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Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 2012 Open to Public Inspection
	▶ The organization may have to use a copy of this return to satisfy state reporting requirements	

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

B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization ALL CHILDREN'S HOSPITAL INC ATTN FINANCE DEPT 9010		D Employer identification number 59-0683252	
	Doing Business As			
	Number and street (or P O box if mail is not delivered to street address) 501 SIXTH AVENUE SOUTH		Room/suite	
	City or town, state or country, and ZIP + 4 ST PETERSBURG, FL 33701		E Telephone number (727) 767-4401	
			G Gross receipts \$ 842,333,347	
F Name and address of principal officer JONATHAN ELLEN MD 501 SIXTH AVENUE SOUTH ST PETERSBURG, FL 33701			H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions) H(c) Group exemption number ▶	
I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () ◀ (Insert no) ☐ 4947(a)(1) or ☐ 527				
J Website: ▶ WWW.ALLKIDS.ORG				

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ☐	L Year of formation 1967	M State of legal domicile FL
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Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities PROVIDE LEADERSHIP IN CHILD HEALTH THROUGH TREATMENT, EDUCATION, ADVOCACY AND RESEARCH		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	33
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	29
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	2,901
	6 Total number of volunteers (estimate if necessary)	6	674
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	5,285,038	4,952,049
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	382,912,643	385,066,040
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,083,952	5,975,854
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,799,390	3,226,879
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	393,081,023	399,220,822
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	177,329,634	188,729,377
	b Total fundraising expenses (Part IX, column (D), line 25) ☐ 0	0	0
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	182,230,316	185,233,104
	19 Revenue less expenses Subtract line 18 from line 12	359,559,950	373,962,481
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	33,521,073	25,258,341
	21 Total liabilities (Part X, line 26)	901,042,112	931,200,492
	22 Net assets or fund balances Subtract line 21 from line 20	336,029,784	331,320,028
		565,012,328	599,880,464

Part II Signature Block

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

Sign Here				2014-05-12	
	Date				
Paid Preparer Use Only	NANCY TEMPLIN VP FINANCE AND CFO Type or print name and title				
	Print/Type preparer's name		Preparer's signature		Date
	Check ☐ if self-employed		PTIN		
	Firm's name 			Firm's EIN 	
	Firm's address 			Phone no	

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

Part III

Statement of Program Service Accomplishments

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

☐

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1

Briefly describe the organization’s mission

THIS ORGANIZATION'S MISSION IS TO PROVIDE LEADERSHIP IN CHILD HEALTH THROUGH TREATMENT, EDUCATION, ADVOCACY, AND RESEARCH THE ORGANIZATION (1) DELIVERS QUALITY INPATIENT AND OUTPATIENT HOSPITAL AND HEALTHCARE SERVICES WITH COMPASSION AND COMMITMENT TO FAMILY-CENTERED CARE, (2) PROVIDES EDUCATIONAL PROGRAMS FOR THE ORGANIZATION'S PATIENTS, FAMILIES, EMPLOYEES, AND HEALTHCARE PROFESSIONALS, (3) PROVIDES LEADERSHIP IN PROMOTING THE WELL-BEING OF CHILDREN AND (4) DEVELOPS, SUPPORTS AND PARTICIPATES IN CLINICAL, BASIC, AND TRANSLATIONAL RESEARCH

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 \$ 88,546,000 including grants of \$ 0) (Revenue \$ 88,715,000)
	THE CRITICAL CARE PROGRAM AT THE HOSPITAL INCLUDES THE PEDIATRIC INTENSIVE CARE UNIT AND PEDIATRIC MEDICINE THESE PROGRAMS OCCUPY 56 LICENSED BEDS AT THE HOSPITAL INCLUDING 28 INTENSIVE CARE UNIT BEDS AND 28 LOWER ACUITY MEDICAL BEDS THIS PROGRAM EXPERIENCED 13,596 INPATIENT BEDS DAYS DURING THE PERIOD COVERED UNDER THIS RETURN IN ADDITION, 39,223 OUTPATIENT VISITS WERE ATTRIBUTABLE TO THE CRITICAL CARE PROGRAM THIS PROGRAM TREATS ACUTELY-ILL PATIENT'S PRESENTING WITH MEDICAL CONDITIONS OTHER THAN SURGICAL, CARDIAC AND HEMATOLOGY/ONCOLOGY EXAMPLES INCLUDE PNEUMONIA, MENINGITIS AND OTHER INFECTIOUS DISEASES HOSPITAL-BASED PHYSICIANS CARING FOR THESE PATIENTS INCLUDE 12 PEDIATRIC HOSPITALISTS AND 9 PEDIATRIC INTENSIVISTS IN ADDITION, THE HOSPITAL PROVIDES EMPLOYED CHAPLAIN SERVICES, CHILD LIFE SERVICES, SOCIAL WORK SERVICES, DIETICIAN SERVICES AND REHABILITATIVE SERVICES TO THESE PATIENTS MANY OF THESE PATIENTS ARE REFERRED TO THE HOSPITAL FROM OUTLYING COMMUNITY ACUTE-CARE HOSPITALS PRIMARILY SERVING ADULTS THAT LACK THE BREADTH AND DEPTH OF PEDIATRIC SUBSPECIALTY PROVIDERS NEEDED TO TREAT THESE MORE ACUTE PATIENTS
4b	(Code) (Expenses \$ 63,230,000 including grants of \$ 0) (Revenue \$ 90,865,000)
	THE NEONATOLOGY PROGRAM AT ALL CHILDREN'S HOSPITAL IS A SPECIALITY OF PEDIATRICS THAT FOCUSES ON TREATING PREMATURE INFANTS OR INFANTS WITH CRITICAL MEDICAL CONDITIONS AN ALL CHILDREN'S AFFILIATE EMPLOYS 22 NEONATOLOGISTS THAT PROVIDE TWENTY-FOUR HOUR CARE IN THE NEONATAL INTENSIVE CARE UNIT (NICU) ALL CHILDREN'S NICU IS A LEVEL II NICU OFFERING THE HIGHEST LEVEL OF NEONATAL CARE TO THE NEWBORNS OF FLORIDA, THE SOUTHEAST US, AND MANY NEIGHBORING INTERNATIONAL LOCATIONS THE HOSPITAL IS DESIGNATED A REGIONAL PERINATAL INTENSIVE CARE CENTER (RPICC) BY THE STATE OF FLORIDA'S CHILDREN'S MEDICAL SERVICES, PROVIDING HIGH-RISK OBSTETRICAL CARE AND NEONATAL INTENSIVE CARE TO ALL PATIENTS REGARDLESS OF FINANCIAL NEEDS THE NICU PROVIDED 30,365 DAYS OF INPATIENT CARE DURING THE PERIOD COVERED BY THIS RETURN THE NEONATOLOGY PROGRAM IS ALSO SUPPORTED BY AN EMPLOYED NEONATAL TRANSPORT TEAM AVAILABLE AT ANY TIME TO TRANSPORT THESE PATIENTS SAFELY AND EFFICIENTLY BY AMBULANCE OR AIR TRANSPORT FROM OUTLYING FACILITIES
4c	(Code) (Expenses \$ 43,195,000 including grants of \$ 0) (Revenue \$ 39,356,000)
	THE ALL CHILDREN'S CENTER FOR PEDIATRIC CANCER AND BLOOD DISORDERS ("CENTER") PROVIDES CLINICAL CARE AND RESEARCH TRIALS FOR CHILDREN, ADOLESCENTS, AND YOUNG ADULTS IN WEST AND WEST CENTRAL FLORIDA ALL CHILDREN'S IS THE PRIMARY CANCER CENTER IN WEST FLORIDA PROVIDING MULTIDISCIPLINARY CARE FOR CHILDREN AND ADOLESCENTS THE CENTER'S PROGRAMS INCLUDE THE ONCOLOGY PROGRAM SUPPORTED BY DIAGNOSTIC RADIOLOGISTS WITH EXPERTISE IN INTERVENTIONAL RADIOLOGY, PEDIATRIC SURGEONS, PEDIATRIC RADIATION ONCOLOGISTS, CHILD LIFE SPECIALISTS, PHYSICAL AND OCCUPATIONAL THERAPY, A CLINICAL PHARMACIST, AND SOCIAL WORKERS OTHER PROGRAMS INCLUDE THE HEMATOLOGY PROGRAM THAT FOLLOWS APPROXIMATELY 300 PATIENTS WITH SICKLE CELL DISEASE AND OFFERS MULTIDISCIPLINARY THERAPY FOR THESE PATIENTS AND THEIR FAMILIES OTHER PROGRAMS ALSO INCLUDE THE PEDIATRIC THROMBOSIS PROGRAM, SARCOMA PROGRAM, BLOOD AND MARROW TRANSPLANT PROGRAM, NEURO-ONCOLOGY PROGRAM, AND THE "CANSURVIVE" CLINIC THAT PROVIDES COORDINATED SURVIVORSHIP CARE TO PATIENTS INPATIENT ACCOMMODATIONS INCLUDE A 28-BED UNIT FOR HEMATOLOGY/ONCOLOGY AND MARROW/STEM TRANSPLANT PATIENTS, A POSITIVE-PRESSURE AIRFLOW SYSTEM, UNIT-BASED ONCOLOGY SOCIAL WORKER, CASE MANAGER AND CHILD LIFE SPECIALIST, DEDICATED PLAYROOM, HOSPITAL-BASED TEACHER, IN-ROOM ACCOMMODATIONS FOR TWO PARENTS AND A DAY-INFUSION CENTER DURING THE PERIOD COVERED BY THIS RETURN, 6,229 DAYS OF INPATIENT CARE WERE PROVIDED AND 9,373 OUTPATIENT VISIT EPISODES OF CARE WERE PROVIDED TO THESE PATIENTS
	(Code) (Expenses \$ 117,821,482 including grants of \$ 0) (Revenue \$ 166,130,040)
4d	Other program services (Describe in Schedule O) (Expenses \$ 117,821,482 including grants of \$) (Revenue \$ 166,130,040)
4e	Total program service expenses ▶ 312,792,482

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 Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f 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		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <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		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
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		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
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		No
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.	290	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2,901	
2b	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).	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		No
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.		
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)?		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?		No
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
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?		No
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	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?		No
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
7d	If "Yes," indicate the number of Forms 8282 filed during the year.		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
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?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12.		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter		
11a	Gross income from members or shareholders.		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	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.		
13b	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.		
13c	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		No
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

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	33	
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	29	
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	No
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	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization NANCY TEMPLIN 501 SIXTH AVENUE SOUTH ST PETERSBURG, FL (727) 767-2582

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** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

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

[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)								7,619,186	17,240,866	2,551,370

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▶137

		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 Yes	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <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 Yes	

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
SODEXO INC & AFFILIATES PO BOX 536922 ATLANTA GA 30353	FOOD/ENVIR SVC MGMT	6,485,756
CERNER CORPORATION PO BOX 412702 KANSAS CITY MO 64141	SOFTWARE MAINTENANCE	6,369,454
UNIVERSITY OF SOUTH FLORIDA PO BOX 864300 ORLANDO FL 32886	LEASED PHYSICIAN SERVICES	2,315,021
LEMA CONSTRUCTION & DEVELOPERS INC 10001 16TH ST N ST PETERSBURG FL 33716	BLDG RENOVATION/CONSTRUCTION	1,763,426
TRANSCEND SERVICES INC PO BOX 740209 STE 1325 ATLANTA GA 30374	TRANSCRIPT SERVICES	1,369,614

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 ►80

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	906,597			
	e	Government grants (contributions)	1e	3,103,959			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	941,493			
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		4,952,049			
Program Service Revenue	2a	HOSPITAL INPT & OUTPT	Business Code 621990	223,499,857	223,499,857		
	b	MEDICARE/MEDICAID PYMN	621990	135,464,853	135,464,853		
	c	STATE OF FLORIDA SPECI	621990	5,493,192	5,493,192		
	d	RETAIL PHARMACY INCOME	621990	2,876,141	2,876,141		
	e	CHILDREN'S HOSPITAL GR	621990	1,811,721	1,811,721		
	f	All other program service revenue		15,920,276	15,920,276		
	g	Total. Add lines 2a-2f		385,066,040			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		3,937,379		3,937,379
4		Income from investment of tax-exempt bond proceeds					
5		Royalties					
6a		Gross rents	(i) Real	(ii) Personal			
			3,226,879				
			0				
			3,226,879				
d		Net rental income or (loss)		3,226,879		3,226,879	
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
			445,151,000				
			442,881,159	231,366			
			2,269,841	-231,366			
d		Net gain or (loss)		2,038,475		2,038,475	
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							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total revenue. See Instructions		399,220,822	385,066,040	0	9,202,733	

Part IX

Statement of Functional Expenses

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

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

☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.				
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.				
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.	6,398,481		6,398,481	
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.	141,852,504	121,834,019	20,018,485	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	8,424,307	7,277,769	1,146,538	
9	Other employee benefits.	21,555,297	18,046,249	3,509,048	
10	Payroll taxes.	10,498,788	9,176,321	1,322,467	
11	Fees for services (non-employees):				
a	Management.	1,697,929	489,542	1,208,387	
b	Legal.	246,150		246,150	
c	Accounting.	161,070		161,070	
d	Lobbying.	115,992		115,992	
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	607,499	67,154	540,345	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	10,803,547	10,758,128	45,419	
12	Advertising and promotion.	165,192	52,232	112,960	
13	Office expenses.	81,396,832	72,842,311	8,554,521	
14	Information technology.	5,883,125	2,831,425	3,051,700	
15	Royalties.				
16	Occupancy.	10,011,427	7,103,012	2,908,415	
17	Travel.	1,710,669	599,694	1,110,975	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	234,113	169,491	64,622	
20	Interest.	6,253,229	6,253,229		
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	36,518,269	28,871,343	7,646,926	
23	Insurance.	15,708,899	15,378,191	330,708	
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	OTHER SERVICES	5,260,250	5,172,090	88,160	
b	INDIGENT FEE ASSESSMENT	4,803,825	4,803,825	0	
c	COLLECTION SERVICES	1,574,273	0	1,574,273	
d	DUES & SUBSCRIPTIONS	876,634	572,584	304,050	
e	All other expenses	1,204,180	493,873	710,307	
25	Total functional expenses. Add lines 1 through 24e.	373,962,481	312,792,482	61,169,999	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720).				

Part X

Balance Sheet

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

☐

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		86,139	1	2,696,293
	2	Savings and temporary cash investments		87,697,220	2	94,733,917
	3	Pledges and grants receivable, net		626,007	3	1,176,964
	4	Accounts receivable, net		29,674,102	4	35,386,420
	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			7	
	8	Inventories for sale or use		7,428,230	8	8,600,345
	9	Prepaid expenses and deferred charges		7,049,170	9	9,904,828
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a505,384,653			
	b	Less accumulated depreciation	10b83,267,745	442,201,015	10c	422,116,908
	11	Investments—publicly traded securities		222,571,987	11	244,387,477
	12	Investments—other securities See Part IV, line 11		1,030,297	12	1,088,319
	13	Investments—program-related See Part IV, line 11		11,767,522	13	12,775,364
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		90,910,423	15	98,333,657
	16	Total assets. Add lines 1 through 15 (must equal line 34)		901,042,112	16	931,200,492
Liabilities	17	Accounts payable and accrued expenses		55,267,102	17	59,165,984
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		219,286,493	20	215,246,547
	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		61,476,189	25	56,907,497
	26	Total liabilities. Add lines 17 through 25		336,029,784	26	331,320,028
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		539,325,212	27	577,150,907
	28	Temporarily restricted net assets		13,233,967	28	9,719,170
	29	Permanently restricted net assets		12,453,149	29	13,010,387
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		565,012,328	33	599,880,464
	34	Total liabilities and net assets/fund balances		901,042,112	34	931,200,492

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	399,220,822
2	Total expenses (must equal Part IX, column (A), line 25)	2	373,962,481
3	Revenue less expenses Subtract line 2 from line 1	3	25,258,341
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	565,012,328
5	Net unrealized gains (losses) on investments	5	16,496,917
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	-6,887,122
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	599,880,464

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		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 ☐ Separate basis ☐ Consolidated basis ☒ 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: 59-0683252

