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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
ADVOCATE NORTH SIDE HEALTH NETWORK

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
3075 HIGHLAND PARKWAY
Suite 600

City or town, state or province, country, and ZIP or foreign postal code
DOWNERS GROVE, IL 60515

D Employer identification number
36-3196629

E Telephone number
(630) 929-5543

G Gross receipts $ 532,071,019

F Name and address of principal officer
Susan Nordstrom Lopez
3075 Highland Parkway
Downers Grove, IL 60515

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 ADVOCATEHEALTH COM

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

L Year of formation 1983

M State of legal domicile IL

Part I Summary

1 Briefly describe the organization's mission or most significant activities
See Schedule O

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**	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	12
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	3,340
6	Total number of volunteers (estimate if necessary)	**6**	250
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	549,414
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	6,235,137	5,623,234
9	Program service revenue (Part VIII, line 2g)	449,606,132	479,394,750
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,056,789	7,656,723
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,592,255	7,433,555
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	471,490,313	500,108,262
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	338,000	193,590
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)	213,028,766	214,603,003
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)	206,887,910	220,875,365
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	420,254,676	435,671,958
19	Revenue less expenses Subtract line 18 from line 12	51,235,637	64,436,304

Revenue

Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	428,815,598	459,708,706
21	Total liabilities (Part X, line 26)	98,113,056	126,605,400
22	Net assets or fund balances Subtract line 21 from line 20	330,702,542	333,103,306

Net Assets or Fund Balances

Part II Signature Block

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

Sign Here

Signature of officer — Date: 2014-11-11

James W Doheny VP FIN & CONTROLLER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Katherine Kurtzman				P01236691

Firm's name ▶ ERNST & YOUNG US LLP — Firm's EIN ▶

Firm's address ▶ 155 N Wacker Drive
Chicago, IL 60606 — Phone no

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

THE MISSION OF ADVOCATE HEALTH CARE IS TO SERVE THE HEALTH NEEDS OF INDIVIDUALS, FAMILIES AND COMMUNITIES THROUGH A WHOLISTIC PHILOSOPHY ROOTED IN OUR FUNDAMENTAL UNDERSTANDING OF HUMAN BEINGS AS CREATED IN THE IMAGE OF GOD

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 $ 324,190,652 including grants of $ 193,590) (Revenue $ 415,970,363)

PROVIDING INPATIENT AND OUTPATIENT HEALTHCARE SERVICES TO THE COMMUNITY REGARDLESS OF THE PATIENTS' ABILITY TO PAY INCLUDED IN THIS PROGRAM SERVICE ARE THE PROVISION OF CHARITY CARE AND TRAUMA CARE AS PART OF ITS COMMUNITY BENEFITS STRATEGY AND ITS MISSION, ADVOCATE NORTH SIDE HEALTH NETWORK (ANSHN), FOR WHICH ADVOCATE ILLINOIS MASONIC MEDICAL CENTER (AIMMC) IS THE ONLY HOSPITAL, IS COMMITTED TO PROMOTING INITIATIVES THAT ENHANCE ACCESS TO HEALTH CARE FOR THE UNINSURED AND UNDERINSURED AN EXAMPLE OF THIS IS ANSHN'S PROVISION OF CHARITY CARE ANSHN OFFERS A VERY GENEROUS CHARITY CARE PROGRAM - REQUIRING NO PAYMENTS FROM THE PATIENTS MOST IN NEED, AND PROVIDING DISCOUNTS TO UNINSURED PATIENTS EARNING UP TO SIX TIMES THE FEDERAL POVERTY LEVEL AND TO INSURED PATIENTS EARNING UP TO FOUR TIMES THE POVERTY LEVEL A PATIENT'S EXTENUATING CIRCUMSTANCES ARE CONSIDERED WHEN QUALIFYING PATIENTS FOR CHARITY CARE AND IN CERTAIN CASES, ANSHN USES ADVOCATE OR PUBLIC RECORDS TO DETERMINE A PATIENT'S ELIGIBILITY ("PRESUMPTIVE ELIGIBILITY") ALTHOUGH ANSHN'S CHARITY CARE POLICY IS VERY GENEROUS, IT CONTINUES TO REVIEW AND REFINE ITS POLICY IN AN ONGOING EFFORT TO ENSURE THAT FINANCIAL ASSISTANCE IS AVAILABLE TO THOSE WHO NEED HELP WHEN THEY NEED IT ANSHN MAINTAINS HIGHLY VISIBLE SIGNAGE AND BROCHURES IN MULTIPLE LANGUAGES TO INFORM PATIENTS OF THE AVAILABILITY OF FINANCIAL HELP AND FINANCIAL COUNSELORS INFORMATION ABOUT ANSHN'S CHARITY CARE PROGRAM AND CHARITY APPLICATIONS IS PROVIDED TO ALL UNINSURED PATIENTS DURING REGISTRATION AND AS AN INSERT IN ALL UNINSURED PATIENTS' BILLS IN THE AREA OF TRAUMA CARE - ANSHN IS DEDICATED TO PROVIDING EXPERT EMERGENCY CARE - TODAY AND IN THE FUTURE ADVOCATE NORTH SIDE'S LEVEL I TRAUMA CENTER CARES FOR THE MOST SERIOUSLY INJURED PEOPLE IN ITS SERVICE AREA IN 2013, ANSHN EXPERIENCED 1,067 TRAUMA VISITS ANSHN'S TRAUMA CENTER IS STAFFED BY ON-SITE, 24-HOUR-A-DAY TRAUMA SURGEONS, AND FEATURES 24-HOUR SURGICAL AND NONSURGICAL SERVICES, SUCH AS RADIOLOGY AND ANESTHESIA

4b (Code) (Expenses $ 63,846,281 including grants of $) (Revenue $ 45,334,583)

HEALTH CARE SERVICES PROVIDED BY PHYSICIANS EMPLOYED BY THE ORGANIZATION AS PART OF ANSHN'S BROAD ARRAY OF SERVICES AND PROGRAMS DESIGNED TO MEET COMMUNITY HEALTH NEEDS, ANSHN PHYSICIANS FOCUS ON ADDRESSING THE MOST SIGNIFICANT ISSUES IMPACTING PUBLIC HEALTH IN ITS SERVICE AREA THROUGH THIS FOCUSED APPROACH, THEY ALSO CONCENTRATE ON PROVIDING PROGRAMS AND SERVICES THAT TARGET THE UNIQUE NEEDS FOR HEALTH CARE ACCESS OF UNINSURED, UNDERINSURED, UNDERSERVED AND SPECIAL NEEDS INDIVIDUALS LIVING IN THE COMMUNITIES SERVED BY ANSHN ANSHN PHYSICIANS ALSO PROVIDE YEAR ROUND HEALTH EDUCATION, LECTURES AND SCREENINGS AT COMMUNITY HEALTH EVENTS THROUGHOUT ITS SERVICE AREA

4c (Code) (Expenses $ 22,656,115 including grants of $) (Revenue $ 6,564,978)

GRADUATE MEDICAL EDUCATION - ANSHN IS COMMITTED TO TRAINING HEALTH CARE PROVIDERS IN A BROAD RANGE OF SPECIALTIES IN 2013, 602 MEDICAL STUDENTS COMPLETED ROTATIONS AND 250 MEDICAL RESIDENTS AND FELLOWS RECEIVED HANDS-ON TRAINING AT ANSHN ALSO AN IMPORTANT COMPONENT ITS TEACHING COMMITMENT IS THE TRAINING OF OTHER HEALTH CARE PROFESSIONALS, SUCH AS PHARMACY, NURSING, PSYCHOLOGY REHAB, AND SOCIAL WORK STUDENTS ANSHN'S SPIRITUAL CARE LEADER ALSO OVERSEES A CLINICAL PASTORAL EDUCATION PROGRAM, PROVIDING OPPORTUNITIES FOR SEMINARY STUDENTS AND LOCAL HEALTH LEADERS TO GROW AND DEVELOP SPIRITUAL CARE MINISTRY SKILLS Education program, providing opportunities for seminary students and local health leaders to grow and develop spiritual care ministry skills

4d Other program services (Describe in Schedule O)

(Expenses $ 2,772,129 including grants of $) (Revenue $ 11,610,066)

4e **Total program service expenses** ▶ 413,465,177

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c	Yes	
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		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or 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**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
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**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
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	258		
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	3,340		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

Check if Schedule O contains a response 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**	13		
	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**	12		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			**2** Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .			**3**	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** Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			**7a** Yes	
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** Yes	
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**	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**	Yes	
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**	Yes	

Section C. Disclosure

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

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

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

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

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

▶ JAMES DOHENY 3075 HIGHLAND PARKWAY
DOWNERS GROVE,IL 60515 (630)929-5543

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			

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)** . . . . . ▶								5,011,750	18,512,501	6,151,671

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 ▶ 268

			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**	Yes	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *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
Power Construction Co, 2360 N Palmer Dr Schaumburg IL 601733818	Construction Contr	6,018,104
Smithgroup JJR, 35 E Wacker Dr Suite 2200 Chicago IL 60601	Architecture Svcs	2,293,720
Crothall Laundry Service, 45 W Hintz Rd Wheeling IL 600906073	Laundry Services	1,506,555
Aramark Healthcare Support Services, 25271 Network Pl Chicago IL 606731252	Hospital Services	1,505,393
Custom Contracting Ltd, 21020 N Rand Rd Suite D Lake Zurich IL 60047	Construction Contr	857,535

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 ▶ 17

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 0				
	b	Membership dues	1b 0				
	c	Fundraising events	1c 0				
	d	Related organizations . . .	1d 3,604,646				
	e	Government grants (contributions)	1e 1,903,797				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 114,791				
	g	Noncash contributions included in lines 1a-1f $	0				
	h	**Total.** Add lines 1a-1f . . . . . ▶		5,623,234			
Program Service Revenue			Business Code				
	2a	Program Service Revenue	622110	46,520,450	46,520,450	0	0
	b	Medicare / Medicaid	622110	164,461,392	164,461,392	0	0
	c	Pharmacy	446110	156,690,839	156,690,839	0	0
	d	Labs	621500	106,072,805	106,072,805	0	0
	e	Meaningful Use	622110	4,062,378	4,062,378	0	0
	f	All other program service revenue		1,586,886	1,586,886	0	0
	g	**Total.** Add lines 2a–2f . . . . . ▶		479,394,750			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		4,297,738			4,297,738
	4	Income from investment of tax-exempt bond proceeds . . ▶		0			
	5	Royalties . . . . . ▶		0			
			(i) Real / (ii) Personal				
	6a	Gross rents	1,487,148				
	b	Less rental expenses					
	c	Rental income or (loss)	1,487,148 / 0				
	d	Net rental income or (loss) . . . . . ▶		1,487,148		549,414	937,734
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	34,806,772 / 514,970				
	b	Less cost or other basis and sales expenses	31,539,443 / 423,314				
	c	Gain or (loss)	3,267,329 / 91,656				
	d	Net gain or (loss) . . . . . ▶		3,358,985			3,358,985
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 . . ▶		0			
	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 . . ▶		0			
	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 . . ▶		0			
		Miscellaneous Revenue	Business Code				
	11a	Parking Income	812930	2,207,891	0	0	2,207,891
	b	Cafeteria Revenue	722210	1,399,868	0	0	1,399,868
	c	Consumer Finance Charges	900099	2,253,408	0	0	2,253,408
	d	All other revenue		85,240	85,240	0	
	e	**Total.** Add lines 11a–11d . . . . . ▶		5,946,407			
	12	**Total revenue.** See Instructions . . . . . ▶		500,108,262	479,479,990	549,414	14,455,624

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	193,590	193,590		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	0	0		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0	0		
4 Benefits paid to or for members	0	0		
5 Compensation of current officers, directors, trustees, and key employees	1,385,146	1,356,956	28,190	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	129,583	129,583	0	0
7 Other salaries and wages	173,957,075	170,414,139	3,542,936	0
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	6,513,701	6,513,701	0	0
9 Other employee benefits	21,272,600	21,073,489	199,111	0
10 Payroll taxes	11,344,898	11,158,239	186,659	0
11 Fees for services (non-employees)				
a Management	0	0	0	0
b Legal	480	0	480	0
c Accounting	256,347	0	256,347	0
d Lobbying	88,636	88,636	0	0
e Professional fundraising services See Part IV, line 17	0			0
f Investment management fees	310,181	310,181	0	0
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	19,172,817	18,930,709	242,108	0
12 Advertising and promotion	121,026	19,317	101,709	0
13 Office expenses	2,454,512	2,205,150	249,362	0
14 Information technology	18,588,042	9,460,779	9,127,263	0
15 Royalties . .	0	0	0	0
16 Occupancy	9,181,076	9,176,097	4,979	0
17 Travel	463,382	394,963	68,419	0
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19 Conferences, conventions, and meetings	353,617	325,727	27,890	0
20 Interest	0	0	0	0
21 Payments to affiliates	0	0	0	0
22 Depreciation, depletion, and amortization	14,078,308	13,874,483	203,825	0
23 Insurance	14,720,345	14,720,345	0	0
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a Medical supplies	47,195,958	47,195,958	0	0
b BAD DEBT	30,584,729	30,584,729	0	0
c Public assessment fee	18,873,147	18,873,147	0	0
d Contracted services	20,361,525	20,085,683	275,842	0
e All other expenses	24,071,237	16,379,576	7,691,661	
25 **Total functional expenses.** Add lines 1 through 24e	435,671,958	413,465,177	22,206,781	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)	0			

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		695,171	1	32,458,771
	2	Savings and temporary cash investments		32,467,015	2	0
	3	Pledges and grants receivable, net		2,904,553	3	165,531
	4	Accounts receivable, net		59,928,798	4	60,017,267
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	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		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		7,049,058	8	7,820,305
	9	Prepaid expenses and deferred charges		692,726	9	772,344
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 291,085,882			
	b	Less accumulated depreciation	10b 112,649,062	138,076,940	10c	178,436,820
	11	Investments—publicly traded securities		80,118,780	11	51,989,789
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		83,454,247	13	92,455,222
	14	Intangible assets		114,255	14	104,350
	15	Other assets See Part IV, line 11		23,314,055	15	35,488,307
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		428,815,598	16	459,708,706
Liabilities	17	Accounts payable and accrued expenses		63,330,445	17	84,986,471
	18	Grants payable		0	18	0
	19	Deferred revenue		6,542,820	19	3,380,666
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	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		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	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		28,239,791	25	38,238,263
	26	**Total liabilities.** Add lines 17 through 25		98,113,056	26	126,605,400
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		330,702,542	27	333,103,306
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		330,702,542	33	333,103,306
	34	Total liabilities and net assets/fund balances		428,815,598	34	459,708,706

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	500,108,262
2	Total expenses (must equal Part IX, column (A), line 25)	2	435,671,958
3	Revenue less expenses Subtract line 2 from line 1	3	64,436,304
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	330,702,542
5	Net unrealized gains (losses) on investments	5	12,964,460
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	-75,000,000
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	333,103,306

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	Yes	
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	Yes	

Additional Data

Software ID:
Software Version:
EIN: 36-3196629
Name: ADVOCATE NORTH SIDE HEALTH NETWORK

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
James Skogsbergh Exec VP, COO, Director	1 0 43 0	X		X				0	4,844,462	2,167,252
Mark Harris Chairperson, Director	1 0 3 0	X						0	0	0
Michele Richardson Vice Chairperson, Director	1 0 3 0	X						0	0	0
David Anderson Director	1 0 3 0	X						0	0	0
Alejandro Aparicio MD Director	1 0 5 0	X						0	0	0
Lynn Crump-Caine Director	1 0 3 0	X						0	0	0
Rev Dr Nathaniel Edmond Director	1 0 3 0	X						0	0	0
Ron Greene Director	1 0 3 0	X						0	0	0
Laurie Meyer Director	1 0 3 0	X						0	0	0
Clarence Nixon Jr PhD Director	1 0 3 0	X						0	0	0
Rick Jakle Director	1 0 3 0	X						0	0	0
Gary Stuck Director	1 0 3 0	X						0	0	0
John Timmer Director	1 0 3 0	X						0	0	0
William P Santulli President & CEO	1 0 42 0			X				0	2,317,674	800,015
Lee B Sacks MD Exec VP, Chief Medical Officer	1 0 42 0			X				0	1,800,900	390,714
James Dan MD Pres Phys & Ambulatory Svcs	1 0 42 0			X				0	1,317,265	295,691
James Doheny VP, Finance & Corp Controller	1 0 46 0			X				0	439,005	55,680
Kelly Jo Golson SVP, Public Affairs & Mktg	1 0 42 0			X				0	829,501	135,143
Kevin Brady SVP, Human Resources	1 0 42 0			X				0	1,009,341	285,030
Susan Campbell SVP of Patient Cr Chf Nur Ofcr	1 0 43 0			X				0	264,253	144,987
Gail D Hasbrouck SVP, Gen Counsel, Corp Sec	1 0 45 0			X				0	1,100,893	214,228
Dominic J Nakis SVP, CFO	1 0 42 0			X				0	1,696,068	391,739
Scott Powder SVP, Strategic Plan & Growth	1 0 42 0			X				0	751,941	191,981
Bruce D Smith SVP, CIO	1 0 42 0			X				0	1,089,595	230,365
Rev K Bender Schwich SVP, Mission & Spiritual Care	1 0 42 0			X				0	315,093	276,880

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Susan Nordstrom Lopez President of Advocate IMMC	40 0 1 0				X			1,107,136	0	278,010
John Song MD Neurosurgeon	40 0 0 0					X		945,618	0	27,736
Abraham Shashoua MD Physician - Ob/Gyn	40 0 0 0					X		909,053	0	52,984
Kenji Muro MD Neurosurgeon	40 0 0 0					X		823,635	0	49,037
Vijay Maker Chair Surgery Department	40 0 0 0					X		487,452	0	40,118
Stephen Locher Chair Obstetrics/Gynecology	40 0 0 0					X		486,336	0	48,184
Ben Grigaliunas SVP, Human Resources	0 0 0 0						X	0	736,510	36,066
Jose Elizondo MD Director-Dec '11	40 0 0 0						X	252,520	0	39,831

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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
ADVOCATE NORTH SIDE HEALTH NETWORK

Employer identification number
36-3196629

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 C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

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2013

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

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

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

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

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

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

Name of the organization	Employer identification number
ADVOCATE NORTH SIDE HEALTH NETWORK	36-3196629

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

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

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

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

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period — Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

	For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	0
d	Mailings to members, legislators, or the public?		No	0
e	Publications, or published or broadcast statements?		No	0
f	Grants to other organizations for lobbying purposes?		No	0
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	0
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	0
i	Other activities?	Yes		88,636
j	Total Add lines 1c through 1i			88,636
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
SCHEDULE C, PART II-B, LINE 1I	SUPPLEMENTAL LOBBYING INFORMATION ADVOCATE NORTH SIDE HEALTH NETWORK IS A MEMBER OF THE AMERICAN HOSPITAL ASSOCIATION, THE ILLINOIS HOSPITAL ASSOCIATION AND THE METROPOLITAN CHICAGO HEALTHCARE COUNCIL THESE ORGANIZATIONS, AS PART OF THEIR MISSIONS, ADVOCATE IN THE GENERAL ASSEMBLY AND CONGRESS ON LEGAL AND POLICY ISSUES THAT AFFECT HEALTHCARE INCLUDING QUALITY, AFFORDABILITY, PATIENT ACCESS AND ACCREDITATION A PORTION OF THE ANNUAL MEMBERSHIP DUES PAID TO THESE ORGANIZATIONS IS ATTRIBUTABLE TO THESE LOBBYING ACTIVITIES ADVOCATE NORTH SIDE HEALTH NETWORK ALSO REIMBURSES VARIOUS ASSOCIATES FOR DUES PAID TO VARIOUS PROFESSIONAL ORGANIZATIONS AND ALSO FOR EDUCATIONAL EXPENSES PROVIDED BY PROFESSIONAL AND MEMBERSHIP ORGANIZATIONS ADVOCATE NORTH SIDE HEALTH NETWORK ENDEAVORS TO IDENTIFY THE PORTION OF DUES OR FEES PAID TO THESE ORGANIZATIONS WHICH ARE ATTRIBUTABLE TO LOBBYING ACTIVITIES

Part IV Supplemental Information *(continued)*

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*.

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2013

Open to Public Inspection

Name of the organization
ADVOCATE NORTH SIDE HEALTH NETWORK

Employer identification number
36-3196629

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

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

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

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

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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
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		39,104,543		39,104,543
b Buildings		132,126,383	67,117,625	65,008,758
c Leasehold improvements		3,270,119	2,452,033	818,086
d Equipment		63,920,004	40,983,542	22,936,462
e Other		52,664,833	2,095,862	50,568,971
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				178,436,820

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
(1) MASONIC FAMILY HEALTH FDN	91,400,000	F
(2) CHICAGO NORTHSIDE MRI	895,498	F
(3) REHAB INSTITUTE OF CHICAGO	159,724	F
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶	92,455,222	

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) INTERCOMPANY RECEIVABLES	22,046,372
(2) MASONIC FAMILY HLTH FDN A/R	4,757,000
(3) OTHER RECEIVABLES	8,619,935
(4) MISCELLANEOUS	65,000
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	35,488,307

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	0
THIRD PARTY SETTLEMENTS	33,490,725
RAVENSWOOD COMMUNITY COMMITMENT	3,301,270
REMEDIATION COST LIABILITY	1,446,268
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	38,238,263

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

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

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

Part XIII **Supplemental Information**

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 XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.
▶ 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
ADVOCATE NORTH SIDE HEALTH NETWORK

Employer identification number
36-3196629

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 _____ %	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 600 %	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	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	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)			13,344,077	114,590	13,229,487	3 270 %
b Medicaid (from Worksheet 3, column a)			100,780,013	103,221,412	-2,441,399	
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			114,124,090	103,336,002	10,788,088	3 270 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,051,067		2,051,067	0 510 %
f Health professions education (from Worksheet 5)			25,685,263	6,564,978	19,120,285	4 720 %
g Subsidized health services (from Worksheet 6)			10,846,741	9,730,034	1,116,707	0 280 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			815,126		815,126	0 200 %
j **Total.** Other Benefits			39,398,197	16,295,012	23,103,185	5 710 %
k **Total.** Add lines 7d and 7j			153,522,287	119,631,014	33,891,273	8 980 %

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

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

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		No
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2 30,584,729		
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 1,318,263		
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	70,384,109
6	Enter Medicare allowable costs of care relating to payments on line 5	6	67,096,224
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	3,287,885
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 ILLINOIS MASONIC MEDICAL CENTER

