



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

GWINNETT HOSPITAL SYSTEM, INC (GHSI) IS A NOT-FOR-PROFIT HEALTHCARE NETWORK THAT PROVIDES AWARD-WINNING HEALTH CARE SERVICES TO THE GWINNETT COMMUNITY AND BEYOND GHSI HAS CAMPUSES IN DULUTH & LAWRENCEVILLE, GEORGIA GHSI PROVIDES ACUTE CARE, OUTPATIENT SERVICES, ORTHOPEDIC, CARDIOVASCULAR, NEUROSCIENCE SPECIALITY, OPEN HEART SURGERY, AND OPERATES TWO EMERGENCY ROOMS AND SEVERAL CLINICS AS WELL AS A FULL CONTINUUM OF WELLNESS SERVICES

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 \$ 590,171,384 including grants of \$ 25,000,000) (Revenue \$ 684,208,440)

GWINNETT HOSPITAL SYSTEM, INC'S PRIMARY PROGRAM ACTIVITY IS THE PROVISION OF PATIENT CARE THE HOSPITAL PROVIDES ACUTE CARE, OUTPATIENT SERVICES, ORTHOPEDIC, CARDIOVASCULAR, OPEN HEART SURGERY, NEUROSCIENCE SPECIALITY, AND OPERATES TWO EMERGENCY ROOMS AND WELL WOMAN SERVICES AS WELL AS A FULL CONTINUUM OF WELLNESS SERVICES IN ADDITION, THE HOSPITAL PROVIDES NURSING CARE IN THE AREAS OF MEDICAL, POST-SURGICAL, OPEN HEART, EMERGENCY CARE, CRITICAL AND INTERMEDIATE CARE TO PATIENTS THE HOSPITAL SYSTEM PROVIDES SEVERAL SUBSIDIZED SERVICES TO THE PUBLIC BELOW COST THESE INCLUDE A CARE-A-VAN FOR MAMMOGRAPHY, DIABETES AND NUTRITION SERVICES, REHAB AND RENAL SERVICES AS WELL AS A WOUND CARE CLINIC WHICH ARE INCLUDED IN THE COST OF OPERATING THE HOSPITAL

4b

(Code) (Expenses \$ 4,806,475 including grants of \$ 33,722) (Revenue \$ 215,576)

THE HOSPITAL SYSTEM PROVIDES COMMUNITY HEALTH IMPROVEMENT SERVICES THE LARGEST OF THESE PROGRAMS IS THE CONGREGATIONAL HEALTH MINISTRY LOCATED IN MANY OF OUR FAITH BASED ORGANIZATIONS, AND SPORTS MEDICINE SUPPORT SERVICES OFFERED THROUGH OUR SCHOOLS AND THE GWINNETT COUNTY PARK AND RECREATIONAL DEPARTMENT THESE PROGRAMS ARE CONDUCTED IN THE COMMUNITY THROUGH 12 FAITH-HEALTH ORGANIZATIONS, 17 SCHOOLS AND YOUTH SPORTS LEAGUES

4c

(Code) (Expenses \$ 3,423,089 including grants of \$ 42,500) (Revenue \$ 6,265)

THE HOSPITAL SYSTEM PROVIDES HEALTH PROFESSIONAL EDUCATION SERVICES WHICH FOCUS ON NURSING AND OTHER ALLIED HEALTH PROFESSIONALS EDUCATIONAL PROGRAMS GWINNETT HOSPITAL SYSTEM IS ASSOCIATED WITH 25 LOCAL ACADEMIC INSTITUTIONS AND PROVIDES TRAINING TO 32 OTHER ACADEMIC INSTITUTIONS FOR HEALTH PROFESSIONALS

4d




















Other program services (Describe in Schedule O)

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

4e

Total program service expenses ▶ 598,400,948

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II 	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III 	5	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 Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII 	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	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 Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a Yes	
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? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	27	Yes	
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? <i>If "Yes," complete Schedule L, Part IV</i>	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
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? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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? <i>If "Yes," complete Schedule R, Part VI</i>	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	495						
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0						
c		Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?					1c		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	4,978						
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	5	
	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		
1b	Enter the number of voting members included in line 1a, above, who are independent	3	
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	Yes
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
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	8a	Yes
8b	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
10b	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
11b	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
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	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?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	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	Yes
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	GA
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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> 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 LAVERNE GROVE 1000 MEDICAL CENTER BLVD LAWRENCEVILLE, GA (678) 312-5603	

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

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** 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

[illegible]

Part VII

(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			
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)							7,246,020			1,398,030

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▶152

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>	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)	(B)	(C)
Name and business address	Description of services	Compensation
ALLIANCE LAUNDRY 7990 SECOND FLAGS DRIVE SUITE A AUSTELL GA 30168	LAUNDRY/LINENS	2,661,905
GWINNETT ANESTHESIA SERVICE PC PO BOX 669 LAWRENCEVILLE GA 30046	ANESTHESIA	2,041,906
CLINTON A HARKINS PC 4901 OLDE TOWNE PKWY STE 300 MARIETTA GA 30068	COLLECTIONS	1,236,154
GEORGIA MEDICAL RESOURCE POOL 1000 CIRCLE 75 PKWY SUITE 650 ATLANTA GA 30339	AUDIT/CONSULTIN	1,156,285
CARDIOVASCULAR GROUP LLC 755 WALTHER WAY LAWRENCEVILLE GA 30046	MEDICAL	1,048,759

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 41

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	340,387			
	e	Government grants (contributions)	1e	168,750			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	47,577			
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		556,714			
Program Service Revenue	2a	PATIENT SERVICE REVENUE	Business Code 623000	678,248,584	678,248,584		
	b	DISCOUNTS	623000	3,989,490	3,989,490		
	c	MANAGEMENT FEES	900099	639,515	639,515		
	d	REFERENCE LAB	621500	504,885	504,885		
	e	COMMUNITY HEALTH SERVICES	621990	385,056	385,056		
	f	All other program service revenue		296,866	296,866		
	g	Total. Add lines 2a-2f		684,064,396			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		10,230,654		10,230,654
4		Income from investment of tax-exempt bond proceeds . . .					
5		Royalties					
6a		Gross rents	(i) Real	(ii) Personal			
			424,306				
			424,306				
d		Net rental income or (loss)		424,306		424,306	
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
			10,905,794	1,566,348			
				1,107,042			
			10,905,794	459,306			
d		Net gain or (loss)		11,365,100		11,365,100	
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
b		Less direct expenses	b				
c		Net income or (loss) from fundraising events . . .					
9a		Gross income from gaming activities See Part IV, line 19	a				
b		Less direct expenses	b				
c		Net income or (loss) from gaming activities . . .					
10a		Gross sales of inventory, less returns and allowances	a				
b		Less cost of goods sold	b				
c		Net income or (loss) from sales of inventory . . .					
	Miscellaneous Revenue	Business Code					
11a	CAFETERIA & VENDING	722514	2,159,543			2,159,543	
b	PARKING	900099	960,385			960,385	
c	RESIDENCY DEVELOPMENT	900099	286,320	286,320			
d	All other revenue		881,316	881,316			
e	Total. Add lines 11a-11d		4,287,564				
12	Total revenue. See Instructions		710,928,734	684,430,281	801,751	25,139,988	

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.	25,033,722	25,033,722		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.	42,500	42,500		
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.	7,318,803	7,500	7,311,303	
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.	212,620,679	187,763,437	24,857,242	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	13,406,053	11,445,725	1,960,328	
9	Other employee benefits.	28,528,441	24,350,596	4,177,845	
10	Payroll taxes.	15,499,598	13,233,137	2,266,461	
11	Fees for services (non-employees):				
a	Management.	2,308,905	17,754	2,291,151	
b	Legal.	1,171,260	90,019	1,081,241	
c	Accounting.	494,298		494,298	
d	Lobbying.				
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	560,059		560,059	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	51,011,148	26,995,460	24,015,688	
12	Advertising and promotion.	2,145,154	124,727	2,020,427	
13	Office expenses.	9,405,091	6,220,872	3,184,219	
14	Information technology.	8,120,607	763,707	7,356,900	
15	Royalties.				
16	Occupancy.	13,709,158	12,949,477	759,681	
17	Travel.	382,480	140,536	241,944	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	289,196	111,719	177,477	
20	Interest.	8,537,379	8,537,379		
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	33,946,306	33,946,306		
23	Insurance.	10,205,613	9,990,516	215,097	
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 & SURGICAL SUPPLI	104,527,646	104,393,501	134,145	
b	BAD DEBTS	101,998,959	101,998,959		
c	EQUIPMENT RENTAL & MAINTENANCE	13,322,732	12,144,108	1,178,624	
d	PROVIDER FEES	7,044,137	7,044,137		
e	All other expenses	12,494,309	11,055,158	1,077,228	361,923
25	Total functional expenses. Add lines 1 through 24e.	684,124,233	598,400,952	85,361,358	361,923
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 <input type="checkbox"/> 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)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		64,787,633	1	49,396,553
	2	Savings and temporary cash investments		30,765,661	2	31,216,329
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		88,720,468	4	105,869,398
	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		1,273,630	7	936,107
	8	Inventories for sale or use		5,158,876	8	6,234,850
	9	Prepaid expenses and deferred charges		8,209,111	9	8,604,336
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 636,539,084			
	b	Less accumulated depreciation	10b 339,686,679	301,654,275	10c	296,852,405
	11	Investments—publicly traded securities		319,366,863	11	336,304,848
	12	Investments—other securities See Part IV, line 11		8,446,959	12	9,365,303
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets		3,430,000	14	3,430,000
	15	Other assets See Part IV, line 11		8,543,152	15	5,466,318
	16	Total assets. Add lines 1 through 15 (must equal line 34)		840,356,628	16	853,676,447
Liabilities	17	Accounts payable and accrued expenses		38,746,167	17	40,568,504
	18	Grants payable			18	
	19	Deferred revenue		369,519	19	405,220
	20	Tax-exempt bond liabilities		307,585,000	20	301,935,000
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		115,896,332	25	77,035,385
	26	Total liabilities. Add lines 17 through 25		462,597,018	26	419,944,109
Net Assets or Fund Balances		Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets		371,665,231	27	425,516,742
	28	Temporarily restricted net assets		5,213,640	28	7,088,513
	29	Permanently restricted net assets		880,739	29	1,127,083
		Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> 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		377,759,610	33	433,732,338
	34	Total liabilities and net assets/fund balances		840,356,628	34	853,676,447

Part XI Reconciliation 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	710,928,734
2	Total expenses (must equal Part IX, column (A), line 25)	2	684,124,233
3	Revenue less expenses Subtract line 2 from line 1	3	26,804,501
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	377,759,610
5	Net unrealized gains (losses) on investments	5	-2,682,563
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	31,850,790
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	433,732,338

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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis	Yes	
2c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
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?		No
3b	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		

Additional Data

Software ID:

Software Version:

EIN: 58-2002413

Name: GWINNETT HOSPITAL SYSTEMINC

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
CARLTON KEITH BUCHANAN MD INTERIM CMIO	5 00 4 00	X		X				35,567	0	0
CHUNG H LEE BOARD MEMBER	2 00 4 00	X						2,250	0	795
MILES H MASON III MD BOARD MEMBER	2 00 4 00	X						2,250	0	47,935
A KEITH CARNES MD BOARD MEMBER	2 00 2 00	X						2,125	0	295
DAVID MCCLESKEY CHAIRMAN	2 00 8 00	X						2,000	0	295
EDWARD RADFORD BOARD MEMBER	2 00 6 00	X						2,000	0	295
MANFRED SANDLER MD BOARD MEMBER	2 00 8 00	X						1,875	0	1,872
CAROLYN HILL BOARD MEMBER	2 00 6 00	X						1,875	0	295
L C JOHNSON BOARD MEMBER	2 00 4 00	X						0	0	0
PHILIP WOLFE PRESIDENT &	38 00 24 00			X				1,080,322	0	118,657
THOMAS Y MCBRIDE III EXECUTIVE VP	38 00 22 00			X				535,659	0	330,025
ALAN BIER EXECUTIVE VP	60 00			X				528,380	0	73,621
JEFFERY NOWLIN EXECUTIVE VP	60 00			X				510,368	0	66,891
WALLACE BROWN SENIOR VP &	60 00			X				406,784	0	34,948
STEPHEN NADEAU SENIOR VP OF	60 00			X				360,341	0	60,081
PETER WHEELER GENERAL LEGA	38 00 22 00			X				350,856	0	69,979
LEA BAY SR VP & PRE	60 00			X				344,306	0	66,850
CAROL DANIELSON SENIOR VP &	60 00			X				340,487	0	63,911
JESSIE T SHEPHERD SR VP PLAN &	60 00				X			320,323	0	58,954
JAMES DENNARD JR VP & COO GMC	60 00				X			254,339	0	41,963
THOMAS LYNCH VP MANAGED C	60 00				X			243,532	0	47,418
SCOTT OREM VP FINANCE	60 00				X			238,231	0	54,252
DIANA POTTS CHIEF NURSIN	60 00				X			225,297	0	32,680
CATHY DOUGHERTY ASSISTANT VP	60 00				X			185,500	0	36,216
BONNY RICHARDSON ASSOCIATE LE	38 00 22 00				X			182,767	0	22,958

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
MIKE HEMPHILL DIRECTOR OF	60 00				X			167,433	0	35,578
JANET SCHWALBE VP PHYSICIAN	60 00					X		231,386	0	33,257
RICHARD K ALLEN AVP INFORMAT	60 00					X		184,844	0	35,629
DARVINA HEICHEMER DIR SURGICA	60 00					X		171,916	0	16,690
CATHIE L BRAZELL DIRECTOR WOM	60 00					X		171,036	0	15,905
CHRISTOPHER R TROCCHIO DIR PERFUSI	60 00					X		161,971	0	29,785

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 GWINNETT HOSPITAL SYSTEMINC	Employer identification number 58-2002413
---	--

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

☐

2

☐

3

☒

4

☐

5

☐

6

☐

7

☐

8

☐

9

☐

10

☐

11

☐

e

☐

f

☐

g

☐

h

☐

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

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

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

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

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)

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

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)

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

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)

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

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

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)

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

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

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii) A family member of a person described in (i) above?

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

Provide the following information about the supported organization(s)

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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 IIISupport Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

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

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage			
15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15		
16 Public support percentage from 2011 Schedule A, Part III, line 15	16		

Section D. Computation of Investment Income Percentage			
17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17		
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18		
19a 33 1/3% support tests—2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶			
b 33 1/3% support tests—2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶			
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶			

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

Facts And Circumstances Test

Explanation

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

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

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

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

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

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

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

Name of the organization GWINNETT HOSPITAL SYSTEM INC	Employer identification number 58-2002413
--	--

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

1	Provide a description of the organization’s direct and indirect political campaign activities in Part IV	
2	Political expenditures	▶ \$
3	Volunteer hours	

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

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If “Yes,” describe in Part IV	

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

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities	▶ \$
3	Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b	▶ \$
4	Did the filing organization file Form 1120-POL for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization’s funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV	

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

Part II-A

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

- A
- Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B
- Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount Enter the amount from the following table in both columns															
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a If zero or less, enter -0-															
i Subtract line 1f from line 1c If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No													

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

		(a)	(b)	
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		40,892
j	Total. Add lines 1c through 1i.			40,892
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
	SCHEDULE C, PART II-B, LINE 1	DUES PAID TO GEORGIA HOSPITAL ASSOCIATION WERE 163,566 OF THIS AMOUNT, 25%, OR 40,892 WENT FOR LOBBYING

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
GWINNETT HOSPITAL SYSTEM INC

Employer identification number
58-2002413

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? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	
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? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	

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

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

▶ \$ _____

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

Cat No 52283D

Schedule D (Form 990) 2012

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 |
| 1c | |
| 1d | |
| 1e | |
| 1f | |

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance
- 2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No
- b

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

☐

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

	(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a Beginning of year balance	6,094,379	9,977,875	7,757,383	6,154,854	3,960,633
b Contributions	2,121,218	1,666,000	1,970,363	4,262,776	44,549
c Net investment earnings, gains, and losses		155,348	250,129	-2,658,501	2,149,672
d Grants or scholarships					
e Other expenditures for facilities and programs		5,704,844		1,750	
f Administrative expenses					
g End of year balance	8,215,596	6,094,379	9,977,875	7,757,379	6,154,854

- 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

13 720 %

c

Temporarily restricted endowment

86 280 %

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

(i)

unrelated organizations

3a(i)

No

(ii)

related organizations

3a(ii)

Yes

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

Yes

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 | | 19,309,381 | | 19,309,381 |
| b Buildings | | 289,466,015 | 117,345,551 | 172,120,464 |
| c Leasehold improvements | | 18,750,781 | 14,215,519 | 4,535,262 |
| d Equipment | | 304,215,866 | 206,778,571 | 97,437,295 |
| e Other | | 4,797,041 | 1,347,038 | 3,450,003 |
| Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 296,852,405 |
- Schedule D (Form 990) 2012

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return				
1	Total revenue, gains, and other support per audited financial statements			1619,745,838
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains on investments	2a	-2,682,563	
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d	14,058,685	
e	Add lines 2a through 2d			2e11,376,122
3	Subtract line 2e from line 1			3608,369,716
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	560,059	
b	Other (Describe in Part XIII)	4b	101,998,959	
c	Add lines 4a and 4b			4c102,559,018
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)			5710,928,734

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return				
1	Total expenses and losses per audited financial statements			1556,565,215
2	Amounts included on line 1 but not on Form 990, Part IX, line 25			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d			2e
3	Subtract line 2e from line 1			3556,565,215
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	560,059	
b	Other (Describe in Part XIII)	4b	126,998,959	
c	Add lines 4a and 4b			4c127,559,018
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)			5684,124,233

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
INTENDED USES FOR ENDOWMENT FUNDS	SCHEDULE D, PAGE 2, PART V, LINE 4	ENDOWMENT FUNDS ARE USED TO SUPPORT SPECIFIC HOSPITAL PROJECTS OR PROGRAMS
LIABILITY UNDER FIN 48 FOOTNOTE	SCHEDULE D, PAGE 3, PART X	THE HOSPITAL APPLIES FASB ASC TOPIC 740, INCOME TAXES (ASC 740), WHICH ADDRESSES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAX POSITIONS. IT ALSO PROVIDES GUIDANCE ON THE TIMING OF RECOGNITION OF TAX POSITIONS IN AN ENTITY'S FINANCIAL STATEMENTS AND THE DETERMINATION OF THE VALUES OF THESE POSITIONS. THERE IS CURRENTLY NO IMPACT ON THE HOSPITAL'S FINANCIAL STATEMENTS AS A RESULT OF APPLYING ASC 740.
REVENUE AMOUNTS INCLUDED IN FINANCIALS - OTHER	SCHEDULE D, PAGE 4, PART XI, LINE 2D	INTEREST RATE SWAP CHANGE 14,240,028 BOND DEFEASEMENT -429,106 INCREASE IN INTEREST IN FOUNDATION 247,763
REVENUE AMOUNTS INCLUDED ON RETURN - OTHER	SCHEDULE D, PAGE 4, PART XI, LINE 4B	BAD DEBT EXPENSES RECLASSIFIED 101,998,959
EXPENSE AMOUNTS INCLUDED ON RETURN - OTHER	SCHEDULE D, PAGE 4, PART XII, LINE 4B	BAD DEBT EXPENSES RECLASSIFIED 101,998,959 CONTRIBUTION TO RELATED PARTY 25,000,000

Additional Data

Software ID:

Software Version:

EIN: 58-2002413

Name: GWINNETT HOSPITAL SYSTEMINC

Form 990, Schedule D, Part X, - Other Liabilities

1	(a) Description of Liability	(b) Book Value
	INTEREST RATE SWAPS	33,352,095
	ACCRUED PENSION COSTS	24,646,173
	SELF-INSURANCE RESERVES	7,161,433
	THIRD PARTY SETTLEMENTS	5,811,573
	ACCRUED INTEREST PAYABLE	3,779,650
	EXECUTIVE BENEFITS LIABILITY	1,648,874
	BOND EXPENSE PAYABLE	329,444
	ASSET RETIREMENT OBLIGATION	289,138
	SALES TAX & REAL ESTATE TAX PAYABLE	17,005
	ENDOSCOPY	

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
GWINNETT HOSPITAL SYSTEMINC

Employer identification number
58-2002413

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 <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> 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 <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>125 000 %</u> b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input checked="" type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> 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"?	3a	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	4	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5a	Yes	
6a	Did the organization prepare a community benefit report during the tax year?	5b		No
b	If "Yes," did the organization make it available to the public?	5c		
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	6a	Yes	
		6b	Yes	

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)			46,074,915	6,478,259	39,596,656	6 800 %
b Medicaid (from Worksheet 3, column a)			79,707,636	62,462,020	17,245,616	2 960 %
c Costs of other means-tested government programs (from Worksheet 3, column b) .			40,769	31,639	9,130	
d Total Financial Assistance and Means-Tested Government Programs .			125,823,320	68,971,918	56,851,402	9 760 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4) . . .	176	834,938	4,806,475	217,576	4,588,899	0 790 %
f Health professions education (from Worksheet 5) . . .	56	10,635	3,423,089	6,265	3,416,824	0 590 %
g Subsidized health services (from Worksheet 6)	5	10,856	21,771,182	17,632,688	4,138,494	0 710 %
h Research (from Worksheet 7)	2	1,579	550,952		550,952	0 090 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)	2	218	10,938		10,938	
j Total. Other Benefits . . .	241	858,226	30,562,636	17,856,529	12,706,107	2 180 %
k Total. Add lines 7d and 7j .	241	858,226	156,385,956	86,828,447	69,557,509	11 940 %

Part II

Community Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development						
3Community support						
4Environmental improvements						
5Leadership development and training for community members	1		611		611	
6Coalition building	3	483	32,226		32,226	0.010 %
7Community health improvement advocacy						
8Workforce development	2		54,563		54,563	0.010 %
9Other						
10Total	6	483	87,400		87,400	0.020 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

101,998,959

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

15,327,799

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

114,026,903

6

Enter Medicare allowable costs of care relating to payments on line 5.