Name: ALL CHILDREN'S HOSPITAL INC
ATTN FINANCE DEPT 9010

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			
ARNOLD T STENBERG JR EXEC VP/CAO/TRUSTEE	47 00 13 00	X		X				901,085	0	40,885
R WILLIAM HORTON SR VP-STRATEGIC PLAN/TRUSTEE	20 00 40 00	X		X				769,615	0	44,415
TIMOTHY BARBER TRUSTEE	1 00 0 00	X						0	0	0
SANDRA DIAMOND TRUSTEE	1 00 0 00	X						0	0	0
MICHAEL BARODY TRUSTEE	1 00 0 00	X						0	0	0
HAMDEN BASKIN III TRUSTEE	1 00 0 00	X						0	0	0
KEN COPPEDGE SECRETARY BOARD OF TRUSTEE	3 00 0 00	X		X				0	0	0
MICHAEL CANNOVA TRUSTEE	1 00 0 00	X						0	0	0
VINCENT DOLAN TRUSTEE	1 00 0 00	X						0	0	0
GEORGE J DOVER MD TRUSTEE	1 00 0 00	X						0	0	0
JONATHAN ELLEN MD PRESIDENT/VICE DEAN/PIC/TRUSTEE	47 00 7 00	X		X				648,839	0	85,873
JOSEPH W FLEECE III VICE CHAIR BOARD OF TRUSTE	3 00 3 00	X		X				0	0	0
DARLENE GRAYSON TRUSTEE	1 00 0 00	X						0	0	0
NANCY HAMILTON TRUSTEE	1 00 0 00	X						0	0	0
TROY HOLLAND TRUSTEE	1 00 0 00	X						0	0	0
WILLIAM HORNER EX OFFICIO/TRUSTEE	3 00 0 00	X						0	0	0
JACK KIRKLAND CHAIRMAIN OF BOARD	3 00 0 00	X		X				0	0	0
ERIC KOBREN TRUSTEE	1 00 0 00	X						0	0	0
WILLIAM LANE JR TRUSTEE	1 00 0 00	X						0	0	0
DARRYL LECLAIR TRUSTEE	1 00 0 00	X						0	0	0
MARK LETTELLEIR TRUSTEE	1 00 0 00	X						0	0	0
TOM MAHAFFEY TRUSTEE	1 00 0 00	X						0	0	0
MILTON H MILLER JR TRUSTEE	1 00 0 00	X						0	0	0
MARK MONDELLO TRUSTEE	1 00 0 00	X						0	0	0
RONALD PETERSON CORP VICE CHAIR/TRUSTEE	3 00 57 00	X		X				0	13,573,496	1,812,123

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			
PAUL RESOP TRUSTEE	1 00 0 00	X						0	0	0
CRAIG SHER TRUSTEE	1 00 0 00	X						0	0	0
RAYMOND SMITH TRUSTEE	1 00 0 00	X						0	0	0
MARK STROUD TREASURER OF BOARD	3 00 0 00	X		X				0	0	0
STEPHANIE GOFORTH EX OFFICIO/TRUSTEE	3 00 3 00	X						0	0	0
STEVEN A RAYMUND TRUSTEE	1 00 0 00	X						0	0	0
JENNIFER R CASATELLI MD EX OFFICIO/TRUSTEE	1 00 40 00	X						0	199,445	0
EDWARD D MILLER MD TRUSTEE	1 00 0 00	X						0	0	0
NANCY TEMPLIN VP FINANCE/CFO	41 00 19 00			X				421,963	0	34,681
MICHAEL EPSTEIN MD VP MEDICAL AFFAIRS	38 00 22 00			X				517,126	0	36,881
TIMOTHY STROUSE VP FACILITIES MANAGEMENT	52 00 8 00			X				282,119	0	41,485
CALVIN L POPOVICH VP INFORMATION TECHNOLOGY	52 00 8 00			X				318,406	0	41,125
JOHN HARDING III VP OPERATIONS	55 00 5 00			X				303,037	0	54,594
JAY KUHNS VP HUMAN RESOURCES	52 00 8 00			X				310,761	0	44,415
CYNTHIA ROSE VP MARKETING & COMMUNITY RELATIONS	58 00 2 00			X				190,138	0	25,715
HELLA EWING VP CHIEF NURSING OFFICER	58 00 2 00			X				293,870	0	17,943
HELENE M MARRA ASSISTANT SECRETARY	53 00 7 00			X				69,546	0	18,931
PAUL DANIELSON MD CHIEF OF STAFF	10 00 40 00				X			127,500	759,063	44,584
CAROLYN CAREY MD NEUROSURGEON	10 00 40 00					X		267,500	614,333	34,107
GERALD TUI TE MD NEUROSURGEON	10 00 40 00					X		260,000	567,908	43,967
NICOLE CHANDLER MD PED SURGEON	10 00 40 00					X		141,000	361,496	38,485
LUIS RODRIGUEZ MD NEUROSURGEON	10 00 40 00					X		252,500	568,449	43,415
RICHARD HARMEL MD PED SURGEON	10 00 40 00					X		142,500	556,814	40,285
GARY A CARNES FORMER/PRESIDENT & CEO/TRUSTEE	0 00 0 00						X	1,401,681	0	7,461
JERRY BARBOSA MD FORMER TRUSTEE	1 00 0 00						X	0	39,862	0

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
ALL CHILDREN'S HOSPITAL INC
ATTN FINANCE DEPT 9010

Employer identification number
59-0683252

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

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

1

☐

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

2

☐

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

3

☒

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

4

☐

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

5

☐

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

6

☐

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

7

☐

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

8

☐

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

9

☐

An organization that normally receives (1) more than 33¹/₃% 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 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10

☐

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

11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated

e

☐

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

f

☐

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

g

☐

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

(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?

h

☐

Provide the following information about the supported organization(s)

	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 ALL CHILDREN'S HOSPITAL INC ATTN FINANCE DEPT 9010	Employer identification number 59-0683252
---	--

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

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

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

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

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

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

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

Part II-A

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount Enter the amount from the following table in both columns															
<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?		☐ Yes ☐ No													

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

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

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a)		(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? b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? c Media advertisements? d Mailings to members, legislators, or the public? e Publications, or published or broadcast statements? f Grants to other organizations for lobbying purposes? g Direct contact with legislators, their staffs, government officials, or a legislative body? h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? i Other activities? j Total Add lines 1c through 1i				
		No		
		No		
		No		
		No		
		No		
		No		
	Yes			115,992
		No		
		No		
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? 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?		No	115,992	

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).	2a	
a	Current year.		
b	Carryover from last year.		
c	Total.		
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
PART IV, SUPPLEMENTAL INFORMATION		SCHEDULE C, PART 11-B, LINE 1G THE REPORTING ORGANIZATION IS AN ADVOCATE FOR CHILD HEALTHCARE ISSUES DIRECTLY TO STATE AND FEDERAL LEGISLATORS AND THROUGH OTHER CHILD HEALTH ADVOCACY GROUPS AS A MEMBER THE REPORTING ORGANIZATION ADVOCATES FOR CHILDREN WHO ARE GENERALLY UNABLE TO DO SO FOR THEMSELVES EFFORTS INCLUDE COVERAGE AND REIMBURSEMENT ISSUES FOR CHILDREN OF INDIGENT FAMILIES, MEDICAL TRAINING ISSUES OF PEDIATRIC MEDICAL STUDENTS, AND OTHER ISSUES SPECEFIC TO SAFETY NET HOSPITALS DURING THE REPORTING PERIOD \$115,992 WAS SPENT ON THESE EFFORTS

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization ALL CHILDREN'S HOSPITAL INC ATTN FINANCE DEPT 9010	Employer identification number 59-0683252
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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? YesNo	
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? YesNo	

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
2a	
2b	
2c	
2d	

3

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

4

Number of states where property subject to conservation easement is located

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

YesNo

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)?

YesNo

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	

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	13,601,278	14,315,278	12,995,278	11,144,938
b	Contributions			26,000	
c	Net investment earnings, gains, and losses	835,000	-714,000	1,294,000	1,850,340
d	Grants or scholarships				
e	Other expenditures for facilities and programs				27,919
f	Administrative expenses				
g	End of year balance	14,436,278	13,601,278	14,315,278	12,995,278

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 100 000 %

c

Temporarily restricted endowment

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

3a

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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

b

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

3b

4

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

Part VI

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		18,000,000		18,000,000
b Buildings		298,110,474	27,270,001	270,840,473
c Leasehold improvements		773,474	363,154	410,320
d Equipment		182,184,131	54,530,478	127,653,653
e Other		6,316,574	1,104,112	5,212,462
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				422,116,908

Schedule D (Form 990) 2012

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

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

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

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

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

(a) Description	(b) Book value
(1) DUE TO AFFILIATES	9,614,358
(2) INTEREST IN NET ASSETS OF FOUNDATION	70,850,324
(3) TRADE NAME	11,670,000
(4) DEBT ISSUANCE COSTS	190,975
(5) OTHER ASSETS	6,008,000
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.)	98,333,657

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

1	(a) Description of liability	(b) Book value
	Federal income taxes	
	PROFESSIONAL LIABILITY	31,243,000
	INTEREST RATE SWAP AGREEMENTS	23,501,419
	OBLIGATION UNDER CAPITAL LEASES	894,496
	OTHER LIABILITIES	1,268,582
	Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	56,907,497

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

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

1	Total revenue, gains, and other support per audited financial statements	1	416,041,000
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	16,496,917
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	323,261
e	Add lines 2a through 2d	2e	16,820,178
3	Subtract line 2e from line 1	3	399,220,822
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	0
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	399,220,822

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

1	Total expenses and losses per audited financial statements	1	373,961,000
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	373,961,000
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	1,481
c	Add lines 4a and 4b	4c	1,481
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	373,962,481

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
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	THE INTENDED USE FOR ALL CHILDREN'S HOSPITAL ENDOWMENT FUNDS ARE SPECIFIC TO PROGRAM NEEDS AS DESIGNATED BY THE DONORS
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X, LINE 2	FASB'S GUIDANCE ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES CLARIFIES THE ACCOUNTING FOR UNCERTAINTY OF INCOME TAX POSITIONS. THIS GUIDANCE DEFINES THE THRESHOLD FOR RECOGNIZING TAX RETURN POSITIONS IN THE FINANCIAL STATEMENTS AS "MORE LIKELY THAN NOT" THAT THE POSITION IS SUSTAINABLE, BASED ON ITS TECHNICAL MERITS. THE GUIDANCE ALSO PROVIDES GUIDANCE ON THE MEASUREMENT, CLASSIFICATION AND DISCLOSURE OF TAX RETURN POSITIONS IN THE FINANCIAL STATEMENTS. THERE WAS NO IMPACT ON THE HOSPITAL'S FINANCIAL STATEMENTS DURING THE YEARS ENDED JUNE 30, 2013 AND 2012.
PART XI, LINE 2D - OTHER ADJUSTMENTS		NET ASSETS RELEASED FROM RESTRICTION 322,712 ROUNDING 549
PART XII, LINE 4B - OTHER ADJUSTMENTS		ROUNDING 1,481

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
ALL CHILDREN'S HOSPITAL INC
ATTN FINANCE DEPT 9010

Employer identification number
59-0683252

Part I

Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No	
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☒ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care ☐ 100% ☐ 150% ☒ 200% ☐ Other _____ % 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 ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ % c If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	3a	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b		No
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)			2,165,002	0	2,165,002	0.580 %
b Medicaid (from Worksheet 3, column a)			207,986,188	183,310,616	24,675,572	6.600 %
c Costs of other means-tested government programs (from Worksheet 3, column b) . .						
d Total Financial Assistance and Means-Tested Government Programs . .			210,151,190	183,310,616	26,840,574	7.180 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,505,254	346,832	2,158,422	0.580 %
f Health professions education (from Worksheet 5)			7,824,522	2,073,220	5,751,302	1.540 %
g Subsidized health services (from Worksheet 6)			15,911,392	10,638,959	5,272,433	1.410 %
h Research (from Worksheet 7)			0	0		
i Cash and in-kind contributions for community benefit (from Worksheet 8)			210,540	0	210,540	0.060 %
j Total Other Benefits			26,451,708	13,059,011	13,392,697	3.590 %
k Total. Add lines 7d and 7j			236,602,898	196,369,627	40,233,271	10.770 %

Part II

Community Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing					
2	Economic development					
3	Community support		815,590	0	815,590	0 220 %
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other					
10	Total		815,590		815,590	0 220 %

Part III

Bad 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

10,370,000

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

0

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

1,040,247

6

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

6

1,112,553

7

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

7

-72,306

8

Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used.
☐ Cost accounting system ☒ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a

Did the organization have a written debt collection policy during the tax year?

9a

Yes

b

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

9b

No

Part IV

Management Companies and Joint Ventures

(owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

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

Part V

Facility Information

Section A. Hospital Facilities

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

Name, address, and primary website address

		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	ALL CHILDREN'S HOSPITAL INC 501 6TH AVENUE SOUTH ST PETERSBURG,FL 33701 HTTP //WWW.ALLKIDS.ORG/	X		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)

ALL CHILDREN'S HOSPITAL INC

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	☒ A definition of the community served by the hospital facility		
b	☒ Demographics of the community		
c	☒ Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	☒ How data was obtained		
e	☒ The health needs of the community		
f	☒ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	☒ The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	☒ The process for consulting with persons representing the community's interests		
i	☒ Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	☐ Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</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	No
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	☒ Hospital facility's website		
b	☒ Available upon request from the hospital facility		
c	☐ Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)		
a	☒ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	☒ Execution of the implementation strategy		
c	☒ Participation in the development of a community-wide plan		
d	☒ Participation in the execution of a community-wide plan		
e	☒ Inclusion of a community benefit section in operational plans		
f	☒ Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	☒ Prioritization of health needs in its community		
h	☒ Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	☐ Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$_____		

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?		9	Yes
10 Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>200 00000000000000</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> </u> % If "No," explain in Part VI the criteria the hospital facility used		11	No
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	No
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?		13	Yes
14 Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	No
a ☐ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☐ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?		15	Yes
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged		17	No
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			

Part V

Facility Information (continued)

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

☐

Notified individuals of the financial assistance policy on admission
- b

☐

Notified individuals of the financial assistance policy prior to discharge
- c

☐

Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d

☐

Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e

☐

Other (describe in Part VI)

Policy Relating to Emergency Medical Care

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

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

20	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a	☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b	☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c	☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d	☒ Other (describe in Part VI)			
21	During the tax year, did the hospital facility charge any FAP-eligible individuals to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI	21		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	22	Yes	

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?

9

Name and address	Type of Facility (describe)
1 ALL CHILDREN'S OUTPT CARE OF BRANDO 885 SOUTH PARSONS AVE BRANDON, FL 33511	PEDIATRIC OUTPATIENT CLINIC
2 ALL CHILDREN'S OUTPT CARE OF E LAKE 3850 TAMPA RD PALM HARBOR, FL 34684	PEDIATRIC OUTPATIENT CLINIC
3 ALL CHILDREN'S OUTPT CARE OF FT MYERS 4550 COLONIAL BLVD FT MYERS, FL 33966	PEDIATRIC OUTPATIENT CLINIC
4 ALL CHILDREN'S OUTPT CARE OF LAKELAND 3310 LAKELAND HILLS BLVD LAKELAND, FL 33805	PEDIATRIC OUTPATIENT CLINIC
5 ALL CHILDREN'S OUTPT CARE LAKEWOOD RANCH 8340 LAKEWOOD RANCH BLVD STE 160 BRADENTON, FL 34202	PEDIATRIC OUTPATIENT CLINIC
6 ALL CHILDREN'S OUTPATIENT CARE OF PACO 4443 ROWAN RD NEW PORT RICHEY, FL 34653	PEDIATRIC OUTPATIENT CLINIC
7 ALL CHILDREN'S SERTOMA OUTPT CARE CITRUS 538 NORTH LECANTO HWY STE 538 LECANTO, FL 34461	PEDIATRIC OUTPATIENT CLINIC
8 ALL CHILDREN'S OUTPT CARE SARASOTA 5881 RAND BLVD SARASOTA, FL 34238	PEDIATRIC OUTPATIENT CLINIC
9 ALL CHILDREN'S OUTPT CARE OF TAMPA 12220 BRUCE B DOWNS BLVD TAMPA, FL 33612	PEDIATRIC OUTPATIENT CLINIC
10	

Part VI

Supplemental Information

Complete this part to provide the following information

- 1
- Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22
- 2
- Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 3
- Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4
- Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5
- Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 6
- Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7
- State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report
- 8
- Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Identifier	ReturnReference	Explanation
		PART I, LINE 3C THE ORGANIZATION DOES USE FPG TO DETERMINE ELIGIBILITY FOR FREE CARE, HOWEVER FOR DISCOUNTED CARE, DISCOUNTS ARE TYPICALLY PROVIDED TO ALL PATIENTS WHO PAY AT TIME OF SERVICE SUBSEQUENT TO THE DATE OF SERVICE, DISCOUNTS OF UP TO 20% MAY BE OFFERED BASED ON PATIENT FINANCIAL CIRCUMSTANCES THAT MAY INCLUDE REQUESTING ADDITIONAL FINANCIAL INFORMATION FROM THE PATIENT, AN ASSET TEST, OTHER MEDICAL DEBT, OTHER THRESHOLDS OR OTHER QUANTITATIVE MEASURES
		PART I, LINE 7 A COST-TO-CHARGE RATIO (FROM WORKSHEET 2) IS USED TO CALCULATE THE AMOUNTS ON LINE 7A&7B (FINANCIAL ASSISTANCE AT COST AND UNREIMBURSED MEDICAID) THE AMOUNTS FOR LINES 7E-7I WOULD COME FROM THE BOOKS AND RECORDS OF SPECIFIC SEGMENTS OF THE ORGANIZATION AND WOULD NOT BE BASED ON A COST-TO CHARGE RATIO

