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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2012

Open to Public Inspection

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

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

C Name of organization
Weirton Medical Center Inc

Doing Business As
Weirton Medical Center

Number and street (or P O box if mail is not delivered to street address) | Room/suite
601 Colliers Way

City or town, state or country, and ZIP + 4
Weirton, WV 260625014

D Employer identification number
55-0387249

E Telephone number
(304) 797-6000

G Gross receipts $ 135,562,474

F Name and address of principal officer
Charles O'Brien
601 Colliers Way
Weirton, WV 260625014

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

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

H(c) Group exemption number ▶

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

J Website: ▶ www weirtonmedical com

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

L Year of formation 1949

M State of legal domicile WV

Part I Summary

1 Briefly describe the organization's mission or most significant activities
Weirton Medical Center, in partnership with physicians, will lead the tri-state area in the provision of coordinated, safe, effective, quality healthcare services through a process of teamwork, innovation, and continuous improvement

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**	10
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	**5**	1,364
6	Total number of volunteers (estimate if necessary)	**6**	62
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	7,272
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)	833,695	169,014
9	Program service revenue (Part VIII, line 2g)	88,606,006	109,766,031
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,809,696	1,367,345
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	862,430	1,580,873
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	92,111,827	112,883,263
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	50,194,205	56,066,317
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	51,986,697	55,394,342
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	102,180,902	111,460,659
19	Revenue less expenses Subtract line 18 from line 12	-10,069,075	1,422,604

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	75,258,936	75,688,844
21	Total liabilities (Part X, line 26)	63,629,181	58,961,964
22	Net assets or fund balances Subtract line 21 from line 20	11,629,755	16,726,880

Part II Signature Block

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

Sign Here

****** | 2014-05-08
Signature of officer | Date

Robert Frank CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Dale Carpenter				P00189642

Firm's name ▶ Arnett Foster Toothman PLLC | Firm's EIN ▶ 55-0486667

Firm's address ▶ P O Box 2629
Charleston, WV 25329 | Phone no (304) 346-0441

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

Weirton Medical Center, in partnership with physicians, will lead the tri-state area in the provision of coordinated, safe, effective, quality healthcare services through a process of teamwork, innovation, and continuous improvement

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 105,085,663 including grants of $) (Revenue $ 109,766,031)

The medical center provided inpatient, outpatient, emergency, psychiatric, home health, physician and skilled nursing services including 31,948 inpatient days, 185,859 outpatient visits, 38,181 emergency room visits and 9,438 home health visits Charges foregone for charity amounted to $1,797,155

4b (Code) (Expenses $ 119,917 including grants of $) (Revenue $)

Abeyance reduction program including 55 programs at local schools, businesses, churches and in-house designed to provide community benefits including health fairs, BPW and laboratory blood analysis, health clinics, cholesterol screening, presentation to WV HFMA, and other health related events

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

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ 105,205,580

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	98		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	1,364		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a** 11		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	**1b** 10		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**		No
6	Did the organization have members or stockholders?	**6**	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**		No

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

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

Section C. Disclosure

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

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

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

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

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

▶Kellie Henwood 601 Colliers Way Weirton, WV (304) 797-6440

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Charles M O'Brien Jr President/CEO	40 00 16 00	X		X				166,750	0	0
(2) Robert Frank CFO	40 00			X				246,436	0	0
(3) Sherry Zisk CNO	40 00				X			229,473	0	17,258
(4) James R Shockley Chairman	10 00 10 00	X						0	0	0
(5) Michael Wehr Vice-Chairman	4 00 4 00	X						0	0	0
(6) John J York Secretary	4 00	X						0	0	0
(7) Jon M Rogers Treasurer	8 00 10 00	X						0	0	0
(8) Richard Ajayi Director	8 00 8 00	X						0	0	0
(9) William R Kiefer Director	2 00 2 00	X						0	0	0
(10) Art L Miser Jr Director	2 00 2 00	X						0	0	0
(11) David L Snyder Director	4 00 4 00	X						0	0	0
(12) John A Spadafora Director	2 00	X						0	0	0
(13) Sondra Weigel Director	2 00	X						0	0	0
(14) Stephen Alatis Physician	40 00					X		698,561	0	17,980
(15) Keith Bravo Physician	40 00					X		533,698	0	24,914
(16) Craig Oser Physician	40 00					X		386,763	0	6,675
(17) Lisa Noble Physician	40 00					X		276,227	0	6,659

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Patricia Murphy Physician	40 00					X		280,050	0	0
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								2,817,958	0	73,486

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 ▶ 31

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Siemans Medical Solutions Inc PO Box 12001 Dept 0733 Dallas TX 75312	Equipment maintenance and staff	3,638,778
R & V Associates 310 Grant St Suite 1120 Pittsburgh PA 15219	Contracted administrative services	1,183,015
Pharmacy Systems Inc PO Box 130 Dublin OH 43017	Contracted pharmacists	943,450
Central Blood Bank Five Parkway Center Pittsburgh PA 15220	Lab	601,259
Executive Health Resources Inc PO Box 822688 Philadelphia PA 19182	Consulting agency	371,565

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 ▶ 32

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	114,214			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	54,800			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		169,014			
Program Service Revenue			Business Code				
	2a	Health care services	622110	109,766,031	109,766,031		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		109,766,031			
	3	Investment income (including dividends, interest, and other similar amounts)		351,427			351,427
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real	(ii) Personal			
	6a	Gross rents	379,277				
	b	Less rental expenses	0				
	c	Rental income or (loss)	379,277				
	d	Net rental income or (loss)		379,277			379,277
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	23,695,129				
	b	Less cost or other basis and sales expenses	22,630,007	49,204			
	c	Gain or (loss)	1,065,122	-49,204			
	d	Net gain or (loss)		1,015,918			1,015,918
Other Revenue	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	Premier K-1 income	900099	583,685		7,272	576,413
	b	Cafeteria & Vending Income	722100	488,108			488,108
	c	Telephone	900099	32,085			32,085
	d	All other revenue		97,718			97,718
	e	**Total.** Add lines 11a–11d		1,201,596			
	12	**Total revenue.** See Instructions		112,883,263	109,766,031	7,272	2,940,946

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
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	727,949	679,832	48,117	
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	42,775,008	39,947,580	2,827,428	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,290,467	1,205,167	85,300	
9 Other employee benefits	8,349,744	7,797,826	551,918	
10 Payroll taxes	2,923,149	2,729,929	193,220	
11 Fees for services (non-employees)				
a Management				
b Legal	704,385		704,385	
c Accounting	38,745		38,745	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees	27,140		27,140	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	14,775,032	13,835,716	939,316	
12 Advertising and promotion				
13 Office expenses	3,905,714	3,647,546	258,168	
14 Information technology				
15 Royalties . .				
16 Occupancy	1,687,055	1,575,541	111,514	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	138,404	129,255	9,149	
20 Interest	1,139,636	1,064,306	75,330	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,001,921	2,803,494	198,427	
23 Insurance	647,902	605,076	42,826	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a Medical supplies	14,093,145	14,093,145		
b Bad debts	10,081,745	10,081,745		
c Health care provider ta	3,004,296	3,004,296		
d Sales taxes	1,349,489	1,260,288	89,201	
e All other expenses	799,733	744,838	54,895	
25 **Total functional expenses.** Add lines 1 through 24e	111,460,659	105,205,580	6,255,079	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		9,202,406	2	643,357
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		10,223,703	4	9,870,788
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		100,931	7	0
	8	Inventories for sale or use		1,084,312	8	1,172,862
	9	Prepaid expenses and deferred charges		1,579,688	9	1,656,141
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 105,260,935			
	b	Less accumulated depreciation	10b 78,494,650	20,451,661	10c	26,766,285
	11	Investments—publicly traded securities		26,700,986	11	29,034,110
	12	Investments—other securities See Part IV, line 11		1,777,475	12	4,201,605
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		4,137,774	15	2,343,696
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		75,258,936	16	75,688,844
Liabilities	17	Accounts payable and accrued expenses		15,130,900	17	16,878,577
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		22,386,333	20	0
	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		7,075,646	23	26,796,620
	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		19,036,302	25	15,286,767
	26	**Total liabilities.** Add lines 17 through 25		63,629,181	26	58,961,964
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		11,629,755	27	16,726,880
	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		11,629,755	33	16,726,880
	34	Total liabilities and net assets/fund balances		75,258,936	34	75,688,844

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	112,883,263
2	Total expenses (must equal Part IX, column (A), line 25)	2	111,460,659
3	Revenue less expenses Subtract line 2 from line 1	3	1,422,604
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	11,629,755
5	Net unrealized gains (losses) on investments	5	-147,083
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	3,821,604
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	16,726,880

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
Weirton Medical Center Inc

Employer identification number
55-0387249

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test

Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
Weirton Medical Center Inc

Employer identification number
55-0387249

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	(a) Current year	(b) Prior year	(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		124,015		124,015
b Buildings		53,335,070	38,825,640	14,509,430
c Leasehold improvements		211,247	211,247	0
d Equipment		45,286,250	36,975,544	8,310,706
e Other		6,304,353	2,482,219	3,822,134
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				26,766,285

