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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 10-01-2012 , 2012, and ending 09-30-2013

B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization Wheeling Hospital Inc		D Employer identification number 55-0357057	
	Doing Business As			
	Number and street (or P O box if mail is not delivered to street address) 1 Medical Park	Room/suite	E Telephone number (304) 243-3681	
	City or town, state or country, and ZIP + 4 Wheeling, WV 260036300		G Gross receipts \$ 320,939,253	
	F Name and address of principal officer Ronald Violi 1 Medical Park Wheeling, WV 260036300		H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions) H(c) Group exemption number ☒ 0928	
I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () ☐ (insert no) ☐ 4947(a)(1) or ☐ 527				
J Website: ☒ www.wheelinghospital.org				
K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ☐			L Year of formation 1850	M State of legal domicile WV

Part I	Summary
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Activities & Governance	1 Briefly describe the organization's mission or most significant activities To provide needed care to the community regardless of an individual's ability to pay		
	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	15
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	15
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	2,940
	6 Total number of volunteers (estimate if necessary)	6	353
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	13,633,294
	7b Net unrelated business taxable income from Form 990-T, line 34	7b	4,122,564
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	973,741	2,824,935
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	281,580,887	264,354,089
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,135,001	9,909,824
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	9,018,933	9,175,207
		295,708,562	286,264,055
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	600,000	50,000
	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)	141,954,497	145,941,886
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ☐ 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	142,795,834	126,697,528
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	285,350,331	272,689,414
	19 Revenue less expenses Subtract line 18 from line 12	10,358,231	13,574,641
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	294,451,055	307,761,371
	21 Total liabilities (Part X, line 26)	100,718,392	99,777,111
	22 Net assets or fund balances Subtract line 21 from line 20	193,732,663	207,984,260

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

Sign Here	Signature of officer			2014-08-15 Date				
	James B Murdy CFO Type or print name and title							
Paid Preparer Use Only	Prnt/Type preparer's name Rebecca Lyons		Preparer's signature		Date		Check ☐ if self-employed PTIN P01487105	
	Firm's name Deloitte Tax LLP						Firm's EIN 86-1065772	
	Firm's address 250 East Fifth Street Suite 1900 Cincinnati, OH 45202						Phone no (513) 784-7100	

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

Part III

Statement of Program Service Accomplishments

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

1

Briefly describe the organization's mission

Wheeling Hospital is a Catholic hospital which serves as a healing ministry providing compassionate care to people of all faiths in a loving, spiritual environment

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 \$ 240,521,462 including grants of \$ 50,000) (Revenue \$ 246,370,105)

Wheeling Hospital serviced 11,072 inpatients and 534,616 outpatients during the fiscal year 2013 Community services included medical screening, diabetic education, cancer support, etc and is provided free of charge (This includes the Physician Practice, Wheeling Pediatrics and Women's Health Service Divisions) See Schedule H

4b

(Code) (Expenses \$ 7,885,640 including grants of \$) (Revenue \$ 8,846,995)

Continuous Care Center serviced 476 skilled and long term care patients for a total of 37,263 patient days

4c

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

4d

Other program services (Describe in Schedule O)

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

4e

Total program service expenses 248,407,102

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	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII 	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) 	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II 	18 Yes	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III 	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H 	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? 	20b Yes	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		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		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <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	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		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	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
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.	611	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c	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.	2,940	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		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
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
c	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
b	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).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	0	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	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.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders.		
b	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?		
b	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.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		
c	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		No
b	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	15	
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	15	
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	Yes
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	Yes
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes
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	No
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	No
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	No
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	Other officers or key employees of the organization	15b	Yes
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	No

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	WV
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	James Murdy 1 Medical Park Wheeling, WV (304) 243-3681

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)							7,764,238	0	378,020	

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 ▶ 140

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	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
R & V Associates 310 Grant St Ste 1120 Pittsburgh PA 15219	Consulting	3,070,645
Deloitte & Touche LLP PO Box 7247-6447 Philadelphia PA 191706447	Consulting/Auditing	334,880
Carpeting Unlimited Inc (Sch O) 1145 National Rd Wheeling WV 26003	Contractor	209,903
Cohen & Grigsby PO Box 641014 Pittsburgh PA 152641014	Legal Services	191,660
Beckett's Landscaping Inc (Sch O) PO Box 4098 Wheeling WV 26003	Contractor	182,255

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 ►31

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				
	e	Government grants (contributions)	1e	2,245,560			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	579,375			
	g	Noncash contributions included in lines 1a-1f \$		4,500			
	h	Total. Add lines 1a-1f		2,824,935			
Program Service Revenue	2a	Med Svcs/Diagn Lab	Business Code 621500	264,354,089	254,145,474	10,208,615	
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		264,354,089			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	3,229,983	1,071,626		2,158,357
4		Income from investment of tax-exempt bond proceeds . .					
5		Royalties					
6a		Gross rents	(i) Real	(ii) Personal			
			1,541,390				
			382,652				
			1,158,738				
d		Net rental income or (loss)	1,158,738			1,158,738	
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
			40,578,570	37,236			
			33,918,203	17,762			
			6,660,367	19,474			
d		Net gain or (loss)	6,679,841			6,679,841	
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18					
a		486,801					
b		Less direct expenses					b
c		Net income or (loss) from fundraising events . . .	130,220			130,220	
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	Apothecary	446110	3,583,231		1,084,336	2,498,895	
b	Nonoperating Revenue	713940	1,518,548		2,340,343	-821,795	
c	Cafeteria Sales	900099	1,211,785			1,211,785	
d	All other revenue		1,572,685			1,572,685	
e	Total. Add lines 11a-11d		7,886,249				
12	Total revenue. See Instructions		286,264,055	255,217,100	13,633,294	14,588,726	

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.	50,000	50,000		
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.	4,983,380	544,764	4,438,616	
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.	113,018,402	105,600,133	7,418,269	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	4,451,364	4,108,737	342,627	
9	Other employee benefits.	15,553,399	14,306,226	1,247,173	
10	Payroll taxes.	7,935,341	7,027,283	908,058	
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	663,541	2,142	661,399	
c	Accounting.	285,693		285,693	
d	Lobbying.	94,497		94,497	
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	215,513	215,513		
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	12,345,713	11,753,478	592,235	
12	Advertising and promotion.	1,522,581	33,916	1,488,665	
13	Office expenses.	61,679,187	59,969,807	1,709,380	
14	Information technology.	744,280		744,280	
15	Royalties.				
16	Occupancy.	3,655,516	3,595,823	59,693	
17	Travel.				
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	705,095	382,009	323,086	
20	Interest.	3,209,238	3,209,238		
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	16,060,081	15,821,721	238,360	
23	Insurance.	8,011,020	8,010,026	994	
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	Licenses/Taxes.	7,487,579	7,428,552	59,027	0
b	Consult/Mgmt Contracts.	2,732,809	2,146	2,730,663	0
c	UBIT.	1,845,373	1,845,373		
d	Dues/Books.	488,155	330,813	157,342	0
e	All other expenses.	4,951,657	4,169,402	782,255	
25	Total functional expenses. Add lines 1 through 24e.	272,689,414	248,407,102	24,282,312	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		30,501,722	1	46,433,319
	2	Savings and temporary cash investments		9,618,837	2	7,857,761
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		27,040,136	4	26,214,120
	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		1,982,418	8	2,519,922
	9	Prepaid expenses and deferred charges		4,578,956	9	3,658,121
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a338,772,594			
	b	Less accumulated depreciation	10b218,237,566	127,425,593	10c	120,535,028
	11	Investments—publicly traded securities		70,823,974	11	79,278,017
	12	Investments—other securities See Part IV, line 11		8,858,130	12	9,749,588
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		13,621,289	15	11,515,495
	16	Total assets. Add lines 1 through 15 (must equal line 34)		294,451,055	16	307,761,371
Liabilities	17	Accounts payable and accrued expenses		38,918,550	17	39,628,471
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		60,401,438	23	58,670,866
	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		1,398,404	25	1,477,774
	26	Total liabilities. Add lines 17 through 25		100,718,392	26	99,777,111
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		186,090,362	27	200,016,949
	28	Temporarily restricted net assets		7,642,301	28	7,967,311
	29	Permanently restricted net assets			29	0
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		193,732,663	33	207,984,260
	34	Total liabilities and net assets/fund balances		294,451,055	34	307,761,371

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	286,264,055
2	Total expenses (must equal Part IX, column (A), line 25)	2	272,689,414
3	Revenue less expenses Subtract line 2 from line 1	3	13,574,641
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	193,732,663
5	Net unrealized gains (losses) on investments	5	729,396
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	-52,440
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	207,984,260

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?	Yes	
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	Yes	

Additional Data

Software ID:

Software Version:

EIN: 55-0357057

Name: Wheeling Hospital Inc

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (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			
The Most Reverend Michael J Bransfield - Chairman	1 00 0 00	X		X				0	0	0
Very Rev Kevin M Quirk JCDJV President/Secretary	1 00 0 00	X		X				0	0	0
James E Altmeyer Sr Board Member	1 00 0 00	X						0	0	0
Rev Mon Frederick P Annie VG Board Member	1 00 0 00	X						0	0	0
John J Battaglini Jr MD Board Member	1 00 0 00	X						20,004	0	0
Thomas F Burgoyne Board Member	1 00 0 00	X						0	0	0
Frank L Carenbauer III DDS Board Member	1 00 0 00	X						0	0	0
David A Ghaphery MD Board Member	1 00 0 00	X						0	0	0
C Gary Hill Board Member	1 00 0 00	X						0	0	0
Howard L Long Board Member	1 00 0 00	X						0	0	0
Curtis R Oliver Board Member	1 00 0 00	X						0	0	0
Sister Mary Palmer CSJ Board Member	1 00 0 00	X						0	0	0
Richard M Polinsky Board Member	1 00 0 00	X						0	0	0
Nick A Sparachane Board Member	1 00 0 00	X						0	0	0
Raymond V Thalman III Board Member	1 00 0 00	X						0	0	0
Ronald L Violi Sch J L Chief Executive Officer	57 00 3 00			X				0	0	0
Michael S McKeets Chief Operating Officer	52 00 8 00			X				186,126	0	14,473
James B Murdy Chief Financial Officer	56 00 4 00			X				265,206	0	54,798
Angelo Georges MD Chief Medical Officer	56 00 4 00				X			498,370	0	47,147
Dennis Niess MD Chief Med Info Officer	57 00 3 00				X			254,050	0	32,497
David Rapp Chief Info Officer	56 00 4 00				X			246,936	0	40,542
Cinda Marsh Chief Nursing Officer	57 00 3 00				X			177,829	0	16,567
Lisa Schatz Senior Clinical Director	57 00 3 00				X			177,103	0	9,458
Louis Longo Executive Vice President	56 00 4 00				X			424,709	0	11,518
George Couch Vice President	60 00 0 00				X			394,221	0	28,359

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			
Kareen Simon Assistant Administrator	56 00 4 00				X			210,627	0	4,143
Chandra S Swamy Physician	40 00 0 00					X		1,171,646	0	26,679
David Mosman Physician	40 00 0 00					X		707,119	0	50,156
Gregory S Merrick Physician	40 00 0 00					X		1,200,028	0	14,118
Ahmad Rahbar Physician	40 00 0 00					X		739,958	0	13,524
Jondavid Pollock Physician	40 00 0 00					X		1,090,306	0	14,041

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2012

Open to Public Inspection

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.

Department of the Treasury
Internal Revenue Service

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I

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

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

- 1

☐

A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated
- e

☐

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

☐

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

☐

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

(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 Wheeling Hospital Inc	Employer identification number 55-0357057
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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?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		94,497
j	Total. Add lines 1c through 1i.			94,497
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
Explanation of Lobbying Activities	Part II-B, Line 1	Lobbying expenses represents the portion of dues paid to national and state hospital associations that is specifically allocable to lobbying and amounts paid to Lewis, Glasser, Casey & Rollins for governmental relations. Wheeling Hospital does not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization Wheeling Hospital Inc	Employer identification number 55-0357057
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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? ☐ Yes☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes☐ No	

Part II

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

1

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

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

2

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

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

3

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

4

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

5

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

☐ Yes☐ No

6

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

7

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

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes☐ No

9

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

Part III

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

1a

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

b

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

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

▶\$ _____

(ii) Assets included in Form 990, Part X

▶\$ _____

2

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

a

Revenues included in Form 990, Part VIII, line 1

▶\$ _____

b

Assets included in Form 990, Part X

▶\$ _____

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

Cat No 52283D

Schedule D (Form 990) 2012

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	0
1d	
1e	
1f	0

2a

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

☐ Yes

☐ No

b

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

☐

Part V

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

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

2

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

a

Board designated or quasi-endowment

b

Permanent endowment

c

Temporarily restricted endowment

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

3a

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

(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

Yes

No

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		4,892,717		4,892,717
b Buildings		139,361,796	75,860,002	63,501,794
c Leasehold improvements		155,554	44,939	110,615
d Equipment		183,725,417	137,027,849	46,697,568
e Other		10,637,110	5,304,776	5,332,334
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				120,535,028

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

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

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

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

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
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Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

Revenue		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col (a) through col (c))		
		<u>Book Sale</u> (event type)	<u>Reverse Raffle</u> (event type)	<u>9</u> (total number)			
	1	Gross receipts	41,556	34,217	411,028	486,801	
	2	Less Contributions					
3	Gross income (line 1 minus line 2)	41,556	34,217	411,028	486,801		
Direct Expenses	4	Cash prizes		4,250	2,250	6,500	
	5	Noncash prizes					
	6	Rent/facility costs					
	7	Food and beverages					
	8	Entertainment					
	9	Other direct expenses	32,871	5,002	312,208	350,081	
	10	Direct expense summary Add lines 4 through 9 in column (d) ►					(356,581)
	11	Net income summary Combine line 3, column (d), and line 10 ►					130,220

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1	Gross revenue			
Direct Expenses	2	Cash prizes			
	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶			
	8	Net gaming income summary Combine lines 1 and 7 in column (d) ▶			

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain _____

Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a The organization's facility	13a	
b An outside facility	13b	

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name 

Address 

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization  \$ _____ and the amount of gaming revenue retained by the third party  \$ _____

c If "Yes," enter name and address of the third party

Name 

Address 

16 Gaming manager information

Name 

Gaming manager compensation  \$

Description of services provided 

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year  \$ _____

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation
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SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

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	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	4	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5a	Yes	
6a	Did the organization prepare a community benefit report during the tax year?	5b		No
b	If "Yes," did the organization make it available to the public?	5c		
	Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.	6a	Yes	
		6b	Yes	

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			4,579,750		4,579,750	1 680 %
b Medicaid (from Worksheet 3, column a)			36,452,678	24,572,856	11,879,822	4 360 %
c Costs of other means-tested government programs (from Worksheet 3, column b) .						
d Total Financial Assistance and Means-Tested Government Programs .			41,032,428	24,572,856	16,459,572	6 040 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			359,364	15,619	343,745	0 130 %
f Health professions education (from Worksheet 5)			2,584,528	1,221,628	1,362,900	0 500 %
g Subsidized health services (from Worksheet 6)						0 %
h Research (from Worksheet 7)						0 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)						0 %
j Total. Other Benefits			2,943,892	1,237,247	1,706,645	0 630 %
k Total. Add lines 7d and 7j .			43,976,320	25,810,103	18,166,217	6 670 %

Part IICommunity Building Activities

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

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

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1

Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?

