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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 private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form

▶ Information about Form 990 and its instructions is at www.IRS.gov/form990

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 01-01-2013 , 2013, and ending 12-31-2013

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

C Name of organization
NORTH CENTRAL HEALTH SERVICES INC

Doing Business As
RIVER BEND HOSPITAL

Number and street (or P O box if mail is not delivered to street address) | Room/suite
2900 N RIVER RD

City or town, state or province, country, and ZIP or foreign postal code
WEST LAFAYETTE, IN 47906

D Employer identification number
31-1118357

E Telephone number
(765)423-1604

G Gross receipts $ 92,312,585

F Name and address of principal officer
JOHN R WALLING
2900 N RIVER RD
WEST LAFAYETTE,IN 47906

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW NCHSI COM

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

L Year of formation 1984

M State of legal domicile IN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO PROVIDE ACUTE INPATIENT PSYCHIATRIC CARE TO THE ADULT POPULATION OF MID-NORTH INDIANA

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	7
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	5
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	4
6	Total number of volunteers (estimate if necessary)	**6**	14
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	0	0
9	Program service revenue (Part VIII, line 2g)	3,074,878	2,032,478
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	20,977,746	30,002,646
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	484,325	550,000
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	24,536,949	32,585,124
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	2,142,982	1,285,784
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)	592,718	732,849
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)	5,322,085	4,703,786
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	8,057,785	6,722,419
19	Revenue less expenses Subtract line 18 from line 12	16,479,164	25,862,705

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	358,348,920	401,337,524
21	Total liabilities (Part X, line 26)	15,464,145	22,426,772
22	Net assets or fund balances Subtract line 21 from line 20	342,884,775	378,910,752

Part II Signature Block

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

Sign Here

****** | 2014-11-11
Signature of officer | Date

JOHN R WALLING CHIEF EXECUTIVE OFFICER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
AMBER KOCHER CPA				P01286298

Firm's name ▶ BLUE & CO LLC | Firm's EIN ▶ 35-1178661

Firm's address ▶ ONE AMERICAN SQUARE 2200
INDIANAPOLIS, IN 46282 | Phone no (317) 633-4705

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III . . . . . ☑

1 Briefly describe the organization's mission

THE ORGANIZATION IS COMMITTED TO ADVANCING AND PROVIDING HEALTH CARE FOR THE BENEFIT OF THE CITIZENS OF ITS EIGHT COUNTY SERVICE AREA CONTINUE ON SCHEDULE O THROUGH THE SUPPORT OF TECHNOLOGICAL AND SCIENTIFIC ADVANCEMENT, EDUCATION, QUALITY OF LIFE, AND HUMANITARIAN COMMUNITY SERVICES, NCHS WILL STRIVE TO PROMOTE A HEALTHY COMMUNITY FOR ALL AREA RESIDENTS

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 3,813,045 including grants of $ 0) (Revenue $ 2,582,478)

RIVER BEND HOSPITAL IS A LICENSED INPATIENT PSYCHIATRIC HOSPITAL PROVIDING ACUTE INPATIENT PSYCHIATRIC CARE TO THE ADULT POPULATION OF MID-NORTH INDIANA CARE IS PROVIDED WITHOUT CHARGE OR AT AMOUNTS LESS THAN ESTABLISHED RATES TO PATIENTS WHO MEET CERTAIN CRITERIA UNDER THE HOSPITAL'S CHARITY CARE POLICY BECAUSE THE ORGANIZATION DOES NOT COLLECT AMOUNTS DEEMED TO BE CHARITY CARE, THE AMOUNTS ARE NOT REPORTED AS REVENUE OF THE ORGANIZATION'S TOTAL HEALTH CARE SERVICES EXPENSE REPORTED, AN ESTIMATED $1,180,000 (AT COST) AROSE FROM PROVIDING SERVICES TO CHARITY PATIENTS DURING THE YEAR ENDED DECEMBER 31, 2013 CONTINUE ON SCHEDULE O THE ESTIMATED COSTS OF PROVIDING CHARITY SERVICES ARE BASED ON A CALCULATION WHICH APPLIES A RATIO OF COSTS TO CHARGES TO THE GROSS UNCOMPENSATED CHARGES ASSOCIATED WITH PROVIDING CARE TO CHARITY PATIENTS THE RATIO OF COST TO CHARGES, CALCULATED USING THE IRS GUIDLINES, IS 111% FOR THE YEAR ENDED DECEMBER 31, 2013

4b (Code) (Expenses $ 2,006,415 including grants of $ 1,285,784) (Revenue $ 0)

NORTH CENTRAL HEALTH SERVICES IS COMMITTED TO ADDRESSING A WIDE RANGE OF HEALTH ISSUES AND ENHANCING THE QUALITY OF LIFE FOR INDIVIDUALS, FAMILIES AND COMMUNITIES IN THE EIGHT COUNTIES OF THE GREATER LAFAYETTE AREA NCHS MAKES FINANCIAL GRANTS TO QUALIFIED NOT-FOR-PROFIT ORGANIZATIONS THAT SHARE ITS VISION AND CAN DEMONSTRATE THE CAPABILITY AND ORGANIZATIONAL STRENGTH TO SUCCEED WITH THEIR PROGRAMS AND CLIENT SERVICES IN AN EFFICENT AND COST-CONSCIENT MANNER

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** ▶ 5,819,460

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *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**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V . . . . . ☐

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

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

Check if Schedule O contains a response or note to any line in this Part VI . . . . . ☑

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

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

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

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

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

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

▶ JEFF NAGY TREASURER 201 MAIN ST
LAFAYETTE,IN 47902 (765)423-1604

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

Check if Schedule O contains a response or note to any line in this Part VII . . . . . ☐

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) WILLIAM F COOK CHAIRMAN	2 00	X		X				0	0	0
(2) JAMES T POULOS MD VICE CHAIRMAN	2 00	X		X				0	0	0
(3) MARJORIE T ROBERTS SECRETARY	2 00	X		X				0	0	0
(4) JEFFREY R NAGY TREASURER	30 00	X		X				109,856	0	45,309
(5) BART BURRELL BOARD MEMBER	2 00	X						0	0	0
(6) JAMES K RISK III BOARD MEMBER	2 00	X						0	0	0
(7) JOHN R WALLING PRESIDENT/CEO	40 00	X		X				324,394	0	40,818

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** ▶										
c **Total from continuation sheets to Part VII, Section A** ▶										
d **Total (add lines 1b and 1c)** ▶								434,250	0	86,127

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 ▶ 2

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
WABASH VALLEY ALLIANCE 420 N 26TH ST WEST LAFAYETTE IN 47904	MANAGEMENT SERVICES	3,875,791
KETTLEHUT CONSTRUCTION CO PO BOX 528 LAFAYETTE IN 47902	CONSTRUCTION SERVICES	761,177
HIRTLE CALLAGHAN & COLLC 300 BARR HARBOR DRIVE WEST CONSHOHOCKEN PA 19428	INVESTMENT MANAGEMENT SERVICES	484,017

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 ▶ 3

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . . ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . 1a				
	b	Membership dues 1b				
	c	Fundraising events 1c				
	d	Related organizations . . . 1d				
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f				
	g	Noncash contributions included in lines 1a-1f $				
	h	**Total.** Add lines 1a-1f . . . . . ▶				
Program Service Revenue		Business Code				
	2a	INPATIENT PSYCHIATRIC SERVICES	900099	2,032,478	2,032,478	
	b					
	c					
	d					
	e					
	f	All other program service revenue				
	g	**Total.** Add lines 2a–2f . . . . . ▶		2,032,478		
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		8,730,751		8,730,751
	4	Income from investment of tax-exempt bond proceeds . . ▶				
	5	Royalties . . . . . ▶				
		(i) Real / (ii) Personal				
	6a	Gross rents				
	b	Less rental expenses				
	c	Rental income or (loss)				
	d	Net rental income or (loss) . . . . . ▶				
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	68,798,038 / 12,201,318			
	b	Less cost or other basis and sales expenses	48,499,129 / 11,228,332			
	c	Gain or (loss)	20,298,909 / 972,986			
	d	Net gain or (loss) . . . . . ▶		21,271,895		21,271,895
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from fundraising events . . ▶				
	9a	Gross income from gaming activities See Part IV, line 19 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from gaming activities . . ▶				
	10a	Gross sales of inventory, less returns and allowances . a				
	b	Less cost of goods sold . . b				
	c	Net income or (loss) from sales of inventory . . ▶				
		Miscellaneous Revenue	Business Code			
	11a	IP PSYCH SUBSIDY	900099	550,000	550,000	
	b					
	c					
	d	All other revenue				
	e	**Total.** Add lines 11a–11d . . . . . ▶		550,000		
	12	**Total revenue.** See Instructions . . . . . ▶		32,585,124	2,582,478	0 30,002,646