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) Premier	2,230,000	C
(B) All About Women	619,006	C
(C) Masico	150,000	C
(D) Purewal	100,000	C
(E) Mannino	50,000	C
(F) Stateline Cardia	1,052,599	C
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	4,201,605	

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
Estimated third-party settlements	1,024,211
Estimated malpractice liability	3,358,113
Accrued pension liability	10,904,443
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	15,286,767

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	102,797,925
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	0
3	Subtract line **2e** from line **1**			3	102,797,925
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	10,085,338		
c	Add lines **4a** and **4b**			4c	10,085,338
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	112,883,263

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

1	Total expenses and losses per audited financial statements			1	101,375,321
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	0
3	Subtract line **2e** from line **1**			3	101,375,321
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	10,085,338		
c	Add lines **4a** and **4b**			4c	10,085,338
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	111,460,659

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
Part XI, Line 4b - Other Adjustments		Bad debts netted against revenue on financials 10,081,745 Interest expense netted with revenue on financials 3,593
Part XII, Line 4b - Other Adjustments		Bad debts netted against revenue on financials 10,081,745 Interest expense netted with revenue on financials 3,593

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
Weirton Medical Center Inc

Employer identification number
55-0387249

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			1,532,327		1,532,327	1 510 %
b Medicaid (from Worksheet 3, column a)			16,181,491	12,030,975	4,150,516	4 090 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			17,713,818	12,030,975	5,682,843	5 600 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			71,001	5,235	65,766	0 060 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)			1,904,037	1,008,633	895,404	0 880 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j **Total.** Other Benefits			1,975,038	1,013,868	961,170	0 940 %
k **Total.** Add lines 7d and 7j			19,688,856	13,044,843	6,644,013	6 540 %

Part II **Community Building Activities** Complete this 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						
10 **Total**						

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

			Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1		No
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 3,465,096			
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit 3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME) 5 23,690,344			
6	Enter Medicare allowable costs of care relating to payments on line 5 6 23,870,280			
7	Subtract line 6 from line 5 This is the surplus (or shortfall) 7 -179,936			
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used			

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

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

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year?
1

	Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	Weirton Medical Center 601 Colliers Way Weirton, WV 260625014	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 Weirton Medical Center

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		No
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☐ A definition of the community served by the hospital facility			
b	☐ Demographics of the community			
c	☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☐ How data was obtained			
e	☐ The health needs of the community			
f	☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☐ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 ___			
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		
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		
5	Did the hospital facility make its CHNA report widely available to the public?	5	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website			
b	☑ Available upon request from the hospital facility			
c	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☐ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
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		
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $___			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☑ Uninsured discount			
f ☑ Medicaid/Medicare			
g ☑ State regulation			
h ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**19**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

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

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

Part V Facility Information *(continued)*

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

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

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

Part VI Supplemental Information

Complete this part to provide the following information

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

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

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

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

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

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

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

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

Identifier	ReturnReference	Explanation
		Part I, Line 3c Weirton Medical Center is required by law to give a reasonable amount of services without charge to eligible persons who cannot afford to pay for care Eligibility for financial assistance is based upon U S Citizenship and the U S Government's Federal Poverty Guidelines These guidelines are updated each year A person may qualify for financial assistance if their household income is at or below 300% of the current guidelines
		Part I, Line 7 The cost of charity care was estimated using a cost to charge ratio derived from Worksheet 2 of the Schedule H instructions The unreimbursed cost of Medicaid was estimated using a cost to charge ratio derived from Worksheet 2 of the Schedule H Instructions

Identifier	ReturnReference	Explanation
		Part I, Line 7, Column (f) The Bad Debt expense included on Form 990, Part IX, Line 25, Column (A), but subtracted for purposes of calculating the percentage in this column is $ 10081745
Community Benefit Report Availability	Schedule H, Part I, Line 6b	The Organization makes its community benefit report available through the WVHCA and its website The report is also available upon request

Identifier	ReturnReference	Explanation
		Part III, Line 4 Patient accounts receivable are carried at the original charge less an estimate made for doubtful or uncollectible accounts In evaluating the collectability of accounts receivable, the Medical Center analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts The allowance is based upon a review of the outstanding balances aged by financial class Management uses collection percentages based upon historical collection experience to determine collectability Management also reviews troubled, aged accounts to determine collection potential For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Medical Center records a provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts Recoveries of accounts previously written off are recorded as a reduction to bad debt expense when received Interest is not charged on patient accounts receivable
		Part III, Line 8 The organization does not consider the shortfall reported in Medicare revenue to be community benefits since some years have shortfalls and others have overages The unreimbursed cost of Medicare was estimated using a cost to charge ratio derived from Worksheet 2 of the Schedule H Instructions

Identifier	ReturnReference	Explanation
		Part III, Line 9b There is no collection from patients who qualify for charity care If a patient qualifies, they receive no bill
Late filing of Community Health Needs Assessment	Part V, Section B, Line 1	Weirton Medical Center was late filing its Community Health Needs Assessment as defined by code section 501(r)-3 This memo outlines the factors contributing to the late filing and the corrective actions taken by the Hospital The Hospital engaged the accounting firm of Arnett Foster Toothman, PLLC (AFT) to assist with the preparation of their Community Health Needs Assessment in March 2013 Work on the CHNA began immediately and substantial progress was made in April, May and June towards the completion of the CHNA There were challenges in obtaining demographic and patient utilization data because the Hospital, located in Weirton, West Virginia is also adjacent to the states of Ohio and Pennsylvania Obtaining demographic and patient utilization data from those states was much more difficult than from the home state of West Virginia At, or around, June 30, 2013, the actual due date of the CHNA filing there was a misunderstanding of the due date by the firm AFT resulting from language in the Proposed Rules dated April 2013 Eventually, the information needed to finish the CHNA was obtained and the final report was completed and approved by the Board of Directors in December 2013, as was the adoption of an implementation strategy to meet the community health needs identified in the CHNA The CHNA was filed (made widely available) by including it on the Hospital's website in early January 2014 The Hospital's 990 tax return is under its second extension until May 15, 2014 The Hospital has taken corrective action by completing and filing the CHNA, as well as adopting the implementation strategy It has also adopted a Corrective Action Plan that included many initiatives that were underway prior to June 30, 2013 In accordance with Notice 2014-3 and through discussion with its author, the Hospital has self-corrected the deficiencies as outlined above without being contacted by the Internal Revenue Service The Hospital believes the deficiencies to be minor and inadvertant and, therefore, would not be considered to be egregious As a result of the process, the Hospital is now aware of the practices and procedures necessary to eliminate any future deficiencies The Hospital believes the deficiencies had no effect on affected persons and that once the deficiencies were discovered, which was in November 2013, efforts were made to make timely corrections as described above Based upon the above discussion, the Hospital believes it would not be subject to the excise tax under IRS Code Section 4959 and has not filed Form 4720

Identifier	ReturnReference	Explanation
		Part VI, Line 2 Weirton Medical Center conducts a community health needs assessment of the residents of its service area every three years The assessment results are tabulated and analyzed to determine the health needs The health needs are then prioritized and a plan is developed to address the needs
		Part VI, Line 3 A charity care policy is posted at all registration areas All patients are seen or called by the financial counselors and/or the Customer Service Department to determine what services can be offered The patients are screened for charity care and provided education about the state Medicaid application

Identifier	ReturnReference	Explanation
		Part VI, Line 4 Weirton Medical Center serves the counties of Brooke and Hancock in West Virginia, and portions of Washington County in Pennsylvania and Jefferson County in Ohio Brooke County, West Virginia had a 2014 projected population of 18,564 The median age is 40 6 years and 18 7 percent of the population is age 65 or older The median household income is $43,361 The December 2011 unemployment rate was 10 2 percent Brooke County residents make up 26 9 percent of the Medical Center's total patient volume Hancock County, West Virginia had a 2014 projected population of 31,594 The median age is 44 6 and 20 0 percent of the population is age 65 or older The median household income is $44,478 and 10 6 percent of the population was unemployed in December 2011 Hancock County residents make up 35 7 percent of the Medical Center's total patient volume Jefferson County, Ohio had a 2014 projected population of 67,320 with a median age of 45 0 years The percentage of population that is 65 years or older is 19 5 percent The median household income is $43,471 The December 2011 unemployment rate was 10 6 percent Jefferson County residents make up 19 4 percent of the Medical Center's total patient volume The total service area population was 107,207 in 2009 and is projected to be 102,362 in 2014 - a decline of 4 5 percent The region is also served by Trinity Health System in Steubenville, Ohio Patients from the area also use Wheeling Hospital, Ohio Valley Medical Center in Wheeling, and Washington Hospital in Washington, Pennsylvania Patients also seek medical care from tertiary hospitals located in Pittsburgh, Pennsylvania
		Part VI, Line 5 1 All members of the Weirton Medical Center's governing board reside within its service area Two of the board members are contractors of the organization The current president of the medical staff, who has a two year tenure, has a seat on the board by virtue of this office and is employed by a contractor with the hospital There are no family members on the governing board 2 The organization extends privileges to all qualified physicians in its community, three departments have granted exclusivity to physician groups 3 If there are surplus funds, the organization, based on its priorities and identified needs, may elect to use those for new clinical programs, the acquisition of new or replacement equipment or other specific purposes Management recommends such initiatives to the board for approval The organization does not conduct medical education or research 4 Weirton Medical Center operates a 24 hour, seven day a week emergency room available to all, regardless of ability to pay 5 During 2013 Weirton Medical Center operated an inpatient geriatric-psychiatric unit that was not available elsewhere in the surrounding communities 6 Weirton Medical Center does not actively solicit charitable support, rather the Weirton Medical Center Foundation, a related entity, supports the hospital in its pursuit of a strong, healthy community, by engaging in fundraising activities and providing direct and supplemental funding to Weirton Medical Center Weirton Medical Center benefits from a strong volunteer program whose members provide approximately 16,000 annual hours of assistance to the organization Weirton Medical Center also provides numerous community classes and screenings, some of which benefit from volunteer participation 7 On the Weirton Medical Center website there is a link to its Community Benefits Report