1

No

2

Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.

2

7,408,851

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

133,851

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

42,224,798

6

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

6

59,117,237

7

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

7

-16,892,439

8

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

Section C. Collection Practices

9a

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

9a

Yes

9b

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

9b

Yes

Part IVManagement Companies and Joint Ventures

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
11 Wheeling Renal Care LLC	Specialty O/P facility	50.000 %	0 %	50.000 %
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	Wheeling Hospital Inc 1 Medical Park Wheeling, WV 26003	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)

Wheeling 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) 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)	1	Yes	
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) a ☒ Hospital facility's website b ☒ Available upon request from the hospital facility c ☐ Other (describe in Part VI)	5	Yes	
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>400 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes
a ☒ 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	Yes
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	No
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		
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		No
22	During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI		No

Part V

Facility Information (continued)

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

How many non-hospital health care facilities did the organization operate during the tax year?
2

Name and address	Type of Facility (describe)
1 Continuous Care Center PO Box 6316 Wheeling, WV 26003	Skilled Nursing Facility
2 Wheeling Renal Care LLC 500 Medical Park Suite 100 Wheeling, WV 26003	Specialty O/P Facility
3	
4	
5	
6	
7	
8	
9	
10	

Part VI Supplemental Information

Complete this part to provide the following information

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

Identifier	ReturnReference	Explanation
		Part I, Line 2 Wheeling Hospital will accept applications for financial assistance and charity care from any person at any time All hospital accounts for inpatient, outpatient, emergency room services, professional services of employed physicians and prescription drugs on an acute/emergent basis are eligible for financial assistance and charity care Patients must submit a denial of coverage letter from Medicaid or Veteran's Outreach Center in order to be eligible for charity care Those applicants who fail to submit a Medicaid or Veteran's Outreach Center denial, and are at or below 200% of the Federal Poverty Guidelines, will be eligible for a 65% discount based on their financial situation Once a patient has provided sufficient documentation to prove financial status, eligibility is determined by referencing the Financial Assistance/Charity Care Matrix, which is based on the Federal Poverty Guidelines for the most current year available as issued by the Department of Health and Human Services A patient shall be notified in writing of approval or denial of financial assistance/charity care Those approved applicants who are at or below 200% of the Federal Poverty Guidelines, and have provided the required documentation are eligible to receive Charity Care Those approved applicants who are between 201% and 400% of the Federal Poverty Guidelines are eligible to receive a percentage discount up to 65% after complete analysis and approval of the CFO or his designee Applicants at or below 200% of the Federal Poverty Guidelines, who fail to provide all required documentation, will be considered for financial assistance based on their financial situation
		Part I, Line 6a The hospital files a separate community benefit report with the West Virginia Healthcare Authority

Identifier	ReturnReference	Explanation
		Part III, Line 4 Wheeling Hospital does not have separate audited financial statements, but the following footnote is included in the consolidated audited financial statements The provision for bad debts is based upon management's assessment of historical and expected net collections considering business and economic conditions, trends in health care coverage, and other collection indicators Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor The results of this review are then used to make modifications to the provision for bad debts to establish an appropriate allowance for uncollectible accounts The provision for bad debts as a percentage of net patient revenues was 6.53% and 5.36% for the years ended September 30, 2013 and 2012, respectively as recorded below Provisions for bad debt include 2013 2012 Government and state provisions Commercial, other, and self-pay \$19,748,834 \$16,309,057The bad debt reflected on the financial statements is the gross amount of the accounts deemed uncollectible This would be for accounts that have had no payment for 60 days and have had a minimum of five statements produced Therefore, the bad debt amounts would be after any discounts or patient payments have been applied The ratio from Worksheet 2 of the Schedule H instructions was used This ratio was applied to the total bad debt expense included in net patient service revenue The estimated amount of bad debt expense that could reasonably be attributable to patients who likely would qualify for financial assistance under the Hospital's charity care policy was calculated by applying the percentage of charity care to gross patient revenue to the total bad debt expense at cost
		Part III, Line 8 The costs reflected in line 6 are the allowable costs from Worksheet D-1 of the 9/30/13 CMS cost report None of the shortfall on line 7 is treated as community benefit Despite the fact that the program serves all elderly and disabled beneficiaries and could represent community benefit, it is not treated as community benefit to be consistent with the presentation of the consolidated audited financial statements

Identifier	ReturnReference	Explanation
		Part III, Line 9b Wheeling Hospital's collection policy has been established to defray the costs of medically necessary services for those patients who meet certain guidelines and have no other medical funding sources Inpatient, outpatient, emergency room services, professional services of employed physicians and prescription drugs on an acute/emergent basis are eligible for financial assistance/charity care The Financial Assistance/Charity Care application must be signed by the applicant attesting to the truthfulness and accuracy of the information provided Certain denial letters are required in order to be eligible for charity care Eligibility is determined by referencing the Financial Assistance/Charity Care Matrix, which is based on the Federal Poverty Guidelines for the most current year available Those approved applicants who are at or below 200% of the Federal Poverty Guidelines and have provided the required documentation are eligible to receive charity care, and those who are from 201% to 400% of those limits are eligible for discounts
Wheeling Hospital, Inc		Part V, Section B, Line 3 Interviews were conducted with selected stakeholders from the Wheeling service area to discuss the Community Health Needs in the Wheeling service area The following areas were discussed - Population and economic trends in both the primary and secondary service areas and future expectations- Current perceptions about overall health care in the service area, including Wheeling Hospital's health care- Wheeling Hospital's current operations and the extent to which these services are meeting community needs- The quality and access of primary care services, emergency services, inpatient services, long term care services and public health services in the service area- Wheeling Hospital's possible roles for meeting future health care needs for community health services- Potential for success in expanding services at Wheeling Hospital and the challenges faced in expanding services in the areaA variety of various community representatives were interviewed, including a representative from Belmont Community Hospital, the Wheeling Hospital Director of Nursing, Wheeling Hospital's Supplies and Inventory Manager, former mayor of Wheeling, and members of the Wheeling Hospital board These individuals were chosen because they provided a range of perspectives on the state of the community and health care, as well as providing diversified backgrounds

Identifier	ReturnReference	Explanation
Wheeling Hospital, Inc		Part V , Section B, Line 7 Wheeling Hospital management will enter into discussions with a local mental health psychiatry group to explore the feasibility of implementing an outpatient behavioral health service line at Belmont Community Hospital (a subsidiary of Wheeling Hospital) The challenge faced is finding funding sources to support the cost of the program due to the payer mix and the fact that mental health services have trended to not receive sufficient support from insurance plans and government agencies It is hoped that the new mental health parity requirements under the PPACA will help to improve funding for this important service Participants in the CHNA suggested that access to Wheeling Health Right, a local free care clinic, be expanded to residents of counties adjacent to Ohio and Belmont counties The hospital is unable to exercise control over Wheeling Health Right, as it is an unrelated organization It should be noted that the hospital and its employed physicians carry their full contingent of Wheeling Health Right on the even numbered months as part of the shared arrangement with Ohio Valley Medical Center (which takes odd numbered months) It should also be noted that it is not technically necessary for patients to access their care through Wheeling Health Right since the hospital makes its financial assistance plan available to all qualified patients Wheeling Hospital has taken on feasibility studies in relation to the projects that addressed the need for additional assisted living and/or independent living communities for the area's aging population Significant further review and consideration is required before hospital management will make a decision regarding moving forward with such facilities This remains an area of focus and interest and the hospital is committed to exploring options in this regard
Wheeling Hospital, Inc		Part V , Section B, Line 14g In addition to providing the full FAP upon request, a summary is posted in the hospital facility's emergency rooms and waiting rooms

Identifier	ReturnReference	Explanation
Wheeling Hospital, Inc		Part V, Section B, Line 20d The Hospital charges the same to all patients, irrespective of their financial status, however, all uninsured patients receive a discount calculated by the reimbursement of Medicare and private health insurers
		Part VI, Line 2 Wheeling Hospital engaged Arnett & Foster to perform a formal needs assessment to assess the health care needs for the community that it serves This assessment was completed and dated December 2012 See Schedule H, Part V, Line 3

Identifier	ReturnReference	Explanation
		Part VI, Line 3 If the patient has a scheduled procedure and has been pre-registered as self pay, they are directed to the financial counselor, where payment arrangements and discounts/charity are discussed, if applicable Self pay patients are seen by Medical Advocacy Services for Healthcare (MASH), screened for Medicare and Medicaid, and if not eligible for any programs, they supply them with the Charity Form and explain it to them Self pay accounts over \$500 are screened by the MASH service offsite for government program eligibility Once an account drops to billing, the credit/collection staff gets that account and research for other accounts, noting insurance or charity If nothing prior, the patient is called to discuss payment/charity as applicable
		Part VI, Line 4 Wheeling Hospital predominantly services the Wheeling Metropolitan Statistical Area The primary services area includes one county in the Northern Panhandle of West Virginia (Ohio County) and one county in Ohio (Belmont County), with a total population of approximately 114,000 The racial makeup of the MSA as of the 2012 census was 93.75% white, 3.85% African American, 0.6% Asian, 0.1% Native American, with the remainder from other races or a combination of two or more races The median household income for 2012 was approximately \$41,000, while the median household income for the United States was approximately \$53,000 The below poverty level percentage for 2012 was approximately 15%, while the below poverty level percentage was approximately 14.9% for the United States

Identifier	ReturnReference	Explanation
		Part VI, Line 5 A majority of the Hospital's board members are residents of the primary service area and are neither employees nor contractors of the hospital In addition, the Hospital extends medical staff privileges to any qualified physician in the community
		Part VI, Line 6 Wheeling Hospital, Inc (the "Hospital") was created by an Act of the Virginia Assembly in 1850 Currently, the Hospital operates and exists under the laws of West Virginia as a not-for-profit corporation Under its corporate charter, the Hospital is operated, supervised, and controlled by the Roman Catholic Church of the United States of America through the Diocese of Wheeling/Charleston The Hospital consists of the Wheeling Hospital Division, a full-service regional teaching hospital offering a wide range of medical and surgical services on an inpatient and outpatient basis, and the Bishop Joseph H Hodges Continuous Care Center (CCC) Division, housing a 120-bed skilled and intermediate care center The Hospital also operates a group of primary care and multispecialty physicians practicing at the Hospital (the "Physician Practice Division") as a department of the Hospital The Hospital is also the sole member of Belmont Community Hospital, Inc , ("Belmont Hospital") located in Bellaire, Ohio In addition, in October 2006, the Hospital and various West Virginia physicians formed a captive insurance company called Mountaineer Freedom Risk Retention Group Inc ("MFRRG") The Hospital is a 100% owner in this entity The terms of the by-laws provide that distributions, whether on a regular basis or upon dissolution, will be allocated based on the capital contributions the respective owners have made to MFRRG The Medical Park Foundation (the "Foundation") raises contributions solely for the use of the Hospital controlled entities The purpose of the Foundation is to cultivate philanthropic support for patient-care services, improve hospital facilities, support the uncompensated care program, and support community outreach programs The Hospital is the sole member of the Foundation In August 2010, Wheeling Hospital formed two holding companies, WH Holdings I, LLC and WH Holdings II, Inc WH Holdings I, LLC is a taxable limited liability company, while WH Holdings II, Inc is a non-profit corporation These companies may be used for any future endeavors that might be undertaken by the Hospital separate from the United States Department of Housing and Urban Development (HUD) insured mortgage Capitalization for these holding companies will be derived, as necessary, from assets excluded from the HUD-insurance mortgage At September 30, 2013, WH Holdings II, Inc had both assets and activity related to the purchase of the Mt DeChantal and Belmont Community Health Center property At September 30, 2013, there were neither assets nor activity for WH Holdings I, LLC

Identifier	ReturnReference	Explanation
Reports Filed With States	Part VI, Line 7	WV

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

2012

Open to Public Inspection

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

55-0357057

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☒ No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

[illegible]

- | | | |
|----------|---|----------|
| 2 | Enter total number of section 501(c)(3) and government organizations listed in the line 1 table | 1 |
| 3 | Enter total number of other organizations listed in the line 1 table | 0 |

Part III

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

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

Part IV Supplemental Information.		
Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information		
Identifier	Return Reference	Explanation

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
Wheeling Hospital Inc

Employer identification number
55-0357057

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	Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	Yes	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☒ Compensation committee ☐ 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?		No
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		No
c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		No
Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a The organization?	Yes	
b Any related organization? If "Yes," to line 5a or 5b, describe in Part III		No
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a The organization?	Yes	
b Any related organization? If "Yes," to line 6a or 6b, describe in Part III		No
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III		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		No
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		

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	Rent was paid for Ron Violi "Chief Executive Officer" in the amount of \$12,385. Rent was paid because he lives over 60 miles from the Wheeling Hospital, Inc. Campus and his duties often require late hours. This is for the convenience of Wheeling Hospital, Inc. and amounts paid are included on Form 1099.
	Part I, Line 5	Dr. Swamy and Dr. Rahbar's incentives are based on a percentage of net revenue.
	Part I, Line 6	Dr. Rahbar and Dr. Mosman's incentives are based on a percentage of net income.
Supplemental Information	Part III	Form 990, Part VII, Section A, Line 5: R & V Associates, a business consulting firm, provides services to Wheeling Hospital, Inc. which include a management contract to manage the facility. Of the total amount paid to R & V Associates reported on Form 990, Part VII, Section B, \$1,155,000 is allocated to the agreement to provide Mr. Violi's services as "Chief Executive Officer", reported on this Form 990 in Part VII, Section A and on Schedule J, Part II. The amounts are paid to R & V Associates and not to Mr. Violi. Mr. Violi is a principal and one of the managing directors of that firm.