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 or note to any line 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	1,285,784	1,285,784		
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	364,792		364,792	
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	203,730		203,730	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	29,831		29,831	
9 Other employee benefits	104,426		104,426	
10 Payroll taxes	30,070		30,070	
11 Fees for services (non-employees)				
a Management	3,813,045	3,813,045		
b Legal	30,000		30,000	
c Accounting	80,004		80,004	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees	581,114	581,114		
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	80,644	80,644		
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties . .				
16 Occupancy	103,857	103,857		
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	120		120	
20 Interest	10,320		10,320	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	383,712	383,712		
23 Insurance	60,064	60,064		
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 HOSPITAL ASSESSMENT FEE	426,707	426,707		
b DUES & SUBSCRIPTIONS	13,246		13,246	
c MEDICAL SUPPLIES	1,271	1,271		
d PY GRANT WITHDRAWN	-1,000,000	-1,000,000		
e All other expenses	119,682	83,262	36,420	
25 **Total functional expenses.** Add lines 1 through 24e	6,722,419	5,819,460	902,959	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 or note to any line in this Part X . . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		1,443,507	1	1,725,990
	2	Savings and temporary cash investments		30,787,482	2	35,856,727
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		647,592	4	535,334
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		81,312	9	89,122
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 14,151,617			
	b	Less accumulated depreciation	10b 1,737,871	11,996,047	10c	12,413,746
	11	Investments—publicly traded securities		290,184,513	11	328,956,349
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		11,006,384	13	1,334,707
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		12,202,083	15	20,425,549
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		358,348,920	16	401,337,524
Liabilities	17	Accounts payable and accrued expenses		345,952	17	464,977
	18	Grants payable		2,794,841	18	1,387,696
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		12,323,352	25	20,574,099
	26	**Total liabilities.** Add lines 17 through 25		15,464,145	26	22,426,772
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		342,828,789	27	378,849,048
	28	Temporarily restricted net assets		55,986	28	61,704
	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		342,884,775	33	378,910,752
	34	Total liabilities and net assets/fund balances		358,348,920	34	401,337,524

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	32,585,124
2	Total expenses (must equal Part IX, column (A), line 25)	2	6,722,419
3	Revenue less expenses Subtract line 2 from line 1	3	25,862,705
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	342,884,775
5	Net unrealized gains (losses) on investments	5	10,157,554
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	5,718
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	378,910,752

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . . ☑

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**
▶ **Information about Schedule A (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
NORTH CENTRAL HEALTH SERVICES INC

Employer identification number
31-1118357

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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

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

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2012 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2013.** 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—2012.** 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—2013.** 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—2012.** 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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

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

Section C. Computation of Public Support Percentage

15	Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2012 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2013** (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from **2012** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2013.** 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—2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

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

Facts And Circumstances Test		
Return Reference	Explanation	

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
NORTH CENTRAL HEALTH SERVICES INC

Employer identification number
31-1118357

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	b (c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	55,986	139,761	144,576	142,581	136,126
b	Contributions					
c	Net investment earnings, gains, and losses	5,718	450	3,525	10,335	6,455
d	Grants or scholarships					
e	Other expenditures for facilities and programs		84,225	8,340	8,340	
f	Administrative expenses					
g	End of year balance	61,704	55,986	139,761	144,576	142,581

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 ▶ 100 000 %

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

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

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. 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		6,627,301		6,627,301
b Buildings		6,613,574	999,756	5,613,818
c Leasehold improvements		431,167	360,558	70,609
d Equipment		479,575	377,557	102,018
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				12,413,746

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

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

Part VIII **Investments—Program Related.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX **Other Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) CHARITABLE REMAINDER TRUST	86,512
(2) RECEIVABLE UNDER SECURITIES LOAN AGREEMENT	20,333,549
(3) INTEREST & DIVIDENDS RECEIVABLE	5,488
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	20,425,549

Part X **Other Liabilities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	
DEFERRED COMPENSATION	218,603
CHARITABLE REMAINDER TRUST	21,947
OBLIGATION TO RETURN SECURITIES	20,333,549
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	20,574,099

2. Liability for uncertain tax positions 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 Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	42,167,282
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	10,157,554		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	-575,396		
e	Add lines **2a** through **2d**			2e	9,582,158
3	Subtract line **2e** from line **1**			3	32,585,124
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	32,585,124

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	6,141,305
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	6,141,305
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	581,114		
c	Add lines **4a** and **4b**			4c	581,114
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	6,722,419

Part XIII Supplemental Information

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

Return Reference	Explanation
PART V, LINE 4	2013 TOTAL RESTRICTED NET ASSETS ARE $61,704 FOR A CHARITABLE REMAINDER TRUST TO PROVIDE PAYMENTS TO THE GRANTOR OVER THE DESIGNATED BENEFICIARY'S LIFETIME WITH THE REMAINING ASSETS AVAILABLE FOR THE ORGANIZATION'S USE FOR IMPROVEMENT
PART X, LINE 2	ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA REQUIRE MANAGEMENT TO EVALUATE TAX POSITIONS TAKEN BY THE ORGANIZATION AND RECOGNIZE A TAX LIABILITY IF THE ORGANIZATION HAS TAKEN AN UNCERTAIN POSITION THAT MORE LIKELY THAN NOT WOULD NOT BE SUSTAINED UPON EXAMINATION BY VARIOUS FEDERAL AND STATE TAXING AUTHORITIES MANAGEMENT HAS ANALYZED THE TAX POSITIONS TAKEN BY THE ORGANIZATION, AND HAS CONCLUDED THAT AS OF DECEMBER 31, 2013 AND DECEMBER 31, 2012, THERE ARE NO UNCERTAIN POSITIONS TAKEN OR EXPECTED TO BE TAKEN THAT WOULD REQUIRE RECOGNITION OF A LIABILITY OR DISCLOSURE IN THE ACCOMPANYING FINANCIAL STATEMENTS THE ORGANIZATION IS SUBJECT TO ROUTINE AUDITS BY TAXING JURISDICTIONS, HOWEVER, THERE ARE CURRENTLY NO AUDITS FOR ANY TAX PERIODS IN PROGRESS
PART XI, LINE 2D - OTHER ADJUSTMENTS	CHANGE IN TEMPORARILY RESTRICTED NET ASSETS 5,718 TRUSTEES FEES INCLUDED IN INVESTMENT INCOME -581,114
PART XII, LINE 4B - OTHER ADJUSTMENTS	TRUSTEES FEES INCLUDED IN INVESTMENT INCOME 581,114

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

▶ Information about Schedule F (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
NORTH CENTRAL HEALTH SERVICES INC

Employer identification number
31-1118357

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☐ Yes ☐ No

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) CENTRAL AMERICA AND THE CARIBBEAN -	0	0	INVESTMENT IN PRIVATE EQUITY FUND ORGANIZED AS A CORPORATION IN CAYMAN ISLANDS		6,868,756
(2)					
(3)					
(4)					
(5)					
3a Sub-total	0	0			6,868,756
b Total from continuation sheets to Part I	0	0			0
c **Totals** (add lines 3a and 3b)	0	0			6,868,756

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Part II can be duplicated if additional space is needed.

1 **(a)** Name of organization	**(b)** IRS code section and EIN (if applicable)	**(c)** Region	**(d)** Purpose of grant	**(e)** Amount of cash grant	**(f)** Manner of cash disbursement	**(g)** Amount of non-cash assistance	**(h)** Description of non-cash assistance	**(i)** Method of valuation (book, FMV, appraisal, other)
(1)								
(2)								
(3)								
(4)								

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶ _____

3 Enter total number of other organizations or entities . . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*	☑ Yes	☐ No
2	Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*	☐ Yes	☑ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*	☑ Yes	☐ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*	☑ Yes	☐ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*	☐ Yes	☑ No

Additional Data

Software ID:
Software Version:
EIN: 31-1118357
Name: NORTH CENTRAL HEALTH SERVICES INC

Part V **Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule H (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
NORTH CENTRAL HEALTH SERVICES INC

Employer identification number
31-1118357

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☐ 100% ☐ 150% ☐ 200% ☑ Other 25000 0000000000 %	3a	Yes	
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% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Did the organization prepare a community benefit report during the tax year?	6a		No
b	If "Yes," did the organization make it available to the public?	6b		
	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)			795,394		795,394	11 830 %
b Medicaid (from Worksheet 3, column a)			1,084,115	447,465	636,650	9 470 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			1,879,509	447,465	1,432,044	21 300 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			35,326		35,326	0 530 %
j **Total.** Other Benefits			35,326		35,326	0 530 %
k **Total.** Add lines 7d and 7j			1,914,835	447,465	1,467,370	21 830 %

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			250,000		250,000	3 720 %
2	Economic development			0			
3	Community support			278,630		278,630	4 140 %
4	Environmental improvements			654,450		654,450	9 740 %
5	Leadership development and training for community members			22,038		22,038	0 330 %
6	Coalition building			30,500		30,500	0 450 %
7	Community health improvement advocacy			10,940		10,940	0 160 %
8	Workforce development			0			
9	Other			0			
10	**Total**			1,246,558		1,246,558	18 540 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
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	454,162		
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	623,887
6	Enter Medicare allowable costs of care relating to payments on line 5	6	1,070,429
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-446,542
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9a	Yes	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	Yes	

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

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

Part V Facility Information

Section A. Hospital Facilities

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

	Name, address, primary website address, and state license number	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
	See Additional Data Table										

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 RIVER BEND HOSPITAL

If reporting on Part V, Section B for a single hospital facility 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**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☑ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 12			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**		No
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) WWW NCHSI COM/COMMUNITYHEALTHNEEDASSESSME			
b	☐ Other website (list url)			
c	☑ Available upon request from the hospital facility			
d	☑ 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 as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**	Yes	
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

