Schedule 2

WHEATON FRANCISCAN SERVICES, INC.

Consolidating Statement of Operations Information

Year ended June 30, 2013

(In thousands)

		WFSI Healthcare	WFSI Housing	Eliminations	WFSI consolidated
Net patient service revenues before bad debt	$	1,642,700	—	—	1,642,700
Provision for bad debts		75,197	—	—	75,197
Net patient service revenues before bad debt		1,567,503	—	—	1,567,503
Other revenues					
Other		168,496	27,188	(1,271)	194,413
Net assets released from restrictions		1,499	—	—	1,499
Total revenues		1,737,498	27,188	(1,271)	1,763,415
Expenses					
Salaries and fringe benefits		1,008,097	7,746	(249)	1,015,594
Purchased services, supplies, and other		555,567	11,904	(932)	566,539
Interest		31,304	1,905	(90)	33,119
Depreciation and amortization		103,782	4,893	—	108,675
Total expenses		1,698,750	26,448	(1,271)	1,723,927
Income from operations		38,748	740	—	39,488
Nonoperating gains					
Investment return		25,506	736	—	26,242
Swap valuation adjustments		2,037	—	—	2,037
Other, net		594	261	—	855
Nonoperating gains, net		28,137	997	—	29,134
Revenues and gains in excess of expenses and losses		66,885	1,737	—	68,622
Other changes in unrestricted net assets					
Net assets released from restrictions used for purchase of property, plant, and equipment		2,135	—	—	2,135
Change in unrecognized net defined-benefit plan costs		103,708	—	—	103,708
Equity transactions of unconsolidated affiliates and other, net		445	—	—	445
Change in unrestricted net assets	$	173,173	1,737	—	174,910

See accompanying independent auditors' report

WHEATON FRANCISCAN SERVICES, INC.

Consolidating Balance Sheet Information

June 30, 2013

(In thousands)

Assets		**Wheaton Franciscan Services, Inc.**	**Wheaton Franciscan Healthcare Southeast WI/ Medical Group**	**Marianjoy Rehabilitation Hospital & Clinics, Inc.**
Current assets				
Cash and cash equivalents	$	13,359	147,325	17,268
Short-term investments		11,448	—	—
Assets whose use is limited – required for current liabilities		57,286	—	—
Patient accounts receivable, net of uncollectible accounts of approximately $56,767		—	176,604	9,296
Inventories of supplies		182	21,051	224
Prepaid expenses and other		22,287	17,221	3,617
Total current assets		104,562	362,201	30,405
Noncurrent assets whose use is limited		547,877	5,566	704
Property, plant, and equipment, net		70,543	654,456	61,104
Other assets				
Restricted assets		29	11,976	3,994
Deferred expenses, net		3,412	—	—
Investments in unconsolidated affiliates		916	23,556	—
Notes and accounts receivable, affiliated organizations		451,475	—	—
Other long-term assets		—	29,805	—
Total other assets		455,832	65,337	3,994
Total assets	$	1,178,814	1,087,560	96,207
Liabilities and Net Assets (Deficit)				
Current liabilities				
Current installments of long-term debt – bonds	$	11,760	—	—
Long-term debt subject to short-term remarketing agreements		39,978	—	—
Current installments of long-term debt – mortgages		—	—	—
Current installments of notes payable to affiliates		—	—	—
Accounts payable and accrued expenses		341,156	93,005	6,060
Estimated third-party payor settlements		—	12,290	946
Total current liabilities		392,894	105,295	7,006
Long-term debt, excluding current installments and net unamortized bond issue premiums – bonds		699,131	—	—
Long-term debt, excluding current installments – mortgages		—	—	—
Notes payable to affiliates, excluding current installments		—	404,025	33,216
Accrued pension liability		136,712	—	—
Other		96,081	5,018	384
Total liabilities		1,324,818	514,338	40,606
Net assets (deficit)				
Unrestricted		(146,033)	561,246	51,607
Temporarily restricted		29	10,243	3,994
Permanently restricted		—	1,733	—
Total net assets (deficit)		(146,004)	573,222	55,601
Total liabilities and net assets (deficit)	$	1,178,814	1,087,560	96,207

