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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 JAN 1, 2013 and ending JUN 30, 2013

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☒ Initial return
- ☐ Termin-ated
- ☐ Amended return
- ☐ Applica-tion pending

C Name of organization
St.Vincent Anderson Regional Hospital, Inc.

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) 2015 Jackson Street

Room/suite

City, town, or post office, state, and ZIP code Anderson, IN 46016

F Name and address of principal officer: Tom VanOsdol
same as C above

D Employer identification number
46-0877261

E Telephone number (765) 649-2511

G Gross receipts $ 113,768,598.

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.stvincent.org

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 2013 M State of legal domicile: IN

Part I Summary

1	Briefly describe the organization's mission or most significant activities: We are a nonprofit hospital dedicated to providing healthcare that leaves no one behind.		
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	11
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	7
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	0
6	Total number of volunteers (estimate if necessary)	6	510
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)		255,618.
9	Program service revenue (Part VIII, line 2g)		111,465,546.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)		1,369,163.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		611,805.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		113,702,132.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		5,810,268.
14	Benefits paid to or for members (Part IX, column (A), line 4)		0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		43,060,209.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		64,601,166.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		113,471,643.
19	Revenue less expenses. Subtract line 18 from line 12		230,489.

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)		147,717,010.
21	Total liabilities (Part X, line 26)		40,500,724.
22	Net assets or fund balances. Subtract line 21 from line 20		107,216,286.

SCANNED JUN 09 2014

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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	▶ Signature of officer	Date 5/5/2014
	▶ Tom VanOsdol, President Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name: Shawna M Jimenez	Preparer's signature: Shawna M. Jimenez	Date: 04/30/14	Check ☐ if self-employed	PTIN: P01222873
	Firm's name ▶ Deloitte Tax LLP			Firm's EIN ▶	86-1065772
	Firm's address ▶ 111 Monument Circle, Suite 2000 Indianapolis, IN 46204-5108			Phone no.	(317) 464-8600

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 [X]

1 Briefly describe the organization's mission:
St.Vincent Anderson Regional Hospital is dedicated to providing spiritually-centered, holistic healthcare that sustains and improves the health of those served, with special attention to the poor and vulnerable. Both inpatient and outpatient health services are provided

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 [X] 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 [X] 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 $ 95,665,642. including grants of $ 5,810,268.) (Revenue $ 111,465,546.)
St.Vincent Anderson Regional Hospital is a 225-bed facility, serving Madison and contiguous counties and providing services without regard to patient race, creed, national origin, economic status, or ability to pay. During fiscal year 2013, St.Vincent Anderson Regional Hospital treated 3,441 adults and children for a total of 17,871 inpatient days of service. The Health System also provided services for 121,830 outpatient visits, including 5,765 outpatient surgeries and 23,010 emergency room and minor care visits. See Schedule H for a non-exhaustive list of community benefit programs and descriptions.

4b (Code _____) (Expenses $ 7,036,799. including grants of $ _____) (Revenue $ _____)
During the fiscal year ending June 30, 2013, the unreimbursed cost of free or discounted services provided to patients who were deemed indigent under state, county, or hospital guidelines was $7,036,799, which included $3,573,541 traditional charity care and $3,463,258 in unpaid costs of care for those qualifying for Medicaid or other public programs for the poor. (Note that St.Vincent Anderson Regional Hospital also provides a substantial portion of its services to the elderly, but in keeping with Catholic Health Association guidelines, the total of unreimbursed cost of free or discounted services does NOT include $7,888,594 in unpaid costs of care for elderly covered through Medicare.) See Schedule H for a non-exhaustive list of community benefit programs and descriptions.

4c (Code _____) (Expenses $ 1,026,078. including grants of $ _____) (Revenue $ _____)
In addition to core medical services, St.Vincent Anderson Regional Hospital (SVARH) partners with its community to assess community assets and needs and to work together to address issues impacting health and quality of life, with special emphasis on the poor and vulnerable. In fiscal year 2013, SVARH provided $1,026,078 in unbilled services to the poor and to the broader community. (When combined with the costs of free or discounted services for the poor listed in Line 4b, SVARH provided a total Community Benefit of $8,062,877 in fiscal year 2013. SVARH serves and supports its community by providing such programs as Rural and Urban Access to Health, health fairs and screenings, diabetes care center and the Children's Clinic. See Schedule H for a non-exhaustive list of community benefit programs and descriptions.

4d Other program services (Describe in Schedule O.)
(Expenses $ _____ including grants of $ _____) (Revenue $ _____)

4e **Total program service expenses** ▶ 103,728,519.

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	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*?	2	X	
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		X
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	X	
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		X
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		X
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		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
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		X
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		X
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	X	
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		X
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		X
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	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
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		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		X
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	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
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		X
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		X
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		X
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*	17		X
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		X
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		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	X	

Part IV Checklist of Required Schedules *(continued)*

			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	X	
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		X
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		X
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		X
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		X
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		X
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		X
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		X
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		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
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		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
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		X
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		X
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	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X	
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	X	
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		X
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		X
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	X	

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	X	
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	0		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b		
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a		X
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		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
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		X
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		X
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		X
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		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	N/A	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	N/A	
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	N/A	
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a	N/A	
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b	N/A	
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	N/A		
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	N/A		
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	N/A		
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	N/A	
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		X
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 line 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 [X]

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 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	1a	11		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	7		
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			X
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			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6		X	
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		X	
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		X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
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			X

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		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
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	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
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	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
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	X	
b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	15b	X	
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		X
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 ▶ IN

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

[ ] Own website [ ] Another's website [X] 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: ▶

Donald Apple - (765) 646-8132
2015 Jackson Street, Anderson, IN 46016

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 [X]

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, and 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.

[X] 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 line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Osborne J Morgan	0.20									
Chair	0.20	X		X				0.	0.	0.
Chester L Stewart	0.20									
Vice Chair	0.20	X		X				0.	0.	0.
Jean L Chaille	0.20									
Secretary/Treasurer	0.00	X		X				0.	0.	0.
Thomas J VanOsdol	40.00									
President	0.60	X		X				0.	0.	0.
Michael D Austin	0.20									
Director	0.00	X						0.	0.	0.
Sister Eileen Flavin, CSC	0.20									
Director	0.00	X						0.	0.	0.
David C Mares, MD	0.20									
Director	0.00	X						0.	0.	0.
Joseph O Murdock	0.20									
Director	40.00	X						0.	0.	0.
Deborah Rasper	0.20									
Director	40.70	X						0.	0.	0.
Sister M Rose Anne Schultz, CSC	0.20									
Director	0.00	X						0.	0.	0.
Ian Worden	0.20									
Director	42.00	X						0.	0.	0.
Donald Apple	40.00									
CFO	0.00			X				0.	0.	0.

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 line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total ▶								0.	0.	0.
c Total from continuation sheets to Part VII, Section A ▶								0.	0.	0.
d Total (add lines 1b and 1c) ▶								0.	0.	0.

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 ▶ 0

		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*		X
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*		X
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*		X

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
NONE		

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 ▶ 0

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	255,618.			
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f	▶	255,618.			
Program Service Revenue		Business Code				
	2a Net Patient revenue	621990	57,701,764.	57,701,764.		
	b Net Medicare/Medicaid	621990	53,763,782.	53,763,782.		
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a-2f	▶	111,465,546.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	▶	1,422,907.			1,422,907.
	4 Income from investment of tax-exempt bond proceeds	▶				
	5 Royalties	▶				
		(i) Real	(ii) Personal			
	6a Gross rents	272,940.				
	b Less: rental expenses	0.				
	c Rental income or (loss)	272,940.				
	d Net rental income or (loss)	▶	272,940.			272,940.
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory		12,722.			
	b Less: cost or other basis and sales expenses		66,466.			
	c Gain or (loss)		-53,744.			
	d Net gain or (loss)	▶	-53,744.			-53,744.
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less: direct expenses	b				
	c Net income or (loss) from fundraising events	▶				
	9a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities	▶				
	10a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory	▶				
	Miscellaneous Revenue	Business Code				
	11a Cafeteria revenue	722210	338,865.			338,865.
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a-11d	▶	338,865.			
	12 **Total revenue.** See instructions	▶	113,702,132.	111,465,546.	0.	1,980,968.

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	5,810,268.	5,810,268.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	33,131,859.	29,890,768.	3,241,091.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	187,278.	168,958.	18,320.	
9 Other employee benefits	7,535,194.	6,798,071.	737,123.	
10 Payroll taxes	2,205,878.	1,990,090.	215,788.	
11 Fees for services (non-employees):				
a Management	7,600,988.	6,857,429.	743,559.	
b Legal	253,599.	228,791.	24,808.	
c Accounting				
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O)	1,326,527.	1,196,761.	129,766.	
12 Advertising and promotion				
13 Office expenses				
14 Information technology	2,839,549.	2,561,773.	277,776.	
15 Royalties				
16 Occupancy	2,001,797.	1,805,973.	195,824.	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	450,628.	406,546.	44,082.	
20 Interest	271,403.	244,853.	26,550.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,339,977.	2,111,071.	228,906.	
23 Insurance				
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 Supplies	16,414,782.	14,809,022.	1,605,760.	
b Purchased services	8,564,598.	7,726,775.	837,823.	
c Community benefit	8,062,877.	8,062,877.		
d Provider tax expense	5,518,883.	4,979,004.	539,879.	
e All other expenses	8,955,558.	8,079,489.	876,069.	
25 **Total functional expenses.** Add lines 1 through 24e	113,471,643.	103,728,519.	9,743,124.	0.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments		2	565,372.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	29,031,151.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	3,994,839.
	9	Prepaid expenses and deferred charges		9	2,107,334.
	10a	Land, buildings, and equipment: cost or other basis Complete Part VI of Schedule D — 10a 129,506,770.			
	b	Less accumulated depreciation — 10b 94,570,477.	0.	10c	34,936,293.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	4,133.
	15	Other assets. See Part IV, line 11	0.	15	77,077,888.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	0.	16	147,717,010.
Liabilities	17	Accounts payable and accrued expenses		17	17,259,345.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	0.	25	23,241,379.
	26	**Total liabilities.** Add lines 17 through 25	0.	26	40,500,724.
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		27	107,216,286.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	0.	33	107,216,286.
	34	Total liabilities and net assets/fund balances	0.	34	147,717,010.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	113,702,132.
2	Total expenses (must equal Part IX, column (A), line 25)	2	113,471,643.
3	Revenue less expenses. Subtract line 2 from line 1	3	230,489.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	0.
5	Net unrealized gains (losses) on investments	5	481,720.
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	106,504,077.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	107,216,286.

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 [X] 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? 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	2a		X
b	Were the organization's financial statements audited by an independent accountant? 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 [X] Consolidated basis [ ] Both consolidated and separate basis	2b	X	
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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	X	
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		X
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		

SCHEDULE A (Form 990 or 990-EZ)

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	Employer identification number
St.Vincent Anderson Regional Hospital, Inc.	46-0877261

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?		
(ii)	A family member of a person described in (i) above?		
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?		

11g(i)	
11g(ii)	
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									

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

Schedule A (Form 990 or 990-EZ) 2012

232021
12-04-12

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 section 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 from 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 section 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 ▶ ☐

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.**

OMB No 1545-0047

2012

Open to Public Inspection

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

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

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

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

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

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization	Employer identification number
St.Vincent Anderson Regional Hospital, Inc.	46-0877261

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.		
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-		

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

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?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		4,412.
j Total. Add lines 1c through 1i			4,412.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
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.

Part II-B, Line 1, Lobbying Activities:

Lobbying expenses represent the portion of dues paid to national and state hospital associations that is specifically allocable to lobbying.

St.Vincent Anderson Regional Hospital, Inc. does not participate in or intervene in (including the publishing or distributing or statements)

Part IV **Supplemental Information** *(continued)*

any political campaign on behalf of (or in opposition to) any candidate for public office.

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 St.Vincent Anderson Regional Hospital, Inc.

Employer identification number 46-0877261

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)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

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 Tax 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	(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		5,292,602.		5,292,602.
b Buildings		76,440,128.	57,111,602.	19,328,526.
c Leasehold improvements		1,568,945.	1,297,682.	271,263.
d Equipment		43,127,291.	36,161,193.	6,966,098.
e Other		3,077,804.		3,077,804.
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				34,936,293.

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		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (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
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (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)	Receivable from third party program	359,946.
(2)	Due from St.Vincent Hospital and Health Care	101,917.
(3)	Interest in investments held by Ascension Health Alliance	74,803,641.
(4)	Physician guarantee asset	1,644,811.
(5)	Other assets	167,573.
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15)* ▶		77,077,888.

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

1.	(a) Description of liability	(b) Book value
(1)	Federal income taxes	
(2)	Intercompany debt with Ascension	
(3)	Health Alliance	15,971,287.
(4)	Due to third party programs	2,364,971.
(5)	Due to St.Vincent Hospital and	
(6)	Health Care	2,708,877.
(7)	Physician guarantee liability	1,588,165.
(8)	Other liabilities	608,079.
(9)		
(10)		
(11)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶		23,241,379.

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	
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	
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			
c	Add lines **4a** and **4b**			4c	
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12)*			5	

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

1	Total expenses and losses per audited financial statements			1	
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	
4	Amounts included on Form 990, Part IX, line 25, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18)*			5	

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.

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 St.Vincent Anderson Regional Hospital, Inc.

Employer identification number 46-0877261

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	X	
b If "Yes," was it a written policy?	1b	X	
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 [X] 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% [X] 200% [ ] Other _____ %	3a	X	
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% [X] 400% [ ] Other _____ %	3b	X	
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	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	X	
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 eligible for free or discounted care?	5c		X
6a Did the organization prepare a community benefit report during the tax year?	6a	X	
b If "Yes," did the organization make it available to the public?	6b	X	

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)			3,573,541.		3,573,541.	3.15%
b Medicaid (from Worksheet 3, column a)			19,142,791.	15,679,533.	3,463,258.	3.05%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			22,716,332.	15,679,533.	7,036,799.	6.20%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		6,681	505,541.		505,541.	.45%
f Health professions education (from Worksheet 5)		174	16,765.		16,765.	.01%
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)		2,805	503,772.		503,772.	.44%
j **Total.** Other Benefits		9,660	1,026,078.		1,026,078.	.90%
k **Total.** Add lines 7d and 7j		9,660	23,742,410.	15,679,533.	8,062,877.	7.10%

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						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development						
9	Other		15,420	90,611.		90,611.	.08%
10	Total		15,420	90,611.		90,611.	.08%

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 Healthcare Financial Management Association Statement No. 15?	1		X
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2 2,058,311.		
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	3 617,493.		
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	34,004,589.
6	Enter Medicare allowable costs of care relating to payments on line 5	6	41,893,183.
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-7,888,594.
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	X	
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	X	

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 %

Part V Facility Information

Section A. Hospital Facilities
(list in order of size, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 St.Vincent Anderson Regional Hospital 2015 Jackson Street Anderson, IN 46016 http://www.stvincent.org/andersonregio	X	X					X			

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 St.Vincent Anderson Regional Hospital

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
	If "Yes," indicate what the CHNA report describes (check all that apply):			
a	[X] A definition of the community served by the hospital facility			
b	[X] Demographics of the community			
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	[X] How data was obtained			
e	[X] The health needs of the community			
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	[X] The process for consulting with persons representing the community's interests			
i	[X] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	[ ] Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA: 20 12			
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
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	X	
5	Did the hospital facility make its CHNA report widely available to the public?	5	X	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a	[X] Hospital facility's website			
b	[X] 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	[X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	[X] Execution of the implementation strategy			
c	[X] Participation in the development of a community-wide plan			
d	[ ] Participation in the execution of a community-wide plan			
e	[X] Inclusion of a community benefit section in operational plans			
f	[X] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	[X] Prioritization of health needs in its community			
h	[X] 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		X
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		X
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)* St.Vincent Anderson Regional Hospital

			Yes	No
Financial Assistance Policy				
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	10	X	
	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	X	
	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	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] 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	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X	
	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	[X] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] 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 on 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	X	
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 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		X
	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)* St.Vincent Anderson Regional Hospital

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	X	

If "No," indicate why:

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

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

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

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

21 During the tax year, did the hospital facility charge any of its 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? If "Yes," explain in Part VI.	21		X
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? If "Yes," explain in Part VI.	22		X

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? 0

Name and address	Type of Facility (describe)

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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.

Part I, Line 3c: The organization provides medically necessary care to all patients, regardless of race, color, creed, ethnic orgin, gender, disability or economic status. The hospital uses a percentage of federal poverty level (FPL) to determine free and discounted care. At a minimum, patients with income less than or equal to 200% of the FPL, which may be adjusted for cost of living utilizing the local wage index compared to the national wage index, will be eligible for 100% charity care write off of charges for services that have been provided to them. Also, at a minimum, patients with incomes above 200% of the FPL but not exceeding 400% of the FPL, subject to adjustments for cost of living utilizing the local wage index compared to national wage index, will receive a discount on the services provided to them.

Part I, Line 7: The cost of providing charity care, means tested government programs, and community benefit programs is estimated using internal cost data, and is calculated in compliance with Catholic Health Association ("CHA") guidelines. The organization uses a cost accounting system that addresses all patient segments (for example, inpatient,

outpatient, emergency room, private insurance, Medicaid, Medicare, uninsured, or self pay). The best available data was used to calculate the amounts reported in the table. For the information in the table, a cost-to-charge ratio was calculated and applied.

Part II: St.Vincent Anderson Regional Hospital promotes the health of its communities by striving to improve the quality of life within the community. Research has established that factors such as economic status, employment, housing, education level, and built environment can all be powerful social determinants of health. Additionally, helping to create greater capacity within the community to address a broad range of quality of life issues also impacts health. St.Vincent Anderson Regional Hospital meets regularly with local organizations in the community to learn what resources are available and plan community health improvement efforts. In fiscal year 2013, these organizations included: American Cancer Society, YMCA, Honor Our Children, Anderson Schools, Madison County Corporation for Economic Development and United Way.

Schedule H, Part III, Line 2:
After satisfaction of amounts due from insurance and reasonable efforts to collect from the patient have been exhausted, the Corporation follows established guidelines for placing certain past-due patient balances within collection agencies, subject to the terms of certain restrictions on collection efforts as determined by Ascension Health. Accounts receivable are written off after collection efforts have been followed in accordance with the Corporation's policies. After applying the cost-to-charge ratio, the share of the bad debt expense in fiscal

year 2013 was $7,149,394 at charges, ($2,058,311 at cost).

Schedule H, Part III, Line 3:
The provision for doubtful accounts is based upon management's assessment of expected net collections considering economic conditions, historical experience, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for doubtful accounts based upon historical write-off experience by payor category, including those amounts not covered by insurance. The results of this review are then used to make any modifications to the provision for doubtful accounts to establish an appropriate allowance for doubtful accounts.

Part III, Line 4: The organization is part of the St.Vincent Health System's consolidated audit in which the footnote that discusses the bad debt expense is located on page 22.

Part III, Line 8: A cost to charge ratio is applied to the organization's Medicare Expense to determine the Medicare allowable costs reported in the organization's Medicare Cost Report. Ascension Health and its related health ministries follow the Catholic Health Association (CHA) guidelines for determining community benefit. CHA community benefit reporting guidelines suggest that Medicare shortfall is not treated as community benefit.

Part III, Line 9b: The organization has a written debt collection policy that also includes a provision on the collection practices to be

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followed for patients who are known to qualify for charity care or financial assistance. If a patient qualifies for charity or financial assistance certain collection practices do not apply.

St.Vincent Anderson Regional Hospital:

Part V, Section B, Line 3: In conducting its CHNA, the hospital facility took into account input from representatives of the community as well as those with special knowledge or expertise in public health. These included United Way of Madison County, Madison County Health Department, Madison County Community Health Center, UAW-GM Community Health Initiatives, and Indiana Prevention Resource.

St.Vincent Anderson Regional Hospital:

Part V, Section B, Line 4: The CHNA was conducted for the Northeast Region, which included the two other St.Vincent hospitals, St.Vincent Mercy Hospital and St.Vincent Randolph Hospital.

St.Vincent Anderson Regional Hospital:

Part V, Section B, Line 7:

Personal Responsibility by Users - This issue is being addressed in the mental health priority.

Access to Healthcare - Even though this issue was not chosen as a top priority, St.Vincent Anderson Regional Hospital does employ a Health Access Worker and provides a free physician referral service to the community.

Diabetes - Even though this issue was not chosen as a top priority, St.Vincent Anderson Regional Hospital participates in the Madison Health Partners coalition, which focuses on health issues, including diabetes prevention and self-care. Additionally, St.Vincent Anderson Regional Hospital provides general diabetes education during health fairs and screenings.

Teen Pregnancy - Addressing this issue is not a direct priority of St.Vincent Anderson Regional Hospital; however, the hospital does provide free pregnancy testing and offers the prenatal series, Just for Teens.

Sexually Transmitted Infections - Addressing this issue is not a direct priority of St.Vincent Anderson Regional Hospital; however, the hospital does coordinate a Sexual Assault Response Team (SART), which includes partners from law enforcement and social service agencies.

Dental Services - Addressing this issue is not a direct priority of St.Vincent Anderson Regional Hospital; however, the hospital does provide service referrals to dental providers who accept patients who are indigent and patients with Medicaid.

Access to Fresh Food - This issue is being addressed in the obesity priority.

Physical Activity - Even though this issue was not chosen independently as a top priority, St.Vincent Anderson Regional Hospital does partner with the YMCA of Madison County and sponsors various youth athletic teams and events. Additionally, this issue will be addressed in the obesity

priority.

Prenatal Care - Even though this issue was not chosen as a top priority, St.Vincent Anderson Regional Hospital's Birthing Center reaches out to any expectant mother with limited family income and offers free prenatal classes and provides assistance accessing the healthcare system, public assistance programs and other community resources.

Transportation - Addressing this issue is not a direct priority of St.Vincent Anderson Regional Hospital; however, taxi vouchers are provided to patients who are indigent.

Access to specialists - Even though this issue was not chosen as a top priority, St.Vincent Anderson Regional Hospital does employ a Health Access Worker and provides a physician referral service to the community.

St.Vincent Anderson Regional Hospital:
Part V, Section B, Line 20d: The discount was determined by reviewing the lowest discount provided to managed care payers that comprise at least 3% of our volume with an added prompt pay discount to the highest paid discount provided to our managed care payers.

St.Vincent Anderson Regional Hospital:
Part V, Section B, Line 21: The following steps were followed and considered reasonable efforts followed for purposes of identifying patients eligible for assistance under the facility's FAP:

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- Notified each individual of the Hospital's Financial Assistance Policy (FAP). This notification began on the date care was provided and ended on the 120th day after the first billing statement was provided to the individual.