Software ID:
Software Version:
EIN: 55-0357057
Name: Wheeling Hospital Inc

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Michael S McKeets	(i) (ii)	166,025 0	20,101 0	0 0	6,031 0	8,442 0	200,599 0	0 0
James B Murdy	(i) (ii)	235,105 0	30,101 0	0 0	17,144 0	37,654 0	320,004 0	0 0
Angelo Georges MD	(i) (ii)	498,269 0	101 0	0 0	8,500 0	38,647 0	545,517 0	0 0
Dennis Niess MD	(i) (ii)	223,796 0	30,254 0	0 0	13,985 0	18,512 0	286,547 0	0 0
David Rapp	(i) (ii)	196,835 0	50,101 0	0 0	10,960 0	29,582 0	287,478 0	0 0
Cinda Marsh	(i) (ii)	177,728 0	101 0	0 0	5,918 0	10,649 0	194,396 0	0 0
Lisa Schatz	(i) (ii)	162,002 0	15,101 0	0 0	1,698 0	7,760 0	186,561 0	0 0
Louis Longo	(i) (ii)	358,930 0	50,101 0	15,678 0	2,181 0	9,337 0	436,227 0	0 0
George Couch	(i) (ii)	394,120 0	101 0	0 0	10,950 0	17,409 0	422,580 0	0 0
Kareen Simon	(i) (ii)	210,526 0	101 0	0 0	2,048 0	2,095 0	214,770 0	0 0
Chandra S Swamy	(i) (ii)	523,541 0	648,105 0	0 0	10,623 0	16,056 0	1,198,325 0	0 0
David Mosman	(i) (ii)	217,022 0	490,097 0	0 0	11,517 0	38,639 0	757,275 0	0 0
Gregory S Merrick	(i) (ii)	1,161,927 0	38,101 0	0 0	10,200 0	3,918 0	1,214,146 0	0 0
Ahmad Rahbar	(i) (ii)	513,011 0	226,947 0	0 0	10,373 0	3,151 0	753,482 0	0 0
Jondavid Pollock	(i) (ii)	1,070,205 0	20,101 0	0 0	10,123 0	3,918 0	1,104,347 0	0 0

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0047
2012
Open to Public Inspection

Name of the organization Wheeling Hospital Inc	Employer identification number 55-0357057
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Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Valerie Satkoske	Daughter of "CEO "	103,501	Payments - employee compensation		No
(2) Scott Satkoske	Son-in-law of "CEO "	137,087	Payments - employee compensation		No
(3) R & V Associates	"CEO " is principal	3,002,468	Payments - include compensation payments for "CEO " services of Ronald Violi, for other consulting services including services of Mr Violi other than in his capacity as "CEO ", and for expense reimbursements		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
Part IV, Line 3	Explanation of Relationship/Transaction with R & V Associates	R & V Associates is an independent business consulting firm that provides services to Wheeling Hospital (the "Hospital") Mr Violi is a principal and one of the managing directors of that consulting firm Mr Violi receives all compensation for his services at the Hospital in the amount of \$1,155,000 directly from R & V Associates, and not from the Hospital Although Mr Violi currently serves as acting "CEO " of the Hospital, he does so through his affiliation with R & V Associates and not through any direct employment relationship with the Hospital The compensation paid to R & V Associates by the Hospital is established by an independent Ad Hoc Committee of the Board of Directors of the Hospital It is the practice of this Ad Hoc Committee to conduct its deliberations in full compliance with the established procedures under Section 4958 of the Internal Revenue Code of 1986, as amended, and with the settled purpose of establishing a rebuttable presumption of reasonableness with respect to the compensation paid to R & V Associates Additionally, the Ad Hoc Committee has sole authority over the retention and discharge of R & V Associates, and Mr Violi, as acting "CEO " has no authority over such retention or any other aspect of that engagement The payments to R & V Associates include compensation payments for Mr Violi, expense reimbursement, and other consulting services

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
Wheeling Hospital Inc

Employer identification number
55-0357057

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 2	The Very Reverend Kevin M Quirk is the assistant to the Most Reverend Michael J Bransfield, Bishop of the Diocese of Wheeling-Charleston
	Form 990, Part VI, Section A, line 3	Ronald L Violi, "CEO" of Wheeling Hospital, Inc , is not an employee of Wheeling Hospital , Inc Ronald L Violi is a 50% partner in R & V Associates, a consulting firm which Wheeling Hospital, Inc contracts with for consulting and management services
	Form 990, Part VI, Section A, line 6	Wheeling Hospital has a single member, The Most Reverend Michael J Bransfield, Bishop of the Diocese of Wheeling-Charleston
	Form 990, Part VI, Section A, line 7a	Wheeling Hospital has a single member, The Most Reverend Michael J Bransfield, Bishop of the Diocese of Wheeling-Charleston, who has the ability to elect members of the governing body of Wheeling Hospital
	Form 990, Part VI, Section B, line 11	Following completion of the Form 990 by the Wheeling Hospital tax preparer, the Form 990 is reviewed by internal personnel and the executive team prior to filing
	Form 990, Part VI, Section B, line 12c	All members of the board of directors and officers receive a copy of the Conflict of Interest Policy annually Recipients are annually asked to acknowledge they have read the policy, identify any areas of conflict and return the signed disclosure form to Wheeling Hospital Responses are reviewed and identified Conflicts are referred to the Board of Directors for discussion and approval Key employees and other employees are required to complete a Conflict of Interest questionnaire at hiring and when a change occurs that may be a conflict of interest
	Form 990, Part VI, Section B, line 15	Ronald L Violi, "CEO" of Wheeling Hospital, Inc , is not an employee of Wheeling Hospital , Inc Ronald L Violi receives his compensation from R & V Associates, which receives payments from Wheeling Hospital, Inc for consulting and management services it provides, including for Ronald L Violi's services as "CEO" Wheeling Hospital, Inc has determined by means of committee review that the payments to R & V Associates are reasonable and at fair market value Therefore all compensation payments to Ronald L Violi are reasonable Other officers and key employees' compensation is reviewed by a Wheeling Hospital committee The committee reviews national, regional and local compensation surveys Additionally, years of service are also taken into account
	Form 990, Part VI, Section C, line 19	Governing documents, Conflict of Interest Policy, and financial statements are available upon request Wheeling Hospital also files the financial statements with the WVHCA annually
	Form 990, Part VII, Section B	The amounts reported for Carpeting Unlimited, Inc and Beckett's Landscaping, Inc include fees for services as well as reimbursement of expenses These amounts are not able to be broken out
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 9	Grant Activity 3,907 Market Adjustment -26,183 Contributed Capital -12,994 Transfers -17,170
	Form 990, Part XII, Line 3a	Wheeling Hospital entered into a HUD/FHA Section 242 mortgage insurance arrangement and was required by this arrangement to undergo an A-133 audit

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
Wheeling Hospital Inc

Employer identification number
55-0357057

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) Wheeling Pediatrics LLC 222 N 5th St Martins Ferry, OH 43935 26-1482791	Physician Offices	OH	0	0	Wheeling Hospital Inc
(2) Women's Health Specialists of Wheeling Hospital LLC 1 Medical Park Center 3 Suite 232 Wheeling, WV 26003 26-2809731	Physician Offices	WV	0	0	Wheeling Hospital Inc
(3) WH Holdings II LLC 1 Medical Park Wheeling, WV 26003 27-3193246	Purchase Real Estate	WV	-356,431	6,132,861	Wheeling Hospital Inc
(4) WH Holdings I LLC 1 Medical Park Wheeling, WV 26003 27-3193207	Purchase Real Estate	WV	0	0	Wheeling Hospital Inc

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) Belmont Community Hospital Inc 4697 Harison Street Bellaire, OH 43906 34-0714643	Hospital	OH	Section 501(c)(3)	Schedule A, Line 3	Wheeling Hospital Inc	Yes	
(2) Medical Park Foundation 1 Medical Park Wheeling, WV 26003 55-0744690	Church	WV	Section 501(c)(3)	Schedule A, Line 1	Wheeling Hospital Inc	Yes	
(3) Self Insurance Trust Agreement of Wheeling Hospital Inc 1 Medical Park Wheeling, WV 26003 55-0676674	Insurance	WV	Section 501(c)(3)	Schedule A, Line 11	Wheeling Hospital Inc	Yes	

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) Disproporionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) Mountaineer Freedom Risk Retention Group Inc One Medical Park Wheeling, WV 26003 32-0184323	Captive Insurance	WV	Wheeling Hospital Inc	C	2,057,889	31,415,919	100 000 %		No
(2) Mountaineer Freedom Phyician & Hospital Association Inc One Medical Park Wheeling, WV 26003 30-0386759	Physician Hospital Assocation	WV	Wheeling Hospital Inc	C			100 000 %		No

Part V

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

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

1

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

a

Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

Lease of facilities, equipment, or other assets to related organization(s)

k

Lease of facilities, equipment, or other assets from related organization(s)

l

Performance of services or membership or fundraising solicitations for related organization(s)

m

Performance of services or membership or fundraising solicitations by related organization(s)

n

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

Other transfer of cash or property to related organization(s)

s

Other transfer of cash or property from related organization(s)

Yes

No

1a

No

1b

No

1c

No

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

Yes

1k

No

1l

Yes

1m

Yes

1n

Yes

1o

Yes

1p

No

1q

No

1r

No

1s

No

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Belmont Community Hospital Inc	O	3,801,617	Actual amount paid
(2) Belmont Community Hospital Inc	L	439,830	Actual amount paid
(3) Belmont Community Hospital Inc	M	107,601	Actual amount paid
(4) Belmont Community Hospital Inc	J	115,466	Actual amount paid
(5) Belmont Community Hospital Inc	A	35,808	Actual amount paid

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: 55-0357057
Name: Wheeling Hospital Inc

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	
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Wheeling Hospital, Inc. and Subsidiaries

Consolidated Financial Statements and
Supplemental Schedules as of and for the
Years Ended September 30, 2013 and 2012, and
Independent Auditors' Report

WHEELING HOSPITAL INC. AND SUBSIDIARIES

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1–2
CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012.	
Balance Sheets	3–4
Statements of Operations	5
Statements of Changes in Net Assets	6
Statements of Cash Flows	7
Notes to Consolidated Financial Statements	8–26
SUPPLEMENTAL SCHEDULES AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012	27
Balance Sheet Information — Obligated Group and Other Operations	28–29, 33–34
Operations Information — Obligated Group and Other Operations	30, 35
Cash Flow Information — Obligated Group and Other Operations	31–32, 36–37
Note to Supplemental Schedules	38
Key to Other Adjustments to Supplemental Schedules	39

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Wheeling Hospital, Inc. and Subsidiaries
Wheeling, WV

We have audited the accompanying consolidated financial statements of Wheeling Hospital, Inc. and subsidiaries (the "Hospital"), which comprise the consolidated balance sheets as of September 30, 2013 and 2012, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Hospital as of September 30, 2013 and 2012, and the results of their operations, their changes in net assets, and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America

Emphasis-of-Matter

As discussed in Note 2 to the consolidated financial statements, the Hospital adopted the presentation and disclosure requirement of Accounting Standards Update No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provisions for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, and changed its presentation of the provision for bad debts in the consolidated statements of operations. Our opinion is not modified with respect to this matter

Report on Supplemental Schedules

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the consolidated financial statements. These schedules are the responsibility of the Hospital's management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such schedules have been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such schedules directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedules are fairly stated in all material respects in relation to the financial statements as a whole.

Deloitte + Touche LLP

January 29, 2014

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2013 AND 2012

	2013	2012
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 56,266.583	\$ 41,482.768
Receivables		
Patients — less allowance for uncollectible accounts of		
\$18,508,000 and \$16,725,000 in 2013 and 2012, respectively	28,414.298	29,556.998
Other	926.108	1,558.880
Current portion of assets whose use is limited	4,532.640	3,678.641
Inventories	3,143.794	2,799.428
Prepaid expenses and advances	2,531.247	3,395.479
Estimated third-party payor settlements		1,726.407
	<u>95,814.670</u>	<u>84,198.601</u>
Total current assets		
INVESTMENTS — Including board-designated funds.		
Assets whose use is limited	84,769.290	75,895.987
Other long-term investments	32,184.117	28,964.433
Equity method investment in Wheeling Renal Care	1,821.727	1,862.003
Investments of Medical Park Foundation	1,412.380	1,175.272
	<u>120,187.514</u>	<u>107,897.695</u>
Total investments		
PROPERTY, BUILDINGS, AND EQUIPMENT — Net of		
accumulated depreciation	<u>125,401.546</u>	<u>132,681.834</u>
OTHER NONCURRENT ASSETS	<u>6,974.728</u>	<u>7,690.236</u>
TOTAL	<u>\$ 348,378.458</u>	<u>\$ 332,468.366</u>

(Continued)

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2013 AND 2012

	2013	2012
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long-term obligations	\$ 2,262,968	\$ 2,232,664
Accounts payable	12,139,862	12,025,721
Accrued salaries and other expenses	14,055,978	14,490,793
Accrued vacation expense	9,531,891	9,985,654
Current portion of self-insurance reserves	3,564,545	2,695,111
Estimated settlement amounts due third party payors	103,939	
Total current liabilities	<u>41,659,183</u>	<u>41,429,943</u>
OTHER LIABILITIES	<u>2,579,182</u>	<u>2,449,904</u>
SELF-INSURANCE RESERVES	<u>17,218,674</u>	<u>15,320,126</u>
LONG-TERM DEBT — Less current maturities		
Term loans and mortgages	55,659,327	56,950,804
Capital lease obligations	999,002	1,517,124
Total long-term debt	<u>56,658,329</u>	<u>58,467,928</u>
NET ASSETS		
Unrestricted net assets	218,978,878	203,773,943
Temporarily restricted	9,752,009	9,423,118
Permanently restricted	1,532,203	1,603,404
Total net assets	<u>230,263,090</u>	<u>214,800,465</u>
TOTAL	<u>\$348,378,458</u>	<u>\$332,468,366</u>

See notes to consolidated financial statements

(Concluded)

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
UNRESTRICTED REVENUES, GAINS, AND OTHER SUPPORT		
Net patient service revenue	\$ 302,336,548	\$ 304,522,444
Provisions for bad debt	<u>(19,748,834)</u>	<u>(16,309,057)</u>
Net patient service revenues after provision for bad debt	282,587,714	288,213,387
Other revenue	14,362,617	10,606,895
Assets released from restrictions used for operations	<u>487,305</u>	<u>375,484</u>
Total unrestricted revenues, gains, and other support	<u>297,437,636</u>	<u>299,195,766</u>
EXPENSES		
Compensation and employee benefits	157,902,232	153,887,628
Supplies, purchased services, and general	114,039,693	118,816,840
Depreciation and amortization	16,541,868	15,070,761
Interest	3,227,922	1,311,618
Other	<u>322,205</u>	<u>345,710</u>
Total expenses	<u>292,033,920</u>	<u>289,432,557</u>
INCOME FROM OPERATIONS BEFORE OTHER INCOME	<u>5,403,716</u>	<u>9,763,209</u>
OTHER INCOME (EXPENSE)		
Investment income	8,223,057	3,494,497
Revenues from other nonoperating activities	3,285,669	3,101,005
Expenses from other nonoperating activities	(3,229,548)	(3,690,122)
Income from equity method investment in Wheeling Renal Care	1,071,625	1,147,140
Other	<u>869,792</u>	<u>630,680</u>
Total other income (expense) — net	<u>10,220,595</u>	<u>4,683,200</u>
EXCESS OF REVENUES OVER EXPENSES	15,624,311	14,446,409
NET UNREALIZED (LOSSES) GAINS ON INVESTMENTS	<u>(419,376)</u>	<u>8,474,448</u>
INCREASE IN UNRESTRICTED NET ASSETS	<u>\$ 15,204,935</u>	<u>\$ 22,920,857</u>

See notes to consolidated financial statements.