See accompanying independent auditors' report

Schedule 3

WFH-Iowa, Inc.	St. Catherine's Hospital, Inc.	OSF Services, Inc.	Franciscan Ministries, Inc.	Subtotal	Adjustments/ eliminations	Total
94,692	6,022	466	9,578	288,710	(263,050)	25,660
—	—	—	—	11,448	—	11,448
—	—	—	—	57,286	—	57,286
34,409	—	—	—	220,309	—	220,309
3,772	—	—	—	25,229	—	25,229
2,759	15	643	517	47,059	(774)	46,285
135,632	6,037	1,109	10,095	650,041	(263,824)	386,217
8,553	—	158,208	12,858	733,766	—	733,766
107,322	129,026	419	80,918	1,103,788	—	1,103,788
3,261	—	28	—	19,288	—	19,288
—	—	—	1,955	5,367	—	5,367
—	—	—	—	24,472	—	24,472
—	—	—	—	451,475	(451,475)	—
265	—	3	3,252	33,325	(4,337)	28,988
3,526	—	31	5,207	533,927	(455,812)	78,115
255,033	135,063	159,767	109,078	3,021,522	(719,636)	2,301,886
—	—	—	—	11,760	—	11,760
—	—	—	—	39,978	—	39,978
—	—	—	8,234	8,234	—	8,234
—	—	—	4,114	4,114	(4,114)	—
23,899	49,527	852	4,546	519,045	(263,824)	255,221
5,581	—	—	—	18,817		18,817
29,480	49,527	852	16,894	601,948	(267,938)	334,010
—	—	—	—	699,131	—	699,131
—	—	—	30,738	30,738	—	30,738
11,362	—	—	2,872	451,475	(451,475)	—
—	—	—	—	136,712	—	136,712
3,785	—	—	982	106,250	(4,337)	101,913
44,627	49,527	852	51,486	2,026,254	(723,750)	1,302,504
207,145	85,536	158,887	57,592	975,980	4,114	980,094
1,896	—	28	—	16,190	—	16,190
1,365	—	—	—	3,098	—	3,098
210,406	85,536	158,915	57,592	995,268	4,114	999,382
255,033	135,063	159,767	109,078	3,021,522	(719,636)	2,301,886

WHEATON FRANCISCAN SERVICES, INC.

Consolidating Statement of Operations Information

Year ended June 30, 2013

(In thousands)

		Wheaton Franciscan Services, Inc.	Wheaton Franciscan Healthcare Southeast WI/ Medical Group	Marianjoy Rehabilitation Hospital & Clinics, Inc.
Net patient service revenues before bad debt	$	—	1,280,702	71,471
Provision for bad debts		—	63,384	602
Net patient service revenues		—	1,217,318	70,869
Other revenues				
Other		321,714	106,069	10,310
Net assets released from restrictions		—	819	382
Total revenues		321,714	1,324,206	81,561
Expenses				
Salaries and fringe benefits		206,246	698,716	56,661
Purchased services, supplies, and other		70,298	517,432	19,877
Interest		32,304	19,187	1,680
Depreciation and amortization		21,413	60,287	3,328
Total expenses		330,261	1,295,622	81,546
Income from operations		(8,547)	28,584	15
Nonoperating gains (losses)				
Investment return		8,168	6,962	745
Swap valuation adjustments		2,037	—	—
Other, net		(23)	167	(100)
Nonoperating gains, net		10,182	7,129	645
Revenues and gains in excess of expenses and losses		1,635	35,713	660
Other changes in unrestricted net assets				
Net assets released from restrictions used for purchase of property, plant, and equipment		—	256	60
Change in unrecognized net defined-benefit plan costs		103,708	—	—
Equity transactions of unconsolidated affiliates and other, net		—	—	—
Change in unrestricted net assets	$	105,343	35,969	720

