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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No. 1545-0047

2012

Open to Public Inspection

For the 2012 calendar year, or tax year beginning OCT 1, 2012 and ending SEP 30, 2013

Check if applicable:
- [ ] Address change
- [X] Name change
- [ ] Initial return
- [ ] Terminated
- [ ] Amended return
- [ ] Application pending

C Name of organization
HIGH POINT REGIONAL HEALTH

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite
PO BOX HP-5

City, town, or post office, state, and ZIP code
HIGH POINT, NC 27261

F Name and address of principal officer: KIMBERLY S CREWS
SAME AS C ABOVE

D Employer identification number
56-0532309

E Telephone number
336-878-6000

G Gross receipts $ 265,557,971.

H(a) Is this a group return for affiliates? [ ] Yes [X] No

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

H(c) Group exemption number ▶

Tax-exempt status: [X] 501(c)(3) [ ] 501(c) ( ) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527

Website: ▶ WWW.HIGHPOINTREGIONAL.COM

Form of organization: [X] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation: 1933 M State of legal domicile: NC

Part I Summary

1 Briefly describe the organization's mission or most significant activities: OPERATION OF HOSPITAL AND HEALTH CARE FACILITIES IN HIGH POINT, NC

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	20
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	14
5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	2577
6 Total number of volunteers (estimate if necessary)	6	416
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	234,332.
b Net unrelated business taxable income from Form 990-T, line 34	7b	-51,401.

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	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	1,749,448.	959,836.
9 Program service revenue (Part VIII, line 2g)	266,476,158.	227,950,947.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,755,401.	2,357,517.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,938,477.	3,927,678.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	273,919,484.	235,195,978.
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,043,614.	1,976,460.
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)	114,505,508.	110,312,121.
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)	151,152,536.	141,874,577.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	267,701,658.	254,163,158.
19 Revenue less expenses. Subtract line 18 from line 12	6,217,826.	-18,967,180.

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	289,356,792.	292,245,893.
21 Total liabilities (Part X, line 26)	107,173,002.	115,557,178.
22 Net assets or fund balances. Subtract line 21 from line 20	182,183,790.	176,688,715.

Part II Signature Block

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

Sign Here

▶ Signature of officer — Date: 8/14/2014

▶ KIMBERLY S CREWS, CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: JOHN NORMAN	Preparer's signature	Date: 8.14.14	Check [ ] if self-employed	PTIN: P01506766
Firm's name ▶ CLIFTONLARSONALLEN LLP			Firm's EIN ▶	41-0746749
Firm's address ▶ 101 N. TRYON STREET, SUITE 1000 CHARLOTTE, NC 28246			Phone no.	704-998-5200

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

6-17 3

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission
TO PROVIDE EXCEPTIONAL HEALTH SERVICES TO THE PEOPLE OF OUR REGION. OUR VISION IS TO BE THE BEST HEALTHCARE ORGANIZATION IN EVERYTHING WE DO - THE BEST PLACE TO RECEIVE CARE, THE BEST PLACE TO WORK, AND THE BEST PLACE TO PRACTICE MEDICINE. OUR VALUES ARE TEAMWORK, COMPASSION,

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [ ] Yes [X] No
If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [ ] Yes [X] No
If "Yes," describe these changes on Schedule O.

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

4a (Code _____) (Expenses $ 240,953,141. including grants of $ 1,976,460.) (Revenue $ 227,776,447.)
HIGH POINT REGIONAL HEALTH (HPRH) PROVIDES CARE TO PATIENTS WHO MEET CERTALN CRITERIA UNDER ITS CHARITY CARE POLICY WITHOUT CHARGE OR AT AMOUNTS LESS THAN ITS ESTABLISHED RATES. BECAUSE THE SYSTEM DOES NOT PURSUE COLLECTION OF AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE, THEY ARE NOT REPORTED AS REVENUE. HPRH MAINTAINS RECORDS TO IDENTIFY AND MONITOR THE LEVEL OF CHARITY CARE IT PROVIDES. THESE RECORDS INCLUDE THE AMOUNT OF CHARGES FOREGONE FOR SERVICES AND SUPPLIES FURNISHED UNDER ITS CHARITY CARE POLICY. ESTIMATED COST OF THE CHARGES IDENTIFIED AS CHARITY CARE WAS $15,890,730 FOR THE YEAR ENDED SEPTEMBER 30, 2013. IN PROVIDING CHARITY CARE TO PATIENTS, THE HOSPITAL INCURRED NONREIMBURSED COSTS RELATED TO TREATING MEDICARE AND MEDICAID PATIENTS AND PATIENTS FROM OTHER GOVERNMENT NON-NEGOTIATED PLANS. THE AMOUNT OF

4b (Code _____) (Expenses $ _____ including grants of $ _____) (Revenue $ _____)

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** ▶ 240,953,141.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22	X	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No", go to line 25*	24a	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		X
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		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		X
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c	X	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	367		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	2577		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a	X	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a		X
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	N/A	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	N/A	
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8	N/A	
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a	N/A	
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b	N/A	
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	N/A		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter.				
a	Gross income from members or shareholders	11a	N/A		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	N/A		
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?		13a	N/A	
	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	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*		14b		

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a 20		
b	Enter the number of voting members included in line 1a, above, who are independent	1b 14		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X	
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6	Did the organization have members or stockholders?	6		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9		X

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

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

Section C. Disclosure

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

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

[ ] Own website [X] Another's website [X] Upon request [ ] Other *(explain in Schedule O)*

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

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

KIMBERLY S CREWS - 336-878-6143

601 N ELM STREET, HIGH POINT, NC 27261

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BRACK BRIGMAN	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(2) OWEN BERTSCHI	1.00									
CHAIRMAN	1.00	X						0.	0.	0.
(3) CHARLES CAIN	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(4) BARRY CHEEK	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(5) GEORGE CLOPTON	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(6) NED COVINGTON	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(7) HARRY CULP, DDS	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(8) TOM DAYVAULT	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(9) CHRIS ELLINGTON	1.00									
BOARD MEMBER	59.00	X						0.	508,319.	42,145.
(10) DARRELL PRYE	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(11) VIJAY GANDLA, MD	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(12) JEFF HORNEY	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(13) RON JONES	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(14) JAMES KEEVER	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(15) MICAHEL LUCAS, MD	1.00									
CHIEF OF MEDICAL STAFF	1.00	X						25,000.	0.	0.
(16) REID MARSH	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(17) STEPHEN MILLS, MD	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) GARY PARK	1.00									
BOARD MEMBER	59.00	X						0.	708,034.	238,791.
(19) LEAH PRICE	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(20) KEN SMITH	1.00									
VICE CHAIRMAN	1.00	X						0.	0.	0.
(21) ELISABETH STAMBAUGH, MD	1.00									
CHIEF-ELECT OF MEDICAL STAFF	1.00	X						15,000.	0.	0.
(22) DAVID STRONG	1.00									
BOARD MEMBER	59.00	X						0.	1,312,317.	267,356.
(23) LINDA TAYLOR	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(24) VIRGIL WILLARD	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(25) GREG YORK	1.00									
BOARD MEMBER	1.00	X						0.	0.	0.
(26) JEFFREY MILLER	59.00									
PRESIDENT/CEO	1.00	X		X				687,181.	0.	226,930.
1b Sub-total							▶	727,181.	2,528,670.	775,222.
c Total from continuation sheets to Part VII, Section A							▶	2,936,301.	0.	504,276.
d Total (add lines 1b and 1c)							▶	3,663,482.	2,528,670.	1,279,498.

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 ▶ 68

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
REGIONAL PHYSICIANS, 1720 WESTCHESTER DRIVE, HIGH POINT, NC 27262	PHYSICIAN SERVICES	5,606,961.
SOLSTAS LAB PARTNERS GROUP LLC, 4380 FEDERAL DRIVE SUITE 100, GREENSBORO, NC	LABORATORY	5,461,391.
CORNERSTONE HEALTHCARE PA, 1701 WESTCHESTER DRIVE STE 850, HIGH POINT, NC	PHYSICIAN SERVICES	3,461,117.
CAROLINA ANESTHESIOLOGY PA PO BOX 2324, HIGH POINT, NC 27261	ANESTHESIA SERVICES	1,902,399.
KAUFMAN HALL AND ASSOCIATES INC., 5202 OLD ORCHARD ROAD STE N700, SKOKIE, IL 60077	CONSULTING	1,227,682.

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 ▶ 54

SEE PART VII, SECTION A CONTINUATION SHEETS

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply)						(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			
(27) KIMBERLY CREWS	59.00									
TREASURER/CFO	1.00			X				361,224.	0.	79,516.
(28) GREG TAYLOR	59.00									
VICE PRESIDENT/SECRETARY	1.00			X				487,684.	0.	129,891.
(29) LINDA RONEY	59.00									
ASSISTANT TREASURER	1.00			X				340,012.	0.	99,688.
(30) TAMMI ERVING-MENGEL, RN	59.00									
ASSISTANT SECRETARY	1.00			X				247,904.	0.	64,240.
(31) BRIAN FARAH	36.00									
PHYSICIAN	0.00					X		449,645.	0.	46,980.
(32) TODD REITER	36.00									
PHYSICIAN	0.00					X		351,509.	0.	5,601.
(33) EDWARD LOVE	36.00									
PHYSICIAN	0.00					X		262,998.	0.	29,231.
(34) MARIOARA BODEA	36.00									
PHYSICIAN	0.00					X		226,362.	0.	16,050.
(35) SNEZANA CVEJIN	36.00									
PHYSICIAN	0.00					X		208,963.	0.	33,079.
Total to Part VII, Section A, line 1c								2,936,301.		504,276.

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	90,246.				
	d Related organizations	1d	112,500.				
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	757,090.				
	g Noncash contributions included in lines 1a-1f $						
	h **Total.** Add lines 1a-1f			959,836.			
Program Service Revenue		Business Code					
	2a NET PATIENT REVENUE	621400		225,880,661.	225,880,661.		
	b HP SURGERY CENTER	621400		625,689.	625,689.		
	c LAB SERVICES	621500		532,729.	358,229.	174,500.	
	d FITNESS CENTER	713940		493,361.	493,361.		
	e OTHER AFFILIATED REVENUE	900099		418,507.	418,507.		
	f All other program service revenue						
	g **Total.** Add lines 2a-2f			227,950,947.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			811,419.			811,419.
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
		(i) Real	(ii) Personal				
	6a Gross rents	2,612,368.					
	b Less rental expenses	0.					
	c Rental income or (loss)	2,612,368.					
	d Net rental income or (loss)			2,612,368.		59,832.	2,552,536.
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	31,899,199.					
	b Less: cost or other basis and sales expenses	30,353,101.					
	c Gain or (loss)	1,546,098.					
	d Net gain or (loss)			1,546,098.			1,546,098.
	8a Gross income from fundraising events (not including $ 90,246. of contributions reported on line 1c). See Part IV, line 18	a	1,990.				
	b Less direct expenses	b	8,892.				
	c Net income or (loss) from fundraising events			-6,902.			-6,902.
	9a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
	10a Gross sales of inventory, less returns and allowances	a					
	b Less cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
	Miscellaneous Revenue	Business Code					
	11a CAFETERIA VENDING FOOD	722210		766,659.			766,659.
	b MISCELLANEOUS REVENUE	900099		399,913.			399,913.
	c						
	d All other revenue	900099		155,640.			155,640.
	e **Total.** Add lines 11a-11d			1,322,212.			
	12 **Total revenue.** See instructions.			235,195,978.	227,776,447.	234,332.	6,225,363.

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	1,764,614.	1,764,614.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	211,846.	211,846.		
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	2,658,994.		2,658,994.	
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	85,974,156.	85,114,414.	859,742.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	5,825,658.	5,767,401.	58,257.	
9 Other employee benefits	9,519,383.	9,424,189.	95,194.	
10 Payroll taxes	6,333,930.	6,270,591.	63,339.	
11 Fees for services (non-employees):				
a Management				
b Legal	1,011,336.		1,011,336.	
c Accounting	111,751.		111,751.	
d Lobbying	21,336.	21,336.		
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	37,055,351.	33,349,816.	3,705,535.	
12 Advertising and promotion	2,300,866.	2,070,779.	230,087.	
13 Office expenses	2,534,329.	2,280,896.	253,433.	
14 Information technology				
15 Royalties				
16 Occupancy	6,339,632.	5,705,669.	633,963.	
17 Travel	229,683.	206,715.	22,968.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	2,463,483.	2,217,135.	246,348.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	16,766,578.	15,089,920.	1,676,658.	
23 Insurance	1,367,807.	1,231,026.	136,781.	
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 PATIENT CARE SUPPLIES &	42,416,788.	42,416,788.		
b GAP ASSESSMENT	12,202,507.	12,202,507.		
c REPAIRS & MAINTENANCE	11,798,687.	10,618,818.	1,179,869.	
d COMMUNITY CARE	622,070.	622,070.		
e All other expenses	4,632,373.	4,366,611.	265,762.	
25 **Total functional expenses.** Add lines 1 through 24e	254,163,158.	240,953,141.	13,210,017.	0.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	138,606.	1	7,631,887.
	2	Savings and temporary cash investments	4,411,316.	2	
	3	Pledges and grants receivable, net	551,876.	3	75,246.
	4	Accounts receivable, net	29,632,204.	4	39,180,840.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr) Complete Part II of Sch L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	3,156,276.	8	2,941,194.
	9	Prepaid expenses and deferred charges	4,057,827.	9	3,009,835.
	10a	Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D — 10a 379,530,794.			
	b	Less. accumulated depreciation — 10b 242,588,829.	137,237,440.	10c	136,941,965.
	11	Investments - publicly traded securities	89,610,040.	11	97,025,875.
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11	2,089,842.	13	362,787.
	14	Intangible assets	3,132,443.	14	
	15	Other assets. See Part IV, line 11	15,338,922.	15	5,076,264.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	289,356,792.	16	292,245,893.
Liabilities	17	Accounts payable and accrued expenses	40,515,935.	17	42,195,089.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities	44,558,174.	20	61,988,181.
	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	2,880,244.	23	
	24	Unsecured notes and loans payable to unrelated third parties	9,970,057.	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	9,248,592.	25	11,373,908.
	26	**Total liabilities.** Add lines 17 through 25	107,173,002.	26	115,557,178.
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	178,583,309.	27	173,420,185.
	28	Temporarily restricted net assets	3,600,481.	28	3,268,530.
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	182,183,790.	33	176,688,715.
	34	Total liabilities and net assets/fund balances	289,356,792.	34	292,245,893.

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	235,195,978.
2	Total expenses (must equal Part IX, column (A), line 25)	2	254,163,158.
3	Revenue less expenses. Subtract line 2 from line 1	3	-18,967,180.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	182,183,790.
5	Net unrealized gains (losses) on investments	5	471,323.
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	13,000,782.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	176,688,715.

Part XII Financial Statements and Reporting

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

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

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization	Employer identification number
HIGH POINT REGIONAL HEALTH	56-0532309

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

15 Public support percentage from 2011 Schedule A, Part II, line 14 15 %

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

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

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

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

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

Part III Support Schedule for Organizations Described in Section 509(a)(2)

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

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

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

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

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

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

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

Name of organization	Employer identification number
HIGH POINT REGIONAL HEALTH	56-0532309

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

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

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

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

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

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

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

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

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c. If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e.
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000.
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000.
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

4-Year Averaging Period Under Section 501(h)

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

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

Schedule C (Form 990 or 990-EZ) 2012

232042
01-07-13

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

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		21,336.
j Total. Add lines 1c through 1i			21,336.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

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

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

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

Part IV **Supplemental Information**

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

PART II-B, LINE 1, LOBBYING ACTIVITIES:

SCHEDULE C, PART II-B, LINE 1: HIGH POINT REGIONAL HEALTH (HPRH) BELIEVES IN MAINTAINING STRONG, OPEN AND EFFECTIVE RELATIONSHIPS WITH ELECTED OFFICIALS AND POLICY MAKERS AT THE LOCAL, STATE AND NATIONAL LEVELS. THE OBJECTIVE IS TO EDUCATE THESE GROUPS ON HEALTHCARE ISSUES, TO SERVE AS A RESOURCE AND TO COMMUNICATE HPRH'S POSITION IN SUPPORT OF

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

ITS MISSION. AS A MEMBER OF THE AMERICAN HOSPITAL ASSOCIATION AND NORTH CAROLINA HOSPITAL ASSOCIATION, A PERCENTAGE OF HPRH'S MEMBERSHIP DUES ARE ATTRIBUTED TO LOBBYING ACTIVITIES.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

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2012

Open to Public Inspection

Name of the organization	Employer identification number
HIGH POINT REGIONAL HEALTH	56-0532309

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	14,449,810.	14,222,394.	13,910,563.	13,673,783.	13,403,545.
b Contributions		227,416.	311,831.	236,780.	270,238.
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	14,449,810.	14,449,810.	14,222,394.	13,910,563.	13,673,783.

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

a Board designated or quasi-endowment ▶ _____ %
b Permanent endowment ▶ _____ %
c Temporarily restricted endowment ▶ _____ %

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

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

	Yes	No
(i) unrelated organizations — 3a(i)		X
(ii) related organizations — 3a(ii)	X	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? — 3b	X	

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		13,009,705.		13,009,705.
b Buildings		160,252,073.	89,442,202.	70,809,871.
c Leasehold improvements		763,815.	763,815.	0.
d Equipment		184,442,008.	147,313,673.	37,128,335.
e Other		21,063,193.	5,069,139.	15,994,054.
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)*			▶	136,941,965.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15.)* ▶	

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ESTIMATED THIRD PARTY PAYOR	
(3) SETTLEMENTS	7,011,026.
(4) OTHER LIABILITIES	4,362,882.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25.)* ▶	11,373,908.