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 13			
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.advocatehealth.com/chnareports			
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**		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 % If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 600 % 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**	Yes	
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
PART V, SECTION C - DESCRIPTION FOR PART V, SEC B, LINE 1J	ADVOCATE ILLINOIS MASONIC MEDICAL CENTER'S PRIMARY SERVICE AREA IS A DIVERSE GEOGRAPHY CONSISTING OF COMMUNITIES THAT ARE VERY DIFFERENT IN ETHNIC ORIGIN AND DISEASE INCIDENCE AND PREVALENCE MUCH OF THE IN-DEPTH ASSESSMENT DATA WAS EITHER NOT ABLE TO BE ANALYZED BY NEIGHBORHOOD OR WAS ONLY PROVIDED FOR ONE OR MORE NEIGHBORHOODS THE SPECIFIC ASSESSMENTS COMPLETED IN RAVENSWOOD, UPTOWN AND LAKE VIEW ARE EXAMPLES OF THIS LATTER SITUATION IN ADDITION, THE MEDICAL CENTER SERVES SEVERAL SPECIFIC COMMUNITIES DEFINED BY SEXUAL ORIENTATION, DISABILITY OR ETHNIC/RACIAL ORIGIN WHOSE NEEDS WERE NOT WELL DEFINED FOR EXAMPLE, THE MEDICAL CENTER SERVES A LESBIAN, GAY, BISEXUAL AND TRANSGENDER (LGBT) COMMUNITY AND DATA SPECIFIC TO THAT POPULATION'S NEEDS WAS NOT AVAILABLE DURING THE NEXT CHNA PROCESS, A FOCUSED ASSESSMENT EFFORT WILL TARGET THE LGBT COMMUNITY PART V, SECTION C - DESCRIPTION FOR PART V, SEC B, LINE 3 COMMUNITY HEALTH COUNCIL REVIEWED DATA & SET PRIORITIES IN SUPPORT OF THIS VISION AND IN ALIGNMENT WITH ADVOCATE HEALTH CARE'S STANDARDIZED APPROACH, ILLINOIS MASONIC MEDICAL CENTER CONVENED A COMMUNITY HEALTH COUNCIL TO CONDUCT ITS COMPREHENSIVE CHNA THIS COUNCIL WAS CHAIRED BY THE MEDICAL CENTER'S COMMUNITY HEALTH LEADER AND COMPRISED OF REPRESENTATIVES FROM THE EXECUTIVE TEAM, PUBLIC AFFAIRS AND MARKETING, MISSION AND SPIRITUAL CARE, AND BUSINESS DEVELOPMENT AND STRATEGY COMMUNITY MEMBERS SERVING ON THE MEDICAL CENTER'S GOVERNING COUNCIL WERE ALSO RECRUITED AS ACTIVE PARTICIPANTS IN THE COMMUNITY HEALTH COUNCIL ADDITIONAL MEDICAL CENTER STAFF AND COMMUNITY REPRESENTATIVES WERE ADDED AS THE PROCESS EVOLVED TO FILL IN ANY COMMUNITY HEALTH COUNCIL GAPS IN EXPERTISE THE TITLES AND AFFILIATIONS OF THE COMMUNITY HEALTH COUNCIL'S MEMBERS ARE PROVIDED BELOW COMMUNITY HEALTH COUNCIL MEMBERS -ASSOCIATE PASTOR, ST PAUL'S UNITED CHURCH OF CHRIST/MEMBER, GOVERNING COUNCIL, ILLINOIS MASONIC MEDICAL CENTER -PASTOR, SPANISH CHRISTIAN CHURCH/MEMBER, GOVERNING COUNCIL, ILLINOIS MASONIC MEDICAL CENTER -REVEREND, ST LUKE'S LUTHERAN CHURCH/MEMBER, GOVERNING COUNCIL, ILLINOIS MASONIC MEDIC CENTER -CHAIRMAN, FAMILY PRACTICE, ILLINOIS MASONIC MEDICAL CENTER/MEMBER, GOVERNING COUNCIL, ILLINOIS MASONIC MEDICAL CENTER -PRINCIPAL, JAHN ELEMENTARY SCHOOL -REGISTERED NURSE AND COMMUNITY HEALTH CONSULTANT -VICE PRESIDENT, CLINICAL OPERATIONS AND CHIEF NURSING OFFICER, ILLINOIS MASONIC MEDICAL CENTER -VICE PRESIDENT, BUSINESS DEVELOPMENT, ILLINOIS MASONIC MEDICAL CENTER -VICE PRESIDENT, MISSION & SPIRITUAL CARE AND COMMUNITY RELATIONS, ILLINOIS MASONIC MEDIC CENTER -ASSOCIATE GENERAL COUNSEL, LEGAL AFFAIRS DEPARTMENT, ADVOCATE HEALTH CARE -ADMINISTRATOR, FINANCE, ILLINOIS MASONIC MEDICAL CENTER -CEO, HISPANOCARE AND DIRECTOR OF COMMUNITY HEALTH & EDUCATION, ILLINOIS MASONIC MEDIC CENTER -DIRECTOR, PUBLIC AFFAIRS & MARKETING, ILLINOIS MASONIC MEDICAL CENTER -DIRECTOR, CLINICAL TRANSFORMATION, ILLINOIS MASONIC MEDICAL CENTER -DIRECTOR, MEDICAL EDUCATION & MEDICAL RESEARCH, ILLINOIS MASONIC MEDICAL CENTER -MANAGER, PUBLIC AFFAIRS, ILLINOIS MASONIC MEDICAL CENTER -PLANNING MANAGER, BUSINESS DEVELOPMENT AND STRATEGY, ILLINOIS MASONIC MEDICAL CENTER -SENIOR BUDGET ANALYST, ILLINOIS MASONIC MEDICAL CENTER -COORDINATOR, HISPANOCARE, ILLINOIS MASONIC MEDICAL CENTER SELECTED MEMBERS OF THE MEDICAL CENTER'S COMMUNITY HEALTH COUNCIL ATTENDED TWO CHNA WORKSHOPS HOSTED BY THE ADVOCATE SYSTEM, WHICH WERE DESIGNED TO LAUNCH THE PROCESS BY EDUCATING THEM ON HOW TO CONDUCT AN ASSESSMENT AND HOW TO FIND RELIABLE DATA SOURCES USING BOTH PRIMARY AND SECONDARY COMMUNITY HEALTH DATA, THE TEAM IDENTIFIED THE MEDICAL CENTER SERVICE AREA'S KEY HEALTH NEEDS AND THEN EMPLOYED A PRIORITY-SETTING PROCESS TO DETERMINE KEY HEALTH NEEDS ON WHICH TO FOCUS THIS PROCESS INCLUDED AN EXAMINATION OF BOTH THE MEDICAL CENTERS AND THE COMMUNITY'S ISSUES/CHALLENGES AND ASSETS, AND DISCUSSIONS WITH EXTERNAL AND INTERNAL KEY INFORMANTS TO DETERMINE THE POTENTIAL FOR PARTNERSHIPS WITH OTHER ORGANIZATIONS AND FOR SHARING RESOURCES TO ADDRESS COMMUNITY NEED ILLINOIS MASONIC MEDICAL CENTER'S CHNA RESULTS AND SELECTED PRIORITIES WERE SHARED WITH THE MEDICAL CENTER'S GOVERNING COUNCIL DURING EACH OF THE FIRST TWO YEARS OF THE THREE-YEAR PROCESS, WITH FULL ENDORSEMENT OF THE MEDICAL CENTER'S COMMUNITY HEALTH PLAN BY ITS GOVERNING COUNCIL ON DECEMBER 17, 2013 OTHER ONE-ON-ONE KEY INFORMANT INTERVIEWS WERE CONDUCTED WITH THE FOLLOWING INDIVIDUALS REPRESENTING ADVOCATE ILLINOIS MASONIC MEDICAL CENTER'S PRIMARY SERVICE AREA - PRESIDENT & CEO, HOWARD BROWN HEALTH CENTER, -EXECUTIVE DIRECTOR, ERIE FAMILY HEALTH CENTER, -BOARD PRESIDENT, LAKEVIEW ACTION COALITION, -SENIOR DIRECTOR - YOUTH AND COMMUNITY PROGRAMS, ERIE FAMILY HEALTH CENTER, -COMMUNITY MEMBER, ILLINOIS MASONIC RELATIONS, AND -FAMILY PRACTICE PHYSICIAN, ILLINOIS MASONIC PART V, SECTION C - DESCRIPTION FOR PART V, SEC B, LINE 4 N/A PART V, SECTION C - DESCRIPTION FOR PART V, SEC B, LINE 6I THERE ARE THREE AREAS OF NEED THAT ILLINOIS MASONIC MEDICAL CENTER'S COMMUNITY HEALTH COUNCIL DID NOT CHOOSE FOR PRIORITY ACTION-BREAST CANCER, HEART DISEASE AND OBESITY HOWEVER, ILLINOIS MASONIC MEDICAL CENTER ALREADY ACTIVELY ADDRESSES EACH OF THESE AREAS OF NEED THROUGH PREVENTION, TREATMENT AND OUTREACH INITIATIVES CANCER THE ANGELO P CRETICOS, MD, CANCER CENTER-THE CANCER CARE FACILITY ON THE ILLINOIS MASONIC MEDICAL CENTER CAMPUS-UNITES ALL CANCER CARE AND RESEARCH UNDER ONE ROOF FOR MORE EFFICIENT AND PERSONALIZED PLANNING AND TREATMENT THE CENTER OFFERS A WEALTH OF SERVICES TO ADDRESS THE UNIQUE NEEDS OF CANCER PATIENTS THROUGHOUT THE CONTINUUM OF CARE THERE IS ALSO AN EXTENSIVE RANGE OF SUPPORT SERVICES, INCLUDING BILINGUAL SPANISH/ENGLISH PSYCHOSOCIAL SUPPORT AND COUNSELING AND FINANCIAL NAVIGATION NURSE NAVIGATORS GUIDE LINKAGE WITH COMMUNITY PROGRAMS, PHYSICAL MEDICINE AND REHABILITATION, PAIN MANAGEMENT SERVICES AND PALLIATIVE CARE AND HOSPICE AND HOME CARE PROGRAMS THE CENTER ALSO HOSTS THE AMERICAN CANCER SOCIETY'S LOOK GOOD, FEEL BETTER PROGRAM EACH YEAR AT THE MEDICAL CENTER, THE AMBER FOUNDATION FACILITATES THE SPONSORSHIP OF FREE MAMMOGRAMS, COUNSELING AND EDUCATION ABOUT BREAST CANCER TARGETING THE POLISH COMMUNITY IN CHICAGO IN ADDITION, THE MEDICAL CENTER ALSO WORKS CLOSELY WITH THE ILLINOIS BREAST AND CERVICAL CANCER PROGRAM TO ENSURE THAT UNINSURED WOMEN HAVE ACCESS TO SCREENING AND TREATMENT FOR BREAST OR CERVICAL CANCER HISPANOCARE (A PART OF ILLINOIS MASONIC MEDICAL CENTER DEDICATED TO PROVIDING AFFORDABLE, QUALITY, BILINGUAL, BICULTURAL HEALTHCARE TO CHICAGO'S LATINO COMMUNITY) ALSO PROVIDES EDUCATION, SCREENING AND FOLLOW-UP FOR BREAST OR PROSTATE CANCER IN BOTH ENGLISH AND SPANISH IN THE SURROUNDING COMMUNITY ADDITIONALLY, MEMBERS OF THE CLINICAL TEAM PROVIDE EDUCATIONAL PROGRAMS IN THE COMMUNITY THROUGHOUT THE YEAR HEART DISEASE GIVEN THAT HEART DISEASE IS THE LEADING CAUSE OF DEATH IN THE PRIMARY SERVICE AREA AND CARDIAC CONDITIONS ARE THE TOP ADMITTING DIAGNOSES AND THE FIFTH MOST COMMON REASON FOR AN EMERGENCY DEPARTMENT VISIT, IT IS NOT SURPRISING THAT ILLINOIS MASONIC MEDICAL CENTER HAS ESTABLISHED A SIGNIFICANT HEART AND VASCULAR INSTITUTE AS ONE OF THE AREA'S FIRST MEDICAL CENTERS TO PERFORM OPEN HEART SURGERY, ILLINOIS MASONIC MEDICAL CENTER OFFERS A COMPLETE RANGE OF STATE-OF-THE-ART CARDIAC SERVICES, INCLUDING CARDIO-DIAGNOSTICS AND NONINVASIVE CARDIOLOGY, CARDIAC CATHETERIZATION AND INTERVENTIONS, CARDIOVASCULAR SURGERY, ELECTROPHYSIOLOGY, REHABILITATION, PERIPHERAL VASCULAR INTERVENTION, AND NEUROVASCULAR INTERVENTION THE MEDICAL CENTER HAS ALSO BEEN RECOGNIZED BY THE JOINT COMMISSION AS A PRIMARY STROKE CENTER FOR ITS COMMITMENT TO COMPREHENSIVE, QUALITY CARE FOR STROKE PATIENTS FOR COMMUNITY OUTREACH, HISPANOCARE ALREADY PRESENTS A STROKE AND HEART DISEASE PROGRAM FOR WOMEN AND THEIR DAUGHTERS ON THE WEEKEND OF MOTHER'S DAY-INCLUDING AN EDUCATIONAL PRESENTATION, BLOOD PRESSURE AND CHOLESTEROL SCREENINGS, AND FOLLOW-UP TO INCREASE ACCESS TO FURTHER DIAGNOSTICS AND TREATMENT HISPANOCARE ALSO SPONSORS A REDUCING HEART DISEASE EVENT NEAR VALENTINE'S DAY THAT INCLUDES FREE CHOLESTEROL AND BLOOD PRESSURE SCREENING OBESITY AWARE OF THE FACTS RELATED TO OBESITY AND SUPPORTED BY FINDINGS IN A PAST COMMUNITY HEALTH NEEDS ASSESSMENT, HISPANOCARE/ILLINOIS MASONIC MEDICAL CENTER PARTNERED WITH JAHN ELEMENTARY SCHOOL (K-8) AND DEVELOPED THE OBESITY PREVENTION PROGRAM TO ADDRESS THIS PROBLEM HISPANOCARE AND ITS PARTNERS DEVELOPED USER-FRIENDLY TOOLS THAT HELPED STUDENTS AND STAFF EFFECTIVELY IMPLEMENT PROGRAM STRATEGIES TO PROMOTE PHYSICAL ACTIVITY AND HEALTHY EATING THESE TOOLS WERE DEVELOPED IN CONJUNCTION WITH THE SCHOOL PRINCIPAL AND BY USING EVIDENCE-BASE PRACTICES CREATED BY THE CONSORTIUM TO LOWER OBESITY IN CHICAGO CHILDREN (C L O C C) AND THE CDC THE FIVE PROGRAM STRATEGIES WERE TO 1 CREATE A BMI CLINIC (ASSESS BMI, HEIGHT, WEIGHT & BLOOD PRESSURES), 2 DEVELOP A PARENT QUESTIONNAIRE TO ASSESS
PART V, SECTION C - DESCRIPTION FOR PART V, SEC B, LINE 14G	ANSHN COMMUNICATES THE AVAILABILITY OF FINANCIAL ASSISTANCE IN THE APPLICABLE LANGUAGES OF THE HOSPITAL COMMUNITY MEANS OF COMMUNICATION INCLUDE 1 THE HEALTH CARE CONSENT THAT IS SIGNED UPON REGISTRATION FOR HOSPITAL SERVICES INCLUDES A STATEMENT THAT FINANCIAL COUNSELING, INCLUDING FINANCIAL ASSISTANCE CONSIDERATION, IS AVAILABLE UPON REQUEST 2 SIGNAGE IS CLEARLY AND CONSPICUOUSLY POSTED IN LOCATIONS THAT ARE VISIBLE TO THE PUBLIC, INCLUDING, BUT NOT LIMITED TO HOSPITAL PATIENT ACCESS, REGISTRATION, EMERGENCY DEPARTMENT, CASHIER, AND BUSINESS OFFICE LOCATIONS 3 BROCHURES ARE PLACED IN HOSPITAL PATIENT ACCESS, REGISTRATION, EMERGENCY DEPARTMENT, CASHIER, AND BUSINESS OFFICE LOCATIONS, AND INCLUDE GUIDANCE ON HOW A PATIENT MAY APPLY FOR MEDICARE, MEDICAID, ALL KIDS, FAMILY CARE ETC , AND THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM A HOSPITAL CONTACT AND TELEPHONE NUMBER FOR FINANCIAL ASSISTANCE IS INCLUDED 4 A HANDOUT SUMMARIZING ADVOCATE'S FINANCIAL ASSISTANCE POLICY AND A FINANCIAL ASSISTANCE APPLICATION ARE GIVEN TO ALL UNINSURED PATIENTS WHO RECEIVE MEDICALLY NECESSARY HOSPITAL SERVICES AT THE EARLIEST PRACTICAL TIME OF SERVICE 5 ADVOCATE'S WEBSITE PROMINENTLY NOTES THAT FINANCIAL ASSISTANCE IS AVAILABLE, WITH AN EXPLANATION OF THE APPLICATION PROCESS, A SUMMARY OF THE FINANCIAL ASSISTANCE POLICY, AND THE FINANCIAL ASSISTANCE APPLICATION 6 HOSPITAL BILLS TO ALL UNINSURED PATIENTS INCLUDE A REQUEST THAT THE PATIENT INFORM THE HOSPITAL OF ANY AVAILABLE HEALTH INSURANCE COVERAGE, AND INCLUDE A SUMMARY OF ADVOCATE'S FINANCIAL ASSISTANCE POLICY, A FINANCIAL ASSISTANCE APPLICATION AND A TELEPHONE NUMBER TO REQUEST FINANCIAL ASSISTANCE PART V, SECTION C - DESCRIPTION FOR PART V, SEC B, LINE 17 ANSHN DOES NOT PERFORM ACTIONS SUCH AS THOSE LISTED IN LINES 17A-D UNTIL REASONABLE EFFORTS HAVE BEEN MADE TO DETERMINE A PATIENT'S FAP ELIGIBILITY PART V, SECTION C - DESCRIPTION FOR PART V, SEC B, LINE 18E ADVOCATE MAKES REASONABLE EFFORTS TO DETERMINE A PATIENT'S ELIGIBILITY UNDER ITS FAP, INCLUDING SENDING A SERIES OF LETTERS AND ATTEMPTING TO WORK WITH THE PATIENT THROUGH THE FINANCIAL COUNSELING PROCESS AND/OR PHONE CALLS ALL CORRESPONDENCE ASKS THE PATIENT TO NOTIFY THE HOSPITAL IF HE/SHE IS EXPERIENCING "DIFFICULTY IN PAYING YOUR BILL" ADVOCATE ALSO USES EARLY OUT AND PRECOLLECTION VENDORS TO ASSIST IN OBTAINING PAYMENTS OR COLLECTING FINANCIAL ASSISTANCE ELIGIBILITY INFORMATION THESE VENDORS HAVE THE FOLLOWING LANGUAGE IN THEIR CONTRACT "VENDOR WILL COMMUNICATE THE ADVOCATE HEALTH CARE POLICY AND GUIDELINE TO ANY PATIENT EXPRESSING A DIFFICULTY IN PAYING THEIR BILL" AND, "VENDOR WILL MAIL THE ADVOCATE HEALTH CARE FINANCIAL ASSISTANCE APPLICATION TO ANY PATIENTS EXPRESSING A DIFFICULTY IN PAYING THEIR BILL" ADVOCATE'S BAD DEBT AGENCY CONTRACTS HAVE THE FOLLOWING LANGUAGE "AGENCY SHALL EVALUATE EACH PATIENT WHOSE ACCOUNT IS REFERRED TO AGENCY, WHERE THE PATIENT EXPRESSES DIFFICULTY OR INABILITY TO PAY THEIR BILL, FOR ELIGIBILITY UNDER ADVOCATE'S FINANCIAL ASSISTANCE POLICY " VENDOR AND AGENCY CONTRACTS ARE STANDARD ACROSS ADVOCATE'S SYSTEM PART V, SECTION C - DESCRIPTION FOR PART V, SEC B, LINE 20D THE MAXIMUM AMOUNT THAT CAN BE CHARGED TO AN FAP-ELIGIBLE PATIENT FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE IS BASED ON A SLIDING SCALE PERCENTAGE OF ANNUAL FAMILY INCOME WHICH IS TIED TO THE FPG FAMILY INCOME LIMIT APPLICABLE TO THE PATIENT FOR A FAMILY WITH INCOME BETWEEN TWO AND THREE TIMES THE FEDERAL POVERTY LEVEL, THE MAXIMUM EXPECTED PAYMENT IS 5% OF ANNUAL FAMILY INCOME FOR A FAMILY WITH INCOME BETWEEN THREE AND FOUR TIMES THE FEDERAL POVERTY LEVEL, THE MAXIMUM EXPECTED PAYMENT IS 10% OF ANNUAL FAMILY INCOME FOR AN UNINSURED FAMILY WITH INCOME BETWEEN FOUR AND SIX TIMES THE FEDERAL POVERTY LEVEL, THE MAXIMUM EXPECTED PAYMENT IS 25% OF ANNUAL FAMILY INCOME

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? **5**

	Name and address	Type of Facility (describe)
1	IMMC CANCER CENTER 901 WEST WELLINGTON AVE CHICAGO,IL 60657	PATIENT CARE - OUT PATIENT
2	IMMC PRIMARY CARE CENTER 3048 NORTH WILTON CHICAGO,IL 60657	PATIENT CARE - OUT PATIENT
3	IMMC EDUCATION CENTER 814 WEST NELSON STREET CHICAGO,IL 60657	PATIENT EDUCATION
4	IMMC OFFICE BUILDING 836 WEST NELSON STREET CHICAGO,IL 60657	PATIENT CARE - OUT PATIENT
5	IMMC MEDICAL OFFICE BUILDING 3000 NORTH HALSTED ST VARIOUS SUIT CHICAGO,IL 60657	PATIENT CARE - OUT PATIENT
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 VI, LINE 1 - DESCRIPTION FOR PART I, LINE 3C	N/A PART VI, LINE 1 - DESCRIPTION FOR PART I, LINE 6A A SYSTEM-WIDE COMMUNITY BENEFIT REPORT IS FILED BY ADVOCATE HEALTH CARE NETWORK 3075 HIGHLAND PARKWAY, DOWNERS GROVE, IL 60515 EIN 36-2167779 PART VI, LINE 1 - DESCRIPTION FOR PART I, LINE 7 A COST-TO-CHARGE RATIO, DERIVED FROM SCHEDULE H INSTRUCTIONS WORKSHEET 2, RATIO OF PATIENT CARE COST-TO-CHARGES, WAS USED TO CALCULATE THE AMOUNTS REPORTED IN THE TABLE FOR PART I, LINE 7A SCHEDULE H INSTRUCTIONS WORKSHEET 3, UNREIMBURSED MEDICAID AND OTHER MEANS-TESTED GOVERNMENT PROGRAMS, WAS USED TO CALCULATE THE AMOUNTS REPORTED IN THE TABLE FOR PART I, LINE 7B A COST ACCOUNTING SYSTEM WAS USED TO DETERMINE THE AMOUNTS REPORTED IN THE TABLE FOR PART I, LINES 7E, 7F, 7G, AND 7I SCHEDULE H, PART VI, LINE 1 - 7E ADVOCATE NORTHSIDE HEALTH NETWORK PROVIDES COMMUNITY HEALTH IMPROVEMENT SERVICES TO THE COMMUNITIES IN WHICH IT SERVES ANSHN PROVIDES LANGUAGE SERVICES TO ALL THOSE IN NEED IN ORDER TO PROVIDE BETTER ACCESS TO CARE FOR ALL COMMUNITY MEMBERS IN ADDITION, OTHER PROGRAMS ARE CARRIED OUT WITH THE EXPRESS PURPOSE OF IMPROVING COMMUNITY HEALTH, ACCESS TO HEALTH SERVICES AND GENERAL HEALTH KNOWLEDGE THESE SERVICES DO NOT GENERATE PATIENT BILLS, HOWEVER, CERTAIN PROGRAMS OR SERVICES MAY HAVE NOMINAL FEES THESE SERVICES AND PROGRAMS INCLUDE CANCER SUPPORT GROUPS THESE GROUPS FOCUS ON EDUCATING THE NEWLY DIAGNOSED AND PROVIDING INFORMATION ON BETTER LIVING FOR SURVIVORS VARIOUS WOMEN AND BABY, BREASTFEEDING, MULTIPLES, CHILDBIRTH AND PARENTING AND SIBLING CLASSES, VARIOUS EDUCATIONAL PROGRAMS AND SUPPORT GROUPS TO RAISE AWARENESS OF HEART DISEASE, DIABETES AND STROKE RISK FACTORS AND TREATMENT OPTIONS AND EDUCATION FOR LIVING WITH THE DISEASE, THERE ARE VARIOUS PROGRAMS REGARDING HEALTH EATING, CPR TRAINING IS OFFERED TO THE COMMUNITY AS WELL AS VARIOUS OTHER WELLNESS AND SCREENING PROGRAMS AND HEALTH FAIRS ARE OFFERED THROUGHOUT THE YEAR ADULT DAY CARE IS PROVIDED TO THE COMMUNITY AS WELL PART VI, LINE 1 - DESCRIPTION FOR PART I, LINE 7G ANSHN PROVIDES SUBSIDIZED HEALTH SERVICES TO THE COMMUNITY THESE SERVICES ARE PROVIDED DESPITE CREATING A FINANCIAL LOSS FOR ANSHN THESE SERVICES ARE PROVIDED BECAUSE THEY MEET AN IDENTIFIED COMMUNITY NEED IF ANSHN DID NOT PROVIDE THE CLINICAL SERVICE, IT IS REASONABLE TO CONCLUDE THAT THESE SERVICES WOULD NOT BE AVAILABLE TO THE COMMUNITY THE SERVICES INCLUDED ARE BOTH INPATIENT AND OUTPATIENT PROGRAMS FOR MENTAL AND BEHAVIORAL HEALTH AND HOSPICE SERVICES PART VI, LINE 1 - DESCRIPTION FOR PART I, LINE 7H ANSHN CONDUCTS NUMEROUS RESEARCH ACTIVITIES FOR THE ADVANCEMENT OF MEDICAL AND HEALTH CARE SERVICES HOWEVER, THE UNREIMBURSED COST OF SUCH RESEARCH ACTIVITIES IS NOT READILY DETERMINABLE AND NO AMOUNT IS BEING REPORTED FOR PURPOSES OF THE 2013 FORM 990, SCHEDULE H PART VI, LINE 1 - DESCRIPTION FOR PART I, LINE 7, COLUMN (F) $30,584,729 OF BAD DEBT EXPENSE WAS INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT WAS REMOVED FROM THE DENOMINATOR FOR PURPOSES OF SCHEDULE H, PART I, LINE 7, COLUMN (F) PART VI, LINE 1 - DESCRIPTION FOR PART II N/A PART VI, LINE 1 - DESCRIPTION FOR PART III, LINES 2- 4 THE FOOTNOTES TO ANSHN AND SUBSIDIARIES' AUDITED FINANCIAL STATEMENTS DO NOT SPECIFICALLY ADDRESS BAD DEBT EXPENSE, RATHER, THE FOOTNOTE DESCRIBES ADVOCATE'S PATIENT ACCOUNTS RECEIVABLE POLICY AND THE PERCENTAGE OF ACCOUNTS RECEIVABLE THAT THE ALLOWANCE FOR DOUBTFUL ACCOUNTS COVERS (SEE PAGE 10 OF THE AUDITED FINANCIAL STATEMENTS) FOR 2013, FOR ANSHN, THE ALLOWANCE FOR DOUBTFUL ACCOUNTS COVERED 24 1% OF NET PATIENT ACCOUNTS RECEIVABLE PATIENT ACCOUNTS RECEIVABLE ARE STATED AT NET REALIZABLE VALUE ANSHN EVALUATES THE COLLECTABILITY OF ITS ACCOUNTS RECEIVABLE BASED ON THE LENGTH OF TIME THE RECEIVABLE IS OUTSTANDING, PAYER CLASS, HISTORICAL COLLECTION EXPERIENCE, AND TRENDS IN HEALTH CARE INSURANCE PROGRAMS ACCOUNTS RECEIVABLE ARE CHARGED TO THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS WHEN THEY ARE DEEMED UNCOLLECTIBLE THE COSTING METHODOLOGY USED IN DETERMINING THE AMOUNTS REPORTED ON LINES 2 AND 3 IS BASED ON THE RATIO OF PATIENT CARE COST TO CHARGES THE UNREIMBURSED COST OF BAD DEBT WAS CALCULATED BY APPLYING THE ORGANIZATION'S COST TO CHARGE RATIO FROM THE MEDICARE COST REPORTS (CMS 2252-96 WORKSHEET C, PART 1, PPS INPATIENT RATIOS) TO THE ORGANIZATION'S BAD DEBT PROVISION PER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, LESS ANY PATIENT OR THIRD PARTY PAYOR PAYMENTS RECEIVED ADVOCATE MAKES EVERY EFFORT TO IDENTIFY THOSE PATIENTS WHO ARE ELIGIBLE FOR FINANCIAL ASSISTANCE BY STRICTLY ADHERING TO ITS FINANCIAL ASSISTANCE POLICY WE BELIEVE THAT ADVOCATE HAS A POPULATION OF PATIENTS WHO ARE UNINSURED OR UNDERINSURED BUT WHO DO NOT COMPLETE THE FINANCIAL ASSISTANCE APPLICATION THE ESTIMATED AMOUNT OF BAD DEBT EXPENSE (AT COST) WHICH COULD BE REASONABLY ATTRIBUTABLE TO PATIENTS WHO WOULD LIKELY QUALIFY FOR FINANCIAL ASSISTANCE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY, IF SUFFICIENT INFORMATION HAD BEEN AVAILABLE TO MAKE A DETERMINATION OF THEIR ELIGIBILITY, WAS BASED UPON SELF PAY PATIENT ACCOUNTS WHICH HAD AMOUNTS WRITTEN OFF TO BAD DEBTS OUR METHOD WAS TO BEGIN WITH THE SELF-PAY PORTION OF BAD DEBT EXPENSE PROVISION THE SELF PAY PORTION EXCLUDES THOSE PATIENTS WHO HAD CHARITY APPLICATIONS PENDING AT THE TIME OF SERVICE THIS COST WAS THEN REDUCED BY CHARGES IDENTIFIED AS TRUE BAD DEBT EXPENSE, INCLUDING COPAYS FOR PATIENTS WHO QUALIFIED FOR LESS THAN 100% FINANCIAL ASSISTANCE THE COST TO CHARGE RATIO WAS THEN APPLIED TO THE REMAINING CHARGES, TO DETERMINE THE VALUE (AT COST) OF PATIENT ACCOUNTS THAT DID NOT COMPLETE FINANCIAL COUNSELING AND WERE ASSIGNED TO BAD DEBT WE BELIEVE THIS PROCESS IS A REASONABLE BASIS FOR OUR ESTIMATE AS WE ARE ONLY CONSIDERING SELF-PAY ACCOUNTS WRITTEN OFF TO BAD DEBT FOR THIS ESTIMATE, THIS ESTIMATE DOES NOT INCLUDE THE IMMEDIATE 25% DISCOUNT TO CHARGES WHICH IS APPLIED TO ALL SELF-PAY PATIENTS IT ALSO DOES NOT INCLUDE ACCOUNT BALANCES OR CO-PAYS OF NON-SELF PAY ACCOUNTS WHICH ARE WRITTEN OFF TO BAD DEBT WHEN THE PATIENT HAS NO OTHER FINANCIAL RESOURCES TO PAY THESE AMOUNTS AND THE PATIENT DOES NOT APPLY FOR FINANCIAL ASSISTANCE BAD DEBT AMOUNTS HAVE BEEN EXCLUDED FROM OTHER COMMUNITY BENEFIT AMOUNTS REPORTED THROUGHOUT SCHEDULE H PART VI, LINE 1 - DESCRIPTION FOR PART III, LINE 8 IN 2013, NO SHORTFALL WAS REPORTED ON PART III, LINE 7 FOR ANSHN'S HOSPITAL OPERATIONS, THE UNREIMBURSED COST OF MEDICARE WAS CALCULATED BY APPLYING THE ORGANIZATION'S COST TO CHARGE RATIO FROM THE MEDICARE COST REPORTS (CMS 2252-96 WORKSHEET C, PART 1, PPS INPATIENT RATIOS) AND FOR NON-HOSPITAL OPERATIONS THE COST TO CHARGE RATIO CALCULATED ON WORKSHEET 2 RATIO OF PATIENT CARE COST TO CHARGES TO THE ORGANIZATION'S MEDICARE, LESS ANY PATIENT OR THIRD PARTY PAYOR PAYMENTS AND/OR CONTRIBUTIONS RECEIVED THAT WERE DESIGNATED FOR THE PAYMENT OF MEDICARE PATIENT BILLS
PART VI, LINE 1 - DESCRIPTION FOR PART III, LINE 9B	ANSHN MAINTAINS BOTH WRITTEN FINANCIAL ASSISTANCE AND BAD DEBT/COLLECTION POLICIES THE BAD DEBT/COLLECTION POLICY DOES NOT APPLY TO THOSE PATIENTS KNOWN TO QUALIFY FOR FINANCIAL ASSISTANCE, THEREFORE SUCH PATIENTS ARE NOT SUBJECT TO COLLECTION PRACTICES