			Yes	No
Financial Assistance Policy				
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for free care 250 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11	Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 250 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12	Explained the basis for calculating amounts charged to patients?	**12**	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a	☑ Income level			
b	☐ Asset level			
c	☐ Medical indigency			
d	☐ Insurance status			
e	☐ Uninsured discount			
f	☐ Medicaid/Medicare			
g	☐ State regulation			
h	☐ Residency			
i	☐ Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?	**13**	Yes	
14	Included measures to publicize the policy within the community served by the hospital facility?	**14**		No
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a	☐ The policy was posted on the hospital facility's website			
b	☐ The policy was attached to billing invoices			
c	☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	☐ The policy was posted in the hospital facility's admissions offices			
e	☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f	☐ The policy was available upon request			
g	☐ Other (describe in Part VI)			
Billing and Collections				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual'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 Section C)			
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 individual's eligibility under the facility's FAP?	**17**		No
	If "Yes," check all actions in which the hospital facility or a third party engaged			
a	☐ Reporting to credit agency			
b	☐ Lawsuits			
c	☐ Liens on residences			
d	☐ Body attachments			
e	☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

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

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

21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	**22**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
RIVER BEND HOSPITAL	PART V, SECTION B, LINE 5D THE ASSESSMENT CAN BE FOUND BY GOING TO THE WEBSITE FOR NCHS AT WWW NCHSI COM AND CLICKING ON THE "COMMUNITY ASSESSMENT" TAB OR BY ENTERING THE WEB ADDRESS "WWW NCHSI COM/COMMUNITYHEALTHNEEDASSESSMENT CFM"

Part V Facility Information *(continued)*

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

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

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

Part VI Supplemental Information

Provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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

Form and Line Reference	Explanation
PART I, LINE 7	THE HOSPITAL FACILITY USED ITS LOWEST NEGOTIATED COMMERCIAL INSURANCE RATE WHEN CALCULATING THE MAXIMUM AMOUNTS THAT CAN BE CHARGED
PART II, COMMUNITY BUILDING ACTIVITIES	NCHS BELIEVES THAT GRANT MAKING TO 501(C)(3) ORGANIZATIONS IN WHOSE BOARD OF DIRECTORS WE HAVE TRUST AND CONFIDENCE IS AN INVESTMENT IN OUR COMMUNITY IT IS OUR PRIVILEGE TO HELP THEM SUCCEED THE ORGANIZATION IS ROOTED IN ITS MISSION OF HELPING AND SERVING THE COMMUNITY AND ITS CITIZENS IN A VARIETY OF WAYS NCHS GRANTS HAVE PROVIDED FUNDS TO NOT FOR PROFIT ORGANIZATIONS FOR CAPITAL IMPROVEMENTS AND PROGRAM ENHANCEMENTS, EDUCATIONAL OPPORTUNITIES FOR BOARD MEMBERS OF NOT FOR PROFIT ORGANIZATIONS, AND CONTINUED THE LONG TERM ENHANCEMENT PLANS OF THE WABASH RIVER PROJECT NCHS GRANTED OVER $3 3 MILLION IN GRANT FUNDS DURING 2012-2013 PERIOD FOR PROJECTS THAT RELATE TO HEALTH, AND HEALTHY COMMUNITIES AND HAS MADE GRANTS IN EXCESS OF $40 MILLION SINCE 1999 THE FOLLOWING ARE A FEW OF PROJECTS FUNDED IN 2013 PROMOTING HEALTH OF THE COMMUNITIES THAT NCHS SERVES KATHRYN WEIL CENTER FOR EDUCATION NCHS HAS PROVIDED FUNDS TO PURCHASE AUTOMATIC EXTERNAL DEFIBRILLATORS AND CRR TRAINING ON AN ANNUAL BASIS SINCE 2004 THESE DEVICES HAVE BEEN PLACED IN 501(C)3 ORGANIZATIONS IN THE EIGHT COUNTY SERVICE AREA INDIANA RURAL HEALTH ASSOCIATION-THE INDIANA RURAL HEALTH ASSOCIATION PROVIDES SCHOLARSHIPS FOR STAFF AT RURAL HEALTH CLINICS TO ATTEND THE STATE PROFESSIONAL CONFERENCE NCHS PROVIDES FUNDING FOR THESE SCHOLARSHIPS ON AN ANNUAL BASIS BENTON COMMUNITY FOUNDATION-NCHS PROVIDED FUNDING FOR THE ADULT EDUCATION COALITION PROVIDING FINANCIAL EDUCATION FOR ADULTS IN THIS RURAL COUNTY MENTAL HEALTH AMERICA-NCHS PROVIDED FUNDING FOR STARTUP COSTS FOR MENTAL HEALTH FIRST AID USA AND YOUTH MENTAL HEALTH FIRST AID TO ESTABLISH THESE PROGRAMS IN THE COMMUNITY HISTORIC FIVE POINTS FIRE STATION EDUCATIONAL CENTER-NCHS PROVIDED AN ENABLING GRANT TO LAUNCH SMOKE DETECTOR PROGRAM TO REDUCE FIRE DEATHS AND INJURIES ASSOCIATED WITH RESIDENTIAL FIRES IN TIPPECANOE COUNTY FAMILY PROMISE OF GREATER LAFAYETTE-NCHS PURCHASED NEW BEDS FOR THE SHELTER SERVICE FOR FAMILIES EXPERIENCING HOMELESSNESS NOT-FOR-PROFIT BOARD GOVERNANCE SERIES - NCHS HAS MADE A 10 YEAR $200,000 COMMITMENT TO PROVIDE FUNDING FOR THE DOUGLAS W EBERLE NOT-FOR-PROFIT BOARD GOVERNANCE SERIES WORKING COLLABORATIVELY WITH THE UNITED WAY, AND THE COMMUNITY FOUNDATION OF GREATER LAFAYETTE, THIS EDUCATIONAL SERIES PROVIDES A HIGH QUALITY LEARNING EXPERIENCE TO NOT-FOR-PROFIT BOARD MEMBERS AND THEIR EXECUTIVE DIRECTORS NCHS PLACES A HIGH VALUE ON THE QUALITY OF GOVERNANCE IN NOT-FOR-PROFIT ORGANIZATIONS NCHS GRANTS ARE MADE TO THOSE ORGANIZATIONS IN WHOSE LEADERSHIP WE HAVE TRUST AND CONFIDENCE WABASH RIVER ENHANCEMENT CORPORATION - THE LONG TERM PROJECT OF ENHANCING THE WABASH RIVER CORRIDOR REMAINS A PRIORITY FOR NCHS GRANT FUNDING NCHS PLAYED A SIGNIFICANT ROLE BY CONTRIBUTING $550,000 TO ESTABLISH WABASH RIVER ENHANCEMENT CORPORATION IN 2005 AS THE PRIMARY ORGANIZATION TO FOCUS ON ISSUES RELATED TO THE WABASH RIVER IN OUR COMMUNITY THEY WORK WITH LOCAL, STATE AND FEDERAL AUTHORITIES AND HAVE COMPLETED IMPORTANT GROUND WORK IN HYDROLOGY STUDIES THE CORRIDOR MASTER PLAN HAS BEEN DEVELOPED IN CONJUNCTION WITH PROFESSIONAL GUIDANCE ON RIVER ENHANCEMENT WITH INPUT FROM LOCAL STAKEHOLDERS MOST RECENTLY, NCHS HAS PROVIDED GRANT FUNDING TO THE WABASH RIVER ENHANCEMENT CORPORATION FOR THE ACQUISITION OF LAND PARCELS SPECIFICALLY IDENTIFIED IN THE LONG RANGE CORRIDOR MASTER PLAN FOR FUTURE PROJECT DEVELOPMENT LAND ACQUISITION FUNDING FOR 2013 WAS $654,000 TIPPECANOE ARTS FEDERATION -THE TIPPECANOE ARTS FEDERATION (TAF) HAS PROVIDED LEADERSHIP FOR SEVERAL YEARS IN ASSESSING APPLICATIONS FROM ITS MEMBER ORGANIZATIONS FOR NCHS GRANT FUNDING TAF'S EXPERIENCE AS A RE-GRANTOR OF INDIANA ARTS COMMISSION FUNDING IN REGION 4 WAS A MAJOR FACTOR IN THE NCHS DECISION TO ENLIST TAF TO CONDUCT THE PROCESS OF APPROVING AND DISTRIBUTING THE NCHS ARTS RELATED GRANTS MADE TO THEIR MEMBERSHIP OVER THE PAST SEVERAL YEARS, NCHS HAS GRANTED OVER $2 1 MILLION DOLLARS TO A VARIETY OF TAF MEMBER ORGANIZATIONS FOR CAPITAL PROJECTS

Form and Line Reference	Explanation
PART III, LINE 2	THE ORGANIZATION RECORDS A SIGNIFICANT 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
PART III, LINE 4	THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS DESCRIBING BAD DEBT EXPENSE IS LOCATED ON PAGE 11 OF THE ATTACHED FINANCIAL STATEMENTS UNDER NOTE "ALLOWANCE FOR DOUBTFUL ACCOUNTS "PART III, LINE 4 SECTION A BAD DEBT EXPENSE LINE 3 EXPLANATION FOR RATIONAL FOR INCLUDING OTHER BAD DEBT AMOUNT IN COMMUNITY BENEFIT NO OTHER BAD DEBT AMOUNTS HAVE BEEN INCLUDED AS COMMUNITY BENEFIT THE ORGANIZATION BELIEVES IT ACCURATELY CAPTURES ALL CHARITY CARE DEDUCTIONS PROVIDED ACCORDING TO THE FINANCIAL ASSISTANCE POLICY