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

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

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

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

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

Part XIII Supplemental Information

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

PART V, LINE 4: HIGH POINT REGIONAL HEALTH'S (HPRH) ENDOWMENT CONSISTS OF A FUND ESTABLISHED FOR A VARIETY OF HEALTHCARE PROGRAMS AS DEEMED NECESSARY BY THE BOARD OF TRUSTEES. THE ENDOWMENT INCLUDES DONOR-RESTRICTED ENDOWMENT FUNDS AND AS REQUIRED BY GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, NET ASSETS ASSOCIATED WITH ENDOWMENT FUNDS ARE CLASSIFIED AND REPORTED BASED ON THE EXISTENCE OR ABSENCE OF DONOR-IMPOSED RESTRICTIONS. HPRH HAS ADOPTED INVESTMENT AND SPENDING POLICIES FDR ENDOWMENT ASSETS THAT ATTEMPT TO PROVIDE A PREDICTABLE STREAM OF FUNDING

Part XIII Supplemental Information *(continued)*

TO PROGRAMS SUPPORTED BY ITS ENDOWMENT WHILE SEEKING TO MAINTAIN THE PURCHASING POWER OF THE ENDOWMENT ASSETS. ENDOWMENT ASSETS INCLUDE THOSE ASSETS OF DONOR-RESTRICTED FUNDS THAT THE ORGANIZATION MUST HOLD IN PERPETUITY. UNDER THIS POLICY, AS APPROVED BY THE BOARD OF TRUSTEES, THE ENDOWMENT ASSETS ARE INVESTED IN A MANNER THAT IS INTENDED TO PRODUCE RESULTS THAT EXCEED THE PRICE AND YIELD RESULTS OF THE S&P 500 INDEX WHILE ASSUMING A MODERATE LEVEL OF INVESTMENT RISK. IN THE TAX YEAR 2010, THE ORGANIZATION TRANSFERRED THE ENDOWMENT TO THE NEWLY CREATED HIGH POINT REGIONAL HEALTH SYSTEM FOUNDATION. FUTURE ACTIVITY OF THE ENDOWMENT IS TRACKED WITHIN THAT ORGANIZATION, AND AMOUNTS RELEASED FROM RESTRICTION ARE TRANSFERRED TO THE FILING ORGANIZATION AS CONTRIBUTIONS FROM THE FOUNDATION. SEE FORM 990 PART VIII, LINE 1.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2012

Open To Public Inspection

Name of the organization
HIGH POINT REGIONAL HEALTH

Employer identification number
56-0532309

Part I **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17 Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a ☐ Mail solicitations
b ☐ Internet and email solicitations
c ☐ Phone solicitations
d ☐ In-person solicitations
e ☐ Solicitation of non-government grants
f ☐ Solicitation of government grants
g ☐ Special fundraising events

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions? Yes	(iii) No	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
Total ▶						

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

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

		(a) Event #1 RIVES RACE (event type)	(b) Event #2 LOVELINE TREELIGHTING (event type)	(c) Other events NONE (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1 Gross receipts	35,225.	57,011.		92,236.
	2 Less Contributions	33,235.	57,011.		90,246.
	3 Gross income (line 1 minus line 2)	1,990.			1,990.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	3,931.	4,961.		8,892.
	10 Direct expense summary. Add lines 4 through 9 in column (d)			▶	(8,892.)
	11 Net income summary. Combine line 3, column (d), and line 10			▶	-6,902.

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 Noncash 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 line 1, column d, and line 7			▶	

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. _____

11 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 to be 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).

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: HIGH POINT REGIONAL HEALTH

Employer identification number: 56-0532309

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	X	
b	If "Yes," was it a written policy?	1b	X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care [ ] 100% [ ] 150% [X] 200% [ ] Other _____ %	3a	X	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: [ ] 200% [ ] 250% [ ] 300% [ ] 350% [X] 400% [ ] Other _____ %	3b	X	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	X	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		X
6a	Did the organization prepare a community benefit report during the tax year?	6a	X	
b	If "Yes," did the organization make it available to the public?	6b	X	

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			15,890,730.		15,890,730.	6.25%
b Medicaid (from Worksheet 3, column a)			28,739,508.	25,974,989.	2,764,519.	1.09%
c Costs of other means-tested government programs (from Worksheet 3, column b)			123,166.		123,166.	.05%
d **Total** Financial Assistance and Means-Tested Government Programs			44,753,404.	25,974,989.	18,778,415.	7.39%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			743,281.		743,281.	.29%
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)			67,257.		67,257.	.03%
i Cash and in-kind contributions for community benefit (from Worksheet 8)			306,865.		306,865.	.12%
j **Total.** Other Benefits			1,117,403.		1,117,403.	.44%
k **Total.** Add lines 7d and 7j			45,870,807.	25,974,989.	19,895,818.	7.83%

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development			32,901.		32,901.	.01%
3	Community support			37,939.		37,939.	.01%
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	Total			70,840.		70,840.	.02%

Part III Bad Debt, Medicare, & Collection Practices

				Yes	No
Section A. Bad Debt Expense					
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?		1	X	
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2 19,538,230.			
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.				
Section B. Medicare					
5	Enter total revenue received from Medicare (including DSH and IME)	5 99,510,796.			
6	Enter Medicare allowable costs of care relating to payments on line 5	6 120,618,315.			
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7 -21,107,519.			
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	X	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI		9b	X	

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 HIGH POINT SURGERY CENTER	AMBULATORY SURGERY	50.00%	.00%	50.00%

Part V Facility Information

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

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

Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 HIGH POINT REGIONAL HEALTH SYSTEM 601 NORTH ELM STREET HIGH POINT, NC 27262 WWW.HIGHPOINTREGIONAL.COM	X	X					X		DISPROPORTIONATE SHARE HOSPITAL	

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or facility reporting group HIGH POINT REGIONAL HEALTH

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	[X] A definition of the community served by the hospital facility			
b	[X] Demographics of the community			
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	[X] How data was obtained			
e	[X] The health needs of the community			
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	[X] The process for consulting with persons representing the community's interests			
i	[X] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	[ ] Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA: 20 12			
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5	Did the hospital facility make its CHNA report widely available to the public?	5	X	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	[X] Hospital facility's website			
b	[X] Available upon request from the hospital facility			
c	[ ] Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a	[X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	[X] Execution of the implementation strategy			
c	[X] Participation in the development of a community-wide plan			
d	[X] 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	[X] Prioritization of health needs in its community			
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	[ ] Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)* HIGH POINT REGIONAL HEALTH

			Yes	No
Financial Assistance Policy				
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care 200 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing *discounted* care?	11	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	12	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[ ] Insurance status			
e	[ ] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?	13	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] 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	[X] The policy was available on request			
g	[ ] Other (describe in Part VI)			
Billing and Collections				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	17		X
	If "Yes," check all actions in which the hospital facility or a third party engaged			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			

Part V Facility Information *(continued)* HIGH POINT REGIONAL HEALTH

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

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

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why

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

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

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

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

21 During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI.	22		X

Part V Facility Information *(continued)*

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 7

Name and address	Type of Facility (describe)
1 REGIONAL PSYCHIATRIC ASSOCIATION 320 BOULEVARD ST HIGH POINT, NC 27262	BEHAVIORAL HEALTH
2 HIGH POINT WEST 1720 WESTCHESTER DR HIGH POINT, NC 27262	PHYSICAL THERAPY
3 THOMASVILLE MEDICAL OFFICE BUILDING 711 NATIONAL HWY THOMASVILLE, NC 27360	REHABILITATION
4 DIABETES CENTER 319 WESTWOOD AVE HIGH POINT, NC 27262	DIABETES TREATMENT
5 REGIONAL REHAB & PAIN 300 GATEWOOD AVE HIGH POINT, NC 27262	REHABILITATION
6 REHAB AT YMCA 900 BONNER DR JAMESTOWN, NC 27282	REHABILITATION
7 PHYSICIANS OFFICES 222 W. RAY ST HIGH POINT, NC 27262	PATHOLOGY

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.

PART I, LINE 6A: N/A

PART I, LINE 7: THE ORGANIZATION HAS USED THE ANDI (ADVOCACY NEEDS DATA INITIATIVE) METHODOLOGY, WHICH USES A FACILITY-WIDE RATIO OF COST TO CHARGES AS DESCRIBED IN THE 2010 NORTH CAROLINA HOSPITAL ASSOCIATION COMMUNITY BENEFIT GUIDELINES TO DETERMINE FINANCIAL ASSISTANCE, UNREIMBURSED MEDICAID AND OTHER AMOUNTS

PART I, LINE 7G: TOTAL EXPENSES REPORTED ON FORM 990, PART XI, LINE 25 INCLUDES A BAD DEBT EXPENSE OF $19,538,230 WHICH HAS BEEN REMOVED FOR PURPOSES OF CALCULATING COMMUNITY BENEFIT PERCENTAGE ON LINE 7, COLUMN (F).

PART I, LN 7 COL(F): THE HOSPITAL HAS ADOPTED THE FINANCIAL ACCOUNTING STANDARDS BOARD ("FASB") ACCOUNTING STANDARDS UPDATE 2011-07, "PRESENTATION AND DISCLOSURE OF PATIENT SERVICE REVENUE, PROVISION FOR BAD DEBTS, AND THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR CERTAIN HEALTH CARE ENTITIES."

Part VI Supplemental Information

PART II: HIGH POINT REGIONAL HEALTH (HPRH) PROMOTED THE HEALTH OF THE COMMUNITY IT SERVES BY SUPPLYING MEETING SPACE FOR NON-PROFIT ORGANIZATIONS SUCH AS LEADERSHIP HIGH POINT. IN ADDITION, HPRH COORDINATED EVENTS TO PROVIDE INFORMATION, COUNSELING, AND DEMOMSTRATIONS RELATED TO CHILD PASSENGER SAFETY IN THE COMMUNITY THROUGH ATTENDANCE AT SAFE KIDS MEETINGS AND COMMUNITY EVENTS AT SOUTHSIDE RECREATION CENTER. CHECKING, TRAINING AND EDUCATING PARENTS ON THE IMPORTANCE OF CHILD PASSENGER SAFETY AND ENSURING PROPER INSTALLATION OF CAR SEATS ARE COVERED AT A CHECKING STATION ONCE A MONTH. CHILD PASSENGER SAFETY CLASSES ARE ALSO TAUGHT ONCE PER MONTH AT THE EXPECTANT PARENTS CLASS. PARENTS ARE GIVEN DIRECTION AND EDUCATION REGARDING THE CORRECT INSTALLATION OF CAR SEATS AND PROPER POSITIONS IN THE VEHICLE VIA THE USE OF A VEHICLE SIMULATOR SEAT. SEXUAL ASSUALT AND PREVENTION LECTURES ARE PRESENTED WITH A FOCUS ON DRUGS/ALCOHOL (KNOW YOUR LIMITS), DATE RAPE DRUGS AND SEX/SEXUAL ASSAULT/RAPE/SAFE SEX.

PART III, LINE 8: MEDICARE ALLOWABLE COSTS OF CARE IS CALCULATED USING THE ANDI (ADVOCACY NEEDS DATA INITIATIVE) METHODOLOGY, WHICH USES A FACILITY-WIDE RATIO OF COST TO CHARGE. THE ENTIRE MEDICARE SHORTFALL AMOUNT SHOULD BE TREATED AS A COMMUNITY BENEFIT. MEDICARE RATES AND NUMBERS OF MEDICARE PATIENTS ARE NOT NEGOTIATED. AS REIMBURSEMENT RATES DECLINE RELATIVE TO COSTS OF CARE, THE HOSPITAL CONTINUES TO SERVE THE MEDICARE POPULATION. IN FY 2013, MEDICARE ACCOUNTED FOR APPROXIMATELY HALF OF THE HOSPITAL'S BUSINESS. WITHOUT THIS SERVICE, THESE PATIENTS WOULD BECOME AN OBLIGATION TO THE GOVERNMENT. ANY UNREIMBURSED COST OF THIS CARE REPRESENTS A COMMUNITY BENEFIT PROVIDED BY THE HOSPITAL TO THE COMMUNITY AND GOVERNMENT.

Part VI Supplemental Information

PART III, LINE 9B: AFTER SCREENING FOR CHARITY CARE ELIGIBILITY, THE HOSPITAL'S BILLING DEPARTMENT WILL WORK WITH INDIVIDUALS TO PROVIDE THEM WITH DIFFERENT OPTIONS FOR PAYING THEIR, INCLUDING PROMPT PAY DISCOUNTS, TWELVE MONTH NO INTEREST PLANS, EXTENDED PAYMENT PLANS. THE HOSPITAL USES A THIRD-PARTY VENDOR, PARAGON, TO COLLECT ALL PATIENT PAYMENTS BEGINNING TEN DAYS AFTER THE PATIENT'S SERVICE DATE. IF THE PATIENT HAS NOT PAID WITHIN 120 DAYS, THE BALANCE IS TRANSFERRED TO PARAGON OR PROFESSIONAL RECOVERY CONSULTANTS FOR DEBT COLLECTION. FOR THOSE FEW DEBTORS WHO CONTINUE TO REFUSE TO MAKE PAYMENT, THE HOSPITAL WILL SEEK LEGAL REMEDIES, INCLUDING GARNISHMENT OF WAGES AND LIENS. IF AN APPLICATION FOR FINANCIAL ASSISTANCE IS RECEIVED WITHIN 240 DAYS OF THE FIRST BILL, LEGAL REMEDIES WILL BE HALTED TO DETERMINE ELIGIBILITY FOR FINANCIAL ASSISTANCE.

HIGH POINT REGIONAL HEALTH:

PART V, SECTION B, LINE 3: HIGH POINT REGIONAL HEALTH (HPRH) TOOK INTO ACCOUNT INPUT FROM PERSONS REPRESENTING THE COMMUNITY THROUGH PARTICIPATION IN BOTH A HEALTH ISSUE PRIORITIZATION SURVEY AND FOCUS GROUPS. THE HEALTH ISSUE PRIORITIZATION SURVEY WAS COMPLETED AT COMMUNITY-WIDE FORUMS THAT TOOK PLACE FROM OCTOBER 2012 THROUGH JANUARY 2013. THE FORUMS, OPEN TO THE PUBLIC AT LARGE, WERE ADVERTISED IN THE NEWSPAPERS AND ON THE LOCAL NEWS. OF THE SIX FOCUS GROUPS, THREE WERE HELD ADDRESSING SPECIFIC HEALTHCARE TOPICS,INCLUDING MENTAL HEALTH AND WOMEN'S HEALTH ISSUES, AND THREE WERE HELD WITH IMMIGRANTS AND REFUGEES, INCLUDING SPANISH, FRENCH AND NAPALI, CURRENTLY LIVING IN THE SERVICE AREA.

HIGH POINT REGIONAL HEALTH:

Part VI Supplemental Information

PART V, SECTION B, LINE 4: THE ORGANIZATION'S COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) WAS CONDUCTED WITH CONE HEALTH, CONSISTING OF MOSES CONE HOSPITAL, WOMEN'S HOSPITAL, WESLEY LONG HOSPITAL AND BEHAVIORAL HEALTH HOSPITAL.

HIGH POINT REGIONAL HEALTH:

PART V, SECTION B, LINE 7: THE ORGANIZATION DID NOT ADDRESS THE FOLLOWING FOCUS AREAS IDENTIFIED IN THE CHNA: SEXUALLY TRANSMITTED INFECTIONS, ACCESS TO CLINICAL CARE, POVERTY AND UNEMPLOYMENT, VIOLENT CRIME AND ACCESS TO HEALTHY FOOD. WHILE THE ORGANIZATION IS WORKING CLOSELY WITH ITS CHNA PARTNERS ON THE TOP IDENTIFIED PRIORITY AREAS, HPRH ALSO PLANS TO PLACE EMPHASIS ON MENTAL HEALTH SERVICES, HEALTHY PREGNANCY, AND CHRONIC DISEASE MANAGEMENT AND PREVENTION. THE ORGANIZATION WEIGHED SEVERAL FACTORS, SUCH AS BURDEN TO THE SERVICE AREA, SCOPE AND SEVERITY OF THE PROBLEM, URGENCY TO SOLVE THE PROBLEM AND HPRH'S EXPERTISE AND RESOURCES, WHEN IDENTIFYING THE HPRH'S FOCUS AREAS.