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
Weirton Medical Center Inc

Employer identification number
55-0387249

Part I Questions Regarding Compensation

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

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)Charles M O'Brien Jr President/CEO	(i) (ii)	166,750 0	0 0	0 0	0 0	0 0	166,750 0	0 0
(2)Robert Frank CFO	(i) (ii)	246,436 0	0 0	0 0	0 0	896 0	247,332 0	0 0
(3)Sherry Zisk CNO	(i) (ii)	229,473 0	0 0	0 0	0 0	18,842 0	248,315 0	0 0
(4)Stephen Alatis Physician	(i) (ii)	698,561 0	0 0	0 0	0 0	18,220 0	716,781 0	0 0
(5)Keith Bravo Physician	(i) (ii)	533,698 0	0 0	0 0	0 0	26,498 0	560,196 0	0 0
(6)Craig Oser Physician	(i) (ii)	386,763 0	0 0	0 0	0 0	6,915 0	393,678 0	0 0
(7)Lisa Noble Physician	(i) (ii)	276,227 0	0 0	0 0	0 0	7,019 0	283,246 0	0 0
(8)Patricia Murphy Physician	(i) (ii)	280,050 0	0 0	0 0	0 0	957 0	281,007 0	0 0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 4a	The former CEO, Dr Endrich received a $227,532 02 severance payment

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
Weirton Medical Center Inc

Employer identification number
55-0387249

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 6	
	Form 990, Part VI, Section A, line 7a	The Hospital's board of directors is elected by its sole member, Weirton Medical Corporation, Inc
	Form 990, Part VI, Section B, line 11	The 990 is reviewed by the Finance Director, the CFO and the board of directors before approval is given and it is submitted to the IRS
	Form 990, Part VI, Section B, line 12c	The board and medical staff executive are required to complete conflict of interest statem ents annually The compliance committee oversees the process
	Form 990, Part VI, Section B, line 15	A board designated compensation committee is utilized not only for the CEO but for all of senior management Comparability data is obtained through the Director of Human Resources and a performance evaluation is completed
	Form 990, Part VI, Section C, line 19	The financial statements are available through the West Virginia Health Care Authority as part of the freedom of information act/sunshine laws and are also published in the legal s ection of the newspaper annually The governing documents, conflict of interest policy and financial statements are available upon request
Other Fees	Form 990, Part IX, line 11g	Security Program service expenses 192,863 Management and general expenses 13,651 Fundra ising expenses 0 Total expenses 206,514 Cost review Program service expenses 119,621 M anagement and general expenses 8,467 Fundraising expenses 0 Total expenses 128,088 Coll ections Program service expenses 60,712 Management and general expenses 4,297 Fundraisi ng expenses 0 Total expenses 65,009 Service contract Program service expenses 3,906,162 Management and general expenses 276,472 Fundraising expenses 0 Total expenses 4,182,63 4 Miscellaneous service Program service expenses 8,828,966 Management and general expen ses 624,901 Fundraising expenses 0 Total expenses 9,453,867 Consulting Program service expenses 162,880 Management and general expenses 11,528 Fundraising expenses 0 Total e xpenses 174,408 Physician fees Program service expenses 564,512 Management and general expenses 0 Fundraising expenses 0 Total expenses 564,512
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 9	Defined benefit pension plan adjustment 3,821,604

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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
Weirton Medical Center Inc

Employer identification number
55-0387249

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
(1) Weirton Medical Center Foundation 601 Colliers Way Weirton, WV 26062 55-0689248	Supporting organization	WV	501(c)(3)	11	Weirton Medical Corporation		No
(2) Weirton Medical Corporation 601 Colliers Way weirton, WV 26062 55-0689267	Supporting organization	WV	501(c)(3)	11, Type II	N/A		No

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

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

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	No
(1) All About Women Health Associates Inc 651 Colliers Way Box 300 Weirton, WV 26062 56-2356850	Office of physicians	WV	Weirton Medical Center Inc	C	-105,634	62,881	100 000 %	Yes	
(2) WMC Physician Practices Inc 601 Colliers Way Weirton, WV 26062 46-1883875	Office of physicians	WV	Weirton Medical Center Inc	C	-491,528	299,695	100 000 %	Yes	

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

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) All About Women Health Associates Inc	D	60,000	FMV - Cash
(2) WMC Physician Practices Inc	B	300,000	FMV - Cash
(3) WMC Physician Practices Inc	D	226,644	FMV - Cash

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

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

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

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 55-0387249
Name: Weirton Medical Center Inc

Part VII **Supplemental Information**

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

Identifier	Return Reference	Explanation	

-->

WEIRTON MEDICAL CENTER

Consolidated
Financial Statements

June 30, 2013

arnett
foster
toothman pllc
CPAs & Advisors

CONTENTS

arnett foster toothman pllc
CPAs & Advisors

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Weirton Medical Center, Inc and Subsidiaries
Weirton, West Virginia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

101 Washington Street East | P O Box 2629
Charleston, WV 25329
304 346 0441 | 800 642 3601

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Weirton Medical Center, Inc and Subsidiaries as of June 30, 2013 and 2012, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America

ARNETT FOSTER TOOTHMAN PLLC

Arnett Foster Toothman PLLC

Charleston, West Virginia
September 10, 2013

WEIRTON MEDICAL CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
June 30, 2013 and 2012

ASSETS	2013	2012
Current assets		
Cash and cash equivalents	**$ 578,387**	$ 133,302
Assets limited as to use	**-**	1,374,726
Patient accounts receivable, net of allowance for doubtful accounts 2013, $15,885,000, 2012, $12,812,000	**9,755,311**	10,223,703
Other receivables	**1,004,177**	2,547,851
Inventory of supplies	**1,199,461**	1,084,312
Prepaid expenses	**1,678,717**	1,579,688
Total current assets	**14,216,053**	16,943,582
Interest in net assets of Weirton Medical Center Foundation	**1,294,672**	1,294,672
Assets limited as to use, net of current portion	**29,175,736**	34,431,210
Property and equipment, net	**26,807,747**	20,451,661
Other assets		
Deferred financing costs, net	**-**	259,405
Other investments	**2,230,000**	1,776,205
Other assets	**1,534,460**	-
Other receivables	**-**	102,201
Total other assets	**3,764,460**	2,137,811
Total assets	**$ 75,258,668**	$ 75,258,936
LIABILITIES AND NET ASSETS		
Current liabilities		
Disbursements in excess of cash	**$ -**	$ 1,559,656
Line of credit	**4,610,482**	6,678,856
Current portion of long-term debt	**909,894**	210,942
Accounts payable	**12,607,172**	9,370,422
Accrued salaries and wages	**2,940,964**	2,680,361
Accrued vacation expense	**1,302,192**	1,144,764
Estimated third-party payor settlements	**1,024,211**	612,137
Accrued interest payable	**28,429**	65,697
Total current liabilities	**23,423,344**	22,322,835
Long-term liabilities		
Long-term obligations, net of current portion	**21,276,244**	22,572,181
Self-insurance and other reserves	**3,358,113**	3,478,296
Other liabilities	**121,000**	310,000
Accrued pension costs	**10,904,443**	14,945,869
Total long-term liabilities	**35,659,800**	41,306,346
Total liabilities	**59,083,144**	63,629,181
Unrestricted net assets	**16,175,524**	11,629,755
Total liabilities and net assets	**$ 75,258,668**	$ 75,258,936

See Notes to Consolidated Financial Statements

WEIRTON MEDICAL CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
Years Ended June 30, 2013 and 2012