Form and Line Reference	Explanation
PART III, LINE 8	THE SOURCE USED TO DETERMINE THE AMOUNT OF MEDICARE ALLOWABLE COSTS REPORTED FOR PART III, SECTION B, MEDICARE HAS BEEN PROVIDED FROM THE YEAR ENDED 12/31/13 REPORT HOSPITAL STATEMENT OF REIMBURSABLE COST
PART III, LINE 9B	THE PROVISIONS TO BE FOLLOWED FOR PATIENTS WHO ARE KNOWN TO QUALIFY FOR FINANCIAL ASSISTANCE ARE INCLUDED IN THE SEPARATE CHARITY CARE POLICY THE FINANCIAL ASSISTANCE DOCUMENT IS REFERENCED IN THE WRITTEN DEBT COLLECTION POLICY

Form and Line Reference	Explanation
PART VI, LINE 2	THE ORGANIZATION HAS DONE SEVERAL NEEDS ASSESSMENT OVER THE PAST FIVE YEARS TO IDENTIFY HEALTH CARE NEEDS OF THE COMMUNITY AND SURROUNDING AREA FOCUSING PRIMARILY ON MENTAL HEALTH
PART VI, LINE 3	PATIENTS WITHOUT INSURANCE ARE CONTACTED DURING THEIR ADMISSION BY THE SOCIAL WORKERS AND PATIENT ADVOCATES TO DISCUSS ELIGIBILITY FOR INDIANA MEDICAID THE GOAL IS TO COMPLETE AN APPLICATION WHILE THE PATIENT IS IN THE HOSPITAL FINANCIAL ASSISTANCE AND CHARITY CARE ARE ALSO DISCUSSED AT THAT TIME AND APPROPRIATE FORMS ARE COMPLETED IF THE PATIENT DOES NOT QUALIFY FOR MEDICAID ALSO, EACH PATIENT COMPLETES AN ADMISSION AGREEMENT AND SIGNS CERTIFYING THAT THE FORM WAS FULLY EXPLAINED AND UNDERSTOOD THE AGREEMENT INCLUDES A FINANCIAL AGREEMENT SECTION THAT STATES THE INDIVIDUAL UNDERSTANDS THAT FINANCIAL ASSISTANCE IS AVAILABLE BASED ON INCOME AND FAMILY SIZE

Form and Line Reference	Explanation
PART VI, LINE 4	THE ORGANIZATION PROVIDES INPATIENT PSYCHIATRIC SERVICES TO THE CITIZENS OF LAFAYETTE-WEST LAFAYETTE CITIES AS WELL AS TIPPECANOE AND SURROUNDING INDIANA COUNTIES AND CITIZENS OF BENTON, CARROLL, CLINTON, FOUNTAIN, MONTGOMERY, TIPPECANOE, WARREN, AND WHITE
PART VI, LINE 5	NCHS IS A MEDICAL SERVICES ORGANIZATION GOVERNED BY A VOLUNTEER BOARD OF DIRECTORS ITS PRIMARY MISSION IS TO OPERATE RIVER BEND HOSPITAL, A PRIVATE INPATIENT PSYCHIATRIC HOSPITAL NCHS IS COMMITTED TO PROMOTING A HEALTHY COMMUNITY FOR ALL AREA CITIZENS SINCE 1999, THE ORGANIZATION HAS FULFILLED THIS OBJECTIVE BY FINANCIALLY SUPPORTING SELECT ACTIVITIES OF QUALIFIED NOT-FOR-PROFIT ORGANIZATIONS WHO SHARE ITS VISION GRANTS ARE PROVIDED THAT WILL 1 ADVANCE TECHNOLOGY AND SCIENTIFIC DEVELOPMENT IN HEALTH CARE 2 DEVELOP AND PROMOTE COMMUNITY HEALTH EDUCATION 3 PROVIDE DIRECT, INDIVIDUAL SOCIAL WELFARE AND HUMAN SERVICE4 PROMOTE A HEALTHY COMMUNITY 5 IMPROVE THE QUALITY OF LIFE FOR ALL THE COMMUNITIES' PEOPLE

Form and Line Reference	Explanation
PART VI, LINE 6	NOT APPLICABLE THE ORGANIZATION IS NOT PART OF AN AFFILIATED HEALTH CARE SYSTEM

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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**

▶ **Information about Schedule I (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
NORTH CENTRAL HEALTH SERVICES INC

Employer identification number
31-1118357

Part I General Information on Grants and Assistance

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

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

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code 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
(1) AREA IV AGENCY ON AGING AND COMMUNITY ACTION PROGRAM 660 NORTH 36TH LAFAYETTE,IN 47905	35-1329223	501C3	5,500				COALITION FOR LIVING WELL
(2) BENTON COUNTY FOUNDATION 98 S 100 E FOWLER,IN 47944	26-0074023	501C3	10,000				ADULT FINANCIAL EDUCATION
(3) BOY SCOUTS CREW 272 1458 N 700 E VEEDERSBURG,IN 47987	45-1259099	501C3	10,940				MEDICAL TRAINING EQUIPMENT
(4) CDC RESOURCES 5053 NORWAY ROAD MONTICELLO,IN 47960	35-1138156	501C3	18,630				EQUIPMENT
(5) COMMUNITY FOUNDATION OF GREATER LAFAYETTE 1114 EAST STATE ST LAFAYETTE,IN 47905	23-7147996	501C3	20,000				NFP BOARD GOVERNANCE EDUCATION SERIES
(6) HISTORIC FIVE POINTS EDUCATION CENTER 1611 MAIN STREET LAFAYETTE,IN 47901	38-3662560	501C3	25,632				SMOKE DETECTOR PROGRAM
(7) MENTAL HEALTH AMERICA OF TIPPECANOE COUNTY 914 SOUTH STREET LAFAYETTE,IN 47901	38-3653969	501C3	7,238				CHILD PSYCHIATRIC CONFERENCE/ FUNDING FOR NEW PROGRAMS
(8) MID LAND MEALS INC 3313 CONCORD ROAD LAFAYETTE,IN 47901	23-7337408	501C3	25,000				RURAL FOOD SUSTAINABILITY STUDY
(9) THOMAS DUNCAN HALL INC 619 FERRY STREET LAFAYETTE,IN 47901	20-2270091	501C3	250,000				HYDRONIC HEATING SYSTEM
(10) TIPPECANOE ARTS FEDERATION INC 638 NORTH STREET LAFAYETTE,IN 47901	31-0942566	501C3	250,000				CAPITAL AND CAPACITY BUILDING GRANTS
(11) WABASH RIVER ENHANCEMENT CORPORATION 200 NORTH 2ND STREET LAFAYETTE,IN 47901	20-1337591	501C3	654,450				FUNDING FOR LAND ACQUISITION FOR ENVIRONMENTAL IMPROVEMENT

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 11

3 Enter total number of other organizations listed in the line 1 table . . . . . ▶ 0

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

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

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
PART I, LINE 2	UPON RECEIPT OF THE LETTER OF INQUIRY, INITIAL REVIEW WILL DETERMINE WHETHER OR NOT THE REQUEST MEETS THE FUNDING FOCUS, AND PRIORITIES OF NCHS THE RECIPIENT WILL BE PROMPTLY NOTIFIED IN WRITING OF THE INITIAL DETERMINATION, AND INFORMED OF APPLICATION OPPORTUNITIES GRANT RECIPIENTS ARE REQUIRED TO FILE A PROGRESS REPORT WITH NCHS SIX MONTHS AFTER RECEIVING THE GRANT WITH A FINAL REPORT REQUIRED ONE YEAR AFTER BEING AWARDED THE GRANT
SCHEDULE I, PART I, LINE 2	ORGANIZATIONS INTERESTED IN INITIATING A GRANT REQUEST SHOULD BEGIN BY WRITING A LETTER OF INQUIRY TO NORTH CENTRAL HEALTH SERVICES ATTN GRANTS ADMINISTRATOR, 2900 NORTH ROAD, WEST LAFAYETTE, IN 47906 THE LETTER OF INQUIRY SHOULD INCLUDE 1 A CONCISE DESCRIPTION OF THE ORGANIZATION 2 A STATEMENT OF THE PROBLEM OR NEED BEING ADDRESSED, AND AN EXPLANATION OF THE PROJECT 3 ESTIMATED TOTAL COST, AND THE AMOUNT BEING REQUESTED FROM NCHS

Additional Data

Software ID:
Software Version:
EIN: 31-1118357
Name: NORTH CENTRAL HEALTH SERVICES INC

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
AREA IV AGENCY ON AGING AND COMMUNITY ACTION PROGRAM 660 NORTH 36TH LAFAYETTE,IN 47905	35-1329223	501C3	5,500				COALITION FOR LIVING WELL

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
BENTON COUNTY FOUNDATION 98 S 100 E FOWLER,IN 47944	26-0074023	501C3	10,000				ADULT FINANCIAL EDUCATION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
BOY SCOUTS CREW 272 1458 N 700 E VEEDERSBURG,IN 47987	45-1259099	501C3	10,940				MEDICAL TRAINING EQUIPMENT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
CDC RESOURCES 5053 NORWAY ROAD MONTICELLO,IN 47960	35-1138156	501C3	18,630				EQUIPMENT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
COMMUNITY FOUNDATION OF GREATER LAFAYETTE 1114 EAST STATE ST LAFAYETTE,IN 47905	23-7147996	501C3	20,000				NFP BOARD GOVERNANCE EDUCATION SERIES