PART VI, LINE 2: AS A PART OF THE YEARLY STRATEGIC PLANNING PROCESS, DEMOGRAPHIC TRENDS AND PROJECTIONS,INCLUDING POPULATION GROWTH, AGE DISTRIBUTION AND HOUSEHOLD INCOME BY ZIP CODE IN PRIMARY AND SECONDARY SERVICE AREAS, ARE USED TO IDENTIFY FUTURE SERVICE NEEDS. THIS DATA IS COLLECTED BY THE ORGANIZATION'S PLANNING DEPARTMENT. DATA SOURCES INCLUDE CLARITAS, NC DIVISION OF AGING AND ADULT SERVICES, STATEHEALTHFACTS.ORG, THE HIGH POINT ECONOMIC DEVELOPMENT CORPORATION AND OTHERS. A LIAISON FROM THE PLANNING DEPARTMENT ALSO WORKS WITH THE LOCAL UNITED WAY AGENCY, PROVIDING THE HOSPITAL WITH A METHOD FOR SHARING THE DATA GATHERED

Part VI Supplemental Information

THROUGH THEIR ANNUAL COMMUNITY NEEDS ASSESSMENT. ADDITIONALLY, THERE IS EVALUATION OF SERVICE GROWTH OPPORTUNITES DEFINED IN THE NORTH CAROLINA STATE MEDICAL FACILITIES PLAN. DATA IS ALSO COLLECTED AND TRENDED THROUGH VOICE-OF-THE-CUSTOMER METHODS, INCLUDING PATIENT COMMENTS ON SATISFACTION SURVEYS AND THROUGH OUR SERVICE RECOVERY PROCESS. THIS DATA INFORMS THE ORGANIZATION'S STRATEGIC DECISION-MAKERS REGARDING NEW OR IMPROVED HEALTH CARE ACCESS POINTS, PROGRAMS, COLLABORATIVE EFFORTS AND TECHNOLOGY NEEDED TO SERVE CHANGING POPULATION DEMOGRAPHICS.

PART VI, LINE 3: DURING THE PATIENT REGISTRATION PROCESS FOR SCHEDULED PROCEDURES, IF A PATIENT DECLINES ALL PAYMENT OPTIONS AND EXPRESSES CONCERN ABOUT THEIR ABILITY TO PAY FOR THE SERVICES RENDERED, THE REGISTRAR OFFERS TWO OPTIONS - THE PATIENT CAN BE SCREENED FOR MEDICAID ELIGIBILITY OR BE SCREENED FOR HIGH POINT REGIONAL HEALTH'S (HPRH) CHARITY CARE PROGRAM WITH HELP FROM TRAINED FINANCIAL COUNSELORS IN THE HOSPITAL'S FINANCIAL ASSISTANCE UNIT. COUNSELORS DIRECT PATIENTS TO AS MANY PROGRAMS FOR FINANCIAL ASSISTANCE AS POSSIBLE, INCLUDING SOCIAL SECURITY DISABILITY, MEDICAID, CRIME VICTIMS, SANE FOR RAPE VICTIMS, PURCHASE OF MEDICAL CARE FOR CANCER AND ANY OTHER STATE, LOCAL OR FEDERAL PROGRAM OFFERED TO ASSIST PEOPLE WITH THEIR MEDICAL BILLS OR ACCESS TO CONTINUED CARE.

FOR PATIENTS WITH UNSCHEDULED CARE THAT IS EMERGENT OR URGENT, THIS PROCESS IS COMPLETED EITHER DURING THE PATIENT'S STAY OR AT DISCHARGE. THIS INFORMATION IS AVAILABLE IN A PACKET IN BOTH ENGLISH AND SPANISH VERSIONS. ADDITIONALLY, HPRH PROVIDES AN OVERALL SUMMARY OF THE CHARITY POLICY AND HOW TO APPLY ON THE HPRH'S WEBSITE AT HTTP://WWW.HIGHPOINTREGIONAL.COM/PATIENTSANDVISITORS/PAYMENT/PAY.ASP.

THE HPRH PATIENT CARE STAFF IS ALSO TRAINED TO RECOGNIZE FINANCIAL NEED IN PATIENTS AND REFER THEM FOR ASSISTANCE. PATIENTS WHO HAVE FURTHER QUESTIONS REGARDING THEIR HOSPITAL BILL CAN CALL AN AUTOMATED BILLING SYSTEM 24 HOURS A DAY, 7 DAYS A WEEK TO OBTAIN BALANCE INFORMATION OR REQUEST A COPY OF AN ITEMIZED BILL. CUSTOMER SERVICE REPRESENTATIVES ARE ALSO ON DUTY MONDAY-FRIDAY, 8AM TO 5PM TO ANSWER ACCOUNT QUESTIONS.

PART VI, LINE 4: HIGH POINT REGIONAL HEALTH (HPRH) HAS A PRIMARY SERVICE AREA COMPRISED OF THE GEOGRAPHIC AREA THAT INCLUDES HIGH POINT, ARCHDALE, TRINITY, THOMASVILLE AND JAMESTOWN, NORTH CAROLINA. THE SECONDARY SERVICE AREA INCLUDES COLFAX, DENTON, SOUTHWESTERN GREENSBORO, KERNERSVILLE, LEXINGTON, ASHEBORO, RANDLEMAN, SOPHIA AND SOUTHEASTERN WINSTON-SALEM, NORTH CAROLINA. HPRH'S COMBINED PRIMARY AND SCONDARY SERVICE AREAS SERVE AN ESTIMATED DEPENDENT POPULATION OF 145,000 OF THE COMBINED PRIMARY AND SECONDARY SERVICE AREAS ESTIMATED TOTAL POPULATION OF 513,000. THE UNEMPLOYMENT RATE FOR GUILFORD COUNTY, WHICH INCLUDES THE LARGEST PERCENTAGE OF HPRH'S COMBINED SERVICE AREA, WAS LESS THAN THE UNEMPLOYMENT RATE FOR NORTH CAROLINA.

PART VI, LINE 5: A MAJORITY OF HIGH POINT REGIONAL HEALTH'S (HPRH) GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE HOSPITAL'S PRIMARY SERVICE AREA AND WHO ARE NEITHER EMPLOYEES NOR INDEPENDENT CONTRACTORS OF THE ORGANIZATION, NOR FAMILY MEMBERS OR BUSINESS ASSOCIATES OF SUCH PERSONS. HPRH UTILIZES SURPLUS FUNDS TO IMPROVE THE QUALITY OF PATIENT CARE AND TO UPDATE OUR FACILITES. ONGOING PLANS INCLUDE PREMIER SURGERY CENTER (PSC) AND DEVELOPMENT OF A BEHAVORIAL HEALTH ASSESSMENT AREA WITHIN THE EMERGENCY DEPARTMENT. THE PSC PROJECT ALLOWS FOR THE

Part VI Supplemental Information

DEVELOPMENT OF A FREESTANDING AMBULATORY SURGERY CENTER, WHICH WILL IMPROVE ACCESS TO HIGH QUALITY OUTPATIENT SURGICAL CARE IN A LESS EXPENSIVE SETTING WHILE MAINTAINING ALL QUALITY AND SAFETY STANDARDS. THE EMERGENCY DEPARTMENT HOLDING AREA FOR BEHAVIORAL HEALTH PATIENTS PROVIDES A SAFE ENVIRONMENT FOR BEHAVORIAL HEALTH PATIENTS BEING HELD IN THE EMERGENCY DEPARTMENT FOR EXTENDED PERIODS OF TIME AND FACILITATES APPROPRIATE STAFFING FOR PATIENT MONITORING. HPRH EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PROFESSIONALLY COMPETENT PHYSICIANS WHO MEET ETHICAL STANDARDS. THIS HOLDS TRUE THROUGHOUT ALL HOSPITAL AREAS AND DEPARTMENTS. A CERTIFICATE OF NEED TO RENOVATE WOMEN'S SERVICES ON THE 5TH FLOOR HAS BEEN RECEIVED. THE RENOVATION WILL INCLUDE REDUCING THE 6-BED PODS TO 4-BED PODS AND CREATING AN ENVIRONMENT THAT WILL ENHANCE THE BIRTH EXPERIENCE FOR THE PARENTS. A CERTIFICATE OF NEED TO RENOVATE THE EMERGENCY DEPARTMENT HAS BEEN RECEIVED. THIS RENOVATION WILL PROVIDE A SAFE ENVIRONMENT FOR PATIENTS WITH PSYCHIATRIC DISEASE AND PROMOTE BETTER PATIENT FLOW. ALSO, PLANS ARE IN DEVELOPMENT FOR AN EXPANSION OF THE SURGICAL SUITES. THE FOCUS OF THE RENOVATION WILL BE TO CREATE A STATE-OF-THE-ART SURGICAL SUITE COMPLETE WITH A CARDIOVASCULAR HYBRID OPERATING ROOM, EXPAND AND CONSOLIDATE THE CARDIAC CATH, ELECTROPHYSIOLOGY AND CARDIOLOGY SERVICES. IN CONJUNCTION WITH THE BUILDING RENOVATION, THERE WILL BE A MAJOR FACILITIES INFRASTRUCTURE UPGRADE THAT WILL BE NECESSARY FOR FUTURE HEATING, COOLING, AND ELECTRICAL REQUIREMENTS OF THE FACILITY.

PART VI, LINE 6: HIGH POINT REGIONAL HEALTH (HPRH) IS A SUBSIDIARY OF THE UNC HEALTH CARE SYSTEM IN CHAPEL HILL. THAT SYSTEM SERVES PATIENTS FROM ALL 100 COUNTIES, REGARDLESS OF THEIR ABILITY TO PAY, PROVIDING MORE THAN $300 MILLION A YEAR IN UNCOMPENSATED CARE. AS A PART OF THE

Part VI Supplemental Information

INTEGRATED SYSTEM, HPRH STRIVES TO IMPROVE ACCESS AND SERVICES TO ITS GROWING AND UNDERSERVED SERVICE AREAS. HPRH CAREGIVERS ALSO WORK CLOSELY WITH THEIR COUNTERPARTS AT UNC HEALTH CARE TO FIND WAYS TO IMPROVE CARE AND QUALITY, REACH MORE UNINSURED PATIENTS AND MORE. HPRH'S BOARD REPRESENTS A CROSS-SECTION OF THE COMMUNITY, WITH VOLUNTEERS THAT INCLUDE BUSINESS LEADERS, COMMUNITY PHYSICIANS AND OTHERS. THIS BOARD WORKS CLOSELY WITH UNC HEALTH CARE TO DETERMINE THE BEST WAYS TO PLAY A LARGER ROLE IN IMPROVING THE COMMUNITY'S HEALTH AND HPRH'S ROLE IN THE BIGGER SYSTEM'S MISSION.

PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

NC

SCHEDULE I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990.**

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization

HIGH POINT REGIONAL HEALTH

Employer identification number

56-0532309

Part I General Information on Grants and Assistance

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

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

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
TRIAD ADULT & PEDIATRIC MEDICINE 1046 E. WENDOVER AVE. GREENSBORO, NC 27405	56-1991438		449,742.	0.			SUPPORT FOR HEALTH CARE OF INDIGENT POPULATION.
THE COMMUNITY CLINIC OF HIGH POINT INC - PO BOX 5607 - HIGH POINT, NC 27262	56-1795022		115,000.	1,144,976.	GROSS CHARGES		SUPPORT FOR HEALTH CARE OF INDIGENT POPULATION.
HIGH POINT CHAMBER OF COMMERCE 1634 NORTH MAIN STREET HIGH POINT, NC 27262	56-0473292		46,000.	0.			SPONSORSHIP & DUES
THOMASVILLE CHAMBER OF COMMERCE PO BOX 1400 THOMASVILLE, NC 27361	56-0511747		8,896.	0.			SPONSORSHIP & DUES

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

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

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
HEART STRIDES CARDIAC & PULMANARY REHAB: SCHOLARSHIPS FOR HEART AND LUNG PATIENTS.	53	45,627.	0.		
BEHAVIORAL HEALTH/PATIENT PRESCRIPTION ASSISTANCE FOR INDIGENT PATIENTS· DONATION TO SUPPORT PRESCRIPTIONS AT DISCHARGE.	460	64,415.	0.		
FINANCIAL SUPPORT FOR CANCER CENTER PATIENTS	257	101,804.	0.		

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

SCHEDULE I, PART I, LINE 2: HIGH POINT REGIONAL HEALTH (HPRH) ADMINISTERS CONTRIBUTED DOLLARS EXACTLY AS THE DONORS DIRECT WHEN GIFTS ARE MADE. EACH FUND FOR GRANTMAKING HAS A POLICY THAT DETAILS THE SPECIFIC USES FOR THE FUNDS. A VICE PRESIDENT OF THE ORGANIZATION IS ASSIGNED OVERSIGHT OF THE FUND ALONG WITH THE COMMITTEE FOR THE FUND. IN ORDER TO RECEIVE ASSISTANCE, GRANTEES AND AID RECIPIENTS MUST DEMONSTRATE FINANCIAL NEED IN THE APPLICATION PROCESS. THIS IS ACCOMPLISHED BY HAVING A HOSPITAL FINANCIAL COUNSELOR CONDUCT A CONSULTATION WITH THE APPLICANT. ONCE AN APPLICANT IS DETERMINED TO BE ELIGIBLE, A MEMBER OF THE COMMITTEE MAY AUTHORIZE

Part IV Supplemental Information

EXPENDITURES FOR APPROVAL WITHIN THE POLICY CRITERIA. DISBURSEMENT FORMS MUST BE SIGNED BY THE VICE PRESIDENT CHARGED WITH OVERSIGHT, BEFORE THEY ARE SUBMITTED TO THE FINANCE COMMITTEE FOR PROCESSING. COMPLETE RECORDS OF EXPENDITURES ARE KEPT IN A CENTRAL LOCATION, THE OFFICE OF THE DEPARTMENT OF SPIRITUAL CARE, ETHICS, AND DIVERSITY (DSCED). WHEN APPROVAL FOR ASSISTANCE IS GIVEN, THE DSCED OFFICE MUST BE IMMEDIATLEY PROVIDED WITH THE FOLLOWING INFORMATION: THE NAME OF THE PATIENT, THE NATURE OF THE EXPENDITURE, THE EXACT AMOUNT, THE VENDOR'S NAME, AND DETAILS ON HOW THE EXPENSE IS TO BE PAID. MAXIMUM AMOUNTS FOR ASSISTANCE GRANTED TO EACH PER PERSON ARE STRICLTY MONITORED.

PART III

THE BOARD OF DIRECTORS DIRECTS THE USE OF ENDOWMENT FUNDS TO THE ORGANIZATION AND THE CEO SIGNS THE INVOICES FOR PAYMENT. ONCE APPROVED, THE ORGANIZATION SENDS THE FUNDS TO THE GRANTEE ORGANIZATION. COMPLETE RECORDS OF ALL ENDOWMENT FUNDS RECEIVED FOR GRANTMAKING ARE KEPT BY HIGH POINT REGIONAL HEALTH SYSTEM FOUNDATION.

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, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization

HIGH POINT REGIONAL HEALTH

Employer identification number

56-0532309

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	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments	☒ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)		
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	X	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	X	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
	☒ Compensation committee	☒ Written employment contract		
	☒ Independent compensation consultant	☒ Compensation survey or study		
	☐ Form 990 of other organizations	☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	5a		X
b	Any related organization?	5b		X
	If "Yes" to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	6a		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		X

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) CHRIS ELLINGTON	(i)	0.	0.	0.	0.	0.	0.	0.
BOARD MEMBER	(ii)	470,435.	37,884.	0.	38,186.	3,959.	550,464.	0.
(2) GARY PARK	(i)	0.	0.	0.	0.	0.	0.	0.
BOARD MEMBER	(ii)	700,135.	0.	7,899.	232,432.	6,359.	946,825.	0.
(3) DAVID STRONG	(i)	0.	0.	0.	0.	0.	0.	0.
BOARD MEMBER	(ii)	524,539.	226,405.	561,373.	252,208.	15,148.	1,579,673.	529,812.
(4) JEFFREY MILLER	(i)	519,118.	121,190.	46,873.	182,542.	44,388.	914,111.	0.
PRESIDENT/CEO	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) KIMBERLY CREWS	(i)	279,007.	67,438.	14,779.	66,910.	12,606.	440,740.	0.
TREASURER/CFO	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) GREG TAYLOR	(i)	387,142.	88,007.	12,535.	105,189.	24,702.	617,575.	0.
VICE PRESIDENT/SECRETARY	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) LINDA RONEY	(i)	238,795.	63,146.	38,071.	80,883.	18,805.	439,700.	21,822.
ASSISTANT TREASURER	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) TAMMI ERVING-MENGEL, RN	(i)	189,990.	41,541.	16,373.	54,088.	10,152.	312,144.	0.
ASSISTANT SECRETARY	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) BRIAN FARAH	(i)	220,903.	228,742.	0.	38,780.	8,200.	496,625.	0.
PHYSICIAN	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) TODD REITER	(i)	173,371.	178,138.	0.	796.	4,805.	357,110.	0.
PHYSICIAN	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) EDWARD LOVE	(i)	188,378.	74,620.	0.	17,379.	11,852.	292,229.	0.
PHYSICIAN	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) MARIOARA BODEA	(i)	168,484.	13,957.	43,921.	7,876.	8,174.	242,412.	0.
PHYSICIAN	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) SNEZANA CVEJIN	(i)	196,695.	12,000.	268.	29,874.	3,205.	242,042.	0.
PHYSICIAN	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

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.

PART I, LINE 1A: HIGH POINT REGIONAL HEALTH PROVIDES A CORPORATE MEMBERSHIP TO A LOCAL SOCIAL CLUB FOR USE BY OFFICERS OF THE ORGANIZATION.

PART I, LINE 4B: HIGH POINT REGIONAL HEALTH, A RELATED ORGANIZATION, HAS ESTABLISHED A 457(F) SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN IN GENERAL, THE ORGANIZATION CONTRIBUTES AMOUNTS TO THE PLAN IN AMOUNTS EQUAL TO AN EMPLOYEE'S APPLICABLE PERCENTAGE MULTIPLIED BY HIS COMPENSATION FOR A PLAN YEAR, LESS ANY AMOUNTS CONTRIBUTED TO THE HOSPITAL'S 457(B) EXECUTIVE SAVINGS PLAN VESTING IN THE PLAN OCCURS UPON A PARTICIPANT REACHING HIS ESTABLISHED PAYMENT DATE OR HIS INVOLUNTARY TERMINATION OF CONTINUOUS SERVICE, PURSUANT TO PLAN STIPULATIONS FOR THE YEAR ENDED 9/30/13, THE FOLLOWING INDIVIDUALS ACCRUED THE FOLLOWING AMOUNTS TO THIS PLAN JEFFREY MILLER $138,608, KIMBERLY CREWS 28,160, GREGORY TAYLOR 61,400, TAMMI ERVING-MENGEL 14,325, LINDA RONEY 37,633, DAVID STRONG 226,442. THESE AMOUNTS ARE REPRESENTED ON SCHEDULE J, PART II, COLUMN (C).