6

116,112,637

7

Subtract line 6 from line 5. This is the surplus (or shortfall).

7

-2,085,734

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

9b

If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI.

9b

Yes

Part IVManagement 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				

Schedule H (Form 990) 2012

Part V

Facility Information

Section A. Hospital Facilities

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

Name, address, and primary website address

		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	GWINNETT MEDICAL CENTER LAWRENCEVILLE 1000 MEDICAL CENTER BLVD LAWRENCEVILLE,GA 30046 WWWGWINNETTMEDICALCENTERORG	X	X					X			
2	GWINNETT MEDICAL CENTER DULUTH 3620 HOWELL FERRY ROAD DULUTH,GA 30096 WWWGWINNETTMEDICALCENTERORG	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)

GWINNETT MEDICAL CENTER

Name of hospital facility or facility reporting group

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

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No		
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?		9	Yes		
10 Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>125 0</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes		
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300 0</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes		
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes		
a <input checked="" type="checkbox"/> Income level					
b <input checked="" type="checkbox"/> Asset level					
c <input checked="" type="checkbox"/> Medical indigency					
d <input checked="" type="checkbox"/> Insurance status					
e <input checked="" type="checkbox"/> Uninsured discount					
f <input checked="" type="checkbox"/> Medicaid/Medicare					
g <input type="checkbox"/> State regulation					
h <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes		
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website					
b <input type="checkbox"/> The policy was attached to billing invoices					
c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms					
d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices					
e <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility					
f <input checked="" type="checkbox"/> The policy was available upon request					
g <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input checked="" type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> 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? If "Yes," explain in Part VI		No
22	During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI		No

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)

GWINNETT MEDICAL CENTER

Name of hospital facility or facility reporting group

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

2

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

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No		
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?		9	Yes		
10 Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>125 0</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes		
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300 0</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes		
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes		
a <input checked="" type="checkbox"/> Income level					
b <input checked="" type="checkbox"/> Asset level					
c <input checked="" type="checkbox"/> Medical indigency					
d <input checked="" type="checkbox"/> Insurance status					
e <input checked="" type="checkbox"/> Uninsured discount					
f <input checked="" type="checkbox"/> Medicaid/Medicare					
g <input type="checkbox"/> State regulation					
h <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes		
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website					
b <input type="checkbox"/> The policy was attached to billing invoices					
c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms					
d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices					
e <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility					
f <input checked="" type="checkbox"/> The policy was available upon request					
g <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input checked="" type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> 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? If "Yes," explain in Part VI		No
22	During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI		No

Part V

Facility Information (continued)

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

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
SUBSIDIZED HEALTH SERVICES EXPLANATION	PART I LINE 7G	THE WOUND TREATMENT CENTER IS A PHYSICIAN PRACTICE THAT WAS INCLUDED IN THE SUBSIDIZED SERVICES CATEGORY THE CENTER PROVIDES SERVICES THAT MEET IDENTIFIED COMMUNITY NEEDS THE CENTER OFFERS SERVICES THAT THE COMMUNITY DOES NOT CURRENTLY HAVE THE CAPACITY TO PROVIDE THE MEDICAL PRACTICE PROVIDES A SIGNIFICANT BENEFIT TO THE COMMUNITY AND DOES NOT OPERATE PRIMARILY TO INCREASE REFERRALS OF PATIENTS WITH THIRD PARTY COVERAGE AS A MAJORITY OF THE PATIENTS ARE UNDERINSURED UNINSURED OR COVERED BY FEDERAL OR STATE INSURANCE PLANS FOR ATRISK POPULATIONS IN ADDITION THE MEDICAL PRACTICE IS OPERATED EFFICIENTLY AND PAYMENTS TO PHYSICIANS ARE REASONABLE AND INLINE WITH THE GUIDELINES FROM THE MEDICAL GROUP MANAGEMENT ASSOCIATION AS WELL AS PREVAILING COMMUNITY RATES FOR PHYSICIAN REIMBURSEMENT EXPENSES AT COST FOR SUBSIDIZED SERVICES FOR THE PHYSICIAN PRACTICE HAS BEEN CALCULATED FROM TOTAL DEPARTMENT EXPENSES AT COST MINUS BAD DEBT MEDICAID AND CHARITY CARE WOUND CARE CLINIC COSTS 998317 WITH A NET COMMUNITY BENEFIT EXPENSE OF 627278
EXCLUSIONS FROM PERCENT OF TOTAL EXPENSE	PART I LINE 7 COLUMN F	101998959 IN BAD DEBT EXPENSES WERE SUBTRACTED FROM FORM 990 PART IX LINE 25 FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN

Identifier	ReturnReference	Explanation
COSTING METHODOLOGY EXPLANATION	PART I LINE 7	LINE 7A CHARITY CARE COSTS WERE CALCULATED USING A MEDICAID SPECIFIC COSTTOCHARGE RATIO CCR FROM THE MEDICARE COST REPORT A MEDICAID CCR WAS USED BECAUSE THE MEDICAID POPULATION BETTER REPRESENTS THE UTILIZATION AND ACUITY OF THE CHARITY POPULATION THAN THE USE OF AN OVERALL CCR AS CALCULATED IN WORKSHEET 2 A CCR WAS USED INSTEAD OF A COST ACCOUNTING SYSTEM BECAUSE CHARITY AS WELL AS BAD DEBTS REPRESENT ONLY A PORTION OF A PATIENT ACCOUNT THAT IS BEING WRITTEN OFF LINE 7B 7C 7G AN RVU BASED COST ACCOUNTING SYSTEM ADS WAS USED TO ESTIMATE THE MEDICAID FFS MEDICAID MANAGED CARE AMOUNTS REPORTED ON LN 7B THE PEACH CARE GA SCHIP PROGRAM REPORTED ON LN 7C AND THE SUBSIDIZED HEALTH SERVICES REPORTED ON LN 7G ADS DOES INCLUDE INFORMATION FROM ALL PATIENT SEGMENTS REGARDLESS OF PAYOR THE MEDICAID SHORTFALL REPORTED ON LINE 7B INCLUDES A PRIOR YEAR SETTLEMENT HIT OF 694367
COMMUNITY BUILDING ACTIVITIES	PART II	COMMUNITY BUILDING ACTIVITIES INCLUDE PROGRAMS THAT ADDRESS ROOT CAUSES OF HEALTH PROBLEMS AND ARE CAPTURED IN THE CATEGORIES OF LEADERSHIP DEVELOPMENT AND TRAINING FOR COMMUNITY MEMBERS COALITION BUILDING AND WORKFORCE DEVELOPMENT IN AN EFFORT TO ENHANCE PUBLIC HEALTH OUR ORGANIZATION DID NOT PARTICIPATE IN THESE ACTIVITIES TO INCREASE REFERRALS OR TO FULFILL REGULATORY REQUIREMENTS OR CURRENT STANDARDSOFCARE COALITION BUILDING INCLUDES PARTICIPATION OF THE CHAPLAINCY FAITH COMMUNITY NURSING CENTER FOR NEUROSCIENCE WOMENS SERVICES AND PHYSICIAN SERVICES DEPARTMENTS THESE DEPARTMENTS PARTICIPATE IN COMMUNITY COALITIONS AND OTHER COLLABORATIVE EFFORTS WITH THE COMMUNITY TO ADDRESS SAFETY AND HEALTH ISSUES TO PROMOTE THE HEALTH OF THE COMMUNITY FOR EXAMPLES GWINNETT FIRE SERVICES CRITICAL INCIDENT STRESS MANAGEMENT TEAM CHILD PROTECTION TASK FORCE AND THE YMCA BOARD OF DIRECTORS OUR COMMUNITY COLLABORATIONS CONTINUE TO SUPPORT OUR VISION AND MISSION AND FURTHER TIE US TO THE COMMUNITY WE SERVE GWINNETT HOSPITAL SYSTEM PARTICIPATED ON THE GWINNETT COALITION FOR HEALTH AND HUMAN SERVICES BOARD THAT SERVES THE COMMUNITY THROUGH INITIATIVES DRIVEN BY ITS SUBCOMMITTEES EG EXECUTIVE COMMITTEE BOARD OF DIRECTORS GREAT DAYS OF SERVICE RESEARCH AND ACCOUNTABILITY COMMITTEE AND THE TASK FORCE FOR THE YOUTH SURVEY FACT BOOK WE COLLABORATE WITH AIDGWINNETT J M TULL GWINNETT YMCA GWINNETT UNITED IN DRUG EDUCATION INC GUIDE SAFE KIDS GWINNETT GWINNETT FOSTER CHILDRENS FOUNDATION AND BOY SCOUTS MEDICAL EXPLORERS PROGRAM OUR ORGANIZATION WORKS CLOSELY WITH THE GWINNETT CHAMBER OF COMMERCE AND ACTIVELY PARTICIPATES IN PARTNERSHIP GWINNETT WHICH IS A COMPREHENSIVE PLAN THAT PARTNERS GOVERNMENT EDUCATION HEALTHCARE AND BUSINESS IN AN ECONOMIC DEVELOPMENT PLAN IN ADDITION TO THE CHAMBER GWINNETT HOSPITAL SYSTEM IS INVOLVED WITH INDIVIDUAL CITIES IN THE COUNTY GWINNETT HOSPITAL SYSTEM IS INVOLVED WITH STATE AND COUNTY GOVERNMENT AGENCIES INCLUDING GEORGIA DEPARTMENT OF HEALTH AND HUMAN SERVICES GWINNETT PUBLIC HEALTH DEPARTMENT VIEW POINT HEALTH GEORGIA TRAUMA CARE NETWORK COMMISSION GEORGIA STATE OFFICE OF EMERGENCY MEDICAL SERVICES AND TRAUMA PARTNERSHIP AGAINST DOMESTIC VIOLENCE PADV GWINNETT COUNTY SEXUAL ASSAULT CENTER CHILDRENS ADVOCACY CENTER GWINNETT COUNTY JUSTICE SYSTEM GWINNETT COUNTY POLICE DEPARTMENT GWINNETT COUNTY PUBLIC LIBRARY GWINNETT COUNTY PUBLIC SCHOOL SYSTEM DEPARTMENT OF FAMILY CHILDREN SERVICES DFCS DEPARTMENT OF AGING SERVICES DAS GWINNETT COUNTY SENIOR SERVICES AND THE GEORGIA MEDICARE FOUNDATION GWINNETT HOSPITAL SYSTEM WORKS WITH NATIONAL AGENCIES WHICH HAVE LOCAL CHAPTERS INCLUDING THE AMERICAN HEART ASSOCIATION AMERICAN RED CROSS MARCH OF DIMES AMERICAN STROKE ASSOCIATION AMERICAN CANCER SOCIETY AMERICAN DIABETES ASSOCIATION AND THE UNITED WAY OUR EFFORTS IN WORKFORCE DEVELOPMENT INCLUDE RECRUITING PHYSICIANS IN MULTIPLE SPECIALTIES FOR COMMUNITY PRACTICES ACCORDING TO COMMUNITY NEEDS ESTABLISHED IN THE 2013 PHYSICIAN NEEDS ASSESSMENT THE ORGANIZATIONS PRIMARY PURPOSE IN THESE EFFORTS IS TO ASSIST IN COMMUNITY PHYSICIAN RECRUITMENT TO IMPROVE ACCESS TO CARE IN OUR COMMUNITY

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE EXPLANATION	PART III LINE 4	PART III LINE 2 IN THE CURRENT YEAR BAD DEBTS ARE REPORTED AT CHARGES WRITTEN OFF IN THE PERIOD PLUS AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED ON MANagements ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS SEE THE LINE 4 NOTE BELOW FOR A MORE DETAILED DESCRIPTION OF THE METHODOLOGY USED IN DETERMINING THE AMOUNT REPORTED ON LINE 2 PER THE FINANCIAL STATEMENT FOOTNOTE RELATED TO PROVISION FOR UNCOLLECTIBLE ACCOUNTS DISCOUNTS AND PAYMENTS ON PATIENT ACCOUNTS ARE REFLECTED IN THE PATIENT BALANCE PRIOR TO ACCOUNTS BEING WRITTEN OFF TO BAD DEBT PART III LINE 3 THE HOSPITAL USES A NOTE ON THE PATIENT ACCOUNT TO IDENTIFY PATIENTS UNCOOPERATIVE WITH THE HOSPITALS FINANCIAL ASSISTANCE POLICY THAT WOULD HAVE LIKELY QUALIFIED FOR CHARITY IF INFORMATION HAD BEEN AVAILABLE TO DETERMINE ELIGIBILITY DUE TO THESE ACCOUNTS LIKELY BEING ELIGIBLE FOR FINANCIAL ASSISTANCE THEY SHOULD BE INCLUDED AS PART OF THE HOSPITALS COMMUNITY BENEFIT PART III LINE 4 AUDITED FINANCIAL STATEMENT FOOTNOTE THE PROVISION FOR UNCOLLECTIBLE ACCOUNTS IS BASED UPON MANagements ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING BUSINESS AND ECONOMIC CONDITIONS TRENDS IN HEALTHCARE COVERAGE AND OTHER COLLECTION INDICATORS MANAGEMENT ROUTINELY ASSESSES IN THE NORMAL COURSE OF BUSINESS THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON ITS ASSESSMENT OF THESE AND OTHER FACTORS BY PAYOR CATEGORY AND ADJUSTS THE ALLOWANCE AND RELATED PROVISION ACCORDINGLY FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRDPARTY COVERAGE MANAGEMENT ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND A RELATED PROVISION IF NECESSARY FOR PAYORS WHO ARE KNOWN TO BE HAVING FINANCIAL DIFFICULTIES THAT MAKE THE REALIZATION OF AMOUNTS DUE UNLIKELY FOR RECEIVABLES ASSOCIATED WITH SELFPAID PATIENTS WHICH INCLUDE PATIENTS WITHOUT INSURANCE AND PATIENTS WITH DEDUCTIBLE AND COPAYMENT BALANCES DUE FOR WHICH THIRDPARTY COVERAGE EXISTS FOR PART OF THE BILL MANAGEMENT RECORDS A PROVISION FOR UNCOLLECTIBLE ACCOUNTS IN THE PERIOD SERVICES ARE RENDERED ON THE BASIS OF 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 AGAINST THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS THE HOSPITALS PROVISION FOR UNCOLLECTIBLE ACCOUNTS DECREASED 6015000 FROM 108014000 IN FISCAL YEAR 2012 TO 101999000 IN FISCAL YEAR 2012 THE DECREASE WAS A RESULT OF OF MORE PATIENTS QUALIFYING FOR INDIGENT AND CHARITY CARE DURING 2013 AS COMPARED TO THE PRIOR PERIOD
MEDICARE EXPLANATION	PART III LINE 8	THE COST REPORTED ON LINE 6 ARE PER THE MEDICARE COST REPORT AND WERE CALCULATED BASED ON COSTTOCHARGE RATIOS SINCE THE AMOUNTS REPORTED ON LINES 5 6 ONLY INCLUDE MEDICARE PART A COSTS AND PAYMENTS THE OTHER MEDICARE IE MEDICARE PT C PHYSICIAN SERVICES FEE SCHEDULE NON ALLOWABLE COSTS AND PAYMENTS ARE INCLUDED IN THE MEDICARE RECONCILIATION SUMMARY SHOWN BELOW NONE OF THE MEDICARE SHORTFALL REPORTED ON LINE 7 SHOULD BE TREATED AS COMMUNITY BENEFIT SINCE THERE WAS NOT A SHORTFALL RELATED TO THOSE PATIENTS THAT HAD MEDICAID AS A SECONDARY PAYOR AND THEREFORE DEEMED INDIGENT FOR MEDICARE BAD DEBT PURPOSES THERE WERE 486671 IN PRIOR YEAR MEDICARE SETTLEMENTS RECEIVED IN THE CURRENT YEAR THAT RESULTED IN A POSITIVE ADJUSTMENT TO INCOME OF 103982 THAT IS REFLECTED IN THE MEDICARE RECONCILIATION SUMMARY MEDICARE RECONCILIATION SUMMARY MEDICARE FFS SHORTFALL MEDICARE COST REPORT MEDICARE FFS SHORTFALL LESS SUBSIDIZED SVCS PT I LN 7G 2085734 OTHER MEDICARE SHORTFALLS NON MEDICARE COST REPORT MEDICARE REPLACEMENT SHORTFALL PER ADS 10334740 MEDICARE PRO FEE SHORTFALL PER ADS 182723 MEDICARE FEE SCHEDULE SHORTFALL PER CCR 750985 MEDICARE NONALLOWABLE COSTS 3859723 PY SETTLEMENT RECEIVED SHORTFALL LONGFALL IMPACT TO IS 103982 TOTAL MEDICARE SHORTFALL 17109923