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
HISTORIC FIVE POINTS EDUCATION CENTER 1611 MAIN STREET LAFAYETTE,IN 47901	38-3662560	501C3	25,632				SMOKE DETECTOR PROGRAM

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
MENTAL HEALTH AMERICA OF TIPPECANOE COUNTY 914 SOUTH STREET LAFAYETTE,IN 47901	38-3653969	501C3	7,238				CHILD PSYCHIATRIC CONFERENCE/ FUNDING FOR NEW PROGRAMS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
MID LAND MEALS INC 3313 CONCORD ROAD LAFAYETTE,IN 47901	23-7337408	501C3	25,000				RURAL FOOD SUSTAINABILITY STUDY

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
THOMAS DUNCAN HALL INC 619 FERRY STREET LAFAYETTE,IN 47901	20-2270091	501C3	250,000				HYDRONIC HEATING SYSTEM

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
TIPPECANOE ARTS FEDERATION INC 638 NORTH STREET LAFAYETTE,IN 47901	31-0942566	501C3	250,000				CAPITAL AND CAPACITY BUILDING GRANTS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
WABASH RIVER ENHANCEMENT CORPORATION 200 NORTH 2ND STREET LAFAYETTE,IN 47901	20-1337591	501C3	654,450				FUNDING FOR LAND ACQUISITION FOR ENVIRONMENTAL IMPROVEMENT

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
NORTH CENTRAL HEALTH SERVICES INC

Employer identification number
31-1118357

Part I Questions Regarding Compensation

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

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)JEFFREY R NAGY TREASURER	(i) (ii)	109,856 0	0 0	0 0	6,591 0	38,718 0	155,165 0	0 0
(2)JOHN R WALLING PRESIDENT/CEO	(i) (ii)	317,308 0	0 0	7,086 0	15,300 0	25,518 0	365,212 0	0 0

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 1A	SOCIAL CLUB DUES WERE PROVIDED FOR BUSINESS USE BY THE ORGANIZATION'S TREASURER

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
NORTH CENTRAL HEALTH SERVICES INC

Employer identification number
31-1118357

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	
FORM 990, PART VI, SECTION B, LINE 12C	THE WRITTEN CONFLICT OF INTEREST POLICY IS REGULARLY AND CONSISTENTLY MONITORED AND COMPLI ANCE ENFORCED BY THE CHAIRMAN, VICE CHAIRMAN, OR PRESIDENT OF NORTH CENTRAL HEALTH SERVICE S, INC THE SCOPE OF THIS POLICY INCLUDES THE BOARD OF DIRECTORS, PRINCIPAL OFFICER, AND M EMBERS OF COMMITTEES WITH BOARD DELEGATED POWERS THE POLICY IS IN PLACE TO AVOID ANY DUAL ITY OF INTEREST OR POTENTIAL CONFLICT OF INTEREST BY FULL DISCLOSURE OF ANY SUCH POTENTIAL CONFLICT, AND BY ABSTENTION BY THE INTEREST PERSON FROM ANY VOTE ON A MATTER IN WHICH A C ONFLICT EXISTS BETWEEN THE INTERESTED PERSON AND THE CORPORATION THE COVERED PERSONS ARE TO REFRAIN FROM ANY KNOWN OR ANTICIPATED FINANCIAL INTEREST OR RELATIONSHIP WHICH COULD RE ASONABLY BE EXPECTED TO CREATE A CONFLICT OF INTEREST ON ANY MATTER WHICH MIGHT COME BEFOR E THE BOARD OF DIRECTORS A SELF DISCLOSURE FROM COVERED PERSONS TO THE CHAIRMAN OR THE SE CRETARY OF THE BOARD OF DIRECTORS IS REQUIRED ON ANY POTENTIAL CONFLICTS OF INTEREST THE COVERED PERSONS ARE TO RECUES FROM PARTICIPATING IN ANY DELIBERATION OR DECISIONS ON SUCH TRANSACTIONS THE CHAIRMAN OR VICE CHAIRMAN OF THE BOARD OF DIRECTORS REVIEWS THE CONFLICT S DISCLOSED
FORM 990, PART VI, SECTION B, LINE 15A	EXECUTIVE COMMITTEE OF THE BOARD MEETS ANNUALLY TO REVIEW THE COMPENSATION OF THE CEO IN FY 2008, AN INDEPENDENT CONSULTING FIRM WAS CONTRACTED TO PERFORM A COMPENSATION STUDY AND THE COMMITTEE REVIEWED THE FINDINGS TO HELP DETERMINE AND SET THE CEO'S COMPENSATION THE PROCESS AND FINDINGS ARE DOCUMENTED IN THE COMMITTEE'S MEETING MINUTES THERE WERE NO CHA NGES TO THE CEO'S COMPENSATION FOR 2013
FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC
FORM 990, PART XI, LINE 9	CHANGE IN TEMPORARY RESTRICTED NET ASSETS 5,718
PART XI LINE 2C, OVERSIGHT OF THE AUDIT	THE BOARD OF DIRECTORS ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF THE FINANCIAL STATEMENTS AND NO PROCESSES HAVE CHANGED FROM PRIOR YEAR

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2013 Category 3 filer statement

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Amount Of Indebtedness	Type Of Indebtedness	Name	Address	Identifying Number	Number Of Shares
		NA			

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2013 Category 3 filer statement

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Amount Of Indebtedness	Type Of Indebtedness	Name	Address	Identifying Number	Number Of Shares
		NA			

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2013 Category 3 filer statement

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Amount Of Indebtedness	Type Of Indebtedness	Name	Address	Identifying Number	Number Of Shares
		NA			

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TY 2013 Earnings and Profits Other Adjustments Statement

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Description	Amount
OTHER SUBTRACTIONS	-2,916,613

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TY 2013 Itemized Other Current Liabilities Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN ABSOLUTE RETURN OFFSHOR	000000000		8,105,858	2,794,210

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TY 2013 Itemized Other Current Liabilities Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN TOTAL RETURN OFFSHORE F	000000000		13,759,056	5,674,093

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TY 2013 Itemized Other Current Liabilities Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN PRIVATE EQUITY OFFSHORE	98-0564726		88,776	94,361

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TY 2013 Itemized Other Assets Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Other Assets Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN ABSOLUTE RETURN OFFSHOR	000000000		2,471	2,678

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TY 2013 Itemized Other Assets Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Other Assets Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN TOTAL RETURN OFFSHORE F	000000000		8,503	4,552

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TY 2013 Itemized Other Assets Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Other Assets Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN PRIVATE EQUITY OFFSHORE	98-0564726		1,363	1,584

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TY 2013 Itemized Other Current Assets Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Other Current Assets Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN PRIVATE EQUITY OFFSHORE	98-0564726		33,788	226,679

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TY 2013 Other Deductions Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Description	Foreign Amount (should only be used when attached to 5471 Schedule C Line 16)	Amount
OTHER DEDUCTIONS		184,329

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TY 2013 Other Deductions Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Description	Foreign Amount (should only be used when attached to 5471 Schedule C Line 16)	Amount
	264,286	264,286

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TY 2013 Other Deductions Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Description	Foreign Amount (should only be used when attached to 5471 Schedule C Line 16)	Amount
OTHER DEDUCTIONS		148,716

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TY 2013 Itemized Other Investments Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Other Investments Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN ABSOLUTE RETURN OFFSHOR	000000000		65,044,827	68,283,672

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TY 2013 Itemized Other Investments Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Other Investments Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN TOTAL RETURN OFFSHORE F	000000000		119,766,151	129,463,392

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TY 2013 Itemized Other Investments Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Other Investments Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN PRIVATE EQUITY OFFSHORE	98-0564726		42,353,340	40,162,446

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TY 2013 Itemized Other Liabilities Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Other Liabilities Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN ABSOLUTE RETURN OFFSHOR	000000000		61,150	71,512

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TY 2013 Itemized Other Liabilities Schedule

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Corporation Name	Corporation EIN	Other Liabilities Description	Beginning Amount	Ending Amount
HIRTLE CALLAGHAN TOTAL RETURN OFFSHORE F	000000000		61,150	71,512

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TY 2013 Other Income Statement

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Description	Foreign Amount	Amount
OTHER INCOME		3,584,151

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TY 2013 Other Income Statement

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Description	Foreign Amount	Amount
OTHER INCOME	12,706,306	12,706,306

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TY 2013 Other Income Statement

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

Description	Foreign Amount	Amount
OTHER INCOME		1,195,995

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TY 2013 Functional Currency and Exchange Rate QBU Statement

Name: NORTH CENTRAL HEALTH SERVICES INC

EIN: 31-1118357

QBU Id	Country of Operation	Functional Currency
USD		0.00000

FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NORTH CENTRAL HEALTH SERVICES, INC.

TABLE OF CONTENTS
DECEMBER 31, 2013 AND 2012

blue

Blue & Co, LLC - 9 Monument Square, Suite 200 - Portland, ME 04101
p: (207) 541-2200 - f: (207) 541-2201 - www.blueandco.com

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
North Central Health Services, Inc

Report on the Financial Statements

We have audited the accompanying financial statements of North Central Health Services, Inc (the "Organization"), which comprise the balance sheets as of December 31, 2013 and 2012, and the related statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control

Accordingly, we express no such opinion An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Blue & Co., LLC

Indianapolis, Indiana
April 17, 2014

NORTH CENTRAL HEALTH SERVICES, INC.