DURING THE YEAR, LINDA RONEY TOOK A DISTRIBUTION OF $21,822, WHICH WOULD HAVE BEEN REPORTED AS DEFERRED COMPENSATION IN THE PRIOR YEAR. DAVID STRONG TOOK A DISTRIBUTION OF $529,812, WHICH ALSO WOULD HAVE BEEN REPORTED

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.

AS DEFERRED COMPENSATION IN THE PRIOR YEAR.

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2012
Open to Public Inspection

Name of the organization
HIGH POINT REGIONAL HEALTH

Employer identification number
56-0532309

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No	(i) Pooled financing Yes	(i) Pooled financing No
A	NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402	NONE	11/04/09	9,540,000.	CURRENT REFUNDING		X		X		X
B												
C												
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	6,040,000.			
2	Amount of bonds legally defeased				
3	Total proceeds of issue	9,540,000.			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	190,294.			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds				
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2007			

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

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

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, line 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
HIGH POINT REGIONAL HEALTH

Employer identification number
56-0532309

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	(d) Corrected? No

2 Enter the amount of tax incurred by the 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? To	(d) From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	(g) No	(h) Approved by board or committee? Yes	(h) No	(i) Written agreement? Yes	(i) No
Total					▶ $							

Part III Grants or Assistance Benefiting 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	(e) Sharing of organization's revenues? No
BARRY CHEEK	BOARD MEMBER	410,495.	BARRY CHEEK		X
MICHAEL LUCAS, BARRY CHEEK	BOARD MEMBERS	3,296,722.	THE ORGANIZ		X
LINDA TAYLOR	BOARD MEMBER	783,331.	LINDA TAYLO		X

Part V Supplemental Information

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

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: BARRY CHEEK

(D) DESCRIPTION OF TRANSACTION: BARRY CHEEK IS A PART OWNER OF CAROLINA CARDIOLOGY, WHICH LEASES SPACE FROM THE ORGANIZATION WITHIN ITS HEART CENTER FACILITY.

(A) NAME OF INTERESTED PERSON:

MICHAEL LUCAS, BARRY CHEEK, & ELIZABETH STAMBAUGH

(D) DESCRIPTION OF TRANSACTION: THE ORGANIZATION CONTRACTS WITH CORNERSTONE HEALTHCARE, WHICH ALL THREE INDIVIDUALS ARE PART OWNERS OF, FOR THE PROVISIONS OF PROFESSIONAL PHYSICIAN SERVICES.

(A) NAME OF PERSON: LINDA TAYLOR

(D) DESCRIPTION OF TRANSACTION: LINDA TAYLOR IS A PART OWNER OF REGIONAL EMERGENCY PHYSICIANS, WHICH THE ORGANIZATION PAID FOR MEDICAL SERVCIES PROVIDED.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization: HIGH POINT REGIONAL HEALTH

Employer identification number: 56-0532309

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

AND INTEGRITY.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

NON-REIMBURSED COSTS ASSOCIATED WITH TREATING MEDICARE AND MEDICAID PATIENTS, AND PATIENTS WITH OTHER GOVERNMENT NON-NEGOTIATED PLANS FOR THE YEAR WAS $15,890,730, ($2,764,519), AND $123,166 RESPECTIVELY (SEE SCHEDULE H FOR DETAILS). THE ESTIMATED COST OF RECORDED BAD DEBT EXPENSE IS $19,538,230 FOR THE YEAR. IN MEETING ITS OBJECTIVE OF PROVIDING QUALITY HEALTH CARE TO THE COMMUNITY, THE HOSPITAL PROVIDED MEDICAL SERVICE FOR AND DISCHARGED 17,895 PATIENTS DURING THE YEAR WITH TOTAL DAYS OF CARE AT 73,990. HPRH ALSO PROVIDED SEVERAL SUBSIDIZED SERVICES TO THE COMMUNITY.

THERE ARE SEVERAL GREAT REASONS TO BE PROUD OF HIGH POINT REGIONAL:

- THE CHARLES E AND PAULINE LEWIS HAYWORTH CANCER CENTER IS RATED AS THE TOP COMMUNITY COMPREHENSIVE CANCER CENTER IN THE TRIAD BY THE US NEWS & WORLD REPORT.

- THE WOMEN'S IMAGING CENTER WAS THE FIRST COMPLETELY FULL-FIELD DIGITAL MAMMOGRAPHY FACILITY IN HIGH POINT TO OFFER BOTH DIAGNOSTIC AND SCREENING MAMMOGRAPHY SERVICES. THIS ADVANCED EQUIPMENT WAS FULLY FUNDED BY COMMUNITY DONORS THROUGH PROCEEDS FROM HPRH'S ENDOWMENT FUNDS.

- THE HOSPITAL HAS A DA VINCI SI SURGICAL SYSTEM, ENHANCED HIGH-DEFINITTON 3D VISION THAT OFFERS OUR SURGEONS SUPERIOR CLINICAL CAPABILITY, INCREASED DEXTERITY FAR GREATER THAN THE HUMAN HAND, INTUITIVE MOTION TECHNOLOGY AND INTUITIVE INSTRUMENT CONTROL DURING MINIMALLY INVASIVE SURGERY FOR UROLOGY AND GYNECOLOGY. SINCE THE PROGRAM BEGAN IN 2005, WE HAVE PERFORMED OVER 700 PROCEDURES.

- HIGH POINT IS THE ONLY HOSPITAL IN THE TRIAD TO OFFER 24 HOUR CONTINUOUS ELECTRONIC MONITORING OF CRITICALLY ILL PATIENTS.

- THE SOCIETY OF CHEST PAIN CENTERS ACCREDITS HIGH POINT REGIONAL AS AN OFFICIAL CHEST PAIN CENTER FOR MEETING AND EXCEEDING QUALITY-OF-CARE MEASURES IN ACUTE CARDIAC MEDICINE.

- HIGH POINT'S STROKE CENTER WAS RE-CERTIFIED AS A PRIMARY STROKE CENTER BY THE JOINT COMMISSION.

- HIGH POINT HAS RECEIVED RENEWAL OF LEVEL III TRAUMA DESIGNATION FOR THE EMERGENCY DEPARTMENT. OUR EMERGENCY DEPARTMENT HAS A CAREFULLY COORDINATED PROCESS, CENTERED AROUND THE AMERICAN COLLEGE OF SURGEONS TRAUMA PROTOCOL, FOR RECEIVING, TREATING, AND REFERRING CRITICALLY INJURED TRAUMA PATIENTS WHO NEED STABILLZATION OR RESUSCITATION.

- HIGH POINT HAS RECEIVED MAGNET DESIGNATION FOR THE THIRD TIME.

- HIGH POINT IS THE SECOND LARGEST EMPLOYER OF HIGH PONT, NC, WITH OVER 2,500 TALENTED AND DEDICATED INDIVIDUALS WHO PROVIDE COMPASSIONATE CARE TO MORE THAN 130,000 PEOPLE EVERY YEAR.

- THE HOSPITAL IS RANKED FOURTH BY U.S. NEWS AND REPORT AS ONE OF THE BEST HOSPITALS IN NORTH CAROLINA AND THE HIGHEST RANKED NON-ACADEMIC HOSPITAL IN THE STATE. WE ARE ALSO RANKED 26TH NATIONALLY FOR THE TREATMENT OF DIABETES AND ENDOCRINOLOGY. IN ADDITION, HPRH WAS DESIGNATED AS A 'HIGH PERFORMER' IN GASTROENTEROLOGY, GERIATRICS, GYNECOLOGY, NEPHROLOGY, NEUROSURGERY, PULMONONLOGY, AND UROLOGY.

FORM 990, PART VI, SECTION A, LINE 4: AS PART OF ITS AFFILIATION WITH THE UNIVERSITY OF NORTH CAROLINA HEALTH CARE SYSTEM, THE HOSPITAL RESTATED ITS ARTICLES OF INCORPORATION TO REFLECT THAT AFFILIATION. THE HOSPITAL ALSO CHANGED ITS NAME FROM HIGH POINT REGIONAL HEALTH SYSTEM TO HIGH POINT REGIONAL HEALTH. PLEASE SEE THE ATTACHED ARTICLES OF RESTATEMENT.

FORM 990, PART VI, SECTION B, LINE 11: THE RETURN WAS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM WITH ASSISTANCE AND OVERSIGHT BY MANAGEMENT. UPON COMPLETION, MANAGEMENT MADE A DETAILED REVIEW OF THE DRAFT FORM 990. FOLLOWING MANAGEMENT'S REVIEW, THE RETURN WAS PROVIDED TO ALL VOTING MEMBERS OF THE BOARD OF TRUSTEES PRLOR TO FILING WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C: HIGH POINT REGIONAL HEALTH REQUIRES BOARD MEMBERS, OFFICERS, AND KEY EMPLOYEES TO COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE ANNUALLY. THE SYSTEM HAS ADMINISTRATIVE STAFF MONITOR AND TRACK THAT ALL FORMS ARE COMPLETE. IF ANY ISSUES ARE RAISED ON THOSE DISCLOSURES, THE APPROPRIATE INDIVIDUALS ARE NOTIFIED OF THE SITUATION AND APPROPRIATE MEASURES ARE TAKEN AT THE BOARD'S DISCRETION.

FORM 990, PART VI, SECTION B, LINE 15: THE COMPENSATION COMMITTEE OF THE

Name of the organization: HIGH POINT REGIONAL HEALTH

Employer identification number: 56-0532309

BOARD OF TRUSTEES SETS COMPENSATION FOR THE CEO AND APPROVES COMPENSATION FOR VICE PRESIDENTS. AN INDEPENDENT EXECUTIVE COMPENSATION CONSULTING FIRM, THE HAY GROUP, EVALUATES THESE POSITIONS AND PROVIDES COMPARISONS AGAINST A NATIONAL DATABASE. COMPENSATION IS SET AGAINST THE 50TH PERCENTILE OF THE MARKET.

FORM 990, PART VI, SECTION C, LINE 19: PHOTOCOPIES OF THE ORGANIZATIONS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST AT THE ORGANIZATION'S ADMINISTRATIVE OFFICE.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

EQUITY TRANSFER FROM UNC	25,000,000.
REMOVAL ASSET DEFERRED FINANCING COSTS	-715,269.
RESTRICTED EXPENSES PRIOR TO GASB	-35,641.
IN-KIND CONTRIBUTION TO REGIONAL PHYSICIANS FOR RENT	-787,308.
NET ASSETS RELEASED FROM RESTRICTIONS FOR OPERATIONS	181,448.
NET ASSETS RELEASED FROM RESTRICTIONS	235,848.
EQUITY TRANSFER TO AFFILIATE	-10,934,606.
OTHER ADJUSTMENT	56,310.
TOTAL TO FORM 990, PART XI, LINE 9	13,000,782.

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.

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2012
Open to Public Inspection

Name of the organization
HIGH POINT REGIONAL HEALTH

Employer identification number
56-0532309

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
HIGH POINT REGIONAL HEALTH SERVICES, INC. - 56-1497163, 601 N ELM ST. PO BOX HP-5, HIGH POINT, NC 27261	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 11A, I	HIGH POINT REGIONAL HEALTH	X	
HIGH POINT REGIONAL HEALTH SYSTEM FOUNDATION, INC. - 27-2854711, 601 N ELM ST. PO BOX HP-5, HIGH POINT, NC 27261	SUPPORT/FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 11A, I	HIGH POINT REGIONAL HEALTH	X	
UNC HEALTH CARE SYSTEM - 56-2206970 101 MANNING DRIVE CHAPEL HILL, NC 27514	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 3	N/A		X

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
HIGH POINT SURGERY CENTER - 56-1867005, 600 NORTH LINDSAY STREET, HIGH POINT, NC 27260	HEALTHCARE	NC	N/A		206,139.	1,713,836.		X	N/A		X	
REGIONAL WELLNESS LLC SPORTSCENTER - 20-4475769, 861 OLD WINSTON ROAD, KERNERSVILLE, NC 27284	FITNESS CENTERS	NC	HEALTH CARE VENTURES					X	N/A		X	99.00
PREMIER MEDICAL PROPERTIES LLC - 20-8245501, 1701 WESTCHESTER DR. SUITE 850, HIGH POINT, NC 27262	REAL PROPERTY HOLDING	NC	N/A					X	N/A		X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
HIGH POINT HEALTHCARE VENTURES, INC. - 56-1343468, 601 N ELM ST. PO BOX HP-5, HIGH POINT, NC 27261	HOLDING COMPANY	NC	N/A	C CORP	1,555,172.	11,994,045.			X

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

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) HIGH POINT REGIONAL HEALTH SERVICES	B	10,934,606.	FMV
(2) HIGH POINT REGIONAL HEALTH SYSTEM FOUNDATION	C	112,500.	RELEASE OF RESTRICTED NET ASSETS
(3) HIGH POINT SURGERY CENTER	F	150,000.	FMV
(4) HIGH POINT REGIONAL HEALTH SERVICES	J	796,538.	FMV
(5) HIGH POINT HEALTHCARE VENTURES, INC.	L	174,500.	FMV
(6) HIGH POINT REGIONAL HEALTH SERVICES	M	209,452.	FMV

Part V **Continuation of Transactions With Related Organizations** (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7) HIGH POINT REGIONAL HEALTH SERVICES	P	4,177,544.	FMV
(8) HIGH POINT REGIONAL HEALTH SERVICES	Q	225,282.	FMV
(9) HIGH POINT SURGERY CENTER	Q	3,729,873.	FMV
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

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

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

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

Part VII Supplemental Information

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

PART V, LINE 1, N & O ON PART V

EXPLANATION FOR ITEM N & O ON PART V

ADMINISTRATIVE SUPPORT SUCH AS EXECUTIVE MANAGEMENT, ACCOUNTING, HUMAN RESOURCES AND IT, FOR EACH OF THESE ENTITIES IS PROVIDED BY HIGH POINT REGIONAL HEALTH (HPRH) PERSONNEL UTILIZING HPRH FACILITIES AND OTHER ASSETS. ESTIMATING THE VALUE OF THESE SHARED PERSONNEL AND ASSETS CANNOT BE READILY DETERMINED.

NORTH CAROLINA
Department of the Secretary of State

To all whom these presents shall come, Greetings:

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF RESTATEMENT

OF

HIGH POINT REGIONAL HEALTH SYSTEM
WHICH CHANGED ITS NAME TO
HIGH POINT REGIONAL HEALTH

the original of which was filed in this office on the 2nd day of May, 2013.

Scan to verify online.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 2nd day of May, 2013.

Elaine F. Marshall

Secretary of State

Certification# C201310800180-1 Reference# C201310800180-1
Verify this certificate online at www.secretary.state.nc.us/verification

SOSID: 0068642
Date Filed: 5/2/2013 10:26:00 AM
Elaine F. Marshall
North Carolina Secretary of State

C201310800180

ARTICLES OF RESTATEMENT FOR NONPROFIT CORPORATION

Pursuant to §55A-10-06 of the General Statutes of North Carolina, the undersigned corporation hereby submits the following for the purpose of restating its Articles of Incorporation.

1. The name of the corporation is High Point Regional Health System (to be renamed High Point Regional Health upon filing of these articles).

2. The text of the Amended and Restated Articles of Incorporation is attached.

3. These Amended and Restated Articles of Incorporation were adopted by the board of directors and contain an amendment not requiring member approval. (*Set forth a brief explanation of why member approval was not required for such amendment.*) This corporation has no members.

4. These articles will be effective upon filing.

This the 18th day of April, 2013.

HIGH POINT REGIONAL HEALTH SYSTEM (to be renamed HIGH POINT REGIONAL HEALTH)

By: _____
Jeffrey S. Miller, President

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
HIGH POINT REGIONAL HEALTH SYSTEM

Pursuant to §55A-10-06 of the North Carolina General Statutes, the undersigned corporation does hereby submit these Amended and Restated Articles of Incorporation for the purpose of restating and amending its articles of incorporation.

ARTICLE I

The name of the corporation is HIGH POINT REGIONAL HEALTH (the "Corporation"):

ARTICLE II

The period of duration of the Corporation shall be perpetual.

ARTICLE III

The purposes for which the Corporation is organized are:

1. To own or lease and operate and maintain an acute care hospital, and to provide related facilities and services, to promote the health and wellness of the residents of High Point, North Carolina and surrounding communities.

2. As an affiliate of the University of North Carolina Health Care System ("UNC HCS"):

   A. To participate in and promote the provision of patient care, facilitate the education of physicians and other healthcare providers, promote research in collaboration with the health sciences schools of the University of North Carolina at Chapel Hill, and facilitate and promote the delivery of other services designed to promote the health and well-being of the citizens of North Carolina.

   B. To make donations, transfer assets and provide other forms of aid and assistance to, for the benefit of, or in connection with UNC HCS and its charitable, tax-exempt affiliates, and otherwise to promote, by guarantee, loan or otherwise, the interests of UNC HCS and its charitable, tax-exempt affiliates.