Identifier	ReturnReference	Explanation
		PART I, LINE 7G SUBSIDIZED HEALTH SERVICES DO NOT INCLUDE ANY COSTS ATTRIBUTABLE TO A PHYSICIAN CLINIC
		PART II THE HOSPITAL SPONSORS AND TAKES PART IN COMMUNITY HEALTH SERVICES THAT ADDRESS CHILD SAFETY, DISEASE MANAGEMENT, AND PREVENTATIVE HEALTH WITH PROGRAMS THAT INCLUDE ASTHMA EDUCATION, INFANT AND TODDLER HEALTH AND DEVELOPMENTAL SCREENING, PARENT SUPPORT GROUPS, AND A WEIGHT MANAGEMENT AND OBESITY PREVENTION PROGRAM ALL CHILDRENS SPONSORS THE SUNCOAST SAFE KIDS COALITION AND ITS PROGRAMS ON CHILD PASSENGER SAFETY, PEDESTRIAN SAFETY, WATER SAFETY AND DROWNING PREVENTION

Identifier	ReturnReference	Explanation
		PART III, LINE 4 PART III, LINE 2 - BAD DEBT EXPENSE ENTERED COMES FROM THE HOSPITALS BOOKS AND RECORDS THE ORGANIZATION DOES NOT USE DISCOUNTS IN DETERMINING BAD DEBT EXPENSE IF PAYMENTS ARE RECEIVED ON AN ACCOUNT THAT HAD BEEN DETERMINED TO BE A BAD DEBT, IT IS CONSIDERED A BAD DEBT RECOVERY, AND USED TO REDUCE TOTAL BAD DEBTS REPORTED, AS WELL AS, THE GUARANTORS ACCOUNT PART III, LINE 3 - ALL CHILDREN'S HOSPITAL (ACH) DOES NOT REPORT AN ESTIMATE FOR THE PORTION OF BAD DEBT EXPENSE THAT MAY BE ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY ACH TAKES THE POSITION THAT AMPLE OPPORTUNITY AND ASSISTANCE IS PROVIDED TO THE PATIENT TO QUALIFY UNDER THE FINANCIAL ASSISTANCE POLICY IF SUFFICIENT INFORMATION IS NOT PROVIDED, THEN ACH MUST ASSUME THE PATIENT DOES NOT QUALIFY PART III, LINE 4 - ACH AUDITED FINANCIAL STATEMENTS PAGE 11
		PART III, LINE 8 PART III, LINE 7 - THE SHORTFALL IN MEDICARE ALLOWABLE COSTS IS NOT TREATED AS A COMMUNITY BENEFIT PART III, LINES 5 AND 6 METHODOLOGY A STEP-DOWN PROCESS IS USED TO ALLOCATE ADMINISTRATIVE AND GENERAL COSTS TO PATIENT CARE DEPARTMENTS, AS WELL AS DEPARTMENTS THAT ARE NON-ALLOWABLE FOR MEDICARE UPON ALLOCATION, A DAILY COST RATE IS COMPUTED FOR ROOM AND BOARD SERVICES THE RESULTING DAILY COSTS ARE APPLIED TO THE NUMBER OF MEDICARE DAYS TO DETERMINE ALLOWABLE ROOM AND BOARD COSTS FOR ANCILLARY SERVICES, A RATIO OF COST TO CHARGES (RCC) IS COMPUTED USING TOTAL ANCILLARY CHARGES THE RCC IS THEN APPLIED TO CHARGES INCURRED BY MEDICARE PATIENTS TO DETERMINE ALLOWABLE MEDICARE COSTS WITH THE EXCEPTION OF PASS-THROUGH COSTS (CAPITAL-RELATED, NON-PHYSICIAN ANESTHETIST, AND MEDICAL EDUCATION COSTS), ALLOWABLE MEDICARE COSTS ARE SUBJECT TO A TEFRA TARGET AMOUNT, WHICH IS COMPUTED ON A DISCHARGE BASIS IF ALLOWABLE COSTS EXCEED THE TEFRA TARGET AMOUNT, THE FACILITY IS REIMBURSED IN THE AMOUNT OF THE TARGET LIMIT PLUS A RELIEF PAYMENT IF ALLOWABLE COSTS ARE UNDER THE TARGET AMOUNT, THE FACILITY IS REIMBURSED BY THE AMOUNT OF THE TARGET LIMIT PLUS A BONUS PAYMENT

Identifier	ReturnReference	Explanation
ALL CHILDREN'S HOSPITAL, INC		PART V, SECTION B, LINE 3 TO GATHER INPUT FROM PERSONS WHO REPRESENT THE BROAD INTERESTS OF THE COMMUNITY SERVED BY ACH THE FOLLOWING WAS DONE A)ESTABLISHED A COMMUNITY ADVISORY COMMITTEE (CAC) B)THE JUVENILE WELFARE BOARD FACILITATED THE INVOLVEMENT OF COMMUNITY-BASED ORGANIZATIONS IN THE QUALITATIVE RESEARCH PROCESS, BY HELPING TO RECRUIT AND HOST FOCUS GROUPS WITH PARENTS AND CAREGIVERS C)SIX FOCUS GROUPS AND 16 INTERVIEWS WITH COMMUNITY STAKEHOLDER WERE CONDUCTED D)FIVE FOCUS GROUPS WERE CONDUCTED WITH PARENTS AND CAREGIVERS OF THE GENERAL PUBLIC RESIDING IN THE FIVE AT-RISK COMMUNITIES A TOTAL OF 62 INDIVIDUALS PARTICIPATED IN THESE FOCUS GROUPS E)ONE FOCUS GROUP WITH ACH STAFF AND INCLUDED 18 INDIVIDUALS REPRESENTING A WIDE RANGE OF DEPARTMENTS F) INTERVIEWS WERE CONDUCTED WITH 18 INDIVIDUALS FROM A RANGE OF SECTORS INCLUDING GOVERNMENT OFFICIALS, EDUCATIONAL LEADERS, SOCIAL SERVICE PROVIDERS, AND HEALTH CARE PROVIDERS
ALL CHILDREN'S HOSPITAL, INC		PART V, SECTION B, LINE 7 A RATING AND RANKING PROCESS THAT INCLUDED AGREED UPON SELECTION CRITERIA, WAS USED TO PRIORITIZE THE MANY PRESSING COMMUNITY HEALTH NEEDS IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) THE ADDITIONAL TOPIC AREAS THAT WERE IDENTIFIED BY THE CHNA PROCESS (ENVIRONMENT, AIR QUALITY, FOOD SECURITY AND HUNGER, WELLNESS, ORAL HEALTH, COMMUNICABLE DISEASE, SEXUAL HEALTH, AND INJURIES) HAD A LOWER RANKING DURING THE PRIORITIZATION PROCESS WHILE ACH WILL FOCUS THE MAJORITY OF OUR EFFORTS ON THE IDENTIFIED NEEDS IN THE STRATEGIC COMMUNITY BENEFIT PLAN, WE WILL REVIEW THE COMPLETE SET OF PRIORITIES AS THEY EMERGE TO DETERMINE OUR RESPONSE AND MAKE ANY ADJUSTMENTS IN OUR PLANS

Identifier	ReturnReference	Explanation
ALL CHILDREN'S HOSPITAL, INC		PART V, SECTION B, LINE 11 DISCOUNTS ARE TYPICALLY PROVIDED TO ALL PATIENTS WHO PAY AT TIME OF SERVICE SUBSEQUENT TO THE DATE OF SERVICE, DISCOUNTS OF UP TO 20% MAY BE OFFERED BASED ON PATIENT FINANCIAL CIRCUMSTANCES THAT MAY INCLUDE REQUESTING ADDITIONAL FINANCIAL INFORMATION FROM THE PATIENT, AN ASSET TEST, OTHER MEDICAL DEBT, OTHER THRESHOLDS OR OTHER QUANTITATIVE MEASURES
ALL CHILDREN'S HOSPITAL, INC		PART V, SECTION B, LINE 20D ALL CHILDRENS HOSPITAL IS CURRENTLY UPDATING ITS WRITTEN POLICIES TO COMPLY WITH ALL OF THE REQUIREMENTS OF IRC 501(R)

Identifier	ReturnReference	Explanation
ALL CHILDREN'S HOSPITAL, INC		PART V, SECTION B, LINE 22 THE HOSPITAL CONTINUES TO IMPLEMENT RECENT GUIDANCE RELATED TO ITS FAP-ELIGIBLE PATIENTS THE IMPLEMENTATION WAS NOT COMPLETE DURING THE PERIOD COVERED BY THIS RETURN
		PART VI, LINE 2 EXISTING SOCIAL, ECONOMIC, AND HEALTH DATA WERE DRAWN FROM NATIONAL, STATE, COUNTY, AND LOCAL SOURCES, SUCH AS THE U S CENSUS AND FLORIDA DEPARTMENT OF HEALTH, WHICH INCLUDE SELF-REPORT, PUBLIC HEALTH SURVEILLANCE, AND VITAL STATISTICS DATA OVER 80 INDIVIDUALS FROM MULTI-SECTOR ORGANIZATIONS, COMMUNITY STAKEHOLDERS, AND RESIDENTS WERE ENGAGED IN FOCUS GROUPS AND INTERVIEWS TO GAUGE THEIR PERCEPTIONS OF THE COMMUNITY, PRIORITY HEALTH CONCERNS, AND WHAT PROGRAMMING, SERVICES, OR INITIATIVES ARE MOST NEEDED TO ADDRESS THESE CONCERNS FINALLY, AN ENVIRONMENTAL SCAN OF HEALTH-RELATED PROGRAMS AND SERVICES WAS CONDUCTED IN ORDER TO ASSESS THE CURRENT LANDSCAPE OF ACTIVITY RELATED TO CHILDHOOD OBESITY, ASTHMA, TOBACCO, INJURY AND VIOLENCE PREVENTION, MENTAL HEALTH, SUBSTANCE USE, AND YOUTH EMPOWERMENT MUCH OF THE SECONDARY DATA WAS DERIVED FROM HEALTHY TAMPA BAY, AN INITIATIVE OF ONE BAY HEALTHY COMMUNITIES

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 ACH INFORMS ITS PATIENTS ABOUT THE FINANCIAL ASSISTANCE POLICY THROUGH A NUMBER OF MEANS, INCLUDING SIGNS IN ENGLISH AND SPANISH POSTED IN PATIENT WAITING AND REGISTRATION AREAS STATING THAT ESTIMATES OF CARE CAN BE PROVIDED, UPON REQUEST ALL PATIENTS INDICATING A NEED FOR CHARITY CARE ARE REFERRED TO A FINANCIAL COUNSELOR WHO REVIEWS WITH THEM THE AVAILABILITY OF VARIOUS GOVERNMENT BENEFIT AND PROGRAMS, AND ASSISTS THEM WITH APPLICATION TO SUCH PROGRAMS IF THE PATIENT DOES NOT HAVE INSURANCE, ACH FINANCIAL COUNSELORS WILL SCHEDULE AN INTERVIEW WITH THE PATIENT TO DETERMINE PAYMENT ARRANGEMENTS AND/OR ASSIST THE PATIENT IN COMPLETING A MEDICAL ASSISTANCE APPLICATION
		PART VI, LINE 4 THE HOSPITAL CONSIDERS ITS COMMUNITY BENEFIT SERVICE AREA (CBSA) AS SPECIFIC POPULATIONS OR COMMUNITIES OF NEED TO WHICH THE HOSPITAL ALLOCATES RESOURCES THROUGH ITS COMMUNITY BENEFIT PLAN THE CBSA IS DEFINED AS PINELLAS COUNTY THE GENERAL DATA FOR THIS COMMUNITY BENEFIT SERVICE AREA ARE AS FOLLOWS TOTAL POPULATION WAS 913,500 OF WHICH 48% WERE MALES AND 52% WERE FEMALES, AVERAGE HOUSEHOLD INCOME WAS \$44,273, 19% OF RESIDENTS ARE UNINSURED, 11% OF RESIDENTS ARE COVERED BY MEDICAID/MEDICARE, 12% OF PEOPLE HAD INCOME BELOW THE FEDERAL POVERTY GUIDELINES NUMBER OF OTHER HOSPITALS SERVING THE COMMUNITY OR COMMUNITIES 48 FEDERALLY-DESIGNATED MEDICALLY UNDERSERVED AREAS OR POPULATIONS ARE PRESENT IN THE COMMUNITY

Identifier	ReturnReference	Explanation
		PART VI, LINE 5 ALL CHILDREN'S IS DEDICATED TO ONE OF THE MOST EFFECTIVE TOOLS IN PROMOTING GOOD HEALTH - EDUCATION THROUGH COMMUNITY OUTREACH TO CHILDREN AND FAMILIES SOME OF THE PROGRAMS ARE MENTIONED ABOVE OTHERS INCLUDE PARTICIPATION AT SEVERAL LOCAL CHILDREN'S MUSEUMS WITH INTERACTIVE DISPLAYS ON NUTRITION, SAFETY AND SPORTS ALL CHILDREN'S SUPPORTS AN IN-CLASSROOM PROGRAM, MORE HEALTH, IN THE PINELLAS COUNTY SCHOOLS REACHING MORE THAN 70,000 STUDENTS ANNUALLY IN ADDITION, THE HOSPITAL PROMOTES BIKE, PEDESTRIAN AND SPORTS SAFETY PROGRAMS IN THE SCHOOLS THE HOSPITAL CONDUCTS MULTIPLE SCHOOL NURSE PROGRAMS IN ORDER TO ENHANCE THE KNOWLEDGE OF SCHOOL NURSES IN OUR CATCHMENT AREA WE HOST SUPPORT GROUPS AND COMMUNITY ORGANIZATIONS AT OUR FACILITIES AND PROVIDE SPEAKERS TO NUMEROUS COMMUNITY ORGANIZATIONS THROUGH THE YEAR ALL CHILDREN'S HOSPITAL BOARD OF TRUSTEES, IS COMPRISED OF 33 MEMBERS, OF WHICH 7 SERVE ON THE BOARD BY VIRTUE OF THEIR POSITION AS MEMBERS OF AFFILIATE BOARDS, MEDICAL STAFF, VOLUNTEER AND ACADEMIC OFFICERS, ETC THE REMAINING 26 BOARD MEMBERS ARE ELECTED FROM THE COMMUNITY AT LARGE FOR MAXIMUM TERMS OF 9 YEARS PER INDIVIDUAL ALL CHILDREN'S HOSPITAL MAINTAINS AN OPEN MEDICAL STAFF FOR CERTAIN PHYSICIAN SPECIALTIES
		PART VI, LINE 6 THE JOHNS HOPKINS HEALTH SYSTEM CORPORATION (JHHSC) IS INCORPORATED IN THE STATE OF MARYLAND TO, AMONG OTHER THINGS, FORMULATE POLICY AMONG AND PROVIDE CENTRALIZED MANAGEMENT FOR JHHSC AND AFFILIATES (JHHS) JHHS IS ORGANIZED AND OPERATED FOR THE PURPOSE OF PROMOTING HEALTH BY FUNCTIONING AS A PARENT HOLDING COMPANY OF AFFILIATES WHOSE COMBINED MISSION IS TO PROVIDE PATIENT CARE IN THE TREATMENT AND PREVENTION OF HUMAN ILLNESS WHICH COMPARES FAVORABLY WITH THAT RENDERED BY ANY OTHER INSTITUTION IN THIS COUNTRY OR ABROAD JHHSC IS THE SOLE MEMBER OF THE JOHNS HOPKINS HOSPITAL (JHH), AN ACADEMIC MEDICAL CENTER, JOHNS HOPKINS BAYVIEW MEDICAL CENTER, INC (JHBMC), A COMMUNITY BASED TEACHING HOSPITAL AND LONG-TERM CARE FACILITY, HOWARD COUNTY GENERAL HOSPITAL, INC (HCGH), A COMMUNITY BASED HOSPITAL, SUBURBAN HOSPITAL, INC (SHI), A COMMUNITY BASED HOSPITAL, SIBLEY MEMORIAL HOSPITAL (SMH), A D C COMMUNITY BASED HOSPITAL, AND ALL CHILDRENS HOSPITAL, INC (ACH), A FL ACADEMIC CHILDRENS HOSPITAL