Identifier	ReturnReference	Explanation
COLLECTION PRACTICES EXPLANATION	PART III LINE 9B	THE FINANCIAL ASSISTANCE POLICY STATES THAT THOSE PATIENTS APPROVED FOR FINANCIAL ASSISTANCE WILL BE BILLED AT MEDICARE RATES IN ADDITION THE CREDIT AND COLLECTION POLICY DESCRIBES HOW UNINSURED PATIENTS CAN RECEIVE A PROMPT PAY DISCOUNT THIS POLICY ALSO DESCRIBES THE AVAILABILITY OF THE FINANCIAL ASSISTANCE PROGRAM CONTACT INFORMATION IS PROVIDED FOR ANYONE NEEDING ASSISTANCE OR HAVING QUESTIONS UNINSURED PATIENTS ARE GIVEN AN AUTOMATIC DISCOUNT FROM GROSS CHARGES THAT IS NOT RELATED TO THE FINANCIAL ASSISTANCE PROGRAM PATIENTS RECEIVE HOSPITAL STATEMENTS THROUGHOUT THE BILLING CYCLE UNPAID ACCOUNTS ARE REFERRED TO AN EXTERNAL COLLECTION AGENCY AFTER ALL EFFORTS BY THE HOSPITAL HAVE BEEN MADE COLLECTION AGENCIES NOTIFY THE HOSPITAL OF ANY ACCOUNTS THEY IDENTIFY THAT MAY QUALIFY FOR FINANCIAL ASSISTANCE
NEEDS ASSESSMENT	PART VI	THE 20122013 GWINNETT MEDICAL CENTERLAWRENCEVILLE COMMUNITY HEALTH NEEDS ASSESSMENT AND THE 20122013 GWINNETT MEDICAL CENTERDULUTH COMMUNITY HEALTH NEEDS ASSESSMENT ARE OUR MOST RECENT COMMUNITY HEALTH NEEDS ASSESSMENTS AS PREVIOUSLY STATED THE TWO FACILITIES ARE 10 MILES APART AND BOTH ARE IN GWINNETT COUNTY DATA FOR EACH ASSESSMENT WAS GATHERED AT THE COUNTY LEVEL BECAUSE THE MAJORITY OF THE PATIENTS WHO UTILIZE OUR HOSPITALS ARE RESIDENTS OF GWINNETT COUNTY ON AVERAGE ABOUT 20 PERCENT OF OUR PATIENTS ARE FROM SURROUNDING COUNTIES RESIDENTS OF THE COUNTY USE BOTH FACILITIES DEPENDING ON THEIR PERSONAL PREFERENCES OR AVAILABILITY OF SERVICES SECONDARY DATA FOR OUR CHNAS WAS GATHERED THROUGH MULTIPLE DATA SOURCES THE HOSPITALS HAVE A LICENSE FOR HEALTHY COMMUNITIES INSTITUTES THAT PROVIDES A CONSTANTLY UPDATED WEBBASED PLATFORM WITH DEMOGRAPHIC INFORMATION AND HEALTHY PEOPLE 2020 TRACKER FOR GWINNETT COUNTY RESIDENTS THIS INFORMATION PLATFORM INCLUDES BOTH A DISPARITIES DASHBOARD AND A COMMUNITY DASHBOARD OF ABOUT 100 INDICATORS INCLUDING THE FOLLOWING CATEGORIES HEALTH ECONOMY EDUCATION ENVIRONMENT GOVERNMENT AND POLITICS PUBLIC SAFETY AND SOCIAL ENVIRONMENT ADDITIONAL SECONDARY VITAL STATISTICS DATA ARE PROVIDED BY THE ONLINE ANALYTICAL STATISTICAL INFORMATION SYSTEM OASIS WHICH IS A TOOLSET THAT ALLOWS ACCESS TO THE GEORGIA DIVISION OF PUBLIC HEALTHS STANDARDIZED HEALTH DATA REPOSITORY OUR PLANNING DEPARTMENT IDENTIFIES HOSPITALBASED NEEDS USING ADMISSIONDISCHARGE AND OTHER UTILIZATION DATA THE SYSTEMLEVEL ANNUAL COMMUNITY BENEFIT PLAN DESCRIBES HOW THE HOSPITALS AND SUPPORT FACILITIES ADDRESS IDENTIFIED COMMUNITY HEALTH NEEDS EACH YEAR PROGRAMS ARE EVALUATED FOR EFFICIENCY EFFECTIVENESS OUTCOMES AND COMMUNITY COLLABORATION THEN ADMINISTRATION PRIORITIZES HOW THE ORGANIZATION MEETS COMMUNITY NEEDS THROUGH DEPARTMENT BUDGETING FOR EACH COMMUNITY BENEFIT PROGRAM EXPANDING FROM THE COMMUNITY BENEFIT PLAN ARE THE FACILITYLEVEL IMPLEMENTATION STRATEGIES DEVELOPED TO DESCRIBE HOW EACH FACILITY IS ADDRESSING IDENTIFIED COMMUNITY NEEDS THROUGH PROGRAMS AND COMMUNITY COLLABORATIONS THE ORGANIZATIONS COMMUNITY HEALTH WELLNESS COUNCIL IS AN INTERNAL COMMUNITY BENEFIT COMMITTEE WITH REPRESENTATIVES FROM 29 DEPARTMENTS FROM BOTH HOSPITALS THIS COUNCIL IS TASKED WITH THE ANNUAL PLAN AND IMPLEMENTATION STRATEGIES UPDATES AND SUBMISSION FOR APPROVAL BY HOSPITAL ADMINISTRATION AND THE GWINNETT HOSPITAL SYSTEM BOARD OF DIRECTORS DIRECT LINKS TO GWINNETT MEDICAL CENTER IN LAWRENCEVILLES IMPLEMENTATION STRATEGIES HTTPASSETSTHEHCNNETCONTENTSSITESGWINNETTHOSPITALFY2013GMCLIMPLE MENTATIONSTRATEGYPDF DIRECT LINKS TO GWINNETT MEDICAL CENTER DULUTHS IMPLEMENTATION STRATEGIES HTTPASSETSTHEHCNNETCONTENTSSITESGWINNETTHOSPITALFY2013GMCDIMPLE MENTATIONSTRATEGYPDF

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	PART VI	EVERY PATIENT REGISTERED AT A GHS FACILITY IS PROVIDED A DOCUMENT ALERTING THEM TO THE AVAILABILITY OF THE SYSTEMS FINANCIAL ASSISTANCE PROGRAM ADDITIONALLY PATIENTS ARE PROVIDED A BILLING AND COLLECTION INFORMATION DOCUMENT THAT AGAIN ADVISES THE PATIENT HOW TO APPLY FOR FINANCIAL ASSISTANCE FOR THOSE PATIENTS ADMITTED TO THE HOSPITAL THE INPATIENT HANDBOOK ALSO INSTRUCTS THEM HOW TO SEEK FINANCIAL ASSISTANCE FROM OUR TEAM OF FINANCIAL COUNSELORS IN ADDITION PATIENT BILLS INCLUDE CONTACT INFORMATION FOR SEEKING FINANCIAL ASSISTANCE VIA TELEPHONE OR BY EMAIL AT FINANCIALCOUNSELORGWINNETTMEDICALCENTERORG THE HOSPITAL SYSTEMS WEBSITE ALSO INCLUDES THE HOSPITALS FINANCIAL ASSISTANCE POLICY AND APPLICATIONS IN ENGLISH SPANISH KOREAN AND VIETNAMESE
COMMUNITY INFORMATION	PART VI	GWINNETT COUNTY IS LOCATED IN THE NORTHEAST SUBURBS OF THE METROPOLITAN ATLANTA AREA AND IS 98 PERCENT URBAN THIS IS THE 50TH LARGEST COUNTY IN THE STATE OF GEORGIA BY LAND MASS 43273 SQUARE MILES AND THE SECOND LEADING BY POPULATION 842046 ESTIMATED RESIDENTS IN 2012 THE POPULATION OF GWINNETT COUNTY HAS INCREASED BY 369 PERCENT SINCE 2000 AS SHOWN IN FIGURE 1 ACCORDING TO THE 2010 US CENSUS GWINNETT COUNTY IS THE 65TH MOST POPULATED COUNTY IN THE NATION FIGURE 1 HISTORICAL POPULATION GWINNETT COUNTY 19602010 HISTORICAL POPULATION GWINNETT COUNTY CENSUS POPULATION PERCENTAGE CHANGE 1960 43541 347 1970 72349 662 1980 116903 1307 1990 352910 1114 2000 588448 667 2010 805321 369 SOURCE US CENSUS BUREAU 2011 OVERALL GWINNETT COUNTY HAS A YOUNG POPULATION WITH THE MEDIAN AGE FROM 2005 THROUGH 2009 AT 331 YEARS OF AGE THIRTYONE PERCENT OF THE POPULATION WAS UNDER 20 YEARS OF AGE AND 11 PERCENT WAS 60 YEARS OF AGE AND OLDER ACCORDING TO THE GEORGIA DIVISION OF PUBLIC HEALTH ONLINE ANALYTICAL STATISTICAL INFORMATION SYSTEM OASIS 2011 AS DEMONSTRATED IN FIGURE 2 FIGURE 2 POPULATION BY LIFESTAGES GWINNETT COUNTY 2010 POPULATION BY LIFESTAGES GENDER GWINNETT COUNTY 2010 LIFESTAGES MALE FEMALE TOTAL BY AGE PERCENTAGE BY AGE 1 INFANCY 5985 5783 11768 146 14 EARLY CHILDHOOD 25963 24511 50474 627 512 LATER CHILDHOOD 54245 52338 106583 1323 1319 ADOLESCENCE 44905 41496 86401 970 2029 EARLY ADULthood 52964 50120 103084 1280 3044 YOUNG ADULthood 93622 99909 193531 2403 4559 MIDDLE ADULthood 80291 85148 165439 2054 6074 LATE ADULthood 31311 35685 66996 832 75 OLDER ADULthood 7867 13178 21045 261 GRAND TOTAL 397153 408168 805321 10000 SOURCE GEORGIA DIVISION OF PUBLIC HEALTH OASIS 2011 THE POPULATION HAS BECOME MORE RACIALLY AND ETHNICALLY DIVERSE WITH REPRESENTATION FROM ACROSS THE NATION AND AROUND THE WORLD IN 2012 THE US CENSUS BUREAU ESTIMATED THE GWINNETT COUNTY POPULATION TO BE 424 PERCENT WHITE NOT HISPANIC OR LATINO 259 PERCENT BLACK OR AFRICAN AMERICAN 111 PERCENT ASIAN AND 22 PERCENT WAS NONHISPANIC OTHERS AMERICAN INDIAN OR ALASKA NATIVE NATIVE HAWAIIAN OR PACIFIC ISLANDER MULTIRACIAL OR UNKNOWN THE HISPANIC OR LATINO POPULATION WAS ESTIMATED AT 207 PERCENT WITH 107 PERCENT OF THAT POPULATION BEING MEXICAN IN THE 20122013 SCHOOL TERM THE GWINNETT COUNTY PUBLIC SCHOOL SYSTEM GCPS INCLUDES 132 SCHOOLS AND OTHER EDUCATIONAL FACILITIES AND SERVES NEARLY 164900 STUDENTS THIS DOES NOT INCLUDE BUFORD CITY SCHOOLS OR PRIVATE SCHOOLS ACCORDING TO GCPS THE CLASS OF 2013 HAD MORE THAN 10500 GRADUATES AND ABOUT 84 PERCENT REPORTED PLANS TO ATTEND COLLEGE ACCORDING TO COUNTY HEALTH RANKINGS IN 20112012 THE PRIMARY CARE PHYSICIAN RATE WAS 56 PROVIDERS PER 100000 POPULATION IN GWINNETT COUNTY THIS WAS BETTER THAN THE NATIONAL AVERAGE FOR 3017 US COUNTIES ACCORDING TO THE US DEPARTMENT OF HEALTH HUMAN SERVICES THE AVERAGE NUMBER OF MEDICAID RECIPIENTS IN 2013 WAS 92467 OR 11 PERCENT OF THE TOTAL GWINNETT POPULATION ELDERLY MEDICARE RECIPIENTS IN 2013 WERE 32496 AND DISABLED MEDICARE WAS 5263 THE LACK OF HEALTH INSURANCE COVERAGE IS A SIGNIFICANT BARRIER TO ACCESSING NEEDED HEALTHCARE IN 2012 THE US CENSUS BUREAU ESTIMATED 748 PERCENT OF GWINNETT RESIDENTS 1864 YEARS WERE INSURED AND 907 PERCENT OF CHILDREN AGES 017 HAD ANY TYPE OF HEALTH INSURANCE COVERAGE THE US CENSUS BUREAUS AMERICAN COMMUNITY SURVEY 5YEAR ESTIMATES FOR 20072011 PROVIDES A REPRESENTATION OF AVERAGE CHARACTERISTICS OF THE POPULATION AND IS NOT REPRESENTATIVE OF A SINGLE POINT IN TIME FROM THESE SURVEYS THE FOLLOWING INFORMATION HAS BEEN MADE AVAILABLE ABOUT GWINNETT COUNTY RESIDENTS THERE WERE 292402 HOUSING UNITS IN GWINNETT WITH 206 PERCENT IDENTIFIED AS HOUSING UNITS IN MULTIUNIT STRUCTURES HOMEOWNERSHIP RATE WAS 709 PERCENT THE MEDIAN VALUE OF OWNEROCCUPIED HOUSING UNITS WAS 190100 THERE WERE 262169 HOUSEHOLDS IN GWINNETT WITH THE AVERAGE HOUSEHOLD SIZE OF THREE EIGHTYSEVEN PERCENT OF RESIDENTS 25 YEARS OF AGE AND OVER HAD AT LEAST GRADUATED FROM HIGH SCHOOL AND 347 PERCENT HAD A BACHELORS DEGREE OR HIGHER TWENTYSIX PERCENT OF THE POPULATION WAS FOREIGN BORN OF INDIVIDUALS AT LEAST FIVE YEARS OF AGE 329 PERCENT SPOKE A LANGUAGE OTHER THAN ENGLISH AT HOME SEVENTYEIGHT PERCENT OF WORKERS DROVE TO WORK ALONE FOR THOSE WHO COMMUTED THE AVERAGE TRAVEL TIME TO WORK WAS 322 MINUTES WORKERS WHO COMMUTED BY PUBLIC TRANSPORTATION WAS 11 PERCENT THE MEDIAN INCOME OF HOUSEHOLDS WAS 63076 TWELVE PERCENT OF THE ALL RESIDENTS WERE BELOW THE POVERTY LEVEL SEVENTEEN PERCENT OF CHILDREN LIVE BELOW THE POVERTY LEVEL WHICH IS AN INCREASE FROM 151 PERCENT IN THE 20062010 TIME PERIOD EIGHT PERCENT OF GWINNETT RESIDENTS AGE 65 AND OLDER LIVE BELOW THE POVERTY LEVEL THREE PERCENT OF THE HOUSEHOLDS DID NOT HAVE TELEPHONES THREE PERCENT OF THE HOUSEHOLDS DID NOT HAVE ACCESS TO A CAR TRUCK OR VAN FOR PRIVATE USE IN ADDITION TO OUR FACILITIES GWINNETT COUNTY HAS ONE FORPROFIT HOSPITAL EASTSIDE MEDICAL CENTER IN SNELLVILLE THERE ARE MANY HOSPITALS IN SURROUNDING COUNTIES OF THE METROPOLITAN ATLANTA AREA SUMMITRIDGE HOSPITAL IN LAWRENCEVILLE IS A FORPROFIT HOSPITAL TO SERVE MENTAL HEALTH AND SUBSTANCE ABUSE ACCORDING TO THE US DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTH RESOURCES AND SERVICE ADMINISTRATION FOUR CENSUS TRACTS ARE DESIGNATED MEDICALLY UNDERSERVED AREAS CT 050319 CT 050320 CT 05419 AND CT 050421 IN GWINNETT COUNTY THERE IS ONE FEDERALLY QUALIFIED HEALTH CENTER IN GWINNETT COUNTY NORCROSS SERVING RESIDENTS FROM THESE CENSUS TRACTS AS WELL AS OTHER GWINNETT COUNTY RESIDENTS

Identifier	ReturnReference	Explanation
HEALTH OF COMMUNITY IN RELATION TO EXEMPT PURPOSE	PART VI	OUR VISION IS TO BE THE HEALTH SYSTEM OF CHOICE IN OUR COMMUNITY BY ENHANCING THE HEALTH OF OUR PATIENTS AND OTHER CUSTOMERS WE LIVE THAT VISION BY JOINING WITH PHYSICIANS COMMUNITY AND OTHER HEALTHCARE ORGANIZATIONS TO TREAT INJURY AND DISEASE AS WELL AS PROVIDING PREVENTIVE AND EARLY INTERVENTION CARE THE GWINNETT HOSPITAL SYSTEM BOARD OF DIRECTORS IS COMPRISED OF INDEPENDENT COMMUNITY LEADERS DEDICATED TO PROVIDING QUALITY HEALTHCARE FOR OUR COMMUNITY THESE VOLUNTEER BOARD MEMBERS ARE PERSONS WHO RESIDE IN OUR PRIMARY SERVICE AREA AND ARE NOT EMPLOYEES OR CONTRACTORS OF THE ORGANIZATION OR FAMILY MEMBERS MEDICAL STAFF PRIVILEGES IN THE HOSPITALS ARE AVAILABLE TO ALL QUALIFIED PHYSICIANS AS DETERMINED THROUGH A DETAILED CREDENTIALING PROCESS GWINNETT HOSPITAL SYSTEM HAS OVER 800 AFFILIATED PHYSICIANS PROVIDING HEALTHCARE SERVICES AT BOTH GWINNETT MEDICAL CENTERLAWRENCEVILLE AND GWINNETT MEDICAL CENTERDULUTH CAMPUSES THE ORGANIZATION REINVESTS ALL PROFITS BACK INTO PHYSICIAN AND STAFF TRAINING FACILITIES AND EQUIPMENT TO CONTINUALLY IMPROVE PATIENT CARE IN CONTRAST TO INVESTOROWNED HOSPITALS NO PART OF NET EARNINGS DIRECTLY OR INDIRECTLY BENEFITS ANY PRIVATE SHAREHOLDERS OR INDIVIDUALS FULLTIME EMERGENCY DEPARTMENTS ARE OPERATED AT BOTH THE GWINNETT MEDICAL CENTERLAWRENCEVILLE AND GWINNETT MEDICAL CENTERDULUTH CAMPUSES NO ONE REQUIRING EMERGENCY CARE IS DENIED TREATMENT THE TOTAL NUMBER OF DISCHARGES FROM BOTH EMERGENCY DEPARTMENTS WAS 140470 FOR FISCAL YEAR 2013 THE 60BED EMERGENCY DEPARTMENT AT GWINNETT MEDICAL CENTER LAWRENCEVILLE IS ONE OF THE BUSIEST IN GEORGIA THIS LOCATION HAS A 12BED CHILDRENS EMERGENCY CENTER AN ACCREDITED CHEST PAIN CENTER AND IS DESIGNATED AS A LEVEL II TRAUMA CENTER PROVIDING 24 HOURS A DAY SEVEN DAYS A WEEK TRAUMA TEAM COVERAGE SERVING RESIDENTS OF GWINNETT COUNTY AND THE SURROUNDING AREA ONLY 21 OF THE STATES 152 ACUTECARE HOSPITALS ARE DESIGNATED TRAUMA CENTERS BOTH GWINNETT MEDICAL CENTERLAWRENCEVILLE AND GWINNETT MEDICAL CENTER DULUTH AND ASSOCIATED FACILITIES PARTICIPATE IN MEDICARE MEDICAID CHAMPUS AND PEACHCARE AS APPROPRIATE FOR SERVICES PROVIDED
AFFILIATED HEALTH CARE INFORMATION	PART VI	GWINNETT HOSPITAL SYSTEM IS A LICENSED 464 BED HEALTHCARE ORGANIZATION WITH TWO ACUTECARE HOSPITALS GWINNETT MEDICAL CENTERLAWRENCEVILLE AND GWINNETT MEDICAL CENTERDULUTH THESE TWO FACILITIES SERVE AREAS OF BOTH GWINNETT COUNTY AND TO A LESSER EXTENT SEVERAL SURROUNDING COUNTIES IN ADDITION TO THE MEDICALSURGICAL HOSPITALS THE ORGANIZATION ALSO INCLUDES THE GWINNETT WOMENS PAVILION ON THE GWINNETT MEDICAL CENTERLAWRENCEVILLE CAMPUS AS WELL AS THE GLANCY REHABILITATION CENTER IN DULUTH OTHER AFFILIATED ORGANIZATIONS INCLUDE GWINNETT HEALTH SYSTEM INC THE NONPROFIT PARENT ORGANIZATION OF GWINNETT HOSPITAL SYSTEM AND ITS AFFILIATES GWINNETT MEDICAL CENTER FOUNDATION A NONPROFIT PHILANTHROPIC ORGANIZATION THAT SUPPORTS THE GWINNETT HOSPITAL SYSTEM BY RAISING MONEY FOR CAPITAL EQUIPMENT PURCHASES FOR GWINNETT MEDICAL CENTERDULUTH AND GWINNETT MEDICAL CENTERLAWRENCEVILLE NEUROSCIENCE ORTHOPEDICS AND A VARIETY OF OTHER PROGRAMS GWINNETT MEDICAL PROPERTIES A NONPROFIT ORGANIZATION THAT OWNS MEDICAL PROPERTIES IN AND AROUND GWINNETT COUNTY FOR THE PURPOSE OF AIDING GWINNETT HOSPITAL SYSTEM IN FULFILLING ITS MISSION GWINNETT MEDICAL SERVICES A NONPROFIT ORGANIZATION WHOSE MISSION IS TO OPERATE PHYSICIAN CLINICS IN AND AROUND GWINNETT COUNTY