Form and Line Reference	Explanation
PART VI, LINE 2 - NEEDS ASSESSMENT	AS A FAITH BASED ORGANIZATION, THE MEDICAL CENTER IS CONTINUOUSLY SURVEYING ITS FAITH COMMUNITIES REGARDING KEY HEALTH CONCERNS IDENTIFIED BY THEMSELVES AND THEIR CONGREGANTS
PART VI, LINE 3 - PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	ANSHN ASSISTS PATIENTS WITH ENROLLMENT IN GOVERNMENT-SUPPORTED PROGRAMS FOR WHICH THEY ARE ELIGIBLE AND IN SECURING REIMBURSEMENT FROM AVAILABLE THIRD PARTY RESOURCES FINANCIAL COUNSELING IS PROVIDED TO HELP PATIENTS IDENTIFY AND OBTAIN PAYMENT FROM THIRD PARTIES, INCLUDING ILLINOIS MEDICAID, ILLINOIS CRIME VICTIMS FUND, ETC , AS WELL AS TO DETERMINE ELIGIBILITY UNDER ANSHN'S HOSPITAL FINANCIAL ASSISTANCE POLICY ADVOCATE UTILIZES A FINANCIAL SCREENING SOFTWARE PROGRAM TO HELP IDENTIFY PUBLIC ASSISTANCE PROGRAMS FOR WHICH THE PATIENT MAY BE ELIGIBLE OR ADVOCATE'S FINANCIAL ASSISTANCE AT THE TIME OF REGISTRATION OR AS SOON AS PRACTICABLE THEREAFTER IN ADDITION, HEALTHADVISOR, ADVOCATE'S EDUCATION REGISTRATION AND PHYSICIAN REFERRAL TELEPHONE CENTER, SERVES AS A COMMUNITY RESOURCE PROVIDING REFERRALS TO GOVERNMENT-FUNDED AND OTHER PROGRAMS VIA TELEPHONE FROM 8 A M TO 6 P M , MONDAY THROUGH FRIDAY ANSHN ASSISTS PATIENTS WITH APPLYING FOR ADVOCATE'S OWN FINANCIAL ASSISTANCE/CHARITY CARE SERVICES, IF PATIENTS ARE NOT ELIGIBLE FOR GOVERNMENT-SUPPORTED PROGRAMS ANSHN COMMUNICATES THE AVAILABILITY OF FINANCIAL ASSISTANCE IN THE APPLICABLE LANGUAGES OF THE HOSPITAL COMMUNITY MEANS OF COMMUNICATION INCLUDE 1 THE HEALTH CARE CONSENT THAT IS SIGNED UPON REGISTRATION FOR HOSPITAL SERVICES INCLUDES A STATEMENT THAT FINANCIAL COUNSELING, INCLUDING FINANCIAL ASSISTANCE CONSIDERATION, IS AVAILABLE UPON REQUEST 2 SIGNS ARE CLEARLY AND CONSPICUOUSLY POSTED IN LOCATIONS THAT ARE VISIBLE TO THE PUBLIC, INCLUDING, BUT NOT LIMITED TO HOSPITAL PATIENT ACCESS, REGISTRATION, EMERGENCY DEPARTMENT, CASHIER, AND BUSINESS OFFICE LOCATIONS 3 BROCHURES ARE PLACED IN HOSPITAL PATIENT ACCESS, REGISTRATION, EMERGENCY DEPARTMENT, CASHIER, AND BUSINESS OFFICE LOCATIONS, AND WILL INCLUDE GUIDANCE ON HOW A PATIENT MAY APPLY FOR MEDICARE, MEDICAID, ALL KIDS, FAMILY CARE ETC , AND THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM A HOSPITAL CONTACT AND TELEPHONE NUMBER FOR FINANCIAL ASSISTANCE IS INCLUDED 4 A HANDOUT SUMMARIZING ADVOCATE'S FINANCIAL ASSISTANCE POLICY AND FINANCIAL ASSISTANCE APPLICATION IS GIVEN TO UNINSURED PATIENTS WHO RECEIVE MEDICALLY NECESSARY HOSPITAL SERVICES AT THE EARLIEST PRACTICAL TIME OF SERVICE 5 ADVOCATE'S WEBSITE POSTS NOTICE IN A PROMINENT PLACE THAT FINANCIAL ASSISTANCE IS AVAILABLE, WITH AN EXPLANATION OF THE FINANCIAL ASSISTANCE APPLICATION PROCESS, AND ENABLE PRINTING OF THE FINANCIAL ASSISTANCE APPLICATION 6 HOSPITAL BILLS TO UNINSURED PATIENTS INCLUDE A REQUEST THAT THE PATIENT INFORM THE HOSPITAL OF ANY AVAILABLE HEALTH INSURANCE COVERAGE, AND INCLUDE A SUMMARY OF ADVOCATE'S FINANCIAL ASSISTANCE POLICY, A FINANCIAL ASSISTANCE APPLICATION, AND A TELEPHONE NUMBER TO REQUEST FINANCIAL ASSISTANCE

Form and Line Reference	Explanation
PART VI, LINE 4 - COMMUNITY INFORMATION	DEMOGRAPHICS FOR PLANNING PURPOSES, THE COMMUNITY HEALTH COUNCIL DEFINED THE COMMUNITY AS THE PRIMARY SERVICE AREA FOR ADVOCATE ILLINOIS MASONIC MEDICAL CENTER THE MEDICAL CENTER'S PRIMARY SERVICE AREA (PSA) CONSISTS OF 17 ZIP CODES IN NORTHEAST CHICAGO THESE ZIP CODES CORRESPOND PARTIALLY TO COMMUNITY AREAS THAT WERE DEFINED BY THE CHICAGO DEPARTMENT OF PLANNING PRIMARY SERVICE AREA ZIP CODE - COMMUNITY AREA 60610 - NEAR NORTH SIDE, NEAR WEST SIDE 60613 - LAKE VIEW, NORTH CENTER, UPTOWN 60657 - LAKE VIEW, NORTH CENTER 60614 - LINCOLN PARK, LOGAN SQUARE 60618 - AVONDALE, IRVING PARK, NORTH CENTER 60622 - HUMBOLDT PARK, LOGAN SQUARE, NEAR NORTH SIDE, WEST TOWN 60625 - ALBANY PARK, LINCOLN SQUARE, NORTH PARK 60626 - ROGERS PARK 60630 - ALBANY PARK, FOREST GLEN, IRVING PARK, JEFFERSON PARK, PORTAGE PARK 60634 - BELMONT CRAGIN, DUNNING, MONTCLARE, PORTAGE PARK 60635 - AUSTIN, BELMONT CRAGIN, DUNNING, MONTCLARE 60639 - AUSTIN, BELMONT CRAGIN, HERMOSA, HUMBOLDT PARK, LOGAN SQUARE 60640 - EDGEWATER, LINCOLN SQUARE, UPTOWN 60641 - AVONDALE, BELMONT CRAGIN, HERMOSA, IRVING PARK, PORTAGE PARK 60645 - WEST RIDGE 60647 - HERMOSA, HUMBOLDT PARK, LOGAN SQUARE WEST TOWN THE MEDICAL CENTER'S PRIMARY SERVICE AREA CONSISTS OF 1 2 MILLION PEOPLE THE WHITE NON-HISPANIC POPULATION COMPRISED 48 3% OF THE PSA COMPARED TO 62 3% NATIONALLY THE HISPANIC POPULATION COMPRISED 32 3% OF THE PSA COMPARED TO 17 3% NATIONALLY BLACK NON-HISPANICS ACCOUNTED FOR 10 5% OF THE POPULATION IN THE PSA COMPARED TO 12 3% NATIONALLY ASIAN & PACIFIC ISLANDERS NON-HISPANIC ACCOUNTED FOR 6 9% IN THE PSA COMPARED TO 5 1% NATIONALLY WITHIN ILLINOIS MASONIC MEDICAL CENTER'S PRIMARY SERVICE AREA, ONE-QUARTER OF HOUSEHOLDS REPORT AN INCOME OF $25K-$50K, WHICH MIRRORS THE PERCENT TOTAL FOR THE UNITED STATES HOUSEHOLD INCOME OF $25K OR LESS IS 26 6%, WHICH IS SLIGHTLY HIGHER THAN THE PERCENT TOTAL FOR THE UNITED STATES ACCORDING TO THIS DATA, 63% OF THE SERVICE AREA'S POPULATION HAS A POST-HIGH SCHOOL EDUCATION, INCLUDING 42% WITH A BACHELOR'S DEGREE OR HIGHER WHILE 16 6% REPORT NO HIGH SCHOOL DIPLOMA OR EQUIVALENT THE PSA POPULATION IS 51 1% MALE AND 48 9% FEMALE WITH AN AGE DISTRIBUTION AS FOLLOWS 20 4% = UNDER 18 YEARS OF AGE 31 7% = AGES 18 TO 34 28 1% = AGES 35 TO 54 19 7% = 55 AND OLDER HEALTH RESOURCES WITHIN ILLINOIS MASONIC MEDICAL CENTER'S PRIMARY SERVICE AREA, THERE ARE SIXTEEN HOSPITALS ILLINOIS MASONIC MEDICAL CENTER, CHICAGO LAKESHORE HOSPITAL, CHICAGO-READ MENTAL HEALTH CENTER, KINDRED CHICAGO CENTRAL HOSPITAL, KINDRED CHICAGO LAKESHORE, KINDRED HOSPITAL CHICAGO-NORTH, LOUIS A WEISS MEMORIAL HOSPITAL, METHODIST HOSPITAL OF CHICAGO, NORWEGIAN AMERICAN HOSPITAL, PRESENCE OUR LADY OF THE RESURRECTION MEDICAL CENTER, PRESENCE ST JOSEPH HOSPITAL, PRESENCE ST MARY AND ELIZABETH MEMORIAL CENTER (2 CAMPUSES), SHRINERS HOSPITAL FOR CHILDREN, SWEDISH COVENANT HOSPITAL, AND THOREK MEMORIAL HOSPITAL IN ADDITION TO THE HOSPITALS, THERE ARE TWO COUNTY CLINICS AND 33 FEDERALLY QUALIFIED HEALTH CENTER (FQHC) SITES, INCLUDING EIGHT SCHOOL-BASED CLINICS THESE CENTERS PROVIDE A SUBSTANTIAL SAFETY NET FOR LOW-INCOME RESIDENTS IN THE PRIMARY SERVICE AREA AND ARE ALSO POTENTIAL PARTNERS FOR COMMUNITY INITIATIVES
PART VI, LINE 5 - PROMOTION OF COMMUNITY HEALTH	ADVOCATE ILLINOIS MASONIC MEDICAL CENTER PROVIDES A WIDE ARRAY OF PROGRAMS AND SERVICES THAT HAVE BEEN DEVELOPED TO ADDRESS NEEDS SPECIFIC TO ITS COMMUNITY OVER TIME SOME EXAMPLES OF THESE PROGRAMS AND SERVICES ARE AS FOLLOWS - ADOPT-A-SCHOOL PROGRAM - ASTHMA LEARNING CENTER - AUTISM TREATMENT CENTER - CABLE ACCESS NETWORK TV SHOW - CENTER FOR ADVANCED CARE - DEAF AND HARD OF HEARING PROGRAM - DISASTER PREPAREDNESS PLANNING - EMERGENCY MEDICAL TECH TRAINING FOR CITY OF CHICAGO AND PRIVATE BUSINESSES - FREE HEALTH FAIRS, SCREENINGS AND LECTURES - HEALTH AND WELLNESS COMMUNITY PROGRAMS FOR ALL AGES - HISPANOCARE, INC - ILLINOIS POISON CONTROL EDUCATION CENTER - ILLINOIS HEARTRESCUE REGARDING INCREASE SURVIVAL RATE OF SUDDEN CARDIAC ARREST - CPR (ADULT, CHILD, INFANT) CHOKING RESCUE, AND (AED) BILINGUAL TRAINING - LA EDAD DE ORO (GOLDEN AGE SENIOR PROGRAM) - LAKE VIEW FOOD PANTRY FOOD DONATIONS - LANGUAGE ASSISTANCE SERVICES INCLUDING IN-HOUSE INTERPRETERS FOR SPANISH, POLISH AND ASL - LOOK GOOD FEEL BETTER (AMERICAN CANCER SOCIETY) - MEDICAL DIAGNOSTIC PROGRAM FOR INFANTS - MEDICATION ASSISTANCE PROGRAM - NORTHSIDE RESOURCE HOSPITAL COORDINATION CENTER (FORMERLY POD) FOR 35 CHICAGOLAND HOSPITALS - NEONATAL INTENSIVE CARE UNIT - LEVEL 3 - PATIENT TRANSPORTATION SERVICES - PEDIATRIC DEVELOPMENTAL CENTER - SCHOOL-BASED HEALTH CENTERS CLINICAL THERAPISTS - SENIOR BRUNCH CLUB - SENIOR OUTREACH/HOME VISITS - STROKE CERTIFICATION - SUPPORT GROUPS FOR VARIOUS NEEDS - TEACHING HOSPITAL (PHYSICIANS, PHARMACISTS, NURSES, THERAPISTS AND OTHER CLINICIANS) - TRAUMA SERVICES LEVEL I - VICTIM ASSISTANCE PROGRAMS NEW PROGRAMS ILLINOIS MASONIC MEDICAL CENTER HAS A LARGE NUMBER OF PATIENTS WITH BEHAVIORAL HEALTH DIAGNOSES AS INPATIENTS AND THROUGH THE EMERGENCY DEPARTMENT MANY OF THESE PATIENTS HAVE SERIOUS PSYCHIATRIC CONDITIONS SUCH AS SCHIZOPHRENIA AND BIPOLAR DISORDERS THAT ARE DIFFICULT TO TREAT, ARE ASSOCIATED WITH HIGH RATES OF NONCOMPLIANCE PARTIALLY DUE TO THE SIDE EFFECTS OF MEDICATIONS, AND RESULT IN CONTINUING EPISODES OF SUICIDAL AND PSYCHOTIC BEHAVIORS AND ONGOING USE OF THE EMERGENCY DEPARTMENT FOR TREATMENT THE GOAL OF THIS PROJECT IS TO REDUCE THE LOW RATE OF ENGAGEMENT BETWEEN THE EMERGENCY DEPARTMENT AND INPATIENT EXPERIENCES AND REFERRAL TO ONGOING OUTPATIENT SERVICES IN 2013, A QUALITY IMPROVEMENT PROJECT SHOWED THAT IMMEDIATE, FOLLOW-UP APPOINTMENTS FROM THE INPATIENT PSYCHIATRIC UNIT WERE KEPT ON AVERAGE ONLY 40% OF THE TIME THE IMPLEMENTATION OF A NEW PROGRAM-FIRST ACCESS-TO EXPAND OPEN ACCESS TO SAME DAY FOLLOW-UP OUTPATIENT APPOINTMENTS, INCREASED THE KEPT APPOINTMENT RATE TO 100% WITH FIRST ACCESS, PATIENTS FROM THE INPATIENT SERVICE ARE WALKED OVER TO OUTPATIENT CARE BY A STAFF MEMBER TO ENSURE A WARM HANDOFF PATIENTS RECEIVE AN INITIAL ASSESSMENT, EVALUATION, SERVICE PLAN AND FOLLOW UP APPOINTMENTS FOR INDIVIDUAL AND GROUP THERAPY, AND WHERE NEEDED, PSYCHIATRIC SERVICES IN FACT, SOME PATIENTS PARTICIPATE IN SUBSTANCE ABUSE GROUP TREATMENT THAT SAME DAY THE PROGRAM GOAL IS TO ENCOURAGE SUCCESS BY PROVIDING IMMEDIATE ACCESS, STRONG ENGAGEMENT, INCREASED CONSUMER SATISFACTION AND CLOSE FOLLOW UP FOR RELAPSE PREVENTION THE PROPOSED NEXT PHASES FOR FIRST ACCESS WILL INCLUDE - EXPANDING THE AVAILABILITY OF FIRST ACCESS APPOINTMENTS-CURRENTLY RESTRICTED TO 10 AM - 2 P M , - EXPANDING OUTREACH SERVICES TO THOSE EMERGENCY DEPARTMENT AND INPATIENTS WHO WERE REFERRED BUT DID NOT FOLLOW THROUGH WITH THEIR FIRST ACCESS OR SUBSEQUENT APPOINTMENTS, AND - INCORPORATING PSYCHIATRIC COVERAGE AND POTENTIALLY TELE-PSYCHIATRY INTO THE FIRST ACCESS MODEL ENVIRONMENTAL IMPROVEMENTS 1 MENTORING AND EDUCATION ADVOCATE HEALTH CARE IS COMMITTED TO GREENING HEALTH CARE BECAUSE IT IS THE RIGHT THING TO DO CARING FOR OUR EARTH IS STRONGLY CONNECTED TO OUR MISSION TO SERVE THE HEALTH NEEDS OF TODAY'S PATIENTS AND FAMILIES WITHOUT COMPROMISING THE NEEDS OF FUTURE GENERATIONS BY CONSERVING RESOURCES, MINIMIZING EXPOSURE TO CHEMICALS AND CONSTRUCTING ECO-FRIENDLY BUILDINGS AND LANDSCAPES, ADVOCATE IS MAKING STRIDES TO REDUCE THE ENVIRONMENTAL IMPACT OF HEALTH CARE AND THE BURDEN OF HEALTH CARE COSTS ADVOCATE HAS COMMITTED RESOURCES TO SHARING ITS BEST PRACTICES IN WASTE REDUCTION, AND ENERGY AND WATER MANAGEMENT REDUCING WASTE AND CONSERVING ENERGY AND WATER USE HAS A DIRECT BENEFIT ON THE HEALTH OF LOCAL COMMUNITIES VIA CLEANER COMMUNITIES, HEALTHIER AIR QUALITY, REDUCED GREEN HOUSE GASES, AND PRESERVATION OF NATURAL RESOURCES ADVOCATE SHARES BEST PRACTICES FOR WATER MANAGEMENT WITH OTHER NONPROFIT HOSPITALS LOCALLY AND NATIONALLY IN 2013, ADVOCATE HEALTH CARE CONTINUED ITS LEADERSHIP ROLE AS ONE OF SEVERAL U S HEALTH SYSTEMS WHO FOUNDED AND SPONSOR A NATIONAL CAMPAIGN, THE HEALTHIER HOSPITALS INITIATIVE (HHI) HHI SERVES AS A GUIDE FOR HOSPITALS TO COMMIT TO IMPROVING THE HEALTH AND SAFETY OF PATIENTS, STAFF AND COMMUNITIES AND LOWERING COSTS THROUGH CONSERVATION PRACTICES BY USING FREE STEP-BY-STEP GUIDES AND HOSPITAL-TO-HOSPITAL MENTORING TO IMPLEMENT THE HHI CHALLENGES IN THE CATEGORIES OF LEADERSHIP, HEALTHIER FOODS, LESS WASTE, LEANER ENERGY, SAFER CHEMICALS AND SMARTER PURCHASING AS OF DECEMBER 2013, NEARLY 1,000, OR 20% OF THE NATION'S HOSPITALS ENROLLED IN THE HHI OVER THE COURSE OF THREE YEARS, EACH ENROLLED HOSPITAL COMMITS TO ONE OR MORE OF THE SIX CHALLENGES DATA COLLECTION FROM EACH HOSPITAL WILL SERVE TO MEASURE THE AGGREGATE ECONOMIC, ENVIRONMENTAL, AND HUMAN HEALTH BENEFITS OF IMPLEMENTING OPERATIONAL CHANGES UNDER EACH HHI CHALLENGE CATEGORY ADVOCATE HEALTH CARE SYSTEM 2013 ENVIRONMENTAL INITIATIVES - REDUCED CUMULATIVE (ELEVEN HOSPITALS) HOSPITAL ENERGY CONSUMPTION BY 1 9 PERCENT IN TWELVE MONTHS ENDING 12/31/13, AND 14 9 PERCENT SINCE 2008 - ENERGY REDUCTIONS EQUATE TO - SAVED $15,000,000 IN ENERGY COSTS SINCE 2008 - REDUCING NEARLY 4,000 ILLINOIS HOUSEHOLDS OF ELECTRICITY USE FOR ONE YEAR - REDUCING CARBON EMISSIONS BY 13 PERCENT OR NEARLY 6,500 CARS OFF THE ROAD FOR ONE YEAR - RECYCLED OVER 3,100 TONS OF WASTE FROM HOSPITAL OPERATIONS - RECYCLED 97 PERCENT OF CONSTRUCTION AND DEMOLITION DEBRIS - SAVED 30 TONS OF WASTE FROM LANDFILL AND SAVED OVER $3 MILLION VIA MEDICAL DEVICE REPROCESSING - ENDORSED SYSTEM-WIDE HEALTHY AND SUSTAINABLE FOOD GUIDELINES TO IMPROVE THE HEALTH OF OUR PATIENTS, ASSOCIATES, VISITORS, COMMUNITIES AND THE ENVIRONMENT BY INCREASING ACCESS TO FRESH, HEALTHY FOOD IN AND AROUND ADVOCATE HEALTH CARE FACILITIES AND TO PROMOTE FOOD DELIVERY PRACTICES THAT ARE ECOLOGICALLY SOUND, ECONOMICALLY VIABLE AND SOCIALLY RESPONSIBLE IN THE WAY WE PURCHASE FOOD AND SUPPLIES - RECOGNIZED TWENTY STAFF MEMBERS WITH ENVIRONMENTAL STEWARDSHIP AWARDS FOR DEMONSTRATING OUTSTANDING EFFORTS TO CARE FOR THE EARTH AND CONSERVE RESOURCES - CONTRIBUTED TO OPENLANDS, ONE OF THE OLDEST METROPOLITAN CONSERVATION ORGANIZATIONS IN THE NATION AND THE ONLY SUCH GROUP WITH A REGIONAL SCOPE IN THE GREATER CHICAGO REGION - PARTICIPATED IN A RESEARCH PROJECT AND CASE STUDY WITH THE LANDSCAPE ARCHITECTURE FOUNDATION TO EXAMINE THE BENEFITS OF ADVOCATE LUTHERAN GENERAL HOSPITALS' PATIENT TOWER LANDSCAPING IMPACT ON WATER CONSERVATION, STORM WATER MANAGEMENT, PUBLIC HEALTH AND SAFETY AND HUMAN SOCIAL/SPIRITUAL ASPECTS - CONTINUED TO ENGAGE STAFF TO CONSERVE RESOURCES IN THEIR WORK ENVIRONMENTS THROUGH THE SUSTAINABLE WORK SPACE CERTIFICATION PROGRAM AT ALL ADVOCATE SITES THE PROGRAM, LED BY DEPARTMENTAL GREEN ADVOCATES, REWARDS PATIENT CARE UNITS AND SUPPORT SERVICE WORK AREAS FOR ACTIVELY PARTICIPATING IN WASTE MINIMIZATION AND ENERGY REDUCTION THROUGH RECYCLING, PRINT MANAGEMENT AND ENERGY REDUCTION BEST PRACTICES - 17 PERCENT REDUCTION SYSTEM-WIDE IN OFFICE PAPER USAGE SINCE 2008 2 HOSPITAL-BASED ENVIRONMENTAL IMPROVEMENTS ADVOCATE ILLINOIS MASONIC MEDICAL CENTER - LED THE SYSTEM WITH HIGHEST LEVEL OF SAVINGS - OVER $600,000 - FROM UTILIZATION OF MEDICAL DEVICE REPROCESSING - ACHIEVED A 23% RECYCLING RATE OVERALL FOR PAPER, PLASTIC, GLASS AND ALUMINUM CANS - EARNED THE U S EPA ENERGY STAR AWARD FOR EXCELLENT ENERGY PERFORMANCE FOR THE FIFTH YEAR IN A ROW, AN HONOR ONLY THE TOP FIVE PERCENT OF U S HOSPITALS HAVE EARNED - REDUCED HOSPITAL ENERGY CONSUMPTION BY 1 7 PERCENT IN TWELVE MONTHS ENDING 12/31/13 - STARTED THE PLANNING AND DESIGN FOR A NEW CENTER FOR ADVANCED CARE WHICH WILL BE SEEKING LEADERSHIP IN ENERGY AND EFFICIENT DESIGN FROM THE U S GREEN BUILDING COUNCIL