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
ALL CHILDREN'S HOSPITAL INC
ATTN FINANCE DEPT 9010

Employer identification number

59-0683252

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			
	☐ First-class or charter travel ☐ Travel for companions ☒ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		No
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		No
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☒ Compensation committee ☒ Independent compensation consultant ☐ Form 990 of other organizations ☒ Written employment contract ☒ Compensation survey or study ☒ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	4a	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	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
	PART I, LINE 1A	ORGANIZATION PROVIDED BENEFITS FORM 990, SCHEDULE J, PART 1, QUESTION 1A THE NON-SUBSTANTIATED PORTION OF MONTHLY AUTOMOBILE ALLOWANCES ARE GROSSED UP FOR FICA TAXES ONLY. HOUSING ALLOWANCES ARE PROVIDED ONLY IN LIMITED CIRCUMSTANCES AND FOR FINITE PERIODS OF TIME AS PART OF SOME EMPLOYEE RELOCATION AGREEMENTS.
	PART I, LINES 4A-B	GARY CARNES RECEIVED A SEVERANCE PAYMENT IN THE AMOUNT OF \$1,088,474.90 FROM ALL CHILDREN'S HOSPITAL. THE SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (THE PLAN) OF ALL CHILDREN'S HEALTH SYSTEM, INC. (THE COMPANY) IS A NONQUALIFIED DEFERRED COMPENSATION PLAN INTENDED TO BE GOVERNED BY SECTION 457(F) OF THE INTERNAL REVENUE CODE. THE BOARD OF DIRECTORS OF THE COMPANY DETERMINES ELIGIBILITY FOR THE PLAN FROM AMONG A SELECT GROUP OF KEY EMPLOYEES AND MANAGEMENT. THE PLAN PROVIDES FOR A SUPPLEMENTAL RETIREMENT BENEFIT BEGINNING AT RETIREMENT OR UPON SEPARATION FROM THE COMPANY. DURING THE TIME PERIOD COVERED BY THE RETURN, THE FOLLOWING INDIVIDUALS PARTICIPATED IN THE PLAN AND WERE AWARDED AMOUNTS AS FOLLOWS WHICH ARE INCLUDED ON SCHEDULE J, COLUMN B (III): ARNOLD T. STENBERG, JR. \$298,023; R. WILLIAM HORTON \$400,783; JOHN HARDING, III \$60,550; JAY KUHN \$63,136; HELLA EWING \$56,987; AND NANCY TEMPLIN \$91,629. THE MAKE WHOLE AND SERP PLANS ARE FROZEN. DEFINED BENEFIT PLANS PROVIDED BY THE RELATED ORGANIZATION, JOHNS HOPKINS HEALTH SYSTEM CORPORATION, THE PLANS ARE LIMITED TO THE EXISTING PLAN PARTICIPANTS. THE PLANS ARE SUBJECT TO CLAIMS OF EMPLOYER'S BANKRUPTCY/INSOLVENCY CREDITORS. THE MAKE WHOLE PLAN WAS DESIGNED TO REPLACE THE BENEFITS THE PARTICIPANTS LOST AS DO THE COMPENSATION LIMITS THAT WERE IMPOSED UPON OUR QUALIFIED DEFINED BENEFIT PLAN. FURTHERMORE, IF A PARTICIPANT TERMINATES EMPLOYMENT PRIOR TO COMPLETING THE SERVICE REQUIREMENTS, THE PARTICIPANT'S BENEFIT IS FORFEITED. NOTE THAT ANY ITEM BEING REPORTED AS COMPENSATION WAS ALSO REPORTED IN PREVIOUS YEARS FORMS 990 AS REQUIRED, WHEN AMOUNTS ACCRUED UNDER THE PLAN. THE FOLLOWING INDIVIDUAL LISTED ON FORM 990, PART VII, SECTION A, LINE 1A PARTICIPATED IN A NONQUALIFIED RETIREMENT PLAN AND RECEIVED ACCRUED DEFERRED COMPENSATION THAT IS REPORTED ON SCHEDULE J, PART II, COLUMN (C): RONALD R. PETERSON \$1,636,472 LISTED ON FORM 990, SCHEDULE J, PART II, B(III) IS RONALD PETERSON \$11,914,712.00. MR. PETERSON HAS 40 YEARS OF SERVICE AND HAS ACCRUED BUT NOT YET RECEIVED HIS NONQUALIFIED RETIREMENT PLAN IN THE AMOUNT OF \$11,746,615.00. THIS DEFERRED COMPENSATION IS REPORTED ON FORM 990, PART VII, SECTION A AND INCLUDED ON SCHEDULE J, PART II, COLUMN E AND REPORTED IN BOX 5, W-2, FOR THE PURPOSES OF PREPAYING THE MEDICARE TAX.
SUPPLEMENTAL INFORMATION	PART III	SUPPLEMENTAL COMPENSATION INFORMATION FORM 990, SCHEDULE J, PART 1, QUESTION 3. SEE SCHEDULE O DISCLOSURE FOR FORM 990, PART VI, LINES 15(A) & (B) REGARDING THE PROCESS USED BY ALL CHILDREN'S HEALTH SYSTEM, INC. TO DETERMINE EXECUTIVE COMPENSATION WHICH IS RELIED UPON BY ALL CHILDREN'S HOSPITAL. FORM 990, PART VII, SECTION A, QUESTION 5. THE FOLLOWING OFFICER OF ALL CHILDREN'S HOSPITAL RECEIVED COMPENSATION FROM AN UNRELATED ORGANIZATION FOR SERVICES RENDERED TO THE FILING ORGANIZATION: ALL CHILDREN'S HOSPITAL REIMBURSED THE JOHNS HOPKINS UNIVERSITY FOR SERVICES ASSOCIATED WITH THE OFFICER AND HIS ROLE AT THE HOSPITAL: JONATHAN ELLEN, M.D. BASE COMPENSATION \$494,866.72, BONUS & INCENTIVE COMPENSATION \$134,082, OTHER REPORTABLE COMPENSATION \$19,890.13, DEFERRED COMPENSATION \$60,939.50 AND NON-TAXABLE BENEFITS \$24,932.94.

Software ID:
Software Version:
EIN: 59-0683252
Name: ALL CHILDREN'S HOSPITAL INC
ATTN FINANCE DEPT 9010

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				
ARNOLD T STENBERG JR	(i)	600,288	0	300,797	25,337	15,548	941,970	0
	(ii)	0	0	0	0	0	0	0
R WILLIAM HORTON	(i)	366,060	0	403,555	25,337	19,078	814,030	0
	(ii)	0	0	0	0	0	0	0
JONATHAN ELLEN MD	(i)	494,867	134,082	19,890	60,940	24,933	734,712	0
	(ii)	0	0	0	0	0	0	0
RONALD PETERSON	(i)	0	0	0	0	0	0	0
	(ii)	1,203,070	455,714	11,914,712	1,788,537	23,586	15,385,619	0
JENNIFER R CASATELLI MD	(i)	0	0	0	0	0	0	0
	(ii)	199,445	0	0	0	0	199,445	0
NANCY TEMPLIN	(i)	327,617	0	94,346	23,177	11,504	456,644	0
	(ii)	0	0	0	0	0	0	0
MICHAEL EPSTEIN MD	(i)	514,356	0	2,770	23,733	13,148	554,007	0
	(ii)	0	0	0	0	0	0	0
TIMOTHY STROUSE	(i)	279,630	0	2,489	25,337	16,148	323,604	0
	(ii)	0	0	0	0	0	0	0
CALVIN L POPOVICH	(i)	315,689	0	2,717	25,337	15,788	359,531	0
	(ii)	0	0	0	0	0	0	0
JOHN HARDING III	(i)	240,234	0	62,803	18,605	35,989	357,631	0
	(ii)	0	0	0	0	0	0	0
JAY KUHNS	(i)	245,351	0	65,410	25,337	19,078	355,176	0
	(ii)	0	0	0	0	0	0	0
CYNTHIA ROSE	(i)	188,789	0	1,349	17,508	8,207	215,853	0
	(ii)	0	0	0	0	0	0	0
HELLA EWING	(i)	234,745	0	59,125	4,795	13,148	311,813	0
	(ii)	0	0	0	0	0	0	0
PAUL DANIELSON MD	(i)	127,500	0	0	0	0	127,500	0
	(ii)	759,063	0	0	25,337	19,247	803,647	0
CAROLYN CAREY MD	(i)	267,500	0	0	0	0	267,500	0
	(ii)	614,333	0	0	17,837	16,270	648,440	0
GERALD TUITE MD	(i)	260,000	0	0	0	0	260,000	0
	(ii)	567,908	0	0	24,130	19,837	611,875	0
NICOLE CHANDLER MD	(i)	141,000	0	0	0	0	141,000	0
	(ii)	361,496	0	0	25,337	13,148	399,981	0
LUIS RODRIGUEZ MD	(i)	252,500	0	0	0	0	252,500	0
	(ii)	568,449	0	0	25,337	18,078	611,864	0
RICHARD HARMEL MD	(i)	142,500	0	0	0	0	142,500	0
	(ii)	556,814	0	0	25,337	14,948	597,099	0
GARY A CARNES	(i)	239,569	0	1,162,112	4,585	2,876	1,409,142	0
	(ii)	0	0	0	0	0	0	0

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				
JERRY BARBOSA MD	(i)	0	0	0	0	0	0	0
	(ii)	39,862	0	0	0	0	39,862	0

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
ALL CHILDREN'S HOSPITAL INC
ATTN FINANCE DEPT 9010

Employer identification number
59-0683252

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	CITY OF ST PETERSBURG HEALTH FACILITIES AUTHORITY	59-6000424	793309HR9	10-01-2007	92,200,000	REFUND PRIOR ISSUE (4/20/05) CONSTRUCTION OF NEW BUILDING		X		X		X
B	CITY OF ST PETERSBURG HEALTH FACILITIES AUTHORITY	59-6000424	793309JK2	04-23-2009	62,609,540	REFUND PRIOR ISSUES (10/01/07)		X		X		X
C	CITY OF ST PETERSBURG HEALTH FACILITIES AUTHORITY	59-6000424	793309JM8	06-28-2012	102,400,000	REFUND PRIOR ISSUE (04/20/05 A&B)		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired	65,550,000		610,000		1,625,000			
2	Amount of bonds legally defeased								
3	Total proceeds of issue	92,200,000		62,609,540		102,400,000			
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	793,939		1,030,540					
8	Credit enhancement from proceeds	1,406,061							
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	60,000,000							
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2009		2009		2007			
14	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No	Yes	No	Yes	No
		X		X		X			
15	Were the bonds issued as part of an advance refunding issue?		X		X		X		
16	Has the final allocation of proceeds been made?	X		X		X			
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X			

Part III

Private Business Use

		A		B		C		D	
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?	Yes	No	Yes	No	Yes	No	Yes	No
			X		X		X		
2	Are there any lease arrangements that may result in private business use of bond-financed property?		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		
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		
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	0%		0%		0%		%	
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	0%		0%		0%		%	
7	Does the bond issue meet the private security or payment test?		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		
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?								
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		

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		
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X		X		X		
b	Exception to rebate?	X		X		X			
c	No rebate due?		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			
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X	X			
b	Name of provider	SEE SCHEDULE O				SEE SCHEDULE O			
c	Term of hedge	22 300000000000				22 300000000000			
d	Was the hedge superintegrated?		X				X		
e	Was a hedge terminated?		X				X		

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		
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		
7	Has the organization established written procedures to monitor the requirements of section 148?		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		X		X			

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

Identifier	Return Reference	Explanation
SCHEDULE K	TAX-EXEMPT BOND ISSUES	CUSIP NUMBERS OF BONDS ISSUED ON 04/20/2005 ARE 793309HM0, 793309HN8 AND 793309HP3 HEDGES WERE PROVIDED WITH RESPECT TO THE BOND ISSUE BY CITIBANK AND ROYAL BANK OF CANADA
SCHEDULE K, PART II, LINE 13	YEAR OF SUBSTANTIAL COMPLETION	DUE TO REFUNDING, YEAR OF SUBSTANTIAL COMPLETION IS NOT APPLICABLE
SCHEDULE K, PART III, LINE 4	PRIVATE BUSINESS USE PERCENTAGE	ON THE ADVICE OF BOND COUNSEL ALL CHILDRENS HOSPITAL, INC HAS ADDED COST OF ISSUANCE REPORTED IN PART II TO THE PRIVATE BUSINESS USE PERCENTAGE
SCHEDULE K, PART III, LINES 7-9	NONQUALIFIED BONDS	THE ORGANIZATION ANSWERED 'NO' BECAUSE IT HAS NO NONQUALIFIED BONDS

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 ALL CHILDREN'S HOSPITAL INC ATTN FINANCE DEPT 9010	Employer identification number 59-0683252
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Identifier	Return Reference	Explanation
COMMON PAY MASTER	FORM 990, PART V, QUESTION 2A	
	FORM 990, PART VI, SECTION A, LINE 4	EFFECTIVE APRIL 1, 2011 THE JOHNS HOPKINS HEALTH SYSTEM CORPORATION BECAME THE SOLE MEMBER OF ALL CHILDREN'S HEALTH SYSTEM, INC THE BYLAWS HAVE BEEN AMENDED AND RESTATED IN MARCH 2013 FOR TECHNICAL CORRECTIONS AND TO IMPROVE CONSISTENCY
	FORM 990, PART VI, SECTION A, LINE 6	THE JOHNS HOPKINS HEALTH SY STEM CORPORATION IS THE SOLE CORPORATE MEMBER OF ALL CHILDREN'S HOSPITAL, INC
	FORM 990, PART VI, SECTION A, LINE 7A	THE JOHNS HOPKINS HEALTH SY STEM CORPORATION, A IRC 501(C)(3) TAX EXEMPT SOLE MEMBER OF ALL CHILDREN'S HOSPITAL, INC ELECTS THE BOARD OF TRUSTEES
	FORM 990, PART VI, SECTION A, LINE 7B	THE GOVERNING BODY OF ALL CHILDREN'S HOSPITAL, INC IS EMPOWERED BY ITS BYLAWS TO MAKE CER TAIN DECISIONS, ALL OTHER DECISIONS ARE SUBJECT TO APPROVAL OF THE SOLE MEMBER, THE JOHNS HOPKINS HEALTH SY STEM CORPORATION
	FORM 990, PART VI, SECTION B, LINE 11	A COPY OF THE FORM 990 WAS PROVIDED TO THE ORGANIZATION'S GOVERNING BODY BEFORE IT WAS FILED
	FORM 990, PART VI, SECTION B, LINE 12C	ALL CHILDREN'S HOSPITAL, INC HAS AN ANNUAL CONFLICT OF INTEREST DISCLOSURE PROCESS THAT HAS BEEN FORMALLY DOCUMENTED IN POLICY THE PROCESS IS FACILITATED BY THE COMPLIANCE OFFICER WITH OVERSIGHT FROM THE ALL CHILDREN'S HEALTH SY STEM (FORMER PARENT AND CURRENT AFFILIATE) BOARD'S COMPLIANCE COMMITTEE DISCLOSURES ARE REQUESTED FROM KEY EMPLOYEES, KEY CONTRACTORS, BOARD MEMBERS AND OFFICERS, AND DESIGNATED MEDICAL STAFF ALL DISCLOSURES ARE REVIEWED BY THE COMPLIANCE OFFICER SELECTED DISCLOSURES ARE REVIEWED BY THE PRESIDENT/CHIEF EXECUTIVE OFFICER A FORMAL REPORT IS MADE ANNUALLY TO THE COMPLIANCE COMMITTEE WHERE CONFLICT MANAGEMENT IS ADDRESSED FOR EMPLOYEES, CONTRACTORS, AND PHY SICIANS BOARD MEMBER DISCLOSURES ARE REVIEWED BY THE RESPECTIVE BOARD PRESIDENTS FOR CONFLICT MANAGEMENT BOARD MEMBERS ARE REQUIRED TO DECLARE ANY POTENTIAL CONFLICTS PRIOR TO CONDUCTING BUSINESS AT EACH MEETING IF A CONFLICT IS FOUND TO EXIST BY A BOARD MEMBER, THAT BOARD MEMBER IS PROHIBITED FROM VOTING
	FORM 990, PART VI, SECTION B, LINE 15	EVERY THREE YEARS AN INDEPENDENT STUDY IS CONDUCTED GATHERING INDUSTRY COMPENSATION AVERAGES FROM SELECT PEER INSTITUTIONS EVERY YEAR THE JOHNS HOPKINS BOARD OF TRUSTEES COMPENSATION COMMITTEE REVIEWS COMPENSATION AMOUNTS FOR OFFICERS AND ALL EMPLOYEES AT THE DIRECTOR AND HIGHER LEVELS
	FORM 990, PART VI, SECTION C, LINE 19	ALL CHILDREN'S HOSPITAL, INC DOES NOT MAKE ITS GOVERNING DOCUMENTS OR CONFLICT OF INTEREST POLICY AVAILABLE TO THE PUBLIC FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC THROUGH WWW DACBOND COM
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 9	CHANGE INTEREST IN NET ASSETS OF THE FOUNDATION 2,449,347 INTEREST EXPENSE ON SWAP AGREEMENT -3,342,656 NON-OPERATING SERVICES -6,000,000 CHANGE IN MARKET VALUE OF INTEREST RATE SWAPS 10,772,969 NET ASSETS RELEASED FROM RESTRICTION -322,712 TRANSFER BETWEEN AFFILIATES -10,444,070

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
ALL CHILDREN'S HOSPITAL INC
ATTN FINANCE DEPT 9010

Employer identification number

59-0683252

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)					
(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)							
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
See Additional Data Table							