   C. To promote and advance charitable, educational and scientific purposes by supporting and operating for the benefit of and to carry out the purposes of UNC HCS.

D. To engage in any and all activities ordinarily carried on by a nonprofit corporation, except as may be prohibited by the laws of the State of North Carolina.

ARTICLE IV

The Corporation is organized exclusively for charitable, scientific and educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding provisions of any future federal tax code, and is a "charitable or religious corporation" within the meaning of section 55A-1-40(4) of the North Carolina General Statutes.

ARTICLE V

The Corporation shall have a sole member. The sole member of the Corporation shall be UNC HCS, which was established by North Carolina State statute as an affiliated enterprise of the University of North Carolina.

ARTICLE VI

No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its member, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III above. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or otherwise intervene in (including the publishing or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law) or (c) by a nonprofit corporation formed under Chapter 55A of the General Statutes of North Carolina or any successor provision thereto.

ARTICLE VII

In the event of the dissolution of the Corporation or the winding up of its affairs, or other liquidation of its assets, the Corporation shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to the University of North Carolina Health Care System in accordance with the provisions of Article 14 of Chapter 55A of the General Statutes of North Carolina, exclusively for the purposes of the Corporation, or, if the University of North Carolina Health Care System is not then exempt from federal income tax under Section 501(c)(3)

of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law) then to such other organization or organizations organized and operated for substantially the same purposes as this Corporation or exclusively for charitable, educational, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law), as the member and Board of Trustees shall determine.

ARTICLE VIII

The number, manner of election or appointment, the qualifications and the term of trustees shall be as set forth in the bylaws of the Corporation.

ARTICLE IX

All corporate powers of the Corporation shall be exercised by or under the authority of, and the affairs of the Corporation shall be managed under the direction of, the Board of Trustees of the Corporation, except such powers as are expressly reserved to the member of the Corporation by law or by these Amended and Restated Articles of Incorporation or the bylaws of the Corporation.

ARTICLE X

To the fullest extent permitted section 55A-2-02(b)(4) of the North Carolina General Statutes and other applicable law, no person who is serving or has served as a trustee of the Corporation shall be personally liable to the Corporation for monetary damages arising out of an action, whether by or in the right of the corporation or otherwise, for breach of any duty as a trustee.

Any repeal or modification of the provisions of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a trustee of the corporation with respect to any act or omission occurring prior to the effective date of such repeal or modification.

If the North Carolina General Statutes hereafter are amended to authorize the further elimination or limitation of the liability of trustees, then the liability of a trustee of the corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended North Carolina Nonprofit General Statutes.

ARTICLE XI

The address of the registered office of the Corporation in North Carolina shall be 601 N. Elm Street, High Point, Guilford County, North Carolina 27262, and the registered agent at such address shall be Jeffrey S. Miller. *The agent's written consent to appointment appears below:*

[Name]

ARTICLE XII

The address of the principal office of the Corporation in North Carolina shall be 601 N. Elm Street, High Point, Guilford County, North Carolina 27262.

ARTICLE XIII

These Amended and Restated Articles of Incorporation may not be amended without the prior written consent of the member of the Corporation.

Furthermore, for a period of twenty (20) years from March 31, 2013, no amendments to Article III, Article IV or Article XIII of these Amended and Restated Articles of Incorporation shall be effective until the written consent to such action by the High Point Community Health Fund, Inc. is obtained.

IN WITNESS WHEREOF, the undersigned officer has caused these Amended and Restated Articles of Incorporation to be duly executed as of the 31st day of March 2013.

HIGH POINT REGIONAL HEALTH
SYSTEM
(TO BE RENAMED HIGH POINT REGIONAL HEALTH)

By: _____, President

High Point Regional Health System and Affiliates

Consolidated Financial Statements
and Supplementary Information

Years Ended September 30, 2012 and 2011

DIXON HUGHES GOODMAN
Certified Public Accountants and Advisors

High Point Regional Health System and Affiliates

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DIXON HUGHES GOODMAN

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
High Point Regional Health System and Affiliates
High Point, North Carolina

We have audited the accompanying consolidated balance sheets of High Point Regional Health System and Affiliates (the "Health System") as of September 30, 2012 and 2011, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended These consolidated financial statements are the responsibility of the Health System's management 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 of material misstatement An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health System's internal control over financial reporting Accordingly, we express no such opinion An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of High Point Regional Health System and Affiliates as of September 30, 2012 and 2011, and the results of their operations, changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America

As disclosed in Note 2 to the consolidated financial statements, the Health System adopted ASU 2011-07, Health care Entities (Topic 954) Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts and the Allowance for Doubtful Accounts for Certain Health Care Entities As a result, the Health System retrospectively adjusted the Consolidated Statement of Operations for year ended September 30, 2011

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole The supplementary schedules listed in the table of contents are presented for purposes of additional analysis rather than to present the financial position and results of operations of the individual organizations and are not a required part of the consolidated financial statements Such information is the responsibility of the Health System's management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole

Dixon Hughes Goodman LLP

January 25, 2013

HIGH POINT REGIONAL HEALTH SYSTEM AND AFFILIATES
CONSOLIDATED BALANCE SHEETS
September 30, 2012 and 2011

ASSETS	2012	2011
Current assets		
Cash and cash equivalents	$ 1,419,332	$ 1,604,491
Assets whose use is limited, required for current liabilities	4,411,316	4,333,206
Patient accounts receivable, less allowance for doubtful accounts of approximately $14,638,000 and $26,377,000 in 2012 and 2011, respectively	33,086,411	41,311,627
Current portion of unconditional promises to give, net	493,849	1,343,977
Other receivables	12,601,152	7,816,077
Inventories	3,156,275	3,296,499
Other current assets	5,500,380	5,442,304
Total current assets	60,668,715	65,148,181
Assets whose use is limited, less current portion	119,756,253	113,510,357
Unconditional promises to give, net	1,714,913	2,099,750
Investments in affiliated entities	10,824,430	10,582,687
Property and equipment, net	157,580,216	163,069,836
Other assets	6,800,956	7,033,173
Total assets	$ 357,345,483	$ 361,443,984
LIABILITIES AND NET ASSETS		
Current liabilities		
Line of credit	$ 9,970,057	$ 12,835,108
Current portion of long-term debt	5,799,491	5,574,729
Accounts payable	27,506,853	29,227,781
Accrued expenses	9,962,378	9,152,021
Accrued interest	1,076,315	1,153,205
Estimated third-party payor settlements	5,270,791	4,821,572
Total current liabilities	59,585,885	62,764,416
Long-term debt, less current portion	50,141,017	55,993,709
Interest rate swap agreement	372,202	-
Other long-term liabilities	4,713,236	3,665,710
Total liabilities	114,812,340	122,423,835
Net assets		
Unrestricted	216,104,197	214,137,143
Temporarily restricted by donors	11,979,136	10,660,612
Permanently restricted by donors	14,449,810	14,222,394
Total net assets	242,533,143	239,020,149
Total liabilities and net assets	$ 357,345,483	$ 361,443,984

See accompanying notes.

HIGH POINT REGIONAL HEALTH SYSTEM AND AFFILIATES
CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended September 30, 2012 and 2011

	2012	2011
Unrestricted revenues, gains and other support		
Patient service revenue (net of contractual allowances and discounts)	$ 286,595,503	$ 290,015,941
Provision for bad debts	(20,428,759)	(40,368,321)
Net patient service revenue less provision for bad debts	266,166,744	249,647,620
Equity in earnings of affiliated entities	1,864,653	2,292,552
Other revenue	5,615,681	5,710,658
Net assets released from restrictions used for operations	1,255,392	1,203,592
Total revenues, gains and other support	274,902,470	258,854,422
Expenses		
Salaries and wages	114,104,645	112,130,189
Medical supplies and other expenses	68,825,353	60,829,403
Employee benefits	26,837,690	25,494,104
General services	48,666,522	48,137,001
Depreciation and amortization	19,461,309	20,231,304
Interest expense	3,192,990	3,534,556
Total expenses	281,088,509	270,356,557
Operating loss	(6,186,039)	(11,502,135)
Other income (loss)		
Investment income, net	2,839,932	7,633,874
Holding loss on interest rate swap agreement	(372,202)	-
Other, net	(308,326)	(74,315)
Other income, net	2,159,404	7,559,559
Excess of revenues, gains and other support under expenses	(4,026,635)	(3,942,576)
Net assets released from restrictions used for long-term purposes	352,674	498,791
Change in unrealized gain (loss) on marketable securities	5,641,015	(5,364,245)
Increase (decrease) in unrestricted net assets	$ 1,967,054	$ (8,808,030)

See accompanying notes.

HIGH POINT REGIONAL HEALTH SYSTEM AND AFFILIATES
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
Years Ended September 30, 2012 and 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance, September 30, 2010	$ 222,945,173	$ 9,401,753	$ 13,910,563	$ 246,257,489
Add (deduct)				
Excess of revenues, gains and other support under expenses	(3,942,576)	-	-	(3,942,576)
Investment income, net	-	2,249,808	-	2,249,808
Change in unrealized losses on marketable securities	(5,364,245)	(911,480)	-	(6,275,725)
Appropriations for expenditure	-	(117,354)	-	(117,354)
Donor-restricted gifts, grants and bequests	-	1,740,268	311,831	2,052,099
Net assets released from restrictions used for long-term purposes	498,791	(498,791)	-	-
Net assets released from restrictions for operations	-	(1,203,592)	-	(1,203,592)
Increase (decrease) in net assets	(8,808,030)	1,258,859	311,831	(7,237,340)
Balance, September 30, 2011	214,137,143	10,660,612	14,222,394	239,020,149
Add (deduct)				
Excess of revenues, gains and other support under expenses	(4,026,635)	-	-	(4,026,635)
Investment income, net	-	1,001,554	-	1,001,554
Change in unrealized losses on marketable securities	5,641,015	910,950	-	6,551,965
Appropriations for expenditure	-	(521,660)	-	(521,660)
Donor-restricted gifts, grants and bequests	-	1,535,746	227,416	1,763,162
Net assets released from restrictions used for long-term purposes	352,674	(352,674)	-	-
Net assets released from restrictions for operations	-	(1,255,392)	-	(1,255,392)
Increase in net assets	1,967,054	1,318,524	227,416	3,512,994
Balance, September 30, 2012	$ 216,104,197	$ 11,979,136	$ 14,449,810	$ 242,533,143

See accompanying notes.

HIGH POINT REGIONAL HEALTH SYSTEM AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended September 30, 2012 and 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	$ 3,512,994	$ (7,237,340)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	19,461,309	20,231,304
Net realized and unrealized gains on investments in other than trading securities	(8,974,720)	(2,494,091)
Loss on disposal of property and equipment	114,250	358,899
Equity in earnings of affiliated entities	(1,864,653)	(2,292,552)
Distributions from affiliates	2,586,976	2,722,646
Distribution from sale of LexMedical and LexPoint	-	1,331,394
Contributions restricted for long-term purposes	(1,763,162)	(2,052,099)
Provision for bad debts	20,428,759	40,368,321
Provision for uncollectible unconditional promises to give	70,417	(233,920)
Discount on unconditional promises to give	27,994	(100,319)
Changes in cash related to changes in assets and liabilities		
Patient accounts receivable	(12,203,543)	(46,855,681)
Accounts payable and accrued expenses	423,728	5,935,301
Other assets and liabilities, net	(4,910,136)	(2,927,465)
Estimated third-party payor settlements	449,219	(127,404)
NET CASH PROVIDED BY OPERATING ACTIVITIES	17,359,432	6,626,994
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(13,637,974)	(17,570,607)
Purchase of investments	(83,930,852)	(295,131,854)
Sales of investments	86,581,566	311,588,683
Investment in affiliates	(964,066)	(1,906,568)
NET CASH USED BY INVESTING ACTIVITIES	(11,951,326)	(3,020,346)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from lines of credit	114,421,160	100,328,215
Repayments of lines of credit	(117,286,211)	(102,493,107)
Proceeds from contributions restricted for long-term purposes	2,899,716	3,187,260
Repayments of long-term debt	(5,627,930)	(5,294,814)
NET CASH USED BY FINANCING ACTIVITIES	(5,593,265)	(4,272,446)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(185,159)	(665,798)
CASH AND CASH EQUIVALENTS, beginning of year	1,604,491	2,270,289
CASH AND CASH EQUIVALENTS, end of year	$ 1,419,332	$ 1,604,491
SUPPLEMENTAL DISCLOSURES FOR CASH FLOW INFORMATION		
Cash paid during the year for interest	$ 3,269,880	$ 3,607,304
Property and equipment included in accounts payable	$ 960,842	$ 1,152,106

See accompanying notes.

NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION

Organization

High Point Regional Health System ("Health System") is a North Carolina non-stock, not-for-profit corporation organized to own and operate a 351-bed general acute care hospital facility located in High Point, North Carolina, to promote and advance charitable, educational and scientific purposes, and to provide and support health care services. High Point Regional Health System is the parent holding company of High Point Regional Health System Foundation, High Point Health Care Ventures, Inc., and High Point Regional Health Services, Inc.

High Point Regional Health System Foundation ("Foundation"), a not-for-profit corporation, was organized solely for charitable purposes for the promotion of health and wellness to the general public though the support of the services and mission of High Point Regional Health System.

High Point Health Care Ventures, Inc. ("Health Care Ventures"), a for-profit corporation, was organized to promote health care and related activities. Its operations consist of laboratory services and joint ventures, which include a fitness center and a medical office building.

High Point Regional Health Services, Inc. ("Health Services"), a not-for-profit corporation, was organized to conduct health care and related services. Its operations consist of physician practices, imaging services and partnerships to provide durable medical equipment, various therapies, home health care services, and adult clinic services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of High Point Regional Health System and its affiliates, Foundation, Health Care Ventures and Health Services.

Health Care Ventures has consolidated the following 100%-owned subsidiary at September 30, 2012 and 2011: High Point Regional Health System Reference Lab. Health Care Ventures has consolidated Regional Wellness, LLC as a 99%-owned subsidiary as of September 30, 2012.

Health Services has consolidated the following 100%-owned subsidiaries as of September 30, 2012: Regional Physicians, LLC, Carolina Regional Heart Center, LLC and Premier Imaging, LLC. Neuroscience, LLC was dissolved as of September 30, 2012.

All significant intercompany balances and transactions have been eliminated in consolidation. The consolidated entities are hereinafter referred to as the "Health System."

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with maturities at the date of purchase of 90 days or less.

Assets Whose Use is Limited

Assets whose use is limited are principally composed of marketable equity securities, fixed income securities, real assets, alternative investments and cash equivalents, and include assets held by trustees under indenture agreements, assets set aside by the Board of Trustees for capital improvements, insurance deductibles, and investment earnings set aside for future projects over which the Board retains control and may, at its discretion, subsequently use for other purposes, and assets restricted by donors for specific purposes. Amounts required to meet current liabilities of the Health System have been reclassified to current assets in the accompanying consolidated balance sheets.

Patient Accounts Receivable

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

The Health System's allowance for doubtful accounts for self-pay patients decreased from 86% of self-pay accounts receivable at September 30, 2011, to 42% of self-pay accounts receivable at September 30, 2012. This decrease in self-pay bad debt is due to the Health System's 2012 change to its patient charitable policy. The Health System's self-pay bad debt and charitable write-offs increased approximately $7,686,000, from approximately $66,129,000 for fiscal year 2011 to $73,815,000 for fiscal year 2012. The Health System does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donor-Restricted Gifts

Unconditional promises to give cash and other assets to the Health System are reported at fair value at the date the promise is received. Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions.

Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received or when the promise becomes unconditional.

Supplies

Supplies consist of medical supplies and pharmaceuticals and are stated at the lower of average cost or market.

Investments

Investments in marketable securities are presented as assets whose use is limited in the consolidated balance sheets. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. Alternative investments are valued based on the net asset value and other financial information provided by management of each underlying investee fund. Investments held by these funds are valued at prices which approximate fair value. The Health System is invested in various limited partnerships of which they do not exert control. These investments are included in assets whose use is limited and are valued at the lower of cost or market. Investment income or loss (including realized gains and losses on investments, interest and dividends, and other than temporary impairment losses) are included in the excess of revenues, gains and other support over (under) expenses and losses in net other income (loss). Net realized gains and losses on security transactions are determined on the specific identification basis. Unrealized gains and losses on investments, except for other-than-temporary impairments, are excluded from the excess of revenues, gains and other support under expenses and losses. Cash, cash equivalents and certificates of deposit are stated at cost, which approximates market value. Interest income is accrued as earned.

The cost basis of investments may exceed the fair value. Accounting standards require the Health System to determine whether a decline in fair value below cost basis is an other-than-temporary impairment. Securities deemed to be other than temporarily impaired are written down to fair value and the amounts charged to investment earnings within the performance indicator.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)

Certain investments are outsourced to external investment professionals where the Health System does not place day-to-day trading restrictions. For these investments, the Health System does not assert the ability to hold these investments until recovery. The total amount of unrealized losses deemed to be other than temporarily impaired was $854,841 at September 30, 2012 and $3,479,885 at September 30, 2011. This amount has been reclassified within investment income in the performance indicator and any future recovery on these holdings will be deemed unrealized until the investment is sold.