	2013	2012
Unrestricted revenues, gains and other support		
Patient service revenue (net of contractual allowances and discounts)	**$ 110,126,760**	$ 88,408,532
Provision for uncollectible accounts	**(10,081,745)**	(10,589,342)
Net patient service revenue less provision for uncollectible accounts	**100,045,015**	77,819,190
Other operating revenue	**1,845,874**	2,037,091
Total revenues, gains and other support	**101,890,889**	79,856,281
Expenses		
Salaries and wages	**44,188,344**	38,331,190
Payroll taxes and benefits	**12,649,309**	11,863,015
Supplies and other	**33,939,036**	30,984,387
Depreciation and amortization	**3,027,174**	2,695,089
Interest expense	**1,136,301**	1,144,088
Insurance and other related costs	**723,207**	1,230,763
Fees, administrative and other	**2,002,144**	1,252,474
Broad based healthcare tax	**3,004,296**	2,327,778
Utilities	**1,882,596**	1,762,776
Total expenses	**102,552,407**	91,591,560
Operating loss	**(661,518)**	(11,735,279)
Other income (expense)		
Investment income	**1,412,956**	1,602,328
Gifts and bequests	**169,014**	811,179
Other	**(49,204)**	-
Total other income	**1,532,766**	2,413,507
Excess (deficiency) of revenues over expenses	**871,248**	(9,321,772)
Other changes in unrestricted net assets		
Defined benefit pension plan adjustment	**3,821,604**	(6,971,318)
Change in net unrealized gains and losses on other than trading securities	**(147,083)**	(1,166,906)
	3,674,521	(8,138,224)
Increase (decrease) in unrestricted net assets	**4,545,769**	(17,459,996)
Net assets, beginning of year	**11,629,755**	29,089,751
Net assets, end of year	**$ 16,175,524**	$ 11,629,755

See Notes to Consolidated Financial Statements

WEIRTON MEDICAL CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended June 30, 2013 and 2012

	2013	2012
Cash flows from operating activities		
Change in net assets	**$ 4,545,769**	$ (17,459,996)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	**3,027,174**	2,695,089
Provision for bad debts	**10,081,745**	10,589,342
Net changes in net unrealized gains and losses on investments	**147,083**	1,166,906
Defined benefit pension plan adjustment	**(3,821,604)**	6,971,318
Net realized (gains) losses on investments	**(1,065,122)**	(506,091)
Changes in assets and liabilities		
(Increase) decrease in patient accounts receivable	**(9,613,353)**	(6,541,152)
(Increase) decrease in other receivables	**1,645,875**	(1,886,841)
(Increase) decrease in inventories and prepaid expenses	**(214,178)**	388,404
(Increase) decrease in other assets	**(181,861)**	-
(Increase) decrease in other investments	**(453,795)**	(586,703)
Increase (decrease) in accounts payable and accrued expenses	**3,428,513**	2,595,728
Increase (decrease) in estimated third-party payor settlements	**412,074**	(17,435)
Increase (decrease) in accrued pension costs	**(219,822)**	(130,847)
Increase (decrease) in malpractice self-insurance liability and other liabilities	**(120,183)**	494,028
Net cash provided by (used in) operating activities	**7,598,315**	(2,228,250)
Cash flows from investing activities		
Purchase of property and equipment	**(9,123,855)**	(2,946,582)
Purchase of investments	**(15,965,293)**	(28,751,604)
Proceeds from sale of investments	**23,513,532**	31,729,933
Purchase of physician practice	**(1,352,599)**	-
Net cash provided by (used in) investing activities	**(2,928,215)**	31,747
Cash flows from financing activities		
Proceeds from long-term debt	**22,000,000**	-
Repayment of long-term debt	**(22,596,985)**	(1,544,439)
Net borrowings (repayment) of line-of-credit	**(2,068,374)**	2,488,797
Disbursements in excess of cash	**(1,559,656)**	1,252,454
Net cash provided by (used in) financing activities	**(4,225,015)**	2,196,812
Increase in cash and cash equivalents	**445,085**	309
Cash and cash equivalents		
Beginning of year	**133,302**	132,993
End of year	**$ 578,387**	$ 133,302
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	**$ 1,070,766**	**$ 1,254,571**

See Notes to Consolidated Financial Statements

WEIRTON MEDICAL CENTER, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Description of Organization and Summary of Significant Accounting Policies

Nature of operations: Weirton Medical Center, Inc d/b/a Weirton Medical Center (the "Medical Center") is a not-for-profit corporation The Medical Center owns an acute care hospital and provides inpatient, outpatient, emergency, home health, physician and skilled nursing services for residents of northern West Virginia, southwestern Pennsylvania and eastern Ohio

Weirton Medical Corporation was formed as the parent holding company of the Medical Center and the Weirton Medical Center Foundation (the "Foundation") As the parent holding company, Weirton Medical Corporation has the responsibility to approve the Medical Center's trustees These consolidated financial statements do not include the financial statements of the Foundation

WMC Physician Practices, Inc (PPI) was incorporated in 2013 as a wholly owned, for-profit corporation of the Medical Center that provides physician medical services to the residents of Weirton, West Virginia and surrounding areas The Medical Center purchased 100% of the outstanding shares of All About Women Health Associates, Inc (AAW) AAW is a for-profit corporation that provides obstetrics and gynecology healthcare services to the residents of Weirton, West Virginia and surrounding areas These entities are included in the consolidated financial statements as of and for the year ended June 30, 2013

A Summary of Significant Accounting Policies is as follows:

Basis of consolidation: The accompanying consolidated financial statements include the accounts of the Medical Center, AAW, and PPI (collectively the Organization) All significant intercompany transactions and balances have been eliminated in consolidation

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

Cash and cash equivalents: Cash and cash equivalents include certain investments in highly liquid debt instruments with original maturities of three months or less

Patient accounts receivable: Patient accounts receivable are carried at the original charge less an estimate made for doubtful or uncollectible accounts In evaluating the collectability of accounts receivable, the Medical Center analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts The allowance is based upon a review of the outstanding balances aged by financial class Management uses collection percentages based upon historical collection experience to determine collectability Management also reviews troubled, aged accounts to determine collection potential For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third–party coverage exists for part of the bill), the Medical Center records a provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts Recoveries of accounts previously written off are recorded as a reduction to bad debt expense when received Interest is not charged on patient accounts receivable

The Medical Center's allowance for doubtful accounts for self-pay patients increased from 96 percent of self-pay accounts receivable at June 30, 2012, to 97 percent of self-pay accounts receivable at June 30, 2013 The increase was the result of negative trends experienced in the collection of amounts from self-pay patients in fiscal year 2013 During 2013 and 2012, the Medical Center's uninsured discount policy was 50% for patients with no third-party coverage and who did not qualify for charity care The Medical Center does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write offs from third-party payors

Inventories: Inventories are stated at weighted average cost, which approximates lower of cost (first-in, first-out method) or market

Investments: Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheet Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of revenues over expenses unless the donor or law restricts the income or loss Unrealized gains and losses on investments are excluded from the excess (deficiency) of revenues over expenses as none of the Medical Center's investments are classified as trading securities

Assets limited as to use: Assets limited as to use primarily include assets set aside by the Board of Trustees for future capital improvements, over which the Board retains control and may, at its discretion, subsequently use for other purposes, and assets held by trustees under indenture agreements Amounts required to meet current liabilities of the Medical Center have been reclassified to current assets in the balance sheet at June 30, 2013 and 2012

Deferred Financing Costs: Costs related to long-term financing obtained through the issuance of long-term debt are deferred and subsequently amortized over the life of the outstanding bonds using the straight-line method, which does not differ significantly from the effective interest method of amortization

Intangible assets: Included in other assets in the accompanying consolidated financial statements are identifiable intangible assets which consist primarily of non-compete agreements Intangible assets was $1,534,460 and $0 at June 30, 2013 and 2012, respectively Amortization expense was $0 for both the years ended June 30, 2013 and 2012

Property and equipment: Property and equipment acquisitions are recorded at cost Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment Such amortization is included in depreciation and amortization in the consolidated financial statements When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period

Basis of presentation: Net assets and revenues, gains and losses are classified based on donor-imposed restrictions Accordingly, net assets of the Organization and changes therein are classified and reported as follows

Unrestricted – Unrestricted net assets include resources over which the Board of Trustees has discretionary control

Temporarily restricted – Temporarily restricted net assets are those resources subject to restrictions imposed by donors, which are limited to a specific time period or purpose None at June 30, 2013 and 2012

Permanently restricted – Permanently restricted net assets are those resources subject to donor-imposed restriction that they be maintained permanently by the donee or for which perpetual trusts have been established None at June 30, 2013 and 2012

Excess (deficiency) of revenues over expenses: The statement of operations includes excess (deficiency) of revenues over expenses Changes in unrestricted net assets, which are excluded from excess (deficiency) of revenues over expenses, consistent with current industry practice, include unrealized gains and losses on investments other than trading securities, permanent transfers of assets to and from affiliates for other than goods and services, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets)

Net patient service revenue: The Organization has agreements with third-party payors that provide for payments to the Medical Center at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined

Charity care: The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Because the Medical Center does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenues

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

Estimated malpractice costs: The provision for estimated medical malpractice claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported

Self-Insurance – employee healthcare: The Medical Center is self-insured for healthcare coverage up to $300,000 per employee Included in fringe benefits are the estimated costs of these programs which are accrued, based upon known and anticipated claims Any adjustments to previously recorded accruals are reflected in current operating results

Income taxes: The Medical Center is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state statutes relating to not-for-profit organizations AAW and PPI are subject to Federal and state income taxes

The Organization is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress Management of the Organization believes it is no longer subject to income tax examinations for years prior to the fiscal year ended June 30, 2010