Form and Line Reference	Explanation
PART VI, LINE 6 - AFFILIATED HEALTH CARE SYSTEM	AS AN EXTENSION OF ITS MISSION, ADVOCATE HEALTH CARE SUPPORTS SYSTEM-WIDE PROGRAMS THAT MEET THE NEEDS OF BOTH ITS PATIENTS AS WELL AS THE COMMUNITIES SERVED ADVOCATE HEALTH CARE'S BOARD OF DIRECTORS, SENIOR LEADERSHIP AND ASSOCIATES (EMPLOYEES) ARE COMMITTED TO POSITIVELY AFFECTING THE HEALTH STATUS AND QUALITY OF LIFE OF INDIVIDUALS AND POPULATIONS IN COMMUNITIES SERVED BY ADVOCATE THROUGH PROGRAMS AND PRACTICES THAT REFLECT ADVOCATE'S WHOLISTIC PHILOSOPHY TO THAT END, THEY CONTINUE TO UNDERTAKE AND SUPPORT INITIATIVES THAT ENHANCE ACCESS TO HEALTH AND WELLNESS SERVICES WITHIN THE DIVERSE COMMUNITIES THAT ADVOCATE SERVES SYSTEM LEADERSHIP IS BOTH DESIGNED TO DIRECT AND SUPPORT THE HOSPITALS IN THEIR EFFORTS TO ADDRESS IDENTIFIED COMMUNITY NEEDS IN 2010, A MULTI-DISCIPLINARY TEAM OF INDIVIDUALS AT THE SYSTEM LEVEL HAVING OVERSIGHT RESPONSIBILITY FOR COMMUNITY BENEFITS REPORTING AND THE CHNA PROCESS WAS CONVENED TO LEAD THE HOSPITALS THROUGH THE CHNA PROCESS TO MEET STATE AND FEDERAL REGULATORY REQUIREMENTS THIS TEAM, CALLED THE COMMUNITY HEALTH STEERING COMMITTEE, MET FREQUENTLY TO ASSURE THAT THE HOSPITAL COMMUNITY HEALTH LEADERS ARE EDUCATED REGARDING HOW TO CONDUCT A CHNA, SITE COMMUNITY HEALTH COUNCILS ARE DEVELOPED AND MAINTAINED, THOSE CONDUCTING THE CHNA PROCESS PULL DATA FROM RELIABLE SOURCES, SOUND ASSUMPTIONS ARE MADE BASED ON THAT DATA, INTERNAL ADVOCATE AND COMMUNITY RESOURCES ARE MAPPED TO DETERMINE STRENGTHS AND WEAKNESSES, ACHIEVABLE NEEDS ARE SELECTED AS PRIORITIES, AND PLANNED INITIATIVES ARE GROUNDED IN EVIDENCE-BASED PROGRAMS THAT WILL YIELD RELIABLE OUTCOMES TO DETERMINE IMPACT TO FOCUS THESE EFFORTS THROUGHOUT ADVOCATE HEALTH CARE, THE COMMUNITY BENEFITS PLAN WAS WRITTEN THE PLAN'S BROAD GOALS AND OBJECTIVES WERE DESIGNED TO STRUCTURE SYSTEM-WIDE COMMUNITY BENEFITS ACTIVITIES WITHIN A STRATEGIC FRAMEWORK INCLUDED IN THE COMMUNITY BENEFITS PLAN ARE NOT ONLY PLANNED GOALS AND OBJECTIVES FOCUSED ON ADDRESSING NEEDS AS IDENTIFIED THROUGH THE HOSPITAL COMMUNITY HEALTH NEEDS ASSESSMENT PROCESS, BUT ALSO OTHER SYSTEM-WIDE COMMUNITY BENEFITS/COMMUNITY HEALTH PROGRAMS SUCH AS CHARITY CARE ADVOCATE'S COMMUNITY BENEFITS PLAN WAS DEVELOPED TO ESTABLISH STRATEGIES FOR IMPROVING ACCESS TO CARE AND POSITIVELY AFFECTING THE HEALTH OF THE COMMUNITIES THAT ADVOCATE SERVES THE PLAN SETS THE COURSE FOR STRENGTHENING EXISTING PARTNERSHIPS AND BUILDING NEW ONES WITH INDIVIDUALS AND ORGANIZATIONS WITHIN ADVOCATE'S SERVICE AREAS IN ORDER TO LEVERAGE AND MAXIMIZE THE IMPACT OF ITS PROGRAMS ADVOCATE'S COMMUNITY BENEFITS PLAN GOALS ARE AS FOLLOWS GOAL 1 OPTIMIZE ADVOCATE'S ABILITY TO LEVERAGE ITS COMMUNITY HEALTH RESOURCES AND CONTINUE PROGRAMS THAT BENEFIT THE COMMUNITY BY PROSPECTIVELY ALIGNING SYSTEM AND SITE PLANS AND ACTIVITIES IN ORDER TO ASSURE ALIGNMENT BETWEEN SITE AND SYSTEM GOALS, QUALITY AND CONSISTENCY AMONGST THE HOSPITALS' CHNAS AND TO LEVERAGE THE HOSPITALS' STAFF TIME AND CHNA EFFORTS, THE SYSTEM LEVEL COMMUNITY HEALTH STEERING COMMITTEE PROVIDED A STANDARDIZED CHNA PROCESS, TOOLS, EDUCATION AND STRUCTURE SPECIFIC EXAMPLES OF THE SUPPORT PROVIDED BY THE STEERING COMMITTEE TO ENABLE THE HOSPITALS TO REALIZE THEIR COMMUNITY HEALTH GOALS AND OBJECTIVES ARE AS FOLLOWS - A STANDARDIZED CHNA PROCESS THAT INCLUDED DEVELOPMENT OF A COMMUNITY HEALTH COUNCIL AT EACH HOSPITAL WITH BOTH HOSPITAL AND COMMUNITY REPRESENTATION THE COUNCILS WERE CHARGED WITH MANAGING THEIR SITE'S ASSESSMENT, EXAMINING DATA, SITE AND COMMUNITY RESOURCES, SELECTING KEY PRIORITIES TO ADDRESS AND DEVELOPING A COMMUNITY HEALTH PLAN - PURCHASE OF AND INSTRUCTION ON HOW TO USE SURVEY RESULTS AND THE ASSESSMENT TOOL DEVELOPED BY PROFESSIONAL RESEARCH CONSULTANTS - LED A SERIES OF WORKSHOPS OVER THREE YEARS WITH INTERNAL AND EXTERNAL SPEAKERS PROFICIENT IN CHNAS, IDENTIFYING RELIABLE DATA SOURCES, PRIORITY SETTING, AND SELECTING EVIDENCE-BASED INTERVENTIONS - SET THE COMMUNITY HEALTH LEADERSHIP COUNCIL'S AGENDAS, A COUNCIL COMPRISED OF COMMUNITY HEALTH STAKEHOLDERS FROM ACROSS ADVOCATE, TO FOCUS ON CHNA OBJECTIVES - MANAGED HOSPITAL PROGRESS AGAINST SYSTEM ANNUAL TIMELINES TO ACHIEVE THE THREE-YEAR VISION, REQUIRING ANNUAL CHNA PROGRESS REPORTS AND THEIR REVIEW AND ENDORSEMENT BY THE HOSPITAL GOVERNING COUNCILS EACH YEAR - PROVIDED ONGOING CONSULTATION ON AN AS NEED BASIS THROUGHOUT THE PROCESS - ENGAGED AND FUNDED AN OUTSIDE CHNA CONSULTANT TO MEET ONE-ON-ONE WITH THE SITE COMMUNITY HEALTH LEADERS AND REVIEW CHNA PROGRESS AND PROVIDE GUIDANCE IN AREAS OF DIFFICULTY OR UNCERTAINTY - PROVIDED AN OVERVIEW OF THE CHNA RESULTS AND PLANNED INTERVENTIONS TO THE MISSION & SPIRITUAL COMMITTEE OF THE ADVOCATE HEALTH CARE BOARD OF DIRECTORS TO SECURE THE COMMITTEE'S ENDORSEMENT - A STANDARDIZED FORMAT FOR HOSPITALS TO USE IN DRAFTING THEIR CHNAS AND IMPLEMENTATION PLANS, WHICH SYSTEM LEADERS THEN REVIEWED AND EDITED FOR CONSISTENCY, ACCURACY AND QUALITY OF CONTENT - WORKED WITH SYSTEM LEVEL MEDIA CENTER AND WEB TEAM TO DEVELOP PLACEMENT AND POSTING OF CHNA REPORTS & IMPLEMENTATION PLANS TO MEET PPACA/IRS REGULATORY REPORTING REQUIREMENTS - IN PREPARATION FOR THE NEXT CHNA CYCLE, PURCHASED THE HEALTHY COMMUNITIES INSTITUTE'S CHNA TOOL IN LATE 2013 TO SUPPORT THE SITES IN CONDUCTING THEIR NEXT CHNA WHILE AT THE SAME TIME MONITORING OUTCOMES OF PLANNED INTERVENTIONS IMPLEMENTED AS A RESULT OF ADVOCATE'S FIRST (2011-2013) CHNA THROUGH ADVOCATE'S HOSPITAL-BASED SERVICES, AS WELL AS ITS PARTICIPATION IN PROVIDING PROGRAMS AND SERVICES IN THE COMMUNITY, ADVOCATE PROMOTES A SHARED APPROACH TO COMMUNITY BENEFITS IN ADDITION TO HOSPITAL/COMMUNITY SPECIFIC PROGRAMS, THERE ARE ALSO PROGRAMS ADDRESSING NEEDS OF BROAD GEOGRAPHIC PORTIONS OF ADVOCATE'S SERVICE AREA WHICH ARE MANAGED AND FUNDED AT THE SYSTEM LEVEL THESE PROGRAMS INCLUDE THE FOLLOWING IN 2013, ADVOCATE HEALTHY STEPS SPECIALISTS TOUCHED THE LIVES OF 6,688 YOUNG CHILDREN THROUGH CHILDHOOD PROGRAMS WITHIN PEDIATRIC/FAMILY PRACTICE RESIDENCIES AT ADVOCATE ILLINOIS MASONIC MEDICAL CENTER, AND ADVOCATE CHILDREN'S HOSPITAL OAK LAWN AND PARK RIDGE CAMPUSES THIS SYSTEM-WIDE PROGRAM USES A NATIONAL MODEL TO ENGAGE PARENTS AS PARTNERS WITH PHYSICIANS IN THEIR CHILDREN'S HEALTH HEALTHY STEPS SPECIALISTS HELP BRIDGE THE TWO GROUPS BY PREPARING PARENTS TO TAKE AN ACTIVE ROLE IN, AND PHYSICIANS TO ASSESS AND MEET MORE EFFECTIVELY, A RANGE OF CHILD DEVELOPMENT NEEDS IN 2013, 9,749 DEVELOPMENTAL SCREENINGS WERE PROVIDED AND 445 FAMILIES WERE REFERRED TO COMMUNITY SERVICES FOR FOLLOW UP IN ADDITION, HEALTHY STEPS HAS COMPLETED AN INITIATIVE, IN COLLABORATION WITH THE ILLINOIS CHAPTER OF THE AMERICAN ACADEMY OF PEDIATRICS, TO TRAIN PRIMARY CARE PROVIDERS ACROSS THE STATE TO IMPROVE PREVENTIVE PRACTICES IN THEIR SITE AROUND TOPICS SUCH AS USE OF VALIDATED TOOLS FOR DEVELOPMENTAL AND FAMILY RISK FACTOR SCREENINGS (SUCH AS POSTPARTUM DEPRESSION, DOMESTIC VIOLENCE, TRAUMA, AND PSYCHOSOCIAL ISSUES) AND TEACH PRIMARY CARE PROVIDERS AND THEIR STAFF HOW TO REFER TO LOCAL COMMUNITY RESOURCES FOR FOLLOW-UP CARE DURING 2013, ADVOCATE HEALTHY STEPS CONSULTANTS PROVIDED 179 PRESENTATIONS IN 57 PRIMARY CARE SITES, TO 740 PHYSICIANS AND THEIR STAFFS THROUGHOUT THE STATE OF ILLINOIS THESE PROVIDERS CARE FOR APPROXIMATELY 154,835 CHILDREN BETWEEN BIRTH AND AGE THREE CURRENTLY, HEALTHY STEPS IS FOCUSING ON DEVELOPMENTAL BEHAVIORAL MENTAL HEALTH TRAINING FOR PRIMARY CARE PROVIDERS THE STAFF ALSO MEETS REGULARLY WITH APPROXIMATELY 20 COMMUNITY ORGANIZATIONS, AND WORK WITH PEDIATRIC AND FAMILY MEDICINE RESIDENCY PROGRAMS, PEDIATRIC NURSE PRACTITIONERS AND PHYSICIAN ASSISTANT PROGRAMS THROUGHOUT THE STATE THE ADVOCATE CHILDHOOD TRAUMA TREATMENT PROGRAM (CTTP), A SYSTEM LEVEL, SYSTEM-WIDE INITIATIVE, OFFERS HOPE AND HEALING TO CHILDREN WHO HAVE EXPERIENCED MALTREATMENT, PSYCHOLOGICAL TRAUMA AND SEXUAL ABUSE CLINICIANS WORK WITH A CHILD'S ENTIRE SUPPORT NETWORK - PARENTS, THE SCHOOL AND MORE - TO HELP FOSTER A SAFE ENVIRONMENT FOR THE CHILD CTTP IS ONE OF JUST A HANDFUL OF PROGRAMS IN THE STATE THAT SPECIALIZES IN MENTAL HEALTH FOR CHILDREN IN 2013, CTTP SERVED 171 CHILDREN AND ADOLESCENTS, AS WELL AS 420 ADULTS, CAREGIVERS, PARENTS AND OTHERS IN ADDITION, THE PROGRAM HAS PARTNERED WITH "DARKNESS TO LIGHT," A NATIONALLY RECOGNIZED CHILD SEXUAL ABUSE PREVENTION LEADER AS A RESULT OF THIS PARTNERSHIP, THE CTTP HAS LAUNCHED A MAJOR ADULT EDUCATION PROGRAM CALLED "STEWARDS OF CHILDREN/7 STEPS TO PROTECT A CHILD " THIS PROGRAM HAS EDUCATED OVER 1,400 ADULTS AT SCHOOLS, CHURCHES, LAW ENFORCEMENT AGENCIES, CHILD WELFARE AGENCIES AND CIVIC ORGANIZATIONS, THEREBY BETTER PROTECTING 14,000 CHILDREN SINCE 1995, ADVOCATE HEALTH CARE'S OFFICE FOR MISSION AND SPIRITUAL CARE HAS PROVIDED CLINICAL CHAPLAINS AND ETHICISTS THROUGHOUT ADVOCATE WHO OFFER SUPPORT AND SERVICES TO INDIVIDUALS AND FAMILIES FACING MEDICAL CRISIS ADVOCATE'S SPIRITUAL LEADERS ALSO OVERSEE A NATIONALLY ACCREDITED CLINICAL PASTORAL EDUCATION PROGRAM TRAINING

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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
ADVOCATE NORTH SIDE HEALTH NETWORK

Employer identification number
36-3196629

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) HispanoCare 3075 Highland Parkway Downers Grove, IL 60515	36-3606486	501(c)(3)	175,000				Hispanic Programs

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

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

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
Description of Organization's Procedures for Monitoring the Use of Grants	Form 990, Schedule I Advocate North Side Health Network supports only non-profit organizations that are tax-exempt under Section 501(c)(3) of the Internal Revenue Code and are consistent with and complementary to the mission and charitable, tax-exempt purposes of Advocate North Side Health Network Cash contributions are not made to individuals, for profit businesses or private providers

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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
ADVOCATE NORTH SIDE HEALTH NETWORK

Employer identification number
36-3196629

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**		
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**		
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**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
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				
See Additional Data Table							

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
SEVERANCE PAYMENTS	Schedule J, PART I, LINE 4A BEN GRIGALIUNIS, SENIOR VICE PRESIDENT, HUMAN RESOURCES, TERMINATED HIS EMPLOYMENT WITH AHHC IN 2011 AND RECEIVED SEVERANCE OF $18,186 IN 2013 THIS AMOUNT WAS REPORTED ON A PRIOR FORM 990 AS DEFERRED COMPENSATION AND IS LISTED AS A COMPONENT OF COLUMN (F)
SUPPLEMENTAL NON-QUALIFIED RETIREMENT PLAN	SCHEDULE J, PART I, LINE 4B GAIL HASBROUCK, SENIOR VICE PRESIDENT-GENERAL COUNSEL AND CORPORATED SECRETARY, IS VESTED IN A NON-QUALIFIED RETIREMENT PLAN AS SUCH ANY CONTRIBUTIONS ARE TAXED CURRENTLY THERE IS NO DEFERRED COMPONENT ADVOCATE PROVIDES A TARGET REPLACEMENT SENIOR EXECUTIVE RETIREMENT PLAN THE CONTRIBUTIONS TO THIS PLAN ARE VESTED AND TAXABLE AFTER FIVE YEARS OF SERVICE THE FOLLOWING EMPLOYEES ARE VESTED IN THE PLAN AND THEREFORE THE CONTRIBUTIONS ARE REPORTED AS COMPENSATION ON THE W-2 JAMES SKOGSBERGH, BRUCE SMITH, DOMINIC NAKIS, GAIL HASBROUCK, LEE SACKS M D , KEVIN BRADY, SCOTT POWDER, WILLIAM SANTULLI, JAMES DAN M D , KELLY JO GOLSON AND SUSAN LOPEZ THE FOLLOWING EMPLOYEES HAVE NOT YET VESTED AND THEREFORE THE CONTRIBUTIONS ARE REPORTED AS DEFERRED COMPENSATION KATHIE BENDER SCHWICH AND SUSAN CAMPBELL JAMES SKOGSBERGH AND WILLIAM SANTULLI ARE PARTICIPANTS IN SECTION 457(F) RETENTION INCENTIVE BENEFIT PLANS THE PLANS ARE CURRENTLY NOT VESTED THE PLANS ARE CONTINGENT ON EMPLOYMENT AND VEST WHEN THE PARTICPANT REACHES 60 YEARS OF AGE SCHEDULE J, PART I, LINE 7 INCENTIVE PAYMENTS ARE BASED UPON A FORMULA THE AMOUNTS ARE CALCULATED AFTER CERTAIN PERFORMANCE AND OPERATING GOALS ARE ACHIEVED THE COMPENSATION COMMITTEE CAN EXERCISE DISCRETION OVER WHETHER INCENTIVE COMPENSATION IS PAID OUT ANNUALLY COMPENSATION IS PAID OUT ANNUALLY

Additional Data

Software ID:
Software Version:
EIN: 36-3196629
Name: ADVOCATE NORTH SIDE HEALTH NETWORK

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
James Skogsbergh Exec VP, COO, Director	(I) (II)	0 1,357,267	0 2,431,026	0 1,056,169	0 2,134,447	0 32,805	0 7,011,714	0 740,268
William P Santulli President & CEO	(I) (II)	0 784,668	0 1,029,442	0 503,564	0 764,946	0 35,069	0 3,117,689	0 418,229
Lee B Sacks MD Exec VP, Chief Medical Officer	(I) (II)	0 651,814	0 761,656	0 387,430	0 363,033	0 27,681	0 2,191,614	0 313,103
James Dan MD Pres Phys & Ambulatory Svcs	(I) (II)	0 474,818	0 553,678	0 288,769	0 268,389	0 27,302	0 1,612,956	0 225,773
James Doheny VP, Finance & Corp Controller	(I) (II)	0 294,206	0 110,340	0 34,459	0 23,567	0 32,113	0 494,685	0 0
Kelly Jo Golson SVP, Public Affairs & Mktg	(I) (II)	0 336,012	0 264,262	0 229,227	0 127,566	0 7,577	0 964,644	0 95,875
Kevin Brady SVP, Human Resources	(I) (II)	0 400,287	0 404,425	0 204,629	0 248,062	0 36,968	0 1,294,371	0 138,025
Susan Campbell SVP of Patient Cr Chf Nur Ofcr	(I) (II)	0 224,654	0 0	0 39,599	0 109,790	0 35,197	0 409,240	0 0
Gail D Hasbrouck SVP, Gen Counsel, Corp Sec	(I) (II)	0 435,590	0 387,547	0 277,756	0 185,821	0 28,407	0 1,315,121	0 149,653
Dominic J Nakis SVP, CFO	(I) (II)	0 566,690	0 761,656	0 367,722	0 363,033	0 28,706	0 2,087,807	0 313,103
Scott Powder SVP, Strategic Plan & Growth	(I) (II)	0 351,969	0 243,815	0 156,157	0 156,761	0 35,220	0 943,922	0 83,881
Bruce D Smith SVP, CIO	(I) (II)	0 444,684	0 404,035	0 240,876	0 192,728	0 37,637	0 1,319,960	0 156,003
Rev K Bender Schwich SVP, Mission & Spiritual Care	(I) (II)	0 119,054	0 156,186	0 39,853	0 185,736	0 91,144	0 591,973	0 38,019
Susan Nordstrom Lopez President of Advocate IMMC	(I) (II)	413,093 0	454,369 0	239,674 0	240,050 0	37,960 0	1,385,146 0	199,668 0
John Song MD Neurosurgeon	(I) (II)	900,000 0	0 0	45,618 0	23,567 0	4,169 0	973,354 0	0 0
Abraham Shashoua MD Physician - Ob/Gyn	(I) (II)	705,048 0	119,705 0	84,300 0	23,567 0	29,417 0	962,037 0	0 0
Kenji Muro MD Neurosurgeon	(I) (II)	800,010 0	0 0	23,625 0	23,567 0	25,470 0	872,672 0	0 0
Vijay Maker Chair Surgery Department	(I) (II)	443,997 0	23,569 0	19,886 0	23,567 0	16,551 0	527,570 0	0 0
Stephen Locher Chair Obstetrics/Gynecology	(I) (II)	390,000 0	61,444 0	34,892 0	23,567 0	24,617 0	534,520 0	0 0
Ben Grigaliunas SVP, Human Resources	(I) (II)	0 0	0 502,194	0 234,316	0 35,424	0 642	0 772,576	0 225,123

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Jose Elizondo MD	(I)	218,914	29,760	3,846	23,567	16,264	292,351	0
Director-Dec '11	(II)	0	0	0	0	0	0	0

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶ Information about Schedule L (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
ADVOCATE NORTH SIDE HEALTH NETWORK

Employer identification number
36-3196629

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Evangelical Services Corp	Shared board member	251,540,369	Expense allocation		No
(2) Advocate Home Care Products Inc	Shared board member	267,981	Misc services		No
(3) Evangelical Services Corp	Shared board member	1,495,218	Expense reimbursement		No
(4) Evangelical Services Corp	Shared board member	500,000	Capital contribution		No
(5) Osvaldo Lopez MD	Family Mbr- Susan N Lopez	129,583	Employment		No

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation

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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
ADVOCATE NORTH SIDE HEALTH NETWORK