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
UNRESTRICTED NET ASSETS.		
Excess of revenues over expenses	\$ 15,624,311	\$ 14,446,409
Net unrealized (losses) gains on investments	<u>(419,376)</u>	<u>8,474,448</u>
Increase in unrestricted net assets	<u>15,204,935</u>	<u>22,920,857</u>
TEMPORARILY RESTRICTED NET ASSETS.		
Net realized and unrealized gains (losses) on investments	222,309	415,052
Restricted investment income	103,062	106,206
Contributions and research grants received	490,825	440,964
Assets released from restriction used for operations	<u>(487,305)</u>	<u>(375,484)</u>
Increase in temporarily restricted net assets	<u>328,891</u>	<u>586,738</u>
PERMANENTLY RESTRICTED NET ASSETS — Change in beneficial interest in charitable trust	<u>(71,201)</u>	<u>522,982</u>
Decrease in permanently restricted net assets	<u>(71,201)</u>	<u>522,982</u>
INCREASE IN NET ASSETS	15,462,625	24,030,577
NET ASSETS — Beginning of year	<u>214,800,465</u>	<u>190,769,888</u>
NET ASSETS — End of year	<u>\$ 230,263,090</u>	<u>\$ 214,800,465</u>

See notes to consolidated financial statements.

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 15,462,625	\$ 24,030,577
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	17,276,829	15,761,245
Provision for bad debts	19,748,834	16,309,057
Change in unrealized (gains) losses on investments	464,393	(8,848,209)
Restricted contributions and investment expense	(599,487)	(551,529)
Beneficial interest in charitable trust	71,201	(522,982)
Income from equity method investment in Wheeling Renal Care	(1,071,625)	(1,147,140)
Net (gain) loss on disposals of property, buildings, and equipment	(22,151)	258,269
Changes in assets and liabilities		
Patient and other receivables	(17,973,361)	(18,654,328)
Inventories	(344,366)	476,270
Prepaid expenses and advances	864,232	(192,341)
Accounts payable and accrued expenses	(1,591,872)	(5,273,843)
Estimated third-party pay or settlements	1,830,347	(1,248,395)
Other liabilities	129,278	115,363
Other noncurrent assets	466,669	(4,245,275)
Distributions from equity method investment in Wheeling Renal Care	1,111,902	1,205,329
Self-insurance reserves	2,767,982	(1,821,185)
Net cash provided by operating activities	<u>38,591,430</u>	<u>15,650,883</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, buildings, and equipment	(8,420,053)	(29,372,913)
Proceeds from sale of property, buildings, and equipment	10,340	43,543
Sales of investments	53,926,031	28,127,319
Purchases of investments	<u>(67,574,519)</u>	<u>(31,732,083)</u>
Net cash used in investing activities	<u>(22,058,201)</u>	<u>(32,934,134)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings		(3,646,930)
Restricted contributions and investment income	528,285	549,787
Borrowings of debt		23,924,715
Repayment of debt and capital lease obligations	<u>(2,277,699)</u>	<u>(1,633,981)</u>
Net cash (used in) provided by financing activities	<u>(1,749,414)</u>	<u>19,193,591</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>14,783,815</u>	<u>1,910,340</u>
CASH AND CASH EQUIVALENTS — Beginning of year	<u>41,482,768</u>	<u>39,572,428</u>
CASH AND CASH EQUIVALENTS — End of year	<u><u>\$ 56,266,583</u></u>	<u><u>\$ 41,482,768</u></u>
SUPPLEMENTAL CASH FLOW INFORMATION — Cash paid for interest (net of capitalized interest of \$0 in 2013 and \$1,091,736 in 2012)	<u><u>\$ 3,255,811</u></u>	<u><u>\$ 1,332,933</u></u>
NONCASH TRANSACTIONS		
Capital lease transactions for equipment	<u>\$ 498,404</u>	<u>\$ 868,271</u>
Purchases of property, buildings, and equipment in accounts payable	<u>\$ 817,434</u>	<u>\$ 411,919</u>

See notes to consolidated financial statements

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

1. CORPORATE ORGANIZATION

Wheeling Hospital, Inc. (the "Hospital") was created by an Act of the Virginia General Assembly in 1850. Currently, the Hospital operates and exists under the laws of West Virginia as a not-for-profit corporation. Under its corporate charter, the Hospital is operated, supervised, and controlled by the Roman Catholic Diocese of Wheeling/Charleston. The Hospital consists of the Wheeling Hospital Division, a full-service regional teaching hospital offering a wide range of medical and surgical services on an inpatient and outpatient basis, and the Bishop Joseph H. Hodges Continuous Care Center (CCC) Division, housing a 120-bed skilled and intermediate care center. The Hospital also owns and operates the Physician Practice Division as a department of the Hospital. This division consists of a group of primary care and multispecialty physicians practicing at the Hospital.

The Hospital is also the sole member of Belmont Community Hospital, Inc. ("Belmont Hospital") located in Bellaire, Ohio. Accordingly, Belmont Hospital, is included in the accompanying consolidated financial statements.

In October 2006, the Hospital and various West Virginia physicians formed a captive insurance company called Mountaineer Freedom Risk Retention Group Inc. (MFRRG). This entity is wholly owned by the Hospital. Accordingly, MFRRG is included in the accompanying consolidated financial statements.

The Medical Park Foundation (the "Foundation") raises contributions solely for the use of the Hospital controlled entities. The purpose of the Foundation is to cultivate philanthropic support for patient-care services, improve hospital facilities, support the uncompensated care program, and support community outreach programs. The Hospital is the sole member of the Foundation, accordingly, the Foundation is included in the accompanying consolidated financial statements.

In August 2010 Wheeling Hospital formed two holding companies, WH Holdings I, LLC (WHH I) and WH Holdings II, Inc. (WHH II). WHH I is a taxable limited liability company, while WHH II, Inc. is a non-profit corporation. These holding companies may be used for any future endeavors that might be undertaken by the Hospital outside of the covenants and agreements governing the HUD-insured mortgage. Capitalization for these holding companies will be derived, as necessary, from assets outside of the covenants and agreements governing the HUD-insured mortgage. The financial statements of WHH II are included in the accompanying consolidated financial statements. As of and for the year ended September 30, 2013, there were no assets, nor activity for WHH I.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies utilized in preparation of these consolidated financial statements:

Basis of Accounting — The Hospital and subsidiaries maintain their accounts on the accrual basis of accounting.

Principles of Consolidation — The consolidated financial statements include the accounts of the Hospital and its subsidiaries, including Belmont Hospital, CCC, MFRRG, WHH II and the Foundation. All significant intercompany accounts and transactions have been eliminated.

Cash and Cash Equivalents — Cash and cash equivalents include highly liquid investments with an original maturity less than 90 days at the date of acquisition. The Hospital and its subsidiaries maintain certain cash balances with banks that exceed the amounts insured by the Federal Deposit Insurance Corporation. Excluded from cash and cash equivalents are amounts whose use is limited by Board of Directors' designation or other arrangements under trust agreements.

Investments — Investments in debt and equity securities are recorded at fair value. The Hospital has classified all its assets limited to use and marketable securities as available for sale.

Investment income, including realized gains and losses and other-than-temporary impairment (OTTI) losses, is included in excess of revenues over expenses generally as nonoperating gains, unless the income or loss is restricted by the donor or law. Dividend income is recognized on the ex-dividend date. Interest income is recognized on the accrual basis. Unrealized gains and losses on the investments, excluding OTTI losses, are excluded from excess of revenues over expenses and are recorded as an other change in unrestricted net assets. Donated investments are recorded at fair value at the date of receipt.

Investment income on operating funds is reported as other operating revenue. Investment income, including net realized gains (losses) (recognized on the trade date) and other-than-temporary losses from board-designated funds, is reported in nonoperating gains (net). When required by the donor or law, investment income and realized and unrealized gains (losses) on investments of temporarily or permanently restricted net assets are added to (deducted from) the respective net asset classification.

The Hospital utilizes various investment instruments, including government and agency securities, corporate bonds, and common stocks. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the consolidated financial statements and accompanying notes.

Investment in Joint Venture — The Hospital is a 50% owner in Wheeling Renal Care (WRC), a full service renal dialysis center. The Hospital's interest in this joint venture is being accounted for under the equity method of accounting. The earnings from WRC are recorded as other income, as it is not an integral part of the operations of the Hospital. Summary information of WRC is as follows:

	2013	2012
Total assets	\$4,243,921	\$4,299,713
Total liabilities	613,156	575,414
Total revenue	8,680,698	8,521,068
Net income	2,143,251	2,294,280

Assets Whose Use is Limited — Assets whose use is limited include assets set aside by the Board of Directors for future capital improvements, over which the board retains control and may, at its discretion, subsequently use for other purposes and self-insurance trust arrangements. Assets whose use is limited also include certain funds whose use has been restricted by the donor. Amounts required to meet current liabilities of the Hospital have been included in current assets in the accompanying consolidated balance sheets.

Inventories — Inventories, consisting primarily of drugs and medical supplies, are stated at the lower of cost or market (based on the first-in, first-out method)

Property, Buildings, and Equipment — Purchased property, buildings, and equipment are carried at cost and donated property, buildings, and equipment are carried at fair value at the date of donation. Depreciation is computed using the straight-line method at rates sufficient to amortize costs of the depreciable assets over their estimated useful lives ranging from 3 to 40 years. Amortization of capitalized leases is included in depreciation. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operations for the year. The cost of maintenance and repairs is charged to operations as incurred, significant renewals and betterments are capitalized and deductions are made for retirements resulting from the renewals or betterments.

Impairment of Long-Lived Assets — Management of the Hospital reviews long-lived assets (including property, buildings, and equipment) for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management considers the undiscounted cash flow expected to be generated by the use of the asset and its eventual disposition to determine when, and if, impairment has occurred. Any write-downs due to impairment are charged to operations at the time impairment is identified. No such write-down was required in 2013 or 2012.

Temporarily and Permanently Restricted Net Assets — Temporarily restricted net assets are those whose use has been limited by donors for a specific time period or purpose. Permanently restricted net assets are restricted by donors to be maintained in perpetuity and only the income earned may be expended.

The Hospital has recorded beneficial interests from perpetual trusts held by third parties and the related unrestricted trust income in the accompanying consolidated balance sheets and consolidated statements of operations. The Hospital has the irrevocable right to receive the income earned on the trust assets in perpetuity, but does not hold the underlying assets. The income earned is recorded as investment income.

Net Patient Service Revenue — The Hospital records patient receivables and service fees revenue as the service is provided on an accrual basis. Aging of receivables is determined based on billing date. The Hospital grants credit without collateral to its patients and does not accrue interest on any of its patient receivables. The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted (as a result of examination or audit) in future periods, as final settlements are determined. Net patient service revenue was increased by \$268,000 and \$1,439,000 for the years ended September 30, 2013 and 2012, respectively, due to prior-year retroactive adjustments in excess of amounts previously estimated.

Other Revenue — Other revenue is derived from Medicare and Medicaid Assistance meaningful use revenues related to the implementation of electronic medical records. The Hospital qualified for meaningful use revenues of \$3,460,614 for the year ended September 30, 2013. Additionally, other revenue is derived from ancillary services, which are an integral part of the operations of the Hospital other than providing health care services to patients. Included in other revenue are grants, cafeteria, gift shop, pharmacy, unrestricted contributions, and other services. Such revenue is recognized when the

related service is performed, drugs are dispensed, or in the case of grant revenue, when the Hospital incurs the cost related to the grant's purpose

Other Income (Expense) — Other income (expense) is derived from the equity method investment in Wheeling Renal Care and certain other activities of the Hospital which are not an integral part of the operations of the Hospital, such as the Hospital's fitness center and its rental property. Expenses of other nonoperating activities include depreciation of building, land improvements and equipment of \$734,961 and \$690,484 for the years ended September 30, 2013 and 2012, respectively. Revenues from the Hospital's fitness center are recognized ratably over the year for annual memberships and in the month the service is provided for monthly memberships. Rental revenue is recognized on the straight-line basis over the lease term. A substantial majority of the Hospital's rental contracts are for less than 12 months.