New or recent accounting pronouncements: In May 2011, the FASB issued *Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* (ASU 2011-04) ASU 2011-04 amends Accounting Standards Codification (ASC) Section 820 to provide for common fair value measurement and disclosure requirements for financial statements in accordance with accounting principles generally accepted in the United States of America as with those prepared under International Financial Reporting Standards Consequently, the amendments of the ASU change the wording used to describe many of the requirements of accounting principles generally accepted in the United States of America for measuring fair value and for disclosing information about fair value measurements For many of the requirements, the FASB did not intend for

the amendments in this ASU to result in a change in the application of the requirements in ASC Section 820 This ASU is effective on a prospective basis for fiscal years beginning after December 15, 2011, with early adoption not permitted Since the new guidance amends disclosure requirements only, its adoption did not impact the Organization's consolidated financial statements Note 5 reflects the amended disclosure requirements

Reclassifications: Certain 2012 amounts have been reclassified to conform with the 2013 presentation

Subsequent events: The Organization has evaluated subsequent events through September 10, 2013, the date on which the consolidated financial statements were available to be issued

Note 2. Net Patient Service Revenue, Charity Care, Supplemental Medicaid Funding and Change in Estimate

The Medical Center has agreements with third-party payors that provide for payments to the Medical Center at amounts different from its established rates A summary of the basis of reimbursement with major third-party payors follows

- **Medicare**

  Inpatient acute care, outpatient, home health, and skilled services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors Medical education costs related to Medicare beneficiaries are paid based on a cost reimbursement methodology The Medical Center is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Medical Center and audits thereof by the Medicare fiscal intermediary The Medical Center's classification of patients under the Medicare program and the appropriateness of their admission are subjected to an independent review by a peer review organization

  Additionally, some Medicare beneficiaries have elected to have their benefits administered by a Health Maintenance Organization For these patients, the Medical Center is reimbursed a negotiated rate of payment

- **Medicaid**

  Reimbursement for inpatients are based entirely on prospectively determined rates per discharge based on primary diagnosis codes Outpatient services are reimbursed based upon the lesser of the Medical Center's charge or predetermined fee schedule amounts

Supplemental Medicaid Funding: In 2012, the Federal Department of Health and Human Services Centers for Medicare and Medicaid Services, approved a State of West Virginia Medicaid Plan Amendment The Plan Amendment provides for supplemental Medicaid payments to the Medical Center These supplemental payments will be made for medical services provided to Medicaid recipients The program is limited to state fiscal years 2012 through 2014

The approved supplemental payment methodology implements a provider tax as an expansion of the health care provider tax The new revenues produced will be used as the state contribution toward drawing down additional federal matching dollars for Medicaid to enhance current hospital payment rates under an Upper Payment Limit (UPL) program In addition to the current tax of 2 5% currently imposed on providers of inpatient and outpatient hospital services, there is an additional tax of eighty-eight one hundredths of one percent (0 88%) on the gross receipts The tax decreased to 0 45% for the fiscal year 2014 The tax provisions expire on July 1, 2014 Amounts charged to expenses for the additional tax amounted to approximately $750,000 and $560,000 for the years ended June 30, 2013 and 2012,

respectively This tax expense is included within broad based healthcare tax in the accompanying consolidated statements of operations The Medical Center has accrued a liability for the tax of $219,944 and $560,035 at June 30, 2013 and 2012, respectively, which is included in accounts payable in the accompanying consolidated balance sheets

The supplemental payments for services provided are being implemented through quarterly installments to the Medical Center The Medical Center recorded revenue totaling $1,712,854 and $1,691,084 for the supplemental Medicaid payments for the years ended June 30, 2013 and 2012, respectively The Medical Center has recorded a receivable of $425,492 and $1,691,084 at June 30, 2013 and 2012, respectively, for the supplemental Medicaid payments earned but not yet received These amounts are included within other receivables in the accompanying consolidated balance sheets An annual payment of approximately $1 3 million is expected to be received in 2014

During 2013 and 2012, the Medical Center recognized approximately $10,000 and $163,000, respectively, in additional revenue relative to its disproportionate share allocation under the provisions of the West Virginia Medicaid Program These amounts are reflected as an increase to net patient service revenue in the accompanying statements of operations and changes in net assets

Revenue from the Medicare and Medicaid programs accounted for approximately 27% and 5%, respectively, for the year ended June 30, 2013 and 32% and 5%, respectively, of the Medical Center's net patient revenue for the year ended June 30, 2012 Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term The June 30, 2013 and 2012 net patient service revenue increased approximately $183,000 and $62,000, respectively, due to the removal of allowances previously estimated that are no longer necessary as a result of final settlements and years that are no longer subject to audits, reviews and investigations

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

A summary of gross and net patient service revenue for the years ended June 30, 2013 and 2012, follows

	2013	2012
Gross patient service revenue	**$ 282,232,333**	$ 215,191,325
Supplemental Medicaid funding – UPL program	**1,712,854**	1,691,084
Less provision for		
Contractual and other adjustments	**169,360,101**	126,676,722
Charity care	**4,458,326**	1,797,155
Provision for uncollectible accounts	**10,081,745**	10,589,342
Net patient service revenues	**$ 100,045,015**	$ 77,819,190

Change in Accounting Estimate: In 2012, the allowance for third-party payors and other uncollectible accounts was increased as a result of the Medical Center's retrospective review of self-pay collections and other third-party payors The effect of this change was to decrease operating income for the year ended June 30, 2012 by approximately $3,700,000, which is included in the net patient service revenue in the accompanying consolidated statements of operations and changes in net assets

The Medical Center recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered For uninsured patients that do not qualify for charity care, the Medical Center recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy) On the basis of historical experience, a significant portion of the Medical Center's uninsured patients will be unable or unwilling to pay for the services provided Thus the Medical Center records a significant provision for bad debts related to uninsured patients in the period the services are provided Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized during the years ended June 30, 2013 and 2012 from these major payor sources, is as follows

2013	Third-Party Payors	Self-Pay	Total All Payors
Patient service revenue (net of contractual allowances and discounts)	**$ 98,221,329**	**$ 11,905,431**	**$ 110,126,760**

2012	Third-Party Payors	Self-Pay	Total All Payors
Patient service revenue (net of contractual allowances and discounts)	$ 79,435,226	$ 8,973,306	$ 88,408,532

Charity care and community service benefits: The Medical Center maintains a written charity care plan for which the purpose is the provision of health services both on an inpatient and outpatient basis to individuals who have demonstrated the inability to pay for all or part of the services Records are maintained to identify and monitor the level of charity care provided by the Medical Center These records include the amount of regular charges foregone for services and supplies furnished under the charity care plan and the estimated cost of those services and supplies The Medical Center's policy is not to pursue collection of amounts determined to qualify as charity care if the patient has an adjusted income equal to or below 200% of the Federal Poverty Income levels A sliding scale discount is available for patients who meet the guidelines prescribed in the policy Accordingly, the Medical Center does not report these amounts in the net revenues or in the allowance for doubtful accounts Of the Medical Center's total expenses reported for the years ended June 30, 2013 and 2012, an estimated $1,617,000 and $765,000, respectively, arose from providing charity services to charity patients The estimated costs of providing charity services are based on a calculation which applies a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients The ratio of cost to charges is calculated based on the Medical Center's total expenses divided by gross patient service revenue

Note 3. Cash Concentrations

At June 30, 2013, the Medical Center had cash and cash equivalents on deposit with financial institutions that may have exceeded FDIC limits However, management believes these financial institutions are financially sound and do not present a significant risk to the Medical Center

Note 4. Investments

Assets Limited as to Use

The composition of assets limited as to use at June 30, 2013 and 2012, is set forth in the following table Investments are stated at fair value

	2013	2012
By Board for designated purposes		
Cash and cash equivalents	**$ 83,980**	$ 7,690,357
Mutual funds	**23,128,060**	21,424,279
Bonds and other fixed income investments	**3,459,966**	-
Mortgage backed securities	**791,874**	-
Common stocks	**-**	3,715,980
	27,463,880	32,830,616
Under trust indenture and held by trustee		
Cash and cash equivalents	**-**	1,374,726
	-	1,374,726
Malpractice self-insurance trust fund		
Cash and cash equivalents	**12,799**	1,021
Mutual funds	**1,654,211**	1,415,998
Common stocks	**-**	147,728
	1,667,010	1,564,747
Accrued interest receivable	**44,846**	35,847
	$ 29,175,736	$ 35,805,936

At June 30, 2013, approximately, $27 5 million of the securities held for board designated purposes are pledged as security for a bank loan

The Medical Center has various investments in equity securities and other investment securities These investment securities are exposed to various risks such as interest rate, market and credit Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that the changes in risks in the near-term could materially affect the amounts reported in the balance sheet and the statement of operations and changes in net assets

The Medical Center does not require collateral to secure its investments

By Board for Designated Purposes

The Board of Trustees of the Medical Center has set aside $27,463,880 and $32,830,616 at June 30, 2013 and 2012, respectively, for future additions to or replacement of capital assets The Board of Trustees retains control over these assets and may, at its discretion, subsequently use them for other purposes These funds are not intended for current operations and, accordingly, have been classified as noncurrent assets