Employer identification number
36-3196629

Return Reference	Explanation	
	Form 990, Part I, Line 1	Organization's Mission TO SERVE THE HEALTH NEEDS OF INDIVIDUALS, FAMILIES AND COMMUNITIES THROUGH A WHOLISTIC PHILOSOPHY ROOTED IN OUR FUNDAMENTAL UNDERSTANDING OF HUMAN BEINGS AS CREATED IN THE IMAGE OF GOD Form 990, Part III, Line 4D Other Program Services ADVOCATE I LLINOIS MASONIC MEDICAL CENTER (AIMMC), THE ONLY HOSPITAL IN THE ADVOCATE NORTH SIDE HEALT H NETWORK, WAS NAMED ONE OF THE NATION'S 100 TOP HOSPITALS BY TRUVEN HEALTH ANALYTICS IN 2 013, AND WAS A 2013 WINNER OF THE ORGANIZATIONS'S EVEREST AWARD FOR SETTING BENCHMARKS BY INTEGRATING THE HIGHEST ACHEIVEMENT WITH THE FASTEST LONG TERM IMPROVEMENT AIMMC, LOCATED ON CHICAGO'S NORTH SIDE, IS ONE OF THE STATE'S LARGEST, MOST COMPREHENSIVE NONPROFIT MEDI CAL CENTERS THE HOSPITAL HAS MORE THAN 900 ACTIVE PHYSICIANS REPRESENTING 43 MEDICAL SPEC IALITIES AIMMC IS DESIGNATED AS A LEVEL I TRAUMA CENTER AND AS A LEVEL III NEONATAL INTEN SIVE CARE UNIT (NICU) - THE HIGHEST DESIGNATION IN EACH AWARDED BY THE STATE AIMMC'S LEVE L I TRAUMA CENTER IS ONE OF ONLY FOUR TRAUMA CENTERS IN CHICAGO THE HOSPITAL IS NATIONALL Y RECOGNIZED FOR EXPERTISE IN CARDIAC CARE AND ITS USE OF THE MOST INNOVATIVE TECHNOLOGIES AVAILABLE TO PROVIDE ADVANCED CARE WITH ATTENTION TO PATIENT SAFETY, QUALITY AND EXCELLEN CE AIMMC HAS ALSO RECEIVED MAGNET RECOGNITION STATUS FOR EXCELLENCE IN NURSING SERVICES B Y THE AMERICAN NURSES CREDENTIALING CENTER AS ONE OF ILLINOIS' LARGEST NON-UNIVERSITY MED ICAL TEACHING HOSPITALS, THE HOSPITAL TRAINED 250 MEDICAL RESIDENTS AND 602 MEDICAL STUDEN TS IN 2013 THROUGH ITS AFFILIATIONS WITH THE UNIVERSITY OF ILLINOIS AT CHICAGO HEALTH SCIE NCES CENTER, ROSALIND FRANKLIN UNIVERSITY MIDWESTERN UNIVERSITY, AND OTHER MEDICAL SCHOOLS IN ADDITION TO SERVING INDIVIDUALS IN THE ACUTE CARE SETTING, AIMMC ALSO PROVIDES COMMUN ITY OUTREACH THROUGH HEALTH FAIRS, WELLNESS PROGRAMS AND OTHER OUTREACH SERVICES IN SUPPOR T OF ITS MVP (MISSION, VALUES AND PHILOSOPHY) THE MISSION OF AIMMC IS TO SERVE THE HEALTH NEEDS OF INDIVIDUALS, FAMILIES, AND COMMUNITIES THROUGH A WHOLISTIC PHILOSOPHY ROOTED IN THE FUNDAMENTAL UNDERSTANDING OF HUMAN BEINGS AS CREATED IN THE IMAGE OF GOD THE VALUES O F AIMMC SERVE AS AN INTERNAL COMPASS TO GUIDE RELATIONSHIPS AND ACTIONS THEY INCLUDE EQUA LITY, COMPASSION, EXCELLENCE, PARTNERSHIP, AND STEWARDSHIP THE PHILOSOPHY OF AIMMC IS GRO UNDED IN PRINCIPLES OF HUMAN ECOLOGY, FAITH, AND COMMUNITY-BASED HEALTH CARE THESE PRINCI PLES ARISE FROM AN UNDERSTANDING OF HUMAN BEINGS AS WHOLE PERSONS IN LIGHT OF THEIR RELATI ONSHIP WITH GOD, THEMSELVES, THEIR FAMILIES, AND THE SOCIETY IN WHICH THEY LIVE THROUGH O UR ACTIONS WE AFFIRM THESE PRINCIPLES AIMMC PROVIDES QUALITY HEALTH CARE TO INDIVIDUALS R EGARDLESS OF RACE, CREED, NATIONAL ORIGIN, AGE OR ABILITY TO PAY IN 2013, THE HOSPITAL SE RVED 189,615 PATIENTS, INCLUDING 14,529 INPATIENT ADMISSIONS AND 175,086 OUTPATIENT VISITS , DELIVERING 2,661 BABIES THE NUMBER OF PATIENTS SERVED INCREASES TO 416,769 WHEN ADDING INDIVIDUALS SERVED BY THE PHYSICIAN GROUP AND BEHAVIORAL HEALTH SERVICES NEARLY 40% OF TH E POPULATION IN AIMMC'S SERVICE AREA IS HISPANIC RESULTING IN A HEIGHTENED EMPHASIS ON PRO VIDING BILINGUAL AND BICULTURAL-SPECIFIC HEALTH CARE SERVICES EVEN IN THE FACE OF LOW REI MBURSEMENTS, AIMMC IS DEDICATED TO MAINTAINING A STRONG PRESENCE WITHIN ITS COMMUNITY AND CONTINUES TO MONITOR THESE EXPENDITURES TO MAKE CERTAIN THAT THE PROGRAMS AND SERVICES SUP PORTED ARE IN DIRECT RESPONSE TO COMMUNITY NEED IN 2013, THE ADVOCATE NORTH SIDE NETWORK, REPORTED OVER $41 4 MILLION IN CHARITABLE CARE AND SERVICES THESE SERVICES ARE COMPRISED OF MANY COMMUNITY HEALTH PROGRAMS FOCUSED ON IMPROVING ACCESS TO CARE, ADDRESSING SPECIAL NEEDS, AND IMPROVING OVERALL COMMUNITY HEALTH ADVOCATE ILLINOIS MASONIC MEDICAL CENTER'S COMMUNITY BENEFITS PLAN WAS DEVELOPED TO ESTABLISH STRATEGIES FOR IMPROVING ACCESS TO CAR E AND POSITIVELY AFFECTING THE HEALTH OF THE COMMUNITIES THAT IT SERVES INCLUDED IN THE C OMMUNITY BENEFITS PLAN ARE NOT ONLY PLANNED GOALS AND OBJECTIVES FOCUSED ON ADDRESSING NEE DS AS IDENTIFIED THROUGH THE HOSPITAL'S COMMUNITY HEALTH NEEDS ASSESSMENT PROCESS, BUT ALS O OTHER COMMUNITY BENEFITS SUCH AS CHARITY CARE, UNREIMBURSED MEDICAID AND MEDICARE, THAT ARE ONGOING COMMUNITY BENEFIT PROGRAMS THE PLAN SETS THE COURSE FOR STRENGTHENING EXISTIN G PARTNERSHIPS AND BUILDING NEW ONES WITH INDIVIDUALS AND ORGANIZATIONS WITHIN ITS SERVICE AREA IN ORDER TO LEVERAGE AND MAXIMIZE THE IMPACT OF ITS PROGRAMS AIMMC HAS SET FORTH FO UR GOALS AND MULTIPLE OBJECTIVES TO ACCOMPLISH THIS STRATEGY THE GOALS AND CORRESPONDING EXAMPLES ARE PROVIDED BELOW GOAL 1 UNDERTAKE OR SUPPORT INITIATIVES THAT ENHANCE ACCESS TO HEALTH AND WELLNESS SERVICES WITHIN THE DIVERSE COMMUNITIES AIMMC SERVES CHARITY CARE - AIMMC OFFERS A VERY GENEROUS CHARITY CARE PROGRAM REQUIRING NO PAY MENT FROM PATIENTS MOS T IN NEED, AND PROVIDING DISCOUNTS TO UNINSURED PATIENTS EARNING UP TO SIX TIMES THE FEDER AL POVERTY LEVEL AND TO INSURED PATIENTS EARNING U

Return Reference	Explanation	
	Form 990, Part I, Line 1	P TO FOUR TIMES THE POVERTY LEVEL FOR A FAMILY OF FOUR A PATIENT'S EXTENUATING CIRCUMSTAN CES ARE ALSO CONSIDERED WHEN QUALIFYING PATIENTS FOR CHARITY CARE AND IN CERTAIN CASES, AD VOCATE NORTH SIDE USES ADVOCATE OR PUBLIC RECORDS TO DETERMINE A PATIENT'S ELIGIBILITY (''P RESUMPTIVE ELIGIBILITY'') HISPANOCARE - MORE THAN 40,000 MEMBERS OF CHICAGO'S LATINO COMMU NITY BENEFIT FROM HISPANOCARE, A NETWORK OF OVER 100 BILINGUAL AND BICULTURAL HEALTH CARE PROVIDERS REPRESENTING NEARLY 150 OFFICE LOCATIONS THE GOAL OF HISPANOCARE IS TO PROVIDE QUALITY, COST-EFFECTIVE HEALTH CARE TO CHICAGO'S LATINO COMMUNITY IN A CULTURALLY SENSITIV E MANNER TO EASE THE FINANCIAL BURDEN, HISPANOCARE PROVIDERS AGREE TO GIVE ENROLLEES A 20 PERCENT DISCOUNT ON ALL OUT-OF-POCKET EXPENSES MOBILE DENTAL VAN - THE MOBILE DENTAL VAN OFFERS ACCESS TO ORAL HEALTH SERVICES TO OVER 600 UNDERSERVED AND UNINSURED INDIVIDUALS E ACH YEAR PROVIDING DENTAL SCREENINGS, TREATMENT, AND EDUCATION, THE MOBILE VAN REGULARLY TRAVELS ACROSS THE CITY OF CHICAGO MAKING STOPS AT SENIOR RESIDENCES, SCHOOLS AND PRIMARY CARE CLINICS TO PROVIDE CARE TO HARD-TO-REACH AND UNDERSERVED POPULATIONS INCLUDING ELDERL Y PEOPLE WITH LIMITED MOBILITY, CHILDREN FROM LOW-INCOME FAMILIES, DISABLED PERSONS, IMMIG RANTS AND THE HOMELESS LGBTQ COMMUNITY - AIMMC IS LOCATED NEAR ONE OF THE LARGEST LESBIAN GAY BISEXUAL TRANSGENDER QUESTIONING (LGBTQ) COMMUNITIES IN THE MIDWEST IN 2013, ADVOCAT E ILLINOIS MASONIC MEDICAL CENTER WAS NAMED A LEADER IN PROVIDING EQUAL HEALTH CARE SERVIC ES FOR THE LGBTQ COMMUNITY BY THE HUMAN RIGHT CAMPAIGN FOUNDATION'S HEALTH CARE EQUALITY I NDEX (HEI) REPORT FOR A FIFTH CONSECUTIVE YEAR AIMMC IS ONE OF NINE FACILITIES IN ILLINOI S TO HAVE BEEN RECOGNIZED AS A LEADER, DEMONSTRATING PATIENT NON-DISCRIMINATION, EQUAL VIS ITATION, EMPLOY MENT NON-DISCRIMINATION, AND TRAINING IN LGBT PATIENT-CENTERED CARE AIMMC WORKS DIRECTLY WITH THE CENTER ON HALSTED, THE MIDWEST'S MOST COMPREHENSIVE COMMUNITY CENT ER DEDICATED TO BUILDING AND STRENGTHENING THE LGBTQ COMMUNITY AND THEIR FRIENDS, BY PRESE NTING DIFFERENT HEALTH PRESENTATIONS AND INFORMATION TO THE DIFFERENT GROUPS WHO USE THE C ENTER MORE THAN 1,000 COMMUNITY MEMBERS VARYING IN AGE FROM YOUTH TO SENIORS VISIT THE CE NTER EVERY DAY, LOCATED IN THE HEART OF CHICAGO'S LAKEVIEW NEIGHBORHOOD BEING IN THE MIDD LE OF CHICAGO AND A LEVEL I TRAUMA CENTER, AIMMC NEEDS TO PROVIDE HEALTH CARE TO PEOPLE FR OM DIFFERENT COUNTRIES WHO ARE VISITING CHICAGO AIMMC EMPLOYS SPANISH, POLISH AND AMERICA N SIGN LANGUAGE INTERPRETERS TO BE ABLE TO PROVIDE SERVICE DURING THE DAY AS NEEDED BESID ES THESE EMPLOYEES AIMMC PROVIDES INTERPRETER SERVICES FOR OVER 30 LANGUAGES ON A MONTHLY BASIS GOAL 2 POSITIVELY AFFECT THE HEALTH STATUS AND QUALITY OF LIFE OF INDIVIDUALS AND POPULATIONS IN COMMUNITIES SERVED BY AIMMC THROUGH PROGRAMS AND PRACTICES THAT REFLECT AIM MC'S WHOLISTIC PHILOSOPHY DEAF AND HARD OF HEARING PROGRAM - AIMMC'S DEAF AND HARD OF HEA RING PROGRAM PROVIDES COMPREHENSIVE MENTAL HEALTH CARE IN AMERICAN SIGN LANGUAGE (ASL) TO DEAF, HARD OF HEARING AND DEAF-BLIND CHILDREN, ADOLESCENTS, AND ADULTS IN THE SIX-COUNTY C HICAGO REGION THE PROGRAM OFFERS A CONTINUUM OF CARE THAT INCLUDES CLINICAL ASSESSMENTS, PRE-SCREENINGS AND LINKAGE, INDIVIDUAL, FAMILY AND GROUP THERAPY, PSYCHIATRIC EVALUATIONS AND MEDICATION MONITORING, AND INTERVENTION WITH A 24-HOUR PHONE LINE CONNECTED TO A TTY (TELETYPE) SYSTEM A TELEPSYCHIATRY NETWORK ENABLES THE PROVISION OF OTHERWISE SCARCE DEAF- FRIENDLY PSYCHIATRIC SERVICES IN THE HOMES OF DEAF PATIENTS WHO HAVE RECEIVED THE FREE VID EOPHONE EQUIPMENT AND SERVICES SUPPORTED BY THE FCC A HEALTH EDUCATION WEB SITE THAT ALLO WS USERS TO ORDER FREE ASL HEALTH EDUCATION DVD'S IS ALSO AVAILABLE FOR USE BY THE DEAF AN D HARD OF HEARING COMMUNITY OVER THE YEARS, THE HOSPITAL HAS DISTRIBUTED OVER 2,600 FREE ASL DVD'S ON HIV/AIDS, STD'S, BREAST HEALTH, DIABETES, DEPRESSION AND SMOKING CESSATION P EDIATRIC DEVELOPMENT CENTER - AN INTENSI

Return Reference	Explanation
Form 990, Part VI, Line 1A	DESCRIPTION OF BOARD DELEGATING POWERS TO EXECUTIVE COMMITTEE The organization's by-laws provide that the executive committee has the authority to act on behalf of the board The executive committee has the same composition and members as the executive committee of the corporate member The corporate member's executive committee has nine members, consisting of the chairperson, the vice chairperson, the president, the chairpersons of the finance, planning health outcomes and mission and spiritual care committees, and two other directors The past chairperson of the board of directors may serve as an ex-officio member of the committee, with vote Each of the executive committee's members is on the board The scope of the executive committee's authority includes be responsible for planning educational programs for the board of directors, conduct an evaluation of the members of the board of directors, have such authority as shall be delegated by the board of directors, and act on behalf of the board of directors between meetings The executive committee is accountable as a body to the board of directors

Return Reference	Explanation
Form 990, Part VI, Line 2	DESCRIPTION OF BUSINESS RELATIONSHIPS As Dr James Dan, Dr Lee Sacks, Gail Hasbrouck, James Doheny, Dominic Nakis, Scott Powder and William Santulli are either directors or officers of wholly owned Advocate entities, they are deemed to have a business relationship pursuant to the instructions for Form 990

Return Reference	Explanation
Form 990, Part VI, Line 6	Members or stockholders The by-laws provide for corporate members

Return Reference	Explanation
Form 990, Part VI, Line 7A	DESCRIPTION OF CLASSES OF PERSONS AND THE NATURE OF THEIR RIGHTS The not-for-profit corporations of Advocate Health Care, with the exception of Advocate Health Care Network, have corporate members who elect directors Advocate Health Care Network does not have any members, therefore, the AHCN board elects its directors The for-profit organizations have a sole shareholder who elects the directors Form 990, Part VI, Line 7B DESCRIPTION OF CLASSES OF PERSONS, DECISIONS REQUIRING APPROVAL AND TYPE OF VOTING RIGHTS The following reserve powers identified in the bylaws require the approval of the corporate member, Advocate Health Care Network appoint outside auditors and establish and revise all financial control policies, and any changes to such policies, before such policies or changes become effective, cause the corporation to pay, loan or otherwise transfer property and funds to other entities affiliated with the corporate member, amend the bylaws without action or approval by the board of directors after ten days' notice to the corporation's board of directors of the proposed amendment(s) with an opportunity for board members to consult with the corporate member regarding the proposed amendment, approval of the overall mission, philosophy and values statements and any amendments or supplements to such statements, approval of the overall strategic plans, approval of all overall operating and capital budgets before any expenditure, pursuant to such budgets are made or committed, and approval of all expenditures above any limit that may be established by the board of the corporate member, approval of the incurrence or guarantee of any indebtedness for borrowed money which has not already been approved as part of the budget approval process or which is above any limit that may be established by the board of the corporate member, approval of all transfers of ownership or donations of assets above any limit that may be established by the board of the corporate member, approval of all amendments to the articles of incorporation and bylaws of the corporation before they become effective, approval of any merger, consolidation, or dissolution, and approval of the creation of or affiliation with any subsidiary or affiliate, before such entity is created or the entrance into any joint venture if the contemplated activity will involve the expenditure of funds or the assumption of obligations which have not already been approved as a part of the budget approval process or require member approval under the financial control policies

Return Reference	Explanation
Form 990, PART VI, Line 11B	DESCRIPTION OF THE PROCESS USED BY MANAGEMENT AND/OR GOVERNING BODY TO REVIEW 990 Advocate's tax preparation process includes ongoing consultation with its outside tax consulting firm and tax legal counsel, both of which possess expertise in health care and tax-exempt return preparation, to advise and assist with preparation of the Form 990 These advisors worked closely with the organization's finance, tax and legal associates and other members of the organization's team assembled to participate in the preparation of the Form 990 The Form 990 is reviewed by finance management, the tax manager, the VP of finance/corporate controller, the chief financial officer and Advocate's outside tax consulting firm and tax legal counsel Prior to presenting the Form 990 to the board of director's audit committee in November, the organization's team, including its advisors, met frequently to discuss and review drafts of the Form 990 At the November audit committee meeting, the VP of finance/corporate controller and chief financial officer coordinated a review of the Form 990 with committee members, as the audit committee is the committee of the board of directors charged with oversight of audit and tax matters The VP of finance/corporate controller and chief financial officer responded to the audit committee members' questions and provided the opportunity for detailed discussion of the Form 990 The changes identified were incorporated, and then a complete copy of the final Form 990 was provided to each member of the organization's board of directors before the Form 990 was filed Form 990, Part VI, Line 12C DESCRIPTION OF THE PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST The organization's conflict of interest policy applies to various people, including members of Advocate's board of directors, governing councils, officers, associates, volunteers, and medical staff members with administrative responsibilities Annually, the compliance department sends this policy and the Advocate code of business conduct to a range of individuals who may be in a position to exercise substantial interest over a particular matter (defined as "interested persons") They are required to read the policies and provide a disclosure statement to the compliance department, which identifies activities and relationships that could potentially give rise to a conflict of interest The chief compliance officer reviews the disclosure and provides a report to the system business conduct (compliance) committee, executive management team and the audit committee of the board for review The report is then provided, in relevant part, to the site chief executive officers Potential conflicts are reviewed by the compliance department on a case by case basis Follow up procedures conducted are unique to the given circumstance, and may include reviewing the potential conflict with the interested person, or investigating the matter in consultation with the interested person's supervisor and/or site management In circumstances where the interested person is not a member of the board, or governing council, or committee thereof, or a person of interest, if it is determined that there is an actual conflict of interest, the supervisor of the individual is responsible for making an appropriate response, potentially including a restriction of the individual's job duties with respect to the matter giving rise to the conflict

Return Reference	Explanation
Form 990, Part VI, Lines 15A & 15B	OFFICES AND POSTIONS FOR WHICH PROCESS WAS USED AND YEAR PROCESS WAS BEGUN Executive compensation at the Advocate Health Care Network and subsidiaries is based on a board of directors' approved strategy that guides the corporation in establishing compensation opportunities for executives, managers, professionals, and all employees In this strategy, specific market comparisons are identified and the desired level of competitiveness in those markets specified In addition, the linkage of executive pay to performance is articulated and how this relationship is to be maintained is outlined To support and implement the compensation strategy, five basic elements are utilized These elements are - A solid, reliable and tested job evaluation methodology - Accurate, quality and relevant compensation survey information - A consistent annual process for updating the compensation levels - An active board review process that assures compliance with the compensation strategy and on-going review of the performance of the organization, and - Active, external review and auditing of compensation by external independent consultants Form 990, Part VI, Line 19 AVAILABILITY OF GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS TO THE GENERAL PUBLIC The organization makes its financial statements available to the public through the following sites - DACBOND COM (Digital Assurance Certification, LLC) - EMMA MSRB ORG (Electronic Municipal Market Access) The organization does not make its governing document or conflict of interest policy available to the public

Return Reference	Explanation
Form 990, Part XI, Line 9	OTHER CHANGES IN NET ASSETS OR FUND BALANCES DISTRIBUTION TO AHHC $(75,000,000)

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ADVOCATE NORTH SIDE HEALTH NETWORK

Employer identification number
36-3196629

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
See Additional Data Table							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) DREYER MERCY AMBULATORY SURG 1221 HIGHLAND AURORA, IL 60506 36-3890298	MEDICAL SERVICES	IL	NA							Yes		60 000 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
See Additional Data Table									

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
See Additional Data Table			

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

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

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

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 36-3196629
Name: ADVOCATE NORTH SIDE HEALTH NETWORK

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) Advocate Health Care Network 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-2167779	Parent Corp	IL	501(c)(3)	11-III-FI	NA		No
(1) Advocate Condell Medical Center 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 26-2525968	Health Care	IL	501(c)(3)	3	AHHC	Yes	
(2) Advocate Health & Hospitals Corporation 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-2169147	Health Care	IL	501(c)(3)	3	AHCN		No
(3) Advocate Charitable Foundation 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-3297360	Fundraising	IL	501(c)(3)	7	AHCN		No
(4) EHS Home Health Care Service Inc 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-2913108	Home Care	IL	501(c)(3)	9	AHHC		No
(5) Meridian Hospice 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-3158667	Hospice Care	IL	501(c)(3)	9	EHSHHCS		No
(6) Hispanocare Inc 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-3606486	Health Care	IL	501(c)(3)	9	ANSHN	Yes	
(7) Ravenswood Health Care Foundation 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-3196628	Fundraising	IL	501(c)(3)	11-II	NA		No
(8) Masonic Family Health Foundation Inc 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-4397387	Fundraising	IL	501(c)(3)	11-I	MFHS		No
(9) Advocate Sherman Hospital 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-2167920	Health Care	IL	501(c)(3)	3	AHCN		No
(10) Sherman West Court 3075 Highland Pkwy Ste 600 Downers Grove, IL 60515 36-3725580	Nursing Care	IL	501(c)(3)	9	ASH		No
(11) Sherman Home Health Care Corporation 901 Center Street Suite 2001A Elgin, IL 60120 36-3330085	Home Care	IL	501(c)(3)	9	ASH		No

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
Advocate Home Care Products 3075 Highland Parkway Suite 600 Downers Grove, IL 60515 36-3315416	Health Services	IL	NA	C Corp					
Advocate Health Centers Inc 3075 Highland Parkway Suite 600 Downers Grove, IL 60515 36-4217291	Medical Services	IL	NA	C Corp					
Evangelical Services Corporation 3075 Highland Parkway Suite 600 Downers Grove, IL 60515 36-3208101	Mgmt Services	IL	NA	C Corp					
High Technology Inc 3075 Highland Parkway Suite 600 Downers Grove, IL 60515 36-3368224	Medical Services	IL	NA	C Corp					
Dreyer Clinic Inc 1877 W Downer Place Aurora, IL 60506 36-2690329	Medical Services	IL	NA	C Corp					
BroMenn Physician Management Corporation 3075 Highland Parkway Suite 600 Downers Grove, IL 60515 37-1313150	Medical Services	IL	NA	C Corp					
Parkside Center Condo Association 1775 West Dempster Street Park Ridge, IL 60068 36-3452486	Property Mgmt	IL	NA	C Corp					
Center for Endoscopy LLC 22285 Pepper Road Lake Barrington, IL 60010 26-2387298	Health Services	IL	NA	C Corp					
Advocate Insurance SPC 878 Wt Bay Rd PO Box 1159 Grand Cayman KY1-1102 CJ 98-0422925	Insurance	CJ	NA	C Corp					
Midwest Heart Specialists Ltd 3075 Highland Parkway Suite 600 Downers Grove, IL 60515 36-2841923	Medical Services	IL	NA	C Corp					
Sherman Health Insurance Company Ltd 878 W Bay Rd PO Box 1159 Grand Cayman KY1-1102 CJ 98-0703036	Insurance	CJ	NA	C Corp					
Health Visions Inc 3075 Highland Parkway Suite 600 Downers Grove, IL 60515 36-3780082	Medical Services	IL	NA	C Corp					
Sherman Group Practice Inc 3075 Highland Parkway Suite 600 Downers Grove, IL 60515 26-2891035	Medical Services	IL	NA	C Corp					
Sherman Physician Group Inc 3075 Highland Parkway Suite 600 Downers Grove, IL 60515 26-4800497	Medical Services	IL	NA	C Corp					
ShermanChoice Inc 1425 N Randall Road Elgin, IL 60123 36-4058392	Phys-Hospital Org	IL	NA	C Corp					

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

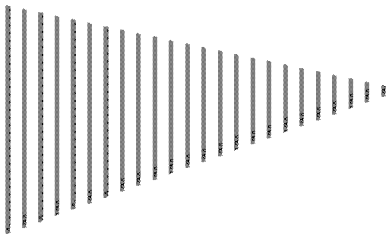
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
The Delphi Group IV Inc 1425 N Randall Road Elgin, IL 60123 36-4017279	Health Cost Mgt	IL	NA	C Corp					
Sherman Ventures Inc 934 Center Street Elgin, IL 60120 36-4292309	Holding Company	IL	NA	C Corp					

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Advocate Health and Hospitals Corp	b	75,000,000	Cost
HispanoCare Inc	b	175,000	Cost
Advocate Health and Hospitals Corp	k	356,234	Cost
Advocate Health and Hospitals Corp	m	72,078,429	Cost
Advocate Health and Hospitals Corp	p	76,778,936	Cost
Advocate Health and Hospitals Corp	r	1,711,982	Cost
Advocate Health and Hospitals Corp	l	21,022,829	Cost
Advocate Health and Hospitals Corp	q	32,344,511	Cost
Advocate Health and Hospitals Corp	s	54,223,214	Cost

Consolidated Financial Statements and Supplementary Information

Advocate Health Care Network and Subsidiaries
Years Ended December 31, 2013 and 2012
With Reports of Independent Auditors



Building a better working world

Advocate Health Care Network and Subsidiaries

Consolidated Financial Statements and Supplementary Information

Years Ended December 31, 2013 and 2012

Contents

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Building a better working world

Report of Independent Auditors

The Board of Directors
Advocate Health Care Network

We have audited the accompanying consolidated financial statements of Advocate Health Care Network and subsidiaries, which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Building a better working world

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Advocate Health Care Network and subsidiaries at December 31, 2013 and 2012, and the results of their operations and their cash flows for the years then ended in conformity with U S generally accepted accounting principles

Ernst + Young LLP

March 7, 2014

Advocate Health Care Network and Subsidiaries

Consolidated Balance Sheets

(Dollars in Thousands)

	December 31	
	2013	**2012**
Assets		
Current assets		
Cash and cash equivalents	**$ 563,229**	$ 397,945
Short-term investments	**19,401**	21,528
Assets limited as to use	**89,660**	76,841
Patient accounts receivable, less allowances for uncollectible accounts of $181,254 in 2013 and $153,943 in 2012	**567,033**	530,719
Amounts due from primary third-party payors	**10,107**	11,294
Prepaid expenses, inventories, and other current assets	**256,322**	233,653
Collateral proceeds received under securities lending program	**19,165**	20,794
Total current assets	**1,524,917**	1,292,774
Assets limited as to use		
Internally and externally designated investments limited as to use	**4,715,519**	4,224,383
Investments under securities lending program	**19,013**	21,014
	4,734,532	4,245,397
Prepaid pension expense and other noncurrent assets	**132,382**	116,305
Interest in health care and related entities	**152,103**	135,676
Reinsurance receivable	**172,318**	175,975
Deferred costs and intangible assets, less allowances for amortization	**51,231**	47,378
	5,242,566	4,720,731
Property and equipment – at cost		
Land and land improvements	**251,296**	189,226
Buildings	**2,514,922**	2,209,485
Movable equipment	**1,358,608**	1,262,737
Construction-in-progress	**313,065**	136,740
	4,437,891	3,798,188
Less allowances for depreciation	**2,155,428**	2,034,494
	2,282,463	1,763,694
	$ 9,049,946	$ 7,777,199