Estimated Malpractice and Workers' Compensation Costs — The provision for estimated medical malpractice and workers' compensation claims include estimates of the ultimate costs for both reported claims and claims incurred but not reported. Accruals for workers' compensation claims are discounted at a discount rate of 4.0% at September 30, 2013 and 2012. The accrual for estimated malpractice claims is undiscounted due to the inherent uncertainty of the timing of the expected payments.

Donor Gifts — Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (i.e., when a stipulated time restriction ends or purpose restriction is accomplished) temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as net assets released from restrictions.

Excess of Revenues Over Expenses — The consolidated statements of operations include excess of revenues over expenses, which is considered the Hospital's performance indicator. Changes in unrestricted net assets, which are excluded from excess of revenues over expenses, consistent with current industry practice, include unrealized gains and losses on investments other than trading securities, changes in accounting policies, permanent transfers of assets to and from affiliates for other than goods and services, and contributions of long-lived assets (including assets acquired using contributions that by donor restriction were to be used for the purposes of acquiring such assets).

Income Taxes — The Hospital, CCC, Belmont Hospital, the Foundation, WP, and WHS, all qualify as tax-exempt organizations under Section 501(c)(3) of the U.S. Internal Revenue Code. WHH II is treated as a disregarded entity of WH. MFRRG is a taxable entity, incorporated in West Virginia. The effect of income taxes on MFRRG in the accompanying consolidated financial statements is not significant. The Hospital does not have any material uncertain tax positions at September 30, 2013 and 2012.

Use of Estimates in the Preparation of Consolidated Financial Statements — The Hospital maintains its accounts on the accrual basis of accounting. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounting Pronouncements Adopted — In August 2010, the FASB issued guidance requiring the cost to be used as the measurement basis for charity care disclosure purposes and that the method used to determine such cost also is disclosed. The objective of this guidance is to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care. This guidance is effective for financial statements issued for fiscal years beginning after December 15, 2010. The Hospital has adopted this guidance effective October 1, 2011. The adoption of this guidance did not have a material impact on the Hospital's consolidated financial statements.

In August 2010, the FASB issued guidance in order to clarify that a health care entity should not net insurance recoveries against a related claim liability and that the amount of the claim liability should be determined without considerations of insurance recoveries. This guidance is effective for financial statements issued for fiscal years beginning after December 15, 2010. The Hospital has adopted this guidance effective October 1, 2011. The adoption of this guidance did not have a material impact on the Hospital's consolidated financial statements.

In May 2011, the FASB issued new guidance that amends the fair value disclosure requirements regarding transfers between Level 1 and Level 2 of the fair value hierarchy and also the categorization by level of the fair value hierarchy for items that are not measured at fair value in the financial statements but for which the fair value is required to be disclosed. The Hospital has adopted this guidance for disclosure in its consolidated financial statements for the year ending September 30, 2013. The adoption of this guidance did not have a material impact on the Hospital's consolidated financial statements.

In July 2011, The FASB issued ASU 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provisions for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*. The guidance requires certain health care entities to present the provision for bad debts related to patient service revenues as a deduction from revenue, net of contractual allowances and discounts, versus as an expense in the consolidated statement of operations. In addition, it also requires enhanced disclosures regarding revenue recognition policies and the assessment of bad debt. This guidance was effective for the Hospital for the fiscal year ended September 30, 2013, and the adoption resulted in a reduction of net patient service revenue, operating revenue, and operating expenses, and required additional disclosures, but did not have an impact on operating income in the consolidated statements of operations and changes in net assets. Prior-year amounts were reclassified to conform to the current-year presentation. The incremental effects of applying the provisions on the individual lines of the consolidated financial statements for the year ended September 30, 2012, are as follows:

	Net Patient Service Revenue		
	As Previously Reported	Effect of Retrospective Application	As Adjusted
September 30, 2012			
Consolidated statement of operations:			
Net patient service revenue	\$ 304,522,444	\$ -	\$ 304,522,444
Net patient service revenue less provision for bad debts	304,522,444	(16,309,057)	288,213,387
Provision for bad debts — net	16,309,057	(16,309,057)	

Functional expense disclosure as of September 30, 2012 was changed due to the adoption of the guidance related to ASU 2011-07, the impact is as follows

	Functional Expenses		
	As Previously Reported	Effect of Retrospective Application	As Adjusted
September 30, 2012			
Health care services	\$ 278,007,413	\$(16,309,057)	\$ 261,698,356
General and administrative	27,734,201		27,734,201

3. ASSET RETIREMENT OBLIGATIONS

The Hospital recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which it is incurred, in accordance with accounting for asset retirement obligations and accounting for conditional asset retirement obligations. The timing or method of settling such an obligation is conditional on a future event that may or may not be within the control of the Hospital. When the liability is initially recorded, the Hospital capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its present value each period, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations. The future value of the Hospital's asset retirement obligation is approximately \$21 million. The asset retirement obligation relates to asbestos removal at the Hospital's various properties. The liability was estimated using an inflation rate of 3% based on the nature of the retirement obligation. Because guidance related to accounting for asset retirement obligations requires retrospective application to the inception of the liability, the initial asset retirement obligation was calculated using a discount rate of 4.6% based on the credit adjusted risk-free rate of interest commensurate with the estimated settlement dates.

September 30, 2011	\$ 2,007,707
Accretion expense for year ended September 30, 2012	<u>95,294</u>
September 30, 2012	2,103,001
Accretion expense for year ended September 30, 2013	<u>115,366</u>
September 30, 2013	<u>\$ 2,218,367</u>

The asset retirement obligation is recorded within other liabilities in the consolidated balance sheets.

The cost to remediate or abate is estimated based on historical cost, current quotes from third parties, and the Hospital's knowledge of the applicable laws and regulations. The amount and location of asbestos is based on the Hospital's experience during renovations and recently conducted studies, however, estimated costs and future costs could differ significantly due to the nature of the estimates used.

The settlement date of the obligation is the year when the buildings are no longer deemed to have future useful life and the buildings are closed, or otherwise disposed of, or when the remediation costs are expected to be incurred. These settlement dates are generally based on the Hospital's anticipated

renovations or the remaining useful life of the buildings. Changes in demand, availability of capital, competition, economic conditions, technology advancements, and state regulations can significantly affect the estimated settlement date.

4. SERVICE BENEFIT

The Hospital provides care to patients who meet certain criteria under the approved charity care policy without charge or at amounts less than the established rates. Because the Hospital does not pursue collection of amounts that are determined to qualify as charity care, they are not reported as net patient service revenue. The Hospital maintains records to identify and monitor the level of charity care it provides. The cost of the charity care provided was \$5,422,277 and \$5,546,000 for the year ended September 30, 2013 and September 30, 2012, respectively. The method used to compute the cost was to first obtain an overall cost to charge ratio by dividing operating expenses for the year ended September 30, 2013, by the gross patient service revenue for the year ended September 30, 2013. This cost to charge ratio was then applied to the total charges related to charity care.

In addition to the charity care provided for direct patient care, the Hospital provides free and below cost services and programs for the community. The costs of these services and programs are included in compensation and employee benefits and various other expense line items of the Hospital's consolidated statements of operations.

5. NET PATIENT SERVICE REVENUE

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and include estimated retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations. A summary of the payment arrangements with major third-party payors follows:

Medicare — Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. Medicare also reimburses for substantially all outpatient services based on prospective payment terms. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. The Hospital is reimbursed for Medicare-related bad debts, Indirect Medical Education, and Graduate Medical Education at tentative rates with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. Belmont Hospital is reimbursed for Medicare-related bad debts and disproportionate shares at tentative rates with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been audited with final settlements determined by the Medicare fiscal intermediary through September 30, 2009. Belmont Hospital's Medicare cost reports have been audited with final settlements determined by the Medicare fiscal intermediary through December 31, 2011.

Medical Assistance — The Hospital's acute inpatient and outpatient care services are reimbursed by West Virginia Medical Assistance at prospectively determined rates. Acute inpatient services and outpatient services rendered by the Hospital to Ohio Medical Assistance beneficiaries are reimbursed at prospectively determined rates. Belmont Hospital's acute inpatient and outpatient care services are reimbursed by West Virginia and Ohio Medical Assistance at prospectively determined rates. The Hospital's classification of patients under the Medical Assistance program and the appropriateness of

their admissions are subject to an independent review by the utilization review committee. The Hospital's Medical Assistance cost reports have been audited by the Ohio Department of Human Services through September 30, 2004. The Hospital is no longer required to file an Ohio Medicaid Cost Report. Belmont Hospital's Ohio Medical Assistance cost reports have been audited by the Ohio Department of Human Services through December 31, 2009. There is no cost report settlement with West Virginia Medical Assistance.

Under the West Virginia Disproportionate Share Program, the Hospital received approximately \$88,000 and \$372,000 for the years ended September 30, 2013 and 2012, respectively.

During fiscal 1993, the West Virginia Legislature enacted into law a tax on all West Virginia health care providers to fund the state Medicaid program. This tax is paid on the net revenues for services provided within West Virginia. The tax is 2.5% of acute care net revenues and 5.5% of skilled nursing net revenues. The Hospital paid approximately \$5,089,000 and \$4,837,000 in provider tax expense during fiscal 2013 and 2012, respectively. These amounts are included in supplies, purchased services, and general expense in the accompanying consolidated statements of operations on an accrual basis.

On July 1, 2012, the State of WV notified all eligible acute care hospitals that in addition to the Health Care Provider Tax, an acute care hospital tax at the rate of .0088 would be imposed on the net patient revenues of eligible acute care hospitals that provide inpatient and outpatient hospital services in West Virginia through a Medicaid upper payment limit program. The new revenues produced will be used as the state contribution toward drawing down additional federal matching dollars for Medicaid to enhance current hospital rates under a new upper payment limit (UPL) program. The tax was implemented retroactively July 1, 2011. The tax rate was reduced to .0045 effective July 1, 2013, and expires on June 30, 2014, unless otherwise extended by the legislature. The taxes collected are deposited into a dedicated eligible acute care provider enhancement fund. Quarterly disbursements are made to support the hospital Medicaid upper payment limit program. In FY 2013, Wheeling Hospital expensed approximately of \$1,455,000. Actual payments received totaled \$3,039,000, of which \$1,497,000 was related to the receivable recorded in FY 2012. An estimated receivable of \$586,000 was recorded at September 30, 2013, which is expected to be received in FY 2014.

Other — The Hospital and Belmont Hospital have also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Hospital and Belmont Hospital under these agreements includes prospectively determined daily rates and discounts from established charges. One of these contracts accounted for approximately 12% and 14% of consolidated net patient service revenue during the years ended September 30, 2013 and 2012, respectively.

Pursuant to the provisions of the West Virginia Code, the West Virginia Health Care Authority (HCA) has been empowered to regulate the Hospital's gross patient service revenue and gross revenue for nongovernmental payors through limitation orders compiled from budgets and rate schedules submitted by the Hospital on a periodic basis for its West Virginia-based operations. The rate setting methodology used by HCA is based on expense and return on equity levels. HCA also has the authority to approve or disallow contractual discounts provided to nongovernmental payors. HCA granted a rate increase for fiscal year 2013, effective October 1, 2012, increasing the limit for inpatients by 7.25% and outpatients by 6.12%. A rate order granted by HCA for fiscal year 2014, effective October 1, 2013, will increase the gross charges limit for inpatients by 7.5% and outpatients by 7.07%.

Revenue from the Medicare and Medicaid programs accounted for approximately 35% and 11%, and 36% and 8%, respectively, of consolidated net patient service revenue for the years ended September 30, 2013 and 2012. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

The Hospital and Belmont Hospital grant credit without collateral to their patients, most of who are local residents and are insured under third-party payor agreements. The mix of net receivables from patients and third-party payors at September 30, 2013 and 2012, was as follows.

	2013	2012
Medicare	34 %	30 %
Health Plan of the Upper Ohio Valley	13	11
Blue Cross	18	12
Medicaid	7	10
Other third-party payors	<u>28</u>	<u>36</u>
Total	<u>100 %</u>	<u>100 %</u>

The prior year percentages in the table above have been corrected to conform to the current year presentation by transferring the net receivable attributable to the self-funded employee health plan from Health Plan of the Ohio Valley to Other third party payors.

The provision for bad debts is based upon management's assessment of historical and expected net collections considering business and economic conditions, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor. The results of this review are then used to make modifications to the provision for bad debts to establish an appropriate allowance for uncollectible accounts. The provision for bad debts as a percentage of net patient revenues was 6.53% and 5.36% for the years ended September 30, 2013 and 2012, respectively, as recorded below.

	2013	2012
Provisions for bad debt include		
Government and state provisions		
Commercial, other, and self-pay	<u>\$ 19,748,834</u>	<u>\$ 16,309,057</u>
	<u>\$ 19,748,834</u>	<u>\$ 16,309,057</u>

6. INVESTMENTS

The composition of investments, including assets whose use is limited as of September 30, 2013 and 2012, is set forth as follows

	2013	2012
Mutual funds	\$ 26,459,502	\$ 25,340,062
Common stocks	55,451,850	47,360,094
Corporate and other bonds	31,746,068	28,746,726
Cash and cash equivalents	7,708,804	6,664,047
Beneficial interest in perpetual trusts	1,532,203	1,603,404
Equity method investment in Wheeling Renal Care	<u>1,821,727</u>	<u>1,862,003</u>
Total	<u>\$ 124,720,154</u>	<u>\$ 111,576,336</u>

The Belmont Hospital has recorded beneficial interests from perpetual trusts held by third parties and the related unrestricted trust income in the accompanying consolidated balance sheets and consolidated statements of operations. The Belmont Hospital utilizes the discounted cash flow using observable inputs of dividend yield and interest rate as a valuation method.

The above amounts are classified on the accompanying consolidated balance sheets as of September 30, 2013 and 2012, as follows.