Under Trust Indenture and Held by Trustee

Pursuant to the Trust Indenture Agreement entered into with the Weirton Municipal Hospital Building Commission, as further described in Note 8, the following funds are held under trust at June 30

	2013	2012
Interest and Principal Fund - Series A and B 2001	**$ -**	$ 197,945
Debt Service Reserve Fund - Series A 2001	**-**	1,176,781
	$ -	$ 1,374,726

Investment income and gains from assets limited as to use, cash equivalents, and other investments are comprised of the following for the years ended June 30, 2013 and 2012

	2013	2012
Income		
Dividend and interest income	**$ 347,834**	$ 1,096,237
Net realized gains on sale of investments	**1,065,122**	506,091
	$ 1,412,956	$ 1,602,328
Other changes in unrestricted net assets		
Unrealized loss on investments	**$ (147,083)**	$ (1,166,906)

At June 30, 2013, approximately 58% of the Medical Center's total investments are represented by two mutual funds which have values that exceed 10% of the Medical Center's total investments The WesMark Bond Fund, an intermediate-term bond fund, represents 38% of total investments This fund seeks high current income consistent with preservation of capital by investing at least 65% of assets in investment-grade securities The WesMark Growth Fund, a large growth fund, represents 20% of total investments This Fund seeks capital appreciation and invests in growth oriented companies that are expected to achieve higher than average profitability ratios

The Medical Center has evaluated their investments for potential impairment Impairment is evaluated using numerous factors, and their relative significance varies case to case Factors considered included length of time and extent to which the market value has been less than cost, the financial condition and near-term prospects of the issuer, and the intent and ability to retain the security in order to allow for an anticipated recovery in market value If, based on the analysis, it is determined that the impairment is other-than-temporary, an impairment shall be recognized in earnings equal to the difference between the investment's amortized cost basis and its fair value at the balance sheet date At June 30, 2013 and 2012, the Medical Center did not recognize a loss for any impaired investments

Note 5. Fair Value of Financial Instruments

The *Fair Value Measurements and Disclosures Topic* of the FASB Accounting Standards Codification defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements

This Topic defines fair value as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date This Topic also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value The Topic describes three levels of inputs that may be used to measure fair value

Level 1: Quoted prices for identical assets or liabilities traded in active exchange markets such as the New York Stock Exchange

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in less active markets and other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets and liabilities

Level 3: Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation, also includes observable inputs for nonbinding single dealer quotes not corroborated by observable market data

Fair Value Measurements

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy

Equity Securities
The fair value of equity securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument

U.S. Treasury and Federal Agency Securities
Valuation inputs utilized by the independent pricing service for those U S Treasury and federal agency securities under Level 2 include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, benchmark securities, bids, offers, and reference data including market research publications Also included are data from the vendor trading platform

Municipal Securities
Municipal securities are valued by a third party who uses a discounted cash flow model to determine the value Management challenges the reasonableness of the assumptions used and reviews the methodology to ensure the estimated fair value complies with accounting standards generally accepted in the United States The key inputs to the discounted cash flow model are the coupon, yield, and expected maturity date Appropriate market yields are determined based on credit, structure, and related Wall Street trades, quotes, and issuances The significant unobservable inputs used in the fair value measurement of the Organization's municipal securities are premiums for unrated securities and marketability yield adjustments

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The tables below present the recorded amount of assets and liabilities (none at June 30, 2013 and 2012) measured at fair value on a recurring basis at June 30, 2013 and 2012, respectively

	Total at June 30, 2013	Fair Value Measurements Using Level 1	Level 2	Level 3
Assets:				
Assets limited as to use and investments				
Cash and cash equivalents	$ 141,625	$ 141,625	$ -	$ -
Mutual funds				
Equity	8,306,916	8,306,916	-	-
Fixed income	13,859,850	13,859,850	-	-
Exchange traded	2,615,505	2,615,505	-	-
Mortgage backed securities	791,874	-	791,874	-
Municipal obligations	1,084,591	-	1,084,591	-
Corporate bonds	2,375,375	-	2,375,375	-
Total	$ 29,175,736	$ 24,923,896	$ 4,251,840	$ -

	Total at June 30, 2012	Fair Value Measurements Using Level 1	Level 2	Level 3
Assets:				
Assets limited as to use and investments				
Cash and cash equivalents	$ 9,101,951	$ 9,101,951	$ -	$ -
Mutual funds				
Equity	8,772,789	8,772,789	-	-
Fixed income	13,421,503	13,421,503	-	-
Exchange traded	645,985	645,985	-	-
Common stocks				
Industrials	1,111,922	1,111,922	-	-
Consumer goods	476,726	476,726	-	-
Financial	410,215	410,215	-	-
Materials	512,398	512,398	-	-
Information technology	752,954	752,954	-	-
Healthcare	232,270	232,270	-	-
Other	347,728	347,728	-	-
Utilities	19,495	19,495	-	-
Total	$ 35,805,936	$ 35,805,936	$ -	$ -

Assets and Liabilities Recorded at Fair Value on a Nonrecurring Basis

The Medical Center has no assets or liabilities that are recorded at fair value on a nonrecurring basis

Note 6. Property and Equipment and Commitment

A summary of property and equipment at June 30, 2013 and 2012, follows

	2013	2012
Land	**$ 124,015**	$ 124,015
Buildings	**53,161,297**	49,373,877
Equipment	**47,529,613**	43,729,594
Land improvements	**2,716,904**	2,716,904
	103,531,829	95,944,390
Less accumulated depreciation	**(78,519,903)**	(75,492,729)
	25,011,926	20,451,661
Construction in process	**1,795,821**	-
Net property and equipment	**$ 26,807,747**	$ 20,451,661

The Medical Center has entered into an agreement in 2013, for the acquisition and implementation of a new clinical information system The new technology encompasses a state-of-the-art electronic medical record and other functionalities to enhance patient care and streamline business operations The Medical Center will realize full functionality of the System over three to five years The initial phase implementing the electronic medical record and other clinical systems is anticipated to be completed within 12-15 months of the start date, with remaining systems to be implemented over the subsequent 12 months

During the years ended June 30, 2013 and 2012, the Medical Center has incurred approximately $900,000 and $0, respectively, of expenditures for this system As of June 30, 2013, approximately $900,000 has been capitalized and included in construction in progress At June 30, 2013, the remaining commitment on these contracts approximated $6,000,000

Note 7. Estimated Third-Party Payor Settlements

Estimated third-party payor settlements consist of amounts receivable (payable) to Medicare and Medicaid programs for settlement of current and prior year cost reports, as well as amounts due from the Medicaid program under the disproportionate share program These estimated settlements by program are as follows

	2013	2012
Medicare	**$ (394,211)**	$ (338,998)
Medicaid	**(230,000)**	(150,000)
Medicaid disproportionate share	**(400,000)**	(351,030)
Medicaid enhancement payment	**-**	227,891
Net intermediary receivable/(payable)	**$ (1,024,211)**	$ (612,137)

The State of West Virginia Disproportionate Share Hospital State Plan (DSH) provides for a settlement process among participating hospitals The amounts are subject to audit and retroactive adjustments for differences in the interim payments received and the actual cost of uncompensated care provided to uninsured patients The amounts received by the Medical Center have been audited through June 30, 2010 For 2011 and future years settlements could result The laws and regulations governing the DSH settlement process are complex, involving statistical data from all participating hospitals, and subject to interpretation Actual results could vary from those recorded by the Medical Center and those differences could be material

Note 8. Long-Term Debt and Line of Credit

A summary of long-term debt obligations at June 30, 2013 and 2012, follows

	2013	2012
2001 Series A Bonds, paid in 2013	**$ -**	$ 6,068,525
2001 Series B Bonds, paid in 2013	**-**	13,734,278
2005 Series A Bonds, paid in 2013	**-**	2,583,130
PNC equipment loan, terms below	**186,138**	397,190
Bank term loan, terms below	**22,000,000**	-
	22,186,138	22,783,123
Less current portion of long-term debt	**(909,894)**	(210,942)
Total long-term debt	**$ 21,276,244**	$ 22,572,181

Refinancing

On July 2, 2012, the Medical Corporation and the Foundation entered into a term loan and revolving line of credit loan with a local bank The proceeds of the loans were used to redeem and pay off the 2001 Series A and B Bonds, 2005 Series A Bonds and the existing line of credit, and for working capital and general company purposes of the Medical Center The $22,000,000 term loan has a variable interest rate equal to the One Month LIBOR Rate as published by the Wall Street Journal plus 3 00% (3 20% at June 30, 2013) Beginning on August 2, 2012, twelve monthly payments of interest only will be made by the Medical Center Thereafter, the Medical Center will make forty-eight monthly payments of principal and interest in an amount based upon an amortization schedule of two hundred forty months, with one final balloon payment of all outstanding principal and interest due and payable on July 2, 2017 The $12,000,000 revolving line of credit loan has a variable interest rate equal to the One Month LIBOR Rate as published by the Wall Street Journal plus 3 00% (3 20% at June 30, 2013) The line of credit expires

on July 2, 2014 and at June 30, 2013 the draws on the line of credit were $4,610,482 Beginning on August 2, 2012, monthly payments of interest only will be made by the Medical Center The loans are secured by the Funded Depreciation and Trust Account investment accounts held by the Bank, all business assets and gross revenues, and first lien position against the real property and improvements known as Weirton Medical Center and the related medical office building