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproprtionate allocations?		(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	
(1) OPHTHALMOLOGY ASSOCIATES LLC 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1890957	OPHTHALMOLOGY SERVICES	MD	N/A									
(2) SUBURBAN WELLNESS CENTER LLC 20500 GOLDENROD LANE GERMANTOWN, MD 20874 56-2296930	REAL ESTATE	MD	N/A									
(3) GCM SUBURBAN IMAGING LLC 1201 SEVEN LOCKS ROAD STE 200 ROCKVILLE, MD 20854 52-2326237	OUTPATIENT RADIOLOGY	MD	N/A									
(4) ROCKVILLE IMAGING LLC 1201 SEVEN LOCKS ROAD STE 200 ROCKVILLE, MD 20854 14-1944128	OUTPATIENT RADIOLOGY	MD	N/A									
(5) CHEVY CHASE IMAGING LLC 1201 SEVEN LOCKS ROAD STE 200 ROCKVILLE, MD 20854 14-1944126	RADIOLOGY SERVICES	MD	N/A									

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) HCP VENTURE ONE CORPORATION 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1558858	MEDICAL SERVICES	MD	N/A	C					No
(2) HSI MEDICAL SERVICES CORPORATION 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1847705	HEALTHCARE-SLEEP DIAGNOSTICS	MD	N/A	C					No
(3) HOWARD COUNTY HEALTH SERVICES INC 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1434783	HEALTHCARE MANAGEMENT	MD	N/A	C					No
(4) JOHNS HOPKINS MEDICAL MANAGEMENT CORPORATION 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1250028	NURSING SERVICES	MD	N/A	C					No
(5) JOHNS HOPKINS EMPLOYER HEALTH PROGRAMS INC 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1947678	BENEFIT PLANS	MD	N/A	C					No
(6) TCAS INC 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1979344	NURSING SERVICES	MD	N/A	C					No
(7) SUBURBAN HEALTH ENTERPRISES INC 8600 OLD GEORGETOWN ROAD BETHESDA, MD 20814 52-2052352	MEDICAL OFFICE LEASING AND RELEASING	MD	N/A	C					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	1a		No
b	Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c	Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d	Loans or loan guarantees to or for related organization(s)	1d		No
e	Loans or loan guarantees by related organization(s)	1e		No
f	Dividends from related organization(s)	1f		No
g	Sale of assets to related organization(s)	1g		No
h	Purchase of assets from related organization(s)	1h		No
i	Exchange of assets with related organization(s)	1i		No
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	Yes	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	Yes	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		No
o	Sharing of paid employees with related organization(s)	1o		No
p	Reimbursement paid to related organization(s) for expenses	1p		No
q	Reimbursement paid by related organization(s) for expenses	1q		No
r	Other transfer of cash or property to related organization(s)	1r		No
s	Other transfer of cash or property from related organization(s)	1s		No

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

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: 59-0683252

Name: ALL CHILDREN'S HOSPITAL INC
ATTN FINANCE DEPT 9010

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation							
Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust									
(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
HCP VENTURE ONE CORPORATION 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1558858	MEDICAL SERVICES	MD	N/A	C					No
HSI MEDICAL SERVICES CORPORATION 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1847705	HEALTHCARE-SLEEP DIAGNOSTICS	MD	N/A	C					No
HOWARD COUNTY HEALTH SERVICES INC 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1434783	HEALTHCARE MANAGEMENT	MD	N/A	C					No
JOHNS HOPKINS MEDICAL MANAGEMENT CORPORATION 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1250028	NURSING SERVICES	MD	N/A	C					No
JOHNS HOPKINS EMPLOYER HEALTH PROGRAMS INC 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1947678	BENEFIT PLANS	MD	N/A	C					No
TCAS INC 3910 KESWICK RD SOUTH BLDG 4TH FL S BALTIMORE, MD 21211 52-1979344	NURSING SERVICES	MD	N/A	C					No
SUBURBAN HEALTH ENTERPRISES INC 8600 OLD GEORGETOWN ROAD BETHESDA, MD 20814 52-2052352	MEDICAL OFFICE LEASING AND RELEASING	MD	N/A	C					No

All Children's Hospital, Inc.

Financial Statements

June 30, 2013 and 2012

All Children's Hospital, Inc.

Index

June 30, 2013 and 2012

	Page(s)
Report of Independent Certified Public Accountants	1
Financial Statements	
Balance Sheets	2
Statements of Operations and Changes in Net Assets	3
Statements of Cash Flows	4
Notes to Financial Statements	5–31



Report of Independent Certified Public Accountants

To the Board of Trustees of
All Children's Hospital, Inc.

We have audited the accompanying financial statements of All Children's Hospital, Inc. (the "Company"), which comprise the balance sheets as of June 30, 2013 and 2012, and the related statements of operations and changes in net assets, and of cash flows for the years then ended.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 our 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, we consider internal control relevant to the Company'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 Company'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 All Children's Hospital, Inc. at June 30, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script, appearing to read 'PricewaterhouseCoopers LLP'.

September 27, 2013

All Children's Hospital, Inc.
Balance Sheets
June 30, 2013 and 2012

(in thousands)

	2013	2012
Assets		
Current assets		
Cash and cash equivalents	\$ 117,001	\$ 102,913
Short-term investments	776	805
Patient accounts receivable, less allowance for uncollectible accounts of \$10,775 and \$9,684	35,386	35,538
Inventories of supplies	8,600	7,428
Prepaid expenses and other current assets	11,083	7,677
Due from affiliates, net	9,614	6,989
Total current assets	<u>182,460</u>	<u>161,350</u>
Assets whose use is limited by others	11,993	14,226
Assets whose use is limited by Board of Trustees	12,821	12,798
Interest in net assets of the Foundation	70,850	68,401
Long-term investments	213,089	192,411
Property, plant and equipment	505,385	490,388
Less Allowance for depreciation and amortization	<u>(83,268)</u>	<u>(48,187)</u>
Total property, plant and equipment, net	<u>422,117</u>	<u>442,201</u>
Estimated malpractice recoveries	6,008	3,612
Other assets	11,867	11,905
Total assets	<u>\$ 931,205</u>	<u>\$ 906,904</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued liabilities	\$ 42,932	\$ 44,137
Accrued vacation	7,321	7,004
Advances from third-party payors	8,914	9,989
Current portion of estimated professional liability costs	8,670	2,748
Current portion of long-term debt and obligations under capital leases	5,022	4,770
Total current liabilities	<u>72,859</u>	<u>68,648</u>
Long-term debt and obligations under capital leases, less current portion	211,119	215,814
Estimated professional liability costs, net of current portion	22,573	21,858
Interest rate swap agreements	23,501	34,274
Other liabilities	1,269	1,299
Total liabilities	<u>331,321</u>	<u>341,893</u>
Commitments and contingencies		
Net assets		
Unrestricted	577,157	539,326
Temporarily restricted	9,716	13,231
Permanently restricted	13,011	12,454
Total net assets	<u>599,884</u>	<u>565,011</u>
Total liabilities and net assets	<u>\$ 931,205</u>	<u>\$ 906,904</u>

The accompanying notes are an integral part of these financial statements

All Children's Hospital, Inc.
Statements of Operations and Changes in Net Assets
For the Years Ended June 30, 2013 and 2012

(in thousands)

	2013	2012
Unrestricted revenues and other support		
Patient service revenue before bad debts	\$ 369,333	\$ 355,685
Provision for bad debts	(10,370)	(8,926)
Net patient service revenue	358,963	346,759
Other revenues	33,252	34,159
Investment income	3,933	4,522
Net assets released from restrictions used for operations	649	267
Total unrestricted revenues and other support	396,797	385,707
Expenses		
Salaries, wages and benefits	193,949	182,951
Supplies	58,353	56,578
Purchased services	78,888	66,442
Depreciation and amortization	36,518	38,730
Interest expense	6,253	5,933
Total expenses	373,961	350,634
Income from operations	22,836	35,073
Nonoperating gains (losses), net		
Net realized and changes in unrealized gains (losses) on investments	18,709	(8,869)
Interest expense on swap agreements	(3,343)	(3,328)
Nonoperating services	(6,000)	(6,000)
Loss on debt extinguishment	-	(47)
Change in market value of interest rate swap agreements	10,773	(18,082)
Change in unrestricted interest in net assets of the Foundation	2,085	1,303
Total nonoperating gains (losses), net	22,224	(35,023)
Excess of revenues, gains, and other support over expenses	45,060	50
Change in unrestricted net assets		
Contributions to affiliates, net	(10,437)	(15,913)
Net assets released from restrictions used for purchase of property and equipment	3,208	620
Increase (decrease) in unrestricted net assets	37,831	(15,243)
Change in temporarily restricted net assets		
Gifts, grants, and bequests	477	1,054
Change in temporarily restricted interest in net assets of the Foundation	(135)	(86)
Net assets released from restrictions used for purchase of property and equipment	(3,208)	(620)
Net assets released from restrictions	(649)	(267)
(Decrease) increase in temporarily restricted net assets	(3,515)	81
Change in permanently restricted net assets		
Change in fair value of gifts, grants, and bequests	58	(114)
Change in permanently restricted interest in net assets of the Foundation	499	(612)
Increase (decrease) in permanently restricted net assets	557	(726)
Increase (decrease) in net assets	34,873	(15,888)
Net assets		
Beginning of year	565,011	580,899
End of year	\$ 599,884	\$ 565,011

The accompanying notes are an integral part of these financial statements

All Children's Hospital, Inc.
Statements of Cash Flows
For the Years Ended June 30, 2013 and 2012

(in thousands)

	2013	2012
Operating activities		
Change in net assets	\$ 34,873	\$ (15,888)
Adjustments to reconcile change in net assets to the net cash and cash equivalents provided by operating activities		
Depreciation and amortization	36,518	38,730
Restricted contributions and investment income	(477)	(1,054)
Net realized and changes in net unrealized (gains) losses on investments	(18,709)	8,869
Change in market value of interest rate swap agreements	(10,773)	18,082
Contributions to affiliates	10,437	15,913
Other	(1,955)	(739)
Provision for bad debts	10,370	8,926
Changes in operating assets and liabilities		
Patient accounts receivable	(10,218)	(12,855)
Inventories of supplies, prepaid expenses and other current assets	(6,936)	388
Due from affiliates, net	(2,625)	126
Accounts payable, accrued liabilities and accrued vacation	(1,042)	7,386
Advances from third-party payors	(1,075)	1,442
Estimated professional liability costs	6,637	1,860
Net cash and cash equivalents provided by operating activities	<u>45,025</u>	<u>71,186</u>
Investing activities		
Purchases of property, plant and equipment	(12,269)	(19,463)
Proceeds from sales of property, plant and equipment	22	65
Purchases of investment securities	(53,662)	(447,975)
Sales of investment securities	53,932	445,151
Net cash used in investing activities	<u>(11,977)</u>	<u>(22,222)</u>
Financing activities		
Repayment of long-term debt	(4,270)	(106,550)
Proceeds from long-term borrowings	-	102,400
Other financing activities-payments on obligations under capital leases	(496)	(385)
Contributions to affiliates	(14,671)	(15,913)
Proceeds from restricted contributions and investment income received	477	1,054
Net cash used in financing activities	<u>(18,960)</u>	<u>(19,394)</u>
Increase in cash and cash equivalents	14,088	29,570
Cash and cash equivalents		
Beginning of year	102,913	73,343
End of year	<u>\$ 117,001</u>	<u>\$ 102,913</u>
Supplemental disclosure of noncash transactions		
Anticipated insurance recoveries on estimated professional liability costs	\$ 2,396	\$ 3,612
Transfer of property, plant and equipment from All Children's Health System, Inc	\$ 4,234	\$ -

The accompanying notes are an integral part of these financial statements

All Children's Hospital, Inc.

Notes to Financial Statements

For the Years Ended June 30, 2013 and 2012

1. Organization and Summary of Significant Accounting Policies

Organization All Children's Hospital, Inc. (the "Hospital") is a nonprofit hospital corporation that operates a 259-bed pediatric specialty hospital located in St. Petersburg, Florida. The Hospital was originally chartered in 1928 as the American Legion Hospital for Children and in 1967 it was licensed with 113 inpatient hospital beds and became All Children's Hospital, Inc.

In 1985, All Children's Health System, Inc., (the "Health System") a separate nonprofit corporation, was formed to create a health care delivery system. Effective October 1, 1985, the Health System became the sole corporate member of the Hospital. Effective April 1, 2011, the Johns Hopkins Health System Corporation ("JHHS") located in Baltimore, Maryland became the sole corporate member of the Health System. Also effective April 1, 2011, JHHS replaced the Health System as sole corporate member of the Hospital.

The transaction with JHHS contemplates a significant 10-year investment by the Hospital to create a premiere children's hospital with world-class faculty and physicians. The Hospital anticipates that this investment will be needed to recruit junior and senior faculty including researchers, build several centers of excellence, establish a world-class pediatric residency program and for plant and equipment. Furthermore, the Hospital plans to fund this investment through a combination of operating cash flow, philanthropy and grant funds. Under certain limited circumstances JHHS may withdraw as the sole member of the Hospital or the Hospital may cause JHHS to withdraw as sole member of the Hospital if certain terms of the agreement between JHHS and the Hospital are not met by either party. Under these circumstances, the Hospital has agreed to reimburse JHHS for its direct and indirect transition costs associated with JHHS withdrawal as sole member.

The Hospital is affiliated with the following Health System entities:

- All Children's Hospital Foundation, Inc. (the "Foundation")
- Pediatric Physician Services, Inc. ("PPS")
- West Coast Neonatology, Inc. ("WCN")
- Kids Home Care, Inc. ("KHC")
- All Children's Research Institute, Inc. ("ACRI")
- SurgiKid of Florida, Inc. ("SurgiKid")
- ACHPOB, Inc. ("ACHPOB")

PPS and WCN are collectively known as All Children's Specialty Physicians ("ACSP")

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

Basis of Presentation The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents Cash and cash equivalents include amounts invested in accounts with depository institutions which are readily convertible to cash, with original maturities of three months or less, excluding amounts limited as to use by the Hospital Board of Trustees (the "Board") designation. Total deposits maintained at these institutions at times exceed the amount insured by

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

federal agencies and, therefore, bear a risk of loss. The Hospital has not experienced any such losses on these funds.

Inventories Inventories of supplies are composed of medical supplies and pharmaceuticals and are recorded at the lower of cost or market using the first-in, first-out method.

Assets Whose Use is Limited Assets whose use is limited are recorded at fair value. Investment income or losses on investments of temporarily or permanently restricted assets is recorded as an increase or decrease in unrestricted, temporarily restricted or permanently restricted net assets to the extent restricted by the donor or law. The cost of securities sold is based on the specific identification method. Assets whose use is limited include assets restricted by the Board for future capital improvements and workers' compensation self-insurance funds (over which the Board retains control, and may, at its discretion, subsequently use for other purposes). These assets consist primarily of cash and cash equivalents, long-term investments, beneficial trusts and accrued interest. The carrying amounts reported in the Balance Sheets approximate fair value.

Beneficial Trusts The Hospital is the beneficiary of certain trusts included in assets whose use is limited and permanently restricted net assets for which earned income is available to the Hospital for unrestricted or specific purposes as directed by the donor. These trusts are administered by various financial institutions.

Investments and Investment Income Investments in equity securities with readily determinable fair values and all investments in debt securities are recorded at fair value in the Balance Sheets. Debt and equity securities traded on a national securities and international exchange are valued as of the last reported sales price on the last business day of the fiscal year, investments traded on the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and ask prices.

Investments include equity method investments in managed funds, which include hedge funds, private partnerships and other investments which do not have readily ascertainable fair values and may be subject to withdrawal restrictions. Investments in hedge funds, private partnerships, and other investments in managed funds (collectively "alternative investments"), are accounted for under the equity method. The equity method income or loss from these alternative investments is included in the Statements of Operations and Changes in Net Assets as an unrealized gain or loss above excess of revenues over expenses.

Alternative investments are less liquid than the Hospital's other investments. These instruments may contain elements of both credit and market risk. Such risks include, but are not limited to, limited liquidity, absence of oversight, dependence upon key individuals, emphasis on speculative investments, and nondisclosure of portfolio composition.

Investment income earned on cash, cash equivalents and investment balances (interest and dividends) is reported in the operating income section of the Statements of Operations and Changes in Net Assets under "Investment income." Realized gains or losses related to the sale of investments and realized gains or losses on alternative investments, are included in the non-operating section of the Statements of Operations and Changes in Net Assets in excess of revenues over expenses unless the income or loss is restricted by donor or law.

Property, Plant and Equipment Property, plant and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Equipment under capital lease obligations is amortized on

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

the straight-line method over the shorter period of lease term or estimated useful life of the equipment. Estimated useful lives assigned by the Hospital range from 3 to 25 years for land improvements, 3 to 40 years for buildings and improvements, 3 to 25 years for fixed and movable equipment, and 4 to 20 years for leasehold improvements. Interest costs incurred on borrowed funds, net of income earned, during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. Repair and maintenance costs are expensed as incurred. When property, plant and equipment are retired, sold or otherwise disposed of, the asset's carrying amount and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations.