Investments in Affiliated Entities

The Health System has acquired interests in several health care-related entities through Health Care Ventures and Health Services. The investments in affiliated entities include the Health System's 50% ownership in High Point Surgery Center and Health Care Ventures' 50% ownership of Premier Medical Properties, LLC. The investments include Health Services' 17.507% ownership of Advanced Home Care, Inc., and 50% ownership of Guilford Adult Health. In June 2012, Advanced Home Care ownership decreased from 17.631% to 17.507%. Under the equity method, investments in these affiliated entities are initially recorded at cost and subsequently adjusted for additional investments made, distributions received, and the Health System's respective shares of earnings or losses of the affiliated entities.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. Expenditures for repairs and maintenance are charged to expense as incurred. The costs of major renewals and betterments are capitalized and depreciated over their estimated useful lives.

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

Goodwill and Other Intangible Assets

Amortizable intangible assets represent bed licenses and patient relationship-related assets that were acquired with the purchases of Johnson Neurological, and several Physician Practices including Crowell Heart, Care Medical, Women's Health, Jamestown Walk-In, and Plastic Surgery, and are being amortized over their estimated useful lives on the straight-line method.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill and Other Intangible Assets (Continued)

Goodwill was recognized through the acquisition of Non-Invasive Cardiac Imaging from Carolina Cardiology Cornerstone. Intangible assets and goodwill are recognized and measured at fair value at the date of purchase. Intangible assets and goodwill are tested for impairment annually or more frequently if events or circumstances indicate that the asset might be impaired. An intangible asset is impaired when its carrying value exceeds its fair value. The Health System determines the fair value of the intangible assets using various valuation techniques, including market comparables and discounted cash flow techniques. Based on the Health System's analysis, no impairment was considered necessary in 2012 or 2011.

Net Assets

The Health System has three net asset categories as follows:

Unrestricted: Net assets that are not subject to donor-imposed stipulations. Such net assets may be designated by the Board of Trustees for specific purposes or limited by contractual agreements with outside parties.

Temporarily Restricted: Net assets whose use is subject to donor-imposed stipulations that can be fulfilled by specific actions pursuant to such stipulations or expire by the passage of time.

Permanently Restricted: Net assets subject to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled and removed by action. Such net assets, which must be maintained in perpetuity, generally include only the original amount of the contribution since the donors of these assets most often permit the use of all investment earnings for specific or general purposes.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

The Health System's revenues may be subject to adjustment as a result of examination by government agencies or contractors, and as a result of differing interpretation of government regulations, medical diagnosis, charge coding, medical necessity, or other contract terms. The resolution of these matters, if any, often is not finalized until subsequent to the period during which the services were rendered.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Excess of Revenues, Gains and Other Support Over (Under) Expenses and Losses

The statement of operations includes excess of revenues, gains and other support over (under) expenses and losses. Changes in unrestricted net assets, which are excluded from excess of revenues, gains and other support over (under) expenses and losses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities and contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purpose of acquiring such assets).

Provision for Bad Debts

The Health System adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update No. 2011-07, "Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities," in the current year. In conjunction with the adoption, the Health System reclassified the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). The 2011 provision for bad debts has been reclassified to conform with the 2012 presentation. Accordingly, the provision for bad debts is included as a component of net patient service revenue in the consolidated statements of operations for 2012 and 2011.

Charity Care

The Health System maintains records to identify and monitor the level of charity care it provides. Because the Health System does not pursue collection of amounts determined to qualify as charity care, estimated costs have been incurred, but associated charges have not been reflected in net patient service revenues. Due to a change in financial assistance procedures, the Health System had the ability to more appropriately classify patients as charity in the current year. The Health System estimates the costs incurred by multiplying the cost-to-charge ratio by the charges forgone by the Health System. The amount of charity costs incurred was approximately $18,150,000 and $8,554,000 for the years ended September 30, 2012 and 2011, respectively.

Income Taxes

The Health System and its affiliates, Foundation and Health Services, are exempt from federal income taxation under Section 501(c) (3) of the Internal Revenue Code and from state income taxes under similar provisions of North Carolina tax laws. However, income from certain activities not directly related to the Health System's tax-exempt purpose is subject to taxation as unrelated business income.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

Health Care Ventures and its subsidiaries are for-profit entities. Income taxes are provided for the tax effects of transactions reported in the consolidated financial statements and consist of taxes currently due plus deferred taxes related to temporary differences between the reported amounts of assets and liabilities, and the tax bases. Deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The Health System has determined that it does not have any material unrecognized tax benefits or obligations as of September 30, 2012. Fiscal years ending on or after September 30, 2009 remain subject to examination by federal and state tax authorities.

Estimates

The preparation of the consolidated financial statements in accordance with generally accepted accounting principles 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 periods. Actual results could differ from these estimates.

Estimated Malpractice Cost

Effective October 1, 2011, the Health System adopted the FASB ASU 2010-24, "Presentation of Insurance Claims and Related Insurance Recoveries". The Health System did not recognize a cumulative effect adjustment to beginning net assets as of October 1, 2011, because the increase to liabilities as a result of adopting the amended guidance was equal to the increase to insurance recoveries receivable. Because the Health System elected not to retrospectively adopt the amended guidance, as permitted under the guidance, there was no impact on the Health System's prior period financial statements. The impact of adoption resulted in the recognition of a receivable for estimated insurance recoveries approximately $1,117,000 as of September 30, 2012, with a corresponding gross up in the estimated professional and general liability obligation.

The provision for estimated medical malpractice claims includes estimates of the ultimate costs for both reported claims and claims incurred, but not reported. Management believes there is adequate insurance coverage to fund any anticipated payout for claims.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimated Malpractice Cost (Continued)

The Health System's liability insurance coverage discussed above is provided under a claims-made policy. To the extent that any claims-made coverage is not renewed or replaced with equivalent insurance, claims based on occurrences during the term of such coverage, but reported subsequently, would be uninsured. Management believes, based on incidents identified through the Health System's incident reporting system, that any such claims would not have a material effect on the Health System's operations or financial position. In any event, management anticipates that the claims-made coverage currently in place will be renewed or replaced with equivalent insurance as the term of such coverage expires.

Fair Value Measurements

Fair value, as defined under generally accepted accounting principles, is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Health System utilizes market data or assumptions that market participants would use in pricing the asset or liability. Generally accepted accounting principles establish a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

Subsequent Events

Subsequent events have been evaluated through January 25, 2013, which is the date the consolidated financial statements were available for issuance.

Reclassifications

Certain items in the 2011 consolidated financial statements have been reclassified to be consistent with the presentation in the 2012 consolidated financial statements.

NOTE 3 - CONCENTRATIONS OF CREDIT RISK

The Health System's cash and cash equivalents are placed in federally insured domestic banks, which limit the amount of credit exposure. At September 30, 2012, several bank accounts and certificates of deposit exceeded federally insured limits. In addition, the Health System provides services primarily to the residents of Guilford and surrounding counties without collateral or other proof of ability to pay. Concentrations of credit risk with respect to patient accounts receivable are limited due to the large number of patients served and formalized agreements with third-party payors (see Note 4). The Health System has significant accounts receivable (approximately 44% at September 30, 2012 and 43% at September 30, 2011) whose collectability or realizability is dependent upon the performance of certain governmental programs, primarily Medicare and Medicaid. Management does not believe there are significant credit risks associated with these governmental programs. With respect to the self-pay portion of accounts receivable, an allowance for doubtful accounts is provided in an amount equal to the losses estimated to be incurred in collection of these receivables. The allowance is based on historical collection experience, as well as a review of the current status of the existing receivables.

At September 30, 2012, approximately 73% of the Health System's promises to give are due from 10 individuals and organizations; at September 30, 2011, approximately 77% of promises to give are due from 15 individuals and organizations.

NOTE 4 - NET PATIENT SERVICE REVENUE

The Health System has agreements with third-party payors that provide for payments at amounts different from their established rates.

A summary of the payment arrangements with major third-party payors follows:

Medicare - Inpatient acute-care services rendered to Medicare program beneficiaries and defined capital costs are paid at prospectively determined rates based on diagnosis-related groupings (DRGs). These rates vary according to this patient classification system that is based on clinical, diagnostic and other factors. The Health System is reimbursed for cost-reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. The classification of patients under the Medicare program and the appropriateness of their admissions are subject to an independent review by a peer review organization. Outpatient care is paid at a prospectively determined rate based on an Ambulatory Payment Classification (APC) system. The Medicare cost reports have been audited by the fiscal intermediaries through September 30, 2003, tentatively settled for year ended September 30, 2004, final settled for year ended September 30, 2005 and tentatively settled for years ended September 30, 2006 through 2011.

NOTE 4 - NET PATIENT SERVICE REVENUE (Continued)

Medicaid - Inpatient acute-care services rendered to Medicaid program beneficiaries and defined capital costs are paid at prospective rates based upon diagnosis-related groupings (DRGs). Outpatient services are reimbursed under cost reimbursement principles. The Health System is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Health System and audits thereof by the fiscal intermediaries. The Health System's Medicaid cost reports have been audited by the fiscal intermediaries through September 30, 2005, and final settled without audit for years ended September 30, 2006 through 2010.

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

Revenue from Medicare and Medicaid programs accounted for approximately 57% and 52% of the Health System's net patient service revenue for the years ended September 30, 2012 and 2011, respectively. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The Health System believes that it is in compliance with all applicable laws and regulations, and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries have been made, laws and regulations can be subject to future government review and interpretation, as well as compliance with significant regulatory actions including fines, penalties, and exclusion from the Medicare and Medicaid programs. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

Net patient service revenue includes a provision for contractual adjustments to reflect the differences between normal patient charges and amounts expected to be received under the various reimbursement programs. Contractual adjustments amounted to approximately $459,539,000 and $423,832,000 for the years ending September 30, 2012 and 2011, respectively.

The Health System participates in a voluntary Medicaid disproportionate share program (the "Program"). The Program allows the Health System to receive additional annual Medicaid funding. Prior to 2001, funding was received prior to final approval of the Program by the Centers for Medicare and Medicaid Services ("CMS"), and was subject to final settlement by the state of North Carolina once approved by CMS. Beginning in 2001, CMS approved the Program year concurrent with the funding of the Program. Program years run concurrent with the federal fiscal year, which is the period from October 1 through September 30.

NOTE 4 - NET PATIENT SERVICE REVENUE (Continued)

During 2008, the state of North Carolina completed settlements for the payments made in 2003. Deferred amounts are included in estimated third-party payor settlements in the consolidated balance sheets. Payments for fiscal years 2004 through 2010 are considered prospective and no settlement is anticipated. The Health System has incurred costs in excess of receipts related to patients in the disproportionate share program for years ending September 30, 2012 and 2011 and therefore estimate that no settlement for receipts during these years will occur. The Health System had previously recorded reserves for any potential settlement. Approximately $3,233,000 in reserves have been retained but reallocated for cost report settlements and Recovery Audit Contractor (RAC) reserves. The Health System has experienced a significant increase in activity from the RAC in fiscal year 2012 and has established a policy for requiring a reserve of approximately 2% of Medicare net patient service revenue.

		Amounts Recognized			Deferred at September 30	
Program Year	Received	2012	2011	Previous Years	2012	2011
2006	$ 4,465,140	$ -	$ -	$ 4,018,626	$ -	$ 446,514
2007	3,592,554	-	-	3,233,299	-	359,255
2008	3,763,400	-	-	3,381,967	-	381,433
2009	6,499,808	-	-	5,849,833	-	649,975
2010	6,570,447	-	-	5,939,813	-	630,634
2011	4,648,313	-	4,183,482	-	-	464,831
2012	2,898,718	2,898,718	-	-	-	-
	$ 32,438,380	$ 2,898,718	$ 4,183,482	$ 22,423,538	$ -	$ 2,932,642

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

	Non-Governmental Payors	Governmental Payors	Self-Pay	Total All Payors
Patient service revenue (net of contractual allowances and discounts)	$ 163,933,822	$ 103,607,086	$ 19,054,595	$ 286,595,503

NOTE 4 - NET PATIENT SERVICE REVENUE (Continued)

In April 2012, the Centers for Medicare and Medicaid Services ("CMS") approved a North Carolina Medicaid Gap Assessment Plan ("GAP") to reduce the gap between Medicaid/uninsured costs and payments retroactive to January 1, 2011. Hospitals that participate in the program pay an assessment fee and, in turn, receive a payment from the GAP. The Health System paid approximately $10,865,000 and recognized approximately $26,515,000 for the year ended September 30, 2012 for the GAP program. The net impact of approximately $15,650,000 is included in income from operations on the combined statement of revenues, expenses, and changes in net assets.

NOTE 5 - ASSETS WHOSE USE IS LIMITED

Assets whose use is limited at September 30 are set forth in the following table. The assets whose use is limited are stated at fair value.

	2012	2011
Assets whose use is limited:		
Held under indenture by the trustee	$ 4,411,316	$ 4,333,206
Board-designated for capital improvement	83,175,234	80,156,705
Board-designated for insurance deductibles	3,490,834	3,068,900
Board-designated investment earnings	14,211,262	12,784,680
Donor-restricted for specific purposes	18,878,923	17,500,072
Total assets whose use is limited	124,167,569	117,843,563
Less current portion	4,411,316	4,333,206
	$ 119,756,253	$ 113,510,357

NOTE 5 - ASSETS WHOSE USE IS LIMITED (Continued)

Assets whose use is limited consist of the following types of investments at September 30:

	2012	2011
Cash and cash equivalents	$ 11,352,884	$ 9,692,008
Marketable equity securities		
U.S. equities	19,370,389	13,828,088
International equities	22,591,700	23,160,175
Fixed-income securities		
United States governmental	8,851,292	9,087,515
Corporate	17,940,754	16,768,167
Asset-backed	52,247	3,255,866
Taxable municipal	518,697	518,034
Non-taxable municipal	941,809	-
Non-U.S. governmental	325,979	-
Hedge funds (by investment strategy)		
Credit opportunities, long/short credit	-	1,681,203
Long/short equity, global sector	6,596,157	6,269,226
Credit opportunities, long/distressed securities	3,400,000	1,700,000
Multi-strategy - open mandate	2,818,817	3,036,254
Multi-strategy - event driven	6,645,149	6,698,813
Long/short equity, value hedge fund, U.S. sector	1,600,000	1,385,176
Long/short equity, European sector	1,502,648	1,395,962
Long/short equity, Asia Pacific sector	1,397,551	1,218,883
Long/short equity, growth fund, global sector	1,300,000	1,480,675
Long/short equity, sector-specific fund, global sector	1,576,990	1,500,000
Liquidating investments	619,126	952,179
Real assets	14,765,380	14,215,339
Total assets whose use is limited	$ 124,167,569	$ 117,843,563

NOTE 5 - ASSETS WHOSE USE IS LIMITED (Continued)

Investment income and realized gains and losses on assets whose use is limited and cash equivalents are comprised of the following for the years ended September 30:

	2012	2011
Investment income:		
Interest and dividends	$ 1,418,731	$ 1,113,866
Net realized gains on sales of securities, net	3,277,596	12,249,701
Other-than-temporary impairment losses	(854,841)	(3,479,885)
	$ 3,841,486	$ 9,883,682
Other changes in unrestricted net assets:		
Change in unrealized (losses) gains on marketable securities	$ 6,551,965	$ (6,275,725)

Risks and Uncertainties - The Health System invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, the possibility is reasonable that changes in the values of investment securities will occur in the near term and that these changes could materially affect the amounts reported in the consolidated balance sheets.

NOTE 6 - UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are recorded after discounting to the present value the expected cash flows. The following is a summary of unconditional promises to give at September 30, 2012 and 2011:

	2012	2011
Receivable in less than one year	$ 684,192	$ 1,463,903
Receivable in one to five years	2,023,292	2,380,135
Total unconditional promises to give	2,707,484	3,844,038
Less discounts to net present value (4.5%)	(308,379)	(280,385)
Less allowance for uncollectible promises to give	(190,343)	(119,926)
Net unconditional promises to give	$ 2,208,762	$ 3,443,727

Promises to give from trustees and employees (before discount and allowance) totaled approximately $832,000 and $960,000 at September 30, 2012 and 2011, respectively.

NOTE 7 - PROPERTY AND EQUIPMENT

Property and equipment at September 30 consists of the following:

	2012	2011
Land and leasehold improvements	$ 25,991,751	$ 25,934,004
Buildings	169,939,257	167,752,663
Equipment	189,856,227	184,129,079
	385,787,235	377,815,746
Less accumulated depreciation	(235,134,222)	(218,332,264)
	150,653,013	159,483,482
Construction-in-progress	6,927,203	3,586,354
	$ 157,580,216	$ 163,069,836

NOTE 8 - ACQUISITION OF BUSINESSES, GOODWILL AND OTHER INTANGIBLE ASSETS

During 2011, the Health System purchased various medical practices in order to expand market share and the range of health services provided by the Health System. The aggregate purchase prices of these purchases were $1,284,460, paid in cash. The purchase prices of the assets acquired were allocated as follows:

Practices acquired during 2011:	
Equipment and furnishings	$ 482,412
Supplies	30,398
Intangible assets	771,650
	$ 1,284,460

During 2011, the Health System purchased Non-Invasive Cardiac Imaging from Carolina Cardiology Cornerstone in order to increase market share of the Health System. The aggregate purchase price of this purchase was $3,432,478, paid in cash. The purchase prices of the assets acquired were allocated as follows:

Equipment and furnishings	$ 529,601
Goodwill	2,902,877
	$ 3,432,478

NOTE 8 - ACQUISITION OF BUSINESSES, GOODWILL AND OTHER INTANGIBLE ASSETS (Continued)

The changes in the carrying amount of other intangible assets for the years ended September 30, 2012 and 2011 are shown in the following table. Other intangible assets are included in other assets in the consolidated balance sheets.