The 2001 Series A Bonds were to mature in various amounts through 2031 The stated fixed interest rates for the Series A Bonds range from 4 5% to 6 4% The interest rate for the Series B Bonds is variable based on the BMA index The BMA interest rate in effect at June 30, 2012 was 275% Additionally, a letter of credit was issued by two participating financial institutions in conjunction with this issuance equal to the amount of the principal component of the 2001 Series B Bonds and 195 days' interest The commitment fees for the letter of credit are 1 50% of the average daily letter of credit amount The letter of credit was closed on July 5, 2012 upon refinancing of the Bonds as described above

The 2005 Series A Bonds were to mature in various amounts through July 2015 The stated fixed interest rate was 4 19%

Line of Credit

The Medical Center had a line of credit agreement with a bank which provided for the availability of borrowings of up to $7,000,000 at a variable rate which was 4% at June 30, 2012 At June 30, 2012, total draws on the line of credit were $6,678,856 This line of credit agreement was paid off in July 2012 with the debt refinancing

PNC Equipment Finance Loan

In May 2009, the Medical Center obtained a $992,692 loan from PNC Equipment Finance, LLC The Medical Center is repaying the loan in monthly installments of principal and interest over five years at a fixed interest rate of 4 039% Proceeds were used for purchase of equipment The note is secured by equipment

Principal payments on long-term debt are as follows:

Years Ending	Note Payable	PNC Equipment Loan	Total
2014	$ 723,756	$ 186,138	$ 909,894
2015	815,709	-	815,709
2016	841,106	-	841,106
2017	870,963	-	870,963
2018	18,748,466	-	18,748,466
Total payments	$ 22,000,000	$ 186,138	$ 22,186,138

Note 9. Medical Malpractice Coverage

The Medical Center is partially self-insured with respect to medical malpractice claims The Medical Center carries claims-made insurance coverage for claims in excess of $2,000,000 up to a cap of $5,000,000 per claim and a $5,000,000 annual aggregate

The accrued malpractice liability, included in self insurance and other reserves on the balance sheet, is based upon information provided by risk managers, legal counsel, actuaries and past experience and represents management's best estimate The ultimate amount of claims is dependent upon future events Accordingly, it is reasonably possible that a change in estimate will occur in the near term Adjustments, if any, to estimates recorded are reflected in operations in the periods such adjustments are known Amounts accrued for estimated malpractice costs were $3,358,113 and $3,478,296, at June 30, 2013 and 2012, respectively, and in the opinion of management provide an adequate reserve for loss contingencies

The Medical Center is involved in litigation arising in the ordinary course of business Claims alleging malpractice have been asserted against the Medical Center and are currently in various stages of litigation It is the opinion of management, however, that estimated malpractice costs accrued at June 30, 2013 are adequate to provide for potential losses resulting from pending or threatened litigation as well as claims arising from unknown incidents from services provided to patients that may be asserted

Note 10. Retirement Plans

Defined Benefit Pension Plan

The Medical Center has a cash balance defined benefit pension plan covering substantially all of its employees, to provide retirement and other benefits to eligible participants based on participant's eligible earnings and accrued interest Each participant has an account, which is credited annually with 3% to 6% of their annual compensation based on years of service, as well as the interest earned on their previous year-end cash balance Interest is credited to the account balance based on the average of the 30-year Treasury bonds for the first day of each of the 12 months of the preceding calendar year The Medical Center's funding policy is to contribute such amounts as are necessary on an actuarial basis to provide plan assets sufficient to meet the benefits to be paid to retirees or their beneficiaries

On July 22, 2009, Weirton Medical Center elected to freeze the Retirement Income Plan's formula for benefit accruals for each participant who is not covered by the collective bargaining agreement This amendment was effective as of September 30, 2009 Participation is frozen such that there shall be no new participants in the Plan after October 1, 2009 In September 2010, the Medical Center reached a collective bargaining agreement to freeze benefit accruals under the Plan for collectively bargained employees This freeze in benefit accruals became effective on November 21, 2010

The Hospital's contributory 403(B) plan remains in place in 2013 and 2012

The following table sets forth the changes in benefit obligations, change in plan assets and components of net periodic benefit cost as of June 30

	2013	2012
Change in projected benefit obligation		
Benefit obligation at the beginning of year	**$ 44,092,427**	$ 38,228,674
Service cost	**-**	-
Interest cost	**1,845,007**	2,117,875
Actuarial (gain) loss	**(1,233,425)**	6,204,007
Benefits paid	**(2,751,607)**	(2,458,129)
Benefit obligation at the end of year	**$ 41,952,402**	$ 44,092,427
Change in plan assets		
Fair value of plan assets at the beginning of year	**$ 29,146,558**	$ 30,123,276
Actual return on plan assets	**3,413,067**	814,275
Employer contributions	**1,239,941**	667,136
Benefits paid	**(2,751,607)**	(2,458,129)
Fair value of plan assets at the end of year	**31,047,959**	29,146,558
Funded status at end of year	**$ (10,904,443)**	$ (14,945,869)

Amounts recognized on balance sheet consist of:

	2013	2012
Noncurrent liabilities	**$ (10,904,443)**	$ (14,945,869)
	$ (10,904,443)	$ (14,945,869)

Amounts recognized in other changes in unrestricted net assets consist of:

	2013	2012
Net actuarial loss	**$ 13,936,316**	$ 17,757,920
	$ 13,936,316	$ 17,757,920

The accumulated benefit obligation was $41,952,402 and $44,092,427 at June 30, 2013 and 2012, respectively

Changes in Method

In 2013, the period over which plan changes and unrecognized (gains)/losses outside of a 10% corridor are amortized was changed to the average expected future lifetime of all plan participants Previously, the amortization period was the average future working lifetime of the actively employed participants

Net periodic benefit cost and other amounts recognized in other changes in net assets:

	2013	2012
Net periodic benefit cost	**$ 1,020,119**	$ 536,289
Other changes in plan assets and benefit obligations recognized in unrestricted net assets		
Net (gain) loss	**(2,353,103)**	7,719,302
Recognized loss	**(1,468,501)**	(747,984)
Total amount recognized in other changes in net assets	**(3,821,604)**	6,971,318
Total recognized in net periodic benefit cost (gain) and other changes in net assets	**$ (2,801,485)**	$ 7,507,607

The estimated net loss that will be amortized from unrestricted net assets into periodic benefit cost over the next fiscal year is $330,879

The actuarially computed net periodic pension costs included the following components

	2013	2012
Service cost	**$ -**	$ -
Interest cost	**1,894,582**	1,845,007
Expected return on plan assets	**(2,283,346)**	(2,293,389)
Recognized actuarial loss	**330,879**	1,468,501
Net periodic benefit cost	**$ (57,885)**	$ 1,020,119

The weighted-average rates used as of June 30 in determining the plan's benefit obligations were as follows

	2013	2012
Weighted average assumptions as of June 30		
Discount rate	**4.68%**	4 32%
Expected return on plan assets	**7.50%**	8 00%
Rate of compensation income	**N/A**	N/A
Cash balance interest rate	**4.50%**	4 50%

The Medical Center's expected rate of return is determined based on a methodology that considers investment real returns for certain asset classes over historic periods of various durations, in conjunction with the long-term outlook for inflation (i e , "building block" approach) This methodology is applied to the actual asset allocation, which is in line with the investment policy guidelines for each plan The Medical Center also considers long-term rates of return for each asset class based on projections from consultants and investment advisers regarding the expectations of future investment performance of capital markets

Plan Assets

The Medical Center's defined benefit pension plans' weighted-average asset allocation at June 30 and weighted-average target allocation were as follows

Asset Category	2013	2012	Target Allocation
Equities	**64%**	63%	40% - 70%
Bonds	**33%**	35%	30% - 60%
Other, including cash	**3%**	2%	0%
	100%	100%	

The underlying basis of the investment strategy of the Medical Center is to ensure that pension funds are available to meet the plans' benefit obligations when they are due The Medical Center's investment objectives include managing the assets in accordance with the legal requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"), obtaining prudent investment results which meet the plan's actuarially assumed rate and protecting the assets from any erosion of purchasing power and positioning the portfolio with a long-term risk/return orientation The Medical Center values diversification and has implemented restrictions on its portfolio holdings

The following tables set forth by level within the fair value hierarchy, pension plan assets at their fair value as of June 30, 2013 and 2012