The cost of software is capitalized provided the cost of the project is at least \$30 thousand and the expected life is at least two years. Costs include payment to vendors for the purchase of software and assistance in its installation, payroll costs of employees directly involved in the software installation, and the interest costs of the software project. Preliminary costs to document system requirements, vendor selection, and any costs incurred before the software purchase are expensed. Capitalization of costs ends when the project is completed and is ready to be used. Where implementation of the project is in phases, only those costs incurred which further the development of the project will be capitalized. Costs incurred to maintain the system are expensed.

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

Impairment of Long-Lived Assets Long-lived assets are reviewed for impairment when events and circumstances indicate that the carrying amount of an asset may not be recoverable. The Hospital's policy is to record an impairment loss when it is determined that the carrying amount of the asset exceeds the sum of the expected undiscounted future cash flows resulting from use of the asset and its eventual disposition. Impairment losses are measured as the amount by which the carrying amount of the asset exceeds its fair value and are reported in the non-operating section of the Statements of Operations and Changes in Net Assets. Long-lived assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. No impairment charges were recorded in the years ended June 30, 2013 and 2012.

Impairment of Intangible Assets Intangible assets are reviewed for impairment annually and more often if impairment indicators arise. There were no impairment charges recorded for the years ended June 30, 2013 and 2012.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

Estimated Malpractice Costs The provision for estimated medical malpractice claims includes estimates of the ultimate gross costs for both reported claims and claims incurred but not reported. Additionally, an insurance recovery has been recorded representing the amount expected to be recovered from third-party insurance.

Accounts Payable and Accrued Liabilities The Hospital records liabilities for goods and services received but not yet paid. As of June 30, 2013 and 2012, accounts payable and accrued liabilities consisted of (in thousands):

	2013	2012
Accounts payable	\$ 12,630	\$ 14,950
Accrued expenses	5,480	6,269
Employee compensation, payroll taxes and withholdings payable	18,967	17,025
Indigent care taxes	5,855	5,893
	<u>\$ 42,932</u>	<u>\$ 44,137</u>

Accrued Vacation The Hospital records a liability for amounts due to employees for future absences which are attributable to services performed in the current and prior periods.

Derivative Financial Instruments The Hospital maintains three interest rate swap agreements to mitigate the Hospital's cash flow risk relating to changes in the variable interest rates of its Series 2012 Bonds. The Hospital pays interest at fixed rates and receives interest at variable rates. All swap agreements are recorded at fair value on the Balance Sheets. Changes in the fair value of these swap agreements are recorded in nonoperating gains (losses), net on the Statements of Operations and Changes in Net Assets.

Temporarily and Permanently Restricted Net Assets Temporarily restricted net assets are those whose use has been limited by donors or law to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. Income generated from these assets is available as restricted by the donor or for general program support.

Grants, Contracts, and Awards Revenue Income from grants, contracts, and awards is recognized as the requirements of the grants, contracts, or awards are met. The amounts are recorded in other revenues on the Statements of Operations and Changes in Net Assets. Grant monies received and disbursed by the Hospital are for specific purposes and are subject to audit by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures.

The Hospital does not believe that these disallowances, if any, would have a material effect on the financial position or the results of operations of the Hospital.

Net Patient Service Revenue The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts other than its established rates. Payment arrangements include cost-based reimbursement, per diem payments, prospectively determined rates per discharge, discounted charges and fee schedules. Net patient service revenue are reported at estimated net realizable amounts due from patients, third-party payors, and others for services rendered, and include estimated retroactive revenue adjustments due to future audits and reviews. Retroactive adjustments are estimated and are considered in the recognition of revenue in the

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

period the services are rendered. Such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits and reviews.

Excess of Revenues, Gains, and Other Support over Expenses. The Statements of Operations and Changes in Net Assets include excess of revenues, gains, and other support over expenses. Changes in unrestricted net assets that are excluded from excess of revenues, gains, and other support over expenses consistent with industry practice include transfers to and from affiliates, contributions of long-lived assets, and assets acquired under donor restrictions.

Income Taxes. The Hospital is a not-for-profit organization that qualifies under Section 501(c)(3) of the Internal Revenue Code and from state income taxes pursuant to Chapter 220 of the Florida Statutes, and is therefore not subject to tax under current income tax regulations.

FASB's guidance on accounting for uncertainty in income taxes clarifies the accounting for uncertainty of income tax positions. This guidance defines the threshold for recognizing tax return positions in the financial statements as "more likely than not" that the position is sustainable, based on its technical merits. The guidance also provides guidance on the measurement, classification and disclosure of tax return positions in the financial statements. There was no impact on the Hospital's financial statements during the years ended June 30, 2013 and 2012.

Nonoperating Gains (Losses), Net. For purposes of display, transactions deemed by management to be ongoing, major, or central to the provision of health care services are reported as revenues and expenses. Peripheral or incidental transactions are reported as nonoperating gains (losses), net. For the years ended June 30, 2013 and 2012, nonoperating gains (losses), net are comprised primarily of realized and unrealized gains (losses) on investments, nonoperating services, changes in unrestricted interest in the net assets of the Foundation, and interest paid and changes in market value on interest rate swap agreements.

Interest in Net Assets of the Foundation. Interest in net assets of the Foundation represents contributions received on behalf of the Hospital by the affiliated Foundation. Permanently restricted net assets have been restricted by donors and are maintained by the Hospital in perpetuity.

Donor-Restricted Net Assets. Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Unconditional promises to give cash to the Hospital that are due in greater than one year are discounted using a rate of return that the Hospital would expect to receive at the date the pledge is received. Conditional promises to give and indications of intentions to give are reported at fair value on the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose for the restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the Statements of Operations and Changes in Net Assets as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

Fair Values. The carrying value of financial assets and liabilities classified as current approximates fair value with the exception of due from affiliates. The fair value of other financial instruments (i.e., long-term debt) is disclosed in the accompanying footnotes.

Recently Issued Accounting Pronouncements. In August 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2010-23, *Health Care*

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

Entities (Topic 954) Measuring Charity Care for Disclosure, which prescribes a specific measurement basis of charity care for disclosure. The new guidance is effective for fiscal years beginning after December 15, 2010, with retrospective application required and early adoption is permitted. The Hospital adopted this guidance as of July 1, 2011 and the expanded disclosure is present under the Community Benefit heading of Footnote 2.

In August 2010, the FASB issued ASU 2010-24, *Health Care Entities (Topic 954) Presentation of Insurance Claims and Recoveries*, which prohibits health care entities from netting projected insurance recoveries against the related liabilities and/or reserves in their Balance Sheets (e.g., professional liability claims and expenses). The modified accounting standard permitted early adoption, however, it is required to be adopted for interim periods beginning after December 15, 2010. The Hospital adopted this guidance in the prior fiscal year which resulted in an increase to anticipated insurance recoveries (included in other long-term assets) and estimated professional liability costs, net of current portion of \$3.6 million in the prior year and \$6.0 million in the current year.

Effective July 1, 2012, the Hospital adopted the provisions of ASU 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, which applies to health care entities that recognize a significant amount of patient service revenue at the time services are rendered even though the entities do not assess a patient's ability to pay. This ASU requires health care entities to present the provision for bad debts related to patient service revenue as a deduction from patient service revenue on the face of the Statements of Operations and Changes in Net Assets. The adoption of this ASU was made retrospectively, therefore the provision for bad debts for the prior period was reclassified to conform to the new presentation.

Effective July 1, 2012, the Hospital adopted the provisions of ASU 2011-04, *Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS*, including an amendment to ASC 820, *Fair Value Measurements*. ASU 2011-04 changes the wording used to describe many of the requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. This update includes amendments that clarify the FASB's intent about the application of existing fair value measurement requirements. Other amendments change a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements. The adoption of ASU 2011-04 had no effect on the Hospital's Balance Sheets and Statements of Operations and Changes in Net Assets.

Reclassifications. Certain reclassifications have been made to the Balance Sheet as of June 30, 2012 to conform to the June 30, 2013 presentation. These reclassifications had no effect on net assets previously reported.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

2. Net Patient Service Revenue, Accounts Receivable, and Allowance for Uncollectible Accounts

Concentrations of Credit Risk The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under governmental or third-party payor agreements. The Hospital does not charge interest on accounts receivable. Approximately 25.9% of patient accounts receivable were due from the Medicaid program, 1.5% from the Medicare program, 13.3% from Blue Cross and Blue Shield, 48.4% from self pay and other third-party payors, and 10.9% from Medicaid managed care organizations as of June 30, 2013. Approximately 27.2% of patient accounts receivable were due from the Medicaid program, 0.7% from the Medicare program, 11.9% from Blue Cross and Blue Shield, 49.4% from self pay and other third-party payors, and 10.8% from Medicaid managed care organizations as of June 30, 2012. The credit risk for other concentrations of receivables is limited due to the large number of insurance companies and other payors that provide payments for services.

Accounts Receivable and Allowance for Uncollectible Accounts Patient accounts receivable are reported net of estimated allowances for uncollectible accounts and contractual adjustments in the accompanying financial statements. The provision for bad debts is based upon a combination of the payor source, the aging of receivables and management's assessment of historical and expected net collections, trends in health insurance coverage, and other collection indicators. For uninsured patients that do not qualify for charity care, the Hospital recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a significant portion of the Hospital's uninsured patients will be unable or unwilling to pay for the services provided. Thus, a significant provision for bad debts is recorded related to uninsured patients in the period services are provided. Management continuously assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience and payment trends by payor classification.

Patient service revenue, net of contractual allowances (but before the provision for bad debts), recognized in the year ended June 30, 2013 is as follows:

	<u>Third-Party Payors</u>	<u>Self-pay</u>	<u>Total All Payors</u>
Patient service revenue (net of contractual allowances)	\$ 364,118	\$ 5,215	\$ 369,333

Patient service revenue, net of contractual allowances (but before the provision for bad debts), recognized in the year ended June 30, 2012 is as follows:

	<u>Third-Party Payors</u>	<u>Self-pay</u>	<u>Total All Payors</u>
Patient service revenue (net of contractual allowances)	\$ 351,570	\$ 4,115	\$ 355,685

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts other than its established rates. A summary of the significant payment arrangements with major third-party payors follows:

Medicaid Inpatient and outpatient services provided by the Hospital rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. Reimbursable cost is determined in accordance with the principles of reimbursement established by the State of Florida.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

Title XIX Hospital Reimbursement Plan supplemented by the Medicare Principles of Reimbursement. The interim rates are tentatively established on an individual per diem basis for each hospital, subject to cost ceilings with exceptions. The Hospital is reimbursed at a tentative rate with final settlement determined when the prospectively determined rate is adjusted as a result of intermediary audit of the cost report used in the establishment of the prospective rate. Retroactive adjustments for interim rate changes anticipated after the intermediary audit of the cost report are accrued on an estimated basis in the period when final settlements are determined. Approximately 50% and 53% of the Hospital's net patient service revenue was derived from the Medicaid program for the year ended June 30, 2013 and June 30, 2012 respectively.

The Hospital's Medicaid interim rates are based on the Medicaid cost report which has been audited by the fiscal intermediary for the cost report years 2001, 2002, 2005, 2006 and 2007. However, final audited rates have not been issued by Medicaid as of June 30, 2013. Estimated impact of the anticipated change in interim rates after audit of the cost reports were recorded at year end. The Medicaid interim rates have been final settled for the years 2003 and 2004 in prior years. Substantial time elapses between receipt of a final audited cost report and the actual processing of the audited rates by the State of Florida ("State") Agency for Health Care Administration ("AHCA").

Managed Care Contracts and Other The Hospital has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The Hospital has also entered into agreements under which it performs certain procedures for patients of other area hospitals. The basis for payment to the Hospital under these agreements includes daily rates, rates per discharge, discounts from established charges, and fee schedules.

Other Government Funding The Hospital is eligible to receive Low Income Pool ("LIP") payments from the State. The Hospital's policy is to recognize income as amounts are appropriated and collection is reasonably assured. The receipt of future distributions is contingent upon future State legislative action and Federal government concurrence. During the years ended June 30, 2013 and 2012, the Hospital recorded approximately \$5.5 million and \$5.6 million, respectively for payments received and accrued under the LIP program. These amounts are included in net patient service revenue in the Statements of Operations and Changes in Net Assets.

The Hospital is also eligible to receive an annual distribution from the Health Resources and Services Administration under the Children's Hospital Graduate Medical Education program, as funded annually by the United States Congress. During the years ended June 30, 2013 and 2012, the Hospital received approximately \$1.8 million and \$2.1 million, respectively, in payments under this program. These amounts are included in net patient service revenue in the Statements of Operations and Changes in Net Assets.

Medicare Inpatient and most outpatient services related to Medicare beneficiaries are paid based on a cost reimbursement methodology subject to certain limitations. The Hospital is reimbursed at a tentative rate with final amounts determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through September 30, 2011.

Community Benefit The Hospital provides health care and supports research, education, advocacy, and health-related services to children and the community at large. Community benefits are quantified based upon guidelines consistent with other not-for-profit health care organizations and government guidelines. Community benefits include charity care, subsidized government

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

indigent care programs, community health services, health professional education, subsidized health services, research, financial contributions, and community building activities

The Hospital provides care to patients who meet criteria under its charity care policy without charge or at amounts less than its established rates. The Hospital does not pursue collection of amounts determined to qualify as charity care, and they are not reported as revenue. Charity care is reported based upon criteria established by the Hospital and the costs of providing charity care are considered a community benefit.

The Hospital also provides services to indigent patients who meet criteria established by Medicaid and other governmental programs at amounts that are less than the cost of providing the services. The unreimbursed costs attributable to providing these services are considered a community benefit.

The Hospital maintains records to identify and monitor the level of charity and subsidized government indigent care it provides. These records include the unpaid direct and indirect costs attributable to providing this care. These costs are determined by calculating a ratio of cost to gross charges. This ratio is then multiplied by the gross uncompensated charges associated with providing care to charity patients and subsidized government indigent care patients.

The following is a summary of the costs of providing charity care and the unreimbursed costs of Medicaid and other subsidized indigent care programs for the years ended June 30, 2013 and 2012 (in thousands):

	2013	2012
Cost of charity care	\$ 2,165	\$ 3,797
Costs of Medicaid and government-subsidized indigent care programs	<u>24,673</u>	<u>14,261</u>
Total costs of charity and indigent care	<u>\$ 26,838</u>	<u>\$ 18,058</u>

The Hospital sponsors and participates in numerous community health services, including classes, support programs, screenings, community education, and physician referral. These include diabetic education, health screenings, parent support groups, child automobile passenger safety programs, the Fit4Allkids childhood obesity program, and the Safe Kids program.

The Hospital provides health professional education through its affiliation with the University of South Florida College of Medicine pediatric and internal medicine residency programs. In addition, the Hospital provides formal nursing training through internal programs and affiliations with various nursing schools. The Hospital also provides continuing professional education to its physicians and nursing staff through weekly Grand Rounds, sponsorship of several annual professional conferences and other education opportunities.

The Hospital subsidizes certain health services that are provided to meet the unique health care needs of the pediatric community. These include subsidies for pediatric trauma, allergy and immunology, endocrinology, nephrology, and emergency medical transportation programs.

The Hospital provides other community benefits through financial and in-kind donations, community-building and leadership activities, and support of community benefit operations.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

The following is a summary of the costs of community health services, health professional education, subsidized health services and other community building activities for the years ended June 30, 2013 and 2012 (in thousands)

	2013	2012
Community health services	\$ 2,598	\$ 1,536
Health professional education	5,200	4,425
Subsidized health services	4,322	3,919
Other community building activities	1,031	788
	<u>13,151</u>	<u>10,668</u>
Total costs of charity and indigent care	<u>26,838</u>	<u>18,058</u>
Total community benefits	<u>\$ 39,989</u>	<u>\$ 28,726</u>

In addition to the charity and indigent care services noted above, an assessment of 1.0% to 1.5% of net patient service revenue is paid by the Hospital to help fund the Florida Medicaid and indigent care program. This assessment totaled approximately \$4.8 million and \$4.7 million for the years ended June 30, 2013 and 2012, respectively.