	2012	2011
Balance at beginning of year	$ 1,481,329	$ 789,510
Additions	-	771,650
Amortization of identifiable intangible assets included in other expenses	(284,070)	(79,831)
Balance at end of year	$ 1,197,259	$ 1,481,329

Goodwill in the amount of $2,902,877 was added during 2011 and is included in other assets in the consolidated balance sheets.

NOTE 9 - LINE OF CREDIT

A line of credit was extended by BB&T with a maximum borrowing of $15,000,000 maturing on January 4, 2013. In April 2012, the initial borrowing of $15,000,000 was increased to $20,000,000. Subsequent to year end, the line of credit was extended through January 4, 2014. The line of credit bears interest, which is payable monthly, at the one-month LIBOR plus 1.85% per annum, adjusted monthly on the first day of each LIBOR Interest Period. As of September 30, 2012 and 2011, $9,970,057 and $12,835,108, respectively, was outstanding on the line of credit.

NOTE 10 - LONG-TERM DEBT

Long-term debt at September 30 consists of the following:

	2012	2011
Series 1999 Revenue Bonds	$ 38,755,000	$ 40,060,000
Series 1997 Revenue Refunding Bonds	4,040,000	5,915,000
Bank-qualified loan	3,500,000	5,625,000
Notes payable	10,029,706	10,368,180
	56,324,706	61,968,180
Less unamortized discount on bonds	384,198	399,742
	55,940,508	61,568,438
Less current portion	5,799,491	5,574,729
	$ 50,141,017	$ 55,993,709

NOTE 10 - LONG-TERM DEBT (Continued)

On April 1, 1999, the Health System, through the North Carolina Medical Care Commission, issued $61,070,000 Hospital Revenue Bonds (High Point Regional Health System) Series 1999. The Series 1999 bonds consist of $28,225,000 of serial bonds maturing from October 1999 through October 2015, with interest rates ranging from 3.05% to 5.25%; $7,225,000 of 5%-term bonds maturing in October 2019; and $25,620,000 of 5%-term bonds maturing in October 2029.

On November 1, 1997, the Health System, through the North Carolina Medical Care Commission, issued $29,880,000 Hospital Revenue Refunding Bonds (High Point Regional Health System) Series 1997. The proceeds, together with other available funds, were used to redeem the Series 1987 Revenue Refunding Bonds and retire the Series 1985 Pooled Equipment Financing Program Bonds. The Series 1997 bonds mature from October 1998 through October 2013, with interest rates ranging from 3.8% to 5.5%.

The Health System had assigned bondholders a collateralized interest in all of their "accounts" now owned, or hereafter acquired, and all proceeds thereof. Accounts are defined as any right to payment for goods sold or leased or for services rendered, which is not evidenced by an instrument or chattel paper, whether or not it has been earned by performance.

The bond agreements contain various covenants, the most restrictive of which limit the issuance of additional debt, require maintenance of a long-term debt service coverage ratio of no less than 1.20 and require the filing of certain documents within prescribed time frames. The Health System was in compliance with the covenants of the bond agreement at September 30, 2012.

On August 30, 2004, the Health System entered into a promissory note for the purchase of property from an individual. The note is payable in monthly installments of $7,567 plus interest at 5%. The note is collateralized by a deed of trust on the real estate. The note matures on March 26, 2026. At September 30, 2012 and 2011, the balance of the note was approximately $890,000 and $935,000, respectively.

On April 11, 2006, Regional Wellness entered into a promissory note in the amount of $10,000,000 at a per annum interest rate of 5.98%. Interest only was paid monthly until May 1, 2008, then principal and interest was paid in monthly installments of $64,842. The note was modified on June 23, 2012. The repayment schedule was modified to be monthly interest plus principal with the final payment of all remaining principal and accrued interest due on April 25, 2021. At September 30, 2012 and 2011, the balance of the note was approximately $9,140,000 and $9,356,000, respectively.

NOTE 10 - LONG-TERM DEBT (Continued)

In an effort to achieve a desirable mix of fixed and variable rate debt, Regional Wellness entered into an interest rate swap agreement with Branch Banking and Trust (BB&T) on June 25, 2012. The swap agreement becomes effective on June 25, 2013 and terminates on April 25, 2021. As of September 30, 2012 there was no notional amount. Beginning June 25, 2013 the notional amount will be $8,904,480 and will adjust each month thereafter until termination. By entering into this agreement, Regional Wellness effectively converted variable-rate debt into fixed-rate debt in order to reduce the risk of incurring higher interest costs in periods of rising interest rates. The agreement fixed the variable interest rate exposure Libor plus 2.50% on the notional amounts stipulated in the agreement to a fixed rate of 4.56% for the duration of the agreement. Based on forecasted market rates for the remaining period of the agreement, the fair value of the interest-rate swap resulted in a liability for Regional Wellness of approximately $372,000 at September 30, 2012.

The fair value and net loss of the swap agreement as of September 30, 2012 are as follows:

Fair value	$ 372,000
Net loss	372,000

As of September 30, 2012, Regional Wellness did not meet the required debt covenants as outlined in its debt agreements for its note payable. Subsequent to year end, Regional Wellness received a covenant waiver which waived the violation as of September 30, 2012, and the debt agreement was amended to delete the debt service coverage ratio requirement.

On November 1, 2009, the Health System, through the North Carolina Medical Care Commission, executed a bank-qualified loan agreement under Hospital Revenue Refunding Bonds (High Point Regional Health System) Series 2009, for a total amount of $9,540,000. The loan carries a variable interest rate of 68% of the one-month LIBOR plus 1.2025% with a floor of 1.875%. The loan requires monthly payments consisting of principal and interest through May 2014. At September 30, 2012 and 2011, the balance of the note was $3,500,000 and $5,625,000, respectively.

Scheduled principal maturities of long-term debt at September 30, 2012 are as follows:

	Bonds	Bank-Qualified	Other	Total
2013	$ 3,335,000	$ 2,100,000	$ 364,491	$ 5,799,491
2014	3,510,000	1,400,000	381,554	5,291,554
2015	1,515,000	-	399,171	1,914,171
2016	1,590,000	-	417,366	2,007,366
2017	1,675,000		437,662	2,112,662
Thereafter	31,170,000		8,029,462	39,199,462
	$ 42,795,000	$ 3,500,000	$ 10,029,706	$ 56,324,706

NOTE 11 - PROGRAM OF PROFESSIONAL LIABILITY COVERAGE

The Health System is covered by a $750,000 claims-made self-insurance retention per claim and a limit of $2,500,000 in aggregate per year. The Health System has accrued approximately $4,219,000 and $4,615,000 for gross losses as of September 30, 2012 and 2011, respectively.

NOTE 12 - EMPLOYEE BENEFIT PLAN

The Health System sponsors the High Point Regional Health System Retirement Savings Plan (the "Plan"). The Health System makes a basic contribution of up to 4.5% and a matching contribution of up to 4% of eligible participant compensation. The Health System contributed approximately $5,609,000 and $5,233,000 for the years ended September 30, 2012 and 2011, respectively.

The Health System has established a non-contributory Supplemental Executive Retirement Plan. For the years ended September 30, 2012 and 2011, the Health System recognized expense of approximately $552,000 and $724,000, respectively, and had funds on deposit of approximately $1,335,000 and $1,172,000 at September 30, 2012 and 2011, respectively, with a trustee in connection with this plan. A liability of approximately $3,494,000 and $3,151,000 is included in other long-term liabilities in the consolidated balance sheets at September 30, 2012 and 2011, respectively.

NOTE 13 - RELATED PARTY TRANSACTIONS

High Point Surgery Center pays a monthly management fee, employee leasing fee and other service fees to the Health System under a service agreement dated April 1, 1995. The term of the agreement is for one year and will automatically renew on an annual basis unless notice of nonrenewal is provided by either party. The fees totaled approximately $3,823,000 and $3,781,000 for the years ended September 30, 2012 and 2011, respectively. High Point Surgery Center also pays a minimum monthly payment of $9,930 to lease land and parking spaces from the Health System. Lease payments from High Point Surgery Center to the Health System totaled approximately $116,000 and $114,000 for the years ended September 30, 2012 and 2011, respectively. The lease expires in March 2044.

The Health System leases office space from High Point Surgery Center for lithotripsy services and leased a sleep lab through April 2011. Lease expense totaled approximately $62,000 and $107,000 for the years ended September 30, 2012 and 2011, respectively.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Litigation

The Health System is involved in litigation and regulatory investigations arising in the normal course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Health System's future financial position or results of operations.

Capital Leases

The Health System leases certain equipment from various vendors under capital leases. The economic substance of the leases is that the Health System is financing the acquisition of the assets through the leases and, accordingly, have recorded the assets under the leasing arrangements in property and equipment and the related liabilities in accounts payable and other long-term liabilities in the consolidated balance sheet. The following is an analysis of the leased assets included in property and equipment:

	2012	2011
Equipment	$ 1,725,210	$ 1,252,210
Accumulated depreciation	533,430	728,584

The future minimum lease payments required under the capital leases as of September 30, 2012, included in accounts payable and other long-term liabilities are as follows:

Year Ending September 30,	
2013	$ 696,609
2014	541,891
2015	158,462
2016	19,227
Total minimum lease payments	$ 1,416,189

Amortization of assets held under capital leases is included with depreciation expense.

Operating Leases

The Health System leases certain property, medical, office and data processing equipment under non-cancelable operating leases expiring in various years through 2030. Annual rentals required under these agreements are approximately $3,893,000 in 2013, $3,179,000 in 2014, $2,495,000 in 2015, $1,269,000 in 2016 and $1,060,000 in 2017. Total rent expense in connection with leases was approximately $3,786,000 in 2012 and $3,875,000 in 2011.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

Construction

As of September 30, 2012, the Hospital has entered into construction and equipment purchase contracts on various projects. The total commitment for these contracts is approximately $25,506,000, of which approximately $11,641,000 had been paid as of September 30, 2012.

NOTE 15 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes at September 30, 2012 and 2011:

	2012	2011
Specific patient services	$ 2,447,146	$ 2,397,452
Property and equipment	1,789,540	2,456,276
Other	7,742,450	5,806,884
	$ 11,979,136	$ 10,660,612

During 2012 and 2011, $1,608,066 and $1,702,383, respectively, of net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes.

Earnings on permanently restricted net assets are restricted to the following at September 30, 2012 and 2011:

	2012	2011
Healthcare programs	$ 14,449,810	$ 14,222,394

NOTE 16 - ENDOWMENT FUNDS

The Health System's endowment consists of a fund established for a variety of healthcare programs as deemed necessary by the Board of Trustees. The endowment includes donor-restricted endowment funds and, as required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

NOTE 16 - ENDOWMENT FUNDS (Continued)

Interpretation of Relevant Law

The Board of Trustees of the Health System has interpreted the Uniform Prudent Management of Institutional Funds 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 understanding, the Health System classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the 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. In accordance with UPMIFA, the Health System is considering the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization 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 organization
- The investment policies of the organization

Endowment Net Asset Composition by Type of Fund as of September 30, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment funds				
Donor restricted	$ -	$ 5,470,926	$ 14,449,810	$ 19,920,736

NOTE 16 - ENDOWMENT FUNDS (Continued)

Changes in Endowment Net Assets for the Year Ended September 30, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ -	$ 4,080,082	$ 14,222,394	$ 18,302,476
Investment return				
Net investment gain	-	1,001,554	-	1,001,554
Net appreciation	-	910,950	-	910,950
Total investment return	-	1,912,504	-	1,912,504
Appropriation of endowment assets for expenditure	-	(521,660)	-	(521,660)
Other changes				
Contributions	-	-	227,416	227,416
Endowment net assets, end of year	$ -	$ 5,470,926	$ 14,449,810	$ 19,920,736

Endowment Net Asset Composition by Type of Fund as of September 30, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment funds				
Donor restricted	$ -	$ 4,080,082	$ 14,222,394	$ 18,302,476

NOTE 16 - ENDOWMENT FUNDS (Continued)

Changes in Endowment Net Assets for the Year Ended September 30, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ -	$ 2,859,108	$ 13,910,563	$ 16,769,671
Investment return				
Net investment gain	-	2,249,808	-	2,249,808
Net depreciation	-	(911,480)	-	(911,480)
Total investment return	-	1,338,328	-	1,338,328
Appropriation of endowment assets expenditure	-	(117,354)	-	(117,354)
Other changes				
Contributions	-	-	311,831	311,831
Endowment net assets, end of year	$ -	$ 4,080,082	$ 14,222,394	$ 18,302,476

Return Objectives and Risk Parameters

The Health System has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets and decrease volatility in market value. Endowment assets include those assets of donor-restricted funds that the Health System must hold in perpetuity. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index, while assuming a moderate level of investment risk and allowing the endowment assets to grow at a rate in excess of planned endowment spending.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Health System 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 Health System 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.

NOTE 16 - ENDOWMENT FUNDS (Continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Health System has a policy of determining available maximum proceeds for distribution each year by utilizing 4% of a 12-quarter floating average of the market value of the endowment assets. The Health System may appropriate less than this maximum based on need as determined by the Board of Trustees. Accordingly, over the long term, the Health System expects the current spending policy to allow its endowment to grow annually. This is consistent with the Health System's objective to maintain the purchasing power of the endowment assets held in perpetuity, as well as to provide additional real growth through new gifts and investment return.

NOTE 17 - INCOME TAXES

The Health System had unrelated business income of $336,000 and $465,000 during the years ended September 30, 2012 and 2011, respectively. Federal and state income tax expense on the unrelated business income was estimated to be approximately $22,000 and $68,000 for the years ended September 30, 2012 and 2011, respectively. Federal and state income tax expense is included in other, net expenses on the consolidated statements of operations for the years ended September 30, 2012 and 2011.

Health Care Ventures has operated at a loss, and therefore has zero taxable income for the years ended September 30, 2012 and 2011. The net operating loss carryforward was approximately $7,047,000 and $6,677,000, respectively, at September 30, 2012 and 2011. A deferred tax benefit of $540,000 is included in other current assets in the consolidated balance sheet at September 30, 2012 and 2011. The federal and state net operating losses, if unused, will begin to expire in 2017.

NOTE 18 - FUNCTIONAL EXPENSES

The Health System provides general health care services to residents in and around High Point, North Carolina. Expenses related to providing these services for the years ended September 30, 2012 and 2011 are as follows:

	2012	2011
Healthcare services programs	$ 218,857,822	$ 212,376,591
General and administrative services	61,545,952	57,535,590
Fundraising	428,034	444,376
	$ 280,831,808	$ 270,356,557

NOTE 19 - SUMMARIZED FINANCIAL INFORMATION OF EQUITY AFFILIATES

The following table presents summarized unaudited financial information related to investments accounted for by the equity method as of September 30 (in thousands):

	2012	2011
Assets	$ 102,065	$ 126,588
Liabilities	25,286	50,920
Equity	$ 76,779	$ 75,668
Total revenue	$ 136,694	$ 162,256
Total expenses	123,717	152,592
Net income	$ 12,977	$ 9,664

The Health System's investment in affiliated entities differs from its underlying equity in the net assets of the affiliates by approximately $4,300,000. The difference, which relates to a step-up in basis by an affiliated partnership of certain assets contributed to High Point Surgery Center, will not be recognized as income by the Health System until the investment is liquidated; and differences associated with changes in ownership in Advanced Home Care will not be recognized as income until the investment is liquidated.

NOTE 20 - FAIR VALUE OF ASSETS AND LIABILITIES

The following methods and assumptions were used by the Health System in estimating the fair value of its financial instruments:

Cash and Cash Equivalents

The carrying amount reported in the balance sheet for cash and cash equivalents approximates fair value.

Assets Whose Use is Limited

These assets consist primarily of equities, debt instruments and partnerships. Equity and debt instruments carrying amounts approximate their fair values. Partnership interests are reflected at the acquisition cost unless they are deemed impaired.

Accounts Receivable

The carrying amount reported in the balance sheet for accounts receivable approximates fair value.

NOTE 20 - FAIR VALUE OF ASSETS AND LIABILITIES (Continued)

Unconditional Promises to Give

The carrying amount reported in the balance sheet for unconditional promises to give approximates fair value.

Accounts Payable

The carrying amount reported in the balance sheet for accounts payable approximates fair value.

Estimated Third-Party Payor Settlements

The carrying amount reported in the balance sheet for estimated third-party payor settlements approximates fair value.

Long-Term Debt

Fair values of the Health System's bonds are based on the current traded value. The fair value of the Health System's remaining long-term debt is estimated using discounted cash flow analyses, based on the Health System's current incremental borrowing rates for similar types of borrowing arrangements.

The carrying amounts and fair values of the Health System's financial instruments at September 30, 2012 and 2011, are as follows:

	2012		2011	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	$ 1,419,332	$ 1,419,332	$ 1,604,491	$ 1,604,491
Assets whose use is limited	124,167,569	124,167,569	117,843,563	117,843,563
Accounts receivable	33,086,411	33,086,411	41,311,627	41,311,627
Unconditional promises to give	2,208,762	2,208,762	3,443,727	3,443,727
Accounts payable	27,485,471	27,485,471	28,285,281	28,285,281
Estimated third-party payor settlements	5,270,791	5,270,791	4,821,572	4,821,572
Long-term debt	56,324,706	55,970,642	61,968,180	58,402,736

NOTE 21 - FAIR VALUE OF FINANCIAL INSTRUMENTS

Prices for certain investment securities are readily available in the active markets in which those securities are traded, and the resulting fair values are categorized as Level 1. Level 1 investments include money market mutual funds, common stocks, mutual funds, U.S. Treasury bonds, and corporate bonds.