	2013	2012
Current portion of assets whose use is limited	\$ 4,532,640	\$ 3,678,641
Assets whose use is limited	84,769,290	75,895,987
Other long-term investments	32,184,117	28,964,433
Equity method investment in Wheeling Renal Care	1,821,727	1,862,003
Investments of Medical Park Foundation	<u>1,412,380</u>	<u>1,175,272</u>
	<u>\$ 124,720,154</u>	<u>\$ 111,576,336</u>

Investment income and gains for the years ended September 30, 2013 and 2012, are composed of the following

	2013	2012
Interest and dividend income	\$ 2,557,571	\$ 2,303,401
Net realized gains on sales of investments	<u>5,665,486</u>	<u>1,191,096</u>
Total investment income	<u>\$ 8,223,057</u>	<u>\$ 3,494,497</u>
Other changes in unrestricted net assets — change in net unrealized gains (losses) on investments	<u>\$ (419,376)</u>	<u>\$ 8,474,448</u>

Investments in unrealized loss positions at September 30, 2013, are as follows

	September 30, 2013					
	Loss Position for		Loss Position for		Total	
	Less Than 12 Months		Greater Than 12 Months			
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Fixed income securities	\$ 3,482,138	\$ (100,985)	\$ 12,790,116	\$ (326,193)	\$ 16,272,254	\$ (427,178)
Equity investments	<u>7,265,592</u>	<u>(377,968)</u>	<u></u>	<u></u>	<u>7,265,592</u>	<u>(377,968)</u>
Total	<u>\$ 10,747,730</u>	<u>\$ (478,953)</u>	<u>\$ 12,790,116</u>	<u>\$ (326,193)</u>	<u>\$ 23,537,846</u>	<u>\$ (805,146)</u>

Investments in unrealized loss positions at September 30, 2012, are as follows.

	September 30, 2012					
	Loss Position for		Loss Position for		Total	
	Less Than 12 Months		Greater Than 12 Months			
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Fixed income securities	\$ 61,361	\$ (771)	\$ 1,348,188	\$ (3,963)	\$ 1,409,549	\$ (4,734)
Equity investments	<u>1,462,805</u>	<u>(115,792)</u>	<u>5,199,367</u>	<u>(84,417)</u>	<u>6,662,172</u>	<u>(200,209)</u>
Total	<u>\$ 1,524,166</u>	<u>\$ (116,563)</u>	<u>\$ 6,547,555</u>	<u>\$ (88,380)</u>	<u>\$ 8,071,721</u>	<u>\$ (204,943)</u>

7. FAIR VALUE MEASUREMENTS

The Hospital discloses the fair value of its financial instruments according to a fair value hierarchy and provides disclosure regarding financial instruments in investments without a readily determinable fair value, including a separate reconciliation of the beginning and ending balances for each major category of assets and liabilities

The following methods and assumptions were used to estimate fair value of each class of financial instruments for which it is practical to estimate fair value

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, and short-term borrowings approximate fair value because of the short maturity of these instruments

The carrying and fair values of the self-insurance liabilities are actuarially determined

The carrying amount of notes payable with variable, market-based interest rates approximates fair value. The carrying amounts of other notes and loans payable, mortgages, and capital leases approximate fair value based on the Hospital's current incremental borrowing rate for similar types of borrowing arrangements

The fair value hierarchy prioritizes the inputs into three broad levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument. Level 3 inputs are unobservable inputs based on assumptions used to measure assets and liabilities at fair value. A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The Hospital's financial assets for each hierarchy level as of September 30, 2013 and 2012, are as follows:

	September 30, 2013			
	Level 1	Level 2	Level 3	Total
Assets:				
Mutual funds:				
Domestic	\$ 26,164,737	\$ -	\$ -	\$ 26,164,737
International	<u>294,765</u>	<u> </u>	<u> </u>	<u>294,765</u>
Total mutual funds	<u>26,459,502</u>	<u>-</u>	<u>-</u>	<u>26,459,502</u>
Corporate and other bonds (all domestic)	<u> </u>	<u>31,746,068</u>	<u> </u>	<u>31,746,068</u>
Common stocks:				
Domestic	37,227,815			37,227,815
International	<u>18,224,034</u>	<u> </u>	<u> </u>	<u>18,224,034</u>
Total common stocks	<u>55,451,849</u>	<u>-</u>	<u>-</u>	<u>55,451,849</u>
Cash and cash equivalents	<u>7,310,412</u>	<u> </u>	<u> </u>	<u>7,310,412</u>
Beneficial interest in perpetual trusts	<u> </u>	<u>1,532,203</u>	<u> </u>	<u>1,532,203</u>
Total assets	<u>\$ 89,221,763</u>	<u>\$ 33,278,271</u>	<u>\$ -</u>	<u>\$ 122,500,034</u>

	September 30, 2012			
	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds				
Domestic	\$25,262,657	\$ -	\$ -	\$ 25,262,657
International	<u>77,405</u>	<u> </u>	<u> </u>	<u>77,405</u>
Total mutual funds	<u>25,340,062</u>	<u>-</u>	<u>-</u>	<u>25,340,062</u>
Corporate and other bonds (all domestic)	<u> </u>	<u>28,746,726</u>	<u> </u>	<u>28,746,726</u>
Common stocks				
Domestic	39,103,674			39,103,674
International	<u>8,256,420</u>	<u> </u>	<u> </u>	<u>8,256,420</u>
Total common stocks	<u>47,360,094</u>	<u>-</u>	<u>-</u>	<u>47,360,094</u>
Cash and cash equivalents	<u>5,784,495</u>	<u> </u>	<u> </u>	<u>5,784,495</u>
Beneficial interest in perpetual trusts	<u> </u>	<u>1,603,404</u>	<u> </u>	<u>1,603,404</u>
Total assets	<u>\$78,484,651</u>	<u>\$30,350,130</u>	<u>\$ -</u>	<u>\$108,834,781</u>

Excluded from the table above are \$1,821,727 and \$1,862,003 at September 30, 2013 and 2012, respectively, related to Wheeling Renal Care and \$398,392 and \$879,552 at September 30, 2013 and 2012, respectively, related to United Liquid Asset Fund

8. ENDOWMENT

The board of trustees of the Hospital has interpreted the Uniform Prudent Management of Institutional Fund Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Hospital classifies as permanently net restricted assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the 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 organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Hospital considers the following factors in making a determination to appropriate or accumulate donor-restricted funds

- The duration and preservation of the fund
- The purposes of the Hospital and the donor-restricted endowment fund
- General economic conditions

- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Hospital
- The investment policies of the Hospital

The Belmont Hospital as of September 30, 2013 and 2012, had donor-restricted endowments of \$1,532,203 and \$1,603,404, respectively, recorded in permanently restricted net assets in perpetuity, the income from which is expendable to support the operations of Belmont Hospital

Funds With Deficiencies — From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Hospital to retain as a fund of perpetual duration. These deficiencies result from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the board of trustees. There were no significant deficiencies of this nature that are reported in unrestricted net assets as of September 30, 2013 and 2012.

Return Objectives and Risk Parameters — To satisfy its long-term rate of return objectives, the Hospital relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Hospital targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Allocation of funds and the selection of managers shall be directed to maximizing returns while working within acceptable levels of risk. The Hospital expects its endowment funds to provide an average annual rate of return that exceeds its annual spending rate.

While 100% of all realized returns are spent, the corpus of the investment cannot be touched.

9. PROPERTY, BUILDINGS, AND EQUIPMENT

The Hospital's property, buildings, and equipment accounts and related accumulated depreciation accounts as of September 30, 2013 and 2012, are as follows

	2013	2012
Assets		
Land	\$ 5,251,542	\$ 4,667,117
Land improvements	6,910,751	6,787,015
Buildings	145,359,680	144,103,612
Equipment	198,140,271	193,228,365
Construction-in-progress	4,167,689	3,845,390
Leasehold improvement	<u>155,554</u>	<u>133,514</u>
Total assets	<u>359,985,487</u>	<u>352,765,013</u>
Accumulated depreciation (and asset lives)		
Land improvements (5–25 years)	5,656,622	5,421,755
Buildings (10–40 years)	80,309,078	76,033,492
Equipment (3–20 years)	148,573,302	138,598,044
Leasehold Improvements	<u>44,939</u>	<u>29,888</u>
Total accumulated depreciation	<u>234,583,941</u>	<u>220,083,179</u>
Property, buildings, and equipment — net	<u>\$ 125,401,546</u>	<u>\$ 132,681,834</u>

Depreciation expense was \$17,024,843 and \$15,501,897 for the years ended September 30, 2013 and 2012, respectively

10. BORROWING ARRANGEMENTS

Long-term debt as of September 30, 2013 and 2012, is summarized as follows

	2013	2012
Term loans and mortgages	\$ 56,946,486	\$ 58,170,080
Less current portion	<u>1,287,159</u>	<u>1,219,276</u>
Total long-term portion of debt	<u>\$ 55,659,327</u>	<u>\$ 56,950,804</u>

Term Loans and Mortgage — At September 30, 2013, Belmont Hospital had a term note with principal outstanding of \$215,203 at an interest rate of 6.75%. At September 30, 2012, Belmont Hospital had a term note with principal outstanding of \$269,296 at an interest rate of 6.75%. Principal and interest payments on the note are due monthly through 2017. The net book value of property pledged as collateral (mortgage) related to these Belmont Hospital loans was not material at September 30, 2013 and 2012.

On November 23, 2010, Wheeling Hospital entered into a mortgage loan agreement with Berkadia Commercial Mortgage for costs related to the construction of Tower V on its campus and the Eclipsys information system. This is a \$58,369,949, 25-year loan with a 5.35% interest rate. The mortgage loan is

insured by the Secretary of Housing and Urban Development acting by and through the Federal Housing Commissioner under the provisions of Section 242 of the National Housing Act. Drawdowns from the mortgage facility were \$0 and \$23,924,715 during the year ended September 30, 2013 and 2012, respectively

Total principal payments due on the Hospital's and Belmont Hospital's debt (excluding capital lease obligations) for the next five fiscal years are \$1,287,159, \$1,358,525, \$1,433,859, \$1,491,058, and \$1,527,272 for fiscal years 2014–2018, respectively, with \$49,848,614 due thereafter. Interest in the amount of \$2,072,396 has been paid and recorded as capitalized interest since the beginning of the debt.

Short-Term Borrowings — The Hospital has a \$18 million line of credit. Interest accrues at either the base rate or at the London InterBank Offered Rate (LIBOR), plus 0.60% at the option of the Hospital. The base rate consists of the higher of the Prime Rate, the sum of the Federal Funds Open Rate, plus 50 basis points, or the sum of the Daily LIBOR, plus 100 basis points, so long as the Daily LIBOR is offered, ascertainable, and not unlawful. The effective rate on outstanding borrowings was 0.78% at September 30, 2013. There were no outstanding borrowings on the line of credit at September 30, 2013 and 2012. Interest was due and payable monthly as it accrued on this line of credit. This line of credit is secured by certain investments of the Hospital, with a net book value of approximately \$37,408,000 and \$33,525,900 at September 30, 2013 and 2012, respectively.

11. BOARD-DESIGNATED FUNDS

In accordance with the directives of the Board of Directors, the Hospital follows the policy of funding depreciation. As of September 30, 2013 and 2012, the balances of these designated funds were approximately \$2,598,000 and \$2,341,000, respectively, and are included in assets whose use is limited in the accompanying consolidated balance sheets. These funds are to be used for capital purposes (replacement of property, buildings, and equipment and retirement of debt).

12. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at September 30, 2013 and 2012, are available for the following purposes:

	2013	2012
Capital improvements	\$ 6,522,352	\$ 6,394,650
Health education	1,977,734	1,780,453
Grants	<u>1,251,923</u>	<u>1,248,015</u>
	<u>\$ 9,752,009</u>	<u>\$ 9,423,118</u>

13. LEASE COMMITMENTS

The Hospital leases certain equipment under capital lease agreements expiring in various years through 2018. Accordingly, the assets and corresponding indebtedness have been recorded on the consolidated financial statements of the Hospital. The net book value of equipment under capital leases was approximately \$1,975,000 and \$2,530,500 for the years ended September 30, 2013 and 2012, respectively.

Future minimum lease payments under capital leases (including interest) with initial or remaining terms of one year or more for the next five fiscal years are as follows

Fiscal Years Ending September 30	Capital Leases
2014	\$ 1,014,529
2015	413,844
2016	294,605
2017	328,642
2018	<u>3,990</u>
	2,055,610
Amounts representing interest	<u>80,799</u>
Total principal payments	1,974,811
Less current portion	<u>975,809</u>
Long-term lease obligations	<u>\$ 999,002</u>

Total lease and rental expense for the years ended September 30, 2013 and 2012, was approximately \$3,854,000 and \$3,482,000, respectively

14. RETIREMENT/PROFIT-SHARING PLANS

The Hospital has a noncontributory defined-contribution retirement plan covering substantially all employees. The Hospital's annual contribution to the plan is based upon a percentage of each eligible employee's annual compensation, plus a supplemental contribution determined by the employee's years of service and the applicable schedule in the plan document. In January 1999, the Hospital adopted a 403(b) retirement plan in addition to the above plan. Under the 403(b) plan, the Hospital matches 25% of employee contributions up to 4% of the employee's gross wages. Total retirement expense under these plans amounted to approximately \$4,532,000 and \$4,536,000 for the years ended September 30, 2013 and 2012, respectively.

Belmont Hospital has a noncontributory defined-contribution profit-sharing plan covering substantially all employees. Belmont Hospital's annual contribution to the plan is based upon a formula specified in the plan agreement and a percentage of each eligible employee's annual compensation, as approved annually by Belmont Hospital's board of trustees. There was no retirement expense associated with this plan during 2013 or 2012. In January 2009, Belmont Community Hospital adopted a 403(b) retirement plan in addition to the plan above. Under the 403(b) plan, Belmont Community Hospital matches 25% of employee contributions up to 4% of the employee's gross wages. Total retirement expense under this plan amounted to approximately \$31,000 and \$30,000 in 2013 and 2012, respectively.

15. INSURANCE PROGRAMS

Prior to October 1, 2006, the Hospital maintained a self-insurance program for certain general liability, professional liability (including medical malpractice claims), and workers' compensation loss exposures. In addition, the Hospital maintained excess policies with commercial carriers. Beginning October 1, 2006, the Hospital entered into a captive insurance program with MFRRG. This insurance program is for professional and general liability, including medical malpractice. Under MFRRG, the Hospital has primary coverage of \$1,000,000 per incident/\$3,000,000 in aggregate and \$2,000,000 per occurrence/\$4,000,000 in aggregate excess coverage. There are no deductibles.

Effective January 1, 2008, Belmont Hospital joined MFRRG with the same coverage limits as the Hospital. Prior to January 1, 2008, Belmont Hospital maintained primary and excess coverage with commercial carriers. Primary coverage is \$1,000,000 per incident/\$3,000,000 in aggregate and \$2,000,000 per occurrence/\$4,000,000 in aggregate excess coverage. There are no deductibles.