	December 31	
	2013	**2012**
Liabilities and net assets/shareholders' equity		
Current liabilities		
Current portion of long-term debt	**$ 17,810**	$ 19,103
Long-term debt subject to short-term remarketing arrangements	**135,130**	187,795
Accounts payable	**291,306**	227,882
Accrued salaries and employee benefits	**423,897**	347,617
Accrued expenses	**120,526**	117,962
Amounts due to primary third-party payors	**274,780**	240,192
Current portion of accrued insurance and claims costs	**112,412**	95,093
Obligations to return collateral under securities lending program	**19,440**	21,069
Total current liabilities	**1,395,301**	1,256,713
Noncurrent liabilities		
Long-term debt, less current portion	**1,452,109**	1,142,458
Pension plan liability	**23,737**	66,716
Accrued insurance and claims cost, less current portion	**678,470**	661,395
Accrued losses subject to reinsurance recovery	**172,318**	175,975
Obligations under swap agreements, net of collateral posted	**47,908**	84,814
Other noncurrent liabilities	**151,668**	124,215
	2,526,210	2,255,573
Total liabilities	**3,921,511**	3,512,286
Net assets/shareholders' equity		
Unrestricted	**4,968,578**	4,128,166
Temporarily restricted	**111,335**	90,351
Permanently restricted	**47,566**	45,414
	5,127,479	4,263,931
Non-controlling interest	**956**	982
Total net assets/shareholders' equity	**5,128,435**	4,264,913
	$ 9,049,946	$ 7,777,199

See accompanying notes to consolidated financial statements

Advocate Health Care Network and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets

(Dollars in Thousands)

	Year Ended December 31	
	2013	**2012**
Unrestricted revenues, gains, and other support		
Net patient service revenue	**$ 4,468,468**	$ 4,105,671
Provision for uncollectible accounts	**(253,989)**	(212,305)
	4,214,479	3,893,366
Capitation revenue	**389,516**	390,985
Other revenue	**334,007**	311,347
	4,938,002	4,595,698
Expenses		
Salaries, wages, and employee benefits	**2,510,470**	2,349,690
Purchased services and operating supplies	**1,211,483**	1,127,788
Contracted medical services	**135,570**	149,009
Insurance and claims costs	**108,349**	99,892
Other	**404,988**	337,349
Depreciation and amortization	**211,648**	187,742
Interest	**55,299**	45,953
	4,637,807	4,297,423
Operating income	**300,195**	298,275
Nonoperating income (loss)		
Investment income	**287,727**	380,749
Change in fair value of interest rate swaps	**41,236**	(52)
Fair value of net assets acquired	**151,663**	–
Loss on refinancing of debt	**(46)**	(24)
Other nonoperating items, net	**(15,455)**	(7,292)
	465,125	373,381
Revenues in excess of expenses	**765,320**	671,656

Advocate Health Care Network and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (continued)
(Dollars in Thousands)

	Year Ended December 31	
	2013	**2012**
Unrestricted net assets		
Revenues in excess of expenses	**$ 765,320**	$ 671,656
Net assets released from restrictions and used for capital purchases	**4,201**	7,378
Postretirement benefit plan adjustments	**70,912**	4,444
Other	**(21)**	(57)
Increase in unrestricted net assets	**840,412**	683,421
Temporarily restricted net assets		
Contributions for medical education programs, capital purchases, and other purposes	**27,778**	21,869
Contribution of net assets of Sherman Hospital	**719**	–
Realized gains on investments	**2,959**	2,580
Unrealized gains on investments	**3,768**	6,304
Net assets released from restrictions and used for operations, medical education programs, capital purchases, and other purposes	**(14,240)**	(15,733)
Increase in temporarily restricted net assets	**20,984**	15,020
Permanently restricted net assets		
Contributions for medical education programs, capital purchases, and other purposes	**1,889**	6,951
Contribution of net assets of Sherman Hospital	**263**	–
Increase in permanently restricted net assets	**2,152**	6,951
Increase in net assets	**863,548**	705,392
Change in non-controlling interest	**(26)**	16
Net assets/shareholders' equity at beginning of year	**4,264,913**	3,559,505
Net assets/shareholders' equity at end of year	**$ 5,128,435**	$ 4,264,913

See accompanying notes to consolidated financial statements.

Advocate Health Care Network and Subsidiaries

Consolidated Statements of Cash Flows

(Dollars in Thousands)

	Year Ended December 31	
	2013	**2012**
Operating activities		
Increase in net assets	**$ 863,522**	$ 705,408
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation, amortization, and accretion	**208,828**	187,956
Provision for uncollectible accounts	**253,989**	212,305
Change in deferred income taxes	**(5,893)**	(1,044)
Losses on disposal of property and equipment	**5,909**	1,088
Loss on refinancing of debt	**46**	24
Change in fair value of interest rate swaps	**(41,236)**	52
Postretirement benefit plan adjustments	**(70,912)**	(4,444)
Contribution of certain net assets of Sherman Hospital, net of $12,280 cash received	**(152,645)**	–
Restricted contributions and gains on investments, net of assets released from restrictions used for operations	**(10,039)**	(8,355)
Changes in operating assets and liabilities		
Trading securities	**(476,014)**	(538,587)
Patient accounts receivable	**(243,799)**	(233,392)
Amounts due to from primary third-party payors	**5,035**	20,618
Accounts payable, accrued salaries and employee benefits, accrued expenses, and other noncurrent liabilities	**160,561**	(65,307)
Other assets	**409**	24,398
Accrued insurance and claims cost	**9,393**	9,451
Net cash provided by operating activities	**507,154**	310,171
Investing activities		
Purchases of property and equipment	**(385,695)**	(280,863)
Proceeds from sale of property and equipment	**2,590**	7,431
Cash acquired in the acquisition of Sherman Hospital	**12,280**	–
Purchases of investments designated as non-trading	**(352,931)**	(970,653)
Sales of investments designated as non-trading	**431,263**	887,970
Other	**(66,043)**	(21,925)
Net cash used in investing activities	**(358,536)**	(378,040)
Financing activities		
Proceeds from issuance of debt	**119,956**	162,881
Payments of long-term debt	**(144,014)**	(33,237)
Collateral received (posted) under swap agreements	**4,330**	(4,330)
Proceeds from restricted contributions and gains on investments	**36,394**	37,704
Net cash provided by financing activities	**16,666**	163,018
Increase in cash and cash equivalents	**165,284**	95,149
Cash and cash equivalents at beginning of year	**397,945**	302,796
Cash and cash equivalents at end of year	**$ 563,229**	$ 397,945

See accompanying notes to consolidated financial statements

1. Organization and Summary of Significant Accounting Policies

Organization

Advocate Health Care Network (the System) is a nonprofit, faith-based health care organization dedicated to providing comprehensive health care services, including inpatient acute and non-acute care, primary and specialty physician services, and various outpatient services to communities in northern and central Illinois Additionally, through long-term academic and teaching affiliations, the System trains resident physicians The System is affiliated with the United Church of Christ and Evangelical Lutheran Church of America Substantially all expenses of the System are related to providing health care services

On June 1, 2013, the System and Sherman Hospital completed an affiliation agreement pursuant to which the System became the sole corporate member of Sherman Hospital Additionally, on June 1, 2013, the name of Sherman Hospital was changed to Advocate Sherman Hospital (Sherman) Sherman is the sole member of various not-for-profit corporations or the shareholder of various business corporations engaged in the delivery of health care services or the provision of goods and services ancillary thereto, which include a rehabilitation and skilled nursing facility (Sherman West Court), a home health care company, and an employed physician medical group The affiliation has been accounted for as an acquisition in accordance with the authoritative guidance on not-for-profit mergers and acquisitions and is described in Note 13 The operations of Sherman have been included in the System's consolidated financial statements since the affiliation date

Mission and Community Benefit

As a faith-based health care organization, the mission, values, and philosophy of the System form the foundation for its strategic priorities The System's mission is to serve the health care needs of individuals, families, and communities through a holistic philosophy rooted in the fundamental understanding of human beings as created in the image of God The System's core values of compassion, equality, excellence, partnership, and stewardship guide its actions to provide health care services to its communities Consistent with the values of compassion and stewardship, the System makes a major commitment to patients in need, regardless of their ability to pay This care is provided to patients who meet the criteria established under the System's charity care policy Patients eligible for consideration can earn up to 600% of the federal poverty level Qualifying patients can receive up to 100% discounts from charges and extended payment plans In 2013 and 2012, $475,849 and $396,815, respectively, of patient

1. Organization and Summary of Significant Accounting Policies (continued)

charges were forgone under this policy The System's cost of providing charity care in 2013 and 2012, as determined using the 2012 Medicare cost-to-charge ratio, was $126,502 and $103,636, respectively

The System is also involved in other numerous wide-ranging community benefit activities that include providing health education, immunizations for children, support groups, health screenings, health fairs, pastoral care, home-delivered meals, transportation services, seminars and speakers, crisis lines, publication of health magazines, medical residency and internships, research and language assistance, and other subsidized health services These activities are provided free of charge or at a fee that is below the cost of providing them The cost of these activities and the costs of uncompensated care for 2013 will be included in a community benefit report that will be filed with the Office of the Attorney General for the State of Illinois in June 2014

Principles of Consolidation

Included in the System's consolidated financial statements are all of its wholly owned or controlled subsidiaries All significant intercompany transactions have been eliminated in consolidation

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates, assumptions, and judgments that affect the reported amounts of assets and liabilities and amounts disclosed in the notes to the consolidated financial statements at the date of the consolidated financial statements Estimates also affect the reported amounts of revenues and expenses during the reporting period Although estimates are considered to be fairly stated at the time made, actual results could differ materially from those estimates

Cash Equivalents

The System considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents

1. Organization and Summary of Significant Accounting Policies (continued)

Investments

The System has designated substantially all of its investments as trading Certain debt-related investments are designated as non-trading Investments in debt and equity securities with readily determinable fair values are measured at fair value using quoted market prices or other observable inputs The non-trading portfolio consists mainly of cash equivalents, money market, and commercial paper Investments in limited partnerships that invest in marketable securities and derivative products (hedge funds) are reported using the equity method of accounting based on information provided by the respective partnership Investments in private equity limited partnerships with ownership percentages of 5% or greater are recorded on the equity method of accounting, while those with ownership percentages of 5% or less are recorded on the cost method of accounting Investment income or loss (including realized gains and losses, interest, dividends, changes in equity of limited partnerships, and unrealized gains and losses) is included in investment income unless the income or loss is restricted by donor or law or is related to assets designated for self-insurance programs Investment income on self-insurance trust funds is reported in other revenue Unrealized gains and losses that are restricted by donor or law are reported as a change in temporarily restricted net assets

Assets Limited as to Use

Assets limited as to use consist of investments set aside by the Board of Directors for future capital improvements and certain medical education and health care programs The Board of Directors retains control of these investments and may, at its discretion, subsequently use them for other purposes Additionally, assets limited as to use include investments held by trustees under debt agreements and self-insurance trusts

Patient Service Revenue and Accounts Receivable

Patient accounts receivable are stated at net realizable value The System evaluates the collectibility of its accounts receivable based on the length of time the receivable is outstanding, major payor sources of revenue, historical collection experience, and trends in health care insurance programs to estimate the appropriate allowance and provision for uncollectible accounts For receivables associated with services provided to patients who have third-party coverage, the System analyzes contractually due amounts and provides an allowance for contractual allowances and an allowance and a provision for uncollectible accounts for patient

(Dollars in Thousands)

1. Organization and Summary of Significant Accounting Policies (continued)

responsibilities under such contracts that are deemed not realizable For receivables associated with self-pay patients, the System records a significant provision for uncollectible accounts in the period of service on the basis of its past experience, which indicates that many patients do not pay the portion of their bill for which they are financially responsible These adjustments are accrued on an estimated basis and are adjusted as needed in future periods

The allowance for uncollectible accounts as a percentage of accounts receivable increased from 23% in 2012 to 24% in 2013 primarily due to an increase in self-pay accounts receivables compounded by decreases in Medicaid accounts receivables, net of contractual allowances The decrease in Medicaid receivables was primarily due to the increased cash collections received from the State of Illinois during 2013 The System's combined allowance for uncollectible accounts receivable, uninsured discounts, and charity care covered 100% of self-pay accounts receivable at December 31, 2013 and 2012

The System has agreements with third-party payors that provide for payments to the System at amounts different from its established rates For uninsured patients who do not qualify for charity care, the System recognizes revenue at the time of service on the basis of its standard rates less the self-pay discount Patient service revenue, net of contractual allowances, the provision for charity care, and other discounts (but before the provision for uncollectible accounts), is reported at the estimated net realizable amounts from patients, third-party payors, and others for service rendered, including estimated adjustments under reimbursement agreements with third-party payors, certain of which are subject to audit by administering agencies These adjustments are accrued on an estimated basis and are adjusted as needed in future periods

Patient service revenue, net of the provision for charity care, contractual allowances, and other discounts (but before the provision for uncollectible accounts), recognized in the period from these major payor sources is as follows for the years ended December 31

Patient Service Revenue (Net of Contractual Allowances and Discounts)

	2013	2012
Third-party payors	**$ 4,040,300**	$ 3,708,644
Self-pay	**428,168**	397,027
Total all payors	**$ 4,468,468**	$ 4,105,671

1. Organization and Summary of Significant Accounting Policies (continued)

Inventories

Inventories, consisting primarily of medical supplies and pharmaceuticals, are stated at the lower of cost (first-in, first-out) or market value

Reinsurance Receivables

Reinsurance receivables are recognized in a manner consistent with the liabilities relating to the underlying reinsured contracts

Deferred Costs

Deferred costs consist primarily of noncurrent deferred tax assets and deferred bond issuance costs Deferred bond issuance costs are amortized over the life of the bonds using the effective interest method

Asset Impairment

The System considers whether indicators of impairment are present and performs the necessary tests to determine if the carrying value of an asset is appropriate Impairment write-downs, except for those related to investments, are recognized in operating income at the time the impairment is identified

Property and Equipment

Provisions for depreciation of property and equipment are based on the estimated useful lives of the assets ranging from 3 to 80 years using the straight-line method

Asset Retirement Obligations

The System recognizes its legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development, or normal operations of long-lived assets when these obligations are incurred The obligations are recorded as a noncurrent liability and are accreted to present value at the end of each period When the obligation is incurred, an amount equal to the present value of the liability is added to the cost of the related asset and is

1. Organization and Summary of Significant Accounting Policies (continued)

depreciated over the life of the related asset The obligations at December 31, 2013 and 2012, were $19,197 and $19,249, respectively

Derivative Financial Instruments

The System has entered into derivative transactions to manage its interest rate risk Derivative instruments are recorded as either assets or liabilities at fair value Subsequent changes in a derivative's fair value are recognized in nonoperating income (loss)

General and Professional Liability Risks

The provision for self-insured general and professional liability claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those assets whose use by the System has been limited by donors to a specific time period or purpose Permanently restricted net assets consist of gifts with corpus values that have been restricted by donors to be maintained in perpetuity Temporarily restricted net assets and earnings on permanently restricted net assets are used in accordance with the donor's wishes primarily to purchase property and equipment or to fund medical education or other health care programs

Assets released from restriction to fund purchases of property and equipment are reported in the consolidated statements of operations and changes in net assets as increases to unrestricted net assets Those assets released from restriction for operating purposes are reported in the consolidated statements of operations and changes in net assets as other revenue When restricted, earnings are recorded as temporarily restricted net assets until amounts are expended in accordance with the donor's specifications

Capitation Revenue

The System has agreements with various managed care organizations under which the System provides or arranges for medical care to members of the organizations in return for a monthly payment per member Revenue is earned each month as a result of agreeing to provide or arrange for their medical care

1. Organization and Summary of Significant Accounting Policies (continued)

Other Nonoperating Items, Net

Other nonoperating items, net primarily consist of provisions for environmental remediation, contributions to charitable organizations, valuation adjustments for investments on the equity method of accounting, and income taxes

Revenues in Excess of Expenses and Changes in Net Assets

The consolidated statements of operations and changes in net assets include revenues in excess of expenses as the performance indicator Changes in unrestricted net assets, which are excluded from revenues in excess of expenses, primarily include contributions of long-lived assets (including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets) and postretirement benefit adjustments

Grants

Grant revenue is recognized in the period it is earned based on when the applicable project expenses are incurred and project milestones are achieved Grant payments received in advance of related project expenses are recorded as deferred revenue until the expenditure has been incurred The System records grant revenue in other revenue in the consolidated statements of operations and changes in net assets

Under certain provisions of the American Recovery and Reinvestment Act of 2009, federal incentive payments are available to hospitals, physicians, and certain other professionals when they adopt certified electronic health record (EHR) technology or become "meaningful users" of EHRs in ways that demonstrate improved quality, safety, and effectiveness of care These incentive payments are being accounted for in the same manner as grant revenue

New Accounting Pronouncement

In December 2011, the Financial Accounting Standards Board issued guidance that enhances disclosures about financial and derivative instruments that are either offset on the consolidated balance sheet or subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are offset on the consolidated balance sheet Adoption of this new guidance on January 1, 2013, did not have a material effect on the System's consolidated financial statements

1. Organization and Summary of Significant Accounting Policies (continued)

Reclassifications in the Consolidated Financial Statements

Certain reclassifications were made to the 2012 consolidated financial statements to conform to the classifications used in 2013 There was no impact on previously reported 2012 net assets or revenues in excess of expenses

2. Contractual Arrangements With Third-Party Payors

The System provides care to certain patients under payment arrangements with Medicare, Medicaid, Health Care Service Corporation, d/b/a Blue Cross and Blue Shield of Illinois (Blue Cross), and various other health maintenance and preferred provider organizations Services provided under these arrangements are paid at predetermined rates and/or reimbursable costs, as defined Reported costs and/or services provided under certain of the arrangements are subject to audit by the administering agencies Changes in Medicare and Medicaid programs and reduction of funding levels could have a material adverse effect on the future amounts recognized as patient service revenue

Amounts earned from the above payment arrangements accounted for 94% and 92% of the System's net patient service revenue in 2013 and 2012, respectively For the years ended December 31, 2013 and 2012, the System earned 30% of net patient service revenue from Blue Cross, 11% and 10%, respectively, from the Medicaid program, and 25% and 26%, respectively, from the Medicare program Provision has been made in the consolidated financial statements for contractual adjustments, representing the difference between the established charges for services and actual or estimated payment The extreme complexity of laws and regulations governing the Medicare and Medicaid programs renders at least a reasonable possibility that recorded estimates will change by a material amount in the near term Changes in the estimates that relate to prior years' third-party payment arrangements resulted in increases in net patient service revenue of $20,899 and $1,510 for the years ended December 31, 2013 and 2012, respectively

Also, in 2013 the Centers for Medicare and Medicaid Services approved the enhanced Medicaid assessment system retroactive to June 10, 2012 In 2013 the System recognized $26,601 in net patient service revenue and $15,871 in other operating expenses for the first 18 months covered by this system

2. Contractual Arrangements With Third-Party Payors (continued)

In connection with the State of Illinois' Hospital Assessment Program, including the enhanced Medicaid assessment system, the System recognized $224,082 and $145,198 of net patient service revenue and $154,873 and $106,219 of program assessment expense in other expense in 2013 and 2012, respectively

In 2012, as part of the Medicare Rural Floor Budget Neutrality Act settlement, the System recognized $29,302 in net patient service revenue and $2,930 in operating expenses as part of purchased services and operating supplies The System's concentration of credit risk related to accounts receivable is limited due to the diversity of patients and payors The System grants credit, without collateral, to its patients, most of whom are local residents and insured under third-party payor arrangements The System has established guidelines for placing patient balances with collection agencies, subject to terms of certain restrictions on collection efforts as determined by the System Amounts due to/from primary third-party payors in the consolidated balance sheets primarily relate to the Blue Cross, Medicare, or Medicaid programs At December 31, 2013 and 2012, 16% and 17%, respectively, of net patient accounts receivable were due under contracts with Blue Cross and 14% were due from the Medicaid program Net patient accounts receivable due from the Medicare program were 11% and 10% at December 31, 2013 and 2012, respectively

The System has entered into various capitated physician provider agreements, including Humana Health Plan, Inc and Humana Insurance Company and their affiliates (collectively, Humana), Cigna-HealthSpring, and WellCare Health Plans, Inc Capitation revenues received under the agreements with Humana amounted to 38% of the System's capitation revenue for the years ended December 31, 2013 and 2012 Capitation revenues received under Cigna-HealthSpring and WellCare Health Plans, Inc agreements amounted to 26% of the System's capitation revenue for the years ended December 31, 2013 and 2012

Provision has been made in the consolidated financial statements for the estimated cost of providing certain medical services under the aforementioned capitated arrangements The System accrues a liability for reported, as well as an estimate for incurred but not recorded (IBNR), contracted medical services The liability represents the expected ultimate cost of all reported and unreported claims unpaid at year-end The System uses the services of a consulting actuary to determine the estimated cost of the IBNR claims Adjustments to the estimates are

(Dollars in Thousands)

2. Contractual Arrangements With Third-Party Payors (continued)

reflected in current year operations At December 31, 2013 and 2012, the liabilities for unpaid medical claims amounted to $21,107 and $20,621, respectively, and are included in accrued expenses in the consolidated balance sheets

3. Cash and Cash Equivalents and Investments (Including Assets Limited as to Use)

Investments (including assets limited as to use) and other financial instruments at December 31 are summarized as follows

	2013	2012
Assets limited as to use		
Designated for self-insurance programs	$ 807,145	$ 839,810
Internally and externally designated for capital improvements, medical education, and health care programs	3,836,378	3,243,800
Externally designated under debt agreements	161,656	217,614
Investments under securities lending program	19,013	21,014
	4,824,192	4,322,238
Other financial instruments		
Cash and cash equivalents and short-term investments	582,630	419,473
	$ 5,406,822	$ 4,741,711

The composition and carrying value of assets limited as to use, short-term investments, and cash and cash equivalents at December 31 are set forth in the following table

	2013	2012
Cash and short-term investments	$ 956,883	$ 648,201
Corporate bonds and other debt securities	326,163	426,203
United States government obligations	199,689	151,743
Government mutual funds	502,072	643,506
Bond and other debt security mutual funds	479,855	513,124
Commodity mutual funds	4,631	4,666
Hedge funds	895,222	695,862
Private equity limited partnership funds	336,536	289,820
Equity securities	1,083,000	1,028,242
Equity mutual funds	605,553	340,344
Guaranteed investment contract	17,218	–
	$ 5,406,822	$ 4,741,711

(Dollars in Thousands)

3. Cash and Cash Equivalents and Investments (Including Assets Limited as to Use) (continued)

The System regularly compares the net asset value (NAV), which is a proxy for the fair value of its private equity investments, to the recorded cost for potential other-than-temporary impairment The NAV of these investments based on estimates determined by the investments' management was $378,429 and $310,837 at December 31, 2013 and 2012, respectively In 2013 and 2012, the System identified and recorded $5,381 and $6,100, respectively, of impairment losses that are included in investment income in the consolidated statements of operations and changes in net assets

At December 31, 2013 and 2012, the System has commitments to fund private equity investments an additional $364,934 and $442,301, respectively The unfunded commitments at December 31, 2013, are expected to be funded over the next seven years

Investment returns for assets limited as to use, cash and cash equivalents, and short-term investments comprise the following for the years ended December 31

	2013	2012
Interest and dividend income	**$ 151,877**	$ 160,350
Net realized gains	**121,330**	93,763
Net unrealized gains	**69,520**	184,525
	$ 342,727	$ 438,638

Investment returns are included in the consolidated statements of operations and changes in net assets for the years ended December 31 as follows

	2013	2012
Other revenue	**$ 48,273**	$ 49,005
Investment income	**287,727**	380,749
Realized and unrealized gains on investments – temporarily restricted net assets	**6,727**	8,884
	$ 342,727	$ 438,638

3. Cash and Cash Equivalents and Investments (Including Assets Limited as to Use) (continued)

As part of the management of the investment portfolio, the System has entered into an arrangement whereby securities owned by the System are loaned primarily to brokers and investment banks The loans are arranged through a bank Borrowers are required to post collateral in the form of highly rated government securities for securities borrowed equal to approximately 102% and 100% in 2013 and 2012, respectively, of the value of the security on a daily basis at a minimum The bank is responsible for reviewing the creditworthiness of the borrowers The System has also entered into an arrangement whereby the bank is responsible for the risk of borrower bankruptcy and default At December 31, 2013 and 2012, the System loaned $19,013 and $21,014, respectively, in securities and accepted collateral for these loans in the amount of $19,440 and $21,069, respectively, of which $19,165 and $20,794, respectively, represent cash collateral and are included in current liabilities and current assets, respectively, in the accompanying consolidated balance sheets

4. Fair Value Measurements

The System accounts for certain assets and liabilities at fair value The hierarchy below lists three levels of fair value based on the extent to which inputs used in measuring fair value are observable in active markets The System categorizes each of its fair value measurements in one of the three levels based on the highest level of input that is significant to the fair value measurement in its entirety These levels are

Level 1 Quoted prices in active markets for identified assets or liabilities

Level 2 Inputs, other than quoted prices in active markets, that are observable either directly or indirectly

Level 3 Unobservable inputs in which there is little or no market data, which then requires the reporting entity to develop its own assumptions about what market participants would use in pricing the asset or liability

4. Fair Value Measurements (continued)

The following section describes the valuation methodologies the System uses to measure financial assets and liabilities at fair value In general, where applicable, the System uses quoted prices in active markets for identical assets and liabilities to determine fair value This pricing methodology applies to Level 1 investments such as domestic and international equities, United States Treasuries, exchange-traded mutual funds, and agency securities If quoted prices in active markets for identical assets and liabilities are not available to determine fair value, then quoted prices for similar assets and liabilities or inputs other than quoted prices that are observable either directly or indirectly are used These investments are included in Level 2 and consist primarily of corporate notes and bonds, foreign government bonds, mortgage-backed securities, commercial paper, and certain agency securities The fair value for the obligations under swap agreements included in Level 2 is estimated using industry standard valuation models These models project future cash flows and discount the future amounts to a present value using market-based observable inputs, including interest rate curves The fair values of the obligation under swap agreements include fair value adjustments related to the System's credit risk

The guaranteed investment contract (GIC) is included as a Level 2 investment As described in Note 6, the Sherman Series 2007A Bonds require a debt service reserve fund that is invested in a GIC This investment represents a privately negotiated agreement between Sherman and various banks Although the investment is not traded on any market and is nontransferable for the duration of the bonds, the underlying assets are traded in active markets