- Individuals were notified of the FAP as noted in Question 14. This includes, but is not limited to, the following:

- Brief description of eligibility requirements and assistance provided
- Direct individuals to our website and physical location of application forms
- Provided instructions to obtain free copy of FAP and application by mail
- Provided contact information for an individual/nonprofit organization to assist if the individual has questions
- Provided statement of translations of FAP as well as plain language summaries
- Provided statement that no FAP-eligible individual will be charged more for emergency/medically necessary care than AGB

- For individuals who submitted an incomplete FAP, we provided that individual with information relevant to assist them with completion of the FAP.
- For individuals who submitted a complete FAP, we made and documented a determination as to whether that person was eligible under the facility's FAP.
- We determined eligibility based on other means such as establishing that the individual is eligible under one or more means tested programs (as noted in Question 12).

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St.Vincent Anderson Regional Hospital:

Part V, Section B, Line 22: The following steps were followed and considered reasonable efforts followed for purposes of identifying patients eligible for assistance under the facility's FAP:

- Notified each individual of the Hospital's Financial Assistance Policy (FAP) as noted in Question 14. This includes, but is not limited to, the following:

- Brief description of eligibility requirements and assistance provided
- Direct individuals to our website and physical location of application forms
- Provided instructions to obtain free copy of FAP and application by mail
- Provided contact information for an individual/nonprofit organization to assist if the individual has questions
- Provided statement of translations of FAP as well as plain language summaries
- Provided statement that no FAP-eligible individual will be charged more for emergency/medically necessary care than AGB

- This notification began on the date care was provided and ended on the 120th day after the first billing statement was provided to the individual.
- For individuals who submitted an incomplete FAP, we provided that individual with information relevant to assist them with completion of the FAP.
- For individuals who submitted a complete FAP, we made and documented a

determination as to whether that person was eligible under the facility's FAP.

- We determined eligibility based on other means such as establishing that the individual is eligible under one or more means tested programs (as noted in Question 12).

St.Vincent Anderson Regional Hospital, Inc.:
Part V, Section B, Line 5:
The Community Health Needs Assessment ("CHNA") of the hospital facility can be located at the following web address:
http://www.stvincent.org/andersonregional/.

St.Vincent Anderson Regional Hospital, Inc.:
Part V, Section B, Line 16:
The following steps were followed and considered reasonable efforts for purposes of Question 16:
- Notified each individual of the facility's Financial Assistance Policy (FAP). This notification began on the date care was provided and ended on the 120th day after the first billing statement was provided to the individual.

- Individuals were notified of the FAP by methods as noted in Question 14. This includes, but is not limited to, providing the following:

- A brief description of eligibility requirements and assistance provided
- Directions on how to access the FAP and application on our website

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and physical location of application forms

- Instructions to obtain free copy of FAP and application by mail

- Contact information for an individual/nonprofit organization to assist if the individual has questions

- Statement of translations of FAP as well as plain language summaries

- Statement that no FAP-eligible individual will be charged more for emergency/medically necessary care than AGB

- For individuals who submitted an incomplete FAP, we provided that individual with information relevant to assist them with completion of the FAP.

- For individuals who submitted a complete FAP, we made and documented a determination as to whether that person was eligible under the facility's FAP.

- We determined eligibility based on other means such as establishing that the individual is eligible under one or more means tested programs (as noted in Question 12).

St.Vincent Anderson Regional Hospital, Inc.:

Part V, Section B, Line 17:

The following steps were followed and considered reasonable efforts for purposes of Question 17:

- Notified each individual of the Hospital's Financial Assistance Policy (FAP). This notification began on the date care was provided and ended on the 120th day after the first billing statement was provided to the individual.

- Individuals were notified of the FAP as noted in Question 14. This

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includes, but is not limited to, the following:

- Brief description of eligibility requirements and assistance provided
- Direct individuals to our website and physical location of application forms
- Provided instructions to obtain free copy of FAP and application by mail
- Provided contact information for an individual/nonprofit organization to assist if the individual has questions
- Provided statement of translations of FAP as well as plain language summaries
- Provided statement that no FAP-eligible individual will be charged more for emergency/medically necessary care than AGB

- For individuals who submitted an incomplete FAP, we provided that individual with information relevant to assist them with completion of the FAP.
- For individuals who submitted a complete FAP, we made and documented a determination as to whether that person was eligible under the facility's FAP.
- We determined eligibility based on other means such as establishing that the individual is eligible under one or more means tested programs (as noted in Question 12).

St.Vincent Anderson Regional Hospital, Inc.:
Part V, Section B, Line 18:
Question 18 is more appropriately answered as not applicable as the Billing and Collections Policy of St.Vincent Anderson Regional

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Hospital, Inc. does not allow a hospital to engage in extraordinary collection actions before the organization made reasonable efforts to determine whether the individual is eligible for assistance under the financial assistance policy. Reasonable efforts taken include but are not limited to:

- Notifying individuals of the financial assistance policy on admission
- Notifying individuals of the financial assistance policy prior to discharge
- Notifying individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- Documenting its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy

Part VI, Line 2: Communities are dynamic systems in which multiple factors interact to impact quality of life and health status. In addition to the formal CHNA conducted every 3 years, St.Vincent Anderson Regional Hospital participates in a community roundtable called Madison Health Partners whose purpose is to assess needs within the community, prioritize action and work in partnership to address identified challenges. The coalition works closely with its member organizations which come from multiple sectors of the community, including local government, business, education, faith communities, public health, health care providers and other social and human service organizations. In addition, the coalition works closely with other coalitions as well as the local and state health departments to stay abreast of changing needs within the community by

identifying evidence-based and promising practices to address these needs.

Part VI, Line 3: St.Vincent Anderson Regional Hospital communicates with patients in multiple ways to ensure that those who are billed for services are aware of the hospital's financial assistance program as well as their potential eligibility for local, state or federal programs. Signs are prominently posted in each service area, and bills contain a formal notice explaining the hospital's charity care program. In addition, the hospital employs financial counselors, health access workers, and enrollment specialists who consult with patients about their eligibility for financial assistance programs and help patients in applying for any public programs for which they may qualify.

Part VI, Line 4: St.Vincent Anderson Regional Hospital is located in north Central Indiana in the city of Anderson and serves Madison County and surrounding areas. Madison County has an estimated population of 130,348. From 2000 to 2010 the population is estimated to have dropped by 1.1 percent and the number of households fell by 2.2 percent. The population is projected to grow by 0.9 percent by 2015. Currently, the median age is 39.7 and is expected to rise to age 40 by 2015. The population is 88.2 percent White, 8.8 percent African American, and 0.2 percent Asian. The Hispanic population is estimated at 2 percent. Both the Per Capita Personal Income and Median Household Income are currently below the state average.

Part VI, Line 5: To provide the highest quality healthcare to all persons in the community, and in keeping with its not-for-profit status, St.Vincent Anderson Regional Hospital:

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- delivers patient services, including emergency department services, to all individuals requiring healthcare, without regard to patient race, ethnicity, economic status, insurance status or ability to pay
- maintains an open medical staff that allows credentialed physicians to practice at its facilities
- trains and educates health care professionals
- participates in government-sponsored programs such as Medicaid and Medicare to provide healthcare to the poor and elderly
- is governed by a board in which independent persons who are representative of the community comprise a majority

Part VI, Line 6: As part of the St.Vincent Health System, St.Vincent Anderson Regional Hospital is dedicated to improving the health status and quality of life for the communities it serves. While designated associates at St.Vincent Anderson Regional Hospital devote all or a significant portion of their time to leading and administering local community-based programs and partnerships, associates throughout the organization are active participants in community outreach. They are assisted and supported by designated St.Vincent Health Community Development associates and other support staff who work with each of its healthcare facilities to advocate for and provide technical assistance for community outreach, needs assessments and partnerships as well as to support regional and state-wide programs, community programs sponsored by St.Vincent Health in which St.Vincent Anderson Regional Hospital participates.

Part VI, Line 7, List of States Receiving Community Benefit Report:

IN

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The State of Indiana no longer requires a separate Community Benefit Report, but will reference the Form 990. St.Vincent Anderson Regional Hospital and its related St.Vincent Health affiliates publish a Community Benefit Report which is available to the public. A copy of the full report (including the St.Vincent Anderson Regional Hospital section) is available at http://www.stvincent.org/andersonregional/.

Form 990, Part III, Line 4a, 4b and 4c:

Community Benefit Report

St.Vincent Anderson Regional Hospital provides inpatient and outpatient health care services that include: adult and pediatric routine care, medical-surgical care, obstetrics, intensive care, physical rehabilitation, mental health and substance abuse, adolescent residential care and skilled nursing, emergency room, home health care and hospice, cardiology services, cancer services, physical therapy, speech, audiology, laboratory, radiology (diagnostic, imaging, MRI/CT, nuclear medicine), inpatient/outpatient surgery, orthopedic services, occupational health and women's health services. Some of these services operate at a loss in order to ensure that comprehensive services are available to the community.

Such community-focused programs improve access to healthcare, advocate for the poor and vulnerable, promote health through free education and screenings and help to build better communities by improving quality of life.

Community Benefit Overview

St.Vincent Anderson Regional Hospital is part of St.Vincent Health, a

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non-profit healthcare system consisting of 22 locally-sponsored ministries serving over 47 counties throughout Central Indiana. Sponsored by Ascension Health, the nation's largest Catholic healthcare system, St.Vincent Health is one of the largest healthcare employers in the state.

As part of St.Vincent Health, the St.Vincent Anderson Regional Hospital's vision is to deliver a continuum of holistic, high-quality health services and improve the lives and health of Indiana individuals and communities, with special attention to the poor and vulnerable. This is accomplished through strong partnerships with businesses, community organizations, local, state and federal government, physicians, St.Vincent Anderson associates and others. Working with its partners, and utilizing the CHNA completed every three years, St.Vincent Anderson Regional Hospital is committed to addressing community health needs and developing and executing an implementation strategy to meet identified needs to improve health outcomes within the community.

Community benefit is not the work of a single department or group within St.Vincent Anderson Regional Hospital, but is part of the St.Vincent mission and cultural fabric. The hospital leadership team provides direction and resources in developing and executing the Implementation Strategy in conjunction with the St.Vincent Health Community Development Department, but associates at all levels of the organization contribute to community benefit and health improvement.

Charity Care and Certain Other Community Benefits at Cost

Patient Services for Poor and Vulnerable

Hospital and outpatient care is provided to patients that cannot pay for services, including hospitalizations, surgeries, prescription drugs, medical equipment and medical supplies. Patients with income less than 200% of the Federal Poverty level (FPL) are eligible for 100% charity care for services. Patients with incomes at or above 200% of the FPL, but not exceeding 400% of the FPL, receive discounted services based on an income-dependent sliding scale. Hospital financial counselors and health access workers assist patients in determining eligibility and in completing necessary documentation. St.Vincent Anderson Regional Hospital is committed to 100% access, and is proactive in providing healthcare that leaves no one behind.

Public Program Participation

St.Vincent Anderson Regional Hospital participates in government programs including Medicaid, SCHIP (Hoosier Healthwise), Healthy Indiana Plan (HIP) and Medicare and assists patients in enrolling for programs for which they are eligible. Per Catholic Health Association guidelines and St.Vincent Health's conservative approach, Medicare shortfall is not included as community benefit.

Community Health Needs Assessment

True community benefit responds to the particular needs and challenges of the community, building on its unique strengths and assets. The hospital leads a community health needs assessment every 3 years. Using a variety of tools, including surveys, key person interviews, focus groups, secondary data, and data analysis professionals, the team

identifies community issues and concerns. These are shared with the community at large, and a consensus is reached about priorities and available resources.

To provide community input and a basis for collaboration within the community to address health needs, St.Vincent leads or participates in a community roundtable or forum. This group brings together individuals and organizations from throughout the community who share a common interest in improving health status and quality of life and provide expertise in a variety of community areas including public health. Obesity, tobacco cessation/substance abuse, mental health and access to primary care have all been identified as key community needs.

Implementation Strategy

Using the CHNA completed in 2013, the hospital developed a 2014-2016 Implementation Strategy to address priority community health needs. These strategies include:

1. Obesity

Educate the community and promote the importance of proper nutrition and physical activity

- Work with area food pantries/food banks to ensure they have healthy food to distribute to their clients.
- Promote Community Gardens.
- Work with community provided meal sites to ensure that meals contain healthy food choices.
- Partner with area employers to educate their employees about healthy food choices.

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- Promote healthy eating and exercise to the general population.

- Partner with area agencies to expand programs focused on youth.

- Explore partnerships with school systems to identify children at high risk for obesity and provide services.

2. Tobacco Cessation/Substance Abuse

Prevent youth from initiating the use of tobacco, reduce exposure to secondhand smoke and increase cessation

- Promote the availability of smoking cessation programs.

- Target smoking cessation programs to community employers.

3. Mental Health

Expand mental health services in order to provide accessibility for the community

- Partner with The Anderson Center to expand The Day School.

- Expand access to mental health services across both counties.

- Work with area nursing homes to develop and implement support groups for families of dementia patients.

4. Access to Primary Care

Coordinate healthcare access for vulnerable community members

- Continue primary care provider recruitment efforts in Randolph and Madison Counties.

- Develop methods for connecting people to patient centered medical homes.

Rural and Urban Access to Health

As part of its commitment to 100% access, St.Vincent Anderson Regional

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Hospital is one of eight St.Vincent Health ministries that participate in Rural and Urban Access to Health (RUAH), a community based care coordination program. Effective care coordination provides a strategy for addressing certain social determinants of health by assuring barriers to care are addressed and individuals are connected to critical prevention and treatment services. Central to the program are Health Access Workers whose roles are to connect each hospital to its community by helping individuals address barriers to accessing health care, and referring them to other local resources as needed. Each Health Access Worker assists individuals with finding a medical home; applying for public programs such as Medicaid, food stamps and the Healthy Indiana Plan; and in assessing needs so referrals can be made for other forms of community-based assistance. The Health Access Worker also advocates for clients with service providers and serves as a system navigator. RUAH outcomes are measured using the Pathways Model with 5 defined pathways/protocols (enrollment, medical home, pregnancy, medical referral and social services) as a means of tracking interventions and improving accountability towards positive measurable changes in patients' lives. During fiscal year 2013, the St.Vincent Anderson Regional Hospital Health Access Worker opened 270 pathways and completed 168 pathways.

Medication Assistance

In addition to care coordination, RUAH assists patients who meet income guidelines in obtaining free or reduced-cost prescription drugs. St.Vincent Anderson Regional Hospital provides a medication assistant who works with a sophisticated and continually-updated database to track eligibility and requirements that vary by company and by

medication. In 2013, the St.Vincent Anderson medication assistant helped patients obtain a total of 826 medications for which the average wholesale price totaled $684,564.

Saint John's Children's Clinic

Saint John's Children's Clinic serves children from birth to 18 years who do not have insurance and cannot pay for services. The Clinic also provides care for children covered by Medicaid. The Children's Clinic provides immunizations, physicals, care of illnesses and injuries, prescription medications, and referrals for surgery, specialized diagnostic procedures and counseling. Because the Clinic assists children whose families cannot afford medical care, eligibility for services is determined using guidelines similar to those of federal poverty programs. During fiscal year 2013, 2,667 children received medical services and 925 women received medical services through midwives at the Saint John's Children's Clinic at St.Vincent Anderson Regional Hospital.

Birthing Center

Infant mortality rates are higher for women living in poverty. The infant mortality rate for infants born at poverty level is 13.5 per 1,000 births compared to 8.3 per 1,000 births for infants born to mothers with family incomes above poverty level. As a response to these astounding statistics, St.Vincent Anderson Regional Hospital Birthing Center provides free classes to expectant parents and their families. The Birthing Center reaches out to any expectant mothers with limited family income. Courses included prenatal care, Lamaze childbirth, and classes for siblings. Personnel also assist expectant mothers in

accessing the health care system, public assistance programs and other community resources.

Clinical Pastoral Education (CPE) Program

St.Vincent Anderson Regional Hospital offers a Clinical Pastoral Education (CPE) program, in partnership with St.Vincent Indianapolis, which is open to pastors, seminary students and lay persons interested in working in health care. The chaplains serve as part of the faculty for the CPE program, offering seminars and serving as resources for CPE students.

Cancer Awareness

In honor of Breast Cancer Awareness Month, St.Vincent Anderson Regional Hospital has sponsored a free event designed to educate women on the importance of early detection and new treatments in the fight against breast cancer. Health care exhibits and presentations by medical personnel on the latest cancer treatments and women's health issues are offered at this event.

Healing and Wellness Support Groups

St.Vincent Anderson Regional Hospital sponsors several support groups to help both patients and families cope with significant health challenges, family issues, bereavement or grief issues and other mental health concerns. The hospital provides free expert facilitation, meeting coordination, materials and meeting space for each group. Support groups meet on a monthly basis.

Health Fairs and Screenings

Part VI Supplemental Information

St.Vincent Anderson Regional Hospital participates in several health fairs and screening events, including those in conjunction with the YMCA, Geeter Center, Hopewell Association, Longfellow Plaza, Central School Senior Apartments, Harter House and many others. Participants can be tested for blood pressure, cholesterol, glucose, balance testing, hearing screening, cancer screenings including head, neck, skin, cervical and prostate, and more at low or no cost. Materials on health information and preventative services are a vital part of health fairs and screenings. During fiscal year 2013, St.Vincent Anderson Regional Hospital served approximately 600 people through its participation in these health fairs and screenings.

Health Resource Line

Madison County has an increasing population of persons living in poverty and unemployment, as well as a growing Hispanic population. St.Vincent Anderson Regional Hospital provides a physician referral service which is available to any Madison County resident. Information is available to callers on primary care and specialty providers within Madison County, who are accepting new patients, can see new patients quickly, are participating providers with Medicare, Medicaid or specific insurance plans, or who require a referral to be seen. General information about other services, such as other local clinics, Medicaid office, Madison County Health Department, Pain Clinics, etc., is provided to callers. During fiscal year 2013, the Health Resource Line managed close to 2,000 calls.

Women's Health Resources

St.Vincent Anderson Regional Hospital provided free health information

and advice through a 24-hour nurse advice telephone line and internet website. The nurse helpline allows women to talk to a nurse at any time about non-emergency health issues. The line is staffed by specially trained registered nurses who briefly interview callers, assess the caller's situation, and help callers decide on the most appropriate treatment. The caller receives a follow up call from a healthcare provider to ensure the issue was appropriately resolved. Local healthcare professionals contribute blog entries and podcasts regarding health and wellness issues and to the website, which contains a schedule of upcoming classes and programs.

Supporting Healthy Families

St.Vincent Anderson Regional Hospital receives grant funding through the State of Indiana Department of Child Services to operate Healthy Families Madison County. St.Vincent Anderson Regional Hospital provides office space, utilities, maintenance, housekeeping, and clerical supplies as in-kind community benefit. Healthy Families Indiana, part of the national Healthy Families of America program, is a voluntary home visitation program designed to promote healthy families and healthy children through a variety of services, including child development, access to health care, and parent education. In fiscal year 2013, approximately 85 families attained services from this program.

Health Professions Education

St.Vincent Anderson Regional Hospital provides an optimal setting for rural health training. Students from Anderson University, Ball State University, Indiana University, Indiana Wesleyan University, and Ivy

Tech participate in training. St.Vincent Anderson Regional Hospital provided these students experience in clinical settings with the following programs: Audiology, Physical Therapy, and Nursing. St.Vincent Anderson Regional Hospital is committed to providing healthcare careers training that will ensure a strong supply of health professionals for Madison County well into the future.

Health Stations

St.Vincent Anderson Regional Hospital Health Stations are located in nine local churches in the Anderson community. These health stations make a positive and profound impact through the promotion of personal health awareness, non-invasive health status monitors and physician referrals, health screenings, displays, and instructional materials. Each station is staffed solely by volunteers and is outfitted with a range of materials and supplies. A monthly meeting of Health Station leaders provides a forum for sharing best-practice ideas and planning. Health Station volunteers also represent St.Vincent Anderson Regional Hospital at community-wide health fairs.

Just for Teens

St.Vincent Anderson Regional Hospital Birthing Center offers a prenatal class titled Just for Teens. The class sessions are free of charge and are offered every three months for expecting teen mothers. During the class, the teen girls receive educational information about the birthing process, nutritional guidelines, and expectations during pregnancy. Also, community resources are made available to assist them through their pregnancy. The mothers-to-be have the opportunity to speak to a dietitian and other guest speakers, including former teen

moms who discuss their experiences with teen pregnancy, and encourage the teen girls to stay in school. A lunch is provided during the day.

Marie's Hope

St.Vincent Anderson Regional Hospital provides free screening mammograms to uninsured women who meet income guidelines through the Marie's Hope Program. In addition to meeting financial guidelines, participating women must be age 40 or older, have no breast disease symptoms or current or previous breast cancer, and not have had a mammogram within the prior 12 months. Marie's Hope was established in 2001 to provide key women's health screenings to uninsured women who meet the necessary guidelines. Services include clinical breast exams, mammograms and PAP smears. The program honors former Saint John's Hospital Vice President Sister Marie Bush, CSC.

Community Benefit Cash and In-Kind Contributions

In addition to the outreach programs operated by the hospital, the hospital makes cash and in-kind donations to a variety of community organizations focused on improving health status in the community. These take the form of cash donations to outside organizations, the donation of employee time/services to outside organizations and the representation of the hospital on community boards and committees working to improve health status and quality of life within the community.

Community Building Activities

Research shows that social determinants and quality of life play a major role in the health status of individuals and communities.

Community building activities, which focus on improving the quality of life within a community, ultimately influence and improve health status.

Tailgate Food Distribution

St.Vincent Anderson Regional Hospital associates spent work time distributing free food to Madison County families in need at a Tailgate Distribution event. The food was provided by Second Harvest Food Bank of East Central Indiana. In fiscal year 2013, approximately 200 families received food at this Tailgate Distribution.

St.Vincent Health STAR Intensive Program

The St.Vincent STAR (Special Talents to Achieve and Rise) program is a highly successful, life-transforming job and life skills development program that reaches out to individuals with significant barriers to employment. In response to requests from other St.Vincent ministries to replicate the Indianapolis based program in order to serve individuals from their own communities, the STAR Intensive program was developed in 2009. Each participating St.Vincent ministry works with community organizations and STAR staff to select candidates to participate in the eight-week program, with two weeks of in-class training in Indianapolis, and six weeks mentorship at their local St.Vincent ministry. STAR graduates are not guaranteed positions with St.Vincent ministries. During fiscal year 2013, eight individuals from St.Vincent communities in Central Indiana enrolled in the STAR Intensive program, including one individual from Madison County. This student mentored in the St.Vincent Anderson Regional Hospital Security Department and later secured a full-time position with an outside company that is contracted

Part VI Supplemental Information

with the hospital.