3. Investments and Assets Whose Use is Limited

Investments (short and long-term) consisted of the following as of June 30, 2013 and 2012 (in thousands)

	2013	2012
U.S. treasuries and municipal bonds	\$ 1,711	\$ 1,641
Certificates of deposit	550	550
Corporate bonds	22,259	22,423
Asset backed securities	3,656	5,179
Fixed income funds	22,851	23,372
Equities and equity funds	100,913	83,826
Alternative investments	61,925	56,225
	<u>\$ 213,865</u>	<u>\$ 193,216</u>

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

Assets Whose Use is Limited

Assets whose use is limited stated at fair value include as of June 30, 2013 and 2012 (in thousands)

	2013	2012
Cash equivalents	\$ 1,108	\$ 996
U S treasuries and municipal bonds	182	121
Corporate bonds	2,357	2,906
Asset backed securities	387	715
Fixed income funds	2,656	2,028
Equities and equity funds	10,593	11,831
Beneficial trusts	1,088	1,030
Alternative investments	6,443	7,397
	<u>\$ 24,814</u>	<u>\$ 27,024</u>

Gains and losses on assets whose use is limited, cash and cash equivalents, and short-term and long-term investments, include as of June 30, 2013 and 2012 (in thousands)

	2013	2012
Unrestricted		
Excess of revenues, gains, and other support over expenses		
Interest and dividend income (net of investment management expenses of \$413 thousand and \$527 thousand)	\$ 3,933	\$ 4,522
Realized gains (losses) on investments	2,271	(2,293)
Unrealized gains (losses) on investments	16,438	(6,576)
	<u>\$ 22,642</u>	<u>\$ (4,347)</u>
Temporarily restricted		
Changes in temporarily restricted net assets		
Interest and dividend income	\$ 58	\$ 95
Realized gains (losses) on investments	4	(44)
	<u>\$ 62</u>	<u>\$ 51</u>
Permanently restricted		
Changes in permanently restricted net assets		
Unrealized gains (losses) on investments	\$ 58	\$ (114)

4. Fair Value Measurements

FASB's guidance on the fair value option for financial assets and financial liabilities permits companies to choose to measure many financial assets and liabilities, and certain other items at fair value. This guidance requires a company to record unrealized gains and losses on items for which the fair value option has been elected in its performance indicator. The fair value option may be applied on an instrument by instrument basis. Once elected, the fair value option is irrevocable for that instrument. The fair value option can be applied only to entire instruments and not to portions thereof. The Hospital did not elect fair value accounting for any asset or liability that were not currently required to be measured at fair value.

The Hospital adopted FASB's guidance on fair value measurements, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

transaction between market participants at the measurement date, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements. This guidance applies to other accounting pronouncements that require or permit fair value measurements and, accordingly, this guidance does not require any new fair value measurements.

The FASB's guidance establishes valuation techniques such as the market approach, cost approach and income approach. The guidance establishes a three-tier level hierarchy for fair value measurements based upon the transparency of inputs used to value an asset or liability as of the measurement date. The three-tier hierarchy prioritizes the inputs used in measuring fair value as follows:

Level 1 – Observable inputs such as quoted market prices for identical assets or liabilities in active markets,

Level 2 – Observable inputs for similar assets or liabilities in an active market, or other than quoted prices in an active market that are observable either directly or indirectly, and

Level 3 – Unobservable inputs in which there is little or no market data that require the reporting entity to develop its own assumptions. There are no assets valued using level 3 inputs as of June 30, 2013 or 2012.

The financial instrument's categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Each of the financial instruments below has been valued utilizing the market approach.

The following table presents the financial instruments carried at fair value as of June 30, 2013 grouped by hierarchy level (in thousands):

	Level 1	Level 2	Total Fair Value
Assets			
Cash and cash equivalents	\$ 118,109	\$ -	\$ 118,109
Certificates of deposit	-	550	550
U S treasuries and municipal bonds	-	1,893	1,893
Corporate bonds	-	24,616	24,616
Asset backed securities	-	4,043	4,043
Fixed income fund	25,507	-	25,507
Beneficial trusts	-	1,088	1,088
Equities and equity funds	111,506	-	111,506
	<u>\$ 255,122</u>	<u>\$ 32,190</u>	<u>\$ 287,312</u>
Liabilities			
Interest rate swap agreements	\$ -	\$ 23,501	\$ 23,501

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

The following table presents the financial instruments carried at fair value as of June 30, 2012 grouped by hierarchy level (in thousands)

	Level 1	Level 2	Total Fair Value
Assets			
Cash and cash equivalents	\$ 102,913	\$ 996	\$ 103,909
Certificates of deposit	-	550	550
U S treasuries and municipal bonds	-	1,762	1,762
Corporate bonds	-	25,329	25,329
Asset backed securities	-	5,894	5,894
Fixed income fund	25,400	-	25,400
Beneficial trusts	-	1,030	1,030
Equities and equity funds	95,657	-	95,657
	<u>\$ 223,970</u>	<u>\$ 35,561</u>	<u>\$ 259,531</u>
Liabilities			
Interest rate swap agreements	\$ -	\$ 34,274	\$ 34,274

During 2013 and 2012, there were no transfers between level 1 and 2

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Hospital believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value as of the reporting date.

The Hospital holds alternative investments that are not traded on national exchanges or over-the-counter markets. The Hospital is provided a net asset value per share for these alternative investments that has been calculated in accordance with investment company rules, which among other requirements, indicates that the underlying investments be measured at fair value. There are no unfunded commitments related to the Hospital's alternative investments. The following table displays information by major alternative investment category as of June 30, 2013 (in thousands).

Description	Fair Market Value	Liquidity	Notice Period	Receipt of Proceeds/Other
Long-only U S equity strategy	\$ 10,636	Quarterly - last day of calendar quarter	30 days	90% within 30 days, balance after annual audited financial statements issued
International equities	9,978	Last day of each month	15 days	Within 10 days of withdrawal date
Global equity strategy	18,931	First business day of each month	5 business days	Within 14 days of withdrawal date
Real assets	16,080	Last day of each month	5 days	Within 30 days of withdrawal date
Fund of collateralized loan obligations	12,743	Monthly, first business day on or after the 15th of the month	15 days	On or prior to the fifth business day following the redemption date
	<u>\$ 68,368</u>			

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

The following table displays information by major alternative investment category as of June 30, 2012 (in thousands)

Description	Fair Market Value	Liquidity	Notice Period	Receipt of Proceeds/Other
Long-only U S equity strategy	\$ 8,982	Quarterly - last day of calendar quarter	30 days	90% within 30 days, balance after annual audited financial statements issued
International equities	8,813	Last day of each month	15 days	Within 10 days of withdrawal date
Global equity strategy	16,639	First business day of each month	5 business days	Within 14 days of withdrawal date
Real assets	17,186	Last day of each month	5 days	Within 30 days of withdrawal date
Fund of collateralized loan obligations	12,002	Monthly, first business day on or after the 15th of the month	15 days	On or prior to the fifth business day following the redemption date
	<u>\$ 63,622</u>			

The Hospital entered into interest rate swaps to manage its interest rate risk on its Series 2005 and Series 2007 variable rate debt. The Series 2005 debt has subsequently been refunded. The Hospital maintains these interest rate swaps because their notional amount approximates the principal amount outstanding of its Series 2012 Bonds that is approximately \$100.8 million and \$102.0 million as of June 30, 2013 and 2012, respectively. The valuation of these instruments is determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivative agreements, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. The Hospital also incorporates credit valuation adjustments to appropriately reflect its own credit (risk of loss due to nonpayment) and nonperformance risk (the risk the obligation will not be fulfilled), as well as the credit and nonperformance risk of the counterparty. In adjusting the fair value of the derivative contracts for the effect of nonperformance risk, the Hospital has considered the impact of netting and any applicable credit enhancements such as collateral postings, thresholds, mutual puts, and guarantees. The Hospital pays fixed rates ranging from 3.9% to 3.6% and receives cash flows based upon percentages of LIBOR, ranging from 61.8% to 62.2%, plus a spread.

Although the Hospital has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as of June 30, 2013 and 2012, the Hospital has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives. As a result, the Hospital has determined that the interest rate swap valuations are classified as Level 2 of the fair value hierarchy. See Notes 7 and 8.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

Reconciliation to the Balance Sheets

Financial assets are reflected in the Balance Sheets as of June 30, 2013 and 2012 as follows (in thousands)

	2013	2012
Cash and cash equivalents measured at fair value	\$ 118,109	\$ 103,909
Cash and cash equivalents included in assets whose use is limited	(1,108)	(996)
Total cash and cash equivalents	<u>\$ 117,001</u>	<u>\$ 102,913</u>
Short and long-term investments measured at fair value	\$ 151,940	\$ 136,991
Alternative investments accounted for under the equity method	61,925	56,225
Total short and long-term investments	<u>\$ 213,865</u>	<u>\$ 193,216</u>
Assets whose use is limited measured at fair value	\$ 18,371	\$ 19,627
Alternative investments accounted for under the equity method	6,443	7,397
Total assets whose use is limited	<u>\$ 24,814</u>	<u>\$ 27,024</u>

5. Property, Plant and Equipment

Property, plant and equipment and accumulated depreciation and amortization consisted of the following as of June 30, 2013 and 2012 (in thousands)

	2013		2012	
	Carrying Value	Accumulated Depreciation	Carrying Value	Accumulated Depreciation
Land and land improvements	\$ 20,678	\$ 670	\$ 19,451	\$ 359
Buildings and improvements	296,205	26,963	290,374	14,320
Fixed and moveable equipment	182,186	54,531	174,795	32,957
Capital leases	1,935	1,104	1,801	551
Construction-in-progress	4,381	-	3,967	-
	<u>\$ 505,385</u>	<u>\$ 83,268</u>	<u>\$ 490,388</u>	<u>\$ 48,187</u>

The Hospital has two capital asset leases for photocopiers and laboratory equipment as of June 30, 2013 and 2012 that total approximately \$0.8 million and \$1.3 million, respectively. Amortization expense for the capital leases totaled approximately \$553 thousand and \$478 thousand for the years ended June 30, 2013 and 2012, respectively. Amortization expense is included in depreciation and amortization expense on the Statements of Operations and Changes in Net Assets.

No impairments of long-lived assets were recorded in the years ended June 30, 2013 or 2012.

6. Intangible Asset

In connection with the acquisition of the Hospital by JHHS, a trade name of \$11.7 million (included in other long-term assets) was recognized. The trade name was considered to have an indefinite useful life and is not amortized into results of operations. The trade name is reviewed for impairment annually or more often if impairment indicators arise. There were no impairment charges recorded for the years ended June 30, 2013 or 2012.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

7. Long-Term Debt

The Hospital is obligated under long-term debt agreements as of June 30, 2013 and 2012 as follows (in thousands)

	2013		2012	
	Current Portion	Long-Term Portion	Current Portion	Long-Term Portion
City of St Petersburg Health Facilities Authority Revenue Bonds, Series 2002, principal paid annually and interest payable semiannually through 2021, annual principal amounts range from \$1.8 million to \$2.7 million, plus interest at fixed rates ranging from 4.0% to 5.5%. The amount includes a fair value adjustment of \$411 thousand and \$461 thousand at June 30, 2013 and 2012, respectively	\$ 1,800	\$ 18,741	\$ 1,730	\$ 20,591
City of St Petersburg Health Facilities Authority Revenue Bonds, Series 2007, principal paid annually and interest payable weekly through 2034, annual principal amounts range from \$775 thousand to \$1.8 million, plus interest at variable rates set in weekly auctions, currently 0.55% as of June 30, 2013	775	25,875	750	26,650
City of St Petersburg Health Facilities Authority Revenue Refunding Bonds, Series 2009A, principal paid annually and interest payable semiannually through 2039, annual principal amounts range from \$190 thousand to \$13.3 million, plus interest at fixed rates ranging from 3.5% to 6.5%. The amount includes a fair value adjustment of \$3.5 million and \$3.2 million at June 30, 2013 and 2012, respectively	190	67,090	165	67,001
City of St Petersburg Health Facilities Authority Revenue Refunding Bonds, Series 2012A, principal paid annually and interest payable monthly through 2035, annual principal amounts range from \$1.7 million to \$8.0 million, plus interest at 30-day LIBOR plus a spread, currently 0.64%, as of June 30, 2013	1,675	99,100	1,625	100,775
Capital leases	582	313	500	797
	<u>\$ 5,022</u>	<u>\$ 211,119</u>	<u>\$ 4,770</u>	<u>\$ 215,814</u>

2002 Series – Revenue Bonds

On December 19, 2002, the Hospital issued the Series 2002 Bonds through the City of St Petersburg Health Facilities Authority in the amount of \$35.0 million. The proceeds were used to pay off the Hospital Facilities Revenue Bonds, Series 1992A, to refund the Pooled Hospital Loan Program, to finance the cost of land acquisition, and for the construction and furnishing of certain capital improvements.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

2005 Series – Revenue Bonds

On April 20, 2005, the Hospital issued the Series 2005 Bonds through the City of St. Petersburg Health Facilities Authority in the total amount of \$140.0 million. The proceeds were used to fund the construction of a replacement hospital. An amount of \$110.0 million of the Series 2005 Bonds were originally issued as variable rate bonds in auction rate mode and subsequently changed in 2008 to weekly interest rate mode. The original auction rate bonds were issued as Series 2005A for \$85.0 million and Series 2005B for \$25.0 million and were insured via a financial guaranty insurance policy. \$30.0 million was issued as Series 2005C variable rate demand obligations in weekly interest rate mode. The Series 2005C Bonds were refunded on October 1, 2007 by the Series 2007B Bonds. The Series 2005A and B Bonds were refunded on June 28, 2012 by the Series 2012A Bonds. In connection with this transaction, the loss on debt extinguishment of \$47 thousand was recorded for the year ended June 30, 2012.

2007 Series – Revenue and Revenue Refunding Bonds

On October 1, 2007, the Hospital issued the Series 2007 Bonds through the City of St. Petersburg Health Facilities Authority in the amount of \$92.2 million. The Series 2007 Bonds were issued as Series 2007A for \$61.6 million and Series 2007B for \$30.6 million. The proceeds from Series 2007A were used to fund the construction of the replacement hospital. The proceeds from Series 2007B refunded the Series 2005C Bonds in the amount of \$30.0 million. The Series 2007 Bonds were issued as variable rate bonds in auction rate mode and were subsequently refunded by the Series 2009A Bonds. The Series 2007B Bonds are outstanding in auction rate mode and continue to be insured via a financial guaranty insurance policy. In November 2010, this insurer filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code. This filing has not adversely impacted the interest rates on the 2007B Bonds.

2009 Series – Revenue Refunding Bonds

On April 23, 2009, the Hospital issued the Series 2009A Revenue Refunding Bonds through the City of St. Petersburg Health Facilities Authority in the amount of \$64.4 million. The Series 2009A Bonds were issued as traditional fixed rate bonds and refunded the Series 2007A Bonds and paid costs of issuance.

2012 Series – Revenue Refunding Bonds

On June 28, 2012, the Hospital issued the Series 2012A Revenue Refunding Bonds through the City of St. Petersburg Health Facilities Authority in the amount of \$102.4 million. The Series 2012A Bonds refunded the Series 2005A and B Bonds. The Series 2012A Bonds were issued as a direct bank placement with a five-year term. Interest is calculated and paid monthly at 30-day LIBOR plus a spread.

The covenants in connection with the long-term debt agreements described above provide a security interest in the Hospital's gross revenues, require maintenance of certain levels of unrestricted net assets and working capital, contain certain restrictions on additional indebtedness, and require certain types and amounts of insurance protection. As of June 30, 2013 and 2012, the Hospital was in compliance with these restrictions.

For the year ended June 30, 2013, the Hospital incurred interest costs of approximately \$6.3 million, and paid interest of approximately \$6.0 million. For the year ended June 30, 2012, the Hospital incurred interest costs of approximately \$5.9 million, and paid interest of approximately \$5.6 million.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

The Series 2002, 2007, 2009 and 2012 Bonds are subject to rebate provisions per Section 148(f)(2) of the Internal Revenue Code of 1986, as amended. These rebate provisions limit interest earnings on proceeds of tax-exempt bond issues. There were no rebate liabilities as of June 30, 2013 and 2012.

The fair value of the Hospital's long-term debt is based on the quoted market prices for the outstanding issues. The estimated fair value of long-term debt at June 30, 2013 and 2012 is approximately \$220.4 million and \$227.0 million, respectively.

The scheduled maturities of long-term debt (excluding capital leases) are as follows as of June 30, 2013 (in thousands):

2014	\$	4,440
2015		4,625
2016		4,825
2017		5,035
2018		5,235
Thereafter		187,160
	\$	<u>211,320</u>

The Hospital has five-year capital leases for photocopiers and laboratory equipment as discussed in Note 5.

Future obligations under these capital leases are as follows (in thousands):

Years ended June 30,

2014	\$ 600
2015	317
	<u>\$ 917</u>
Less:	
Interest portion	(22)
Current portion	<u>(582)</u>
	<u>\$ 313</u>

8. Derivative Instruments and Hedging Activities

The Hospital's primary objective for holding derivative financial instruments is to manage interest rate risk. Derivative financial instruments are recorded at fair value and are included in other long-term liabilities. The total notional amount of interest rate swap agreements was \$98.9 million and \$99.1 million as of June 30, 2013 and 2012, respectively.