Identifier	ReturnReference	Explanation
LIST OF STATES WHERE COMMUNITY BENEFIT REPORT IS FILED	PART VI	GEORGIA
GWINNETT MEDICAL CENTER LINE NUMBER 1 PART V LINE 3	PART V LINE 3	COMMUNITY INVOLVEMENT AND INPUT IS AN IMPORTANT COMPONENT OF OUR NEEDS ASSESSMENT PROCESS GWINNETT MEDICAL CENTER HAS CONDUCTED GWINNETT COMMUNITY HEALTH STATUS REPORTS WITH THE GWINNETT COUNTY HEALTH DEPARTMENT SINCE 1999 THE GWINNETT COALITION FOR HEALTH AND HUMAN SERVICES IS A NOT FORPROFIT ORGANIZATION DEDICATED TO ADDRESSING THE HEALTH AND HUMAN SERVICE NEEDS OF EVERYONE IN GWINNETT COUNTY IT DOES SO THROUGH COLLABORATIVE COMMUNITY PLANNING APPLIED RESEARCH COMMUNITY EDUCATION MEMBERSHIP DIVERSITY CONSENSUS BUILD ADVOCACY AND INNOVATION OUR ORGANIZATION HAS BEEN AN ACTIVE PARTNER OF THE GWINNETT COALITION FOR HEALTH AND HUMAN SERVICES GWINNETT COALITION FOR MORE THAN 20 YEARS IN SEPTEMBER 2011 THE INITIAL PLAN TO CONDUCT THE NEXT FIVEYEAR STRATEGIC PLAN WAS APPROVED BY THE GWINNETT COALITIONS EXECUTIVE BOARD OF DIRECTORS THE BOARD ALSO AGREED TO COLLABORATE WITH GWINNETT MEDICAL CENTER AND THE GWINNETT COUNTY HEALTH DEPARTMENT TO GATHER COMMUNITY DATA TO BE SHARED BY ALL THREE ORGANIZATIONS FOR COMMUNITY ASSESSMENT PROCESSES THESE THREE ENTITIES COMMITTED TO PROVIDING FINANCIAL AND INKIND SUPPORT FOR THE ASSESSMENT PROCESS THE ASSESSMENT ALSO INCLUDED PARTICIPATION OF COUNTY DEPARTMENTS SCHOOL DISTRICTS AND COMMUNITY SERVICE AGENCIES PROVIDING HEALTH AND RELATED SERVICES TO ENSURE INPUT FROM PERSONS WITH BROAD KNOWLEDGE OF THE COMMUNITY THE PARTNERSHIP CONDUCTED FOCUS GROUPS COMMUNITY SERVICE AGENCY TOWN HALL MEETINGS AND COMMUNITY KEY LEADER INTERVIEWS SUMMARY COMMUNITY REFERRAL DATA FROM THE GWINNETT COALITIONS HELPLINE WERE INCLUDED IN THE ANALYSIS IN ADDITION THE GWINNETT COUNTY 2010 YOUTH SURVEY RESULTS WERE INCLUDED IN THE COMMUNITY INPUT DATA SET GWINNETT COUNTY PUBLIC HEALTH DEPARTMENT STAFF MEMBERS WHO PARTICIPATED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT INCLUDE THE FOLLOWING LLOYD M HOFER MD MPH RECEIVED HIS MEDICAL DEGREE IN 1973 FROM THE UNIVERSITY OF ALABAMA DR HOFER IS BOARD CERTIFIED IN PEDIATRICS AND CERTIFIED IN MEDICAL MANAGEMENT DRHOFER PRACTICED PEDIATRICS AND ADOLESCENT HEALTH IN HATTIESBURG MISS AND MONTGOMERY ALA IN 1987 DR HOFER BEGAN HIS PROFESSIONAL CAREER IN PUBLIC HEALTH WITH THE ALABAMA DEPARTMENT OF PUBLIC HEALTH WHERE HE SERVED AS THE DIRECTOR OF THE DIVISION OF CHILD HEALTH UNTIL 1992 IN 1992 DR HOFER ACCEPTED THE POSITION OF DISTRICT 4 HEALTH DIRECTOR IN LAGRANGE GA DIVISION OF PUBLIC HEALTH DEPARTMENT OF HUMAN RESOURCES SERVING 12 COUNTIES DR HOFER DIRECTED MANAGEMENT OF FISCAL CLINICAL ADMINISTRATION AND DAY TO DAY OPERATIONS OF THE COUNTY HEALTH DEPARTMENTS HE SERVED IN THIS CAPACITY UNTIL 1997 FROM 1997 TO 2001 DR HOFER WAS AN ASSOCIATE MEDICAL DIRECTOR FOR BLUE CROSS BLUE SHIELD IN TENN AND ALA DR HOFER RETURNED TO GA PUBLIC HEALTH IN JANUARY 2002 AND IS THE DISTRICT HEALTH DIRECTOR FOR GWINNETT NEWTON AND ROCKDALE COUNTIES CONNIE RUSSELL IS A NATIVE OF GEORGIA WHO GRADUATED FROM SHORTER COLLEGE WITH A BUSINESS ADMINISTRATION DEGREE IN PSYCHOLOGY IN 1990 AND GEORGIA STATE UNIVERSITY WITH A MASTER OF ARTS IN PSYCHOLOGICAL SCIENCES IN 1993 CONNIE WORKED ON SEVERAL PUBLIC HEALTH RESEARCH PROJECTS RELATED TO MATERNAL SUBSTANCE ABUSE AT EMORY UNIVERSITY SCHOOL OF MEDICINE DEPARTMENT OF PSYCHIATRY PRIOR TO BECOMING A CASE MANAGER FOR THE BABIES CANT WAIT EARLY INTERVENTION PROGRAM IN GWINNETT NEWTON AND ROCKDALE COUNTIES AFTER HOLDING VARIOUS POSITIONS WITH THAT PROGRAM INCLUDING EARLY INTERVENTION COORDINATOR SHE BECAME THE DISTRICT PROGRAM MANAGER FOR THE HEALTH DEPARTMENT IN 2004 AND THE DISTRICT PROGRAM DIRECTOR IN 2005 IN HER CURRENT POSITION CONNIE OVERSEES PROGRAM COMPLIANCE AND BUDGET MANAGEMENT FOR MORE THAN 15 PROGRAMS INCLUDING FAMILY PLANNING WIC NUTRITION IMMUNIZATIONS ADOLESCENT HEALTH AND YOUTH DEVELOPMENT CHILDRENS MEDICAL SERVICES CHILD HEALTH PROGRAMS PHARMACY EMERGENCY PREPAREDNESS AND COMMUNICATIONS SHE ALSO SERVES AS COMMUNITY LIAISON FOR THE HEALTH DEPARTMENT WORKING WITH A VARIETY OF ORGANIZATIONS TO SUPPORT THE HEALTH AND WELLBEING OF THE COMMUNITY FARRAH MACHIDA MSPH IS THE EPIDEMIOLOGY SUPERVISOR FOR THE GWINNETT NEWTON AND ROCKDALE COUNTY HEALTH DEPARTMENTS AND OVERSEES THE NOTIFIABLE DISEASE INVESTIGATIONS AT THE PUBLIC HEALTH DISTRICT OFFICE FOR THE PAST SIX YEARS SHE HAS WORKED AS AN INFECTIOUS DISEASE EPIDEMIOLOGIST AND HAS PROVIDED INFECTION CONTROL TRAININGS ACROSS THE COUNTY TO DAYCARES SCHOOLS COMMUNITY GROUPS AND REHABILITATION CENTERS SHE HAS WORKED WITH NUMEROUS COMMUNITY GROUPS ON HEALTH DATA ANALYSIS AND INFECTION CONTROL AND EMERGENCY PREPAREDNESS PLANNING SHAUNA METTEE RN MSN MPH IS ORIGINALLY FROM COLO WHERE SHE COMPLETED A BACHELORS DEGREE FROM THE UNIVERSITY OF COLORADO IN MOLECULAR CELLULAR AND DEVELOPMENTAL BIOLOGY AFTER GRADUATING IN 1996 SHAUNA WAS ACCEPTED INTO THE EMERGING INFECTIOUS DISEASE LABORATORY FELLOWSHIP AT CDC ASSISTING ON NUMEROUS OUTBREAK INVESTIGATIONS INCLUDING A CHOLERA OUTBREAK IN WEST AFRICA SHAUNA BECAME AN ER NURSE IN 2008 AND THEN COMPLETED TWO MASTERS DEGREES IN INTERNATIONAL NURSING AND GLOBAL PUBLIC HEALTH FROM EMORY UNIVERSITY WHILE AT EMORY SHAUNA WAS PRESIDENT OF SORTTHE STUDENT OUTBREAK AND RESPONSE TEAM IN 2009 SHAUNA JOINED THE US PUBLIC HEALTH SERVICE AS AN EPIDEMIC INTELLIGENCE SERVICE OFFICER AT CDC WHERE SHE INVESTIGATED FOOD AND WATERBORNE DISEASE OUTBREAKS BOTH IN THE US AND INTERNATIONALLY SINCE 2011 SHAUNA HAS SERVED THE GWINNETT NEWTON AND ROCKDALE COUNTY HEALTH DEPARTMENTS AS A CDC PREVENTIVE MEDICINE FELLOW WORKING WITH COMMUNITY PARTNERS TO IMPROVE THE HEALTH AND QUALITY OF LIFE IN THE DISTRICT FOCUS GROUPS EIGHT COMMUNITY FOCUS GROUPS WERE CONDUCTED OVER A TWO MONTH PERIOD ONE HUNDRED COMMUNITY REPRESENTATIVES OF DIFFERENT AGES RACES AND INTERESTS PARTICIPATED MEMBERS OF MEDICALLY UNDERSERVED LOWINCOME AND MINORITY POPULATIONS AS WELL AS POPULATIONS WITH CHRONIC DISEASE NEEDS PARTICIPATED IN THE FOCUS GROUPS THE FOCUS GROUPS WERE ORGANIZED THROUGH THE GWINNETT COALITIONS RESEARCH AND ACCOUNTABILITY COMMITTEES MEMBER ORGANIZATIONS AND CONDUCTED IN VARIOUS COMMUNITY LOCATIONS ACCORDING TO THE SPECIFIC NEEDS OF THE GROUP TOPICS OF DISCUSSION INCLUDED QUALITY OF LIFE COMMUNITY RELATIONS AND ENGAGEMENT ECONOMIC AND FINANCIAL STABILITY EDUCATION SAFETY YOUTH AND HEALTH AND WELLNESS PLACE OF RESIDENCE FOR PARTICIPANTS INCLUDED BUFORD DACULA DULUTH GRAYSON LAWRENCEVILLE LILBURN NORCROSS SNELLVILLE AND SUWANEE OF THE 83 PARTICIPANTS WHO PROVIDED THEIR GENDER 6270 PERCENT WERE FEMALE AND 3730 PERCENT WERE MALE THERE WERE ALSO 83 PARTICIPANTS WHO PROVIDED INFORMATION AS TO WHETHER THEY WERE HISPANIC OR NOT ANSWERS SHOWED THAT 8000 PERCENT WERE NONHISPANIC AND 2000 PERCENT WERE HISPANIC A VARIETY OF LANGUAGES WERE REPRESENTED IN THE GROUPS INCLUDING CHINESE ENGLISH GUJARATI KOREAN NEPALI SPANISH AND VIETNAMESE THERE WAS ALSO A WIDE RANGE OF AGES THROUGHOUT THE FOCUS GROUPS THE AGE DISTRIBUTION OF PARTICIPANTS WAS FROM 13 TO 74 WITH 69 OF THE PARTICIPANTS RESPONDING PARTICIPANTS NOTED HAVING THE FOLLOWING CHRONIC CONDITIONS COPD DIABETES HEART DISEASE HIGH BLOOD PRESSURE HIGH CHOLESTEROL LOW BLOOD PRESSURE MENTAL ILLNESS SEIZURES AND SLEEP APNEA INCOME LEVELS THROUGHOUT THE GROUPS VARIED THIRTEEN PERCENT OF PARTICIPANTS HAD AN INCOME LEVEL OF LESS THAN 10000 THE LARGEST GROUP CONSISTED OF 22 PERCENT OF PARTICIPANTS WHO HAD AN INCOME LEVEL BETWEEN 25000 AND 35000 THE DISTRIBUTION OF PARTICIPANTS INCOME LEVELS WAS HOWEVER SPREAD SOMEWHAT EVENLY THROUGHOUT THE INCOME LEVEL RANGES TOWN HALL MEETINGS THE GWINNETT COALITION FOR HEALTH AND HUMAN SERVICES IN COOPERATION WITH GWINNETT MEDICAL CENTER AND THE GWINNETT COUNTY HEALTH DEPARTMENT CONDUCTED A TOWN HALL MEETING AT THE NORCROSS COMMUNITY CENTER LOCATED AT 10 COLLEGE STREET NORCROSS GA TWO SESSIONS WERE HELD TO MAXIMIZE ATTENDANCE APPROXIMATELY 88 INDIVIDUALS FROM VARIOUS GWINNETT COUNTY AGENCIES PARTICIPATED EACH SESSION MORNING AND AFTERNOON CONSISTED OF A THREEHOUR PERIOD WHERE ATTENDEES ENGAGED IN ONE OF SIX BREAKOUT GROUPS DEFINED BY THE GWINNETT COALITION FOR HEALTH AND HUMAN SERVICES STRATEGIC PLAN AREAS HEALTH AND WELL BEING COMMUNITY ENGAGEMENT EDUCATION SAFETY ECONOMIC AND FINANCIAL STABILITY AND BASIC NEEDS AND DEVELOPED A LIST OF COMMUNITY NEEDS FROM THIS LIST THE TOP FIVE NEEDS WERE CHOSEN IN NO CHRONOLOGICAL ORDER AND SUBMITTED FOR A LARGE GROUP PRIORITIZATION SESSION THE LARGE GROUP PRIORITIZATION SESSION CONDUCTED BY CAROLYN AIDMAN OF THE URBAN HEALTH INITIATIVE CONSISTED OF A THREE TIERED VOTING SYSTEM TO RANK EACH NEED WITHIN EACH SPECIFIC STRATEGIC PLAN AREA AND TO GARNER AN OVERALL RATING OF ALL COMMUNITY NEEDS FOR GWINNETT COUNTY KEY INFORMANT INTERVIEWS FIFTEEN INDIVIDUAL KEY INFORMANT INTERVIEWS WERE CONDUCTED BY A REPRESENTATIVE FROM THE GWINNETT COUNTY HEALTH DEPARTMENT KEY INFORMANTS ARE COMMUNITY LEADERS WITH UNIQUE KNOWLEDGE AND INFLUENCE IN THE COMMUNITY THE PARTICIPANTS WERE CHOSEN USING MOBILIZING FOR ACTION THROUGH PLANNING AND PARTNERSHIPS MAPP GUIDELINES THE FACETOFACE INTERVIEWS WERE CONDUCTED BY A SINGLE INTERVIEWER OVER A THREE

Identifier	ReturnReference	Explanation
GWINNETT MEDICAL CENTER LINE NUMBER 1 PART V LINE 4	PART V LINE 4	GWINNETT MEDICAL CENTER IN LAWRENCEVILLE AND GWINNETT MEDICAL CENTER DULUTH ARE LOCATED 10 MILES APART IN GWINNETT COUNTY THE MAJORITY OF PATIENTS WHO USE EACH FACILITY ARE GWINNETT COUNTY RESIDENTS THEREFORE BOTH FACILITIES PARTICIPATED IN GATHERING DATA FOR THEIR CHNAS WITH THE GWINNETT COALITION AND THE GWINNETT HEALTH DEPARTMENT
GWINNETT MEDICAL CENTER LINE NUMBER 1 PART V LINE 7	PART V LINE 7	WHEN GATHERING INPUT FROM COMMUNITY MEMBERS THROUGH FOCUS GROUPS TOWN HALL MEETINGS AND KEY INFORMANT INTERVIEWS OUR COMMUNITY IDENTIFIED NEEDS IN AREAS AFFECTING QUALITY OF LIFE COMMUNITY RELATIONS AND ENGAGEMENT ECONOMIC AND FINANCIAL STABILITY EDUCATION SAFETY YOUTH AS WELL AS HEALTH AND WELLNESS THE LEADING CONCERNS WERE TRANSPORTATION AND ROAD CONGESTION COMMUNITY COMMUNICATION AND ENGAGEMENT INCREASING HOMELESSNESS AND JOB LOSSES LACK OF DIVERSITY IN COMMUNITY LEADERSHIP AND RESIDENTS WITHOUT ADEQUATE HEALTH INSURANCE THESE COMMUNITY NEEDS ARE NOT BEING ADDRESSED DIRECTLY BY THE HOSPITAL BECAUSE THESE NEEDS ARE OUTSIDE THE HOSPITALS SCOPE OF PRACTICE AND THE HOSPITAL DOES NOT HAVE RESOURCES TO ADDRESS THEM HOWEVER AS A MEMBER ORGANIZATION OF THE GWINNETT COALITION FOR HEALTH AND HUMAN SERVICES WE PARTICIPATE IN COALITION INITIATIVES TO STRIVE TO IMPROVE THESE ISSUES IN COLLABORATION WITH OTHERS IN OUR COMMUNITY FROM A HEALTH PERSPECTIVE LACK OF ADEQUATE DENTAL CARE FOR RESIDENTS WITHOUT INSURANCE AND LACK OF MENTAL HEALTH SERVICES WERE IDENTIFIED NEEDS BY COMMUNITY REPRESENTATIVES WHILE HOSPITAL LEADERSHIP AGREES THAT ADEQUATE DENTAL CARE FOR RESIDENTS WITHOUT INSURANCE IS AN ISSUE ADDRESSING THIS ISSUE IS OUTSIDE THE HOSPITALS SCOPE OF PRACTICE THE COALITIONS HEALTH AND WELLNESS COMMITTEE IS AWARE OF THIS PROBLEM AND WOULD LIKE TO WORK WITH THE COMMUNITYS DENTAL CARE PROVIDERS TO DEVELOP A PLAN OF SUPPORT FOR THIS ISSUE AT THIS TIME NO CHAMPION FOR THIS INITIATIVE HAS BEEN IDENTIFIED THERE ARE IDENTIFIED COMMUNITY HEALTH NEEDS IN WHICH OUR HOSPITALS ONLY PROVIDE MINIMAL SUPPORT BECAUSE WE DO NOT HAVE DESIGNATED TREATMENT UNITS OR OUTREACH PROGRAMS FOR THESE CONDITIONS ALTHOUGH WE TRIAGE PATIENTS WITH BEHAVIORAL AND MENTAL HEALTH CONDITIONS AND SUBSTANCE ABUSE PROBLEMS IN OUR EMERGENCY DEPARTMENTS OUR ORGANIZATION DOES NOT HAVE TREATMENT UNITS FOR THESE CONDITIONS HOWEVER GWINNETT HOSPITAL SYSTEM INC COVERS UP TO FIVE DAYS OF THE COST FOR TREATMENT AT RIVERWOODS FOR MEDICALLY INDIGENT EMERGENCY DEPARTMENT OR INPATIENT PATIENTS WHO MEET THE CRITERIA AND ARE IN NEED OF INPATIENT PSYCHIATRIC TREATMENT SUMMITRIDGE HOSPITAL IS A PRIVATE FORPROFIT PSYCHIATRY AND ADDICTION MEDICINE FACILITY IN LAWRENCEVILLE ADDITIONALLY THE STATE OF GEORGIA PROVIDES MENTAL HEALTH SERVICES THROUGH VIEW POINT HEALTH FORMERLY KNOWN AS GWINNETT ROCKDALE NEWTON COMMUNITY SERVICE BOARD GMCLAWRENCEVILLE HAS A LEVEL III NEONATAL INTENSIVE CARE UNIT AND A 12BED PEDIATRIC EMERGENCY DEPARTMENT HOWEVER THE HOSPITAL DOES NOT HAVE A PRIMARY FOCUS ON INPATIENT PEDIATRICS GWINNETT COUNTY HAS A WIDE RANGE OF PEDIATRIC HEALTHCARE SERVICES AVAILABLE THROUGH CHILDRENS HEALTHCARE OF ATLANTA THE SPORTS MEDICINE PROGRAM IS A COMMUNITY OUTREACH PROGRAM THAT PROVIDES SPORTS MEDICINE TRAINERS FOR YOUTH IN LOCAL HIGH SCHOOLS AND COMMUNITY SPORTS ORGANIZATIONS

Identifier	ReturnReference	Explanation
GWINNETT MEDICAL CENTER LINE NUMBER 1 PART V LINE 14G	PART V LINE 14G	GWINNETT MEDICAL CENTER NOTICE REGARDING THE HOSPITALS FINANCIAL ASSISTANCE POLICY IS PROVIDED TO PATIENTS UPON ADMISSION AT PATIENT REGISTRATION AREAS AND IN OTHER PUBLIC PLACES THROUGHOUT THE FACILITY AND WITH PATIENT INVOICES POSTINGS ARE PROVIDED IN ENGLISH SPANISH VIETNAMESE AND KOREAN GWINNETT MEDICAL CENTER DULUTH SAME AS ABOVE
GWINNETT MEDICAL CENTER LINE NUMBER 2 PART V LINE 3	PART V LINE 3	SEE DISCUSSION FOR GWINNETT MEDICAL CENTER PREVIOUSLY DISCLOSED GWINNETT MEDICAL CENTER IN LAWRENCEVILLE AND GWINNETT MEDICAL CENTER DULUTH ARE LOCATED 10 MILES APART IN GWINNETT COUNTY THE MAJORITY OF PATIENTS WHO USE EACH FACILITY ARE GWINNETT COUNTY RESIDENTS THEREFORE BOTH FACILITIES PARTICIPATED IN GATHERING DATA FOR THEIR CHNAS WITH THE GWINNETT COALITION AND THE GWINNETT HEALTH DEPARTMENT

Identifier	ReturnReference	Explanation
GWINNETT MEDICAL CENTER LINE NUMBER 2 PART V LINE 4	PART V LINE 4	GWINNETT MEDICAL CENTER IN LAWRENCEVILLE AND GWINNETT MEDICAL CENTER DULUTH ARE LOCATED 10 MILES APART IN GWINNETT COUNTY THE MAJORITY OF PATIENTS WHO USE EACH FACILITY ARE GWINNETT COUNTY RESIDENTS THEREFORE BOTH FACILITIES PARTICIPATED IN GATHERING DATA FOR THEIR CHNAS WITH THE GWINNETT COALITION AND THE GWINNETT HEALTH DEPARTMENT
GWINNETT MEDICAL CENTER LINE NUMBER 2 PART V LINE 7	PART V LINE 7	SEE PREVIOUSLY DISCLOSED DISCUSSION FOR GWINNETT MEDICAL CENTER

Identifier	ReturnReference	Explanation
GWINNETT MEDICAL CENTER LINE NUMBER 2 PART V LINE 14G	PART V LINE 14G	NOTICE REGARDING THE HOSPITALS FINANCIAL ASSISTANCE POLICY IS PROVIDED TO PATIENTS UPON ADMISSION AT PATIENT REGISTRATION AREAS AND IN OTHER PUBLIC PLACES THROUGHOUT THE FACILITY AND WITH PATIENT INVOICES POSTINGS ARE PROVIDED IN ENGLISH SPANISH VIETNAMESE AND KOREAN

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

2012

Open to Public Inspection

Name of the organization
GWINNETT HOSPITAL SYSTEM INC

58-2002413

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

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

[illegible]**Schedule I (Form 990) 2012**

Part III

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) EDUCATIONAL SCHOLARSHIPS	41	42,500		FMV OF CAS	

Part IV

Supplemental Information.