Community Building Cash and In-kind Contributions

The hospital makes cash and in-kind donations to a variety of community organizations focused on building the community. These take the form of cash donations to outside organizations, the donation of employee time/services to outside organizations and the representation of the hospital on community boards and committees working to improve infrastructure for the community.

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 St.Vincent Anderson Regional Hospital, Inc.

Employer identification number 46-0877261

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? [X] 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.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC 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
Ascension Health PO Box 45998 St. Louis, MO 63145	31-1662309	501(c)(3)	6,493.	0.			CDMS reblending
St.Vincent Medical Group, Inc. 8333 Naab Road, Ste 200 Indianapolis, IN 46260	27-2039417	501(c)(3)	5,803,775.	0.			General support for Physician Network group and clear intercompany balances

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

3 Enter total number of other organizations listed in the line 1 table ▶ 0.

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule I (Form 990) (2012)

232101
12-18-12

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.

Schedule I, Part I, Line 2: The finance committee ensures that funds are distributed appropriately according to Ascension Health's strategic business plan and consistent with corporate policies and procedures.

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 990-EZ 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: St.Vincent Anderson Regional Hospital, Inc.

Employer identification number: 46-0877261

Form 990, Part III, Line 1, Description of Organization Mission:

without regard to patient race, creed, national origin, economic status, insurance status or ability to pay. This mission extends well beyond the provision of core medical services to encompass medical and scientific research programs, the training and educating of health care professionals and active support of community-based partnerships and programs to improve health and quality of life.

Form 990, Part VI, Section A, line 6: St.Vincent Anderson Regional Hospital, Inc. has a single corporate member, St.Vincent Health, Inc.

Form 990, Part VI, Section A, line 7a: St.Vincent Anderson Regional Hospital, Inc. has a single corporate member, St.Vincent Health, Inc. who has the ability to elect members to the governing body of St.Vincent Anderson Regional Hospital, Inc.

Form 990, Part VI, Section A, line 7b: All decisions that have a material impact to St.Vincent Anderson Regional Hospital, Inc.'s financial information or corporation as a whole are subject to approval by its sole corporate member, St.Vincent Health, Inc.

Form 990, Part VI, Section B, line 11: Management, including certain officers, works diligently to complete the Form 990 and attached schedules in a thorough manner. Management presents the Form 990 to a designated committee of the Board to review and answer any questions. Prior to filing the returns, all Board members are provided the Form 990 and management

team members are available to answer any Board member questions.

Form 990, Part VI, Section B, Line 12c: The organization regularly and consistently monitors and enforces compliance with the conflict of interest policy in that any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of the committee with governing board delegated powers considering the proposed transaction or arrangement. The remaining individuals on the governing board or committee meeting will decide if conflicts of interest exist. Each director, principal officer and member of a committee with governing board delegated powers annually signs a statement which affirms such person has received a copy of the conflicts of interest policy, has read and understands the policy, has agreed to comply with the policy, and understands that the organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish its tax exempt purpose.

Form 990, Part VI, Section B, Line 15: Compensation determinations of St.Vincent Anderson Regional Hospital, Inc.'s CEO, executive director or top management official are made by a compensation committee of St.Vincent Anderson Regional Hospital, Inc. and/or St.Vincent Health, Inc. In determining compensation of the organization's CEO, executive director, or top management official, the process included a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision. The board, in executive session, reviewed and approved the compensation. In review of the compensation, the CEO,

executive director, and top management were compared to other hospitals in the area that hold the same position. During the review and approval of the compensation, documentation of the decision was recorded in the board minutes. Individuals were not present when their compensation was decided.

Compensation determinations of St.Vincent Anderson Regional Hospital, Inc.'s other officers or key employees are made by a compensation committee of St.Vincent Anderson Regional Hospital, Inc. and/or St.Vincent Health, Inc. In determining compensation of other officers or key employees of the organization, the process included a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision. The board, in executive session, reviewed and approved the compensation. In the review of the compensation, the other officers or key employees of the organization were compared to other hospitals' employees in the area that hold the same position. During the review and approval of the compensation, documentation of the decision was recorded in the board minutes.

Form 990, Part VI, Section C, Line 19: The organization will provide any documents open to public inspection upon request.

Part VII, Section A, Columns D, E and F:
There is no calendar year ending within St.Vincent Anderson Regional Hospital, Inc.'s fiscal year and no W-2's were issued during the initial short year from January 1, 2013 through June 30, 2013. Therefore, no compensation is being reported for those officers, directors, and trustees listed in Part VII.

Name of the organization St.Vincent Anderson Regional Hospital, Inc.

Employer identification number 46-0877261

Form 990, Part XI, line 9, Changes in Net Assets:

Asset transfer from St.Vincent Madison County Health System, Inc. 106,504,077.

Part IV, Line 24A:

Tax Exempt Bond Issuance

St.Vincent Anderson Regional Hospital, Inc. is a health facility that is part of Ascension Health System. Ascension Health is the borrower for tax exempt hospital revenue bonds. St.Vincent Anderson Regional Hospital, Inc. holds an intercompany note payable with Ascension Health, and this information is reported on the balance sheet.

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: St.Vincent Anderson Regional Hospital, Inc.

Employer identification number: 46-0877261

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
Ascension Health - 31-1662309 PO Box 45998 St Louis, MO 63145	National health system	Missouri	501(C)(3)	11A, I	Ascension Health Alliance		X
Central Indiana Health System Cardiac Services, Inc. - 35-1869951, 2001 W 86th Street, Indianapolis, IN 46260	Freestanding outpatient center	Indiana	501(C)(3)	11C, III-FI	St.Vincent Hospital & Health Care Center, Inc.	X	
Jubilee Partnerships, Inc. - 35-2060765 2301 N Park Avenue Indianapolis, IN 46205	Outreach activities	Indiana	501(C)(3)	1	St.Vincent Hospital & Health Care Center, Inc.	X	
Rehabilitation Hospital of Indiana, Inc. - 35-1786005, 4141 Shore Drive, Indianapolis, IN 46254	Rehabilitation hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	

Part II Continuation of Identification of Related Tax-Exempt Organizations

(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 organization? Yes	(g) No
St.Vincent Anderson Regional Hospital Foundation, Inc. - 35-2053693, 2015 Jackson Street, Anderson, IN 46016	Supporting organization	Indiana	501(C)(3)	11A, I	St.Vincent Anderson Regional Hospital, Inc.	X	
St.Joseph Hospital & Health Center, Inc. - 35-0992717, 1907 W Sycamore Street, Kokomo, IN 46901	Hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Joseph Foundation of Kokomo, Indiana, Inc. - 23-7313206, 1907 W Sycamore Street, Kokomo, IN 46901	Supporting organization	Indiana	501(C)(3)	11A, I	St.Joseph Hospital & Health Center, Inc.	X	
St.Vincent Carmel Hospital, Inc. - 74-3107055, 13500 N Meridian Street, Carmel, IN 46032	Hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Clay Hospital, Inc. - 35-2112529 1206 E National Avenue Brazil, IN 47834	Critical access hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Dunn Hospital, Inc. - 27-2192831 1600 23rd Street Bedford, IN 47421	Critical access hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Fishers Hospital, Inc. - 45-4243702, 13861 Olio Road, Fishers, IN 46037	Hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Frankfort Hospital, Inc. - 35-2099320, 1300 S Jackson, Frankfort, IN 46041	Critical access hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Frankfort Hospital Foundation, Inc. - 35-1531734, 1300 S Jackson, Frankfort, IN 46041	Supporting organization	Indiana	501(C)(3)	11A, I	St.Vincent Frankfort Hospital, Inc.	X	
St.Vincent Health, Inc. - 35-2052591 8425 Harcourt Road Indianapolis, IN 46260	Parent company	Indiana	501(C)(3)	11C, III-FI	Ascension Health		X
St.Vincent Health, Wellness and Preventive Care Institute, Inc. - 46-1227327, 8333 Naab Road, Ste 301, Indianapolis, IN 46260	Health and wellness services	Indiana	501(C)(3)	9	St.Vincent Health, Inc.	X	
St.Vincent Hospital and Health Care Center, Inc. - 35-0869066, 2001 W 86th Street, Indianapolis, IN 46260	Hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	

Part II Continuation of Identification of Related Tax-Exempt Organizations

(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 organization? Yes	(g) No
St.Vincent Hospital Foundation, Inc. - 35-6088862, 10330 N Meridian Street, Ste 430N, Indianapolis, IN 46290	Supporting organization	Indiana	501(C)(3)	11A, I	St.Vincent Hospital & Health Care Center, Inc.	X	
St.Vincent Jennings Hospital, Inc. - 35-1841606, 301 Henry Street, North Vernon, IN 47265	Critical access hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Madison County Health System, Inc. - 35-0876389, 1331 South A Street, Elwood, IN 46036	Hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Medical Group, Inc. - 27-2039417 8425 Harcourt Road Indianapolis, IN 46260	Physician professional services	Indiana	501(C)(3)	9	St.Vincent Health, Inc.	X	
St.Vincent Mercy Hospital Foundation, Inc. - 31-1066871, 1331 South A Street, Elwood, IN 46036	Supporting organization	Indiana	501(C)(3)	11A, I	St.Vincent Madison County Health System,	X	
St.Vincent New Hope, Inc. - 35-1733591 8450 N Payne Road Indianapolis, IN 46260	Intermediate care facility	Indiana	501(C)(3)	9	St.Vincent Health, Inc.	X	
St.Vincent Pediatric Rehab Center, Inc. - 35-2048898, 1707 W 86th Street, Indianapolis, IN 46260	Specialty hospital	Indiana	501(C)(3)	3	St.Vincent Hospital & Health Care Center, Inc.	X	
St.Vincent Randolph Hospital, Inc. - 35-2103153, 473 Greenville Avenue, Winchester, IN 47394	Critical access hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Randolph Hospital Foundation, Inc. - 35-2133006, 473 Greenville Avenue, Winchester, IN 47394	Supporting organization	Indiana	501(C)(3)	11A, I	St.Vincent Randolph Hospital, Inc.	X	
St.Vincent Salem Hospital, Inc. - 27-0847538 911 N Shelby Street Salem, IN 47167	Critical access hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Seton Specialty Hospital, Inc. - 35-1712001, 8050 Township Line Road, Indianapolis, IN 46260	Long term care hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	
St.Vincent Williamsport Hospital, Inc. - 35-0784551, 412 N Monroe Street, Williamsport, IN 47993	Critical access hospital	Indiana	501(C)(3)	3	St.Vincent Health, Inc.	X	

Part II Continuation of Identification of Related Tax-Exempt Organizations

(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 organization? Yes	(g) No
St.Vincent Williamsport Hospital Foundation, Inc. - 74-3130159, 412 N Monroe Street, Williamsport, IN 47993	Supporting organization	Indiana	501(C)(3)	11A, I	St.Vincent Williamsport Hospital, Inc.	X	
SVSM, Inc. - 81-0607827 2001 W 86th Street Indianapolis, IN 46260	Holding company	Indiana	501(C)(3)	11A, I	St.Vincent Health, Inc.	X	
St. Mary's At Home, Inc. - 35-1899560 3700 Washington Avenue Evansville, IN 47750	DME/Home care	Indiana	501(C)(3)	11A, I	St. Mary's Health Services, Inc.	X	
St. Mary's Building Corporation - 23-7248362 3700 Washington Avenue Evansville, IN 47750	Real estate holding company	Indiana	501(C)(2)		St. Mary's Health Services, Inc.	X	
St. Mary's Warrick Emergency Medical Services, Inc. - 20-5342518, 3700 Washington Avenue, Evansville, IN 47750	Ambulance services	Indiana	501(C)(4)		St. Mary's Health Services, Inc.	X	
St. Mary's Health, Inc. - 35-2057801 3700 Washington Avenue Evansville, IN 47750	Health ministry parent	Indiana	501(C)(3)	11C, III-FI	St.Vincent Health, Inc.	X	
St. Mary's Physician Network, LLC - 20-5023387, 3700 Washington Avenue, Evansville, IN 47750	Physician professional services	Indiana	501(C)(3)	9	St. Mary's Medical Group, LLC	X	
St. Mary's Health Services, Inc. - 35-1679526, 3700 Washington Avenue, Evansville, IN 47750	Investment services	Indiana	501(C)(3)	11C, III-FI	St. Mary's Health, Inc.	X	
St. Mary's CARE Partners, Inc. - 35-1899562 3700 Washington Avenue Evansville, IN 47750	Tax-exempt affiliate reimbursements	Indiana	501(C)(3)	11A, I	St. Mary's Health, Inc.	X	
St. Mary's Medical Center Foundation of Evansville, Inc. - 23-7045370, 3700 Washington Avenue, Evansville, IN 47750	Supporting organization	Indiana	501(C)(3)	11A, I	St. Mary's Medical Center of Evansville, Inc.	X	
St. Mary's Medical Center of Evansville, Inc. - 35-0869065, 3700 Washington Avenue, Evansville, IN 47750	Hospital	Indiana	501(C)(3)	3	St. Mary's Health Services, Inc.	X	
St. Mary's Warrick Hospital Foundation, Inc. - 35-1961890, 1116 Millis Avenue, Boonville, IN 47601	Supporting organization	Indiana	501(C)(3)	11A, I	St. Mary's Warrick Hospital, Inc.	X	

Part II **Continuation of Identification of Related Tax-Exempt Organizations**

(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 organization? Yes	(g) No
St. Mary's Warrick Hospital, Inc. - 35-1343019, 1116 Millis Avenue, Boonville, IN 47601	Hospital	Indiana	501(C)(3)	3	St. Mary's Health Services, Inc.	X	
St. Mary's Ohio Valley Heartcare, LLC - 27-3474697, 901 St. Mary's Drive, Evansville, IN 47714	Cardiology services	Indiana	501(C)(3)	11A, I	St. Mary's Medical Group, LLC	X	
St. Mary's Physicians' Health Group, LLC - 26-1356310, 3700 Washington Avenue, Evansville, IN 47750	Physician professional services	Indiana	501(C)(3)	9	St. Mary's Medical Group, LLC	X	
Primary Physician Network, LLC - 20-8775914 3700 Washington Avenue Evansville, IN 47750	Physician professional services	Indiana	501(C)(3)	9	St. Mary's Medical Group, LLC	X	

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) Disproportionate allocations? Yes	(h) Disproportionate allocations? No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) General or managing partner? No	(k) Percentage ownership
Breast MRI Leasing Company, LLC - 42-6662493, 10330 N Meridian St, Ste 430N, Indianapolis, IN 46290	Sale and rental services	IN	St.Vincent Hospital and Health Care Center, Inc.	Related	230,642.	43,329.		X	N/A	X		50.00%
Carmel Ambulatory Surgery Center, LLC - 32-0014795, 13421 Old Meridian St, Ste 150, Carmel, IN 46032	Ambulatory surgery center	IN	St.Vincent Carmel Hospital, Inc.	Related	5,892,459.	1,896,555.		X	N/A	X		45.00%
Cooperative Managed Care Services, LLC - 35-1999227, 9045 River Road, Ste 250, Indianapolis, IN 46240	Case management	IN	St.Vincent Hospital and Health Care Center, Inc.	Unrelated	212,659.	2,119,265.		X	N/A	X		50.00%
Endoscopy Center, LLC - 32-0029881, 13421 Old Meridian St, Ste 150, Carmel, IN 46032	Endoscopy center	IN	St.Vincent Carmel Hospital, Inc.	Related	681,952.	357,300.		X	N/A		X	51.00%

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) Section 512(b)(13) controlled entity? No
SVH Real Estate, Inc. - 20-5002285 8425 Harcourt Road Indianapolis, IN 46260	Real estate holding company	IN	St.Vincent Health, Inc.	C CORP	2,784.	2,969,423.	100.00%	X	
St. Mary's Medical Group, Inc. - 35-2076827 3700 Washington Avenue Evansville, IN 47750	Investment	IN	St. Mary's Health Services, Inc.	C CORP	-641,423.	742.	100.00%	X	

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(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) Disproportionate 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
Hancock Physician Network, LLC - 35-2051598, 801 N State Street, Greenfield, IN 46140	Primary care physician practices	IN	St.Vincent Hospital and Health Care Center, Inc.	Related	-2,692,272.	2,094,475.		X	N/A	X		50.00%
HCH SVH Cath Lab Services, LLC - 45-2087950, 1000 N 16th Street, New Castle, IN 47362	Cath lab services	IN	St.Vincent Health, Inc.	Related	-229,738.	1,629,927.		X	N/A	X		50.00%
Meridian Heights Associates, LLC - 26-4020296, 6100 W 96th Street, Ste 250, Indianapolis, IN 46278	Real estate holding	IN	St.Vincent Carmel Hospital, Inc.	Related	0.	3,029,284.		X	N/A	X		50.00%
Neuro Oncology Equipment, LLC - 74-3103803, 10330 N Meridian St, Ste 430N, Indianapolis, IN 46290	Sale and rental services	IN	St.Vincent Hospital and Health Care Center, Inc.	Related	151,678.	1,684,704.		X	N/A	X		50.00%
St.Vincent Health/USP, LLC - 20-3749962, 15305 Dallas Pkwy, Ste 1600, Addison, TX 75001	Ambulatory surgery center	IN	St.Vincent Health, Inc.	Related	136,436.	387,939.		X	N/A	X		50.00%
St.Vincent Heart Center of Indiana, LLC - 36-4492612, 10580 N Meridian Street, Indianapolis, IN 46290	Heart hospital	IN	Central Indiana Health System Cardiac Services, Inc.	Related	20,552,234.	78,811,464.		X	N/A		X	74.08%
Women's Physician Surgery Center, LLC - 35-2086841, 8081 Township Line Road, Indianapolis, IN 46260	Ambulatory surgery center	IN	St.Vincent Hospital and Health Care Center, Inc.	Related	-11,530.	252,917.		X	N/A		X	58.90%
Ambulatory Care Center, LLC - 35-2006018, 1125 Professional Blvd, Evansville, IN 47714	OP Surgery	IN	St. Mary's Health Services, Inc.	Related	4,879,396.	4,549,444.		X	N/A	X		50.00%
Seton Health Services, LLC - 27-0451316, 3700 Washington Avenue, Evansville, IN 47750	Equipment rental	IN	St. Mary's Health Services, Inc.	Related	36,943.	99,375.		X	N/A	X		50.00%

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(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) Disproportionate 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
St. Mary's Peripheral Vascular Services Management Co., LLC - 20-5062635, 3700 Washington Avenue,	Management services	IN	St. Mary's Medical Center of Evansville, Inc.	Related	211,137.	156,690.		X	N/A	X		75.00%

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

			Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.				
1 During the tax year, did the organization 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		X
b Gift, grant, or capital contribution to related organization(s)		1b	X	
c Gift, grant, or capital contribution from related organization(s)		1c	X	
d Loans or loan guarantees to or for related organization(s)		1d		X
e Loans or loan guarantees by related organization(s)		1e		X
f Dividends from related organization(s)		1f		X
g Sale of assets to related organization(s)		1g		X
h Purchase of assets from related organization(s)		1h		X
i Exchange of assets with related organization(s)		1i		X
j Lease of facilities, equipment, or other assets to related organization(s)		1j		X
k Lease of facilities, equipment, or other assets from related organization(s)		1k		X
l Performance of services or membership or fundraising solicitations for related organization(s)		1l		X
m Performance of services or membership or fundraising solicitations by related organization(s)		1m		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		1n		X
o Sharing of paid employees with related organization(s)		1o		X
p Reimbursement paid to related organization(s) for expenses		1p		X
q Reimbursement paid by related organization(s) for expenses		1q		X
r Other transfer of cash or property to related organization(s)		1r		X
s Other transfer of cash or property from related organization(s)		1s	X	

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)	St.Vincent Anderson Regional Hospital Foundation, Inc.	C	253,736.	Fair market value
(2)	St.Vincent Medical Group, Inc.	B	5,803,775.	Fair market value
(3)	St.Vincent Madison County Health System, Inc.	S	16,504,077.	Fair market value
(4)				
(5)				
(6)				

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 sec 501(c)(3) orgs ? Yes	(e) No	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part VII Supplemental Information

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

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization (Including Information on Listed Property)

990

▶ 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
St.Vincent Anderson Regional Hospital, Inc.	Form 990 Page 10	46-0877261

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	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	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

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	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.)**

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

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 instr.	22	2,338,427.
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						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		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
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.

	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 the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

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:					
43 Amortization of costs that began before your 2012 tax year				43	1,550.
44 **Total.** Add amounts in column (f) See the instructions for where to report				44	1,550.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	ST.VINCENT ANDERSON REGIONAL HOSPITAL, INC.	46-0877261
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	2015 JACKSON STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	ANDERSON, IN 46016	

Enter the Return code for the return that this application is for (file a separate application for each return) . . . . . [0][1]

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ DONALD APPLE 2015 JACKSON STREET - ANDERSON, IN 46016
  Telephone No. ▶ (765) 646-8132 FAX No. ▶
- If the organization does not have an office or place of business in the United States, check this box . . . ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ▶ ☐ If it is for part of the group, check this box ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until MAY 15, 2014.

5 For calendar year _____, or other tax year beginning JAN 1, 2013, and ending JUN 30, 2013.

6 If the tax year entered in line 5 is for less than 12 months, check reason: [X] Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension
ADDITIONAL TIME IS NEEDED TO ENABLE TAXPAYER TO FILE A COMPLETE AND ACCURATE RETURN

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$	0.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$	0.
c	**Balance due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$	0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ Samantha Bohori Title ▶ CPA Date ▶ 2/4/14

Form **8868** (Rev. 1-2013)

223842
01-21-13

St. Vincent Health, Inc.

Consolidated Financial Statements
and Supplementary Information

Years Ended June 30, 2013 and 2012

Contents

Ernst & Young LLP
Suite 2600
111 Monument Circle
Indianapolis, IN 46204
Tel: +1 317 681 7000
Fax: +1 317 681 7216
www.ey.com

Report of Independent Auditors

The Board of Directors
St. Vincent Health, Inc.

We have audited the accompanying consolidated financial statements of St. Vincent Health, Inc., which comprise the consolidated balance sheets as of June 30, 2013 and 2012, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of St. Vincent Health, Inc. at June 30, 2013 and 2012, and the consolidated results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

As discussed in Note 1 to the consolidated financial statements, St. Mary's Health, Inc. changed its corporate membership from Ascension Health to St. Vincent Health, Inc.; St. Vincent Health, Inc. retrospectively adjusted its 2012 consolidated financial statements to include the historical operations and historical balances of St. Mary's Health, Inc. for comparative purposes.