BALANCE SHEETS
DECEMBER 31, 2013 AND 2012

ASSETS

	2013	2012
Current assets		
Cash and cash equivalents	$ 37,370,041	$ 30,667,594
Short-term investments	212,676	1,563,396
Receivable under securities loan agreements	20,333,549	12,107,123
Net investment in direct financing leases	695,766	910,810
Patient accounts receivable, net of allowance for doubtful accounts of approximately $142,000 and $310,000 in 2013 and 2012, respectively	535,334	647,592
Prepaid expenses and other	107,376	115,966
Total current assets	59,254,742	46,012,481
Long-term investments	329,042,861	290,265,308
Property and equipment, net	12,413,746	11,996,047
Net investment in direct financing leases	626,177	10,075,085
Total assets	$ 401,337,526	$ 358,348,921

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued expenses	$ 416,465	$ 311,408
Accrued payroll and related expenses	70,460	56,491
Obligation to return securities	20,333,549	12,107,123
Grants payable - short term	927,526	2,144,971
Total current liabilities	21,748,000	14,619,993
Deferred compensation payable	218,603	194,282
Grants payable-long term	460,171	649,871
Total liabilities	22,426,774	15,464,146
Net assets		
Unrestricted	378,849,048	342,828,789
Temporarily restricted	61,704	55,986
Total net assets	378,910,752	342,884,775
Total liabilities and net assets	$ 401,337,526	$ 358,348,921

See accompanying notes to financial statements

NORTH CENTRAL HEALTH SERVICES, INC.

STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Revenues		
Net patient service revenue	$ 2,486,640	$ 3,330,868
Less provision for bad debts	454,162	255,990
Net patient service revenue net of provision for bad debt	2,032,478	3,074,878
Interest income - direct financing lease	1,564,381	2,466,648
Other revenue	550,000	484,325
Total revenues	4,146,859	6,025,851
Expenses		
Purchased services	3,857,632	3,627,624
Administrative and general services	902,959	713,320
Rental and property services	284,511	21,522
Depreciation and amortization	383,712	325,271
Hospital assessment fee expense	426,707	649,899
Grant awards	285,784	2,142,982
Total expenses	6,141,305	7,480,618
Loss from operations	(1,994,446)	(1,454,767)
Nonoperating income (loss)		
Investment income	26,884,165	17,921,601
Unrealized gain on investments	10,157,554	16,748,900
Loss on impairment - direct financing lease real estate	-0-	(4,706,090)
Gain on disposition of leases	972,986	-0-
Gain on disposition of assets	-0-	12,330
Total nonoperating income	38,014,705	29,976,741
Excess revenues over expenses/change in unrestricted net assets	36,020,259	28,521,974
Change in temporarily restricted net assets	5,718	(83,775)
Change in net assets	36,025,977	28,438,199
Net assets, beginning of year	342,884,775	314,446,576
Net assets, end of year	$ 378,910,752	$ 342,884,775

See accompanying notes to financial statements

NORTH CENTRAL HEALTH SERVICES, INC.

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Operating activities		
Change in net assets	$ 36,025,977	$ 28,438,199
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation and amortization	383,712	325,271
Provision for bad debts	454,162	255,990
Net gain on disposition of assets and leases	(972,986)	(12,330)
Net realized and unrealized gains on investments	(30,456,463)	(28,145,501)
Loss on impairment - direct financing lease real estate	-0-	4,706,090
Amortization of direct financing lease interest income	(1,564,381)	(2,466,648)
Changes in		
Patient accounts receivable	(341,904)	(205,520)
Prepaid expenses and other	8,590	(24,097)
Accounts payable and accrued expenses	105,057	32,030
Accrued payroll and related expenses	13,969	(4,756)
Grants payable	(1,407,145)	(957,877)
Deferred compensation payable	24,321	22,898
Net cash flows from operating activities	2,272,909	1,963,749
Investing activities		
Purchase of property and equipment	(801,410)	(466,414)
Purchase of investments	(75,768,408)	(29,180,685)
Proceeds from the sale of investments	68,798,038	30,953,528
Proceeds from the sale of property	-0-	14,997
Proceeds from the sale of direct financing lease	9,995,952	-0-
Direct financing leases payments received	2,205,366	2,804,218
Net cash flows from investing activities	4,429,538	4,125,644
Net change in cash and cash equivalents	6,702,447	6,089,393
Cash and cash equivalents, beginning of year	30,667,594	24,578,201
Cash and cash equivalents, end of year	$ 37,370,041	$ 30,667,594
Non-cash investing activities		
Loss on impairment - direct financing lease real estate	$ -0-	$ (4,706,090)
Securities received in secured lending transaction	$ 20,333,549	$ 12,107,123
Receivables under securities loan agreements	$ (20,333,549)	$ (12,107,123)

See accompanying notes to financial statements

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

North Central Health Services, Inc (the Organization) was incorporated as a not-for-profit organization in 1984, under the laws of the State of Indiana and is a not-for-profit organization as defined by Section 501(c)(3) of the Internal Revenue Code

The Organization owns and operates a behavioral healthcare facility, River Bend Hospital (the Hospital) The Organization ensures policies and procedures are followed to provide excellent consumer care related to the provision of services and the related activities at the Hospital The Organization utilizes a contractor to provide personnel and certain other necessary resources for the Hospital Related fees paid during 2013 and 2012 approximated $3,800,000 and $3,600,000, respectively, and are recorded in purchased services on the statement of operations and changes in net assets.

The Organization has provided and intends to continue to provide grants to worthy non-for-profit entities in the Organization's eight (8) county service area that address a wide range of health and quality of life issues

Certain other unrestricted activities are considered to be nonoperating and principally represent investment income, unrealized gains and losses on investments, losses on impairment, and gains and losses from the disposition of assets Operating and nonoperating activities comprise the Organization's performance indicator of excess revenues over expenses

Use of Estimates

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

Cash and Cash Equivalents

The Organization considers liquid investments, other than those included in certain managed equity investment portfolios, with original maturities of six months or less from date of purchase to be cash equivalents The Organization maintains its cash in accounts, which at times may exceed federally insured limits The Organization has not experienced any losses in such accounts The Organization believes that it is not exposed to any significant credit risk on cash and cash equivalents

Repurchase Agreements

The Organization has entered into repurchase agreements with a financial institution (the Bank) in the approximate amounts of $20,334,000 and $12,107,000 as of December 31, 2013 and 2012, respectively, which are included in cash and cash equivalents In consideration for the Organization's payment, the Bank sells and assigns securities, mainly governmental, or other pledged assets to the Organization collateralized at 101%. The Bank pays the Organization interest based on a determined rate computed on each agreement Average interest rates for the three agreements at December 31, 2013 and two agreements at December 31, 2012 were approximately 22% and 23%, respectively These secured lending transactions require the Organization to recognize an asset (receivable under securities loan agreements) and an offsetting liability (obligation to return securities)

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value Debt securities with a maturity date of one year or less are classified as short-term investments on the balance sheet The Organizations investments are classified as trading securities

The Organization invests in certain hedge funds, which are a fund of funds The Organization utilizes hedge funds to reduce (hedge) the investment risk associated with debt and equity securities and to diversify the investment portfolio in accordance with the Board approved investment policy Hedge funds may invest and trade in many different markets, strategies and instruments (including securities, non-securities and derivatives) and are not subject to the same regulatory requirements as mutual funds The hedge funds are carried at fair value as estimated by the fund's manager Although the manager uses its best judgment in estimating the fair value of the investments in the investment funds, there are inherent limitations in any estimation technique Therefore, the values presented herein are not necessarily indicative of the amount that the investments funds could realize in a current transaction These estimated values may differ significantly from the values that would have been used had a ready market for the investments in the investment funds existed and the difference could be material

The Organization invests in certain private equity investment funds The private equity funds primarily invest in limited partnerships The limited partnerships are invested in certain ventures and real estate with various strategies including venture capital, real estate holdings, distressed and mezzanine debt, and buyout strategies Investments in those limited partnerships are reported at fair value as determined by the individual manager of each partnership Although the manager uses its best judgment in estimating the fair value of the investments in the investment funds, there are inherent limitations in any estimation technique Therefore, the values presented herein are not necessarily indicative of the amount that the investments funds could realize in a current transaction These estimated values may differ significantly from the values that would have been used had a ready market for the investments in the investment funds existed and the difference could be material

Investment return includes dividends, interest, capital gains and losses, and realized and unrealized gains and losses on investments carried at fair value Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets

Charitable Remainder Trust

The Organization administers a charitable remainder trust. The charitable remainder trust provides for the payment of distributions to the grantor over the trust's term (the designated beneficiary's lifetime). At the end of the trust's term, the remaining assets are available for the Organization's use. The portion of the trust attributable to the future interest of the Organization is recorded in the statement of operations and changes in net assets as temporarily restricted contributions in the period the trust is established Assets held in the charitable remainder trust are recorded at fair value in the Organization's balance sheet On an annual basis, the Organization revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions The present value of the estimated future payments is calculated using a discount rate of 8 75% and applicable mortality tables The assets held under trust amount to approximately $87,000 at December 31, 2013 and 2012 and are classified within long-term investments Liabilities exist in the approximate amount of $22,000 at December 31, 2013 and 2012 and are classified within accounts payable and accrued expenses

Property and Equipment

Property and equipment are recorded at cost and depreciated on a straight-line basis over the estimated useful life of each asset ranging from 5 to 40 years Donated property and equipment is recorded at fair market value at the time of donation