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

Identifier	Return Reference	Explanation
PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS INSIDE THE UNITED STATES	SCHEDULE I, PAGE 1, PART I, LINE 2	SCHEDULE I, PART I, LINE 2 GRANTS WERE MADE ONLY TO 501C3 ORGANIZATIONS SCHOLARSHIPS ARE GIVEN ANNUALLY THROUGH AN OPEN APPLICATION PROCESS APPLICATIONS ARE ACCEPTED FOR 6 WEEKS EACH YEAR APPLICATIONS ARE REVIEWED BY A COMMITTE COMPRISED ON HUMAN RESOURCE AND LEARNING RESOURCE EMPLOYEES THOSE SELECTED ARE ENROLLED IN A HEALTHCARE PROFESSIONAL DEGREE PROGRAM IN AN ACCREDITED COLLEGE OR UNIVERSITY THE COMMITTEE EVALUATES APPLICANTS USING A 13 POINT PROCESS WITH EXTRA WEIGHTING GIVEN TO (1) THOSE APPLICANTS WITH HIGH GPAS, (2) STUDYING IN AREAS OF COMMUNITY NEED, (3) PROVIDING REFERENCE LETTERS FROM CREDENTIALLED PROFESSIONALS, AND (4) INDICATES AN INTEREST IN WORKING WITH THE HOSPITAL UPON COMPLETION OF THE DEGREE

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
GWINNETT HOSPITAL SYSTEMINC

Employer identification number
58-2002413

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input checked="" type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2 Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
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	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
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 accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

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

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

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

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

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
FRINGE OR EXPENSE EXPLANATION	SCHEDULE J, PAGE 1, PART I, LINE 1A	GWINNETT HOSPITAL PAID FOR LIMITED SPOUSAL TRAVEL FOR CERTAIN EXECUTIVES WHEN ATTENDING MEETINGS WHERE SPOUSAL ATTENDANCE IS CONSIDERED APPROPRIATE BY THE HOSPITAL. THE COST OF SUCH TRAVEL IS INCLUDED ON EACH EMPLOYEE'S FORM W-2 AS TAXABLE WAGES. GWINNETT HOSPITAL PAID TAX GROSS-UP PAYMENTS ON CERTAIN EMPLOYEE BENEFITS, SUCH AS GROUP TERM LIFE INSURANCE, FOR CERTAIN EXECUTIVES. EACH INDIVIDUAL'S FORM W-2 INCLUDES ANY SUCH PAYMENTS AS TAXABLE WAGES. GWINNETT HOSPITAL PAID MONTHLY DUES FOR CERTAIN EXECUTIVES FOR A SOCIAL CLUB LOCATED NEAR THE HOSPITAL AND USED PRIMARILY FOR BUSINESS PURPOSES. ALL DUES PAID BY THE HOSPITAL FOR THESE EXECUTIVES WERE INCLUDED ON THEIR FORM W-2 AS TAXABLE WAGES.
RELATED ORG METHODS USED FOR COMPENSATION EXPLANATION	SCHEDULE J, PAGE 1, PART I, LINE 3	COMPENSATION PRACTICES FOR ALL GWINNETT ENTITIES ARE SUBJECT TO THE CONTROL AND OVERSIGHT OF THE COMPENSATION COMMITTEE OF GWINNETT HEALTH SYSTEM. SEE SCHEDULE O EXPLANATION OF COMPENSATION COMMITTEE RESPONSIBILITIES AND PRACTICES.
SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS	SCHEDULE J, PAGE 1, PART I, LINE 4	PHILIP WOLFE 0 89,320 0 THOMAS Y MCBRIDE, III 0 298,617 0 ALAN BIER 0 36,070 0 JEFFERY NOWLIN 0 34,146 0 STEPHEN NADEAU 0 25,654 0 PETER WHEELER 0 25,748 0 LEA BAY 0 25,779 0 CAROL DANIELSON 0 25,461 0 JESSIE T. SHEPHERD 0 16,730 0 JAMES DENNARD JR 0 10,000 0 THOMAS LYNCH 0 9,650 0 SCOTT OREM 0 9,265 0 DIANA POTTS 0 8,226 0 JANET SCHWALBE 0 8,596 0
OTHER ADDITIONAL INFORMATION	SCHEDULE J, PART III	CERTAIN DESIGNATED EMPLOYEES ARE ALLOWED TO PARTICIPATE IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN. THE SERP IS SUBJECT TO THE PROVISIONS OF SECTION 457(F) OF THE INTERNAL REVENUE CODE. PARTICIPANTS WHO SEPARATE FROM SERVICE DUE TO A VOLUNTARY SEPARATION OR INVOLUNTARY SEPARATION WITH REASONABLE CAUSE FORFEIT ALL NONVESTED BENEFITS.

Software ID:
Software Version:
EIN: 58-2002413
Name: GWINNETT HOSPITAL SYSTEMINC

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
PHILIP WOLFE	(i) (ii)	565,249	245,564	269,509	103,070	15,587	1,198,979	72,659
THOMAS Y MCBRIDE III	(i) (ii)	321,695	113,651	100,313	317,367	12,658	865,684	
ALAN BIER	(i) (ii)	328,550	115,693	84,137	48,570	25,051	602,001	
JEFFERY NOWLIN	(i) (ii)	297,314	119,478	93,576	46,646	20,245	577,259	
WALLACE BROWN	(i) (ii)	220,040	92,713	94,031	16,250	18,698	441,732	12,114
STEPHEN NADEAU	(i) (ii)	241,876	65,828	52,637	44,404	15,677	420,422	6,220
PETER WHEELER	(i) (ii)	214,860	66,068	69,928	44,523	25,456	420,835	9,677
LEA BAY	(i) (ii)	223,002	67,056	54,248	44,529	22,321	411,156	16,615
CAROL DANIELSON	(i) (ii)	221,013	64,739	54,735	37,961	25,950	404,398	
JESSIE T SHEPHERD	(i) (ii)	218,927	61,327	40,069	35,353	23,601	379,277	
JAMES DENNARD JR	(i) (ii)	188,727	48,566	17,046	17,443	24,520	296,302	
THOMAS LYNCH	(i) (ii)	176,625	41,325	25,582	21,597	25,821	290,950	4,663
SCOTT OREM	(i) (ii)	174,476	47,181	16,574	26,257	27,995	292,483	
DIANA POTTS	(i) (ii)	139,721	41,483	44,093	23,167	9,513	257,977	
CATHY DOUGHERTY	(i) (ii)	137,259	27,084	21,157	12,559	23,657	221,716	
BONNY RICHARDSON	(i) (ii)	136,093	29,508	17,166	11,311	11,647	205,725	
MIKE HEMPHILL	(i) (ii)	123,722	18,421	25,290	12,509	23,069	203,011	
JANET SCHWALBE	(i) (ii)	158,986	46,352	26,048	21,723	11,534	264,643	
RICHARD K ALLEN	(i) (ii)	148,335	30,449	6,060	11,803	23,826	220,473	
DARVINA HEICHEMER	(i) (ii)	128,413	18,950	24,553	11,868	4,822	188,606	

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
CATHIE L BRAZELL	(i) (ii)	141,811	16,067	13,158	6,513	9,392	186,941	
CHRISTOPHER R TROCCHIO	(i) (ii)	139,136	13,260	9,575	6,356	23,429	191,756	

Schedule K
(Form 990)

Supplemental Information on Tax Exempt Bonds

OMB No 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
GWINNETT HOSPITAL SYSTEMINC

Employer identification number
58-2002413

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A HOSPITAL AUTHORITY OF GWINNETT CO	58-6011878	403732DE7	11-12-2009	32,700,000	CURRENTLY REFUND PRIOR ISSUE		X		X		X
B HOSPITAL AUTHORITY OF GWINNETT CO	58-6011878	403732DS6	11-12-2009	36,435,000	CURRENTLY REFUND PRIOR ISSUE		X		X		X
C HOSPITAL AUTHORITY OF GWINNETT CO	58-6011878	403732DU1	11-12-2009	19,240,000	CURRENTLY REFUND PRIOR ISSUE		X		X		X
D HOSPITAL AUTHORITY OF GWINNETT CO	58-6011878	403732DZ0	11-12-2009	61,095,000	CURRENTLY REFUND PRIOR ISSUE		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired	305,000		2,795,000		200,000		945,000	
2	Amount of bonds legally defeased								
3	Total proceeds of issue	32,700,000		36,435,000		19,240,000		61,095,000	
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds								
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds								
11	Other spent proceeds	32,700,000		36,435,000		19,240,000		61,095,000	
12	Other unspent proceeds								
13	Year of substantial completion	2007		2007		2007		2007	
14	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No	Yes	No	Yes	No
		X		X		X		X	
15	Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16	Has the final allocation of proceeds been made?	X		X		X		X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		X
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		X		X

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government								
6	Total of lines 4 and 5								
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?		X		X		X		X
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X		X		X	

Part IV

Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?	X		X		X		X	
b	Exception to rebate?		X		X		X		X
c	No rebate due?		X		X		X		X
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X		X		X		X
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								

Part IV

Arbitrage (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		X
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
7	Has the organization established written procedures to monitor the requirements of section 148?		X		X		X		X

Part V

Procedures To Undertake Corrective Action

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?		X						

Part VI

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

Identifier	Return Reference	Explanation
------------	------------------	-------------

Schedule L
(Form 990 or 990-EZ)

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

OMB No 1545-0047
2012
Open to Public Inspection

Name of the organization
GWINNETT HOSPITAL SYSTEMINC

Employer identification number
58-2002413

Part I

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

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

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

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

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

Part II

Loans to and/or From Interested Persons.

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

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

Part III

Grants or Assistance Benefitting Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1) MARY CLAIRE CARNES	FAMILY OF BOARD MEMB	2,000	SCHOLARSHIP	EDUCATION

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) TRACEY WALDROP	DAUGHTER OF BOA	48,596	COMPENSATION		No
(2) CARDIOVASCULAR GROUP PC	BOARD MEMBER	1,048,759	MEDICAL PRACTICE OF		No
(3) GWINNETT EMERGENCY SPECIALISTS	BOARD MEMBER	157,608	MEDICAL PRACTICE OF		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	SCHEDULE L PART V	SCHEDULE L PART III GRANTS OR ASSISTANCE TO INTERESTED PERSONS MARY CLAIRE CARNES DAUGHTER OF BOARD MEMBER DR KEITH CARNES WAS AWARDED A 2000 SCHOLARSHIP FOR NURSING STUDIES A NAME OF PERSON TRACEY WALDROP B RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION DAUGHTER OF BOARD MEMBER EDWARD RADFORD D DESCRIPTION OF TRANSACTION TRACEY IS EMPLOYED BY GWINNETT HOSPITAL SYSTEM INC A NAME OF PERSON CARDIOVASCULAR GROUP PC B RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION MEDICAL PRACTICE OF BOARD MEMBER MANFRED SANDLER D DESCRIPTION OF TRANSACTION MEDICAL SERVICES PROVIDED BY GROUP A NAME OF PERSON GWINNETT EMERGENCY SPECIALISTS B RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION MEDICAL PRACTICE OF BOARD MEMBER CARLTON BUCHANAN D DESCRIPTION OF TRANSACTION ADMINISTRATION OF EMERGENCY DEPARTMENT OF GWINNETT HOSPITAL

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 GWINNETT HOSPITAL SYSTEM INC	Employer identification number 58-2002413
--	--

Identifier	Return Reference	Explanation
ORGANIZATION'S MISSION	FORM 990 - ORGANIZATION'S MISSION	GWINNETT HOSPITAL SYSTEM, INC (GHSI) IS A NOT-FOR-PROFIT HEALTHCARE NETWORK THAT PROVIDES AWARD-WINNING HEALTH CARE SERVICES TO THE GWINNETT COMMUNITY AND BEYOND GHSI HAS CAMPUSES IN DULUTH & LAWRENCEVILLE, GEORGIA GHSI PROVIDES ACUTE CARE, OUTPATIENT SERVICES, ORTHOPEDIC, CARDIOVASCULAR, NEUROSCIENCE SPECIALITY, OPEN HEART SURGERY, AND OPERATES TWO EMERGENCY ROOMS AND SEVERAL CLINICS AS WELL AS A FULL CONTINUUM OF WELLNESS SERVICES

Identifier	Return Reference	Explanation
EXPLANATION ON VOLUNTEERS AND TYPES OF SERVICES OR BENEFITS	FORM 990, PAGE 1, PART I, LINE 6	VOLUNTEER SERVICES HAS A DATABASE SYSTEM THAT TRACKS THE NUMBER OF VOLUNTEERS AND THEIR HOURS DURING FISCAL YEAR 2012 VOLUNTEERS CONTRIBUTED 55,000 HOURS OF SERVICE TO GWINNETT HOSPITAL SYSTEM, INC

Identifier	Return Reference	Explanation
SIGNIFICANT CHANGES TO ORGANIZATIONAL DOCUMENTS	FORM 990, PAGE 6, PART VI, LINE 4	THE ORGANIZATION'S BYLAWS WERE AMENDED TO REQUIRE A MAJORITY OF THE BOARD OF DIRECTORS BE COMPRISED OF INDEPENDENT DIRECTORS, AS DEFINED IN THE INSTRUCTIONS TO FORM 990, RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PAGE 6, PART VI, LINE 6	THE SOLE MEMBER OF GWINNETT HOSPITAL SYSTEM, INC IS GWINNETT HEALTH SYSTEM, INC , A RELATED 501(C)(3) ORGANIZATION

Identifier	Return Reference	Explanation
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	THE BOARD OF DIRECTORS OF GWINNETT HOSPITAL SYSTEM, INC IS APPOINTED BY THE GWINNETT HEALTH SYSTEM, INC , A RELATED 501(C)(3) ORGANIZATION

Identifier	Return Reference	Explanation
DECISIONS SUBJECT TO APPROVAL OF MEMBERS	FORM 990, PAGE 6, PART VI, LINE 7B	CERTAIN ACTIONS OF THE BOARD OF DIRECTORS OF GWINNETT HOSPITAL SYSTEM, INC MUST BE APPROVED BY THE BOARD OF DIRECTORS OF GWINNETT HEALTH SYSTEM, INC , A RELATED 501(C)(3) ORGANIZATION

Identifier	Return Reference	Explanation
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11B	THE INFORMATION FOR THIS RETURN WAS PROVIDED TO AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT FOR THE PREPARATION OF THE RETURN. AFTER THE RETURN WAS PREPARED AND PRIOR TO FILING, IT WAS REVIEWED IN DETAIL BY SENIOR MANAGEMENT. GWINNETT HOSPITAL SYSTEM MAKES A COPY OF THE 990 AVAILABLE TO ALL BOARD MEMBERS THROUGH A SECURE WEBSITE PRIOR TO FILING. IT IS ALSO PRESENTED TO THE FINANCE COMMITTEE OF THE BOARD EACH YEAR.

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	<p>A CONFLICTS OF INTEREST QUESTIONNAIRE IS DISCUSSED AND DISTRIBUTED ANNUALLY TO EACH BOARD MEMBER. THE LEGAL DEPARTMENT IS RESPONSIBLE FOR ENSURING THESE QUESTIONNAIRES ARE SIGNED AND RETURNED. LEGAL MONITORS ALL TRANSACTIONS INVOLVING CONFLICTS OF INTEREST WITH BOARD MEMBERS. BOARD MEMBERS MUST DISCLOSE POTENTIAL CONFLICTS USING A REASONABLE BELIEF STANDARD, PLAY NO DIRECT OR INDIRECT PART IN DELIBERATIONS, AND ABSENT HIMSELF FROM THE MEETING AT WHICH ANY POTENTIAL CONFLICT IS DISCUSSED. ONLY NONCONFLICTED MEMBERS MAY DECIDE TO PURSUE A TRANSACTION OR ARRANGEMENT INVOLVING A POTENTIAL CONFLICT IF A MAJORITY DETERMINES THE TRANSACTION OR ARRANGEMENT IS IN THE ORGANIZATION'S BEST INTEREST. VIOLATION OF THE COI POLICY IS SUBJECT TO CORRECTIVE ACTION, INCLUDING EXONERATION, CENSURE AND REQUESTING THE RESIGNATION OF THE MEMBER. APPROVAL FOR ANY LOANS, PAYMENTS, HONORARIUMS, TRIP OR TRAVEL REIMBURSEMENTS, SERVICES, PRODUCTS, ENTERTAINMENT, PRIZES OR AWARDS PROVIDED TO ANY BOARD MEMBER MUST BE APPROVED BY AN ADMINISTRATIVE OFFICER OR HIS/HER DESIGNEE. THE CEO MUST OBTAIN THE APPROVAL OF THE CHAIRMAN OF THE BOARD (AND PAYMENTS TO THE CEO ARE APPROVED BY ANOTHER ADMINISTRATIVE OFFICER). IN ADDITION, HUMAN RESOURCES SENDS OUT A CONFLICT OF INTEREST POLICY AND DISCLOSURE FORM TO OFFICERS AND KEY EMPLOYEES EVERY 3-5 YEARS. THESE OFFICERS AND KEY EMPLOYEES ARE REQUIRED TO DISCLOSE ANY POTENTIAL CONFLICTS THAT ARISE DURING THE FISCAL YEAR.</p>

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	GWINNETT HEALTH SYSTEM, INC (HEALTH SYSTEM) BOARD OF DIRECTORS HAS ESTABLISHED A COMPENSATION COMMITTEE MADE UP OF VARIOUS BOARD MEMBERS WHO REVIEW COMPENSATION OF THE CEO, TOP MANAGEMENT, AND OTHER KEY EMPLOYEES THIS COMPENSATION COMMITTEE IS RESPONSIBLE FOR THE REVIEW AND APPROVAL OF THE SALARY OF THE CEO THE CEO IS RESPONSIBLE FOR DETERMINING THE SALARIES OF TOP MANAGEMENT WITH OVERSIGHT BY THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS AN INDEPENDENT PROFESSIONAL EXECUTIVE COMPENSATION CONSULTING COMPANY HIRED BY THE BOARD PROVIDES SALARY AND BENEFIT SURVEY INFORMATION AND MAKES RECOMMENDATIONS TO THE COMPENSATION COMMITTEE REGARDING COMPENSATION OF THE CEO, TOP MANAGEMENT, AND KEY EMPLOYEES THESE PERIODIC SURVEYS ARE CONDUCTED TO ENSURE THE SALARIES AND BENEFITS FOR GHSI EXECUTIVES AND OTHER DISQUALIFIED PARTIES ARE COMPENSATED APPROPRIATELY AT FAIR MARKET VALUE

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	SEE NARRATIVE AT LINE 15A

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	GOVERNING DOCUMENTS ARE FILED AND AVAILABLE ON THE GEORGIA SECRETARY OF STATE WEBSITE OR THROUGH THAT OFFICE. GOVERNING DOCUMENTS CAN ALSO BE OBTAINED BY CONTACTING GHSI. LIMITED FINANCIAL INFORMATION IS AVAILABLE ONLINE THROUGH THE COMMUNITY BENEFIT REPORT AS WELL AS OUR ANNUAL REPORT, BOTH OF WHICH ARE AVAILABLE ON LINE AT WWW.GWINNETTMEDICALCENTER.ORG. GWINNETT HOSPITAL'S CONFLICT OF INTEREST POLICY CAN BE OBTAINED BY CONTACTING GHSI. GHSI IS UNDER OBLIGATION TO DISCLOSE TO BOND HOLDERS PERTINENT FINANCIAL INFORMATION IN THE ANNUAL DISCLOSURE DOCUMENTS. CONTACT INFORMATION FOR GHSI CAN BE OBTAINED AT WWW.GWINNETTMEDICALCENTER.ORG.