As disclosed in Note 1, the Hospital wholly owns the common stock of MFRRG. Accordingly, MFRRG is included within these consolidated financial statements.

The Hospital accrues for the costs of professional and general liability claims based upon actuarial valuations of occurrence-based risks. These accruals include consideration of incurred but not reported claims exposure. Cumulative reserves for retention of self-insurance risk under general and professional liability programs amounted to approximately \$20,783,000 and \$18,015,000 at September 30, 2013 and 2012, respectively. Total expense relating to professional and general liability insurance was approximately \$6,574,000 and \$6,789,000 for the years ended September 30, 2013 and 2012, respectively.

In addition, the Hospital provides for workers' compensation losses up to a maximum deductible of \$500,000 per occurrence. The actuarially determined liability at September 30, 2013 and 2012, is approximately \$1,689,000 and \$1,726,000, respectively, recorded in accounts payable in the consolidated balance sheets. Total expense relating to workers' compensation losses, fees, and administrative costs was approximately \$1,228,000 and \$1,373,000 for the years ended September 30, 2013 and 2012, respectively, recorded in compensation and employee benefits in the consolidated statements of operations.

16. CONTINGENT LIABILITIES

The health care 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, and government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the Hospital is in compliance with Medicare and Medicaid fraud and abuse laws, as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

There are various pending lawsuits and claims arising primarily out of the conduct of the Hospital's business. Certain of these proceedings claim substantial damages. Historically, the Hospital has been successful in defending such actions or has settled them for amounts approximating reserves that had been established. In the opinion of management, after consultation with legal counsel, the ultimate outcome of the remaining lawsuits and claims will not have a material adverse effect on the financial position of the Hospital.

17. FUNCTIONAL EXPENSES

The Hospital provides general health care services to residents within its geographic region. Functional expenses related to providing these operating services for the years ended September 30, 2013 and 2012, are as follows:

	2013	2012
Health care services	\$263,542,415	\$261,698,356
General and administrative	<u>28,491,505</u>	<u>27,734,201</u>
	<u>\$292,033,920</u>	<u>\$289,432,557</u>

18. SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 29, 2014, the date the financial statements were available to be issued.

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SUPPLEMENTAL SCHEDULES

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — BALANCE SHEET INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS AS OF SEPTEMBER 30, 2013

	Entities Excluded From the Obligated Group				Other Assets and Liabilities	
	2013 Consolidated	Belmont Community Hospital	Freedom Risk Retention Group, Inc.	Medical Park Foundation	WH Holdings II	Excluded From the Obligated Group
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 55,019,960	\$ 1,805,648	\$ 196,499	\$ -	\$ 93,702	\$ -
Restricted cash	1,246,623					\$ 52,924,111
Receivables						1,246,623
Patients — net	28,414,298	2,262,372				26,151,926
Patients — net related party		8,859				62,194
Other	926,108	317,182	126,361	2,332		415,853
Other — related party		3,341				4,076,916
Current portion of assets whose use is limited	4,532,640		3,564,545			
Inventories	3,143,794	623,872				
Prepaid expenses and advances	2,531,247	85,737	295,524			
Prepaid expenses and advances related party		131,511				
Estimated third-party payer settlements						
Total current assets	95,814,670	5,238,522	4,182,929	2,332	93,702	1,032,475
INVESTMENTS — Including board-designated funds						
Assets whose use is limited	84,769,290	1,532,203	27,232,990	1,716,358		49,924,182
Other long-term investments	32,184,117	234,073				31,950,044
Equity method investment in Wheeling Renal Care	1,821,727					1,821,727
Investments of Medical Park Foundation	1,412,380			1,412,380		
Total investments	120,187,514	1,766,276	27,232,990	3,128,738	-	83,695,953
PROPERTY, BUILDINGS, AND EQUIPMENT — Net of accumulated depreciation	125,401,546	4,866,518			6,039,159	5,274,534
OTHER NONCURRENT ASSETS	6,974,728	16,382				
TOTAL	\$ 348,378,458	\$ 11,887,698	\$ 31,415,919	\$ 3,131,070	\$ 6,132,861	\$ 90,002,962
						\$ (5,790,956)
						\$ 211,598,904

(Continued)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — BALANCE SHEET INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS AS OF SEPTEMBER 30, 2013

	Entities Excluded From the Obligated Group					Other Assets and Liabilities		
	2013 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc.	Medical Park Foundation	WH Holdings II	Excluded From the Obligated Group	Other Adjustments	Obligated Group
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES.								
Current portion of long-term obligations	\$ 2,262,968	\$ 61,246	\$ -	\$ -	\$ -	\$ 720,848	3 \$ -	\$ 1,480,874
Accounts payable	12,139,862	830,309	44,901		20,361			11,244,291
Accounts payable — related party		2,189,150		1,928,055	21,905		(4,151,310)	12,200
Accrued salaries and other expenses	14,055,978	738,484	358,654					12,958,840
Accrued salaries and other expenses related party			1,639,646				(1,639,646)	8
Accrued vacation expenses	9,531,891	717,681						8,814,210
Current portion of self-insurance reserves	3,564,545		3,564,545					-
Estimated settlements due to third party	103,939	(239,029)						342,968
Total current liabilities	41,659,183	4,297,841	5,607,746	1,928,055	42,266	720,848	(5,790,956)	34,853,383
OTHER LIABILITIES	2,579,182	1,101,408			15,550	185,320	1	1,276,904
SELF-INSURANCE LIABILITIES	17,218,674		11,004,978					6,213,696
LONG-TERM DEBT — Less current maturities								
Term loans and mortgages	55,659,327	161,671						55,497,656
Capitalized lease obligations	999,002	27,514				142,898	3	828,590
Total long-term debt	56,658,329	189,185	-	-	-	142,898	-	56,326,246
NET ASSETS								
Unrestricted net assets	218,978,878	4,700,348	14,803,195	(514,970)	6,075,045	82,110,727	13	111,804,533
Temporarily restricted	9,752,009	66,713		1,717,985		6,843,169	13	1,124,142
Permanently restricted	1,532,203	1,532,203						-
Total net assets	230,263,090	6,299,264	14,803,195	1,203,015	6,075,045	88,953,896	-	112,928,675
TOTAL	\$ 348,378,458	\$ 11,887,698	\$ 31,415,919	\$ 3,131,070	\$ 6,132,861	\$ 90,002,962	\$ (5,790,956)	\$ 211,598,904

See accompanying notes to supplemental schedules.

(Concluded)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — STATEMENT OF OPERATIONS INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 2013

	2013 Consolidated	Entities Excluded From the Obligated Group				Other Revenues and Expenses		Obligated Group
		Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc.	Medical Park Foundation	WH Holdings II	Excluded From the Obligated Group	Other Adjustments	
UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT								
Net patient service revenue	\$ 302,336,548	\$ 20,622,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 281,714,247
Provisions for bad debt	(19,748,834)	(2,209,086)						(17,539,748)
Net patient service revenue — related party		95,605					(275,195)	179,590
Net patient service revenue after provision for bad debt	282,587,714	18,508,820	-	-	-	-	(275,195)	264,354,089
Assets released from restrictions used for operations	487,305							487,305
Other revenue	14,362,617	5,502,792	55,707				(6,533,006)	8,804,118
Other revenue — related party			6,505,117					27,889
Total unrestricted revenues, gains and other support	297,437,636	24,011,612	6,560,824	-	-	-	(6,808,201)	273,673,401
EXPENSES								
Compensation and employee benefits	157,902,232	11,407,221		52,852				146,442,159
Supplies, purchased services and general	114,039,693	12,150,852	3,900,545	14,734				97,973,562
Supplies, purchased services and general related entities		817,936					(6,908,742)	6,090,806
Depreciation	16,541,868	1,205,719				1,186,476		14,149,673
Interest	3,227,922	18,684				21,471		3,187,767
Interest expense related entities		27,889					(27,889)	
Other	322,205	59,199						263,006
Total expenses	292,033,920	25,687,500	3,900,545	67,586	-	1,207,947	(6,936,631)	268,106,973
INCOME FROM OPERATIONS BEFORE OTHER INCOME	5,403,716	(1,675,888)	2,660,279	(67,586)		(1,207,947)	128,430	5,566,428
OTHER INCOME (EXPENSE)								
Investment income	8,223,057	56,083	576,470	52,301		7,525,962		12,241
Revenues from other non operating activities	3,285,669	147,897		154,875	682			2,982,215
Expenses from other non operating activities	(3,229,548)	(81,415)			(457,257)	(168,195)		(2,522,681)
Revenues from other non operating activities — related parties		18,921			100,209		(128,430)	9,300
Income from equity method investment in Wheeling Renal Care	1,071,625				(65)			1,071,625
Other	869,792	551,687						318,170
Total other income (expense) — net	10,220,595	693,173	576,470	207,176	(356,431)	7,357,767	(128,430)	1,870,870
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	15,624,311	(982,715)	3,236,749	139,590	(356,431)	6,149,820		7,437,298
NET UNREALIZED (LOSSES) GAINS ON INVESTMENTS	(419,376)		(1,178,860)	30,090		750,780		(21,386)
INCREASE(DECREASE) IN UNRESTRICTED NET ASSETS	\$ 15,204,935	\$ (982,715)	\$ 2,057,889	\$ 169,680	\$ (356,431)	\$ 6,900,600	\$ -	\$ 7,415,912

See accompanying notes to supplemental schedules

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — CASH FLOW INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 2013

	2013 Consolidated	Entities Excluded From the Obligated Group				Items Excluded From the Obligated Group	Other Adjustments	Obligated Group
		Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc.	Medical Park Foundation	WHH II			
CASH FLOW FROM OPERATING ACTIVITIES								
Change in net assets	\$ 15,462,625	\$ (1,052,977)	\$ 2,070,883	\$ 172,622	\$ 43,569	\$ 8,206,890	\$ -	\$ 6,021,638
Depreciation and amortization	17,276,829	1,216,748			173,084	1,354,671		14,532,326
Provision for bad debts	19,748,834	2,208,939						17,539,895
Change in unrealized (gain) loss on investments	464,393		1,178,860	(11,256)		(724,597)		21,386
Change in realized (gain) loss on investments				(23,314)		23,314		-
Restricted contributions and investment income	(599,487)	(939)				(1,490,256)		891,708
Beneficial interest in charitable trust	71,201	71,201						-
Income from equity method investment in WRC	(1,071,625)	(2,677)				(1,071,625)		-
Net loss on disposals of property, buildings and equipment	(22,151)							(19,474)
Change in assets and liabilities								
Patient and other receivables	(17,973,361)	(1,999,650)	617	88		66,698	727,186	(16,768,300)
Inventory	(344,366)	193,138						(537,504)
Prepaid expenses and advances	864,232	(254)	(642)				(55,706)	920,834
Accounts payable and accrued expenses	(1,591,872)	737,915	(43,595)	67,584	(100,137)		(671,480)	(1,582,159)
Third party payor settlements	1,830,347	108,667						1,721,680
Other liabilities	129,278	49,908			15,550	26,908		36,912
Other non current assets	466,669	(4,299)						470,968
Distribution in equity method investment in WRC	1,111,902					1,111,902		-
Self-insurance reserves	2,767,982		1,529,084					1,238,898
Net cash provided by operating activities	38,591,430	1,525,720	4,735,207	205,724	132,066	7,503,905	-	24,488,808
CASH FLOW FROM INVESTING ACTIVITIES								
Purchases of property, buildings and equipment	(8,420,053)	(773,206)			(283,996)	(361,440)		(7,001,411)
Proceeds from sale of property, building and equipment	10,340							10,340
Sales of investments	53,926,031	71,201	12,829,522	446,737		40,578,571		-
Purchases of investments	(67,574,519)	(1,201)	(17,636,403)	(652,461)		(48,393,260)		(891,194)
Net cash used in investing activities	(22,058,201)	(703,206)	(4,806,881)	(205,724)	(283,996)	(8,176,129)	-	(7,882,265)

(Continued)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — CASH FLOW INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Entities Excluded From The Obligated Group					Items Excluded From the Obligated Group	Other Adjustments	Obligated Group
	2013 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc.	Medical Park Foundation	WH Holdings II			
CASH FLOW FROM FINANCING ACTIVITIES								
Restricted contributions and investment income	\$ 528,285	\$ (70,262)	\$ -	\$ -	\$ -	\$ 1,490,256	\$ -	\$ (891,709)
Borrowings of debt	(2,277,699)	(87,784)				(818,032)		(1,371,883)
Repayment of debt and capital lease obligations	(1,749,414)	(158,046)	-	-	-	672,224	-	(2,263,592)
Net cash (used in) provided by financing activities								
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	14,783,815	664,468	(71,674)		(151,930)			14,342,951
CASH AND CASH EQUIVALENTS — Beginning of year	41,482,768	1,141,180	268,173		243,632			39,827,783
CASH AND CASH EQUIVALENTS — End of year	\$ 56,266,583	\$ 1,805,648	\$ 196,499	\$ -	\$ 93,702	\$ -	\$ -	\$ 54,170,734
NONCASH TRANSACTIONS.								
Capital lease transaction for equipment	\$ 498,404	\$ 39,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 459,343
Purchase of property, plant and equipment in accounts payable	\$ 817,434	\$ 7,081	\$ -	\$ -	\$ 991	\$ -	\$ -	\$ 809,362
Cash paid for interest	\$ 3,255,811	\$ 46,573	\$ -	\$ -	\$ -	\$ 21,471	\$ -	\$ 3,187,767

See accompanying notes to supplemental schedules

(Concluded)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — BALANCE SHEET INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS AS OF SEPTEMBER 30, 2012