As discussed in Note 2 to the consolidated financial statements, St. Vincent Health, Inc. changed the presentation of the provision for bad debts as a result of adopting the amendments to the FASB Accounting Standards Codification resulting from Accounting Standards Update 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowances for Doubtful Accounts for Certain Health Care Entities*, effective July 1, 2012.

Ernst + Young LLP

September 13, 2013

St. Vincent Health, Inc.

Consolidated Balance Sheets
(Dollars in Thousands)

	June 30 2013	2012 As Adjusted
Assets		
Current assets:		
Cash and cash equivalents	$ 49,042	$ 39,436
Short-term investments	33,058	34,820
Interest in investments held by Ascension Health Alliance	–	45,690
Accounts receivable, less allowances for doubtful accounts ($104,389 and $104,451 at June 30, 2013 and 2012, respectively)	357,725	329,165
Current portion of assets limited as to use	2,425	2,647
Estimated third-party payor settlements	9,186	51,162
Inventories	35,044	29,469
Other	49,251	50,945
Total current assets	535,731	583,334
Assets limited as to use and other long-term investments	88,256	78,746
Interest in investments held by Ascension Health Alliance	2,467,563	2,209,977
Property and equipment:		
Land and improvements	78,264	82,656
Building and equipment	1,855,697	1,825,213
Construction in progress	57,894	41,074
Less accumulated depreciation	1,368,515	1,333,775
Total property and equipment, net	623,340	615,168
Other assets:		
Goodwill and other intangible assets	189,675	190,473
Investment in unconsolidated entities	82,832	77,766
Physician guarantee asset	41,779	22,624
Other	35,743	28,586
Total other assets	350,029	319,449
Total assets	$ 4,064,919	$ 3,806,674

	June 30	
	2013	2012 As Adjusted
Liabilities and net assets		
Current liabilities:		
Current portion of long-term debt	$ 6,804	$ 12,892
Accounts payable and accrued liabilities	282,005	311,833
Estimated third-party payor settlements	58,374	47,258
Current portion of self-insurance liabilities	7,413	4,664
Other	18,875	15,535
Total current liabilities	373,471	392,182
Noncurrent liabilities:		
Long-term debt	465,879	472,491
Pension and other postretirement liabilities	100,665	104,665
Physician guarantee liability	41,628	22,557
Other	43,162	35,590
Total noncurrent liabilities	651,334	635,303
Total liabilities	1,024,805	1,027,485
Net assets:		
Unrestricted:		
Controlling interest	2,954,802	2,700,690
Noncontrolling interests	15,766	14,092
Unrestricted net assets	2,970,568	2,714,782
Temporarily restricted – controlling interest	52,357	47,742
Permanently restricted – controlling interest	17,189	16,665
Total net assets	3,040,114	2,779,189
Total liabilities and net assets	$ 4,064,919	$ 3,806,674

See accompanying notes.

St. Vincent Health, Inc.

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

	Year Ended June 30	
	2013	2012 As Adjusted
Operating revenue:		
Net patient service revenue	$ 2,722,974	$ 2,650,242
Less provision for doubtful accounts	115,480	121,071
Net patient service revenue, less provision for doubtful accounts	2,607,494	2,529,171
Other revenue	128,431	122,455
Income from unconsolidated entities, net	20,639	20,741
Net assets released from restrictions for operations	4,595	4,397
Total operating revenue	2,761,159	2,676,764
Operating expenses:		
Salaries and wages	1,074,841	1,061,514
Employee benefits	261,330	251,752
Purchased services	294,490	234,379
Professional fees	139,196	133,501
Supplies	348,610	352,686
Insurance	11,184	10,943
Interest	15,549	18,263
Depreciation and amortization	112,205	101,383
Medicaid tax	98,748	74,073
Other	237,929	235,171
Total operating expenses before impairment, restructuring, and nonrecurring gains (losses), net	2,594,082	2,473,665
Income from operations before impairment, restructuring, and nonrecurring gains (losses), net	167,077	203,099
Impairment, restructuring, and nonrecurring gains (losses), net	(11,499)	69,256
Income from operations	155,578	272,355
Nonoperating gains (losses):		
Investment return	180,105	(41,016)
Income (loss) from unconsolidated entities	796	(2,478)
Other	(8,162)	(6,907)
Total nonoperating gains (losses), net	172,739	(50,401)
Excess of revenues and gains over expenses and losses	328,317	221,954
Less noncontrolling interests	13,479	11,751
Excess of revenues and gains over expenses and losses attributable to controlling interest	314,838	210,203

Continued on next page.

St. Vincent Health, Inc.

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

(Dollars in Thousands)

	Year Ended June 30	
	2013	2012 As Adjusted
Unrestricted net assets, controlling interest:		
Excess of revenues and gains over expenses and losses	$ 314,838	$ 210,203
Pension and other postretirement liability adjustments	4,938	(66,224)
Transfers to sponsor and other affiliates, net	(68,781)	(48,693)
Net assets released from restrictions for property acquisitions	2,857	4,177
Other	260	821
Increase in unrestricted net assets, controlling interest	254,112	100,284
Unrestricted net assets, noncontrolling interest:		
Excess of revenues and gains over expenses and losses	13,479	11,751
Distributions of capital	(11,808)	(11,004)
Other	3	63
Increase in unrestricted net assets, noncontrolling interest	1,674	810
Temporarily restricted net assets, controlling interest:		
Contributions and grants	10,066	9,875
Net change in unrealized gains/losses on investments	1,287	(1,604)
Investment return	1,263	1,599
Net assets released from restrictions	(7,452)	(8,574)
Other	(549)	(767)
Increase in temporarily restricted net assets, controlling interest	4,615	529
Permanently restricted net assets, controlling interest:		
Contributions	331	102
Net change in unrealized gains/losses on investments	85	(117)
Investment return	131	110
Other	(23)	(48)
Increase in permanently restricted net assets, controlling interest	524	47
Increase in net assets	260,925	101,670
Net assets, beginning of the year	2,779,189	2,677,519
Net assets, end of the year	$ 3,040,114	$ 2,779,189

See accompanying notes

St. Vincent Health, Inc.

Consolidated Statements of Cash Flows
(Dollars in Thousands)

	Year Ended June 30 2013	2012 As Adjusted
Operating activities		
Increase in net assets	$ 260,925	$ 101,670
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	112,205	101,383
Provision for doubtful accounts	115,480	121,071
Deferred pension costs	(4,938)	66,224
Interest, dividends, and net (gains) losses on investments	(181,477)	42,737
Loss on sale of assets/defeasance of debt	121	115
Impairment and nonrecurring losses (gains), net	11,499	(69,256)
Transfers to sponsor and other affiliates, net	68,781	48,693
Restricted contributions, investment return, and other	(11,219)	(10,871)
Income from unconsolidated entities, net	(21,435)	(18,263)
Distributions from unconsolidated entities	22,745	23,001
Noncontrolling interest activity	11,805	10,941
(Increase) decrease in:		
Short-term investments	1,762	2,273
Accounts receivable	(144,040)	(139,009)
Inventories and other current assets	(4,075)	(14,261)
Investments, including interest in investments held by Ascension Health Alliance	(36,957)	(200,206)
Other assets	(7,155)	(1,888)
Increase (decrease) in:		
Accounts payable and accrued liabilities	(42,151)	10,369
Estimated third-party payor settlements, net	53,092	(27,097)
Other current liabilities	10,748	(566)
Other noncurrent liabilities	8,450	27,827
Net cash provided by operating activities	224,166	74,887
Investing activities		
Property and equipment and software additions	(122,974)	(122,276)
Proceeds from sale of property and equipment and other assets	4,671	218
Capital contributions to unconsolidated entities	(6,376)	(5,702)
Acquisition of assets	(304)	(5,038)
Net cash used in investing activities	(124,983)	(132,798)
Financing activities		
Issuance of long-term debt	192	–
Repayment of long-term debt	(12,892)	(3,451)
Distributions to noncontrolling interest partners	(11,808)	(11,004)
Other noncontrolling interest activity	3	63
Other financing activities	(7,510)	(7,614)
Transfers to sponsor and other affiliates, net	(68,781)	(48,693)
Restricted contributions, investment return, and other	11,219	10,871
Net cash used in financing activities	(89,577)	(59,828)
Net increase (decrease) in cash and cash equivalents	9,606	(117,739)
Cash and cash equivalents at beginning of year	39,436	157,175
Cash and cash equivalents at end of year	$ 49,042	$ 39,436

See accompanying notes.

1. Organization and Mission

Organizational Structure

St. Vincent Health, Inc. (the Corporation) is a member of Ascension Health. In December 2011, Ascension Health Alliance became the sole corporate member and parent organization of Ascension Health, a Catholic, national health system consisting primarily of nonprofit corporations that own and operate local health care facilities, or Health Ministries, located in 23 of the United States and the District of Columbia. In addition to serving as the sole corporate member of Ascension Health, Ascension Health Alliance serves as the member or shareholder of various other subsidiaries. Ascension Health Alliance, its subsidiaries, and the Health Ministries are referred to collectively from time to time hereafter as the System.

Ascension Health Alliance is sponsored by Ascension Health Ministries, a Public Juridic Person. The participating entities of Ascension Health Ministries are the Daughters of Charity of St. Vincent de Paul in the United States, St. Louise Province; the Congregation of St. Joseph; the Congregation of the Sisters of St. Joseph of Carondelet; the Congregation of Alexian Brothers of the Immaculate Conception Province – American Province; and the Sisters of the Sorrowful Mother of the Third Order of St. Francis of Assisi – US/Caribbean Province.

The Corporation, located in Indianapolis, Indiana, is a nonprofit acute care hospital system. The Corporation's hospitals provide inpatient, outpatient, and emergency care services for the residents of central and southern Indiana, southeastern Illinois, and western Kentucky. Admitting physicians are primarily practitioners in the local area. The Corporation is related to Ascension Health's other sponsored organizations through common control. Substantially all expenses of Ascension Health are related to providing health care services.

The Corporation is continuing to enhance its development as an integrated health care delivery system through relationships and affiliations with other providers, practitioners, and insurers throughout the states of Indiana and Ohio. In this connection, the Corporation has formed separate affiliation arrangements with Cardinal Health System, Inc. (Delaware County) and Columbus Regional Hospital, Inc. (Bartholomew County) to develop joint services in the communities they commonly serve. In addition, the Corporation entered into an agreement with Cincinnati Children's Medical Center to enhance the pediatric subspecialty services to Peyton Manning Children's Hospital at St. Vincent. The Corporation has also entered into an agreement with the Cleveland Clinic to manage the renal transplant program at the St. Vincent Indianapolis Hospital. None of these affiliations have resulted in significant asset transfers and have not resulted in consolidation of the related entities.

1. Organization and Mission (continued)

The Corporation includes the following not-for-profit hospitals and health care entities:

Acute Care Hospitals:

St. Vincent Hospital and Health Care Center, Inc., d/b/a St. Vincent Hospital and Health Services (SVHHS) includes the following hospitals in Indianapolis, Indiana:

St. Vincent Indianapolis Hospital
St. Vincent Women's Hospital
St. Vincent Stress Center
St. Vincent Medical Center Northeast
Peyton Manning Children's Hospital at St. Vincent

- *St. Vincent Carmel Hospital, Inc. (St. Vincent Carmel)*: Carmel, Indiana.
- *St. Joseph Hospital & Health Center, Inc. (St. Joseph-Kokomo)*: Kokomo, Indiana.
- *St. Vincent Anderson Regional Hospital, Inc. (formerly Saint John's Health System (Anderson))*: Anderson, Indiana.
- *St. Vincent Seton Specialty Hospital, Inc. (Seton)*: Seton is a long-term acute care hospital with locations in Indianapolis and Lafayette, Indiana.
- *St. Mary's Medical Center of Evansville, Inc. (SMMC):* SMMC is an acute care hospital located in Evansville, Indiana.
- *St. Vincent Fishers Hospital, Inc.* (Fishers): Fishers, Indiana.

The following acute care facilities are designated by Medicare as critical access hospitals:

- *St. Vincent Williamsport Hospital, Inc. (Williamsport):* Williamsport is an acute care hospital located in Williamsport, Indiana.
- *St. Vincent Jennings Hospital, Inc. (Jennings):* Jennings is an acute care hospital located in North Vernon, Indiana.
- *St. Vincent Frankfort Hospital, Inc. (Frankfort):* Frankfort is an acute care hospital located in Frankfort, Indiana.
- *St. Vincent Randolph Hospital, Inc. (Randolph):* Randolph is an acute care hospital located in Winchester, Indiana.
- *St. Vincent Clay Hospital, Inc. (Clay):* Clay is an acute care hospital located in Brazil, Indiana.
- *St. Vincent Mercy Hospital (Mercy):* Mercy is an acute care hospital located in Elwood, Indiana.

1. Organization and Mission (continued)

- *St. Vincent Salem Hospital, Inc. (Salem):* Salem is an acute care hospital located in Salem, Indiana.
- *St. Vincent Dunn Hospital, Inc. (Dunn):* Dunn is an acute care hospital located in Bedford, Indiana.
- *St. Mary's Warrick Hospital, Inc. (Warrick):* Warrick is an acute care hospital located in Boonville, Indiana.

Physician Groups:

- *St. Vincent Medical Group, Inc. (SVMG):* SVMG is the Corporation's multi-specialty physician network consisting of primary care, cardiology physicians, cardiovascular surgeons, remote care management, and other specialists located in Indianapolis, Indiana.

- *St. Mary's Medical Group, LLC (SMMG):* SMMG is St. Mary's parent company for four physician groups that include primary care, specialty care, internal medicine, cardiology physicians, and cardiovascular surgeons located in Evansville, Indiana.

Other Health Care Entities:

- *Central Indiana Health System Cardiac Services, Inc. (CIHSCS)*: CIHSCS is a 49% joint venture partner in Lafayette Heart Program Holdings, LLC, a cardiac program in Lafayette, Indiana. CIHSCS also owns a controlling 74.1% of St. Vincent Heart Center of Indiana, LLC (SVHCI), a freestanding cardiac hospital in Carmel, Indiana.

- *St. Vincent Hospital Foundation, Inc., St. Mary's Medical Center Foundation, Inc., St. Mary's Warrick Hospital Foundation, Inc., St. Vincent Anderson Regional Hospital Foundation, Inc. (formerly Saint John's Foundation, Inc.), St. Joseph Foundation of Kokomo, Indiana, Inc., St. Vincent Frankfort Hospital Foundation, Inc., St. Vincent Randolph Hospital Foundation, Inc., St. Vincent Williamsport Hospital Foundation, Inc., St. Vincent Jennings Hospital Foundation, Inc., St. Vincent Clay Hospital Foundation, Inc., and St. Vincent Mercy Hospital Foundation, Inc. (collectively, the Foundations):* The Foundations provide fund-raising efforts to support the charitable, religious, scientific, and educational purposes of charitable works of SVHHS, SMMC, Anderson, St. Joseph-Kokomo, Frankfort, Randolph, Williamsport, Jennings, Clay, Mercy, and other health facilities in accordance with the mission and values of Ascension Health.

1. Organization and Mission (continued)

- *St. Vincent Health, Inc. (SVH)*: SVH provides the corporate support functions for the Corporation.

- *St. Mary's Health, Inc. (St. Mary's):* St. Mary's provides corporate office support functions for St. Mary's companies in Evansville, Indiana.

- *St. Vincent New Hope, Inc. (New Hope)*: New Hope is a residential treatment facility primarily providing residential and rehabilitation services for adults with a variety of developmental disabilities and is located in Indianapolis, Indiana.

- *SVH Real Estate, Inc.(SVH Real Estate):* SVH Real Estate is a real estate holding company that holds land for future expansion of health care services and operates a medical office building that provides health care services.

- *St. Vincent Health, Wellness and Preventive Care Institute, Inc. (Wellness)*: Wellness is a public benefit corporation established to provide health, wellness, and preventive care services to patients primarily in central and southern Indiana.

- *Quality Healthcare Solutions, LLC DBA Navion Healthcare Solutions (Navion)*: Navion aims to optimize patient care with its physicians and hospital partners by advancing quality, improving operational performance, and reducing costs through data-driven solutions. Navion's services include data management and abstraction, performance improvement, service line management, and consulting.

- *St. Mary's At Home, Inc. (SMAH):* SMAH is a home health organization that provides nursing and therapy services.

- *St. Mary's Building Corporation (SMBC)*: SMBC manages the St. Mary's office buildings.

- *St. Mary's Breast Center, LLC (SMFW):* SMFW provides breast screenings and diagnostic services and an array of women's wellness services.

- *Ambulatory Care Center, LLC (ACC):* ACC is a consolidated joint venture with Evansville area physicians, which provides outpatient surgery services.

1. Organization and Mission (continued)

- *St. Mary's Acute Dialysis Services, LLC (SMAD):* SMAD provides inpatient acute dialysis services.
- *St. Mary's Peripheral Vascular Services, LLC (PV Lab):* PV Lab provides peripheral vascular services to patients.
- *St. Mary's CARE Partners, Inc. (Care Partners):* Care Partners is a clinically integrated physician hospital organization.
- *St. Mary's Warrick EMS, Inc. (EMS):* EMS provides ambulance services.

Acquisitions and Change in Corporate Membership

As of July 1, 2012, St. Mary's Health System of Americas, Inc. changed its name to St. Mary's Health, Inc. St. Mary's changed its corporate membership from Ascension Health to St. Vincent Health, Inc. The Corporation retrospectively adjusted its 2012 consolidated financial statements to include the historical operations and historical balances of St. Mary's for comparative purposes. This adjustment increased the 2012 income from operations by $62,347, excess of revenues and gains over expenses and losses by $53,857, total assets by $696,182, total liabilities by $248,201, and net assets by $447,981.

The Corporation purchased CorVasc MD's, PC (CorVasc), a cardiovascular physician group, effective July 1, 2011, for a total purchase price of $2,907. CorVasc is operated under the Corporation's subsidiary SVMG.

The Corporation purchased Women's Health Alliance, PC (WHA) and Coest Laboratories, Inc. (COEST) effective April 1, 2012, for a total purchase price of $1,548. WHA is a group of obstetrics and gynaecology physicians. WHA and COEST are operated under the Corporation's subsidiary St. Vincent Carmel.

Consistent with the Corporation's policy and historical practice, the Corporation utilized independent third-party appraisers and advisors in estimating the fair market value of acquired assets and liabilities assumed, as well as the commercial reasonableness of the transactions.

1. Organization and Mission (continued)

Mission

The System directs its governance and management activities toward strong, vibrant, Catholic Health Ministries united in service and healing and dedicates its resources to spiritually centered care that sustains and improves the health of the individuals and communities it serves. In accordance with the System's mission of service to those persons living in poverty and other vulnerable persons, each Health Ministry accepts patients regardless of their ability to pay. The System uses four categories to identify the resources utilized for the care of persons living in poverty and community benefit programs:

- Traditional charity care includes the cost of services provided to persons who cannot afford health care because of inadequate resources and/or who are uninsured or underinsured.

- Unpaid cost of public programs, excluding Medicare, represents the unpaid cost of services provided to persons covered by public programs for persons living in poverty and other vulnerable persons.

- Cost of other programs for persons living in poverty and other vulnerable persons includes unreimbursed costs of programs intentionally designed to serve the persons living in poverty and other vulnerable persons of the community, including substance abusers, the homeless, victims of child abuse, and persons with acquired immune deficiency syndrome.

- Community benefit consists of the unreimbursed costs of community benefit programs and services for the general community, not solely for the persons living in poverty, including health promotion and education, health clinics and screenings, and medical research.

Discounts are provided to all uninsured patients, including those with the means to pay. Discounts provided to those patients who did not qualify for assistance under charity care guidelines are not included in the cost of providing care of persons living in poverty and community benefit programs. The cost of providing care to persons living in poverty and community benefit programs is estimated using internal cost data and is calculated in compliance with guidelines established by both the Catholic Health Association and the Internal Revenue Service.

1. Organization and Mission (continued)

The amount of traditional charity care provided, determined on the basis of cost, was approximately $86,052 and $83,107 for the years ended June 30, 2013 and 2012, respectively. The amount of unpaid cost of public programs, cost of other programs for persons living in poverty and other vulnerable persons, and community benefit cost are reported in the accompanying supplementary information.

2. Significant Accounting Policies

Principles of Consolidation

All corporations and other entities for which operating control is exercised by the Corporation or one of its member corporations are consolidated, and all significant inter-entity transactions have been eliminated in consolidation. Investments in entities where the Corporation does not have operating control are recorded under the equity or cost method of accounting. For entities recorded under the equity or cost method of accounting, the following table reflects the Corporation's interest in unconsolidated entities in the consolidated balance sheets, as well as income or loss for such entities included in the consolidated excess of revenues and gains over expenses and losses in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

The Corporation's equity in the net income (loss) of unconsolidated entities is recorded in other operating revenue if the investment relates to providing health care services and is recorded in other nonoperating gains (losses) if the investment relates to activities not related to providing health care services. The Corporation recorded $20,639 and $20,741 in other operating revenue for the years ended June 30, 2013 and 2012, respectively. The Corporation recorded $796 and $(2,478) in other nonoperating gains (losses) for the years ended June 30, 2013 and 2012, respectively.

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

	Investment Recorded in Consolidated Balance Sheets as of June 30		Effect on Consolidated Excess of Revenues and Gains Over Expenses and Losses for the Year Ended June 30	
	2013	2012	2013	2012
Mid America Clinical Laboratories, LLC	$ 7,124	$ 5,664	$ 2,996	$ 2,659
Naab Road Surgery Center, LLC	1,491	1,678	3,080	3,356
The Surgery Center of Indianapolis, LLC	1,910	1,735	2,634	2,411
Advantage Health Solutions, Inc.	9,214	6,237	1,352	(2,143)
Carmel Ambulatory Surgery Center, LLC	1,444	2,008	4,812	5,785
Lafayette Heart Program Holdings, LLC	8,000	8,000	884	–
Indiana Orthopaedic Hospital, LLC	40,475	39,824	6,784	6,012
Rehabilitation Hospital of Indiana, Inc.	2,050	1,569	481	1,356
Other	11,124	11,051	(1,588)	(1,173)
	$ 82,832	$ 77,766	$ 21,435	$ 18,263

The Corporation purchased an equity interest in Indiana Orthopaedic Hospital, LLC effective October 23, 2009, for a purchase price of $40,000. The transaction resulted in $37,788 of goodwill. As of July 1, 2010, the remaining goodwill balance of $36,109 is no longer amortized and is maintained within the investment in unconsolidated entities in the accompanying Consolidated Balance Sheets.