The System's investments are exposed to various kinds and levels of risk Equity securities and equity mutual funds expose the System to market risk, performance risk, and liquidity risk for both domestic and international investments Market risk is the risk associated with major movements of the equity markets Performance risk is the risk associated with a company's operating performance Fixed income securities and fixed income mutual funds expose the System to interest rate risk, credit risk, and liquidity risk As interest rates change, the value of many fixed income securities is affected, including those with fixed interest rates Credit risk is the risk that the obligor of the security will not fulfill its obligations Liquidity risk is affected by the willingness of market participants to buy and sell particular securities Liquidity risk tends to be higher for equities related to small capitalization companies and certain alternative investments Due to the volatility in the capital markets, there is a reasonable possibility of subsequent changes in fair value resulting in additional gains and losses in the near term

(Dollars in Thousands)

4. Fair Value Measurements (continued)

The following are assets and liabilities measured at fair value on a recurring basis at December 31, 2013

Description	2013	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash and short-term investments	$ 956,883	$ 952,558	$ 4,325	$ –
Corporate bonds and other debt securities	326,163	–	326,163	–
United States government obligations	199,689	–	199,689	–
Government mutual funds	502,072	410,712	91,360	–
Bond and other debt security mutual funds	479,855	290,815	189,040	–
Commodity mutual funds	4,631	–	4,631	–
Equity securities	1,083,000	1,083,000	–	–
Equity mutual funds	605,553	463,931	141,622	–
Guaranteed investment contract	17,218	–	17,218	–
Investments at fair value	4,175,064	$ 3,201,016	$ 974,048	$ –
Investments not at fair value	1,231,758			
Total investments	$ 5,406,822			
Collateral proceeds received under securities lending program	$ 19,165		$ 19,165	
Liabilities				
Obligations under swap agreements	$ (47,908)		$ (47,908)	
Net liability under swap agreements	$ (47,908)		$ (47,908)	
Obligations to return collateral under securities lending program	$ (19,440)		$ (19,440)	

(Dollars in Thousands)

4. Fair Value Measurements (continued)

The following are assets and liabilities measured at fair value on a recurring basis at December 31, 2012

Description	2012	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash and short-term investments	$ 648,201	$ 646,169	$ 2,032	$ –
Corporate bonds and other debt securities	426,203	–	426,203	–
United States government obligations	151,743	–	151,743	–
Government mutual funds	643,506	535,188	108,318	–
Bond and other debt security mutual funds	513,124	289,388	223,736	–
Commodity mutual funds	4,666	–	4,666	–
Equity securities	1,028,242	1,028,242	–	–
Equity mutual funds	340,344	248,234	92,110	–
Investments at fair value	3,756,029	$ 2,747,221	$ 1,008,808	$ –
Investments not at fair value	985,682			
Total investments	$ 4,741,711			
Collateral proceeds received under securities lending program	$ 20,794		$ 20,794	
Liabilities				
Obligations under swap agreements	$ (89,144)		$ (89,144)	
Collateral under swap agreements	4,330		4,330	
Net liability under swap agreements	$ (84,814)		$ (84,814)	
Obligations to return collateral under securities lending program	$ (21,069)		$ (21,069)	

4. Fair Value Measurements (continued)

The carrying values of cash and cash equivalents, accounts receivable and payable, accrued expenses, and short-term borrowings are reasonable estimates of their fair values due to the short-term nature of these financial instruments

Investments not at fair value include hedge funds and private equity limited partnerships (alternative investments) The fair values of the alternative investments that do not have readily determinable fair values are determined by the general partner or fund manager taking into consideration, among other things, the cost of the securities or other investments, prices of recent significant transfers of like assets, and subsequent developments concerning the companies or other assets to which the alternative investments relate Based on the inputs in determining the estimated fair value of these investments, these assets would be considered Level 3

The valuation for the estimated fair value of long-term debt is completed by a third-party service and takes into account a number of factors including, but not limited to, any one or more of the following (i) general interest rate and market conditions, (ii) macroeconomic and/or deal-specific credit fundamentals, (iii) valuations of other financial instruments that may be comparable in terms of rating, structure, maturity, and/or covenant protection, (iv) investor opinions about the respective deal parties, (v) size of the transaction, (vi) cash flow projections, which in turn are based on assumptions about certain parameters that include, but are not limited to, default, recovery, prepayment, and reinvestment rates, (vii) administrator reports, asset manager estimates, broker quotations, and/or trustee reports, and (viii) comparable trades, where observable Based on the inputs in determining the estimated fair value of debt, this liability would be considered Level 2 The estimated fair value of long-term debt based on quoted market prices for the same or similar issues was $1,573,401 and $1,385,228 at December 31, 2013 and 2012, respectively, which included consideration of third-party credit enhancements, of which there was no effect

(Dollars in Thousands)

5. Interest in Health Care and Related Entities

During 2000, in connection with the acquisition of a medical center, the System acquired an interest in the net assets of the Masonic Family Health Foundation (the Foundation), an independent organization, under the terms of an asset purchase agreement (the Agreement) The use of substantially all of the Foundation's net assets is designated to support the operations and/or capital needs of one of the System's medical facilities Additionally, 90% of the Foundation's investment yield, net of expenses, on substantially all of the Foundation's investments is designated for the support of one of the System's medical facilities The Foundation must pay the System, annually, 90% of the investment yield or an agreed-upon percentage of the beginning of the year net assets

The interest in the net assets of this organization amounted to $91,400 and $82,700 as of December 31, 2013 and 2012, respectively, which is reflected in interest in health care and related entities in the consolidated balance sheets The System's interest in the investment yield is reflected in the consolidated statements of operations and changes in net assets and amounted to $13,348 and $8,959 for the years ended December 31, 2013 and 2012, respectively Cash distributions received by the System from the Foundation under terms of the Agreement amounted to $4,531 and $3,998 during the years ended December 31, 2013 and 2012, respectively In addition to the amounts distributed under the Agreement, the Foundation contributed $931 and $445 to the System for program support of one of its medical facilities during the years ended December 31, 2013 and 2012, respectively

The System has a 50% membership and governance interest in Advocate Health Partners (d/b/a Advocate Physician Partners) (APP), which has been accounted for on an equity basis The System's carrying value in this interest was $0 at December 31, 2013 and 2012 Financial information relating to this interest as of and for the years ended December 31, 2013 and 2012, is as follows

	2013	2012
Assets	**$ 144,491**	$ 162,604
Liabilities	**145,085**	158,888
Revenues in excess of expenses	–	–

5. Interest in Health Care and Related Entities (continued)

The System contracts with APP for certain operational and administrative services Total expenses incurred for these services were $25,291 and $22,271 in 2013 and 2012, respectively, which is included in purchased services and operating supplies and other in the consolidated statements of operations and changes in net assets At December 31, 2013 and 2012, the System had an accrued liability to APP for those services for $1,226 and $1,703, respectively, which is included in accrued expenses in the consolidated balance sheets

APP purchased claims processing and certain management services from the System in the amounts of $8,810 and $7,773 in 2013 and 2012, respectively, which is included in other revenue in the consolidated statements of operations and changes in net assets Under terms of an agreement with the System, APP reimburses the System for salaries, benefits, and other expenses that are incurred by the System on APP's behalf The amount billed for these services in 2013 and 2012 was $23,018 and $20,775, respectively, which is included in other revenue in the consolidated statements of operations and changes in net assets The System had a receivable from APP at December 31, 2013 and 2012, for claims processing and management services of $5,155 and $4,557, respectively, which is included in prepaid expenses, inventories, and other current assets in the consolidated balance sheets

(Dollars in Thousands)

6. Long-Term Debt

Long-term debt, net of unamortized original issue discount or premium, consisted of the following at December 31

	2013	2012
Revenue bonds and revenue refunding bonds, Illinois Finance Authority Series		
1993C, 6 00% to 7 00%, principal payable in varying annual installments through April 2018	$ **19,857**	$ 22,298
2003A (weighted-average rate of 4 38% during 2013 and 2012), principal payable in varying annual installments through November 2022, interest based on prevailing market conditions at time of remarketing	**21,930**	24,130
2003C (weighted-average rate of 0 22% and 0 30% during 2013 and 2012, respectively), principal payable in varying annual installments through November 2022, interest based on prevailing market conditions at time of remarketing	**21,225**	23,430
2007A Sherman, 5 50%, principal payable in varying annual installments through August 2037	**176,970**	–
2008A (weighted-average rate of 4 76% and 2 03% during 2013 and 2012, respectively), principal payable in varying annual installments through November 2030, interest based on prevailing market conditions at time of remarketing	**141,306**	144,712
2008C (weighted-average rate of 0 37% and 0 45% during 2013 and 2012, respectively), principal payable in varying annual installments through November 2038, interest based on prevailing market conditions at time of remarketing	**343,270**	343,270
2008D, 5 00% to 6 50%, principal payable in varying annual installments through November 2038	**156,125**	160,107
2010A, 5 50%, principal payable in varying annual installments through April 2044	**37,277**	37,287
2010B, 5 38%, principal payable in varying annual installments through April 2044	**52,192**	52,186
2010C, 5 38%, principal payable in varying annual installments through April 2044	**25,536**	25,533

(Dollars in Thousands)

6. Long-Term Debt (continued)

	2013	2012
Revenue bonds and revenue refunding bonds, Illinois Finance Authority Series (continued)		
2010D, 4.00% to 5.25%, principal payable in varying annual installments through April 2038	**$ 110,289**	$ 116,464
2011A, 3.00% to 5.00%, principal payable in varying annual installments through April 2041	**38,511**	41,366
2011B (weighted-average rate of 0.21% and 0.28% during 2013 and 2012, respectively), principal payable in varying annual installments through April 2051, subject to a put provision that provides for a cumulative seven-month notice and remarketing period, interest tied to a market index plus a spread	**70,000**	70,000
2011C (weighted-average rate of 0.83% and 0.87% during 2013 and 2012, respectively), principal payable in varying annual installments through April 2049, subject to a put provision at the end of the initial seven-year period, interest tied to a market index plus a spread	**50,000**	50,000
2011D (weighted-average rate of 0.93% and 0.97% during 2013 and 2012, respectively), principal payable in varying annual installments through April 2049, subject to a put provision at the end of the initial 10-year period, interest tied to a market index plus a spread	**50,000**	50,000
2012, 4.00% to 5.00%, principal payable in varying annual installments through June 2047	**149,852**	149,991
2013A, 3.00% to 5.00%, principal payable in varying annual installments through June 2031	**102,946**	–
Capital lease obligations	**30,711**	31,113
Other	**7,052**	7,469
	1,605,049	1,349,356
Less current portion of long-term debt	**17,810**	19,103
Less long-term debt subject to short-term remarketing arrangements	**135,130**	187,795
	$ 1,452,109	$ 1,142,458

Maturities of long-term debt, capital leases, and sinking fund requirements, assuming remarketing of the variable rate demand revenue refunding bonds, for the five years ending December 31, 2018, are as follows 2014 – $17,810, 2015 – $20,074, 2016 – $19,722, 2017 – $20,933, and 2018 – $23,082

The System's unsecured variable rate revenue bonds, Series 2003A of $21,930, Series 2003C of $21,225, Series 2008C-3B of $21,975, and Series 2011B of $70,000, while subject to a long-term amortization period, may be put to the System at the option of the bondholders in

6. Long-Term Debt (continued)

connection with certain remarketing dates To the extent that bondholders may, under the terms of the debt, put their bonds within a maximum of 12 months after December 31, 2013, the principal amount of such bonds has been classified as a current obligation in the accompanying consolidated balance sheets Management believes the likelihood of a material amount of bonds being put to the System is remote However, to address this possibility, the System has taken steps to provide various sources of liquidity, including assessing alternate sources of financing, including lines of credit and/or unrestricted assets as a source of self-liquidity

The System has standby bond purchase agreement with banks to provide liquidity support for the Series 2008C Bonds In the event of a failed remarketing of a Series 2008C Bond upon its tender by an existing holder and subject to compliance with the terms of the standby bond purchase agreement, the standby bank would provide the funds for the purchase of such tendered bonds, and the System would be obligated to repay the bank for the funds it provided for such bond purchase (if such bond is not subsequently remarketed), with the first installment of such repayment commencing on the date one year and one day after the bank purchases the bond As of December 31, 2013 and 2012, there were no bank purchased bonds outstanding The agreements expire in August 2015, August 2016, and August 2017

All System outstanding bonds are secured by obligations issued under the Amended and Restated Master Trust Indenture dated as of September 1, 2011, with Advocate Health Care Network, Advocate Health and Hospitals Corporation, Advocate Condell, and Advocate North Side (the Obligated Group or Restricted Affiliates) and U S Bank National Association, as master trustee (the System Master Indenture) Under the terms of the bond indentures and other arrangements, various amounts are to be on deposit with trustees, and certain specified payments are required for bond redemption and interest payments The System Master Indenture and other debt agreements, including a bank credit agreement, also place restrictions on the System and require the System to maintain certain financial ratios

On August 8, 2013, the Illinois Finance Authority, for the benefit of the System, issued its Revenue Bonds, Series 2013A, in the amount of $96,905 The proceeds of the Series 2013A Bonds were used, together with other funds available to the System, to finance, refinance, or reimburse the System for a portion of the costs related to the acquisition, construction, renovation, and equipping of certain capital projects and to pay certain costs of issuing the Series 2013A Bonds

6. Long-Term Debt (continued)

On November 29, 2012, the Illinois Finance Authority, for the benefit of the System, issued its Revenue Bonds, Series 2012, in the amount of $145,620 The proceeds of the Series 2012 Bonds were used, together with other funds available to the System, to finance, refinance, or reimburse the System for a portion of the costs related to the acquisition, construction, renovation, and equipping of certain capital projects and to pay certain costs of issuing the Series 2012 Bonds

In 2013, the Series 2008A-1 Bonds and Series 2008A-2 Bonds, which currently bear interest at a fixed interest rate set for a specified period, were remarketed at a premium for an approximate seven-year period, and a portion of the outstanding par was redeemed in the amount of $9,095 and $7,735, respectively

The System maintains an interest rate swap program on certain of its variable rate debt as described in Note 7

Neither Sherman, Sherman West Court, nor any other of the subsidiaries of Sherman are members of the Obligated Group or Restricted Affiliates under the System Master Indenture Sherman and Sherman West Court are the members of an obligated group (Sherman Obligated Group) created pursuant to a master trust indenture dated as of August 1, 1991, as supplemented and amended (Sherman Master Indenture) with The Bank of New York Mellon Trust Company, N A , as master trustee As part of the affiliation with the System on June 1, 2013, the System did not assume the liability for or otherwise guarantee any bonds (Sherman Bonds) previously issued for the benefit of the Sherman Obligated Group

On July 5, 2013, Sherman retired $105,700 of the Sherman Bonds (Series 1997 bonds) with proceeds of an intercompany loan from the System Sherman remains obligated for the repayment of $170,000 Illinois Finance Authority Revenue Bonds, Series 2007A issued for its benefit and evidenced by and secured as provided under the Sherman Master Indenture

The Sherman Series 2007A Bonds are secured by a direct note obligation issued by Sherman under the Sherman Master Indenture, a mortgage and security agreement on certain of Sherman's real and personal property, as well as a security interest in unrestricted receivables of Sherman The related bond indenture requires a debt service reserve fund, which is held by the bond trustee for the benefit of the Sherman Series 2007A Bonds The debt service reserve fund had a balance of $17,218 at December 31, 2013, and is presented as assets limited as to use on the consolidated balance sheet

6. Long-Term Debt (continued)

Interest paid, net of capitalized interest, amounted to $56,038 and $42,726 in 2013 and 2012, respectively The System capitalized interest of $5,065 and $2,621 in 2013 and 2012, respectively

At December 31, 2013, the System had lines of credit with banks aggregating to $200,000 These lines of credit provide for various interest rates and payment terms and expire as follows $25,000 in February 2014, $50,000 in December 2014, $75,000 in March 2015, and $50,000 in November 2016 These lines of credit may be used to redeem bonded indebtedness, to pay costs related to such redemptions, for capital expenditures, or for general working capital purposes At December 31, 2013, no amounts were outstanding on these lines of credit

In February 2014, a $25,000 line of credit was extended to February 2015

7. Derivatives

The System has interest rate-related derivative instruments to manage exposure of its variable rate debt instruments and does not enter into derivative instruments for any purpose other than risk management purposes By using derivative financial instruments to manage the risk of changes in interest rates, the System exposes itself to credit risk and market risk Credit risk is the failure of the counterparty to perform under the terms of the derivative contracts When the fair value of a derivative contract is positive, the counterparty owes the System, which creates credit risk for the System When the fair value of a derivative contract is negative, the System owes the counterparty, and therefore, it does not possess credit risk The System minimizes the credit risk in derivative instruments by entering into transactions that require the counterparty to post collateral for the benefit of the System based on the credit rating of the counterparty and the fair value of the derivative contract Market risk is the adverse effect on the value of a financial instrument that results from a change in interest rates The market risk associated with interest rate changes is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken The System also mitigates risk through periodic reviews of its derivative positions in the context of its total blended cost of capital

(Dollars in Thousands)

7. Derivatives (continued)

At December 31, 2013, the System maintains an interest rate swap program on its Series 2008C variable rate demand revenue bonds These bonds expose the System to variability in interest payments due to changes in interest rates The System believes that it is prudent to limit the variability of its interest payments To meet this objective and to take advantage of low interest rates, the System entered into various interest rate swap agreements to manage fluctuations in cash flows resulting from interest rate risk These swaps convert the variable rate cash flow exposure on the variable rate demand revenue bonds to synthetically fixed cash flows The notional amount under each interest rate swap agreement is reduced over the term of the respective agreement to correspond with reductions in the principal outstanding under various bond series The following is a summary of the outstanding positions under these interest rate swap agreements at December 31, 2013 and 2012

Bond Series	Notional Amount	Maturity Date	Rate Received	Rate Paid
2008C-1	$ 129,900	November 1, 2038	61 7% of LIBOR + 26 bps	3 60%
2008C-2	108,425	November 1, 2038	61 7% of LIBOR + 26 bps	3 60
2008C-3	88,000	November 1, 2038	61 7% of LIBOR + 26 bps	3 60

The swaps are not designated as hedging instruments, and therefore, hedge accounting has not been applied As such, unrealized changes in fair value of the swaps are included as a component of nonoperating income (loss) in the consolidated statements of operations and changes in net assets as changes in the fair value of interest rate swaps The net cash settlement payments, representing the realized changes in fair value of the swaps, are included as interest expense in the consolidated statements of operations and changes in net assets

(Dollars in Thousands)

7. Derivatives (continued)

The fair value of derivative instruments is as follows

	December 31 2013	2012
Consolidated balance sheet location		
Obligations under swap agreements	**$ (47,908)**	$ (89,144)
Collateral posted under swap agreements	–	4,330
Obligations under swap agreements, net	**$ (47,908)**	$ (84,814)

Amounts recorded in the consolidated statements of operations and changes in net assets for the derivatives are as follows

	Year Ended December 31 2013	2012
Consolidated statement of operations and changes in net assets location		
Net cash payments on interest rate swap agreements (interest expense)	**$ 10,518**	$ 10,359
Change in the fair value of interest rate swaps (nonoperating)	**$ 41,236**	$ (52)

The aggregate fair value of all swap instruments with credit risk-related contingent features that are in a liability position was $47,908 and $89,144 at December 31, 2013 and 2012, respectively, for which the System has posted collateral of $0 and $4,330 at December 31, 2013 and 2012, respectively The swap instruments contain provisions that require the System's debt to maintain an investment grade credit rating from certain major credit rating agencies If the System's debt were to fall below investment grade on the valuation date, it would be in violation of these provisions and the counterparty to the derivative instruments could request immediate payment or demand immediate and ongoing full overnight collateralization on derivative instruments in net liability positions If the credit risk-related contingent features underlying these swap agreements were triggered on December 31, 2013, the System would be required to post $47,908 in collateral with the counterparties

(Dollars in Thousands)

8. Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at December 31

	2013	2012
Net assets currently available for		
Purchases of property and equipment	**$ 10,617**	$ 6,120
Medical education and other health care programs	**70,757**	67,111
Net assets available for future periods		
Purchases of property and equipment	**17,598**	5,723
Medical education and other health care programs	**12,363**	11,397
	$ 111,335	$ 90,351

Permanently restricted net assets generate investment income, which is used to benefit the following purposes at December 31

	2013	2012
Net assets currently producing investment income		
Purchases of property and equipment	**$ 1,000**	$ 1,000
Medical education and other health care programs	**36,558**	35,166
Net assets available to produce investment income in future periods		
Medical education and other health care programs	**10,008**	9,248
	$ 47,566	$ 45,414

(Dollars in Thousands)

9. Retirement Plans

The System maintains defined benefit pension plans, the Advocate Health Care Network Pension Plan and Condell Health Network Retirement Plan (the Plans), which cover a majority of its employees (associates) The Condell Health Network Retirement Plan was frozen effective January 1, 2008, to new participants, and participants ceased to accrue additional pension benefits The System may elect to terminate the Condell Health Network Retirement Plan in the future subject to the provisions set forth in Employee Retirement Income Security Act of 1974

A summary of changes in the plan assets, projected benefit obligation, and the resulting funded status of the Advocate Health Care Network Pension Plan is as follows

	2013	2012
Change in plan assets		
Plan assets at fair value at beginning of year	**$ 727,394**	$ 609,722
Actual return on plan assets	**77,242**	84,756
Employer contributions	**31,680**	63,550
Benefits paid	**(35,847)**	(30,634)
Plan assets at fair value at end of year	**$ 800,469**	$ 727,394
Change in projected benefit obligation		
Projected benefit obligation at beginning of year	**$ 761,361**	$ 687,118
Service cost	**43,989**	38,541
Interest cost	**30,183**	33,401
Actuarial (loss) gain	**(24,999)**	32,935
Benefits paid	**(35,847)**	(30,634)
Projected benefit obligation at end of year	**$ 774,688**	$ 761,361
Plan assets greater (less) than projected benefit obligation	**$ 25,781**	$ (33,967)
Accumulated benefit obligation at end of year	**$ 702,689**	$ 685,791

(Dollars in Thousands)

9. Retirement Plans (continued)

A summary of changes in the plan assets, projected benefit obligation, and the resulting funded status of the Condell Health Network Retirement Plan is as follows

	2013	2012
Change in plan assets		
Plan assets at fair value at beginning of year	**$ 40,720**	$ 43,796
Actual return on plan assets	**3,909**	5,383
Employer contributions	**270**	5,465
Benefits paid	**(5,231)**	(13,924)
Plan assets at fair value at end of year	**$ 39,668**	$ 40,720
Change in projected benefit obligation		
Projected benefit obligation at beginning of year	**$ 73,469**	$ 74,772
Interest cost	**2,726**	3,417
Actuarial (loss) gain	**(7,559)**	9,203
Benefits paid	**(5,231)**	(13,923)
Projected benefit obligation at end of year	**$ 63,405**	$ 73,469
Plan assets less than projected benefit obligation	**$ (23,737)**	$ (32,749)
Accumulated benefit obligation at end of year	**$ 63,405**	$ 73,469

(Dollars in Thousands)

9. Retirement Plans (continued)

The Condell Health Network Retirement Plan paid lump sums totaling $3,864 and $12,421 in 2013 and 2012, respectively These amounts are greater than the sum of the plan's service cost and interest cost for 2013 and 2012 As a result, the System recognized a settlement charge in the amount of $771 and $4,101 in 2013 and 2012, respectively

	2013	2012
Net Plans' pension expense consists of the following for the years ended December 31		
Service cost	**$ 43,989**	$ 38,541
Interest cost	**32,909**	36,818
Expected return on plan assets	**(55,734)**	(54,706)
Amortization of		
Prior service credit	**(4,823)**	(4,823)
Recognized actuarial loss	**17,412**	12,496
Settlement/curtailment	**771**	4,101
Net Plans' pension expense	**$ 34,524**	$ 32,427

The amount of actuarial loss and prior service cost (credit) included in other changes in unrestricted net assets expected to be recognized in net periodic pension cost during the fiscal year ending December 31, 2014, is $10,284 and $4,823, respectively

For the defined benefit plans previously described, changes in plans assets and benefit obligations recognized in unrestricted net assets during 2013 and 2012 include an actuarial loss of $76,159 and $9,891, respectively, and net prior service credit of $4,823 in both years

Included in unrestricted net assets at December 31 are the following amounts that have not yet been recognized in net pension expense

	2013	2012
Unrecognized prior credit	**$ (23,417)**	$ (28,240)
Unrecognized actuarial loss	**161,366**	237,525
	$ 137,949	$ 209,285

(Dollars in Thousands)

9. Retirement Plans (continued)

Employer contributions were paid from employer assets No plan assets are expected to be returned to the employer All benefits paid under the Plans were paid from the Plans' assets The System anticipates making $18,650 in contributions to the Plans' assets during 2014 Expected associate benefit payments are 2014 – $50,330, 2015 – $53,920, 2016 – $60,910, 2017 – $62,440, 2018 – $67,770, and 2019 through 2023 – $378,900

The Plans' asset allocation and investment strategies are designed to earn returns on plan assets consistent with a reasonable and prudent level of risk Investments are diversified across classes, economic sectors, and manager style to minimize the risk of loss The System uses investment managers specializing in each asset category and, where appropriate, provides the investment manager with specific guidelines that include allowable and/or prohibited investment types The System regularly monitors manager performance and compliance with investment guidelines

The System's target and actual pension asset allocations for the Advocate Health Care Network Pension Plan are as follows

		Actual Asset Allocation	
Asset Category	**Target**	**2013**	**2012**
Domestic and international equity securities	**42.5%**	**47.5%**	44 6%
Private equity limited partnerships and hedge funds	**17.5**	**17.2**	16 5
Fixed income securities	**30.0**	**25.6**	29 3
Real estate	**10.0**	**8.7**	8 5
Cash and cash equivalents	–	**1.0**	1 1
	100.0%	**100.0%**	100 0%

Within the domestic and international equity portfolio, investments are diversified among large and mid-capitalizations (15%), non-large capitalizations (2 5%), and international and emerging markets (25%)