Identifier	Return Reference	Explanation
RECONCILIATION OF CHANGES - OTHER	FORM 990, PART XI, LINE 9	INTEREST RATE SWAP CHANGE 14,240,028 BOND DEFEASEMENT -429,106 INCREASE IN INTEREST IN FOUNDATION 247,763 BAD DEBT EXPENSES RECLASSIFIED -101,998,959 BAD DEBT EXPENSES RECLASSIFIED 101,998,959 CONTRIBUTION TO RELATED PARTY 25,000,000

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS EXPLANATION	FORM 990, PART XI, LINE 9	ACCRUED PENSION ADJUSTMENTS 15,671,306 FUND BALANCE TRANSFER RELATED PARTY 2,120,834 CONTRIBUTION TO RELATED PARTY -25,000,000 ROUNDING -35 NET INCREASE IN NET ASSETS 31,850,790

SCHEDULE R
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
GWINNETT HOSPITAL SYSTEMINC

Employer identification number
58-2002413

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
(1) GWINNETT ENDOSCOPY SERVICES LLC 1000 MEDICAL CENTER BLVD LAWRENCEVILLE, GA 30046 26-2905890	INACTIVE	GA			GW HOSP SY

Part II

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) GWINNETT HEALTH SYSTEM INC 1000 MEDICAL CENTER BLVD LAWRENCEVILLE, GA 30046 58-2135755	PARENT	GA	501C3	11A	N/A		No
(2) GWINNETT HOSPITAL SYSTEM FOUNDATION 1755 NORTH BROWN RD 100 LAWRENCEVILLE, GA 30046 58-1828486	FUNDRAISIN	GA	501C3	7	N/A		No
(3) GWINNETT MEDICAL GROUP INC 1000 MEDICAL CENTER BLVD LAWRENCEVILLE, GA 30046 58-2143107	PHYSICIAN	GA	501C3	3	HEALTH SYS		No
(4) GWINNETT MEDICAL PROPERTIES INC 1000 MEDICAL CENTER BLVD LAWRENCEVILLE, GA 30046 58-2132516	REAL ESTAT	GA	501C3	11A	HEALTH SYS		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) Disproportionate 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) GWINNETT MANAGED CARE INC 1000 MEDICAL CENTER BLVD LAWRENCEVILLE, GA 30046 58-2135759	PHO	GA	N/A						No

Part V

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

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

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)

- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		No
1b		No
1c	Yes	
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l		No
1m		No
1n	Yes	
1o	Yes	
1p	Yes	
1q		No
1r		No
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

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.

[illegible]

Software ID:
Software Version:
EIN: 58-2002413
Name: GWINNETT HOSPITAL SYSTEMINC

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	
------------	------------------	-------------	--

-->



GWINNETT HOSPITAL SYSTEM, INC.

Financial Statements

June 30, 2013 and 2012

(With Independent Auditors' Report Thereon)



KPMG LLP
Suite 2000
303 Peachtree Street, N E
Atlanta, GA 30308-3210

Independent Auditors' Report

The Board of Directors
Gwinnett Hospital System, Inc.:

We have audited the accompanying financial statements of Gwinnett Hospital System, Inc., which comprise the balance sheets as of June 30, 2013 and 2012, and the related statements of operations, 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 financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

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

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



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gwinnett Hospital System, Inc. as of June 30, 2013 and 2012, and the results of its operations, changes in net assets and cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

KPMG LLP

October 7, 2013

GWINNETT HOSPITAL SYSTEM, INC.**Balance Sheets**

June 30, 2013 and 2012

(In thousands)

Assets	2013	2012
Current assets		
Cash and cash equivalents	\$ 49,397	64,787
Short-term investments	31,216	30,766
Patient accounts receivable, less allowance for uncollectible accounts of \$50,947 and \$52,363 at June 30, 2013 and 2012, respectively	105,869	88,720
Current portion of assets limited as to use	6,060	6,019
Other current assets	16,885	18,506
Total current assets	209,427	208,798
Assets limited as to use, less amounts required to meet current obligations	330,835	313,945
Property and equipment, net	296,852	301,654
Other assets	16,562	15,960
Total assets	\$ 853,676	840,357
Liabilities and Net Assets		
Current liabilities		
Current portion of long-term debt	\$ 2,280	2,645
Accounts payable	17,864	14,862
Due to third-party payors	6,048	10,649
Other accrued expenses	26,196	28,060
Total current liabilities	52,388	56,216
Long-term debt, excluding current portion	299,655	304,940
Accrued pension cost	24,646	44,290
Self-insurance reserves	7,161	7,110
Fair value of interest rate swaps	33,352	47,592
Other long-term liabilities	2,741	2,449
Total liabilities	419,943	462,597
Net assets		
Unrestricted	425,517	371,665
Temporarily restricted	7,089	5,214
Permanently restricted	1,127	881
Total net assets	433,733	377,760
Commitments and contingencies		
Total liabilities and net assets	\$ 853,676	840,357

See accompanying notes to financial statements

GWINNETT HOSPITAL SYSTEM, INC.

Statements of Operations

Years ended June 30, 2013 and 2012

(In thousands)

	<u>2013</u>	<u>2012</u>
Unrestricted revenue, gains, and other support:		
Net patient service revenue, net of provision for uncollectible accounts of \$101,999 in 2013 and \$108,014 in 2012	\$ 576,250	508,533
Other revenue	10,847	9,841
Total revenue, gains, and other support	<u>587,097</u>	<u>518,374</u>
Expenses:		
Salaries and benefits	277,399	254,119
Supplies and other expenses	230,835	182,106
Interest	14,386	14,416
Depreciation and amortization	33,946	34,304
Total expenses	<u>556,566</u>	<u>484,945</u>
Operating income	<u>30,531</u>	<u>33,429</u>
Nonoperating gains (losses):		
Investment income, net	20,574	11,977
Net unrealized losses on trading investments	(2,681)	(2,644)
Change in fair value of interest rate swaps	14,240	(22,585)
Loss on bond refunding and conversion transactions	(429)	—
Other	946	5,649
Total nonoperating gains (losses), net	<u>32,650</u>	<u>(7,603)</u>
Revenue, gains, and other support in excess of expenses and losses before noncontrolling interest	63,181	25,826
Noncontrolling interest	<u>—</u>	<u>13</u>
Revenue, gains, and other support in excess of expenses and losses	63,181	25,839
Accrued pension cost adjustments	15,671	(25,642)
Transfer from the Hospital to Gwinnett Medical Group, Inc.	(25,000)	(12,255)
Purchase of noncontrolling interest	—	(493)
Other	<u>—</u>	<u>2,488</u>
Change in unrestricted net assets	\$ <u>53,852</u>	<u>(10,063)</u>

See accompanying notes to financial statements.

GWINNETT HOSPITAL SYSTEM, INC.

Statements of Changes in Net Assets

Years ended June 30, 2013 and 2012

(In thousands)

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Noncontrolling interest</u>	<u>Total</u>
Net assets, June 30, 2011	\$ 381,728	9,691	287	(480)	391,226
Revenue, gains, and other support in excess of expenses and losses	25,839	—	—	(13)	25,826
Accrued pension cost adjustments	(25,642)	—	—	—	(25,642)
Increase (decrease) in interest in restricted net assets of affiliated Foundation	—	(438)	594	—	156
Net assets released from restriction and used for operations	—	(5,705)	—	—	(5,705)
Transfer to GHSI from Foundation	—	1,666	—	—	1,666
Transfer from Hospital to Gwinnett Medical Group, Inc	(12,255)	—	—	—	(12,255)
Purchase of noncontrolling interest	(493)	—	—	493	—
Other	2,488	—	—	—	2,488
Change in net assets	<u>(10,063)</u>	<u>(4,477)</u>	<u>594</u>	<u>480</u>	<u>(13,466)</u>
Net assets, June 30, 2012	<u>371,665</u>	<u>5,214</u>	<u>881</u>	<u>—</u>	<u>377,760</u>
Revenue, gains, and other support in excess of expenses and losses	63,181	—	—	—	63,181
Accrued pension cost adjustments	15,671	—	—	—	15,671
Increase in interest in restricted net assets of affiliated Foundation	—	24	246	—	270
Net assets released from restriction and used for operations	—	(279)	—	—	(279)
Transfer to GHSI from Foundation	—	2,130	—	—	2,130
Transfer from Hospital to Gwinnett Medical Group, Inc	(25,000)	—	—	—	(25,000)
Change in net assets	<u>53,852</u>	<u>1,875</u>	<u>246</u>	<u>—</u>	<u>55,973</u>
Net assets, June 30, 2013	<u>\$ 425,517</u>	<u>7,089</u>	<u>1,127</u>	<u>—</u>	<u>433,733</u>

See accompanying notes to financial statements

GWINNETT HOSPITAL SYSTEM, INC.

Statements of Cash Flows

Years ended June 30, 2013 and 2012

(In thousands)

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Change in net assets	\$ 55,973	(13,466)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	33,946	34,304
Accrued pension cost adjustments	(15,671)	25,642
(Gain) loss on sale of property and equipment	(459)	118
Increase in interest in affiliated foundation	(462)	(359)
Net unrealized losses on trading investments	2,681	2,644
Change in fair value of interest rate swaps	(14,240)	22,585
Loss on bond refunding and conversion transactions	429	—
Changes in operating assets and liabilities:		
Patient accounts receivable	(17,149)	(14)
Other current assets	1,621	(2,464)
Other assets	(510)	(403)
Accounts payable, accrued expenses, and other liabilities	1,430	(531)
Due to third-party payors	(4,601)	(2,787)
Accrued pension cost	(3,973)	(8,838)
Self-insurance reserves	51	(1,082)
Net cash provided by operating activities	<u>39,066</u>	<u>55,349</u>
Cash flows from investing activities:		
Net change in short-term investments	(450)	(368)
Purchases of property and equipment	(30,008)	(35,907)
Net change in assets limited as to use	(19,612)	(7,451)
Proceeds from sale of property	1,558	130
Net cash used in investing activities	<u>(48,512)</u>	<u>(43,596)</u>
Cash flows from financing activities:		
Repayments of long-term debt	(5,650)	(9,608)
Payment of bond issue costs	(294)	—
Net cash used in financing activities	<u>(5,944)</u>	<u>(9,608)</u>
Net change in cash and cash equivalents	(15,390)	2,145
Cash and cash equivalents, beginning of year	<u>64,787</u>	<u>62,642</u>
Cash and cash equivalents, end of year	\$ <u>49,397</u>	\$ <u>64,787</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 14,281	14,872

See accompanying notes to financial statements.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

(1) Organization and Summary of Significant Accounting Policies

Gwinnett Hospital System, Inc. (the Hospital) is an affiliate of Gwinnett Health System, Inc. (the System), a nonprofit corporation, which serves as controlling body for the Hospital and other affiliated entities in supporting the System's mission of coordinating the provision of healthcare to the Gwinnett County, Georgia community and surrounding areas.

Descriptions of the Hospital's organization and the significant accounting policies it uses in preparing and presenting its financial statements follow:

(a) Organization

The Hospital, with facilities in Lawrenceville and Duluth, Georgia, provides a full range of inpatient, outpatient, emergency, and trauma care, primarily for residents of Gwinnett County and the surrounding area. Also, the Hospital provides maternity services, newborn intensive care services, open heart, rehabilitation services, and skilled nursing services. Admitting physicians are primarily practitioners in the local area. The Hospital represents 97% and 98% of the total revenue, gains, and other support of the System for the years ended June 30, 2013 and 2012, respectively, and 97% and 98% of the total assets of the System as of both June 30, 2013 and 2012, respectively.

The Hospital leases certain assets from the Hospital Authority of Gwinnett County, Georgia (the Authority) for a term of 40 years, so that the term of the lease currently extends through May 31, 2047, under the terms of a lease and transfer agreement (the Gwinnett Lease Agreement), dated December 1, 1992, as amended. Pursuant to the Gwinnett Lease Agreement, all assets of the Authority were transferred to the Hospital, and substantially all liabilities of the Authority were assumed by the Hospital, including bond indebtedness and related interest thereon. At the expiration or termination of the Gwinnett Lease Agreement, all assets of the Hospital, subject to such debt or other liabilities as may be applicable, revert to the Authority.

(b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits with banks, and investments in highly liquid debt instruments with maturities of three months or less when purchased, excluding amounts limited as to use.

(c) Short-term Investments

The Hospital invests cash not required for immediate operating needs in mutual funds, which are publicly traded and managed by major financial institutions with strong credit ratings. By policy, the amount of credit exposure to any one institution is limited, and such investments are generally not collateralized and are highly liquid. These investments offer a higher yield than maintaining cash in an operating bank account and can easily be accessed for daily operating purposes.

Short-term investments are stated at fair value, in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*, based on quoted market prices (Level 1 fair value hierarchy – see note 3 for details of fair value hierarchy). Investment income items are included in revenue, gains, and other support in excess of expenses and losses.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

(d) *Assets Limited As To Use*

Assets limited as to use include assets held by trustees under indenture agreements, assets designated by the board of directors for plant replacement and expansion, purchase of equipment, and unemployment escrow. Amounts required to meet current liabilities of the Hospital have been classified as current assets in the accompanying balance sheets.

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheets. Investment income items (including unrealized gains and losses on trading investments, realized gains and losses on investments, interest, and dividends) are included in revenue, gains, and other support in excess of expenses and losses, unless the income or loss is restricted by donor or law.

(e) *Inventory*

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

(f) *Property and Equipment*

Property and equipment acquisitions are recorded at cost, with the exception of donated items, which are stated at fair value at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. The estimated useful lives are 10 – 15 years for land improvements, 20 – 40 years for buildings and fixtures, and 3 – 20 years for equipment.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support, and are excluded from revenue, gains, and other support in excess of expenses and losses. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service. Contributions restricted to the purchase of property and equipment, which restrictions are met within the same year as received, are reported as increases in unrestricted net assets in the accompanying financial statements.

(g) *Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (U.S. GAAP) requires that management make estimates and assumptions affecting the reported amounts of assets, liabilities, revenues, and expenses, as well as disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

Significant items subject to such estimates and assumptions include the determination of the allowances for uncollectible accounts and contractual adjustments, reserves for general and professional liability claims, reserves for workers' compensation claims, reserves for employee healthcare claims, estimated third-party payor settlements, and the actuarially determined employee benefit liability related to the Hospital's pension plan. In addition, 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 related to these programs will change by a material amount in the near term.

(h) *Temporarily and Permanently Restricted Net Assets*

Temporarily restricted net assets are those whose use by the Hospital is restricted by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity.

(i) *Net Patient Service Revenue*

Net patient service revenue is reported at the estimated net realizable amounts due from patients, third-party payors, and others for services rendered, including estimated retroactive revenue adjustments (if necessary) due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations.

(j) *Charity/Indigent Care*

The Hospital provides care to patients who meet certain criteria under its charity/indigent care policy without charge or at amounts less than its established rates. Charity services are defined as those for which patients have the obligation and willingness to pay but do not have the ability to do so. Because the Hospital does not pursue collection of amounts determined to qualify as charity/indigent care, these amounts are not included in net patient service revenue.

(k) *Statements of Operations*

The statements of operations include revenue, gains, and other support in excess of expenses and losses. Changes in unrestricted net assets that are excluded from revenue, gains, and other support in excess of expenses and losses include certain pension accounting adjustments, loss resulting from purchase of noncontrolling interest, transfers between affiliates for other than goods or services, and net assets released from restrictions and used for purchase of property and equipment.

For purposes of presentation, transactions deemed by management to be ongoing, major, or central to the provision of healthcare services are reported as revenue and expenses. Peripheral or incidental transactions are reported as nonoperating gains and losses.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

(l) Contributions

Unconditional promises to give cash and other assets to the Hospital are reported at fair value at the date the promise is received. Conditional promises to give are recognized when the conditions are substantially met while indications of intentions to give are not recorded. 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 as net assets released from restriction. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

(m) Costs of Borrowing

Bond issuance costs, premiums, and discounts are amortized over the terms of the related indebtedness using the interest method.

Interest cost is capitalized on qualified construction expenditures, net of income earned on related trusteed assets, as a component of the cost of the related projects.

(n) Long-lived Assets

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Hospital first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values, and third-party independent appraisals, as considered necessary.

(o) Goodwill

Goodwill, included in other assets in the accompanying balance sheets, is the amount by which purchase price exceeds the fair value of assets acquired. Goodwill acquired in a purchase business combination and determined to have an indefinite useful life is not amortized, but instead tested for impairment at least annually through a two-step test in accordance with the provisions of FASB ASC Topic 350, *Intangibles – Goodwill and Other*. Under step one, the fair value of the reporting unit is compared with its carrying value (including goodwill). If the fair value of the reporting unit is less than its carrying value, an indication of goodwill impairment exists for the reporting unit and the enterprise must perform step two of the impairment (measurement). Under step two, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation and the residual fair value after this allocation is the implied fair value of the reporting unit's goodwill. Fair value of the reporting unit is determined using a discounted cash flow analysis.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

If the fair value of the reporting unit exceeds its carrying value, step two does not need to be performed.

ASU 2011-08, *Intangibles – Goodwill and Other (Topic 350): Testing Goodwill for Impairment*, permits an entity to make a qualitative assessment of whether it is more likely than not that a reporting unit's fair value is less than its carrying amount before applying the two-step goodwill impairment test described above. If an entity concludes, based on the qualitative assessment, that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, it is not required to perform the two-step impairment test for that reporting unit. Based on the Hospital's annual review of goodwill, the Hospital concluded that there was no goodwill impairment in fiscal 2013 and 2012.

(p) Income Taxes

The Internal Revenue Service has determined that the Hospital is exempt from federal income tax on related income under Internal Revenue Code Section 501(a) as an organization described in Section 501(c)(3).

The Hospital applies FASB ASC Topic 740, *Income Taxes* (ASC 740), which addresses the accounting for uncertainty in income tax positions. It also provides guidance on the timing of recognition of tax positions in an entity's financial statements and the determination of the values of these positions. There is currently no impact on the Hospital's financial statements as a result of applying ASC 740.

(q) Pension Accounting Standards

The Hospital follows the recognition and disclosure provisions of FASB ASC Topic 715, *Compensation – Retirement Benefits* (ASC 715). ASC 715 requires that the Hospital recognize the funded status of its defined-benefit pension plan on its balance sheet. ASC 715 also requires fiscal year-end measurement of plan assets and benefit obligations.

(r) Derivative Financial Instruments

The Hospital includes the accrued differential payable or receivable on its derivative financial instruments in operating income. Estimated gains or losses arising from fair value changes in derivatives are included as nonoperating items in determination of revenue, gains, and other support in excess of expenses and losses. The Hospital has not elected hedge accounting with respect to any of its derivative financial instruments.

(s) Fair Value Accounting Standard

The Hospital applies FASB ASC Topic 820, *Fair Value Measurement* (ASC 820). ASC 820 establishes an enhanced framework for measuring fair value and expands disclosures about fair value measurements. The Hospital also applies FASB ASU 2010-06, *Improving Disclosures about Fair Value Measurements*, which amended Topic 820. ASU 2010-06 requires that the Hospital provide additional enhanced disclosures related to its fair value measurements.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

In May 2011, the FASB issued ASU 2011-04, *Fair Value Measurement (Topic 820)· Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U S GAAP and IFRSs*. The new standard does not extend the use of fair value but, rather, provides guidance about how fair value should be applied where it is already required or permitted under International Financial Reporting Standards (IFRS) or U.S. GAAP. For U.S. GAAP, most of the changes are clarifications of existing guidance or wording changes to align with IFRS. The ASU also requires additional disclosures for nonpublic entities to provide quantitative information about significant unobservable inputs used for all Level 3 measurements and a description of the valuation process used. The provisions of the ASU are effective for annual reporting periods beginning after December 15, 2011. The Hospital adopted the provisions of the ASU in fiscal 2013. The adoption of ASU 2011-04 did not have a material effect on the Hospital's financial statements.