	Fair Value Measurements Using			
	Total at June 30, 2013	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Plan Assets				
Common Stocks				
Industrials	$ 1,969,435	$ 1,969,435	$ -	$ -
Consumer discretionary	1,096,873	1,096,873	-	-
Consumer staples	1,434,908	1,434,908	-	-
Energy	1,197,000	1,197,000	-	-
Financial	1,348,934	1,348,934	-	-
Materials	492,304	492,304	-	-
Information technology	2,326,417	2,326,417	-	-
Health care	1,478,726	1,478,726	-	-
Telecommunication services	352,560	352,560	-	-
	11,697,157	11,697,157	-	-
Bonds				
Agency bonds	1,900,602	-	1,900,602	-
Corporate bonds	2,527,511	-	2,527,511	-
Treasury bonds	393,304	393,304	-	-
	4,821,417	393,304	4,428,113	-
Mutual Funds				
Equity	4,526,295	4,526,295	-	-
Fixed income	5,405,378	5,405,378	-	-
Exchange traded funds	3,753,892	3,753,892	-	-
Money market	843,820	843,820	-	-
	14,529,385	14,529,385	-	-
	$ 31,047,959	$ 26,619,846	$ 4,428,113	$ -

	Total at June 30, 2012	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Plan Assets				
Common Stocks				
Industrials	$ 997,094	$ 997,094	$ -	$ -
Consumer discretionary	1,982,576	1,982,576	-	-
Consumer staples	1,398,416	1,398,416	-	-
Energy	1,373,710	1,373,710	-	-
Financial	1,866,621	1,866,621	-	-
Materials	393,240	393,240	-	-

	Total at June 30, 2012	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Information technology	2,402,301	2,402,301	-	-
Utilities	93,422	93,422	-	-
Health care	1,456,627	1,456,627	-	-
Telecommunication services	52,576	52,576	-	-
	12,016,583	12,016,583	-	-
Bonds				
Agency bonds	2,226,186	-	2,226,186	-
Corporate bonds	2,453,118	-	2,453,118	-
Mortgage bonds	129,945	-	129,945	-
Treasury bonds	1,557,058	1,557,058	-	-
	6,366,307	1,557,058	4,809,249	-
Mutual Funds				
Equity	2,958,773	2,958,773	-	-
Fixed income	3,668,443	3,668,443	-	-
Exchange traded funds	3,418,792	3,418,792	-	-
Money market	717,660	717,660	-	-
	10,763,668	10,763,668	-	-
	$ 29,146,558	$ 24,337,309	$ 4,809,249	$ -

Cash Flows

Contributions

The Medical Center contributed $1,239,941 and $667,136 to the Plan in fiscal years 2013 and 2012, respectively The Medical Center funds its plan in accordance with IRS regulations Discretionary contributions to the pension funds may also be made by the Medical Center from time to time Plan contributions for the next fiscal year are expected to be approximately $1,652,000, however, actual contributions may be affected by pension asset and liability valuations during the year

Estimated Fixed Benefit Payments

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

2014	$ 2,973,759
2015	$ 2,696,604
2016	$ 2,708,065
2017	$ 2,736,100
2018	$ 2,888,927
Years 2019-2023	$ 15,365,709

Defined Contribution Retirement Plan

The Medical Center has a contributory defined contribution retirement plan covering substantially all employees The Medical Center's contribution to the Plan is based on a percentage determined annually of each eligible employee's years of service and contribution and approved by the Board of Trustees Total retirement expense under this Plan amounted to approximately $259,000 and $276,000 during fiscal years 2013 and 2012, respectively

Note 11. Concentration of Credit Risk

The Medical Center grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements The mix of net receivables from patients and third-party payors at June 30, 2013 and 2012, follows

	2013	2012
Medicare	**28%**	30%
Medicaid	**13%**	15%
Blue Cross	**20%**	16%
Commercial	**33%**	33%
Self-pay	**5%**	6%
	100%	100%

Note 12. Operating Leases

The Medical Center leases various equipment and facilities under operating leases expiring at various dates through 2018 Total rental expense in 2013 and 2012 for all operating leases was approximately $1,195,000 and $967,000, respectively

The following is a schedule by year of approximate future minimum lease payments under operating leases as of June 30, 2013, that have initial or remaining lease terms in excess of one year

Year Ending June 30,	Amount
2014	$ 1,024,316
2015	743,908
2016	613,078
2017	299,309
2018	184,320
	$ 2,864,931

Note 13. Related Party Transactions

The Weirton Medical Center Foundation (the "Foundation") was organized for the purpose of raising funds on behalf of the Medical Center and the community to further improve and advance the science of Healthcare delivery The Medical Center's interest in the net assets of the Foundation is reported as a non-current asset in the balance sheets and is based upon the principal amounts contributed to the Foundation by the Medical Center restricted for use of the Medical Center

In 2012, the Foundation contributed approximately $765,000 to the Medical Center The Medical Center used the funds to purchase capital equipment There were no contributions to the Medical Center in 2013

A summary of the Foundation's assets, liabilities, net assets and statement of activities and changes in net assets follows

STATEMENT OF FINANCIAL POSITION

ASSETS	2013	2012
Cash and cash equivalents	$ 108,244	$ 143,324
Investments	1,235,845	1,189,182
Accounts receivable	1,695	1,695
Other investments	25,000	25,000
Total assets	$ 1,370,784	$ 1,359,201
LIABILITIES AND NET ASSETS		
Accounts payable	$ 10,954	$ 55,010
Net assets		
Unrestricted	50,739	(9,400)
Temporarily restricted	14,419	18,919
Permanently restricted	1,294,672	1,294,672
Total net assets	1,359,830	1,304,191
Total liabilities and net assets	$ 1,370,784	$ 1,359,201

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Revenue, gains and other support	**$ 190,265**	$ 114,428
Operating expenses	**134,626**	888,038
Excess (deficiency) of support and revenue over expenses and change in net assets	**$ 55,639**	$ (773,610)

Note 14. Functional Expenses

The Hospital provides general health care services to residents within its geographic location Expenses related to providing these services are as follows for the years ended June 30, 2013 and 2012

	2013	2012
Patient care	**$ 96,221,403**	$ 85,283,490
General and administrative	**6,331,004**	6,308,070
	$ 102,552,407	$ 91,591,560

Note 15. Healthcare Legislation and Regulation

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation Compliance with such laws and regulations can be subject to government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs As a result, there is at least a reasonable possibility that the recorded estimates will change by material amounts in the near term The Hospital believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs

The West Virginia Health Care Authority (WVHCA) is empowered, by provisions of the West Virginia Code, to regulate the Medical Center's gross patient revenues from nongovernment payors and to evaluate healthcare-entity financial performance This is accomplished by issuing rate orders, based on facility operating budgets and rate schedules, and through evaluating performance and compliance reports submitted by the Medical Center on a periodic basis For the years ended June 30, 2013 and 2012, the Medical Center had $3,398,484 and $3,508,399 of penalties being held in abeyance by the WVHCA for each year These penalties may be used to reduce future rates at such times and in such amounts according to the WVHCA's discretion The penalties relate to inpatient and outpatient overage These penalties may also be reduced based on annual plans submitted to the Authority outlining community service projects An obligation is not recorded for such penalties in abeyance in the accompanying consolidated financial statements as the final resolution for such penalties is unknown and the corresponding obligation cannot be estimated

Note 16. Advertising Expense

The Medical Center expenses costs for advertising as they are incurred Advertising cost included in expenses for 2013 and 2012 were approximately $638,000 and $553,000, respectively

Note 17. Collective Bargaining Agreements

The Medical Center employees are subject to a collective bargaining agreement with the Service Employees International Union District 1199 The term of the contract is in effect until midnight September 30, 2016 The bargaining unit includes skilled maintenance, technical, and service employees, or approximately 50% of the Medical Center's workforce

Note 18. Litigation

In May 2012, the Center's former administrative services company, QHR, commenced an arbitration proceeding against the Medical Center, alleging breach of contract and unjust enrichment for the Medical Center's alleged failure to pay more than $1,000,000 in fees and expenses incurred by QHR QHR seeks damages, including the full amount of the unpaid fees and expenses, as well as interest, costs, and attorneys' fees The Medical Center answered QHR's Statement of Claim on June 15, 2012, denying all material allegations, asserting numerous defenses, and bringing nine counterclaims against QHR, including breach of contract, breach of the implied covenant of good faith and fair dealing, unjust enrichment, breach of fiduciary duty, fraud, misrepresentation, breach of duty of loyalty, negligence and corporate waste

The parties are in the process of producing documentary discovery, which is anticipated to be complete in September 2013 Thereafter, the parties will proceed with party depositions and expert discovery The arbitration hearing is scheduled to commence on March 31, 2014 The Medical Center intends to defend vigorously against QHR's claims, and to prosecute the Medical Center's counterclaims

Note 20. Electronic Health Records

The Health Information Technology for Economic and Clinical Health Act ("HITECH Act") was enacted into law on February 17, 2009 as part of the American Recovery and Reinvestment Act (ARRA) The HITECH Act includes provisions designed to increase the use of Electronic Health Records (EHR) by both physicians and hospitals The Medical Center is progressing towards compliance with the EHR meaningful use requirements of the HITECH Act in time to qualify for the available Medicare and Medicaid incentive payments The Medical Center's compliance will result in significant costs including professional services focused on successfully designing and implementing EHR solutions along with costs associated with the hardware and software components of the project