The Hospital follows accounting guidance on derivative financial instruments that is based on whether the derivative instrument meets the criteria for designation as cash flow or fair value hedges. The criteria for designating a derivative as a hedge include the assessment of the instrument's effectiveness in risk reduction, matching of the derivative instrument to its underlying transaction, and the assessment of the probability that the underlying transaction will occur. All of the Hospital's derivative financial instruments are interest rate swap agreements without hedge accounting designation.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

The value of interest rate swap agreements entered into by the Hospital are adjusted to market value monthly at the close of each accounting period based upon quotations from market makers. Entering into interest rate swap agreements involves, to varying degrees, elements of credit, default, prepayment, market and documentation risk in excess of the amounts recognized on the Balance Sheets. Such risks involve the possibility that there will be no liquid market for these agreements, the counterparty to these agreements may default on its obligation to perform and there may be unfavorable changes in interest rates. The Hospital does not hold derivative instruments for the purpose of managing credit risk and limits the amount of credit exposure to any one counterparty and enters into derivative transactions with high quality counterparties. The Hospital recognizes gains and losses from changes in fair values of interest rate swap agreements as a non-operating revenue or expense within excess of revenues, gains, and other support over expenses on the Statements of Operations and Changes in Net Assets.

The following table outlines the terms and fair values of the interest rate swap agreements that are included in other liabilities on the Balance Sheets as of June 30, 2013 and 2012. Fair values presented are computed using estimated future cash flows, and also include assessments of credit risk and nonperformance risk (Note 4) (in thousands).

	Swap 1	Swap 2	Swap 3
Notional amount at June 30, 2013	\$ 24,340	\$ 14,585	\$ 60,000
Effective date	5/1/2005	5/1/2005	10/1/2007
Termination date	11/15/2034	11/15/2034	11/15/2047
Fixed rate	3.6235 %	3.6235 %	3.8505 %
Fair value at June 30, 2011	\$ (3,160)	\$ (1,829)	\$ (11,203)
Unrealized loss	<u>(3,353)</u>	<u>(2,073)</u>	<u>(12,656)</u>
Fair value at June 30, 2012	<u>\$ (6,513)</u>	<u>\$ (3,902)</u>	<u>\$ (23,859)</u>
Unrealized gain	<u>2,127</u>	<u>1,237</u>	<u>7,409</u>
Fair value at June 30, 2013	<u>\$ (4,386)</u>	<u>\$ (2,665)</u>	<u>\$ (16,450)</u>

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

The following tables outline the location and effect of the Hospital's derivative instruments on the accompanying Balance Sheets and Statements of Operations and Changes in Net Assets for the years ended June 30, 2013 and 2012 (in thousands)

	Liability Derivatives			Liability Derivatives		
	June 30, 2013			June 30, 2012		
	Balance Sheet Location	Net Assets Classification	Fair Value	Balance Sheet Location	Net Assets Classification	Fair Value
Interest rate swaps not designated as hedging instruments		Long-term liability	Unrestricted <u>\$ (23,501)</u>		Long-term liability	Unrestricted <u>\$ (34,274)</u>
Classification of derivative loss in statements of operations						
Interest rate swaps						
Nonoperating gains (losses), net			<u>\$ 10,773</u>			<u>\$ (18,082)</u>

The Hospital's derivative instruments contain provisions that require the Hospital to maintain minimum credit ratings from the major credit rating agencies. If the Hospital's rating were to fall below the minimums established, the counterparties to the derivative agreements could demand immediate posting of collateral or termination of the instruments and payment of the derivative agreements in liability positions. The aggregate fair value of all derivative instruments with credit-risk-related features that are in a liability position on June 30, 2013 is approximately \$23.5 million for which no collateral is posted. If the credit-risk-related contingent features underlying these instruments were triggered on June 30, 2013, the Hospital would be required to post approximately \$25.3 million of collateral to its counterparties. Collateral requirements exceed the fair value of the related instruments by approximately \$1.8 million due to adjustments for credit and nonperformance risk.

9. Endowments

The Hospital operates under the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA). The FUPMIFA defines an endowment fund as an institutional fund, or any part thereof, not wholly expendable by the institution on a current basis under the terms of the applicable gift instrument. Furthermore, the FUPMIFA allows a governing board to expend that amount of an endowment fund determined to be prudent for the uses and purposes for which the endowment fund is established and consistent with the goal of conserving the purchasing power of the endowment fund. In accordance with the FUPMIFA, the Hospital considers the following in expenditure decisions for its endowment funds:

- The program needs of the Hospital
- The intent of the donors of the endowment fund
- The terms of the applicable instrument
- The long-term and short-term needs of the Hospital in carrying out its purposes
- General economic conditions
- The possible effects of inflation or deflation
- The other resources of the Hospital
- Perpetuation of the endowment

The Hospital classifies the following as permanently restricted net assets: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Hospital in a manner consistent with the standard of prudence prescribed by FUPMIFA.

The investment income and earnings from the Hospital's endowment funds are designated for specific purposes. It is the policy of the Hospital to expend these funds prudently as expenditures arise that satisfy the donor restrictions.

The Hospital's endowment investment policies are directed by the Hospital Investment Committee ("Investment Committee") of the Board. The Hospital's return objectives include attaining an average annual real total return, net of investment fees, of at least 4% over the long term. The Hospital maintains moderate risk posture with respect to both time and risk preference. These risk postures are developed to provide consistent return patterns over a moderate time horizon and are consistent with conserving the purchasing power of its endowment funds. Strategies employed for achieving the Hospital's investment objectives include passively and actively managed funds invested in domestic and global equities, domestic and global fixed income, absolute return and real assets.

Changes in endowment net assets for the year ended June 30, 2013 consisted of the following (in thousands)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at beginning of year	\$ 386	\$ 760	\$ 12,454	\$ 13,600
Investment return				
Investment income	34	48	-	82
Net appreciation (realized and unrealized)	194	2	557	753
Total investment return	228	50	557	835
Endowment net assets at end of year	\$ 614	\$ 810	\$ 13,011	\$ 14,435

Changes in endowment net assets for the year ended June 30, 2012 consisted of the following (in thousands)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at beginning of year	\$ 411	\$ 723	\$ 13,180	\$ 14,314
Investment return				
Investment income	37	84	-	121
Net depreciation (realized and unrealized)	(62)	(47)	(726)	(835)
Total investment return	(25)	37	(726)	(714)
Endowment net assets at end of year	\$ 386	\$ 760	\$ 12,454	\$ 13,600

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

10. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets at June 30, 2013 and 2012 are restricted to (in thousands)

	2013	2012
Hospital programs	\$ 7,284	\$ 7,562
Education	73	103
Property and equipment	2,198	5,388
Future time periods	161	178
	<u>\$ 9,716</u>	<u>\$ 13,231</u>

Permanently restricted net assets at June 30, 2013 and 2012 are restricted to (in thousands)

	2013	2012
Investments to be held in perpetuity, the income from which is expendable to support health care services	\$ 12,730	\$ 12,132
Investments to be held in perpetuity, the income from which is expendable to assist charity care	164	200
Investments to be held in perpetuity, the income from which is expendable to support the medical library	117	122
	<u>\$ 13,011</u>	<u>\$ 12,454</u>

11. Professional Liability Insurance

The Hospital's program of professional liability insurance coverage is a claims-made commercial insurance policy. The Hospital is liable for specified retention amounts under the coverage, and claim amounts in excess of retention limits are payable by commercial insurance carriers.

Losses from asserted and unasserted claims identified under the Hospital's incident reporting system are accrued based on estimates that incorporate the Hospital's past experience, as well as other considerations, including the nature of each claim or incident and relevant trend factors. Accruals for losses attributable to incidents that have occurred but that have not been identified under the incident reporting system have been made based upon the Hospital's experience and industry data.

The Hospital may be liable for potential losses in excess of the amount recorded at June 30, 2013, however, in management's opinion, such losses, if any, would not have a material effect on the financial position or results of operations of the Hospital.

As of June 30, 2013 and 2012, the Hospital has recorded \$31.2 million and \$24.6 million for losses on asserted and unasserted claims, respectively. Additionally, the Hospital has recorded a receivable of \$6.0 million and \$3.6 million due from its commercial insurance carriers for losses on asserted claims exceeding its specified retention amounts as of June 30, 2013 and 2012, respectively.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

12. Retirement Plan

The Hospital participates in a defined contribution retirement plan of the Health System covering substantially all of its employees. Contributions are determined at the discretion of the Board of Trustees of the Health System. Defined contribution plan expenses represent approximately 4.5% of eligible salaries for the year ended June 30, 2013. Expenses recorded by the Hospital were approximately \$5.6 million for the year ended June 30, 2013. Defined contribution plan expenses represent approximately 4.4% of eligible salaries for the year ended June 30, 2012. Expenses recorded by the Hospital were approximately \$5.7 million for the year ended June 30, 2012.

13. Operating Leases

Rental expense under operating leases amounted to approximately \$3.6 million and \$3.9 million for the year ended June 30, 2013 and 2012, respectively, and includes amounts paid to affiliates as discussed in Note 14.

Noncancelable future obligations under operating leases are as follows (in thousands):

Years ended June 30,	
2014	\$ 1,724
2015	845
2016	36
	\$ 2,605

14. Related Organizations

The Hospital and its affiliated organizations conduct certain types of business transactions with each other. Amounts due from or to these affiliated organizations at June 30, 2013 and 2012 are included in the accompanying Balance Sheets as due from affiliates, net. It is not practical to estimate the fair value of amounts due from or due to affiliates due to the uncertainty regarding timing of future payments.

The existence of transactions with affiliates could cause the Hospital's financial position or operating results to be significantly different from the financial position or operating results that would be achieved if the Hospital was autonomous.

The Hospital paid Johns Hopkins University School of Medicine \$6.0 million for the years ended June 30, 2013 and 2012 for financial support of the Baltimore campus faculty for the planning and development of the local academic program. This amount is included in nonoperating services in the accompanying Statements of Operations and Changes in Net Assets.

The Foundation is authorized by the Hospital to solicit contributions on its behalf. The Hospital leases parking, clinical space, and office space from the Foundation. Rental expense for the years ended June 30, 2013 and 2012 was approximately \$402 thousand and \$421 thousand, respectively, and is included in purchased services in the accompanying Statements of Operations and Changes in Net Assets.

The Foundation also leases office space from the Hospital. Rental income for the years ended June 30, 2013 and 2012 was approximately \$99 thousand and \$49 thousand, respectively, and is included in other revenues in the accompanying Statements of Operations and Changes in Net Assets.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

Total distributions from the Foundation to the Hospital for the years ended June 30, 2013 and 2012 were approximately \$900 thousand and \$762 thousand, respectively. Distributions to the Hospital for the years ended June 30, 2013 and 2012 included \$323 thousand and \$553 thousand, respectively, for equipment.

The Hospital leases office space to the ACRI. Rental income for the years ended June 30, 2013 and 2012 was approximately \$77 thousand, and is included in other revenues in the accompanying Statements of Operations and Changes in Net Assets.

The Hospital leases office space to the Health System. Rental income for the years ended June 30, 2013 and June 30, 2012 was approximately \$3 thousand and \$11 thousand, respectively, and is included in other revenues in the accompanying Statements of Operations and Changes in Net Assets.

The Hospital leases office space and equipment to KHC. Rental income for the years ended June 30, 2013 and 2012, was approximately \$66 thousand, respectively, and is included in other revenue in the accompanying Statements of Operations and Changes in Net Assets.

The Hospital leases clinical space to PPS. Rental income for the years ended June 30, 2013 and 2012 was approximately \$1.2 million and \$1.1 million, respectively, and is included in other revenues in the accompanying Statements of Operations and Changes in Net Assets.

The Hospital leases clinical space to WCN. Rental income for the years ended June 30, 2013 and 2012 was approximately \$268 thousand and \$270 thousand, respectively, and is included in other revenues in the accompanying Statements of Operations and Changes in Net Assets.

The Hospital reimburses physicians employed by PPS and WCN for certain administrative and teaching services. For the years ended June 30, 2013 and 2012, the amounts reimbursed were approximately \$601 thousand and \$679 thousand, and are included in purchased services in the accompanying Statements of Operations and Changes in Net Assets.

The Hospital purchases physician clinical services from PPS and WCN. For the years ended June 30, 2013 and 2012 these purchased clinical services totaled approximately \$559 thousand and \$503 thousand, respectively, and are included in purchased services in the accompanying Statements of Operations and Changes in Net Assets.

The Hospital purchases physician director services from PPS and WCN. For the years ended June 30, 2013 and 2012, these director services totaled approximately \$312 thousand and \$108 thousand, respectively, and are included in purchased services in the accompanying Statements of Operations and Changes in Net Assets.

The Hospital leases office space from ACHPOB. Rental expense for the years ended June 30, 2013 and 2012 was approximately \$39 thousand and \$77 thousand, respectively, and is included in purchased services in the accompanying Statements of Operations and Changes in Net Assets.

The Hospital provides billing and collection services to PPS and WCN. For the years ended June 30, 2013 and 2012, revenue from these services was approximately \$1.9 million and \$1.7 million, respectively, and is included in other revenues in the accompanying Statements of Operations and Changes in Net Assets.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

15. Significant Leases

On November 30, 2007, the Hospital entered into a leasing agreement with an adjacent adult hospital ("lessee") whereby the Hospital is the lessor of the third floor in its new replacement facility for the operation of the lessee's obstetrical program. On April 1, 2013, the Hospital entered into a lease amendment with the lessee which extended the lease term to January 31, 2048. Gross assets under lease total approximately \$28.1 million and are recorded in property and equipment on the accompanying Balance Sheets. Accumulated depreciation on assets under lease total approximately \$2.6 million and \$1.8 million as of June 30, 2013 and 2012, respectively.

The lease provides for receipt of graduated rental income ranging from approximately \$1.1 million to \$3.1 million annually through 2033, plus pass-through expenses for utilities and maintenance. Beginning in 2034 and through the remainder of the term, the rental income will be based upon the then fair market value, plus pass-through expenses for utilities and maintenance. The Hospital is also party to other stand-alone agreements with the lessee to provide environmental services and dietary services. During the years ended June 30, 2013 and 2012, the Hospital recognized income from rent and other agreements totaling approximately \$2.5 million and \$2.3 million, respectively, that are included in other revenues in the accompanying Statements of Operations and Changes in Net Assets.

16. Concentrations of Credit Risk

Revenues of the Hospital are generated principally from health care services. In this regard, credit is extended in the form of accounts receivable.

The Hospital limits credit risk by diversifying its investment portfolio among equities, fixed income securities, real assets, various index funds, and cash equivalents. As a result, management believes that significant concentrations of credit risk do not exist within the investment pool.

During the year ended June 30, 2013, approximately 76% of the patients admitted to the Hospital were from the Suncoast region (Pasco, Pinellas, Hillsborough, Manatee & Sarasota Counties), 20% from additional counties in west central/southwest Florida, and the remaining 4% from the rest of Florida, other states and foreign countries. During the year ended June 30, 2012, approximately 73% of the patients admitted to the Hospital were from the Suncoast region (Pasco, Pinellas, Hillsborough, Manatee & Sarasota Counties), 21% from additional counties in west central/southwest Florida, and the remaining 6% from the rest of Florida, other states and foreign countries.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

17. Functional Expenses

The Hospital provides general health care services to residents within its geographic location as well as to national and international patients. Expenses related to providing these services for the years ended June 30, 2013 and 2012 consisted of the following (in thousands):

	2013	2012
Health care services	\$ 313,901	\$ 297,491
General and administrative services	<u>60,060</u>	<u>53,143</u>
	<u>\$ 373,961</u>	<u>\$ 350,634</u>

18. Contingencies

The Hospital is involved in certain litigation and is subject to claims that may arise in the normal course of its operations. It is the opinion of management that such litigation and claims will be resolved without material adverse effect on the Hospital's financial position or results of operations.

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity has continued with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. On August 13, 2012, after denying a request by the United States and Florida to further extend the seal, the District Court unsealed the second amended complaint and certain other filings in a qui tam case alleging violations of the federal and Florida False Claims Acts, which is captioned United States and State of Florida ex rel. Schubert v. All Children's Hospital et al., No. 8:11-cv-1687-T-27EAJ (M.D. Fla.). The relator is a former employee of an affiliate of the Hospital. The employee alleges that certain financial relationships between the Hospital and an affiliate and its physicians violated the federal Anti-Kickback Statute and the federal Stark Law. The employee further alleges that, as a result, the Hospital submitted false claims to Medicaid and Medicare and/or caused the State of Florida to submit false claims to the federal government through the State's requests for federal financial participation payments under Medicaid. Among the documents unsealed by the Court is a notice filed on July 26, 2012 by the Department of Justice stating that it had not yet decided whether or not to intervene in the case and that its investigation was continuing; we are unaware of any similar filing made by the Florida Office of the Attorney General. On April 15, 2013 the Hospital's motion to dismiss was granted without prejudice, and the relator was allowed fourteen (14) days to file an amended complaint. The relator filed a Third Amended Complaint on April 29, 2013 in the U.S. District Court for the Middle District of Florida with similar claims. The Hospital has filed a motion to dismiss the Third Amended Complaint which is still pending.

All Children's Hospital, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2013 and 2012

19. Subsequent Events

Management has evaluated all events and transactions that occurred after June 30, 2013 through September 27, 2013, the date these financial statements were issued. During this period, there were no other material recognizable subsequent events that required recognition or disclosure.