See accompanying independent auditors' report

Schedule 4

WFH-Iowa, Inc.	St. Catherine's Hospital, Inc.	OSF Services, Inc.	Franciscan Ministries, Inc.	Subtotal	Adjustments/ eliminations	Total
290,527	—	—	—	1,642,700	—	1,642,700
11,211	—	—	—	75,197	—	75,197
279,316	—	—	—	1,567,503	—	1,567,503
25,721	13,868	3,347	27,188	508,217	(313,804)	194,413
298	—	—	—	1,499	—	1,499
305,335	13,868	3,347	27,188	2,077,219	(313,804)	1,763,415
165,707	—	4,524	7,746	1,139,600	(124,006)	1,015,594
111,471	357	2,507	11,904	733,846	(167,307)	566,539
534	—	—	1,905	55,610	(22,491)	33,119
11,080	7,621	53	4,893	108,675	—	108,675
288,792	7,978	7,084	26,448	2,037,731	(313,804)	1,723,927
16,543	5,890	(3,737)	740	39,488	—	39,488
4,204	—	5,427	736	26,242	—	26,242
—	—	—		2,037	—	2,037
(988)	7	1,531	261	855	—	855
3,216	7	6,958	997	29,134	—	29,134
19,759	5,897	3,221	1,737	68,622	—	68,622
1,819	—	—	—	2,135	—	2,135
—	—	—	—	103,708	—	103,708
(321)	—	766	—	445	—	445
21,257	5,897	3,987	1,737	174,910	—	174,910

WHEATON FRANCISCAN SERVICES, INC.

Consolidating Balance Sheet Information – The Obligated Group

June 30, 2013

(In thousands)

Assets		**Wheaton Franciscan Services, Inc.**	**Southeast Wisconsin Region**	**Marianjoy Rehabilitation Hospital & Clinics, Inc.**
Current assets				
Cash and cash equivalents	$	12,159	147,145	17,268
Short-term investments		11,448	—	—
Assets whose use is limited – required for current liabilities		57,286	—	—
Patient accounts receivable, net of uncollectible accounts of approximately $54,074		—	171,105	8,129
Inventories of supplies		182	18,008	224
Prepaid expenses and other		19,200	751,574	3,502
Total current assets		100,275	1,087,832	29,123
Noncurrent assets whose use is limited		512,498	5,376	—
Property, plant, and equipment, net		70,543	647,044	60,961
Other assets				
Restricted assets		29	5,397	—
Deferred expenses, net		3,412	—	—
Investments in unconsolidated affiliates		15,346	57,971	—
Notes and accounts receivable, affiliated organizations		451,476	45	—
Other long-term assets		—	27,278	—
Total other assets		470,263	90,691	—
Total assets	$	1,153,579	1,830,943	90,084
Liabilities and Net Assets (Deficit)				
Current liabilities				
Current installments of long-term debt – bonds	$	11,760	—	—
Long-term debt subject to short-term remarketing agreements		39,978	—	—
Accounts payable and accrued expenses		341,087	844,021	4,808
Estimated third-party payor settlements		—	12,044	946
Total current liabilities		392,825	856,065	5,754
Long-term debt, excluding current installments and net unamortized bond issue premiums – bonds		699,131	—	—
Notes payable to affiliates, excluding current installments		—	401,541	33,216
Accrued pension liability		136,712	—	—
Other		70,915	5,018	384
Total liabilities		1,299,583	1,262,624	39,354
Net assets (deficit)				
Unrestricted		(146,033)	562,922	50,730
Temporarily restricted		29	4,679	—
Permanently restricted		—	718	—
Total net assets (deficit)		(146,004)	568,319	50,730
Total liabilities and net assets (deficit)	$	1,153,579	1,830,943	90,084