Use of Estimates

Management has made estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

Fair Value of Financial Instruments

Carrying values of financial instruments classified as current assets and current liabilities approximate fair value. The fair values of financial instruments classified as other than current assets and current liabilities are disclosed in the Fair Value Measurements, Long-Term Debt, Pension Plans, and Related-Party Transactions notes.

2. Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and interest-bearing deposits with original maturities of three months or less.

Interest in Investments held by Ascension Health Alliance, Investments and Investment Return

Prior to April 2012, the Corporation held a significant portion of its investments through the Ascension Legacy Portfolio (formerly the Health System Depository, or HSD), an investment pool of funds in which the System and a limited number of nonprofit health care providers participated. The Ascension Legacy Portfolio investments were managed primarily by external investment managers within established investment guidelines. The value of the Corporation's investment in the Ascension Legacy Portfolio represented the Corporation's pro rata share of the Ascension Legacy Portfolio's funds held for participants.

During the year ended June 30, 2012, the CHIMCO Alpha Fund, LLC (Alpha Fund) was created to hold primarily all investments previously held through the Ascension Legacy Portfolio. Catholic Healthcare Investment Management Company (CHIMCO), a wholly owned subsidiary of Ascension Health Alliance, acts as a manager and serves as the principal investment advisor for the Alpha Fund, overseeing the investment strategies offered to the Alpha Fund's members. In April 2012, a significant portion of the assets in the Ascension Legacy Portfolio was transferred to the Alpha Fund, in which Ascension Health Alliance has an investment interest, as a member of the Alpha Fund. Ascension Health Alliance invests funds in the Alpha Fund on behalf of the Corporation. As of June 30, 2013 and 2012, the Corporation has an interest in investments held by Ascension Health Alliance, which is reflected in the Consolidated Balance Sheets, and represents the Corporation's pro rata share of Ascension Health Alliance's investment interest in the Alpha Fund.

The Corporation also invests in cash and short-term investments, U.S. government obligations, corporate obligations, marketable equity securities, international securities, and real estate investments that are locally managed. Most of these funds are held in locally managed foundations where the Corporation has control over foundation assets.

2. Significant Accounting Policies (continued)

The Corporation reports its interest in investments held by Ascension Health Alliance in the accompanying Consolidated Balance Sheets as short or long term, based on liquidity needs, which, prior to June 30, 2013, were directed by the Corporation and as of June 30, 2013, are directed by Ascension Health Alliance. The Corporation's interest in investments held by Ascension Health Alliance are also classified based on whether such investments are restricted by law or donors or designated for specific purposes by a governing body of the Corporation. The Corporation reports its other investments, including Foundation investments in the accompanying Consolidated Balance Sheets based upon the long or short term nature of the investments and whether such investments are restricted by law or donors or designated for specific purposes by a governing body of the Corporation.

The Corporation's investments, including its interest in investments held by Ascension Health Alliance, are measured at fair value and are classified as trading securities. The Alpha Fund's and the Ascension Legacy Portfolio's investments that are required to be recorded at fair value are classified as trading securities and include pooled short term investment funds; U.S. government, state, municipal, and agency obligations; corporate and foreign fixed income securities; asset-backed securities; and equity securities. The Alpha Fund's and the Ascension Legacy Portfolio's investments also include alternative investments and other investments, which are valued based on the net asset value of the investments. In addition, the Alpha Fund participates, and the Ascension Legacy Portfolio participated, in securities lending transactions whereby a portion of its investments is loaned to selected established brokerage firms in return for cash and securities from the brokers as collateral for the investments loaned.

Purchases and sales of investments are accounted for on a trade-date basis. Investment returns are comprised of dividends, interest, and gains and losses on the Corporation's investments, as well as the Corporation's return on its interest in investments held by Ascension Health Alliance, and are reported as nonoperating gains (losses) in the Consolidated Statements of Operations and Changes in Net Assets, unless the return is restricted by donor or law.

Inventories

Inventories, consisting primarily of medical supplies and pharmaceuticals, are stated at the lower of cost or market value utilizing the first-in, first-out (FIFO) method.

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Intangible Assets

Intangible assets primarily consist of goodwill and capitalized computer software costs, including software internally developed. Costs incurred in the development and installation of internal use software are expensed or capitalized depending on whether they are incurred in the preliminary project stage (expensed), application development stage (capitalized), or post-implementation stage (expensed). Intangible assets are included in other noncurrent assets on the Consolidated Balance Sheets and are comprised of the following:

	June 30	
	2013	**2012**
Goodwill	**$ 103,999**	$ 103,838
Capitalized computer software costs	**161,610**	142,533
Accumulated amortization computer software costs	**(91,204)**	(74,396)
Other finite life intangibles	**25,002**	25,002
Accumulated amortization of other finite life intangibles	**(9,732)**	(6,504)
Total intangible assets	**$ 189,675**	$ 190,473

Intangible assets whose lives are indefinite, primarily goodwill, are not amortized and are evaluated for impairment at least annually, while intangible assets with definite lives, primarily capitalized computer software costs and other intangibles, are amortized over their expected useful lives.

Computer software costs are amortized over a range of 3 to 7 years. Other finite life intangibles include lease acquisition costs and assumed contracts and are amortized over a range of 5 to 15 years. Total amortization expense for 2013 and 2012 was $20,946 and $20,515, respectively. The five-year amortization of computer software and other finite life intangibles is as follows: 2014 – $19,005; 2015 – $16,201; 2016 – $15,201; 2017 – $10,772; and 2018 – $8,325.

2. Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are stated at cost or, if donated, at fair market value at the date of the gift. Depreciation is determined on a straight-line basis over the estimated useful lives of the related assets. Depreciation expense in 2013 and 2012 was $91,259 and $80,868, respectively. Additional depreciation expense of $9,989 related to St. Mary's property and equipment was recorded during 2013 but related to previous years' activity and was an immaterial correction of an error. The Corporation has not restated the prior year consolidated financial statements due to immateriality.

Estimated useful lives by asset category are as follows: land improvements – 10 to 25 years; buildings – 20 to 40 years; and equipment – 3 to 20 years. Interest costs incurred as part of related construction are capitalized during the period of construction. Net interest capitalized in 2013 and 2012 was $877 and $175, respectively.

Several capital projects have remaining construction and related equipment purchase commitments of $20,921 as of June 30, 2013.

The Corporation recognizes the fair value of asset retirement obligations, including conditional asset retirement obligations, if the fair value can be reasonably estimated, in the period in which the liability is incurred. Asset retirement obligations include, but are not limited to, certain types of environmental issues that are legally required to be remediated upon an asset's retirement, as well as contractually required asset retirement obligations. Conditional asset retirement obligations are obligations whose settlement may be conditional on a future event and/or where the timing or method of such settlement may be uncertain. Subsequent to initial recognition, accretion expense is recognized until the asset retirement liability is estimated to be settled.

The Corporation's most significant asset retirement obligation relates to required future asbestos remediation in certain hospital buildings. Asset retirement obligations of $9,527 and $9,053 as of June 30, 2013 and 2012, respectively, are recorded in other noncurrent liabilities in the accompanying Consolidated Balance Sheets. During 2013, $3 of retirement obligations were incurred and settled. Accretion expense of $477 and $455 was recorded in 2013 and 2012, respectively.

2. Significant Accounting Policies (continued)

Noncontrolling Interest

The consolidated financial statements include all assets, liabilities, revenue, and expenses of less than 100% owned or controlled entities the Corporation controls in accordance with applicable accounting guidance. Accordingly, the Corporation has reflected a noncontrolling interest for the portion of net assets not owned or controlled by the Corporation separately on the Consolidated Balance Sheets.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those assets whose use by the Corporation has been limited by donors to a specific time period or purpose. Permanently restricted net assets consist of gifts with corpus values that have been restricted by donors to be maintained in perpetuity, which includes endowment funds. Temporarily restricted net assets and earnings on permanently restricted net assets, including earnings on endowment funds, are used in accordance with the donor's wishes, primarily to purchase equipment and to provide charity care and other health and educational services. Contributions with donor-imposed restrictions that are met in the same reporting period are reported as unrestricted.

Performance Indicator

The performance indicator is the excess of revenues and gains over expenses and losses. Changes in unrestricted net assets that are excluded from the performance indicator primarily include pension and other postretirement liability adjustments, transfers to or from sponsors and other affiliates, net assets released from restrictions for property acquisitions, contributions of property and equipment, and other transfers between funds.

Operating and Nonoperating Activities

The Corporation's primary mission is to meet the health care needs in its market area through a broad range of general and specialized health care services, including inpatient acute care, outpatient services, long-term care, and other health care services. Activities directly associated with the furtherance of this purpose are considered to be operating activities. Other activities that result in gains or losses peripheral to the Corporation's primary mission are considered to be nonoperating, consisting primarily of investment return and income (loss) from certain unconsolidated joint ventures, offset by grants or donations made to other tax-exempt entities.

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Net Patient Service Revenue, Accounts Receivable, and Allowance for Doubtful Accounts

Net patient service revenue is reported at the estimated realizable amounts from patients, third-party payors, and others for services provided and includes estimated retroactive adjustments under reimbursement agreements with third-party payors. Revenue under certain third-party payor agreements is subject to audit, retroactive adjustments, and significant regulatory actions. Provisions for third-party payor settlements and adjustments are estimated in the period the related services are provided and adjusted in future periods as additional information becomes available and as final settlements are determined.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a possibility that recorded estimates will change by a material amount in the near term. Adjustments to revenue related to prior periods increased net patient service revenue by $11,999 and $26,248 for the years ended June 30, 2013 and 2012, respectively.

The percentage of net patient service revenue earned by payor for the years ended June 30, 2013 and 2012, is as follows:

	Year Ended June 30	
	2013	**2012**
Medicare	**28.7%**	29.1%
Medicaid	**9.5**	8.0
HMO/PPO	**20.6**	21.8
Blue Cross	**29.4**	29.0
Commercial	**8.1**	8.5
Self-pay and other	**3.7**	3.6
	100.0%	100.0%

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

The System grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor arrangements. Significant concentrations of accounts receivable, less allowance for doubtful accounts, at June 30, 2013 and 2012, are as follows:

	June 30	
	2013	**2012**
Medicare	**18.1%**	17.7%
Medicaid	**8.8**	8.1
HMO/PPO	**20.6**	20.6
Blue Cross	**19.4**	17.7
Commercial	**5.5**	6.1
Self-pay and other	**27.6**	29.8
	100.0%	100.0%

The provision for doubtful accounts is based upon management's assessment of expected net collections considering economic conditions, historical experience, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for doubtful accounts based upon historical write-off experience by payor category, including those amounts not covered by insurance. The results of this review are then used to make any modifications to the provision for doubtful accounts to establish an appropriate allowance for doubtful accounts. After satisfaction of amounts due from insurance and reasonable efforts to collect from the patient have been exhausted, the Corporation follows established guidelines for placing certain past-due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by Ascension Health. Accounts receivable are written off after collection efforts have been followed in accordance with the Corporation's policies. See Adoption of New Accounting Standards section for change in accounting presentation of provision for doubtful accounts in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

2. Significant Accounting Policies (continued)

The Corporation has an agreement to transfer certain patient receivables with recourse to a third party in exchange for cash at a discounted rate. The Corporation is deemed to have retained the risk of ownership of the receivables, which serve as collateral for the cash advanced to the Corporation, and the Corporation continues to reflect the receivables and related liability to the third party on its Consolidated Balance Sheets. As of June 30, 2013 and 2012, receivables subject to this arrangement were $23,616 and $24,323, respectively, and are included in other current assets. The Corporation estimates its recourse obligation, which is reflected in accounts payable and other accrued liabilities.

Hospital Assessment Fee

The Indiana Hospital Association (IHA) and the Office of Medicaid Policy and Planning (OMPP) worked together to develop and implement a hospital assessment fee program as enacted by the 2011 Session of the Indiana General Assembly. The Centers for Medicare and Medicaid Services (CMS) approved the state plan amendment necessary to implement these changes with an effective date of July 1, 2011. The program continued through June 30, 2013, and has been renewed by the Hospital Assessment Fee Committee, subject to CMS approval, for another four-year period through June 30, 2017. Under this program, OMPP will collect an assessment fee from eligible hospitals (the Medicaid tax). The Medicaid tax will be used in part to increase reimbursement to eligible hospitals for services provided in both fee-for-service and managed care programs and as the state share of disproportionate share hospital (DSH) payments. During 2013 and 2012, the Corporation incurred $98,748 and $74,073, respectively, in Medicaid tax under this program, which is reflected in total operating expenses in the accompanying Consolidated Statements of Operations and Changes in Net Assets. The Corporation earned additional Hospital Assessment Fee (HAF) reimbursement of $147,988 and $126,488 in 2013 and 2012, respectively, which is reflected in net patient service revenue in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

2. Significant Accounting Policies (continued)

Electronic Health Record Incentive Payments

The American Recovery and Reinvestment Act of 2009 (ARRA) included provisions for implementing health information technology under the Health Information Technology for Economic and Clinical Health Act (HITECH). The provisions were designed to increase the use of electronic health record (EHR) technology and establish the requirements for a Medicare and Medicaid incentive payment program beginning in 2011 for eligible providers that adopt and meaningfully use certified EHR technology. Eligibility for annual Medicare incentive payments is dependent on providers demonstrating meaningful use of EHR technology in each period over a four-year period. Initial Medicaid incentive payments are available to providers that adopt, implement, or upgrade certified EHR technology. Providers must demonstrate meaningful use of such technology in subsequent years to qualify for additional Medicaid incentive payments.

The Corporation accounts for HITECH incentive payments as a gain contingency. Income from Medicare incentive payments is recognized as revenue after the Corporation has demonstrated that it complied with the meaningful use criteria over the entire applicable compliance period and the cost report period that will be used to determine the final incentive payment has ended. The Corporation recognized revenue from Medicaid incentive payments after it adopted certified EHR technology. Incentive payments totaling $13,661 and $4,243 for the years ended June 30, 2013 and 2012, respectively, are included in total operating revenue in the accompanying Consolidated Statements of Operations and Changes in Net Assets. Income from incentive payments is subject to retrospective adjustment as the incentive payments are calculated using Medicare cost report data that is subject to audit. Additionally, the Corporation's compliance with the meaningful use criteria is subject to audit by the federal government.

Impairment, Restructuring, and Nonrecurring Gains (Losses)

Long-lived assets are reviewed for impairment whenever events or business conditions indicate the carrying amount of such assets may not be fully recoverable. Initial assessments of recoverability are based on estimates of undiscounted future net cash flows associated with an asset or group of assets. Where impairment is indicated, the carrying amount of these long-lived assets is reduced to fair value based on future discounted net cash flows or other estimates of fair value.

2. Significant Accounting Policies (continued)

During the years ended June 30, 2013 and 2012, the Corporation recorded total impairment, restructuring, and nonrecurring (losses) and gains of $(11,499) and $69,256, respectively. For the year ended June 30, 2013, this amount was comprised of restructuring and nonrecurring expenses primarily related to severance for reduction in force and other retention payments. For the year ended June 30, 2012, this amount was comprised of long-lived asset impairments of $(4,887) related to the termination of an information technology service contract and impairment of an office building offset by a nonrecurring pension curtailment gain of approximately $74,143.

Income Taxes

The member health care entities of the Corporation, an Indiana not-for-profit corporation, are primarily tax-exempt organizations under Internal Revenue Code (the Code) Section 501(c)(3) or 501(c)(2), and their related income is exempt from federal income tax under Section 501(a). The Corporation accounts for uncertainty in income tax positions by applying a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

At June 30, 2013, the Corporation has a net operating loss carryforward of $57,840, which results in a deferred tax asset of $23,613 for federal and state income tax purposes. These losses expire in varying amounts from 2015 through 2032. A valuation allowance has been recorded for the full amount of the deferred asset related to the net operating loss carryforwards due to the uncertainty regarding their use.

SVHCI members have elected, under the applicable provisions of the Code, to be taxed as a partnership, whereby taxable income is taxed directly to the members and not to SVHCI. The allocable share of earnings from SVHCI is also exempt from income tax because it is related to the Corporation's tax-exempt purpose. Accordingly, the consolidated financial statements do not include any provision for federal or state income taxes.

Regulatory Compliance

Various federal and state agencies have initiated investigations regarding reimbursement claimed by certain members of the Corporation. The investigations are in various stages of discovery, and the ultimate resolution of these matters, including the liabilities, if any, cannot be readily determined; however, in the opinion of management, the results of these investigations will not have a material adverse impact on the consolidated financial statements of the Corporation.

2. Significant Accounting Policies (continued)

Reclassifications

Certain reclassifications were made to the 2012 accompanying consolidated financial statements to conform to the 2013 presentation. Such reclassifications had no impact on the change in net assets.

Subsequent Events

The Corporation evaluates the impact of subsequent events, which are events that occur after the Consolidated Balance Sheet date but before the financial statements are issued, for potential recognition or disclosure in the consolidated financial statements as of the Consolidated Balance Sheet date. For the year ended June 30, 2013, the Corporation evaluated subsequent events through September 13, 2013, representing the date on which the accompanying audited consolidated financial statements were available to be issued. During this period, there were no subsequent events that required recognition or disclosure in the accompanying consolidated financial statements. Additionally, there were no nonrecognized subsequent events that required disclosure.

Adoption of New Accounting Standards

In July 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debt and the Allowance for Doubtful Accounts for Certain Health Care Entities.* ASU 2011-07 requires healthcare entities that recognize significant amounts of patient service revenue at the time services are rendered to present the provision for doubtful accounts related to patient service revenue adjacent to patient service revenue in the Statements of Operations and Changes in Net Assets rather than as operating expense. Additional disclosures relating to sources of patient service revenue and the allowance for doubtful accounts are also required. This new guidance is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011.

The Corporation recognizes a significant amount of patient service revenue at the time services are rendered even though the patient's ability to pay is not initially assessed. The Corporation adopted this guidance as of July 1, 2012, and retrospectively applied the presentation requirements to all periods presented. The adoption of this guidance resulted in the reclassification of the Corporation's provision for doubtful accounts for the year ended June 30, 2012, decreasing total operating revenue and total operating expenses before impairment, restructuring and nonrecurring gains (losses), net by $121,071.

(Dollars in Thousands)

3. Cash and Cash Equivalents, Interest in Investments Held by Ascension Health Alliance, and Assets Limited as to Use and Other Long-term investments

At June 30, 2013 and 2012, the Corporation's investments are comprised of its interest in investments held by Ascension Health Alliance and certain other investments, including investments held and managed by the Foundations. Board-designated investments represent investments designated by resolution of the Board of Trustees to put amounts aside primarily for future capital expansion and improvements. Assets limited as to use primarily include investments restricted by donors. The Corporation's cash, cash equivalents, interest in investments held by Ascension Health Alliance, and assets limited as to use and other long-term investments are reported in the accompanying Consolidated Balance Sheets as presented in the following table:

	June 30	
	2013	**2012**
Cash and cash equivalents	**$ 49,042**	$ 39,436
Short-term investments	**33,058**	34,820
Current portion of assets limited as to use	**2,425**	2,647
Assets limited as to use and other long-term investments:		
Board-designated investments	**18,710**	14,339
Temporarily or permanently restricted	**60,659**	59,186
Other long-term investments	**8,887**	5,221
Total assets limited as to use and other long-term investments	**88,256**	78,746
Interest in investments held by Ascension Health Alliance	**2,467,563**	2,255,667
Total	**$ 2,640,344**	$ 2,411,316

(Dollars in Thousands)

3. Cash and Cash Equivalents, Interest in Investments Held by Ascension Health Alliance, and Assets Limited as to Use and Other Long-term investments (continued)

The composition of cash and investments classified as cash and cash equivalents, short-term investments, assets limited as to use, and other investments is summarized as follows:

	June 30	
	2013	**2012**
Cash and cash equivalents	**$ 59,345**	$ 44,875
Short-term investments	**33,271**	35,561
U.S. government, state, municipal, and agency obligations	**1,998**	3,189
Corporate and foreign fixed income securities	**19,929**	19,178
Asset-backed securities	**190**	111
Equity securities	**41,477**	36,884
International securities	**11,084**	10,625
Alternative investments and other investments	**1,856**	1,660
Other assets limited as to use	**3,631**	3,566
Subtotal, included in cash and cash equivalents, short-term investments, assets limited as to use, and other long-term investments	**172,781**	155,649
Interest in investments held by Ascension Health Alliance	**2,467,563**	2,255,667
Cash and cash equivalents, short-term investments, interest in investments held by Ascension Health Alliance, assets limited as to use, and other long-term investments	**$ 2,640,344**	$ 2,411,316

(Dollars in Thousands)

3. Cash and Cash Equivalents, Interest in Investments Held by Ascension Health Alliance, and Assets Limited as to Use and Other Long-term investments (continued)

As of June 30, 2013 and 2012, the composition of total Alpha Fund and Ascension Legacy Portfolio investments is as follows:

	June 30	
	2013	2012
Cash, cash equivalents, and short-term investments	3.3%	4.7%
U.S. government obligations	24.7	32.1
Asset-backed securities	8.6	10.3
Corporate and foreign fixed income investments	12.0	9.0
Equity securities	17.4	13.1
Alternative investments and other investments		
Private equity and real estate funds	5.8	5.7
Hedge funds	21.9	18.7
Commodities funds and other investments	6.3	6.4
	100.0%	100.0%

Investment return recognized by the Corporation is summarized as follows:

	Year Ended June 30	
	2013	2012
Return (loss) on interest in investments held by Ascension Health Alliance and investment return in Ascension Legacy Portfolio	$ 172,784	$ (43,140)
Interest and dividends	3,647	2,210
Net gains (losses) on investments reported at fair value	5,286	(1,561)
Restricted investment income	1,154	1,463
Total investment return (loss)	$ 182,871	$ (41,028)
Investment return (loss) included in nonoperating gains (losses)	$ 180,105	$ (41,016)
Increase (decrease) in restricted net assets	2,766	(12)
Total investment return (loss)	$ 182,871	$ (41,028)

4. Fair Value Measurements

The Corporation categorizes, for disclosure purposes, assets and liabilities measured at fair value in the consolidated financial statements based upon whether the inputs used to determine their fair values are observable or unobservable. Observable inputs are inputs that are based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about pricing the asset or liability, based on the best information available in the circumstances.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement of the asset or liability. The Corporation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The Corporation follows the three-level fair value hierarchy to categorize these assets and liabilities recognized at fair value at each reporting period, which prioritizes the inputs used to measure such fair values. Level inputs are defined as follows:

Level 1 – Quoted prices (unadjusted) that are readily available in active markets or exchanges for identical assets or liabilities on the reporting date.

Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 pricing inputs include prices quoted for similar assets and liabilities in active markets or exchanges or prices quoted for identical or similar assets and liabilities in markets that are not active. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Significant pricing inputs that are unobservable for the asset or liability, including assets or liabilities for which there is little, if any, market activity for such asset or liability. Inputs to the determination of fair value for Level 3 assets and liabilities require management judgment and estimation.

4. Fair Value Measurements (continued)

As of June 30, 2013 and 2012, the Level 2 and Level 3 assets and liabilities listed in the fair value hierarchy tables on the following pages utilize the following valuation techniques and inputs:

Cash and cash equivalents and short-term investments

Short-term investments designated as Level 2 investments primarily consist of commercial paper, whose fair value is based on amortized cost. Significant observable inputs include security cost, maturity, and credit rating, interest rate, and par value. Cash and cash equivalents and additional short-term investments include certificates of deposit, whose fair value is based on cost plus accrued interest. Significant observable inputs include security cost, maturity, and relevant short-term interest rates.

Pooled short-term investment funds

The fair value of pooled short-term investment funds is based on cost plus guaranteed, annuity contract-based interest rates. Significant unobservable inputs to the guaranteed rate include the fair value and average duration of the portfolio of investments underlying the annuity contract, the contract value and the annualized weighted-average yield to maturity of the underlying investment portfolio.

U.S. government, state, municipal, and agency obligations

The fair value of investments in U.S. government, state, municipal, and agency obligations is primarily determined using techniques consistent with the income approach. Significant observable inputs to the income approach include data points for benchmark constant maturity curves and spreads.

Corporate and foreign fixed income securities

The fair value of investments in U.S. and international corporate bonds, including commingled funds that invest primarily in such bonds, and foreign government bonds is primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker-dealer quotes, issuer spreads, and security specific characteristics, such as early redemption options.

4. Fair Value Measurements (continued)

Asset-backed securities

The fair value of U.S. agency and corporate asset-backed securities is primarily determined using techniques consistent with the income approach. Significant observable inputs include prepayment speeds and spreads, benchmark yield curves, volatility measures, and quotes.

Equity securities

The fair value of investments in U.S. and international equity securities is primarily determined using the calculated net asset value. The values for underlying investments are fair value estimates determined by external fund managers based on operating results, balance sheet stability, growth, and other business and market sector fundamentals.

Alternative investments and other investments

Alternative investments consist of hedge funds, private equity funds, commodity funds, and real estate partnerships. The fair value of alternative investments is primarily determined using techniques consistent with both the market and income approaches, based on the Corporation's estimates and assumptions in the absence of observable market data. The market approach considers comparable company, comparable transaction, and company-specific information, including, but not limited to, restrictions on disposition, subsequent purchases of the same or similar securities by other investors, pending mergers or acquisitions, and current financial position and operating results. The income approach considers the projected operating performance of the portfolio company.

Other alternative investments are valued using net asset values, which approximate fair value, as determined by an external fund manager based on quoted market prices, operating results, balance sheet stability, growth, and other business and market sector fundamentals.

4. Fair Value Measurements (continued)

As discussed in Notes 2 and 3, the Corporation has an interest in investments held by Ascension Health Alliance and certain other investments, such as those investments held and managed by foundations. As of June 30, 2013, 20%, 43%, and 37% of total Alpha Fund assets that are measured at fair value on a recurring basis were measured based on Level 1, Level 2, and Level 3 inputs, respectively, while 0%, 100%, and 0% of total Alpha Fund liabilities that are measured at fair value on a recurring basis were measured at such fair values based on Level 1, Level 2, and Level 3 inputs, respectively.

As of June 30, 2012, 17%, 52%, and 31% of total Alpha Fund assets that were measured at fair value on a recurring basis were measured based on Level 1, Level 2, and Level 3 inputs, respectively, while 0%, 100%, and 0% of total Alpha Fund liabilities that were measured at fair value on a recurring basis were measured based on Level 1, Level 2, and Level 3 inputs, respectively.

The following table summarizes fair value measurements, by level, at June 30, 2013, for all financial assets measured at fair value on a recurring basis in the Corporation's consolidated financial statements:

(Dollars in Thousands)

4. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
June 30, 2013				
Cash and cash equivalents	$ 9,682	$ 621	$ –	$ 10,303
Short-term investments	7,449	25,822	–	33,271
U.S. government, state, municipal, and agency obligations	–	1,998	–	1,998
Corporate and foreign fixed income securities	–	19,929	–	19,929
Asset-backed securities	–	190	–	190
Equity securities	38,228	3,249	–	41,477
International securities	11,084	–	–	11,084
Subtotal of assets at fair value	66,443	51,809	–	118,252
Assets not measured at fair value				54,529
Subtotal, included in cash and cash equivalents, short-term investments, assets limited as to use, and other long-term investments				$ 172,781
Benefit plan assets, included in other noncurrent assets, invested in:				
Equity securities	$ 20,037	$ –	$ –	$ 20,037
Pooled short-term investment funds	$ –	$ –	$ 5,104	$ 5,104

(Dollars in Thousands)

4. Fair Value Measurements (continued)

The following table summarizes fair value measurements, by level, at June 30, 2012, for all financial assets measured at fair value on a recurring basis in the Corporation's consolidated financial statements:

	Level 1	Level 2	Level 3	Total
June 30, 2012				
Cash and cash equivalents	$ 4,976	$ 294	$ –	$ 5,270
Short-term investments	11,131	24,430	–	35,561
U.S. government, state, municipal, and agency obligations	–	3,189	–	3,189
Corporate and foreign fixed income securities	–	19,178	–	19,178
Asset-backed securities	–	111	–	111
Equity securities	33,855	3,029	–	36,884
International securities	10,625	–	200	10,825
Subtotal of assets at fair value	60,587	50,231	200	111,018
Assets not measured at fair value				44,631
Subtotal, included in cash and cash equivalents, short-term investments, assets limited as to use, and other long-term investments				$ 155,649
Benefit plan assets, included in other noncurrent assets, invested in:				
Equity securities	$ 14,096	$ –	$ –	$ 14,096
Pooled short-term investment funds	$ –	$ –	$ 4,471	$ 4,471

(Dollars in Thousands)

4. Fair Value Measurements (continued)

Assets and liabilities classified as Level 1 are valued using unadjusted quoted market prices for identical assets or liabilities in active markets. The Corporation uses techniques consistent with the market approach and income approach for measuring fair value of its Level 2 and Level 3 assets and liabilities. The market approach is a valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The income approach generally converts future amounts (cash flows or earnings) to a single present value amount (discounted).

During the years ended June 30, 2013 and 2012, the changes in the fair value of the foregoing assets measured using significant unobservable inputs (Level 3) were comprised of the following. Transfers in or out of Level 3 are recognized as of the beginning of the reporting period. The balance at July 1, 2011, was $3,578; purchases, issuances, and settlements were $559; and transfers into Level 3 were $334. The balance at July 1, 2012, was $4,471; purchases, issuances, and settlements were $1,126; and transfers out of Level 3 were $493, resulting in an ending balance at June 30, 2013, of $5,104.

5. Long-Term Debt

Long-term debt consists of the following:

	June 30	
	2013	**2012**
Intercompany debt with Ascension Health Alliance, payable in installments through November 2053; interest (3.54% and 3.79% at June 30, 2013 and 2012, respectively) adjusted based on the prevailing blended market interest rate of underlying debt obligations	$ 472,683	$ 476,216
Notes payable with The Care Group, LLC and other related entities, paid July 2, 2012, interest at 4.25%	–	9,167
	472,683	485,383
Less current portion	6,804	12,892
Long-term debt, less current portion	$ 465,879	$ 472,491

(Dollars in Thousands)

5. Long-Term Debt (continued)

Scheduled principal repayments of long-term debt are as follows:

Year ending June 30:	
2014	$ 6,804
2015	6,638
2016	5,622
2017	6,817
2018	6,884
Thereafter	439,918
Total	$ 472,683

Certain members of Ascension Health Alliance formed the Ascension Health Credit Group (Senior Credit Group). Each Senior Credit Group member is identified as either a senior obligated group member, a senior designated affiliate, or a senior limited designated affiliate. Senior obligated group members are jointly and severally liable under a Senior Master Trust Indenture (Senior MTI) to make all payments required with respect to obligations under the Senior MTI and may be entities not controlled directly or indirectly by Ascension Health Alliance. Though senior designated affiliates and senior limited designated affiliates are not obligated to make debt service payments on the obligations under the Senior MTI, Ascension Health Alliance may cause each senior designated affiliate to transfer such amounts as are necessary to enable the obligated group to comply with the terms of the Senior MTI, including repayment of the outstanding obligations. Additionally, each senior limited designated affiliate has an independent limited designated affiliate agreement and promissory note with Ascension Health Alliance with stipulated repayment terms and conditions, each subject to the governing law of the senior limited designated affiliate's state of incorporation. The Corporation is a senior obligated group member under the terms of the Senior MTI.

Pursuant to a Supplemental Master Indenture dated February 1, 2005, senior obligated group members, which are operating entities, have pledged and assigned to the Master Trustee a security interest in all of their rights, title, and interest in their pledged revenues and proceeds thereof.

5. Long-Term Debt (continued)

A Subordinate Credit Group, which is comprised of subordinate obligated group members, subordinate designated affiliates, and subordinate limited designated affiliates, was created under the Subordinate Master Trust Indenture (the Subordinate MTI). The subordinate obligated group members are jointly and severally liable under the Subordinate MTI to make all payments required with respect to obligations under the Subordinate MTI and may be entities not controlled directly or indirectly by Ascension Health Alliance. Though subordinate designated affiliates and subordinate limited designated affiliates are not obligated to make debt service payments on the obligations under the Subordinate MTI, Ascension Health Alliance may cause each subordinate designated affiliate to transfer such amounts as are necessary to enable the obligated group members to comply with the terms of the Subordinate MTI, including payment of the outstanding obligations. Additionally, each subordinate limited designated affiliate has an independent subordinate limited designated affiliate agreement and promissory note with Ascension Health Alliance, with stipulated repayment terms and conditions, each subject to the governing law of the subordinate limited designated affiliate's state of incorporation. The Corporation is a subordinate obligated group member under the terms of the Subordinate MTI.

The borrowing portfolio of the Senior and Subordinate Credit Group includes a combination of fixed and variable rate hospital revenue bonds, commercial paper and other obligations, the proceeds of which are in turn loaned to the Senior and Subordinate Credit Group members subject to a long-term amortization schedule of 1 to 39 years.

Certain portions of Senior and Subordinate Credit Groups borrowings may be periodically subject to interest rate swap arrangements to effectively convert borrowing rates on such obligations from a floating to a fixed interest rate or vice versa based on market conditions. Additionally, Senior and Subordinate Credit Groups borrowings may, from time to time, be refinanced or restructured in order to take advantage of favorable market interest rates or other financial opportunities. Any gain or loss on refinancing, as well as any bond premiums or discounts, are allocated to the Senior and Subordinate Credit Groups members based on their pro rata share of the Senior and Subordinate Credit Groups' obligations. Senior and Subordinate Credit Groups refinancing transactions rarely have a significant impact on the outstanding borrowings or intercompany debt amortization schedule of any individual Senior and Subordinate Credit Group member.

The carrying amounts of intercompany debt with Ascension Health Alliance and other debt approximate fair value based on a portfolio market valuation provided by a third party.

5. Long-Term Debt (continued)

The Senior and Subordinate Credit Groups financing documents contain certain restrictive covenants, including a debt service coverage ratio.

As of June 30, 2013, the Senior Credit Group has a line of credit of $1,000,000, which may be used as a source of funding for unremarketed variable rate debt (including commercial paper) or for general corporate purposes, toward which bank commitments totaling $1,000,000 extend to November 9, 2014. As of June 30, 2013 and 2012, there were no borrowings under the line of credit.

As of June 30, 2013, the Subordinate Credit Group has a $75,000 revolving line of credit related to its letters of credit program, toward which a bank commitment of $75,000 extends to November 27, 2013. As of June 30, 2013, $49,990 of letters of credit had been extended under the revolving line of credit, although there were no borrowings under any of the letters of credit.

The outstanding principal amount of all hospital revenue bonds is $5,196,235, which represents 40% of the combined unrestricted net assets of the Senior and Subordinate Credit Groups members at June 30, 2013.

Guarantees are contingent commitments issued by the Senior and Subordinate Credit Groups generally to guarantee the performance of a sponsored organization or an affiliate to a third party in borrowing arrangements such as commercial paper issuances, bond financing, and similar transactions. The term of the guarantee is equal to the term of the related debt, which can be as short as 30 days or as long as 27 years. The maximum potential amount of future payments the Senior and Subordinate Credit Groups could be required to make under its guarantees and other commitments at June 30, 2013, is approximately $377,000.

During the years ended June 30, 2013 and 2012, interest paid was $16,426 and $18,438, respectively. Capitalized interest was $877 and $175 for the years ended June 30, 2013 and 2012, respectively.

6. Pension Plans

The Corporation participates in the Ascension Health Pension Plan, the Ascension Health Defined Contribution Plan, and the St. Vincent Heart Center of Indiana Retirement Plan. Details of these plans are as follows.

Ascension Health Pension Plan

The Corporation participates in the Ascension Health Pension Plan (the Ascension Plan), a noncontributory defined benefit pension plan that covers substantially all eligible employees of certain System entities. Benefits are based on each participant's years of service and compensation. The Ascension Plan's assets are invested in the Ascension Health Master Pension Trust (the Trust), a master trust consisting of cash and cash equivalents, equity, fixed income funds, and alternative investments. The Trust also invests in derivative instruments, the purpose of which is to economically hedge the change in the net funded status of the Ascension Plan for a significant portion of the total pension liability that can occur due to changes in interest rates. Contributions to the Ascension Plan are based on actuarially determined amounts sufficient to meet the benefits to be paid to plan participants. Net periodic pension cost of $2,252 in 2013 and $20,417 in 2012 was charged to the Corporation. The service cost component of net periodic pension cost charged to the Corporation is actuarially determined, while all other components are allocated based on the Corporation's pro rata share of Ascension Health's overall projected benefit obligation.

During the year ended June 30, 2012, the System approved and communicated to employees a redesign of associate retirement benefits, which affects the Ascension Plan and provides an enhanced comprehensive defined contribution plan. These changes became effective January 1, 2013. These changes resulted in the Corporation's recognition of a nonrecurring curtailment gain of $74,143 during the year ended June 30, 2012. These changes also resulted in one-time decreases to the projected benefit obligation of $89,004. The projected benefit obligation is included in pension and other postretirement liabilities in the Accompanying Consolidated Balance Sheets.

6. Pension Plans (continued)

The assets of the Ascension Plan are available to pay the benefits of eligible employees of all participating entities. In the event participating entities are unable to fulfill their financial obligations under the Ascension Plan, the other participating entities are obligated to do so. As of June 30, 2013, the Ascension Plan had a net unfunded liability of $187,362. The Corporation's allocated share of the Ascension Plan's net unfunded liability reflected in the accompanying Consolidated Balance Sheets at June 30, 2013 and 2012, was $100,665 and $104,665, respectively. As a result of updating the funded status of the Plan, Ascension Health transferred an additional pension liability of $3,742 and $43,453 to the Corporation during 2013 and 2012, respectively. These transfers are included in pension and other postretirement liability adjustments in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

As of June 30, 2013 and 2012, the fair value of the Ascension Plan's assets available for benefits was $3,849,706 and $3,948,293, respectively. As discussed in the Fair Value Measurements note, the Corporation, as well as the System, follows a three-level hierarchy to categorize assets and liabilities measured at fair value. In accordance with this hierarchy, as of June 30, 2013, 21%, 39%, and 40% of the Ascension Plan's assets that were measured at fair value on a recurring basis were categorized as Level 1, Level 2, and Level 3, respectively. With respect to the Ascension Plan's liabilities measured at fair value on a recurring basis, 0%, 0%, and 100% were categorized as Level 1, Level 2, and Level 3, respectively, as of June 30, 2013. Additionally, as of June 30, 2012, 16%, 51%, and 33% of the Ascension Plan's assets that were measured at fair value on a recurring basis were categorized as Level 1, Level 2, and Level 3, respectively. With respect to the Ascension Plan's liabilities measured at fair value on a recurring basis, 6%, 87%, and 7% were categorized as Level 1, Level 2, and Level 3, respectively, as of June 30, 2012.

6. Pension Plans (continued)

Ascension Health Defined Contribution Plan

The Corporation participates in the Ascension Health Defined Contribution Plan (the Defined Contribution Plan), a contributory and noncontributory, defined contribution plan sponsored by Ascension Health that covers all eligible associates. There are three primary types of contributions to the Defined Contribution Plan: employer automatic contributions, employee contributions, and employer matching contributions. Benefits for employer automatic contributions are determined as a percentage of a participant's salary. These benefits are funded annually, and participants become fully vested over a period of time. Benefits for employer matching contributions are determined as a percentage of an eligible participant's contributions each payroll period. These benefits are funded each payroll period, and participants become fully vested in all employer contributions immediately. Defined contribution expense, representing both employer automatic contributions and employer matching contributions (including the St. Vincent Heart Center of Indiana Retirement Plan amounts), was $33,250 and $18,713 for the years ended June 30, 2013 and 2012, respectively.

St. Vincent Heart Center of Indiana Retirement Plan

Through September 30, 2012, SVHCI had a defined contribution retirement plan that covered substantially all employees. SVHCI made nonelective contributions that were based on the participating employee's compensation. Employees were immediately vested in this portion of the plan. In addition, SVHCI matched the participating employee's elective 401(k) contributions up to 3% of the employee's compensation. Vesting in SVHCI matching contributions was based on years of service, and such contributions were 100% vested to the employee after five years of service. Effective September 30, 2012, the St. Vincent Heart Center of Indiana Retirement Plan was frozen, all participant balances became fully vested, and the Plan assets were transferred to the Ascension Health Defined Contribution Plan (with the same benefits as the Ascension Health Defined Contribution Plan noted above).

7. Self-Insurance Programs

The Corporation participates in pooled risk programs to insure professional and general liability risks and workers' compensation risks to the extent of certain self-insured limits. In addition, various umbrella insurance policies have been purchased to provide coverage in excess of the self-insured limits. Actuarially determined amounts, discounted at 6%, are contributed to the trusts and the captive insurance company to provide for the estimated cost of claims. The loss reserves recorded for estimated self-insured professional, general liability, and workers' compensation claims include estimates of the ultimate costs for both reported claims and claims incurred but not reported and are discounted at 6% in 2013 and 2012. In the event that sufficient funds are not available from the self-insurance programs, each participating entity may be assessed its pro rata share of the deficiency. If contributions exceed the losses paid, the excess may be returned to participating entities.

Professional and General Liability Programs

The Corporation participates in Ascension Health's professional and general liability self-insured program. Professional liability coverage is provided on an occurrence basis through a wholly owned on-shore trust with a self-insured retention of $250 per occurrence and up to $7,500 in aggregate in compliance with participation in the Patient Compensation Fund. The Patient Compensation Fund applies to claims in excess of the primary self-insured limit. General liability coverage is provided on a claims-made basis through a wholly owned on-shore trust and offshore captive insurance company, Ascension Health Insurance, Ltd. (AHIL), with a self-insured retention of $10,000 per occurrence with no aggregate. Excess coverage is provided through AHIL with limits up to $185,000. AHIL also retains a 20% quota share of the first $25,000 of umbrella excess. The remaining excess coverage is reinsured by commercial carriers. The Corporation has a deductible of up to $100 for both professional and general liability claims. One entity obtains professional liability coverage through a commercial policy on a claims-made basis with limits up to $250 per occurrence and $750 in aggregate in compliance with participation in the Patient Compensation Fund. The Patient Compensation Fund applies to claims in excess of the primary limit.

7. Self-Insurance Programs (continued)

Included in operating expenses in the accompanying Consolidated Statements of Operations and Changes in Net Assets is professional and general liability expense of $4,588 and $4,711 for the years ended June 30, 2013 and 2012, respectively. For the year ended June 30, 2013, the expense has been reduced by $5,660 of excess premiums previously retained by Ascension Health's professional and general liability self-insured program which has been returned to the Health Ministry. Included in current and long-term self-insurance liabilities on the accompanying Consolidated Balance Sheets are liabilities for deductibles and reserves for claims incurred but not yet reported of $5,816 and $4,664 at June 30, 2013 and 2012, respectively.

In addition, the Corporation maintains professional and general liability insurance coverage for its physician groups through outside insurance agencies. Included in operating expenses in the accompanying Consolidated Statements of Operations and Changes in Net Assets is professional and general liability expense related to physician coverage of $3,336 and $3,330 for the years ended June 30, 2013 and 2012, respectively.

Workers' Compensation

The Corporation participates in Ascension Health's workers' compensation program, which provides occurrence coverage through a grantor trust. The trust provides coverage up to $1,000 per occurrence with no aggregate. On July 1, 2012, the Corporation implemented a $100 deductible, thereby assuming responsibility for indemnity and expenses for each and every claim occurring and reported after that date, up to the deductible amount. The trust provides a mechanism for funding the workers' compensation obligations of its members. Excess insurance against catastrophic loss is obtained through commercial insurers. Premium payments made to the trust are expensed and reflect both claims reported and claims incurred but not reported.

Included in operating expenses in the accompanying Consolidated Statements of Operations and Changes in Net Assets is workers' compensation expense of $4,672 and $6,284 for the years ended June 30, 2013 and 2012, respectively. Included in current self-insurance liabilities on the accompanying Consolidated Balance Sheets are workers' compensation loss reserves of $1,597 and $0 at June 30, 2013 and 2012, respectively.

(Dollars in Thousands)

7. Self-Insurance Programs (continued)

Medical and Dental Claims

The Corporation is self-insured for medical and dental claims. The Corporation estimates its liability for covered medical and dental claims, including claims incurred but not reported, based upon historical costs incurred and payment processing experience. At June 30, 2013 and 2012, the liability for such covered medical and dental claims was $12,235 and $12,769, respectively, and is included in accounts payable and accrued liabilities in the accompanying Consolidated Balance Sheets.

8. Lease Commitments

Future minimum payments under noncancelable operating leases with terms of one year or more are as follows:

Year ending June 30:	
2014	$ 35,607
2015	31,733
2016	25,008
2017	21,415
2018	14,273
Thereafter	27,571
Total	$ 155,607

The Corporation has subleased certain of its space under the operating leases reported above. Total future minimum rents to be received under noncancelable subleases with terms of one year or more are $1,618.