(t) Subsequent Events

The Hospital has evaluated subsequent events from the balance sheet date through October, 7, 2013, the date at which the financial statements were available to be issued, and determined that there are no other items to disclose.

(u) Endowment Accounting

The Hospital applies the provisions of FASB ASC Topic 958, *Not-for-Profit Entities*, which provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), and also requires disclosures about endowment funds (both donor-restricted and board-designated).

The Hospital has historically and to date received a limited amount of donor-restricted endowment funds, and does not maintain any Board-designated endowments. The Hospital's Board has interpreted Georgia's State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. In all material respects, income from the Hospital's donor-restricted endowment funds is itself restricted to specific donor-directed purposes, and is, therefore, accounted for within temporarily restricted net assets until expended in accordance with the donor's wishes. The Hospital oversees individual donor-restricted endowment funds to ensure that the fair value of the original gift is preserved.

The Hospital invests donor-restricted endowment funds within the framework of the Hospital's overall investment management program.

(v) Recently Issued Accounting Standards

In December 2011, the FASB issued ASU No. 2011-11, *Balance Sheet (Topic 210)· Disclosures about Offsetting Assets and Liabilities*. ASU 2011-11 requires an entity to disclose information about offsetting and related arrangements to enable users of financial statements to understand the effect of those arrangements on its financial position, and to allow investors to better compare financial statements prepared under U.S. GAAP with financial statements prepared under IFRS. The new standards are effective for annual periods beginning on or after January 1, 2013. Retrospective

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

application is required. The Hospital will implement the provisions of ASU 2011-11 as of July 1, 2014.

(w) Current Economic Environment

Hospital management continually monitors economic conditions closely both with respect to potential impacts on the healthcare provider industry and from a more general business perspective. Management recognizes that economic conditions may continue to impact the Hospital in a number of ways, including (but not limited to) uncertainties associated with U.S. financial system reform and rising self-pay patient volumes and corresponding increases in uncompensated care.

Additionally, the general healthcare industry environment is increasingly uncertain, especially with respect to the impacts of federal healthcare reform legislation, which was passed in the spring of 2012. Potential impacts of ongoing healthcare industry transformation include, but are not limited to:

- Significant (and potentially unprecedented) capital investment in healthcare information technology (HCIT);
- Continuing volatility in the state and federal government reimbursement programs;
- Lack of clarity related to the health benefit exchange framework mandated by reform legislation, including important open questions regarding exchange reimbursement levels, changes in combined state/federal disproportionate share payments, and impact on the healthcare “demand curve” as the previously uninsured enter the insurance system;
- Effective management of multiple major regulatory mandates, including achievement of meaningful use of HCIT and the transition to ICD-10;
- Significant potential business model changes throughout the healthcare ecosystem, including within the healthcare commercial payor industry.

The business of healthcare in the current economic, legislative, and regulatory environment is volatile. Any of the above factors, along with others both currently in existence and which may arise in the future, could have a material adverse impact on the Hospital’s financial position and operating results.

(2) Other Current Assets

The composition of other current assets at June 30 follows:

	2013	2012
	(In thousands)	
Prepaid expenses	\$ 8,604	8,209
Inventories	6,235	5,159
Other receivables	936	1,274
Due from the System and its affiliates, net (note 16)	1,110	3,864
	<u>\$ 16,885</u>	<u>18,506</u>

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

(3) Assets Limited as to Use

The composition of assets limited as to use at June 30 follows:

	<u>2013</u>	<u>2012</u>
	(In thousands)	
Internally designated for capital acquisition:		
Cash and cash equivalents	\$ 6,971	5,506
U.S. Treasury and U.S. government agency obligations	57,520	36,124
Corporate and other bonds	194,686	207,827
Equity securities	42,123	27,097
Private mutual funds	14,188	22,130
	<u>315,488</u>	<u>298,684</u>
Held by trustee under indenture agreement:		
Cash and cash equivalents	6,909	7,732
U.S. Treasury and U.S. government agency obligations	13,908	12,517
Corporate and other bonds	—	435
	<u>20,817</u>	<u>20,684</u>
Unemployment escrow:		
U.S. Treasury obligations	590	596
	<u>590</u>	<u>596</u>
Total	336,895	319,964
Less amounts required to meet current obligations	<u>(6,060)</u>	<u>(6,019)</u>
	<u>\$ 330,835</u>	<u>313,945</u>

In accordance with ASC 820, the Hospital utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Hospital determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.
- Level 2 Inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

If the inputs used to measure the financial instruments fall within multiple levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. When available, the Hospital generally uses quoted market prices to determine fair value, and classifies such items as Level 1. The Hospital's Level 2 securities are those whose fair values are determined by independent vendors, or nontraded funds whose underlying securities would otherwise be considered Level 1. If available, the vendor may also use quoted prices for recent trading activity of assets with similar characteristics to the bond being valued. The Hospital had no significant transfers of assets and liabilities into or out of Levels 1 and 2 during either fiscal 2013 or 2012. The Hospital does not consider any of its financial instruments to be Level 3 fair value measurements.

The fair value hierarchy of assets limited as to use at June 30 follows:

	2013		
	Level 1	Level 2	Total
		(In thousands)	
Internally designated for capital acquisition:			
Cash and cash equivalents	\$ 6,971	—	6,971
U.S. Treasury and U.S. government agency obligations:			
Government collateralized mortgage obligations	—	45,418	45,418
U.S. Treasury bonds	7,518	—	7,518
Other	—	4,584	4,584
Corporate and other bonds:			
Corporate bonds	145,002	19,314	164,316
Other bonds:			
Asset backed securities	—	9,292	9,292
Mortgage backed securities	—	21,078	21,078
Equity securities:			
Consumer	1,518	—	1,518
Electronic manufacturing	217	—	217
Energy	5,076	—	5,076
Financials	1,822	—	1,822
Healthcare	1,816	—	1,816
Industrials	2,426	—	2,426
Information technology	1,671	—	1,671
International	5,879	—	5,879
Telecommunication	810	—	810
Utilities	300	—	300
Other	20,588	—	20,588
Private mutual funds	—	14,188	14,188
	<u>201,614</u>	<u>113,874</u>	<u>315,488</u>

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

		2013	
	Level 1	Level 2	Total
		(In thousands)	
Held by trustee under indenture agreement:			
Cash and cash equivalents	6,909	—	6,909
Agency obligations	—	6,446	6,446
U.S. Treasury obligations	1,386	6,076	7,462
	<u>8,295</u>	<u>12,522</u>	<u>20,817</u>
Unemployment escrow:			
U.S. Treasury obligations	590	—	590
\$	<u>210,499</u>	<u>126,396</u>	<u>336,895</u>
		2012	
	Level 1	Level 2	Total
		(In thousands)	
Internally designated for capital acquisition:			
Cash and cash equivalents	\$ 5,506	—	5,506
U.S. Treasury and U.S. government agency obligations:			
Government collateralized mortgage obligations	—	22,615	22,615
U.S. Treasury bonds	7,595	—	7,595
Other	—	5,914	5,914
Corporate and other bonds:			
Corporate bonds	150,892	16,939	167,831
Other bonds:			
Asset-backed securities	—	13,368	13,368
Mortgage-backed securities	—	26,628	26,628
Equity securities:			
Consumer	2,362	—	2,362
Electronic manufacturing	381	—	381
Energy	1,712	—	1,712
Financials	2,693	—	2,693
Healthcare	2,389	—	2,389
Industrials	2,702	—	2,702
Information technology	2,101	—	2,101
International	5,206	—	5,206
Telecommunication	1,559	—	1,559
Utilities	865	—	865
Other	5,127	—	5,127
Private mutual funds	—	22,130	22,130
	<u>191,090</u>	<u>107,594</u>	<u>298,684</u>

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

	Level 1	2012 Level 2 (In thousands)	Total
Held by trustee under indenture agreement:			
Cash and cash equivalents	7,732	—	7,732
Corporate bonds	—	435	435
Agency obligations	—	5,847	5,847
U.S. Treasury obligations	526	6,144	6,670
	<u>8,258</u>	<u>12,426</u>	<u>20,684</u>
Unemployment escrow:			
U.S. Treasury obligations	596	—	596
	<u>\$ 199,944</u>	<u>120,020</u>	<u>319,964</u>

The composition of net investment income follows:

	2013	2012
	(In thousands)	
Interest and dividends	\$ 9,469	8,643
Net realized gains on sales of investments	11,105	3,334
	<u>\$ 20,574</u>	<u>11,977</u>

(4) Property and Equipment

A summary of property and equipment at June 30 follows:

	2013	2012
	(In thousands)	
Land and land improvements	\$ 32,855	29,312
Buildings and fixtures	298,923	290,657
Equipment	304,001	294,596
	<u>635,779</u>	<u>614,565</u>
Less accumulated depreciation and amortization	(339,687)	(313,805)
	296,092	300,760
Construction in progress	760	894
	<u>\$ 296,852</u>	<u>301,654</u>

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

Construction in progress at June 30, 2013 principally consists of expenditures related to the addition of an electrophysiology lab and renovations of existing facilities on the Lawrenceville and Duluth campuses. These projects are currently planned for completion in fiscal year 2014 at an estimated total remaining cost to complete of approximately \$21,155,000. The Hospital capitalized interest in the amount of \$119,000 in fiscal year 2012. There was no capitalized interest in fiscal year 2013.

(5) Other Assets

The composition of other assets at June 30 follows:

	<u>2013</u>	<u>2012</u>
	(In thousands)	
Unamortized bond issue costs	\$ 3,732	4,102
Interest in affiliated foundation	5,381	4,919
Investments in joint ventures	2,042	1,670
Executive supplemental retirement and other receivables	1,977	1,839
Goodwill	3,430	3,430
	<u>\$ 16,562</u>	<u>15,960</u>

(6) Investments in Joint Ventures

The Hospital owns a nominal interest in VHA, Inc. (VHA). The carrying value of investment in VHA at both June 30, 2013 and 2012 is approximately \$200,000. Additionally, the Hospital is a one-fifth equity investee in Distribution Cooperative, Inc. (DCI), a centralized supply purchasing and distribution business owned by five Georgia health systems, including the Hospital. Based on the specific member accounts maintained by DCI, the Hospital recorded its investment in DCI in the amount of approximately \$1,442,000 and \$1,270,000 as of June 30, 2013 and 2012, respectively. Condensed financial information of DCI follows:

	<u>DCI six months ended June 30, 2013 (Unaudited)</u>	<u>DCI year ended December 31, 2012</u>
	(In thousands)	
Balance sheet:		
Cash and cash equivalents	\$ 1,073	1,583
Accounts receivable	5,075	5,255
Property and equipment, net	927	811
Inventory	8,470	7,502
Other assets	122	84
Liabilities	(9,409)	(9,506)
Accumulated capital	<u>\$ 6,258</u>	<u>5,729</u>

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

	DCI six months ended June 30, 2013 (Unaudited)	DCI year ended December 31, 2012
	<u>(In thousands)</u>	
Income statement:		
Revenue	\$ 24,861	37,336
Expense	<u>24,333</u>	<u>36,739</u>
Net income	<u>\$ 528</u>	<u>597</u>

Under a joint venture arrangement between the Hospital and Saint Joseph's Hospital of Atlanta, Inc., Gwinnett Cardiovascular Services, LLC. (GCVS) was formed to provide support, expertise, and consulting services to the Hospital in connection with the Hospital's cardiovascular program. GCVS was capitalized during fiscal 2012 with a \$200,000 contribution from both members. During fiscal 2013, the Hospital recognized a \$200,000 increase in equity for the GCVS joint venture based on consulting service revenues of GCVS.

(7) Other Accrued Expenses

The composition of other accrued expenses at June 30 follows:

	2013	2012
	<u>(In thousands)</u>	
Accrued salaries and benefits	\$ 22,087	24,056
Interest payable	<u>4,109</u>	<u>4,004</u>
	<u>\$ 26,196</u>	<u>28,060</u>

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

(8) Long-term Debt

A summary of long-term debt at June 30 follows:

	<u>2013</u>	<u>2012</u>
	(In thousands)	
Revenue Anticipation Certificates, Series 2007A	\$ 32,395	32,560
Revenue Anticipation Certificates, Series 2007B	33,640	35,070
Revenue Anticipation Certificates, Series 2007C	19,040	19,145
Revenue Anticipation Certificates, Series 2007D	60,150	60,655
Revenue Anticipation Certificates, Series 2009A	—	76,705
Revenue Anticipation Certificates, Series 2011	80,675	83,450
Revenue Anticipation Certificates, Series 2013	76,035	
	<u>301,935</u>	<u>307,585</u>
Less current portion	<u>(2,280)</u>	<u>(2,645)</u>
	<u>\$ 299,655</u>	<u>304,940</u>

In July 2007, the Authority issued \$309,015,000 in Series 2007A through 2007G Revenue Anticipation Certificates (the Series 2007 Certificates) and loaned the related proceeds to the Hospital. These were issued in seven separate tranches as either variable rate demand obligations or auction rate securities, and were supported by various liquidity and remarketing agreements typical of such obligations. The proceeds of the Series 2007 Certificates were used to (1) advance refund all prior Revenue Anticipation Certificates then-existing at the date of the Series 2007 Certificates transaction, (2) establish a project fund to finance the costs of various Hospital capital projects, as detailed in the plan of finance supporting the issuance, (3) establish various debt service and reserve funds required by the related indenture, and (4) pay certain costs of issuance.

In May 2008, the Authority issued the Series 2008A through 2008C Certificates and loaned the proceeds to the Hospital to refund the Series 2007E through 2007G auction rate securities. The Series 2008 certificates consisted of three separate tranches issued as variable rate demand obligations and were supported by letters of credit.

In November 2009, the Series 2007A through 2007D Certificates were converted from variable rate demand obligations to fixed-interest certificates.

In November 2009, the Authority issued the Series 2009A certificates as Variable Rate Demand Obligations (VRDO's), supported by various liquidity and remarketing agreements typical of such obligations including letters of credit expiring in December 2015. The Authority loaned the proceeds to the Hospital to refund the 2008B Certificates and provide funds to finance or refinance additional projects for the Hospital. The Series 2008A letter of credit was updated to expire in May 2011.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

In February 2011, the Authority issued the Series 2011 Certificates as direct purchase index floating rate bonds. The Authority loaned the proceeds to the Hospital to refund the Series 2008A and 2008C Certificates. As a part of this issue, the letters of credit for the 2008A and 2008C Certificates were terminated. The Series 2011 Certificates were purchased at par in the indexed put rate mode by Wells Fargo Bank, NA (Wells Fargo) pursuant to a continuing covenant agreement dated February 1, 2011. Under the indexed put rate mode during the initial period, interest accruing to Wells Fargo is computed at a percentage of the one-month London Interbank Offered Rate (LIBOR) plus a negotiated spread. The initial indexed put date on the Series 2011 Certificates is February 17, 2016 at which time the Series 2011 Certificates will be subject to a mandatory tender to the borrower. On the mandatory tender date, the Hospital may cause the Certificates to be remarketed to Wells Fargo or new investors at any of the interest options provided in the financing documents.

In June 2013, the Authority issued the Series 2013 Certificates as direct purchase index floating rate bonds. The Authority loaned the proceeds to the Hospital to refund the Series 2009A Certificates. As a part of this issue, the letter of credit for the 2009A Certificates was terminated. An accounting loss totaling approximately \$429,000 was recognized on the refunding transaction during 2013. The Series 2013 Certificates were purchased at par in the indexed put rate mode by SunTrust Bank pursuant to an indenture of trust agreement dated June 1, 2013.

The Series 2007, 2009, and 2011 Certificates generally require annual payments of principal and interest through final maturity. The annual average interest rate on the Series 2007, Series 2009, and Series 2011 Certificates approximated 5.21%, 0.14%, and 1.01%, respectively, for the year ended June 30, 2013. Total outstanding debt and final maturity by tranche follow (in thousands):

	Amount	Maturity in fiscal year ending June 30
Series 2007A	\$ 32,395	2028
Series 2007B	33,640	2033
Series 2007C	19,040	2043
Series 2007D	60,150	2042
Series 2011	80,675	2034
Series 2013	76,035	2037

The Hospital entered into four interest rate swap agreements in July 2007 with initial notional amounts totaling \$154,065,000 with two commercial bank counterparties. In December 2012, the Hospital replaced one of the bank counterparties with another bank. In general, these swaps obligate the Hospital to periodically pay interest on the notional amount at a fixed rate of approximately 3.9% and receive interest at 61.8% of the LIBOR with a designated maturity of one month plus 0.31% per annum. Under certain circumstances typical of such agreements, the swaps are subject to termination prior to the scheduled termination date. In such case, either the Hospital or the bank counterparties may owe a termination payment to each other depending on prevailing market conditions at any such early termination date.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

The Hospital's credit risk involves the possible default of the counter party. Collateral may be required in the future based on the Hospital's credit rating, the counterparty's credit rating, or market valuations of the swaps. At June 30, 2013 and through the date of issuance of these financial statements, no such collateral was required.

A summary of the swap contracts outstanding at June 30 follows (dollars in thousands):

June 30, 2013					
Notional amount	Maturity in fiscal year ending June 30	Average variable rate received	Fixed rate paid	Increase in interest expense	Swap fair value
\$ 6,480	July 2027	0.44%	3.92%	\$ 225	(1,166)
22,570	July 2042	0.44	3.94	789	(5,331)
25,915	July 2027	0.44	3.98	915	(4,803)
90,260	July 2042	0.44	4.00	3,209	(22,052)
<u>\$ 145,225</u>					<u>\$ (33,352)</u>

June 30, 2012					
Notional amount	Maturity in fiscal year ending June 30	Average variable rate received	Fixed rate paid	Increase in interest expense	Swap fair value
\$ 6,515	July 2027	0.46%	3.92%	\$ 225	(1,619)
22,980	July 2042	0.46	3.94	794	(7,866)
26,045	July 2027	0.46	3.92	900	(6,495)
91,890	July 2042	0.46	3.94	3,174	(31,612)
<u>\$ 147,430</u>					<u>\$ (47,592)</u>

In accordance with ASC 820, the Hospital has also categorized its interest rate swaps into a three-level fair value hierarchy (as described in note 3). The interest rate swaps that have been entered into by the Hospital are executed over the counter and are valued using the net present value of the cash flow streams as no quoted market prices exist for such instruments. The Hospital also employs an independent third party to perform a mark-to-market valuation assessment on the swaps to assess the reasonableness of the valuations otherwise received by the Hospital. The derivative instruments entered into above are classified by the Hospital as Level 2 within the fair value hierarchy.

The Hospital (as sole member of the as-defined Obligated Group) guarantees payment of all outstanding revenue anticipation certificates in the form of a master note agreement, which terms require the Hospital's payment of principal and interest on the Certificates as issued. As security for the obligation of the Hospital under the master note, the Hospital has granted a security interest in its gross revenue (as defined) and agreed to certain financial and other covenants typical of such agreements. Additionally, the Series 2007 Certificates are covered under the terms of a municipal bond insurance policy.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

Under the terms of the master trust indenture, the Hospital is required to maintain certain deposits with a trustee. Such deposits are included in assets limited as to use.

Aggregate future maturities of long-term debt follow (in thousands):

Year ending June 30:		
2014	\$	2,280
2015		5,800
2016		6,055
2017		6,820
2018		6,790
Thereafter		274,190
	\$	<u>301,935</u>

(9) Self-Insurance Programs

Effective May 1, 2004, the Hospital entered into a shared irrevocable self-insurance trust program, sponsored by the Hospital, to cover the self-insured retention portion (limits of \$3,000,000 per claim and \$10,000,000 annual aggregate effective May 1, 2011) of the Hospital's general and professional liability insurance exposures subsequent to that date. Commercial insurance has been obtained to provide \$30,000,000 excess coverage.

For incurred but unreported claims existing at May 1, 2004, the Hospital is covered by a claims-made policy for general and professional liability tail coverage. Such coverage is limited to claims reported to the insurer during the policy term, rather than occurrences during the policy term. The Hospital's tail coverage plan is designed to cover the self-insured retention portion of its related general and professional liability insurance. The self-insured retention portion for the Hospital is \$250,000 per claim and \$750,000 annual aggregate limit. Commercial insurance has been obtained to provide for excess coverage.

The Hospital also self-insures both its employee health liability exposures up to limits of \$500,000 per claim and workers' compensation liability exposures up to \$350,000. Commercial insurance has been obtained to provide for excess workers' compensation and health liability coverage. The Hospital also participates in a health insurance re-insurance pool for claims between \$150,000 – \$500,000. Accrued employee health and workers' compensation are recorded on an undiscounted basis.