Grants Payable

Unconditional grants awarded by the Organization are charged to expense when awarded

Conditional Grants

Certain grants are considered conditional and are not expended until the prerequisite conditions have been met by the grantee Conditional grants at December 31, 2013 and 2012 totaled $2,000,000

Temporarily Restricted Net Assets

Temporarily restricted net assets are those whose use by the Organization has been limited by donors to a specific time period or purpose and consist of a charitable remainder trust, net and funds specifically donated for improving healthcare facilities and patient care

Pension Plans

Effective January 1, 2001, the Organization adopted a defined-contribution 403(b) pension plan covering all employees

457(b) Deferred Compensation Plan

The Organization has established an elective 457(b) deferred compensation plan for certain key management or highly compensated employees Participation in the 457(b) plan is conditioned upon an eligible employee's execution of a Compensation Reduction Agreement Amounts specified under the Compensation Reduction Agreement are credited to an account maintained for the eligible employee under the 457(b) plan. The deferred amounts along with earning adjustments are recorded as a liability of the Organization

Performance Indicator and Operating Indicator

The statements of operations and changes in net assets include a performance indicator, excess revenues over expenses The statements of operations and changes in net assets also include an operating indicator, loss from operations. Certain nonoperating items are excluded from the operating indicator including investment income, unrealized gain (loss) on investments and losses on impairment, and gains from the disposition of assets

Patient Accounts Receivable and Net Patient Service Revenue

Net patient service revenue is recognized as services are performed and is reported based on charges, net of certain deductions from those charges Deductions are based on the difference between charges at established rates and amounts estimated by management to be reimbursable by third-party payers Reimbursable amounts are generally less than the established charges Final determination of amounts earned for patients is subject to review by appropriate program representatives Subsequent adjustments arising from such reviews are recorded in the year they become known. Net patient service revenue represents the estimated net realizable amounts from patients, third-party payors, and others for services rendered The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, discounted charges and per diem payments

The Organization grants credit to patients, substantially all of whom are local residents The Organization generally does not require collateral or other security in extending credit to patients, however, it routinely obtains assignments of (or is otherwise entitled to receive) patients' benefits payable under their health insurance programs Accounts receivable for patients, insurance companies, and governmental agencies are based on gross charges net of an allowance for contractual adjustments The allowance for contractual adjustments is based on expected payment rates from payors based on current reimbursement methodologies In addition, management estimates an allowance for uncollectible patient accounts receivable based on an evaluation of historical losses, current economic conditions, and other factors unique to the Organization's patient base

Approximately 73% and 53% of the gross accounts receivable relates to the Medicare and Medicaid program for the years ending December 31, 2013 and 2012, respectively.

Allowance for Doubtful Accounts

Accounts receivable are reduced by an allowance for doubtful accounts based on the Organization's evaluation of its major payor sources of revenue, the aging of the accounts, historical losses, current economic conditions, and other factors unique to their service area and the healthcare industry Management regularly reviews data about the major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts For receivables associated with services provided to patients who have third-party coverage, the Organization analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary Accounts are determined uncollectible after all third-party payor options have been exhausted and diligent collection efforts have been completed Write-offs and bad debt recoveries are charged to estimated uncollectible accounts as incurred and realized For receivables associated with self-pay payments, 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 Organization records a significant 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

Charity Care

The Organization provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its charity care policy Because the Organization does not collect amounts deemed to be charity care, they are not reported as revenue.

Of the Organization's total healthcare services and related expenses (total expense less grants awarded and rental and property services expense), (approximately $5,571,000 and $5,316,000 during the years ended December 31, 2013 and 2012, respectively), an estimated $1,170,000 and $960,000 arose from providing services to charity patients during the years ended December 31, 2013 and December 31, 2012, respectively

The estimated costs of providing charity services are based on a calculation which applies a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients The ratio of cost to charges is calculated based on the Organization's healthcare services and related expenses divided by gross patient service revenue The estimated charity amounts above approximate 21% and 18% of total healthcare services and related expenses for December 31, 2013 and 2012, respectively, while the industry average for psychiatric and behavioral health facilities is an estimated 8%, based on industry studies In addition, unlike many psychiatric and behavioral health facilities, the Organization does not seek nor accept federal, state, and local grants or similar support to achieve its mission

Leasing Arrangements

The Organization leases certain buildings to various health care entities located throughout its service area Certain leases are classified as direct financing leases expiring through 2018 A majority of the net investment in direct financing leases were sold during 2013 (See Note 6) The net investment in direct financing leases is carried at the gross investment in the lease less unearned income Unearned income is recognized in such a manner as to produce a constant periodic rate of return on the net investment

Estimated Malpractice Costs

The Indiana Medical Malpractice Act provides for a maximum recovery of $1,250,000 per occurrence ($7,500,000 annual aggregate) for professional liability, for an act of malpractice, $250,000 of which would be paid through malpractice insurance coverage and the balance would be paid by the State of Indiana Patient Compensation Fund Insurance coverage is provided on an occurrence basis Previously, the Organization was insured for malpractice through PHICO Insurance Company PHICO was placed into liquidation by the Pennsylvania Department of Insurance Due to the financial circumstances of PHICO, the Organization obtained malpractice coverage through another carrier The Organization may be liable for the first $250,000 of any pending PHICO claims A known claim is outstanding that occurred within the timeframe the Organization was covered by PHICO After consultation with legal counsel, the outcome of the known claim is not determinable at this time

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the United States Internal Revenue Code However, the Organization is required to file Federal Form 990 – Return of Organization from Income Tax, which is an informational return only The exemption is on all income except unrelated business income as noted under Section 511 of the Internal Revenue Code

Internal Revenue Code Section 513(a) defines an unrelated trade or business of an exempt organization as any trade or business which is not substantially related to the exercise or performance of its exempt purpose

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2013 and December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements The Organization is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress

Reclassifications

Certain amounts from 2012 have been reclassified in order to conform to the 2013 presentation.

Fair Value of Financial Instruments

The Organization uses various methods and assumptions in estimating the fair value of its financial instruments Cash and cash equivalents carrying amount approximates fair value based upon short-term maturities The investments fair value amounts, which are more fully disclosed in Note 5, are generally based upon quoted market prices, if available, or are estimated using quoted market prices for similar quoted market prices for similar securities, among other methods and assumptions Accounts payable and accrued expenses carrying amount approximates fair value based upon short-term maturities Net investment in direct financing leases carrying amount includes an estimate of the residual value of the associated property where applicable, which approximates fair value, among other assumptions as are disclosed in Note 6

Functional Expenses

The costs of providing various program and administrative and general services have been summarized in the statements of operations and changes in net assets Total program expenses for 2013 and 2012 were approximately $5,238,000 and $6,768,000, respectively Total administrative and general expenses for 2013 and 2012 were approximately $903,000 and $713,000, respectively

Subsequent Events

The Organization has evaluated events or transactions occurring subsequent to the balance sheet date for recognition and disclosure in the accompanying financial statements through the date the financial statements are available to be issued which is April 17, 2014

2. NET PATIENT SERVICE REVENUE

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue as presented in the statement of operations and changes in net assets is as follows

	2013	2012
Inpatient service revenue	$ 5,021,036	$ 6,218,345
Less		
Charity care	1,063,804	1,099,075
Contractual allowances	1,470,592	1,788,402
Net patient service revenue	$ 2,486,640	$ 3,330,868

Medicaid and Hospital Assessment Fee Program

Medicaid services are paid at prospectively determined rates per day or per discharge for inpatients or per occasion of service for outpatients To the extent that services to Medicare and Medicaid program beneficiaries are reimbursed based on cost reimbursement methodologies, final settlement is determined after submission of annual cost reports and audits thereof by the fiscal intermediary

During 2012, Hospital Assessment Fee (HAF) Program for the period July 1, 2011 through June 30, 2013 was approved by Centers for Medicare & Medicaid Services retroactive to July 1, 2011 The purpose of the HAF Program is to fund the State share of enhanced Medicaid payments and Medicaid Disproportionate Share (DSH) payments for Indiana hospitals as reflected in the hospital assessment fee expense reported in the statements of operations and changes in net assets Previously, the State share was funded by governmental entities through intergovernmental transfers The Medicaid enhanced payments relate to both fee for service and managed care claims The Medicaid enhanced payments are designed to follow the patients and result in increased Medicaid rates During 2013 and 2012, the Organization recognized HAF Program expense of approximately $427,000 and $650,000, respectively Cost reports from December 31, 2012 are open for review

3. PROPERTY AND EQUIPMENT

The Organization's property and equipment as of December 31 is as follows

	2013	2012
Property and equipment		
Land and land improvements	$ 6,627,301	$ 6,627,301
Buildings and improvements	6,613,574	5,820,522
Equipment	479,575	471,217
Leasehold improvements	431,167	431,167
	14,151,617	13,350,207
Less accumulated depreciation	(1,737,871)	(1,354,160)
	$ 12,413,746	$ 11,996,047

4. CASH, INVESTMENTS AND INVESTMENT RETURN

The carrying value of the Organization's cash, investments and charitable remainder trust as of December 31, 2013 and 2012 includes

	2013	2012
Cash and cash equivalents	$ 37,456,553	$ 30,748,389
Certificates of deposit	212,676	1,563,396
Fixed income funds	121,361,221	109,254,202
Hedge funds	27,664,214	25,374,304
Private equity funds	18,185,355	17,525,117
Equity funds and other	161,745,558	138,030,890
	$ 366,625,577	$ 322,496,298

The following schedules summarize the investment return and its classification in the statements of operations

	2013	2012
Interest and dividend income	$ 7,166,370	$ 7,102,167
Realized gains on investments	20,298,909	11,396,601
Investment fees	(581,114)	(577,167)
Investment income	$ 26,884,165	$ 17,921,601
Unrealized gain on investments	$ 10,157,554	$ 16,748,900

5. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3) The three levels of the fair value hierarchy are described as follows

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access

- Level 2. Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012

- *Equities:* Valued at the closing price reported on the active market on which the individual securities are traded

- *Fixed income* Valued using pricing models maximizing the use of observable inputs for similar securities.