NOTE 21 - FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Prices for mortgage-backed securities and for state, county and municipal securities are determined on a recurring basis based on inputs that are readily available in public markets or can be derived from information available in publicly quoted markets, and are categorized as Level 2. The Health System has asset-backed securities that are categorized as Level 2, whose values are based on observable inputs.

Investments that are valued using unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions, are categorized as Level 3. Level 3 investments include hedge funds and other private equity investments.

The following table sets forth by level within the accounting standards' fair value hierarchy the Health System's financial assets and liabilities accounted for at fair value on a recurring basis as of September 30, 2012 and 2011. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Health System's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

	Assets (Liabilities) at Fair Value as of September 30, 2012		
	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets			
Marketable equity securities			
U S equities	$ 19,370,389	$ -	$ -
International equities	22,591,700	-	-
Fixed-income securities			
U S government	8,851,292	-	-
Corporate	17,940,754	-	-
Asset-backed	-	52,247	-
Taxable municipal	518,697	-	-
Non-taxable municipal	941,809	-	-
Non-taxable governmental	325,979	-	-
Real assets	-	-	7,905,614
Hedge funds			
Long/short European sector	-	-	1,502,648
Long/short Asia Pacific sector	-	-	597,551
Total	$ 70,540,620	$ 52,247	$ 10,005,813

NOTE 21 - FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The Health System has $11,352,884 of cash included in assets whose use is limited as of September 30, 2012, which was not classified as a Level as prescribed within the accounting standards. The Health System has $32,216,005 of investments in limited partnerships that are not regularly traded, which are carried at the lower of cost or market, and are not classified as a Level as prescribed within the accounting standards, since they are not carried at fair value.

	Assets (Liabilities) at Fair Value as of September 30, 2011		
	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets			
Marketable equity securities			
U S equities	$ 13,828,088	$ -	$ -
International equities	23,160,175	-	-
Fixed-income securities			
U S government	9,087,515	-	-
Corporate	16,768,167	-	-
Asset-backed	-	3,255,866	-
Taxable municipal	518,034	-	-
Real assets	3,754,558	-	10,460,781
Hedge funds			
Long/short European sector	-	-	1,395,962
Long/short Asia Pacific sector	-	-	1,218,883
Total	$ 67,116,537	$ 3,255,866	$ 13,075,626

The Health System has $9,692,008 of cash included in assets whose use is limited as of September 30, 2011, which was not classified as a Level as prescribed within the accounting standards. The Health System has $24,703,526 of investments in limited partnerships that are not regularly traded, which are carried at the lower of cost or market, and are not classified as a Level as prescribed within the accounting standards, since they are not carried at fair value.

NOTE 21 - FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The following table illustrates the activity of Level 3 assets from September 30, 2010 to September 30, 2012:

	Level 3 Assets
Fair value at September 30, 2010	$ 15,542,109
Net unrealized losses	(764,197)
Net realized gains	1,247,630
Purchases and sales, net	(2,949,916)
Fair value at September 30, 2011	13,075,626
Net unrealized gains	424,741
Net realized gains	645,526
Purchases and sales, net	(4,140,080)
Fair value at September 30, 2012	$ 10,005,813

The Level 3 assets are valued at $10,005,813 (4% of net assets) and $13,075,626 (6% of net assets) at September 30, 2012 and 2011, respectively. The fair values have been estimated by the fund managers in the absence of readily determinable fair values. Management relies on information provided by fund managers. Due to the inherent uncertainty of valuation, the value of the investments may differ significantly if a market value was readily available.

Certain assets, including goodwill and intangible assets, are measured at fair value on a nonrecurring basis. Goodwill is now subject to an annual assessment for impairment, or more frequently if events or circumstances indicate that assets might be impaired by applying a fair value-based test.

The following tables set forth by level within the fair value hierarchy the Health System's assets measured at fair value on a nonrecurring basis as of September 30, 2011. There were no assets measured at fair value on a non-recurring basis as of September 30, 2012.

	Assets (Liabilities) at Fair Value as of September 30, 2011		
	(Level 1)	(Level 2)	(Level 3)
Assets			
Goodwill	$ -	$ -	$ 2,902,877
Identifiable intangible assets	-	-	771,650
Total	$ -	$ -	$ 3,674,527

NOTE 22 - MEMBERSHIP INTERESTS

Effective June 23, 2011, through a purchase agreement signed by all members, the 33.33% membership interest of LexMedical, Inc. was sold to its remaining member.

Effective June 23, 2011, through a redemption agreement signed by all members, High Point Regional Health System resigned its 10% membership interest in LexPoint, LLC, which was redeemed by its remaining member.

NOTE 23 - ENTITY FORMATION

On March 16, 2010, the High Point Regional Health System Foundation ("Foundation") was created as a nonprofit fundraising arm of the Health System. Effective June 30, 2011, the Foundation was admitted as a Member of the Obligated Group. All debt covenants were satisfied, and board and master trustee approvals were obtained.

NOTE 24 - SUBSEQUENT EVENTS

On September 25, 2012, the Health System signed a letter of intent to merge with The University of North Carolina Health Care System ("UNC HCS"). In connection with the planned merger, UNC HCS has agreed to provide $150 million for the funding of capital projects and $50 million to fund a foundation for funding community health-related projects within the Health System's service area.

On October 31, 2012, Health Care Ventures entered into a settlement agreement with RSAC, LLC for the remaining 1% interest in Regional Wellness, LLC. Health Care Ventures now owns 100% of Regional Wellness, LLC.

On September 20, 2012, Premier Medical Properties, LLC entered into a Purchase Agreement with Health Care REIT, Inc., with final settlement in November 2012. As a result, Health Care Ventures no longer holds a 50% interest in Premier Medical Properties, LLC.

SUPPLEMENTARY INFORMATION

HIGH POINT REGIONAL HEALTH SYSTEM AND AFFILIATES
SUPPLEMENTARY CONSOLIDATING BALANCE SHEET INFORMATION
September 30, 2012

	High Point Regional Health System	High Point Regional Health System Foundation	High Point Health Care Ventures, Inc	High Point Regional Health Services, Inc	Eliminations	High Point Regional Health System and Affiliates
Current assets						
Cash and cash equivalents	$ 138 606	$ -	$ 56 166	$ 1 224 560	$ -	$ 1 419 332
Assets whose use is limited required for current liabilities	4 411 316	-	-	-	-	4 411 316
Patient accounts receivable less allowance for doubtful accounts	29 632 205	-	8 579	3 445 627	-	33 086 411
Current portion of unconditional promises to give net	38 401	455 448	-	-	-	493 849
Other receivables	14 523 106	-	5 866	3 587 239	(5 515 061)	12 601 152
Inventories	3 156 275	-	-	-	-	3 156 275
Other current assets	4 057 827	-	793 731	648 822	-	5 500 380
Total current assets	55 957 736	455 448	864 344	8 906 248	(5 515 061)	60 668 715
Assets whose use is limited less current portion	89 610 040	30 146 213	-	-	-	119 756 253
Unconditional promises to give restricted for long-term purposes net	513 475	1 201 438	-	-	-	1 714 913
Investments in affiliated entities	319 560	4 899 362	515 095	9 989 775	(4 899 362)	10 824 430
Property and equipment net	137 237 437	-	12 046 989	8 295 790	-	157 580 216
Other assets	5 718 544	-	4 583	1 620 935	(543 106)	6 800 956
Total assets	$ 289 356 792	$ 36 702 461	$ 13 431 011	$ 28 812 748	$ (10 957 529)	$ 357 345 483
LIABILITIES AND NET ASSETS						
Current liabilities						
Line of credit	$ 9 970 057	$ -	$ -	$ -	$ -	$ 9 970 057
Current portion of long-term debt	5 482 373	-	317 118	-	-	5 799 491
Accounts payable	30 037 623	-	2 094 039	890 252	(5 515 061)	27 506 853
Accrued expenses	9 401 999	-	-	560 379	-	9 962 378
Accrued interest	1 076 315	-	-	-	-	1 076 315
Estimated third-party payor settlements	5 270 791	-	-	-	-	5 270 791
Total current liabilities	61 239 158	-	2 411 157	1 450 631	(5 515 061)	59 585 685
Long-term debt less current portion	41 318 530	-	8 822 487	-	-	50 141 017
Interest rate swap agreement	-	-	372 202	-	-	372 202
Other long-term liabilities	4 615 314	-	5 820	92 102	-	4 713 236
Total liabilities	107 173 002	-	11 611 666	1 542 733	(5 515 061)	114 812 340
Net assets						
Unrestricted	178 583 309	13 873 996	1 819 345	27 270 015	(5 442 468)	216 104 197
Temporarily restricted by donors	3 600 481	8 378 655	-	-	-	11 979 136
Permanently restricted by donors	-	14 449 810	-	-	-	14 449 810
Total net assets	182 183 790	36 702 461	1 819 345	27 270 015	(5 442 468)	242 533 143
Total liabilities and net assets	$ 289 356 792	$ 36 702 461	$ 13 431 011	$ 28 812 748	$ (10 957 529)	$ 357 345 483

HIGH POINT REGIONAL HEALTH SYSTEM AND AFFILIATES
SUPPLEMENTARY CONSOLIDATING STATEMENT OF OPERATIONS INFORMATION
Year Ended September 30, 2012

	High Point Regional Health System	High Point Regional Health System Foundation	High Point Health Care Ventures, Inc	High Point Regional Health Services, Inc	Eliminations	High Point Regional Health System and Affiliates
Unrestricted revenues gains and other support						
Patient service revenue (net of contractual allowances and discounts)	$ 264 486 382	$ -	$ 241 719	$ 21 867 422	$ -	$ 286 595 503
Provision for bad debts	(18 822 883)	-	(9 767)	(1 596 109)	-	(20 428 759)
Net patient service revenue less provision for bad debts	245 663 479	-	231 952	20 271 313	-	266 166 744
Equity in earnings of affiliated entities	133 294	-	-	1 731 359	-	1 864 653
Other revenue	5 210 425	-	700 274	5 727 917	(6 022 935)	5 615 681
Net assets released from restrictions used for operations	1 255 392	-	-	-	-	1 255 392
Total revenues gains and other support	252 262 590	-	932 226	27 730 589	(6 022 935)	274 902 470
Expenses						
Salaries and wages	91 561 426	-	386 615	22 145 054	11 550	114 104 645
Medical supplies and other expenses	66 334 126	-	290 010	2 926 140	(724 923)	68 825 353
Employee benefits	22 727 450	-	50 205	4 060 035	-	26 837 690
General services	47 621 019		526 952	6 396 182	(5 877 631)	48 666 522
Depreciation and amortization	17 692 196	-	572 750	1 196 363	-	19 461 309
Interest expense	2 665 057	-	522 382	5 551	-	3 192 990
Total expenses	248 601 274	-	2 348 914	36 729 325	(6 591 004)	281 088 509
Operating income (loss)	3 661 316	-	(1 416 688)	(8 998 736)	568 069	(6 186 039)
Other income (loss)						
Investment income (loss) net	2 834 703	-	21	5 208	-	2 839 932
Holding loss on interest rate swap agreement	-	-	(372 202)	-	-	(372 202)
Other net	(718 560)	-	960 514	17 789	(568 069)	(308 326)
Other income (loss) net	2 116 143	-	588 333	22 997	(568 069)	2 159 404
Excess of revenues over (under) expenses	5 777 459	-	(828 355)	(8 975 739)	-	(4 026 635)
Net assets released from restrictions used for long-term purposes	352 674	-	-	-	-	352 674
Change in unrealized loss on marketable securities	5 641 015	-	-	-	-	5 641 015
Equity transfer	(9 471 555)	-	-	9 471 555	-	-
Increase (decrease) in unrestricted net assets	$ 2 299 593	$ -	$ (828 355)	$ 495 816	$ -	$ 1 967 054

HIGH POINT REGIONAL HEALTH SYSTEM - OBLIGATED GROUP
SUPPLEMENTARY CONSOLIDATING BALANCE SHEET INFORMATION
September 30, 2012

	High Point Regional Health System	High Point Regional Health System Foundation	High Point Regional Health Services, Inc *	Eliminations	High Point Regional Health System and Affiliates
Current assets					
Cash and cash equivalents	$ 138,606	$ -	$ 1,141,287	$ -	$ 1,279 893
Assets whose use is limited, required for current liabilities	4,411,316	-	-	-	4,411,316
Patient accounts receivable, less allowance for doubtful accounts	29,632,205	-	3 218,569	-	32,850,774
Current portion of unconditional promises to give, net	38,401	455 448	-	-	493,849
Other receivables	14,523,106	-	3,549,154	(3,525,592)	14,546,668
Inventories	3,156,275	-	-	-	3,156,275
Other current assets	4,057 827	-	645 809	-	4,703,636
Total current assets	55,957 736	455,448	8,554,819	(3,525,592)	61,442,411
Assets whose use is limited, less current portion	89,610 040	30,146,214	-	-	119,756,254
Unconditional promises to give restricted for long-term purposes, net	513,475	1,201,438	-	-	1,714,913
Investments in affiliated entities	319 560	4 899,362	9,989 775	-	15,208,697
Property and equipment, net	137,237 437	-	5,775,916	-	143,013,353
Other assets	5,718,544	-	1,077,829	-	6,796,373
Total assets	$ 289 356,792	$ 36,702,462	$ 25,398,339	$ (3,525,592)	$ 347,932,001
LIABILITIES AND NET ASSETS					
Current liabilities					
Line of credit	$ 9 970,057	$ -	$ -	$ -	$ 9,970,057
Current portion of long-term debt	5,482 373	-	-	-	5,482 373
Accounts payable	30,037,623	-	691,972	(3 525,592)	27,204,003
Accrued expenses	9,401,999	-	560,379	-	9 962 378
Accrued interest	1,076 315	-	-	-	1,076 315
Estimated third-party payor settlements	5 270 791	-	-	-	5 270,791
Total current liabilities	61,239,158	-	1,252,351	(3,525,592)	58,965,917
Long-term debt, less current portion	41,318,530	-	-	-	41,318,530
Other long-term liabilities	4,615,314	-	92,102	-	4,707,416
Total liabilities	107,173,002	-	1,344,453	(3,525,592)	104,991,863
Net assets					
Unrestricted	178 583,309	13,873,996	24,053,886	-	216,511,191
Temporarily restricted by donors	3,600,481	8,378 656	-	-	11 979 137
Permanently restricted by donors	-	14,449 810	-	-	14,449 810
Total net assets	182,183,790	36,702,462	24,053,886	-	242 940,138
Total liabilities and net assets	$ 289,356,792	$ 36 702,462	$ 25,398,339	$ (3,525,592)	$ 347,932 001

** Excludes Premier Imaging LLC a subsidiary of High Point Regional Health Services Inc which is not part of the obligated group*

See independent auditors' report.

HIGH POINT REGIONAL HEALTH SYSTEM - OBLIGATED GROUP
SUPPLEMENTARY CONSOLIDATING STATEMENT OF OPERATIONS INFORMATION
Year Ended September 30, 2012

	High Point Regional Health System	High Point Regional Health System Foundation	High Point Regional Health Services, Inc *	Eliminations	High Point Regional Health System and Affiliates
Unrestricted revenues, gains and other support					
Patient service revenue (net of contractual allowances and discounts)	$ 264,486,362	$ -	$ 20,299 257	$ -	$ 284,785,619
Provision for bad debts	(18,822,883)	-	(1,540,304)	-	(20,363,187)
Net patient service revenue less provision for bad debts	245 663,479	-	18,758,953	-	264,422,432
Equity in earnings of affiliated entities	133,294	-	1,731,359	-	1,864,653
Other revenue	5,210,425	-	5,725,218	(5,515,957)	5,419,686
Net assets released from restrictions used for operations	1,255,392	-	-	-	1 255 392
Total revenues, gains and other support	252,262,590	-	26 215 530	(5 515,957)	272,962,163
Expenses					
Salaries and wages	91,561,426	-	21,448,277	11 550	113,021,253
Medical supplies and other expenses	66 334,126	-	2,334 607	(724,923)	67,943 810
Employee benefits	22 727,450	-	3 938,440	-	26,665,890
General services	47,621,019	-	5,119 653	(5 161,236)	47,579,436
Depreciation and amortization	17,692,196	-	794,676	-	18,486,872
Interest expense	2 665 057	-	5 551	-	2 670,608
Total expenses	248 601,274	-	33,641,204	(5 874 609)	276,367,869
Operating income (loss)	3,661,316	-	(7 425,674)	358 652	(3 405 706)
Other income (loss)					
Investment income, net	2,834,703	-	5,208	-	2,839,911
Other, net	(718 560)	-	18,623	(358,652)	(1 058,589)
Other income (loss), net	2,116,143	-	23 831	(358 652)	1,781 322
Excess of revenues over (under) expenses	5,777,459	-	(7,401,843)	-	(1,624,384)
Net assets released from restrictions used for long-term purposes	352,674	-	-	-	352 674
Change in unrealized loss on marketable securities	5,641,015	-	-	-	5 641,015
Equity transfer	(9,471,555)	-	9 320,977	-	(150 578)
Increase in unrestricted net assets	$ 2,299,593	$ -	$ 1,919,134	$ -	$ 4,218,727

** Excludes Premier Imaging LLC a subsidiary of High Point Regional Health Services Inc which is not part of the obligated group*

See independent auditors' report.