In the opinion of management, adequate provisions have been made for losses that may occur from both asserted and unasserted claims for all self-insurance programs.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

(10) Net Patient Service Revenue and Patient Accounts Receivable

The Hospital has agreements with governmental and other third-party payors that provide for reimbursement to the Hospital at amounts different from its established rates. Contractual adjustments under third-party reimbursement programs represent the difference between billings at established rates for services and amounts paid by third-party payors. A summary of payment arrangements with major third-party payors follows:

Medicare – Substantially all acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to patient classification systems that are based on clinical, diagnostic, and other factors. Certain types of exempt services and other defined payments related to Medicare beneficiaries are paid based upon cost-reimbursement or other retroactive determination methodologies. Payments for cost reimbursable items are made at tentative rates, with final settlement determined after submission of annual cost reports by the Hospital and audits by the Medicare Administrative Contractor. The Hospital's Medicare cost reports have been audited and settled for all fiscal years through 2007. Net revenue from the Medicare program accounted for approximately 30% and 27% of the Hospital's net patient service revenue for the years ended June 30, 2013 and 2012, respectively.

Medicaid – Inpatient services rendered to Medicaid program beneficiaries are generally paid based upon prospective reimbursement methodologies established by the State of Georgia. Certain types of exempt services and outpatient services related to Medicaid beneficiaries are paid based upon cost-reimbursement or other retroactive-determination methodologies. Payments for cost reimbursable items are made at tentative rates, with final settlement determined after submission of annual cost reports by the Hospital and audits by an external accounting firm contracted with Medicaid. The Hospital's Medicaid cost reports have been audited and settled for all fiscal years through 2009. Net revenue from the Medicaid program accounted for approximately 13% for both of the Hospital's net patient service revenue for the years ended June 30, 2013 and 2012.

The Hospital also contracts with certain managed care organizations to receive reimbursement for providing services to beneficiaries of Medicare and Medicaid. Payment arrangements with these managed care organizations consist primarily of prospectively determined rates per discharge, discounts from established charges, or prospectively determined per diem rates.

The Hospital participates in the Upper Payment Limit (UPL) program for providers participating in the state Medicaid program. The net benefit to the Hospital associated with its participation in the UPL program was approximately \$3,199,000 and \$1,904,000 for the years ended June 30, 2013 and 2012, respectively, and is recognized as a reduction in related contractual adjustments in the accompanying statements of operations. There can be no assurance that the Hospital will continue to qualify for future participation in this program or that the program will not ultimately be discontinued or materially modified.

The Hospital also participates in the Georgia Indigent Care Trust Fund (ICTF). Under the provisions of the ICTF, Medicaid disproportionate share hospitals (DSH) may contribute funds to be used by the state in the Medicaid program that are supplemented by federal funds (combination dollars). The combination dollars are returned to the Hospital as additional Medicaid reimbursement. Net amounts received under the ICTF are recognized as additional Medicaid reimbursement and, therefore, are reflected as a reduction in associated contractual adjustments. The related net reimbursement benefit recognized by the Hospital in

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

fiscal 2013 and 2012 was approximately \$5,362,000 and \$4,166,000, respectively. There can be no assurance that the Hospital will continue to qualify for future participation in this program or that the program will not ultimately be discontinued or materially modified.

With respect to reserves for third-party payor cost report audits and anticipated settlements, the Hospital routinely provides such reserves through initial audit and final settlement of the cost reports. The Hospital has historically provided such reserves in recognition of the complexity of relevant reimbursement regulations and the volatility of related settlement processes. In any event, the Hospital's estimates in this area will differ from actual experience, and those differences may be material. Net patient service revenue decreased approximately \$383,000 during fiscal 2013 and increased approximately \$683,000 during fiscal 2012 due to changes in these estimates related to prior cost reporting periods.

The composition of net patient service revenue for the years ended June 30 follows:

	<u>2013</u>	<u>2012</u>
	(In thousands)	
Gross patient service revenue, net of charity care charges foregone	\$ 1,748,997	1,557,176
Less provisions for contractual and other adjustments	<u>(1,070,748)</u>	<u>(940,629)</u>
Patient service revenue, net of contractual and other adjustments	678,249	616,547
Less provisions for uncollectible accounts	<u>(101,999)</u>	<u>(108,014)</u>
Net patient service revenue	<u>\$ 576,250</u>	<u>508,533</u>

The Hospital recognizes patient service revenue associated with services provided to patients with third-party payor coverage on the basis of contractual rates for services rendered. For uninsured patients that do not qualify for charity care under the Hospital's relevant policies (note 11(a)), the Hospital recognizes revenues at its established rates and offers a discount to these self-pay patients. These discounts are recorded as other adjustments in net patient service revenue. Patient service revenue, net of contractual allowances and other adjustments (but before the provision for bad debts), recognized in the period from these major payor sources for the years ended June 30 is as follows:

		<u>2013</u>	
		<u>Third-party Payors</u>	<u>Self-Pay</u>
			(In thousands)
			<u>Total</u>
Patient service revenue, net of contractual allowances and other adjustments	\$ 603,465	74,784	678,249

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

	2012		
	Third-party Payors	Self-Pay	Total
		(In thousands)	
Patient service revenue, net of contractual allowances and other adjustments	\$ 525,293	91,254	616,547

The provision for uncollectible accounts is based upon management's assessment of historical and expected net collections considering business and economic conditions, trends in healthcare coverage, and other collection indicators. Management routinely assesses, in the normal course of business, the adequacy of the allowance for uncollectible accounts based upon its assessment of these and other factors by payor category, and adjusts the allowance and related provision accordingly. For receivables associated with services provided to patients who have third-party coverage, management analyzes contractually due amounts and provides an allowance for uncollectible accounts and a related provision, if necessary, for payors who are known to be having financial difficulties that make the realization of amounts due unlikely. For receivables associated with self-pay patients, which include patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill, management records a provision for uncollectible accounts in the period services are rendered on the basis of 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 Hospital's standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged against the allowance for uncollectible accounts. The Hospital's provision for uncollectible accounts decreased \$6,015,000 from \$108,014,000 in fiscal year 2012 to \$101,999,000 in fiscal year 2013. The decrease was the result of more patients qualifying for indigent and charity care during 2013 as compared to the prior period.

In the spring of 2010, the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (collectively, the Health Care Acts) were signed into law by President Obama. The impact of the Health Care Acts is complicated and difficult to predict, but the Hospital anticipates its reimbursement in the future will be affected by major elements of the Health Care Acts designed to (1) increase insurance coverage, (2) change provider and payor behavior, and (3) encourage alternative delivery models. Many healthcare reform variables remain unknown and are, among other things, dependent on implementation by federal and state governments and reactions by providers, payors, employers, and individuals. The Hospital continues to monitor developments in healthcare reform and participates actively in contemplating and designing new programs that are encouraged and/or required by the Health Care Acts.

The American Recovery and Reinvestment Act of 2009 established incentive payments under the Medicare and Medicaid programs for certain professionals and hospitals that "meaningfully use" certified electronic health record (EHR) technology. These provisions, together with certain of its other provisions, are referred to as the Health Information Technology for Economic and Clinical Health (HITECH) Act. To qualify for incentives under the HITECH Act, hospitals and physicians must meet EHR "meaningful use" criteria. In fiscal 2012, the Hospital recognized an incentive payment of approximately \$944,000 as other revenue in the accompanying 2012 statement of operations. This represents year one of the Medicaid

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

incentive payments. This amount is subject to audit and potential retrospective adjustments. No incentive payments were received during fiscal year 2013.

(11) Service to the Community

(a) Charity/Indigent Care

The Hospital is an active, caring member of the community it serves. In carrying out its mission, the board of directors has established a policy under which the Hospital provides care to the needy members of its community. Following that policy, the Hospital maintains records to identify and monitor the level of charity and indigent care it provides. These records include the amount of charges foregone and actual costs for services furnished under its charity and indigent care policies. The cost of charity care provided totaled approximately \$42,755,000 and \$33,717,000 for the years ended June 30, 2013 and 2012, respectively. The Hospital estimated these costs by applying a ratio of cost to gross charges to the gross uncompensated charges associated with providing care to charity patients.

Currently, the Hospital operates under an arrangement that provides reimbursement from Gwinnett County to partially compensate for the provision of care to indigent Gwinnett County residents. In addition, the State of Georgia provides partial compensation for the provision of uncompensated care for trauma patients. The Hospital received approximately \$404,000 and \$471,000 under these programs for the years ended June 30, 2013 and 2012, respectively.

(b) Community Benefits

As a corporate and community citizen, the Hospital has a community responsibility to increase awareness of health issues affecting community citizens. Part of the Hospital's commitment to its mission of excellence is in responding to the healthcare needs of residents in its service area.

The Hospital offers many wellness and educational services to the community at low and, in some cases, no cost. Health fairs are held throughout the year at convenient locations, providing various health screenings, such as blood pressure and cholesterol checks. A large number of educational programs are offered for all ages. The Hospital operates a 24-hour emergency room that provides care to all patients regardless of ability to pay. The costs for these services are included in operating expenses in the accompanying statements of operations.

(12) Employee Benefits

(a) Pension Plan

The Hospital sponsors a noncontributory defined benefit pension plan (the Plan) covering substantially all employees of the Hospital. The Plan's benefits are based on a combination of years of service and the employee's compensation. The Hospital's funding policy is to contribute annually to the Plan an amount sufficient to meet the minimum funding standards of the Employee Retirement Income Security Act of 1974 or an amount sufficient to maintain the Plan on a sound actuarial basis, as certified by an enrolled actuary. The Hospital measures its participation in the Plan at June 30.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

Effective December 31, 2006, the Hospital “froze” the Plan, and therefore, participants no longer earn additional defined benefits for future service. Given the Plan’s frozen status, the accumulated benefit obligation for the Plan is the same as the projected benefit obligation.

The changes in the projected benefit obligation as of June 30, 2013 and 2012 follow:

	2013	2012
	(In thousands)	
Projected benefit obligation at beginning of year	\$ 176,245	149,115
Interest cost	8,100	8,358
Benefits paid	(4,747)	(4,108)
Actuarial (gain) loss	(9,881)	22,880
Projected benefit obligation at end of year	<u>\$ 169,717</u>	<u>176,245</u>

The changes in fair value of plan assets and funded status of the Plan as of June 30, 2013 and 2012 follow:

	2013	2012
	(In thousands)	
Fair value of plan assets at beginning of year	\$ 131,955	121,628
Actual gain on plan assets	12,913	5,761
Contributions of plan sponsor	4,950	8,674
Benefits paid	(4,747)	(4,108)
Fair value of plan assets at end of year	<u>\$ 145,071</u>	<u>131,955</u>
Funded status of the Plan	<u>\$ (24,646)</u>	<u>(44,290)</u>
Accrued pension cost at end of year	<u>\$ (24,646)</u>	<u>(44,290)</u>

The components of net periodic pension cost, which is recorded in salaries and benefits expense in the accompanying statements of operations, follow:

	2013	2012
	(In thousands)	
Interest cost	\$ 8,100	8,358
Expected return on plan assets	(8,682)	(9,287)
Amortization of net loss	1,560	764
Net periodic pension cost (credit)	<u>\$ 978</u>	<u>(165)</u>

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

The amounts accumulated in unrestricted net assets follow:

	<u>2013</u>	<u>2012</u>
	(In thousands)	
Net loss	\$ 55,653	71,324

Approximately \$1,560,000 of the net loss is expected to amortize into net periodic pension cost in fiscal 2013.

Weighted average assumptions used to determine benefit obligations in the accompanying balance sheets for 2013 and 2012 follow:

	<u>2013</u>	<u>2012</u>
Discount rate	5.13%	4.67%
Rate of compensation increases	N/A	N/A

Weighted average assumptions used to determine net periodic pension cost for 2013 and 2012 follow:

	<u>2013</u>	<u>2012</u>
Discount rate	4.67%	5.70%
Expected long-term rate of return on plan assets	6.50	6.50
Rate of compensation increases	N/A	N/A

The Plan's expected long-term rate of return on assets is determined by reviewing the historical returns of each asset category comprising the Plan's target asset allocation. This review produces an annual return assumption for each asset category. The product of the annual return assumption and the Plan's target asset allocation percentage for each asset category equals the annual return attribution by asset category.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

Plan Assets

The fair value hierarchy (as described in note 3) of Plan assets at June 30 follows:

		2013	
	Level 1	Level 2	Total
		(In thousands)	
Pension plan assets:			
Cash and cash equivalents	\$ 963	—	963
Corporate bonds	53,712	—	53,712
Equity securities:			
Consumer	2,470	—	2,470
Electronic manufacturing	197	—	197
Energy	1,531	—	1,531
Financials	3,260	—	3,260
Healthcare	2,054	—	2,054
Industrials	2,562	—	2,562
Information technology	754	—	754
International	6,832	—	6,832
Telecommunication	1,549	—	1,549
Utilities	587	—	587
Other	46,945	—	46,945
Private mutual funds	—	21,655	21,655
	<u>\$ 123,416</u>	<u>21,655</u>	<u>145,071</u>

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

		2012	
	Level 1	Level 2	Total
		(In thousands)	
Pension plan assets:			
Cash and cash equivalents	\$ 2,100	—	2,100
Corporate bonds	55,321	—	55,321
Equity securities:			
Consumer	3,579	—	3,579
Electronic manufacturing	447	—	447
Energy	2,501	—	2,501
Financials	4,187	—	4,187
Healthcare	2,833	—	2,833
Industrials	3,333	—	3,333
Information technology	1,664	—	1,664
International	6,049	—	6,049
Telecommunication	2,495	—	2,495
Utilities	1,407	—	1,407
Other	14,765	—	14,765
Private mutual funds	—	31,274	31,274
	\$ 100,681	31,274	131,955

The Plan's weighted average asset allocation follows:

	Target allocation	June 30 Actual	
		2013	2012
Asset category:			
Equity securities	60%	62%	56%
Fixed-income securities	40	37	42
Cash and cash equivalents	—	1	2
Total	100%	100%	100%

The Plan's investment objectives are to protect long-term asset values by applying prudent, low risk, high quality investment disciplines and to enhance the values by maximizing investment returns through active security management within the framework of the investment policy. Asset allocation strategies and investment management structure are designed to meet the Plan's investment objectives.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

Cash Flows

The Hospital expects to contribute approximately \$4,800,000 to the Plan in fiscal 2014.

Expected Future Benefit Payments

The following benefit payments are expected to be paid:

	Pension benefits
	(In thousands)
2014	\$ 6,231
2015	6,915
2016	7,604
2017	8,217
2018	8,824
2019 – 2023	52,189

(13) Defined-contribution Savings Plan

The System sponsors a defined-contribution plan, which covers substantially all of the Hospital's employees. Beginning January 1, 2007, the maximum percentage of the employee's salary the Hospital will match increased from 2.0% to 3.5%. Also, effective January 1, 2007, the Hospital makes a service-based contribution to the plan for each eligible employee. Total plan contributions were approximately \$10,205,000 and \$9,527,000 in fiscal 2013 and 2012, respectively.

In conjunction with the curtailment of the defined pension benefits described above in item (a), the System also adopted an enhancement to its existing defined contribution savings plan. Generally, the revision to the savings plan provides that the Hospital will make incremental contributions to employees with certain defined years of service characteristics, such that the incremental savings plan contribution made by the Hospital serves to partially bridge the impact of the curtailment previously described. Included in accrued salaries and benefits at June 30, 2013 and 2012 is approximately \$781,000 and \$867,000, respectively, of related accrued obligation associated with this plan enhancement, which is by policy funded in the ensuing fiscal year.

(14) Leases

The Hospital leases various assets under both cancelable and noncancelable operating leases. Total rent expense recognized in fiscal 2013 and 2012 was approximately \$5,625,000 and \$4,827,000, respectively, principally for building and equipment rentals.

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

At June 30, 2013, future minimum payments due under noncancelable operating leases are as follows (in thousands):

Year ending June 30:		
2014	\$	3,753
2015		3,578
2016		2,547
2017		1,485
2018		1,341
Thereafter		5,578
	\$	<u>18,282</u>

The Hospital also leases certain office space to various tenants under noncancelable operating leases, which expire at various dates through fiscal 2015. The following is a schedule of future minimum lease income to be received under the noncancelable operating leases as of June 30, 2013 (in thousands):

Year ending June 30:		
2014	\$	89
2015		66
	\$	<u>155</u>

The Hospital's lease income during fiscal 2013 and 2012 totaled approximately \$295,000 and 104,000, respectively. During fiscal 2013, certain office space lease agreements were early terminated for the future operational use by the Hospital.

In late 2011, the FASB issued for comment *Proposed Accounting Standards Update – Leases (Topic 840)*. After receiving and considering significant feedback, the FASB intends to issue a related final ASU in calendar year 2014. This new guidance is expected to require the Hospital to recognize virtually all of its leases in the balance sheet. Assuming the ASU is in fact issued, adoption will cause considerable changes in the presentation of the Hospital's debt and interest expense in its financial statements (among other things). Management is reviewing the implications of the proposed ASU for the Hospital, including potential implications for many complex agreements and arrangements, which might be impacted by this potential major accounting change. While that work is ongoing, management is optimistic that there will not be material issues associated with important related matters, such as overall Hospital credit ratings or future debt covenant compliance.

(15) Business and Credit Concentrations

The Hospital grants credit to patients, substantially all of whom reside in the Hospital's service area. The Hospital generally does not require collateral or other security in extending credit to patients; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under their health insurance programs, plans, or policies (e.g., Medicare, Medicaid, preferred provider arrangements, and commercial insurance policies).

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

The composition of the Hospital's net accounts receivable balance by payor type at June 30 follows:

	<u>2013</u>	<u>2012</u>
Medicare	16%	18%
Medicaid	19	18
Other third-party payors	63	61
Patients	2	3
	<u>100%</u>	<u>100%</u>

(16) Related-Party Transactions

The Hospital provides certain administrative functions for Gwinnett Medical Properties, Inc. (GMPI), Gwinnett Medical Group, Inc. (GMGI), and Gwinnett Managed Care, Inc. (GMCI), all of which are System affiliates. Included in other revenue is approximately \$909,000 and \$792,000 for the years ended June 30, 2013 and 2012, respectively, in management fees received from these affiliates. Expenses incurred by the Hospital on behalf of these affiliates are included in operating expenses. In addition, the Hospital transferred approximately \$25,000,000 and \$12,255,000 to GMGI during fiscal 2013 and 2012, respectively, to support the operations of GMGI's physician practice.

The Hospital entered into an association agreement with the Gwinnett Hospital System Foundation, Inc. (the Foundation) effective November 1, 2007. Under the agreement, the Hospital provides in-kind and other support, including the provision of staff services, office space, and equipment at the discretion of the Hospital. The Hospital also bears the costs of any items in the Foundation's budget otherwise not covered through the provision of in-kind services, except for certain Foundation fund-raising event costs. The Hospital paid approximately \$1,104,000 and \$1,098,000 for such costs in fiscal 2013 and 2012, respectively. Such costs are included in revenue, gains, and other support in excess of expenses and losses in the accompanying statements of operations. During fiscal 2013 and 2012, the Foundation transferred temporarily restricted net assets of approximately \$2,130,000 and \$1,666,000, respectively, in cash and investments to the Hospital, which will be released from restriction once the donor restriction is met.

Amounts due from the System and its affiliates (note 2) are principally related to funding patterns associated with the Systems' insurance program described in note 9.

(17) Functional Expenses

The Hospital provides general healthcare services to residents within its geographic location. Expenses related to providing these services for the years ended June 30 are as follows:

	<u>2013</u>	<u>2012</u>
	(In thousands)	
Healthcare services	\$ 295,761	248,849
General and administrative	260,805	236,096
	<u>\$ 556,566</u>	<u>484,945</u>

GWINNETT HOSPITAL SYSTEM, INC.

Notes to Financial Statements

June 30, 2013 and 2012

(18) Fair Value of Financial Instruments

The carrying amounts of all applicable asset and liability financial instruments reported in the accompanying balance sheets (except long-term debt of the Series 2007 Certificates) approximate their estimated fair values, in all significant respects, at June 30, 2013. The fair value of the Series 2007 Certificates was approximately \$153,517,000 and \$163,372,000, and the carrying amount was approximately \$145,225,000 and \$147,430,000, respectively, at June 30, 2013 and 2012. In accordance with ASC 820, the Hospital has categorized its fair value disclosures related to long-term debt into a three-level fair value hierarchy (as described in note 3). The fair value of the long-term debt is estimated based on the quoted market price for the same issues, which is classified by the Hospital as Level 1 within the fair value hierarchy.