In addition, the Corporation is a lessor under certain operating lease agreements, primarily ground leases related to third party owned medical office buildings (MOBs) on land owned by the Corporation. The Corporation also leases space to others in some buildings it owns. Future minimum rental receipts under all noncancelable operating leases with terms of one year or more are as follows:

(Dollars in Thousands)

8. Lease Commitments (continued)

Year ending June 30:	
2014	$ 2,430
2015	2,239
2016	1,924
2017	1,498
2018	1,343
Thereafter	38,977
Total	$ 48,411

Rental expense under operating leases amounted to $63,959 and $63,101 in 2013 and 2012, respectively.

In May 2003, the Corporation sold various outpatient and professional MOBs to a real estate investment trust (REIT) and contemporaneously leased back certain space in those buildings to support ongoing ministry operations for a period of 12 years with leases extending through 2015. These space leases are being accounted for as operating leases based on their terms, and future minimum lease payments under these leases are included in the amounts reported above. The building sales were accounted for as sale-leaseback transactions, and as such, certain gains on the sales were deferred. As of June 30, 2013 and 2012, net deferred gains of $502 and $1,050, respectively, were included in other noncurrent liabilities in the accompanying Consolidated Balance Sheets. These gains are being recognized as operating income over the related leaseback terms. In connection with that sale, the Corporation entered into a long-term ground lease for the property underlying the buildings, whereby the REIT is able to take control of the buildings for 50 years with one 25-year renewal at the option of the REIT.

9. Related-Party Transactions

The Corporation utilizes various centralized programs and overhead services of the System or its other sponsored organizations, including risk management, retirement services, treasury, debt management, executive management support, internal audit services, administrative services, biomedical engineering, supply chain, and information technology services. The charges allocated to the Corporation for these services represent both allocations of common costs and specifically identified expenses that are incurred by the System on behalf of the Corporation. Allocations are based on relevant metrics such as the Corporation's pro rata share of revenues, certain costs, debt, or investments to the consolidated totals of the System. The amounts charged to the Corporation for these services may not necessarily result in the net costs that would be incurred by the Corporation on a stand-alone basis. The charges allocated to the Corporation were $146,224 and $136,171 for the years ended June 30, 2013 and 2012, respectively.

In addition to the charges discussed above, the Corporation made payments to the System of $40,841 and $42,691 for the years ended June 30, 2013 and 2012, respectively, representing the Corporation's share of costs to fund a System-wide information technology and process standardization project that is expected to continue through December 2015. Also, during the years ending June 30, 2013 and 2012, the Corporation transferred cash and investments of $27,940 and $6,002, respectively, in support of Ascension Health's strategic initiatives and Sister Services. These payments are included in transfers to sponsor and other affiliates, net, in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

The Corporation purchased $48,103 and $31,008 of laboratory services in 2013 and 2012, respectively, from Mid America Clinical Laboratories, LLC (MACL). SVHHS is a 25% owner of MACL.

The Corporation paid $88 and $577 to Suburban Health Organization (SHO) in 2013 and 2012, respectively, for items such as physician recruitment dues, third-party administration services, and network development. SHO processed $30,424 and $45,303 in claim payments for the Corporation in 2013 and 2012, respectively. SVH is a Class D stockholder of SHO.

The Corporation paid $1,697 and $1,688 to NeuroOncology Equipment, LLC (Novalis) in 2013 and 2012, respectively, for rental of equipment. SVHHS is a 50% owner of Novalis.

The Corporation paid $1,678 and $1,800 to United Hospital Services, LLC (UHS) in 2013 and 2012, respectively, for laundry services. SVHHS is a 16.7% owner of UHS.

9. Related-Party Transactions (continued)

The Corporation paid $615 to Breast MRI Leasing Company, LLC (Breast MRI) in both 2013 and 2012 for rental of equipment. SVHHS is a 50% owner of Breast MRI.

The Corporation paid $3,100 and $2,400 to Orthopaedic Consulting Services, LLC (OCS) in 2013 and 2012, respectively, for management fees. SVHHS is a 5% owner of OCS.

The Corporation paid $2,435 and $0 to Women's Services Management, LLC (WSM) in 2013 and 2012, respectively, for management fees. SVHHS is a 5% owner of WSM.

The Corporation participates in a joint venture arrangement for the operation of the Rehabilitation Hospital of Indiana, Inc. (RHI), a free-standing, not-for-profit, comprehensive rehabilitation facility. The Corporation is a 49% owner and guarantees 50% of the outstanding bonds and line of credit amounts ($8,035 at June 30, 2013), using a supporting letter of credit for payment of principal and interest on certain debt issued on behalf of RHI. The guarantee extends through the term of the debt and expires on November 1, 2020. A long-term liability has been recorded in the accompanying Consolidated Balance Sheets of $85 and $90 in 2013 and 2012, respectively, representing the fair value of this guarantee determined using a discounted cash flow analysis. The Corporation also made a working capital loan of $1,500 to RHI on June 1, 2010.

The Corporation is a 34.5% owner of Advantage Health Solutions, Inc. (Advantage). SVHHS is a 50% guarantor on the minimum statutory net worth requirement with the Indiana Department of Insurance. The guarantee amount was $4,544 at June 30, 2013; however, because Advantage is well in excess of the minimum statutory net worth requirements, the Corporation estimates the fair value of this guarantee to be zero.

As part of the formation of the Meridian Heights Associates, LLC joint venture with St. Vincent Carmel, St. Vincent Carmel pledged 9.51 acres of land as collateral for the financing of the joint venture. St. Vincent Carmel is a 50% owner of the Meridian Heights Associates, LLC joint venture.

The Corporation provides professional services to some of its joint ventures. The revenue received for these services was $38,260 and $41,747 in 2013 and 2012, respectively, and is included in other revenue in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

10. Contingencies and Commitments

In addition to professional liability claims, the Corporation is involved in litigation and regulatory investigations arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, these matters are expected to be resolved without material adverse effect on the Corporation's Consolidated Balance Sheets.

In March 2013, Ascension Health Alliance and some of its subsidiaries were named as defendants to litigation surrounding the Church Plan status of the Ascension Plan. The Corporation does not believe that this matter will have a material adverse effect on the Corporation's consolidated financial position or results of operations.

In September 2010, Ascension Health received a letter from the U.S. Department of Justice (the DOJ) in connection with its nationwide review to determine whether, in certain cases, implantable cardioverter defibrillators were provided to certain Medicare beneficiaries in accordance with national coverage criteria. In connection with this nationwide review, the Corporation will be reviewing applicable medical records for response to the DOJ. The DOJ's investigation spans a time frame beginning in 2004 and extending through the present time. Through September 13, 2013, the DOJ has not asserted any claims against the Corporation. Ascension Health and the Corporation continue to fully cooperate with the DOJ in its investigation.

10. Contingencies and Commitments (continued)

The Corporation enters into agreements with nonemployed physicians that include minimum revenue guarantees. These guarantees provide financial incentives to induce physicians to relocate their practices to a health ministry that serves an area with a demonstrated community need. Guarantees are designed to assist a physician in establishing a viable medical practice in a community in order to promote the health of the community. The Corporation agrees to make payments to the physician at the end of specific time periods if the gross receipts generated by the practice do not equal or exceed a specific dollar amount. The Corporation has also entered into agreements with physician groups to provide emergency room, anesthesia, orthopaedic trauma with Orthopaedics Indianapolis, P.C. (80% owner of Indiana Orthopaedic Hospital, LLC), and obstetrics emergency department coverage in areas with a demonstrated community need. The Corporation guarantees to cover the costs of providing coverage if there are not sufficient patient billings that exceed the cost of providing the coverage. The carrying amounts of the liability for the Corporation's obligation under these guarantees were $41,628 and $22,557 at June 30, 2013 and 2012, respectively, and are included in noncurrent liabilities in the accompanying Consolidated Balance Sheets. The corresponding deferred charges of $41,779 and $22,624 at June 30, 2013 and 2012, respectively, are included in other assets in the accompanying Consolidated Balance Sheets and are amortized to expense over the term of the related guarantee.

The maximum amount of future payments that the Corporation could be required to make under these guarantees is $91,373. However, the Corporation is entitled to proceeds of receivables collected to offset guarantee amounts paid, which reduces the total maximum guarantee amount.

The Corporation has certain supply commitments totaling $2,974 at June 30, 2013.

Supplementary Information

Ernst & Young LLP
Suite 2600
111 Monument Circle
Indianapolis, IN 46204
Tel. +1 317 681 7000
Fax: +1 317 681 7216
www.ey.com

Report of Independent Auditors on Supplementary Information

The Board of Directors
St. Vincent Health, Inc.

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Consolidating Balance Sheet as of June 30, 2013, Consolidating Statement of Operations and Changes in Net Assets for the year ended June 30, 2013, and Schedule of Net Cost of Providing Care of Persons Living in Poverty and Community Benefit Programs for the years ended June 30, 2013 and 2012, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Ernst & Young LLP

September 13, 2013

St. Vincent Health, Inc.

Consolidating Balance Sheet

June 30, 2013
(Dollars in Thousands)

	Consolidated St. Vincent Health	Reclassifications and Eliminations	St. Vincent Health, Inc.	SVH Real Estate, Inc.	St. Vincent Health, Wellness & Preventive Care Institute, Inc.	St. Joseph Hospital & Health Center, Inc.	St. Vincent Anderson Regional Hospital, Inc
Assets							
Current assets							
Cash and cash equivalents	$ 49,042	$ –	$ 2,997	$ 28	$ –	$ 346	$ 565
Short-term investments	33,058	–	–	–	–	4,783	–
Accounts receivable, less allowances for doubtful accounts of $104,389	357,725	–	–	–	36	19,894	27,329
Current portion of assets limited as to use	2,425	–	–	–	–	–	357
Estimated third-party payor settlements	9,186	–	–	–	–	437	360
Inventories	35,044	–	7	–	–	2,307	3,995
Other	49,251	(23,726)	19,312	29	169	893	3,911
Total current assets	535,731	(23,726)	22,316	57	205	28,660	36,517
Assets limited as to use and other long-term investments	88,256	–	–	–	33	1,307	4,834
Interest in investments held by Ascension Health Alliance	2,467,563	–	20,388	–	54	142,733	74,804
Property and equipment							
Land and improvements	78,264	–	1,084	600	–	3,016	6,861
Building and equipment	1,855,697	–	93,165	1,744	–	136,094	119,567
Construction-in-progress	57,894	–	2,204	–	–	2,184	3,078
Less accumulated depreciation	1,368,515	–	77,322	7	–	108,406	94,570
Total property and equipment, net	623,340	–	19,131	2,337	–	32,888	34,936
Other assets							
Goodwill and other intangible assets	189,675	–	68,586	–	–	144	4
Investment in unconsolidated entities	82,832	–	14,118	–	–	308	–
Physician guarantee asset	41,779	–	–	–	–	658	1,645
Other	35,743	(35,612)	54,449	535	–	134	168
Total other assets	350,029	(35,612)	137,153	535	–	1,244	1,817
Total assets	$ 4,064,919	$ (59,338)	$ 198,988	$ 2,929	$ 292	$ 206,832	$ 152,908

St. Vincent Health, Inc.

Consolidating Balance Sheet

June 30, 2013
(Dollars in Thousands)

	CHSCS and CHS Newco, LLC	St. Vincent Heart Center of Indiana, LLC	St Vincent Hospital and Health Care Center, Inc.	St. Vincent Hospital Foundation, Inc	St Vincent Fishers Hospital, Inc	St Vincent Carmel Hospital, Inc.	St. Vincent Mercy Hospital
Assets							
Current assets							
Cash and cash equivalents	$ 552	$ 14,982	$ 6,710	$ 616	$ 997	$ 973	$ 327
Short-term investments	–	24,238	–	3,425	–	–	477
Accounts receivable, less allowances for doubtful accounts of $104,389	–	15,567	163,270	–	4,710	20,872	2,350
Current portion of assets limited as to use	–	–	–	1,871	–	–	10
Estimated third-party payor settlements	–	48	3,587	–	–	126	382
Inventories	–	1,538	14,979	–	343	1,198	211
Other	14	2,018	24,983	79	740	3,889	417
Total current assets	566	58,391	213,529	5,991	6,790	27,058	4,174
Assets limited as to use and other long-term investments	–	16	380	70,468	–	–	214
Interest in investments held by Ascension Health Alliance	53,723	–	814,348	3,742	659	552,793	15,214
Property and equipment							
Land and improvements	7,139	–	20,547	–	8,121	4,336	1,003
Building and equipment	–	65,753	719,310	–	56,066	102,036	28,670
Construction-in-progress	–	54	16,368	–	349	17,470	18
Less accumulated depreciation	1,591	43,062	550,303	–	6,288	67,502	18,445
Total property and equipment, net	5,548	22,745	205,922	–	58,248	56,340	11,246
Other assets							
Goodwill and other intangible assets	46,756	207	34,953	–	57	1 644	–
Investment in unconsolidated entities	8,000	–	55,680	–	–	4,303	–
Physician guarantee asset	–	–	15,115	–	908	–	1,109
Other	–	67	2,013	–	41	89	911
Total other assets	54,756	274	107,761	–	1,006	6,036	2,020
Total assets	$ 114,593	$ 81,426	$ 1,341,940	$ 80,201	$ 66,703	$ 642,227	$ 32,868

St. Vincent Health, Inc.

Consolidating Balance Sheet

June 30, 2013
(Dollars in Thousands)

	St Vincent Randolph Hospital, Inc.	St Vincent Clay Hospital, Inc	St. Vincent New Hope, Inc.	St. Vincent Frankfort Hospital, Inc.	St Vincent Williamsport Hospital, Inc.	St. Vincent Jennings Hospital, Inc.	St Vincent Salem Hospital, Inc.
Assets							
Current assets							
Cash and cash equivalents	$ 35	$ 1,089	$ 1,002	$ 573	$ 1,098	$ 159	$ 27
Short-term investments	15	47	–	73	–	–	–
Accounts receivable, less allowances for doubtful accounts of $104,389	2,848	2,461	1,865	2,902	2,199	2,175	1,978
Current portion of assets limited as to use	–	–	–	–	–	–	–
Estimated third-party payor settlements	534	240	7	215	211	364	44
Inventories	284	426	–	423	288	180	286
Other	541	778	78	311	6	139	972
Total current assets	4,257	5,041	2,952	4,497	3,802	3,017	3,307
Assets limited as to use and other long-term investments	951	355	–	222	629	177	57
Interest in investments held by Ascension Health Alliance	25,818	34,649	878	39,724	33,177	6,815	7,281
Property and equipment							
Land and improvements	722	315	939	226	280	538	–
Building and equipment	24,029	18,446	7,994	8,810	12,525	17,913	1,873
Construction-in-progress	32	295	–	16	447	17	364
Less accumulated depreciation	12,030	12,312	6,341	6,439	7,636	9,286	830
Total property and equipment, net	12,753	6,744	2,592	2,613	5,616	9,182	1,407
Other assets							
Goodwill and other intangible assets	3	–	–	–	–	–	662
Investment in unconsolidated entities	–	–	–	–	–	–	–
Physician guarantee asset	442	720	–	–	–	666	914
Other	357	286	–	23	724	124	23
Total other assets	802	1,006	–	23	724	790	1,599
Total assets	$ 44,581	$ 47,795	$ 6,422	$ 47,079	$ 43,948	$ 19,981	$ 13,651

St. Vincent Health, Inc.

Consolidating Balance Sheet

June 30, 2013
(Dollars in Thousands)

	St. Vincent Dunn Hospital, Inc.	St. Vincent Medical Group, Inc.	Quality Healthcare Solutions, LLC (Navion)	St. Vincent Seton Specialty Hospital, Inc.	St. Mary's Health, Inc. (Evansville)
Assets					
Current assets					
Cash and cash equivalents	$ 396	$ 984	$ 76	$ 855	$ 13,655
Short-term investments	–	–	–	–	–
Accounts receivable, less allowances for doubtful accounts of $104,389	2,256	15,460	–	8,448	61,105
Current portion of assets limited as to use	–	–	–	–	187
Estimated third-party payor settlements	934	170	–	566	961
Inventories	466	205	–	512	7,396
Other	241	2,159	1,452	357	9,489
Total current assets	4,293	18,978	1,528	10,738	92,793
Assets limited as to use and other long-term investments	2	–	–	18	8,593
Interest in investments held by Ascension Health Alliance	3,194	16,736	20,258	76,219	524,356
Property and equipment					
Land and improvements	160	24	–	851	21,502
Building and equipment	9,482	22,563	68	23,310	386,279
Construction-in-progress	95	1,007	–	95	13,801
Less accumulated depreciation	3,493	18,658	67	10,405	313,522
Total property and equipment, net	6,244	4,936	1	13,851	108,060
Other assets					
Goodwill and other intangible assets	24	21,610	14,361	–	664
Investment in unconsolidated entities	–	–	–	–	423
Physician guarantee asset	–	–	–	–	19,602
Other	199	938	–	13	10,261
Total other assets	223	22,548	14,361	13	30,950
Total assets	$ 13,956	$ 63,198	$ 36,148	$ 100,839	$ 764,752

St. Vincent Health, Inc.

Consolidating Balance Sheet

June 30, 2013
(Dollars in Thousands)

	Consolidated St. Vincent Health	Reclassifications and Eliminations	St. Vincent Health, Inc.	SVH Real Estate, Inc.	St Vincent Health, Wellness & Preventive Care Institute, Inc	St Joseph Hospital & Health Center, Inc.	St Vincent Anderson Regional Hospital, Inc.
Liabilities and net assets							
Current liabilities							
Current portion of long-term debt	$ 6,804	$ (3,561)	$ 651	$ –	$ –	$ 242	$ 230
Accounts payable and accrued liabilities	282,005	–	25,062	57	181	10,019	16,035
Estimated third-party payor settlements	58,374	–	–	–	–	1,778	2,365
Current portion of self-insurance liabilities	7,413	–	195	–	–	58	265
Other	18,875	(23,727)	2,325	–	895	5,317	3,668
Total current liabilities	373,471	(27,288)	28,233	57	1,076	17,414	22,563
Noncurrent liabilities							
Long-term debt	465,879	(32,050)	44,602	–	–	16,564	15,741
Pension and other postretirement liabilities	100,665	–	87,742	–	–	–	–
Physician guarantee liability	41,628	–	–	–	–	658	1,588
Other	43,162	–	17,769	–	–	1,737	608
Total noncurrent liabilities	651,334	(32,050)	150,113	–	–	18,959	17,937
Total liabilities	1,024,805	(59,338)	178,346	57	1,076	36,373	40,500
Net assets							
Unrestricted							
Controlling interest	2,954,802	–	20,642	2,872	(817)	169,152	107,216
Noncontrolling interests	15,766	–	–	–	–	–	–
Unrestricted net assets	2,970,568	–	20,642	2,872	(817)	169,152	107,216
Temporarily restricted – controlling interest	52,357	–	–	–	33	910	4,681
Permanently restricted – controlling interest	17,189	–	–	–	–	397	511
Total net assets	3,040,114	–	20,642	2,872	(784)	170,459	112,408
Total liabilities and net assets	$ 4,064,919	$ (59,338)	$ 198,988	$ 2,929	$ 292	$ 206,832	$ 152,908

St. Vincent Health, Inc.

Consolidating Balance Sheet

June 30, 2013
(Dollars in Thousands)

	CIHSCS and CIHS Newco, LLC	St. Vincent Heart Center of Indiana, LLC	St Vincent Hospital and Health Care Center, Inc.	St Vincent Hospital Foundation, Inc	St. Vincent Fishers Hospital, Inc.	St. Vincent Carmel Hospital, Inc.	St. Vincent Mercy Hospital
Liabilities and net assets							
Current liabilities							
Current portion of long-term debt	$ –	$ 3,561	$ 2,478	$ –	$ –	$ 307	$ 168
Accounts payable and accrued liabilities	46	8,000	86,334	–	2,328	13,212	2,228
Estimated third-party payor settlements	–	2,206	28,516	–	–	1,509	2,174
Current portion of self-insurance liabilities	–	80	4,533	–	–	266	11
Other	646	1,940	7,270	51	216	2,380	760
Total current liabilities	692	15,787	129,131	51	2,544	17,674	5,341
Noncurrent liabilities							
Long-term debt	–	32,050	169,631	–	–	21,043	11,518
Pension and other postretirement liabilities	–	–	–	–	–	–	–
Physician guarantee liability	–	–	15,115	–	908	–	1,109
Other	–	–	9,472	–	–	147	196
Total noncurrent liabilities	–	32,050	194,218	–	908	21,190	12,823
Total liabilities	692	47,837	323,349	51	3,452	38,864	18,164
Net assets							
Unrestricted							
Controlling interest	85,507	53,265	1,014,935	31,924	63,251	602,909	14,514
Noncontrolling interests	28,394	(19,692)	–	–	–	279	–
Unrestricted net assets	113,901	33,573	1,014,935	31,924	63,251	603,188	14,514
Temporarily restricted – controlling interest	–	16	3,656	32,259	–	175	190
Permanently restricted – controlling interest	–	–	–	15,967	–	–	–
Total net assets	113,901	33,589	1,018,591	80,150	63,251	603,363	14,704
Total liabilities and net assets	$ 114,593	$ 81,426	$ 1,341,940	$ 80,201	$ 66,703	$ 642,227	$ 32,868

St. Vincent Health, Inc.

Consolidating Balance Sheet

June 30, 2013
(Dollars in Thousands)

	St. Vincent Randolph Hospital, Inc.	St Vincent Clay Hospital, Inc.	St. Vincent New Hope, Inc.	St Vincent Frankfort Hospital, Inc.	St. Vincent Williamsport Hospital, Inc	St Vincent Jennings Hospital, Inc	St Vincent Salem Hospital, Inc
Liabilities and net assets							
Current liabilities							
Current portion of long-term debt	$ 209	$ 115	$ 25	$ 7	$ 60	$ 155	$ –
Accounts payable and accrued liabilities	2,098	2,120	1,411	3,630	1,417	1,305	1,330
Estimated third-party payor settlements	1,507	2,471	18	2,235	1,495	2,322	1,160
Current portion of self-insurance liabilities	43	5	82	9	7	6	27
Other	909	351	986	1,388	885	567	693
Total current liabilities	4,766	5,062	2,522	7,269	3,864	4,355	3,210
Noncurrent liabilities							
Long-term debt	14,315	7,886	1,705	493	4,095	10,617	–
Pension and other postretirement liabilities	–	–	290	48	–	–	–
Physician guarantee liability	442	626	–	–	–	666	914
Other	46	16	–	–	68	84	–
Total noncurrent liabilities	14,803	8,528	1,995	541	4,163	11,367	914
Total liabilities	19,569	13,590	4,517	7,810	8,027	15,722	4,124
Net assets							
Unrestricted							
Controlling interest	22,121	32,627	1,605	39,047	35,527	3,632	9,470
Noncontrolling interests	2,406	–	–	–	–	450	–
Unrestricted net assets	24,527	32,627	1,605	39,047	35,527	4,082	9,470
Temporarily restricted – controlling interest	451	1,578	300	222	394	177	57
Permanently restricted – controlling interest	34	–	–	–	–	–	–
Total net assets	25,012	34,205	1,905	39,269	35,921	4,259	9,527
Total liabilities and net assets	$ 44,581	$ 47,795	$ 6,422	$ 47,079	$ 43,948	$ 19,981	$ 13,651

St. Vincent Health, Inc.