	Entities Excluded From the Obligated Group				Other Assets and Liabilities Excluded From the Obligated Group		Other Adjustments	Obligated Group
	2012 Consolidated	Belmont Community Hospital	Freedom Risk Retention Group, Inc.	Medical Park Foundation	WH Holdings II			
ASSETS								
CURRENT ASSETS								
Cash and cash equivalents	\$ 40,240,053	\$ 1,141,180	\$ 268,173	\$ -	\$ 245,632	\$ -	\$ -	\$ 38,585,068
Restricted cash	1,242,715							1,242,715
Receivables								
Patients — net	29,556,998	2,520,978						27,036,020
Patients — net related party		4,454						4,415
Other	1,558,880	273,421	126,978	2,420		1	(8,569)	1,024,983
Other — related party		2,190					(3,415,355)	3,413,365
Current portion of assets whose use is limited	3,678,641		2,695,111			1		-
Inventories	2,799,428	817,010						1,982,418
Prepaid expenses and advances	3,395,479	78,400	294,882					3,022,197
Prepaid expenses and advances related party		138,594					(1,695,352)	1,556,758
Estimated third-party payer settlements	1,726,407	347,696						1,378,711
Total current assets	84,198,601	5,323,923	3,385,144	2,420	245,632	1,114,608	(5,119,476)	79,246,350
INVESTMENTS — Including board-designated funds:								
Assets whose use is limited	75,895,987	1,603,404	24,474,403	1,713,170		1		3,493,749
Other long-term investments	28,964,433	232,872				1		-
Equity method investment in Wheeling Renal Care	1,862,003					1		-
Investments of Medical Park Foundation	1,175,272			1,175,272				-
Total investments	107,897,695	1,836,276	24,474,403	2,888,442	-	75,204,825	-	3,493,749
PROPERTY, BUILDINGS, AND EQUIPMENT — Net of accumulated depreciation	132,681,834	5,256,241			5,927,256	2		115,230,572
OTHER NONCURRENT ASSETS	7,690,236	17,083						7,673,153
TOTAL	\$ 332,468,366	\$ 12,433,523	\$ 27,859,547	\$ 2,890,862	\$ 6,172,888	\$ 82,587,198	\$ (5,119,476)	\$ 205,643,824

(Continued)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — BALANCE SHEET INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS AS OF SEPTEMBER 30, 2012

	Entities Excluded From the Obligated Group				Other Assets and Liabilities		
	2012 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc.	Medical Park Foundation	WH Holdings II	Excluded From the Obligated Group	Obligated Group
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Current portion of long-term obligations	\$ 2,232,664	\$ 79,633	\$ -	\$ -	\$ -	\$ 820,974	\$ 1,332,057
Short-term borrowings							
Accounts payable	12,025,721	881,101	34,548	1,860,469	19,779		11,090,293
Accounts payable — related party		1,435,378			121,633		6,643
Accrued salaries and other expenses	14,490,793	727,166	356,895				13,406,732
Accrued salaries and other expenses — related party			1,695,353				-
Accrued vacation expenses	9,985,654	686,983					9,298,671
Current portion of self-insurance reserves	2,695,111		2,695,111				-
Total current liabilities	41,429,943	3,810,261	4,781,907	1,860,469	141,412	820,974	35,134,396
OTHER LIABILITIES	2,449,904	1,051,500				158,412	1,239,992
SELF-INSURANCE LIABILITIES	15,320,126		10,345,328				4,974,798
LONG-TERM DEBT — Less current maturities							
Term loans and mortgages	56,950,804	219,521					56,731,283
Capitalized lease obligations	1,517,124					860,807	656,317
Total long-term debt	58,467,928	219,521	-	-	-	860,807	57,387,600
NET ASSETS							
Unrestricted net assets	203,773,943	5,683,063	12,732,312	(684,650)	6,031,476	74,240,554	105,771,188
Temporarily restricted	9,423,118	65,774		1,715,043		6,506,451	1,135,850
Permanently restricted	1,603,404	1,603,404					-
Total net assets	214,800,465	7,352,241	12,732,312	1,030,393	6,031,476	80,747,005	106,907,038
TOTAL	\$ 332,468,366	\$ 12,433,523	\$ 27,859,547	\$ 2,890,862	\$ 6,172,888	\$ 82,587,198	\$ 205,643,824

See accompanying notes to supplemental schedules.

(Concluded)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — STATEMENT OF OPERATIONS INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 2012

	2012 Consolidated	Entities Excluded From the Obligated Group				Other Revenues and Expenses		Obligated Group
		Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc.	Medical Park Foundation	WH Holdings II	Excluded From the Obligated Group	Other Adjustments	
UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT								
Net patient service revenue	\$ 304,522,444	\$23,015,272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 281,507,172
Provisions for bad debt	(16,309,057)	(1,707,038)						
Net patient service revenue, related party		98,120					(171,836)	9 73,716
Net patient service revenue after provision for bad debt	288,213,387	21,406,354					(171,836)	281,580,888
Assets released from restrictions used for operations	375,484							375,484
Other revenue	10,606,895	4,173,346						6,433,549
Other revenue — related party			6,789,365				(6,810,680)	21,315
								10
Total unrestricted revenues, gains and other support	299,195,766	25,579,700	6,789,365	-	-	-	(6,982,516)	288,411,236
EXPENSES								
Compensation and employee benefits	153,887,628	10,943,941		51,280				142,892,407
Supplies, purchased services and general	118,816,840	13,415,779	3,034,357	35,416				102,331,288
Supplies, purchased services and general related entities		651,931					(7,025,225)	11 6,373,294
Depreciation	15,070,761	1,077,012						12,468,767
Interest	1,311,618	23,833				1,524,982		1,212,208
Interest expense related entities		21,315				75,577		
Other	345,710	60,039					(21,315)	12 -
Total expenses	289,432,557	26,193,850	3,034,357	86,696	-	1,600,559	(7,046,540)	265,563,635
INCOME FROM OPERATIONS BEFORE OTHER INCOME	9,763,209	(614,150)	3,755,008	(86,696)		(1,600,559)	64,024	8,245,582
OTHER INCOME (EXPENSE)								
Investment income	3,494,497	57,545	383,431	38,720		3,014,468		333
Revenues from other non operating activities	3,101,005	146,531						2,954,474
Expenses from other non operating activities	(3,690,122)	(63,106)			(1,148,548)	(188,024)		(2,290,444)
Revenues from other non operating activities — related parties		37,172			25,052		(64,024)	1,800
Income from equity method investment in Wheeling Renal Care	1,147,140			607	30,488			1,147,140
Other	630,680	506,747						92,838
Total other income (expense) — net	4,683,200	684,889	383,431	39,327	(1,093,008)	2,826,444	(64,024)	1,906,141
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	14,446,409	70,739	4,138,439	(47,369)	(1,093,008)	1,225,885	-	10,151,723
NET UNREALIZED GAINS ON INVESTMENTS	8,474,448		598,368	38,066		7,836,262		1,752
INCREASE(DECREASE) IN UNRESTRICTED NET ASSETS	\$ 22,920,857	\$ 70,739	\$ 4,736,807	\$ (9,303)	\$ (1,093,008)	\$ 9,062,147	\$ -	\$ 10,153,475

See accompanying notes to supplemental schedules

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — CASH FLOW INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Entities Excluded From the Obligated Group					Items Excluded From the Obligated Group		Other Adjustments	Obligated Group
	2012 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc.	Medical Park Foundation	WHH II				
CASH FLOW FROM OPERATING ACTIVITIES:									
Change in net assets	\$ 24,030,577	\$ 570,463	\$ 5,018,799	\$ 33,522	\$ 1,419,380	\$ 12,449,741	\$ -	\$ -	\$ 4,538,672
Depreciation and amortization	15,761,245	1,090,576			130,393	1,713,006			12,827,270
Provision for bad debts	16,309,057	1,707,039							14,602,018
Change in unrealized (gain) loss on investments	(8,848,209)		(598,368)	(48,634)		(8,201,207)			-
Change in realized (gain) loss on investments				(26,202)		26,202			-
Restricted contributions and investment income	(551,529)	(1,742)				(1,041,784)			491,997
Beneficial interest in charitable trust	(522,982)	(522,982)							-
Income from equity method investment in WRC	(1,147,140)	16,528				(1,147,140)			-
Net loss on disposals of property, buildings and equipment	258,269								241,741
Change in assets and liabilities									
Patient and other receivables	(18,654,328)	(1,582,606)	(11,131)	827		(25,904)	905,025		(17,940,539)
Inventory	476,270	(78,057)							554,327
Prepaid expenses and advances	(192,341)	26,183	25,294				(18,515)		(225,303)
Accounts payable and accrued expenses	(5,273,843)	516,972	(31,645)	86,695	(1,660)		(886,510)		(4,957,695)
Third party payor settlements	(1,248,395)	(189,563)							(1,058,832)
Other liabilities	115,363	47,647				20,995			46,721
Other non current assets	(4,245,275)								(4,245,275)
Distribution in equity method investment in WRC	1,205,329					1,205,329			-
Self-insurance reserves	(1,821,185)		(1,848,232)						27,047
Net cash provided by operating activities	15,650,883	1,600,458	2,554,717	46,208	1,548,113	4,999,238	-	-	4,902,149
CASH FLOW FROM INVESTING ACTIVITIES:									
Purchases of property, buildings and equipment	(29,372,913)	(1,452,122)			(1,796,812)	(596,058)			(25,527,921)
Proceeds from sale of property, building and equipment	43,543	32,148							11,395
Sales of investments	28,127,319		12,650,723	391,963		15,084,631			2
Purchases of investments	(31,732,083)	173	(14,957,755)	(438,171)		(15,842,583)			(493,747)
Net cash used in investing activities	(32,934,134)	(1,419,801)	(2,307,032)	(46,208)	(1,796,812)	(1,354,010)	-	-	(26,010,271)

(Continued)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — CASH FLOW INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Entities Excluded From The Obligated Group					Items Excluded From the Obligated Group	Other Adjustments	Obligated Group
	2012 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc.	Medical Park Foundation	WH Holdings II			
CASH FLOW FROM FINANCING ACTIVITIES.								
Repayment of short term borrowings	\$ (3,646,930)	\$ -	\$ -	\$ -	\$ -	\$ (3,646,930)	\$ -	\$ -
Restricted contributions and investment income	549,787					1,041,784		(491,997)
Borrowings of debt	23,924,715	(95,028)				(1,040,082)		23,924,715
Repayment of debt and capital lease obligations	(1,633,981)							(498,871)
Net cash provided by (used in) financing activities	19,193,591	(95,028)	-	-	-	(3,645,228)	-	22,933,847
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	1,910,340	85,629	247,685	-	(248,699)	-	-	1,825,725
CASH AND CASH EQUIVALENTS — Beginning of year	39,572,428	1,055,551	20,488		494,331			38,002,058
CASH AND CASH EQUIVALENTS — End of year	\$ 41,482,768	\$ 1,141,180	\$ 268,173	\$ -	\$ 245,632	\$ -	\$ -	\$ 39,827,783
NONCASH TRANSACTIONS:								
Capital lease transaction for equipment	\$ 868,271	\$ -	\$ -	\$ -	\$ -	\$ 820,974	\$ -	\$ 47,297
Purchase of property, plant and equipment in accounts payable	\$ 411,919	\$ 43,474	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 368,445
Cash paid for interest	\$ 1,332,933	\$ 45,148	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,287,785

See accompanying notes to supplemental schedules

(Concluded)

WHEELING HOSPITAL, INC.

NOTES TO SUPPLEMENTAL SCHEDULES AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

- A Wheeling Hospital, Inc has finalized a borrowing transaction for which the United States Department of Housing and Urban Development (HUD) is the debt insurer. Whereby, Wheeling Hospital, Inc (the "Hospital") borrows funds for certain capital expenditures and such borrowings are insured by HUD. HUD has entered into a trust and mortgage agreement with the Hospital for which entities and portions of entities of the consolidated group will pledge their assets and revenues as collateral under the mortgage.

Generally, entities or portions of entities of the consolidated group which will be included in the obligated group (the "Obligated Group") are portions of the Hospital and the Bishop Joseph H. Hodges Continuous Care Center (CCC) Division.

Generally, entities or portions of entities which are part of the consolidated group which will be excluded from the obligated group are Belmont Community Hospital, Mountaineer Freedom Risk Retention Group Inc., Medical Park Foundation, Wheeling Hospital Holdings II, Wheeling Renal Care (a 50% Hospital owned equity method investment for which the Hospital's ownership interest is excluded from the obligated group but distributions received by the Hospital are included in the general revenue pledge), certain properties owned by the Hospital, obligations under the Hospital's line of credit agreement, the Hospital's restricted and unrestricted investments and the Hospital assets under existing capital leases at the time of final endorsement, as well as restricted cash.

All off-campus properties owned by the Hospital are to be excluded from the HUD mortgage (and as a result the Obligated Group).

- B The Hospital accounts for its sole membership in its controlled entities using the cost method.

WHEELING HOSPITAL INC.

KEY TO OTHER ADJUSTMENTS TO SUPPLEMENTAL SCHEDULES AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

- I To remove all restricted and unrestricted investment balances except for the \$3,000,000 related to the BCH escrow account and \$1,363,557 related to the Mortgage Reserve Fund (MRF), interest receivable on the investments except for MRF, associated deferred compensation liability, all investment income and realized and unrealized gains and losses except for MRF, as well as restricted cash
- C To remove all off campus properties and capital lease assets to be excluded from the Obligated Group
- D To remove capital lease obligations and related property and associated depreciation to be excluded from the Obligated Group.
- E To adjust for patient receivables due from Belmont Community Hospital (BCH) since BCH is excluded from the Obligated Group.
- F To adjust for other receivables due from BCH and Medical Park Foundation (MPF) since BCH and MPF are to be excluded from the Obligated Group
- G To adjust for premiums paid to Mountaineer Freedom Risk Retention Group (MFRRG) since MFRRG is to be excluded from the Obligated Group
- H To adjust for accounts payable to BCH, MFRRG, WHH II and MPF related to receivables due to Wheeling Hospital BCH, MFRRG, WHH II and MPF are to be excluded from the Obligated Group
- I To adjust for MFRRG Insurance since MFRRG is to be excluded from the Obligated Group.
- J To adjust for patient revenue related to charges to BCH patients, as BCH is to be excluded from the Obligated Group
- K To adjust for interest revenue related to BCH accounts receivable and insurance revenue related to MFRRG, as BCH and MFRRG are to be excluded from the Obligated Group
- L To adjust for insurance expense related to MFRRG, medical supply expense related to BCH patient charges, as MFRRG and BCH are to be excluded from the Obligated Group.
- M To adjust for interest expense related to BCH accounts receivable balance, as BCH is to be excluded from the Obligated Group.
- N To adjust for all activity removed from the Obligated Group
- O To adjust for non operating revenue related to BCH rental income from WH to be excluded from the obligated group