See accompanying independent auditors' report

Iowa Region	St. Catherine's Hospital, Inc.	Subtotal	Adjustments/ eliminations	Total
94,691	6,022	277,285	(263,159)	14,126
—	—	11,448	—	11,448
—	—	57,286	—	57,286
28,469	—	207,703	—	207,703
3,372	—	21,786	—	21,786
2,780	15	777,071	(733,507)	43,564
129,312	6,037	1,352,579	(996,666)	355,913
—	—	517,874	6,397	524,271
93,905	129,026	1,001,479	—	1,001,479
272	—	5,698	11,259	16,957
—	—	3,412	—	3,412
—	—	73,317	(18,650)	54,667
10,511	—	462,032	(456,630)	5,402
265	—	27,543	(4,337)	23,206
11,048	—	572,002	(468,358)	103,644
234,265	135,063	3,443,934	(1,458,627)	1,985,307
—	—	11,760	—	11,760
—	—	39,978	—	39,978
21,803	49,527	1,261,246	(996,666)	264,580
3,842	—	16,832	—	16,832
25,645	49,527	1,329,816	(996,666)	333,150
—	—	699,131	—	699,131
21,873	—	456,630	(456,630)	—
—	—	136,712	—	136,712
2,462	—	78,779	(4,337)	74,442
49,980	49,527	2,701,068	(1,457,633)	1,243,435
184,013	85,536	737,168	(12,253)	724,915
272	—	4,980	10,244	15,224
—	—	718	1,015	1,733
184,285	85,536	742,866	(994)	741,872
234,265	135,063	3,443,934	(1,458,627)	1,985,307

WHEATON FRANCISCAN SERVICES, INC.

Consolidating Statement of Operations Information – The Obligated Group

Year ended June 30, 2013

(In thousands)

	Wheaton Franciscan Services, Inc.	Southeast Wisconsin Region	Marianjoy Rehabilitation Hospital & Clinics, Inc.
Net patient service revenues before bad debt	$ —	1,233,092	62,045
Provision for bad debts	—	62,821	334
Net patient service revenues	—	1,170,271	61,711
Other revenues			
Other	317,979	293,540	10,132
Net assets released from restrictions	—	736	382
Total revenues	317,979	1,464,547	72,225
Expenses			
Salaries and fringe benefits	206,246	656,199	46,013
Purchased services, supplies, and other	66,563	700,507	19,110
Interest	32,304	19,032	1,680
Depreciation and amortization	21,413	59,529	3,305
Total expenses	326,526	1,435,267	70,108
Income from operations	(8,547)	29,280	2,117
Nonoperating gains (losses)			
Investment return	8,168	6,962	572
Swap valuation adjustments	2,037	—	—
Other, net	(23)	350	(100)
Nonoperating gains, net	10,182	7,312	472
Revenues and gains in excess of expenses and losses	1,635	36,592	2,589
Other changes in unrestricted net assets			
Net assets released from restrictions used for purchase of property, plant, and equipment	—	253	60
Change in unrecognized net defined-benefit plan costs	103,708	—	—
Equity transactions of unconsolidated affiliates and other, net	—	(775)	(3,083)
Change in unrestricted net assets	$ 105,343	36,070	(434)

See accompanying independent auditors' report

Schedule 6

Iowa Region	St. Catherine's Hospital, Inc.	Subtotal	Adjustments/ eliminations	Total
241,824	—	1,536,961	—	1,536,961
9,550	—	72,705	—	72,705
232,274	—	1,464,256	—	1,464,256
38,172	13,868	673,691	(525,039)	148,652
283	—	1,401	—	1,401
270,729	13,868	2,139,348	(525,039)	1,614,309
146,117	—	1,054,575	(123,757)	930,818
106,121	357	892,658	(379,617)	513,041
511	—	53,527	(22,246)	31,281
8,897	7,621	100,765	—	100,765
261,646	7,978	2,101,525	(525,620)	1,575,905
9,083	5,890	37,823	581	38,404
3,313	—	19,015	—	19,015
—	—	2,037	—	2,037
(689)	7	(455)	—	(455)
2,624	7	20,597	—	20,597
11,707	5,897	58,420	581	59,001
1,542	—	1,855	—	1,855
—	—	103,708	—	103,708
7,268	—	3,410	—	3,410
20,517	5,897	167,393	581	167,974