Consolidating Balance Sheet

June 30, 2013
(Dollars in Thousands)

	St. Vincent Dunn Hospital, Inc.	St. Vincent Medical Group, Inc.	Quality Healthcare Solutions, LLC (Navion)	St. Vincent Seton Specialty Hospital, Inc	St Mary's Health, Inc. (Evansville)
Liabilities and net assets					
Current liabilities					
Current portion of long-term debt	$ 113	$ 4	$ –	$ 6	$ 2,034
Accounts payable and accrued liabilities	2,104	40,505	758	4,339	57,486
Estimated third-party payor settlements	2,618	–	–	1,640	4,360
Current portion of self-insurance liabilities	15	82	5	54	1,670
Other	2,157	3,276	1,274	1,928	2,720
Total current liabilities	7,007	43,867	2,037	7,967	68,270
Noncurrent liabilities					
Long-term debt	7,707	287	–	426	139,249
Pension and other postretirement liabilities	–	–	–	–	12,585
Physician guarantee liability	–	–	–	–	19,602
Other	–	–	–	–	13,019
Total noncurrent liabilities	7,707	287	–	426	184,455
Total liabilities	14,714	44,154	2,037	8,393	252,725
Net assets					
Unrestricted					
Controlling interest	(760)	19,044	34,111	92,428	500,580
Noncontrolling interests	–	–	–	–	3,929
Unrestricted net assets	(760)	19,044	34,111	92,428	504,509
Temporarily restricted – controlling interest	2	–	–	18	7,238
Permanently restricted – controlling interest	–	–	–	–	280
Total net assets	(758)	19,044	34,111	92,446	512,027
Total liabilities and net assets	$ 13,956	$ 63,198	$ 36,148	$ 100,839	$ 764,752

St. Vincent Health, Inc.

Consolidating Statement of Operations and Changes in Net Assets

Year Ended June 30, 2013
(Dollars in Thousands)

	Consolidated St Vincent Health	Reclassifications and Eliminations	St Vincent Health, Inc.	SVH Real Estate, Inc.	St Vincent Health, Wellness & Preventive Care Institute, Inc	St Joseph Hospital & Health Center, Inc.	St Vincent Anderson Regional Hospital, Inc.	CHISCS and CHIS Nurses, LLC	St Vincent Heart Center of Indiana, LLC	St Vincent Hospital and Health Care Center, Inc
Operating revenue										
Net patient service revenue	$ 2,722 974	$ (19)	$ –	$ –	$ 43	$ 136 801	$ 205 248	$ –	$ 139 599	$ 1 113 847
Less provision for doubtful accounts	115,480	–	2,040	–	–	10,257	14,141	–	1,485	38,605
Net patient service revenue, less provision for doubtful accounts	2 607,494	(19)	(2 040)	–	43	126 544	191 107	–	118,114	1,075,242
Other revenue	128 431	(10,399)	4,395	57	343	1 448	16,780	177	589	57 540
Income from unconsolidated entities net	20 639	–	396	–	–	–	–	884	–	13 525
Net assets released from restrictions for operations	4,595	–	51	–	–	54	262	–	40	2,800
Total operating revenue	2 761,159	(10,418)	2,802	57	386	128 046	208 149	1,061	138 743	1,149 107
Operating expenses										
Salaries and wages	1,074 841	–	(3 606)	–	723	42,498	67 346	1,582	31 884	384,645
Employee benefits	261,330	(286)	(3 556)	–	142	11,325	19,583	484	8,901	100 712
Purchased services	294,490	(4)	89,785	4	20	13,417	16,552	–	6,674	75 348
Professional fees	139 196	(9,551)	18 647	4	129	5 287	18,937	12	6,303	49 655
Supplies	348 610	(202)	1,032	–	16	15,099	32 885	–	30,400	149 372
Insurance	11,184	–	–	–	5	326	272	–	139	4 443
Interest	15,549	–	(465)	–	–	584	555	–	2,036	5,169
Depreciation and amortization	112 205	–	21,423	7	–	5,317	4,622	50	3,839	34 886
Medicaid tax	98 748	–	–	–	–	6 872	9 925	–	3 836	49,114
Other	237,929	(375)	(130,119)	49	167	13,963	25,526	5,427	14,582	193,272
Total operating expenses before impairment, restructuring and nonrecurring gains (losses), net	2,594,082	(10,418)	(6,859)	64	1,202	114,688	196,203	7,555	108,594	1,046,616
Income (loss) from operations before impairment, restructuring, and nonrecurring gains (losses), net	167,077	–	9,661	(7)	(816)	13,358	11,946	(6,494)	30 149	102 491
Impairment, restructuring, and nonrecurring gains (losses) net	(11,499)	–	(3,502)	–	–	(317)	(492)	–	(310)	(2,704)
Income (loss) from operations	155,578	–	6,159	(7)	(816)	13,041	11,454	(6,494)	29,839	99,787
Nonoperating gains (losses)										
Investment return	180,105	–	1,219	–	(1)	10 578	5,261	3,265	480	57,780
Income (loss) from unconsolidated entities	796	–	1 352	–	–	(49)	–	–	–	77
Other	(8,162)	–	(3,247)	–	–	(57)	(222)	–	–	(1,307)
Total nonoperating gains (losses), net	172,739	–	(676)	–	(1)	10,472	5,039	3,265	480	56,550
Excess (deficit) of revenues and gains over expenses and losses	328,317	–	5 483	(7)	(817)	23 513	16,493	(3,229)	30 119	156 337
Less noncontrolling interests	13,479	–	–	–	–	–	–	7,859	–	–
Excess (deficit) of revenues and gains over expenses and losses attributable to controlling interest	314,838	–	5,483	(7)	(817)	23,513	16,493	(11 088)	30,319	156 337

St. Vincent Health, Inc.

Consolidating Statement of Operations and Changes in Net Assets

Year Ended June 30, 2013
(Dollars in Thousands)

	St Vincent Hospital Foundation, Inc.	St Vincent Fishers Hospital, Inc.	St Vincent Carmel Hospital, Inc.	St Vincent Mercy Hospital	St Vincent Randolph Hospital, Inc.	St Vincent Clay Hospital, Inc.	St Vincent New Hope, Inc.	St Vincent Frankfort Hospital, Inc.	St Vincent Williamsport Hospital, Inc.	St Vincent Jennings Hospital, Inc
Operating revenue										
Net patient service revenue	$ –	$ 7 677	$ 157,312	$ 25 934	$ 27,650	$ 22,728	$ 22 153	$ 27,085	$ 22 748	$ 19,816
Less provision for doubtful accounts	–	1,063	3,308	1,078	1,737	1,279	–	312	1,593	2,558
Net patient service revenue, less provision for doubtful accounts	–	6 614	154 004	24 856	25 913	21,449	22,153	26,773	21 155	17 258
Other revenue	(1,569)	736	12 545	517	780	476	33	780	677	331
Income from unconsolidated entities net	–	–	4 868	–	–	–	–	–	–	–
Net assets released from restrictions for operations	–	–	22	55	146	9	29	70	–	227
Total operating revenue	(1,569)	7,350	171,439	25 428	26,839	21 934	22,215	27,623	21 832	17,816
Operating expenses										
Salaries and wages	–	3,636	47,999	8 399	9 665	6,459	13 806	8 404	9 638	5,932
Employee benefits	–	757	12,459	2,301	2 846	1,967	5,895	2,246	2 615	1,819
Purchased services	–	802	9 018	2 509	3,113	3 046	325	3 320	1 409	2,882
Professional fees	–	1,059	4,103	2 038	1 805	1,065	154	1 823	1 047	1 015
Supplies	–	612	19 508	2,631	1,944	1,748	490	1,644	1 090	908
Insurance	–	43	306	68	33	34	85	24	40	(21)
Interest	–	–	742	406	505	278	60	17	144	374
Depreciation and amortization	–	877	4 653	1 049	891	580	341	499	412	487
Medicaid tax	–	231	4 076	969	956	1 056	–	1 001	1 115	801
Other	(1,966)	1,656	17,803	2,600	3,001	3,089	2,250	4,388	2,461	2,462
Total operating expenses before impairment, restructuring and nonrecurring gains (losses), net	(1,966)	9,673	120,667	22,970	24,759	19,322	23,406	23,366	19,991	16,699
Income (loss) from operations before impairment restructuring, and nonrecurring gains (losses), net	397	(2,323)	50,772	2 458	2 080	2,612	(1,191)	4,057	1 841	1 117
Impairment, restructuring, and nonrecurring gains (losses) net	–	(10)	(192)	(455)	(54)	(57)	–	(48)	(21)	(90)
Income (loss) from operations	397	(2,333)	50,580	2,003	2,026	2,555	(1,191)	4,009	1 820	1,027
Nonoperating gains (losses)										
Investment return	5,781	(13)	40,774	1,045	1,761	2,308	3	2,671	2,359	307
Income (loss) from unconsolidated entities	–	–	(593)	–	–	–	–	–	–	–
Other	(2,028)	–	(174)	(161)	(126)	(14)	(1)	–	32	(2)
Total nonoperating gains (losses), net	3,753	(13)	40,007	884	1,635	2,294	2	2,671	2,391	305
Excess (deficit) of revenues and gains over expenses and losses	4,150	(2 346)	90,587	2 887	3 661	4 849	(1 189)	6 680	4,211	1,332
Less noncontrolling interests	–	–	608	–	7	–	–	–	–	–
Excess (deficit) of revenues and gains over expenses and losses attributable to controlling interest	4 150	(2 346)	89,979	2 887	3,654	4 849	(1,189)	6 680	4 211	1 332

St. Vincent Health, Inc.

Consolidating Statement of Operations and Changes in Net Assets

Year Ended June 30, 2013
(Dollars in Thousands)

	St Vincent Salem Hospital, Inc.	St Vincent Dunn Hospital, Inc.	St Vincent Medical Group, Inc.	Quality Healthcare Solutions, LLC (Nurion)	St Vincent Seton Specialty Hospital, Inc.	St Mary's Health, Inc (Evansville)
Operating revenue						
Net patient service revenue	$ 20,419	$ 26,145	$ 171 172	$ –	$ 58 646	$ 517,970
Less provision for doubtful accounts	1,382	1,005	12,850	–	376	20,411
Net patient service revenue, less provision for doubtful accounts	19,037	25,140	158,322	–	58,270	497 559
Other revenue	214	1 060	8,717	12,727	154	19,321
Income from unconsolidated entities, net	–	–	–	–	–	966
Net assets released from restrictions for operations	39	2	136	–	4	649
Total operating revenue	19 290	26 202	167,175	12 727	58,428	518 497
Operating expenses						
Salaries and wages	6 499	9,264	194 021	5 391	24 793	195,863
Employee benefits	2,115	3,012	32 250	1,322	6,314	46,087
Purchased services	3,111	3 640	4,018	8	4,571	50,922
Professional fees	1,136	1,059	6 072	2,119	785	24,473
Supplies	1,054	1,993	9,309	17	5,867	71 193
Insurance	51	163	2,845	7	69	2,252
Interest	–	272	10	–	15	4,847
Depreciation and amortization	906	953	3,631	2,480	1,156	23,125
Medicaid tax	595	843	–	–	–	17,358
Other	2,644	3,423	30,375	(2,674)	6,399	37,326
Total operating expenses before impairment restructuring and nonrecurring gains (losses), net	18,111	24,622	282,532	8,670	49,969	473,446
Income (loss) from operations before impairment, restructuring, and nonrecurring gains (losses), net	1,179	1 580	(115 357)	4,057	8,459	45,051
Impairment, restructuring and nonrecurring gains (losses) net	(35)	(58)	(339)	(35)	(42)	(2,738)
Income (loss) from operations	1,144	1,522	(115,696)	4,022	8,417	42,313
Nonoperating gains (losses)						
Investment return	391	64	903	1,121	5 091	36 957
Income (loss) from unconsolidated entities	–	–	–	–	–	9
Other	–	(2)	–	–	–	(853)
Total nonoperating gains (losses), net	391	62	903	1,121	5,091	36,113
Excess (deficit) of revenues and gains over expenses and losses	1,535	1 584	(114 793)	5 143	13,508	78 426
Less noncontrolling interests	–	–	–	–	–	5,005
Excess (deficit) of revenues and gains over expenses and losses attributable to controlling interest	1 535	1 584	(114 793)	5 143	13 508	73 421

St. Vincent Health, Inc.

Consolidating Statement of Operations and Changes in Net Assets

Year Ended June 30, 2013
(Dollars in Thousands)

	Consolidated St. Vincent Health	Reclassifications and Eliminations	St Vincent Health, Inc.	SVH Real Estate, Inc.	St Vincent Health, Wellness & Preventive Care Institute, Inc.	St Joseph Hospital & Health Center, Inc.	St Vincent Anderson Regional Hospital, Inc.	CHISCS and CHIS Newco, LLC	St Vincent Heart Center of Indiana, LLC
Unrestricted net assets, controlling interest									
Excess (deficit) of revenues and gains over expenses and losses	$ 314,838	$ –	$ 5,483	$ (7)	$ (817)	$ 23,513	$ 16,493	$ (11,088)	$ 30,319
Pension and other postretirement liability adjustments	4,938	–	2,550	–	–	–	–	–	–
Transfers (to) from sponsor and other affiliates, net	(68,781)	–	(41,245)	2,144	–	(6,044)	(8,842)	18,150	(18,125)
Net assets released from restrictions for property acquisitions	2,857	–	–	–	–	502	356	–	6
Other	260	–	–	–	–	–	–	(2)	(23)
Increase (decrease) in unrestricted net assets controlling interest	254,112	–	(33,212)	2,137	(817)	17,971	8,007	7,060	12,177
Unrestricted net assets noncontrolling interest									
Excess of revenues and gains over expenses and losses	13,479	–	–	–	–	–	–	7,858	–
Distributions of capital	(11,808)	–	–	–	–	–	–	–	(6,350)
Other	3	–	–	–	–	–	–	3	–
Increase (decrease) in unrestricted net assets, noncontrolling interest	1,674	–	–	–	–	–	–	7,861	(6,150)
Temporarily restricted net assets controlling interest									
Contributions and grants	10,066	–	–	–	33	340	378	–	20
Net change in unrealized gains/losses on investments	1,287	–	–	–	–	19	127	–	–
Investment return	1,261	–	–	–	–	70	175	–	–
Net assets released from restrictions	(7,452)	–	(51)	–	–	(556)	(618)	–	(46)
Other	(549)	–	–	–	–	–	–	–	22
Increase (decrease) in temporarily restricted net assets controlling int	4,615	–	(51)	–	33	(127)	62	–	(4)
Permanently restricted net assets, controlling interest									
Contributions	331	–	–	–	–	1	–	–	–
Net change in unrealized gains/losses on investments	85	–	–	–	–	–	–	–	–
Investment return	131	–	–	–	–	–	1	–	–
Other	(23)	–	–	–	–	–	–	–	–
Increase (decrease) in permanently restricted net assets, controlling int	524	–	–	–	–	1	1	–	–
Increase (decrease) in net assets	260,925	–	(33,263)	2,137	(784)	17,845	8,070	14,921	5,823
Net assets beginning of year	2,779,189	–	53,905	535	–	152,614	104,338	98,980	27,766
Net assets end of year	$ 3,040,114	$ –	$ 20,642	$ 2,672	$ (784)	$ 170,459	$ 112,408	$ 113,901	$ 33,589

St. Vincent Health, Inc.

Consolidating Statement of Operations and Changes in Net Assets

Year Ended June 30, 2013
(Dollars in Thousands)

	St Vincent Hospital and Health Care Center, Inc.	St Vincent Hospital Foundation, Inc.	St Vincent Fishers Hospital, Inc.	St Vincent Carmel Hospital, Inc.	St Vincent Mercy Hospital	St Vincent Randolph Hospital, Inc	St Vincent Clay Hospital, Inc.	St Vincent New Hope, Inc	St. Vincent Frankfort Hospital, Inc	St Vincent Williamsport Hospital, Inc.
Unrestricted net assets, controlling interest										
Excess (deficit) of revenues and gains over expenses and losses	$ 156,337	$ 4,150	$ (2,346)	$ 89,979	$ 2 887	$ 3,654	$ 4,849	$ (1,189)	$ 6,680	$ 4,211
Pension and other postretirement liability adjustments	–	–	–	–	(6)	(54)	49	339	78	25
Transfers (to) from sponsor and other affiliates, net	(207,140)	(1,198)	65 597	(16 453)	(1)	(12)	(2)	137	–	(1)
Net assets released from restrictions for property acquisitions	1 176	–	–	290	26	99	–	112	–	–
Other	(3,969)	4,844	–	(312)	–	(2)	(2)	(138)	–	–
Increase (decrease) in unrestricted net assets controlling interest	(53,396)	5,796	63 251	73,504	2 904	3,685	4 894	(739)	6,758	4 235
Unrestricted net assets, noncontrolling interest										
Excess of revenues and gains over expenses and losses	–	–	–	608	–	7	–	–	–	–
Distributions of capital	–	–	–	(570)	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in unrestricted net assets, noncontrolling interest	–	–	–	38	–	7	–	–	–	–
Temporarily restricted net assets controlling interest										
Contributions and grants	479	6 686	–	70	146	183	68	31	136	19
Net change in unrealized gains/losses on investments	107	934	–	4	–	16	65	(5)	–	–
Investment return	140	795	–	6	–	–	54	4	–	–
Net assets released from restrictions	(4,176)	–	–	(312)	(81)	(245)	(9)	(141)	(70)	–
Other	3,986	(4,955)	–	301	2	(4)	2	138	–	–
Increase (decrease) in temporarily restricted net assets controlling int	536	3,460	–	69	67	(50)	180	27	66	19
Permanently restricted net assets, controlling interest										
Contributions	–	220	–	–	–	–	–	–	–	–
Net change in unrealized gains/losses on investments	–	85	–	–	–	–	–	–	–	–
Investment return	–	130	–	–	–	–	–	–	–	–
Other	–	(23)	–	–	–	–	–	–	–	–
Increase (decrease) in permanently restricted net assets, controlling int	–	412	–	–	–	–	–	–	–	–
Increase (decrease) in net assets	(52,860)	9 668	63 251	73 611	2 971	3 642	5 074	(712)	6 824	4 254
Net assets, beginning of year	1,071,451	70,482	–	529,752	11,733	21,370	29,131	2,617	32,445	31,667
Net assets end of year	$ 1,018,591	$ 80,150	$ 63,251	$ 603,363	$ 14,704	$ 25,012	$ 34,205	$ 1,905	$ 39,269	$ 35,921

St. Vincent Health, Inc.

Consolidating Statement of Operations and Changes in Net Assets

Year Ended June 30, 2013
(Dollars in Thousands)

	St Vincent Jennings Hospital, Inc	St Vincent Salem Hospital, Inc.	St Vincent Dunn Hospital, Inc.	St Vincent Medical Group, Inc	Quality Healthcare Solutions, LLC (Navion)	St Vincent Seton Specialty Hospital, Inc.	St Mary's Health, Inc (Evansville)
Unrestricted net assets, controlling interest							
Excess (deficit) of revenues and gains over expenses and losses	$ 1,332	$ 1,535	$ 1,584	$ (114,793)	$ 5,143	$ 13 508	$ 73 421
Pension and other postretirement liability adjustments	39	46	(265)	–	–	–	2,137
Transfers (to) from sponsor and other affiliates net	(4)	–	(4)	158 197	–	1	(12,134)
Net assets released from restrictions for property acquisitions	43	–	29	–	–	8	10
Other	–	–	–	(136)	–	–	–
Increase (decrease) in unrestricted net assets, controlling interest	1,410	1,581	1 344	43 268	5 143	13,517	63,434
Unrestricted net assets, noncontrolling interest							
Excess of revenues and gains over expenses and losses	–	–	–	–	–	–	5,006
Distributions of capital	–	–	–	–	–	–	(4 888)
Other	–	–	–	–	–	–	–
Increase (decrease) in unrestricted net assets noncontrolling interest	–	–	–	–	–	–	118
Temporarily restricted net assets controlling interest							
Contributions and grants	243	33	2	–	–	18	1,181
Net change in unrealized gains/losses on investments	–	–	–	–	–	–	20
Investment return	–	–	–	–	–	–	19
Net assets released from restrictions	(270)	(39)	(31)	(136)	–	(12)	(659)
Other	–	–	–	136	–	–	(177)
Increase (decrease) in temporarily restricted net assets controlling int	(27)	(6)	(29)	–	–	6	384
Permanently restricted net assets, controlling interest							
Contributions	–	–	–	–	–	–	110
Net change in unrealized gains/losses on investments	–	–	–	–	–	–	–
Investment return	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–
Increase (decrease) in permanently restricted net assets, controlling int	–	–	–	–	–	–	110
Increase (decrease) in net assets	1 383	1,575	1 315	43 268	5,143	13,523	64,046
Net assets, beginning of year	2,876	7,952	(2,073)	(24,224)	28,968	78,923	447,981
Net assets end of year	$ 4,259	$ 9,527	$ (758)	$ 19,044	$ 34,111	$ 92,446	$ 512,027

St. Vincent Health, Inc.

Schedule of Net Cost of Providing Care of Persons Living in Poverty and Community Benefit Programs

(Dollars in Thousands)

The net cost excluding the provision for bad debt expense of providing care of persons living in poverty and community benefit programs is as follows:

	Year Ended June 30	
	2013	**2012 As Adjusted**
Traditional charity care provided	**$ 86,052**	$ 83,107
Unpaid cost of public programs for persons living in poverty	**145,098**	113,462
Other programs for persons living in poverty and other vulnerable persons	**5,834**	6,373
Community benefit programs	**39,949**	36,783
Care of persons living in poverty and community benefit programs	**$ 276,933**	$ 239,725