- *Other.* Real estate investment trusts (REIT) are valued at the daily closing price as reported by the underlying funds REITs held by the Organization are open-end fund that are registered with the Securities and Exchange Commission and invests in a portfolio of equity and debt securities These funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds held by the Corporation are deemed to be actively traded

- *Private equity and Hedge funds* Valued at the NAV of units of the funds The NAV, as provided by the investment manager, is used as a practical expedient to estimate fair value The NAV is based on the fair value of the underlying investments held by the fund less its liabilities Due to the nature of the investments held by the fund, changes in market conditions and the economic environment may significantly impact the NAV of the fund and, consequently, the fair value of the Organization's interests in the funds Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable

When transactions do occur in this limited secondary market, they may occur at discounts to the reported NAV It is therefore reasonably possible that if the Organization were to sell these investments in the secondary market, a buyer may require a discount to the reported NAV, and the discount could be significant

- *Money market funds:* Generally transact subscription and redemption activity at a $1 stable net asset value (NAV) however, on a daily basis the funds are valued at their daily NAV calculated using the amortized cost of the securities held in the fund

- *Deferred Compensation payable and charitable remainder trust:* The deferred compensation payable is valued utilizing principal plus interest (4 88%) in accordance with the underlying contract. The charitable remainder trust is valued at the present value of the estimated future payments (see Note 1)

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2013 and 2012 are as follows

	2013			
Description	Total	Level 1	Level 2	Level 3
Equity funds				
Emerging markets	$ 23,595,263	$ 23,595,263	$ -0-	$ -0-
Value equity	26,512,188	26,512,188	-0-	-0-
Small cap equity	6,671,535	6,671,535	-0-	-0-
International equity	66,003,194	66,003,194	-0-	-0-
Growth equity	36,249,717	36,249,717	-0-	-0-
Fixed income funds				
Vanguard fixed income inflation protected	29,939,065	29,939,065	-0-	-0-
Fixed income	18,390,774	18,390,774	-0-	-0-
High yield	38,750,286	38,750,286	-0-	-0-
Government fixed income	18,675,571	18,675,571	-0-	-0-
Corporate fixed income	15,605,525	15,605,525	-0-	-0-
Other				
Real estate	2,713,661	2,713,661	-0-	-0-
Private equity funds				
Private equity offshore fund VII LP	3,829,671	-0-	-0-	3,829,671
Private equity V offshore	6,868,756	-0-	-0-	6,868,756
Private equity offshore fund VI LTD	7,486,928	-0-	-0-	7,486,928
Hedge funds				
Absolute return offshore fund	11,223,096	-0-	-0-	11,223,096
Total return offshore	16,441,118	-0-	-0-	16,441,118
Cash equivalents				
Money market funds	15,310,502	-0-	15,310,502	-0-
	344,266,850	283,106,779	15,310,502	45,849,569
Cash	22,146,051			
Certificates of deposit *	212,676			
Total investments	$ 366,625,577			
* Certificates of deposit are carried at contract value				
Liabilities				
Deferred compensation payable	$ 218,603	$ -0-	$ 218,603	$ -0-
Charitable remainder trust	21,947	-0-	21,947	-0-
	$ 240,550	$ -0-	$ 240,550	$ -0-

	2012			
Description	Total	Level 1	Level 2	Level 3
Equity funds				
Emerging markets	$ 9,513,533	$ 9,513,533	$ -0-	$ -0-
Value equity	39,304,829	39,304,829	-0-	-0-
Small cap equity	6,840,510	6,840,510	-0-	-0-
International equity	41,306,352	41,306,352	-0-	-0-
Growth equity	37,976,382	37,976,382	-0-	-0-
Fixed income funds				
Vanguard fixed Inc inflation protected	28,746,686	28,746,686	-0-	-0-
Fixed income	17,937,426	17,937,426	-0-	-0-
High yield	28,851,366	28,851,366	-0-	-0-
Government fixed income	18,189,715	18,189,715	-0-	-0-
Corporate fixed income	15,529,009	15,529,009	-0-	-0-
Other				
Real estate	3,089,284	3,089,284	-0-	-0-
Private equity funds				
Private equity offshore fund VII LP	3,354,205	-0-	-0-	3,354,205
Private equity V offshore	6,614,502	-0-	-0-	6,614,502
Private equity offshore fund VI LTD	7,556,410	-0-	-0-	7,556,410
Hedge funds				
Absolute return offshore fund	10,504,437	-0-	-0-	10,504,437
Total return offshore	14,869,867	-0-	-0-	14,869,867
Cash equivalents				
Money market funds	17,116,964	-0-	17,116,964	-0-
	307,301,477	$ 247,285,092	$ 17,116,964	$ 42,899,421
Cash	13,631,425			
Certificates of deposit*	1,563,396			
Total investments	$ 322,496,298			

* Certificates of deposit are carried at contract value

Liabilities				
Deferred compensation payable	$ 194,282	$ -0-	$ 194,282	$ -0-
Charitable remainder trust	21,947	-0-	21,947	-0-
	$ 216,229	$ -0-	$ 216,229	$ -0-

The Organization's policy is to recognize transfers between levels as of the actual date of the even or change in circumstances/end of the reporting period During 2013 and 2012, there were no transfers between levels.

The following is a progression of the Level 3 investments measured at fair value on a recurring basis for the years ended December 31, 2013 and 2012

	2013		2012	
	Private Equity	Hedge Funds	Private Equity	Hedge Funds
Balance, beginning of year	$ 17,525,117	$ 25,374,304	$ 14,961,705	$ 23,908,469
Unrealized gains included in earnings	1,904,740	2,289,910	2,624,230	1,465,835
Return of capital	(2,005,655)	-0-	(1,751,004)	-0-
Purchases	761,153	-0-	1,690,186	-0-
Balance, end of year	$ 18,185,355	$ 27,664,214	$ 17,525,117	$ 25,374,304

Related to the level 3 investments, unrealized gains of approximately $4,195,000 and $4,090,000 as of December 31, 2013 and 2012, respectively, are included in earnings and are reported in the statement of operations and changes in net assets as a component of unrealized gain on investments

The Organization holds investments which are exposed to various risks such as interest rate, market, and credit Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying financial statements

For the year ended December 31, 2012, the Organization recognized approximately $4,700,000 in impairment losses on the direct financing leases The adjustment was made to reflect declines in the estimated net realizable values related to certain property under lease, which were set to expire in 2021 The fair value of the property was determined to be impaired, which is measured on a non-recurring basis, based upon a recent real estate valuation performed in consideration of the location, present value of cash flows, and resale values of the properties The Organization's previous carrying value of the property under lease approximated $23,000,000 as the unguaranteed residual value under lease, while the real estate valuation approximated $11,386,000, which qualified as a level 2 non-recurring fair value measurement The approximate $4,700,000 impairment loss is a result of using the $11,386,000 as the unguaranteed residual value of the properties under lease in the calculation of the net investment in direct financing leases including its usage in the associated calculation of the estimated unearned interest income

During 2013, the Organization sold the remaining portion of the net investment in direct financing leases which had an unguaranteed residual value for approximately $9,900,000 with an approximate carrying value of $7,500,000 resulting in a gain of approximately $2,400,000

Also during 2013, the Organization sold another lease for approximately $55,000 with a carrying value of approximately $1,500,000 resulting in a loss of approximately $1,445,000

6. NET INVESTMENT IN DIRECT FINANCING LEASES

The net investment in direct financing leases consists of the following as of December 31:

	2013	2012
Total minimum lease payments receivable	$ 1,515,627	$ 18,230,467
Estimated residual value of buildings (unguaranteed)	-0-	11,385,748
Less unearned interest income	(193,684)	(18,630,320)
Net investment in direct financing leases	$ 1,321,943	$ 10,985,895

At December 31, 2013, the future minimum lease payments receivable were as follows for the years ending December, 31

2014	$ 708,799
2015	230,522
2016	230,522
2017	230,523
2018	115,261
Future minimum lease payments	$ 1,515,627

Interest income earned for 2013 and 2012 was $1,564,381 and $2,466,648, respectively

7. COMMITMENTS AND CONTINGENCIES

General Litigation

In addition to malpractice, the Organization is subject to claims and lawsuits, which arise, primarily in the ordinary course of conducting operations It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position of the Organization

Repurchase Agreements

The Organization has entered into repurchase agreements in the approximate amounts of $20,334,000 and $12,107,000 as of December 31, 2013 and 2012, respectively, which are included in cash and cash equivalents These secured lending agreements are not considered deposits and thus not insured by the Federal Deposit Insurance Organization (FDIC) In addition, these agreements are subject to certain risks, including market value risk of the underlying securities and the credit risk of the associated bank.