9. Retirement Plans (continued)

Fair value methodologies for Level 1 and Level 2 are consistent with the inputs described in Note 4 Real estate commingled funds for which an active market exists are included in Level 2 Fair value for Level 3 represents the Plans' ownership interests in the NAVs of the respective private equity partnerships, hedge funds, and real estate commingled funds for which active markets do not exist The System opted to use the NAV per share, or its equivalent, as a practical expedient for fair value of the Plans' interest in hedge funds and private equity funds The alternative investment assets consist of marketable securities as well as securities and other assets that do not have readily determinable fair values The fair values of the alternative investments that do not have readily determinable fair values are determined by the general partner or fund manager taking into consideration, among other things, the cost of the securities or other investments, prices of recent significant transfers of like assets, and subsequent developments concerning the companies or other assets to which the alternative investments relate There is inherent uncertainty in such valuations, and the estimated fair values may differ from the values that would have been used had a ready market for these investments existed Private equity partnerships and real estate commingled funds typically have finite lives ranging from 5 to 10 years, at the end of which all invested capital is returned For hedge funds the typical lockup period is one year, after which invested capital can be redeemed on a quarterly basis with at least 30 days' but no more than 90 days' notice The Plans' investment assets are exposed to the same kinds and levels of risk as described in Note 4

At December 31, 2013 and 2012, the System, on behalf of the Plans, has commitments to fund private equity investments an additional $56,196 and $48,974, respectively The unfunded commitments at December 31, 2013, are expected to be funded over the next seven years

(Dollars in Thousands)

9. Retirement Plans (continued)

The following are the Plans' financial instruments at December 31, 2013, measured at fair value on a recurring basis by the valuation hierarchy defined in Note 4

	Fair Value Measurements at Reporting Date Using			
Description	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	$ 10,133	$ 8,119	$ 2,014	$ –
Equity securities				
Small cap	2,442	–	2,442	–
Large cap	66,677	57,074	9,603	–
Value equity	43,439	43,261	178	–
Growth equity	58,214	58,214	–	–
U S equity	14,655	13,683	972	–
International equity	154,819	53,793	101,026	–
International equity – emerging	64,609	61,005	3,604	–
Fixed income securities				
Core plus bonds	157,704	144,985	12,719	–
Long duration bonds	57,534	–	57,534	–
High-yield bonds	1,823	–	1,823	–
Emerging market bonds	990	–	990	–
Other types of investments				
Hedge funds	69,639	–	–	69,639
Private equity funds	67,541	–	–	67,541
Real estate	69,918	–	52,405	17,513
Total	$ 840,137	$ 440,134	$ 245,310	$ 154,693

(Dollars in Thousands)

9. Retirement Plans (continued)

The table below sets forth a summary of changes in the fair value of the Plans' Level 3 assets for 2013

	Hedge Funds	Private Equity	Real Estate
Fair value at January 1, 2013	$ 50,201	$ 68,868	$ 17,207
Net purchases and sales	12,604	(9,558)	(8)
Realized gains and losses	–	6,213	891
Unrealized gains and losses	6,834	2,018	(577)
Fair value at December 31, 2013	$ 69,639	$ 67,541	$ 17,513

The following are the Plans' financial instruments at December 31, 2012, measured at fair value on a recurring basis by the valuation hierarchy defined in Note 4

	Fair Value Measurements at Reporting Date Using			
Description	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	$ 13,053	$ 8,403	$ 4,650	$ –
Equity securities				
Small cap	2,450	–	2,450	–
Large cap	52,555	42,842	9,713	–
Value equity	39,673	37,887	1,786	–
Growth equity	54,226	52,176	2,050	–
U S equity	17,613	16,862	751	–
International equity	117,811	39,984	77,827	–
International equity – emerging	64,885	60,983	3,902	–
Fixed income securities				
Core plus bonds	159,168	145,930	13,238	–
Long duration bonds	62,987	–	62,987	–
High-yield bonds	1,831	–	1,831	–
Emerging market bonds	1,018	–	1,018	–
Other types of investments				
Hedge funds	50,201	–	–	50,201
Private equity funds	68,868	–	–	68,868
Real estate	61,775	–	44,568	17,207
Total	$ 768,114	$ 405,067	$ 226,771	$ 136,276

(Dollars in Thousands)

9. Retirement Plans (continued)

The table below sets forth a summary of changes in the fair value of the Plans' Level 3 assets for 2012

	Hedge Funds	Private Equity	Real Estate
Fair value at January 1, 2012	$ 43,083	$ 53,737	$ 16,130
Net purchases and sales	4,256	8,269	(370)
Realized gains and losses	–	3,017	275
Unrealized gains and losses	2,862	3,845	1,172
Fair value at December 31, 2012	$ 50,201	$ 68,868	$ 17,207

Assumptions used to determine benefit obligations at the measurement date are as follows

	2013	2012
Discount rate	**4.70%**	3 85%
Assumed rate of return on assets	**7.25**	7 50
Weighted-average rate of increase in future compensation (age-based table)	**4.15**	4 15

Assumptions used to determine net pension expense for the fiscal years are as follows

	2013	2012
Discount rate	**3.85%**	4 75%
Assumed rate of return on assets	**7.50**	7 75
Weighted-average rate of increase in future compensation (age-based table)	**4.15**	4 80

The assumed rate of return on plan assets is based on historical and projected rates of return for asset classes in which the portfolio is invested The expected return for each asset class was then weighted based on the target asset allocation to develop the overall expected rate of return on assets for the portfolio This resulted in the selection of the 7 25% and 7 50% assumption for 2013 and 2012, respectively

9. Retirement Plans (continued)

In addition to the defined benefit pension plans, the System sponsors various defined contribution plans The System contributed $40,641 and $34,797 in 2013 and 2012, respectively, which are included in salaries, wages, and employee benefits expense in the consolidated statements of operations and changes in net assets

10. General and Professional Liability Risks

The System is self-insured for substantially all general and professional liability risks The self-insurance programs combine various levels of self-insured retention with excess commercial insurance coverage In addition, various umbrella insurance policies have been purchased to provide coverage in excess of the self-insured limits Revocable trust funds, administered by a trustee and a captive insurance company, have been established for the self-insurance programs Actuarial consultants have been retained to determine the estimated cost of claims, as well as to determine the amount to fund into the irrevocable trust and captive insurance company

The estimated cost of claims is actuarially determined based on past experience, as well as other considerations, including the nature of each claim or incident and relevant trend factors Accrued insurance liabilities and contributions to the revocable trust were determined using a discount rate of 3 50% for 2013 and 2012 Accrued insurance liabilities for the System's captive insurance company were determined using a discount rate of 3 00% for 2013 and 2012 Total accrued insurance liabilities would have been $60,048 and $53,308 greater at December 31, 2013 and 2012, respectively, had these liabilities not been discounted

The System is a defendant in certain litigation related to professional and general liability risks Although the outcome of the litigation cannot be determined with certainty, management believes, after consultation with legal counsel, that the ultimate resolution of this litigation will not have any material adverse effect on the System's operations or financial condition

11. Legal, Regulatory, and Other Contingencies and Commitments

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation During the last few years, as a result of nationwide investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements Compliance with such laws and regulations may also be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, exclusion from the Medicare and Medicaid programs, and revocation of federal or state tax-exempt status Moreover, the System expects that the level of review and audit to which it and other health care providers are subject will increase

Various federal and state agencies have initiated investigations, which are in various stages of discovery, relating to reimbursement, billing practices, and other matters of the System There can be no assurance that regulatory authorities will not challenge the System's compliance with these laws and regulations, and it is not possible to determine the impact, if any, such claims or penalties would have on the System As a result, there is a reasonable possibility that recorded amounts will change by a material amount in the near term To foster compliance with applicable laws and regulations, the System maintains a compliance program designed to detect and correct potential violations of laws and regulations related to its programs

In 2013 four desktop computers were stolen during a burglary at one of the System's administrative support locations The computers did not contain patient medical records but did contain certain patient information, including names, addresses, Social Security numbers, and limited billing and clinical information Affected patients were notified and offered free credit monitoring and identify theft protection This matter is under investigation by various government agencies, and the System has received notice that it has been named in certain lawsuits regarding this matter The System continues to monitor and investigate these matters Although the outcome of these investigations and litigation cannot be determined with certainty, management is not in possession of any information to suggest that the costs relating to the resolution of this incident will have a material adverse effect on the System's operations or financial condition

The System is committed to constructing additions and renovations to its medical facilities and implementing information technology projects, which are expected to be completed in future years The estimated cost of these commitments is $638,828, of which $378,391 has been incurred as of December 31, 2013

(Dollars in Thousands)

11. Legal, Regulatory, and Other Contingencies and Commitments (continued)

Future minimum rental commitments at December 31, 2013, for all noncancelable leases with original terms of more than one year are $40,374, $35,837, $29,987, $26,380, and $19,804 for the years ending December 31, 2014 through 2018, respectively, and $75,650 thereafter

Rent expense, which is included in other expenses, amounted to $69,340 and $70,077 in 2013 and 2012, respectively

12. Income Taxes and Tax Status

Certain subsidiaries of the System are for-profit corporations Significant components of the for-profit subsidiaries' deferred tax (liabilities) assets are as follows at December 31

	2013	2012
Deferred tax assets		
Allowance for uncollectible accounts	**$ 6,654**	$ 4,346
Other accrued expenses	**39**	39
Reserves for incurred but not reported claims	**76**	255
Accrued insurance	**6,028**	7,699
Accrued compensation and employee benefits	**2,862**	4,745
Third-party settlements	**848**	848
Prepaid and other assets	**380**	380
Net operating losses	**27,602**	15,078
Total deferred tax assets	**44,489**	33,390
Less valuation allowance	**26,074**	12,354
Net deferred tax assets, included in deferred costs and intangible assets and prepaid expenses, inventories, and other assets	**18,415**	21,036
Deferred tax liabilities		
Property and equipment	**(6,316)**	(7,165)
Other accrued expenses	**(7,208)**	(3,647)
Deferred gain on acquisition	**(5,736)**	(4,827)
Total deferred tax liabilities, included in other noncurrent liabilities	**(19,260)**	(15,639)
Net deferred tax (liability) asset	**$ (845)**	$ 5,397

(Dollars in Thousands)

12. Income Taxes and Tax Status (continued)

As of December 31, 2013, the for-profit corporations had $63,314 of federal and $77,020 of state net operating loss carryforwards with unutilized amounts expiring between 2019 and 2033

During 2013 the valuation allowance increased by $13,720 This change is due to additional net operating loss carryforwards from the acquisition of a for-profit entity The valuation allowance as of the end of 2013 primarily consists of net operating losses that are unlikely to be realized

Significant components of the for-profit subsidiaries' provision (credit) for income taxes are as follows for the years ended December 31

	2013	2012
Current		
Federal	**$ 784**	$ (1,012)
State	**240**	(309)
Deferred	**6,242**	(1,144)
	$ 7,266	$ (2,465)

Federal and state income taxes paid relating to the System's for-profit corporations were $2,392 and $7,284 in 2013 and 2012, respectively

The System and all other controlled or wholly owned subsidiaries are exempt from income taxes under Internal Revenue Code Section 501(c)(3) They do, however, operate certain programs that generate unrelated business income The current tax (credit) provision recorded on this income was $(3,030) and $1,378 for the years ended December 31, 2013 and 2012, respectively Federal, state, and local governments are increasingly scrutinizing the tax status of not-for-profit hospitals and health care systems

13. Sherman Affiliation

Sherman owns and operates a 255-bed acute care hospital located in Elgin, Illinois Sherman is the sole member of various not-for-profit corporations or the shareholder of various business corporations engaged in the delivery of health care services or the provision of goods and services ancillary thereto, which include a rehabilitation and skilled nursing facility (Sherman West Court), a home health care company, and an employed physician medical group with approximately 35 physicians

(Dollars in Thousands)

13. Sherman Affiliation (continued)

The Sherman affiliation was accounted for under the purchase accounting guidance and a contribution of $151,663 was recorded in the consolidated statement of operations and changes in net assets for the year ended December 31, 2013 This contribution reflected the fair value of the unrestricted net assets of Sherman on the date of the affiliation The total increase in net assets attributable to the affiliation, which included the fair value of temporarily and permanently restricted net assets contributed, was $152,645 No goodwill was recorded as a result of this transaction In valuing these assets and liabilities, fair values were based on, but not limited to professional appraisals, discounted cash flows, replacement costs, and actuarially determined values

The fair value of assets and liabilities of Sherman contributed at June 1, 2013, consists of the following

Cash and cash equivalents	$ 12,280
Investments	123,355
Other current assets	65,949
Property and equipment	318,398
Other long-term assets	29,601
Total assets	549,583
Current liabilities, excluding the current portion of long-term debt	69,412
Long-term debt	284,217
Other long-term liabilities	43,309
Total liabilities	396,938
Increase in net assets	$ 152,645

Total operating revenue and operating income from the date of affiliation for Sherman of $170,246 and $5,033, respectively, have been included in the consolidated statements of operations and changes in net assets

(Dollars in Thousands)

13. Sherman Affiliation (continued)

Following are the unaudited pro forma results for the year ended December 31, 2013 and 2012 These results reflect the addition of Sherman's unaudited results for the period January 1 to May 31, 2013, and the year ended December 31, 2012, to the System's results for the years ended December 31, 2013 and 2012, respectively These results do not include the addition to revenues in excess of expenses that would have occurred on January 1, 2012, for the contribution of Sherman's unrestricted net assets

	December 31	
	2013	**2012**
Total operating revenue	**$ 5,062,920**	$ 4,886,189
Operating income	**301,479**	298,380
Revenues in excess of expenses	**771,600**	677,360

The pro forma information provided is a compilation of results only and should not be construed to accurately reflect what the actual results would have been had the affiliation been consummated on January 1, 2012, and is not intended to project the System's results of operations for any future periods

14. Subsequent Events

The System evaluated events occurring between January 1, 2014 and March 7, 2014, which is the date when the consolidated financial statements were issued

Supplementary Information

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Building a better working world

Report of Independent Auditors on Supplementary Information

The Board of Directors
Advocate Health Care Network

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statement as a whole The accompanying details of consolidated balance sheet and details of consolidated statement of operations and changes in net assets and shareholders' equity are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole

Ernst & Young LLP

March 7, 2014

Advocate Health Care Network and Subsidiaries

Details of Consolidated Balance Sheet
(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Health Care Network	Advocate Health and Hospitals Corporation and Subsidiaries	Advocate Network Services, Incorporated and Subsidiaries	Advocate Charitable Foundation	Advocate Insurance SPC	Sherman Health Insurance Co.	Advocate Sherman Hospital and Subsidiaries
Assets									
Current assets									
Cash and cash equivalents	$ 563,229	$ –	$ 30,949	$ 478,172	$ 37,527	$ 1	$ 69	$ 395	$ 16,116
Short-term investments	19,401	–	–	–	–	19,401	–	–	–
Assets limited as to use	89,660	–	–	76,933	139	–	12,588	–	–
Patient accounts receivable, less allowances for uncollectible accounts	567,033	(564)	–	506,802	23,875	–	–	–	36,920
Amounts due from primary third-party payors	10,107	–	–	10,107	–	–	–	–	–
Intercompany accounts receivable	–	(88,198)	7,126	45,005	8,532	638	257	21,101	5,539
Prepaid expenses, inventories, and other current assets	256,322	–	–	158,422	29,566	37,334	13,676	11	17,313
Collateral proceeds received under securities lending program	19,165	–	–	19,165	–	–	–	–	–
Total current assets	1,524,917	(88,762)	38,075	1,294,606	99,639	57,374	26,590	21,507	75,888
Assets limited as to use									
Internally and externally designated investments limited as to use	4,715,519	–	309,470	3,995,215	72,523	122,629	89,669	–	126,013
Investments under securities lending program	19,013	–	–	19,013	–	–	–	–	–
Investment in subsidiaries	–	(184,316)	184,316	–	–	–	–	–	–
Accounts receivable from Advocate Health Care Network and subsidiaries	–	(91,380)	91,380	–	–	–	–	–	–
Prepaid pension expense and other noncurrent assets	132,382	(943)	–	128,818	–	4,507	–	–	–
Interest in health care and related entities	152,103	–	–	124,833	24,624	–	–	–	2,646
Reinsurance receivable	172,318	–	–	8,064	–	–	151,805	–	12,449
Deferred costs and intangible assets, less allowances for amortization	51,231	(5,414)	–	41,036	11,598	–	–	–	4,011
	5,242,566	(282,053)	585,166	4,316,979	108,745	127,136	241,474	–	145,119
Property and equipment – at cost									
Land and land improvements	251,296	–	–	203,561	13,117	–	–	–	34,618
Buildings	2,514,922	–	–	2,207,731	60,990	355	–	–	245,846
Movable equipment	1,358,608	–	–	1,256,761	62,891	1,444	–	–	37,512
Construction-in-progress	313,065	–	–	309,790	516	–	–	–	2,759
	4,437,891	–	–	3,977,843	137,514	1,799	–	–	320,735
Less allowances for depreciation	2,155,428	–	–	2,056,331	85,674	1,637	–	–	11,786
	2,282,463	–	–	1,921,512	51,840	162	–	–	308,949
	$ 9,049,946	$ (370,815)	$ 623,241	$ 7,533,097	$ 260,224	$ 184,672	$ 268,064	$ 21,507	$ 529,956

Advocate Health Care Network and Subsidiaries

Details of Consolidated Balance Sheet (continued)
(Dollars in Thousands)

	Consolidated	Eliminations	Advocate Health Care Network	Advocate Health and Hospitals Corporation and Subsidiaries	Advocate Network Services, Incorporated and Subsidiaries	Advocate Charitable Foundation	Advocate Insurance SPC	Sherman Health Insurance Co.	Advocate Sherman Hospital and Subsidiaries
Liabilities and net assets and shareholders' equity									
Current liabilities									
Current portion of long-term debt	$ 17,810	$ –	$ –	$ 17,285	$ 359	$ –	$ –	$ –	$ 166
Long-term debt subject to short-term remarketing arrangements	135,130	–	–	135,130	–	–	–	–	–
Accounts payable	291,306	–	–	277,372	6,189	142	55	–	7,548
Accrued salaries and employee benefits	423,897	–	–	394,146	12,962	1,689	–	–	15,100
Accrued expenses	120,526	(564)	–	94,999	4,769	286	11,822	1	9,213
Amounts due to primary third-party payors	274,780	–	–	242,138	2,612	–	–	–	30,030
Current portion of accrued insurance and claims costs and subsidiaries	112,412	–	–	78,614	1,881	–	26,068	–	5,849
Notes and accounts payable to Advocate Health Care Network and subsidiaries	–	(88,198)	21,009	14,304	10,455	2,961	1,215	13,864	24,390
Obligations to return collateral under securities lending program	19,440	–	–	19,440	–	–	–	–	–
Total current liabilities	1,395,301	(88,762)	21,009	1,273,428	39,227	5,078	39,160	13,865	92,296
Noncurrent liabilities									
Long-term debt, less current portion	1,452,109	–	–	1,268,612	5,458	–	–	–	178,039
Notes and accounts payable to Advocate Health Care Network and subsidiaries	–	(91,380)	–	–	–	–	–	–	91,380
Pension plan liability	23,737	–	–	23,737	–	–	–	–	–
Accrued insurance and claims cost, less current portion	678,470	–	–	633,425	8,775	–	35,716	–	554
Accrued losses subject to reinsurance recovery	172,318	–	–	8,064	–	–	151,805	–	12,449
Obligations under swap agreements, net of collateral posted	47,908	–	–	47,908	–	–	–	–	–
Other noncurrent liabilities	151,668	(943)	124	105,225	44,156	2,697	–	–	409
	2,526,210	(92,323)	124	2,086,971	58,389	2,697	187,521	–	282,831
Total liabilities	3,921,511	(181,085)	21,133	3,360,399	97,616	7,775	226,681	13,865	375,127
Net assets/shareholders' equity									
Unrestricted	4,968,578	13,425	602,108	4,171,618	–	19,281	–	7,522	154,624
Temporarily restricted	111,335	–	–	1,080	–	110,050	–	–	205
Permanently restricted	47,566	–	–	–	–	47,566	–	–	–
Common stock	–	(13)	–	–	1	–	–	12	–
Additional paid-in capital	–	(177,271)	–	–	177,163	–	–	108	–
Non-controlling interest	956	–	–	–	956	–	–	–	–
Retained (deficit) earnings/partnership losses	–	(25,871)	–	–	(15,512)	–	41,383	–	–
Total net assets/shareholders' equity	5,128,435	(189,730)	602,108	4,172,698	162,608	176,897	41,383	7,642	154,829
	$ 9,049,946	$ (370,815)	$ 623,241	$ 7,533,097	$ 260,224	$ 184,672	$ 268,064	$ 21,507	$ 529,956

Advocate Health Care Network and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets and Shareholders' Equity
(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Health Care Network	Advocate Health and Hospitals Corporation and Subsidiaries	Advocate Network Services, Incorporated and Subsidiaries	Advocate Charitable Foundation	Advocate Insurance SPC	Sherman Health Insurance Co.	Advocate Sherman Hospital and Subsidiaries
Unrestricted revenues, gains, and other support									
Net patient service revenue	$ 4,468,468	$ (8,041)	$ –	$ 4,092,747	$ 205,705	$ –	$ –	$ –	$ 178,057
Provision for uncollectible accounts	(253,989)	–	–	(225,401)	(13,296)	–	–	–	(15,292)
	4,214,479	(8,041)	–	3,867,346	192,409	–	–	–	162,765
Capitation revenue	389,516	–	–	325,415	64,101	–	–	–	–
Other revenue	334,007	(68,344)	1,582	307,377	52,342	1,561	31,359	649	7,481
	4,938,002	(76,385)	1,582	4,500,138	308,852	1,561	31,359	649	170,246
Expenses									
Salaries, wages, and employee benefits	2,510,470	–	6	2,298,349	126,121	7,882	–	–	78,112
Purchased services and operating supplies	1,211,483	(42,735)	–	1,057,398	145,344	1,133	191	31	50,121
Contracted medical services	135,570	(8,027)	–	131,886	11,711	–	–	–	–
Insurance and claims costs	108,349	(21,974)	(2)	119,135	(428)	6	9,492	–	2,120
Other	404,988	(2,077)	–	365,616	19,886	2,736	3,309	14	15,504
Depreciation and amortization	211,648	(1,299)	–	193,290	7,414	60	–	–	12,183
Interest	55,299	(1,362)	–	49,258	230	–	–	–	7,173
	4,637,807	(77,474)	4	4,214,932	310,278	11,817	12,992	45	165,213
Operating income (loss)	300,195	1,089	1,578	285,206	(1,426)	(10,256)	18,367	604	5,033
Nonoperating income (loss)									
Investment income (loss)	287,727	(1,306)	17,297	252,832	12,098	–	2,019	(430)	5,217
Change in fair value of interest rate swaps	41,236	–	–	41,236	–	–	–	–	–
Fair value of net assets acquired	151,663	(1,701)	–	2,167	–	–	–	7,348	143,849
Loss on refinancing of debt	(46)	–	–	(46)	–	–	–	–	–
Other nonoperating items, net	(15,455)	(3,496)	1,500	(7,970)	(5,418)	(38)	–	–	(33)
Revenues in excess of (less than) expenses	765,320	(5,414)	20,375	573,425	5,254	(10,294)	20,386	7,522	154,066
Unrestricted net assets									
Net assets released from restrictions and used for capital purchases	3,054	–	–	2,809	–	–	–	–	245
Net assets released from grants used for capital purposes	1,147	–	–	834	–	–	–	–	313
Contribution of net assets of Sherman Hospital	–	(120)	–	–	–	–	–	120	–
Transfers to/from Advocate Health Care Network and subsidiaries	–	–	194,200	(170,000)	–	10,800	(35,000)	–	–
Postretirement benefit plan adjustments	70,912	–	–	70,912	–	–	–	–	–
Other	(21)	–	–	(2)	1	(20)	–	–	–
Increase (decrease) in unrestricted net assets	840,412	(5,534)	214,575	477,978	5,255	486	(14,614)	7,642	154,624

Advocate Health Care Network and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets and Shareholders' Equity (continued)
(Dollars in Thousands)

	Consolidated	Eliminations	Advocate Health Care Network	Advocate Health and Hospitals Corporation and Subsidiaries	Advocate Network Services, Incorporated and Subsidiaries	Advocate Charitable Foundation	Advocate Insurance SPC	Sherman Health Insurance Co.	Advocate Sherman Hospital and Subsidiaries
Temporarily restricted net assets									
Contributions for medical education programs, capital purchases, and other purposes	$ 27,778	$ –	$ –	$ (13)	$ –	$ 27,791	$ –	$ –	$ –
Contribution of net assets of Sherman Hospital	719	–	–	–	–	514	–	–	205
Realized gains on investments	2,959	–	–	15	–	2,944	–	–	–
Unrealized gains on investments	3,768	–	–	5	–	3,763	–	–	–
Net assets released from restriction and used for operations, medical education programs, capital purchases, and other purposes	(14,240)	–	–	–	–	(14,240)	–	–	–
Increase in temporarily restricted net assets	20,984	–	–	7	–	20,772	–	–	205
Permanently restricted net assets									
Contributions for medical education programs, capital purchases, and other purposes	1,889	–	–	–	–	1,889	–	–	–
Contribution of net assets of Sherman Hospital	263	–	–	–	–	263	–	–	–
Increase in permanently restricted net assets	2,152	–	–	–	–	2,152	–	–	–
Increase (decrease) in net assets	863,548	(5,534)	214,575	477,985	5,255	23,410	(14,614)	7,642	154,829
Change in non-controlling interest	(26)	–	–	–	(26)	–	–	–	–
Net assets/shareholders' equity at beginning of year	4,264,913	(184,196)	387,533	3,694,713	157,379	153,487	55,997	–	–
Net assets/shareholders' equity at end of year	$ 5,128,435	$ (189,730)	$ 602,108	$ 4,172,698	$ 162,608	$ 176,897	$ 41,383	$ 7,642	$ 154,829

Advocate Health and Hospitals Corporation and Subsidiaries

Details of Consolidated Balance Sheet
(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Health and Hospitals Corporation	Advocate Northside Health System	Advocate Condell Medical Center	Midwest Heart Specialists	EHS Home Health Care Services, Inc. and Subsidiary	Eliminations	EHS Home Health Care Service, Inc.	Advocate Hospice
Assets										
Current assets										
Cash and cash equivalents	$ 478,172	$ –	$ 384,503	$ 32,983	$ 44,230	$ 3,033	$ 13,423	$ –	$ 10,904	$ 2,519
Assets limited as to use	76,933	–	76,933	–	–	–	–	–	–	–
Patient accounts receivable, less allowances for uncollectible accounts	506,802	(105)	411,649	60,017	29,409	–	5,832	–	3,422	2,410
Amounts due from primary third-party payors	10,107	–	7,111	1,930	1,066	–	–	–	–	–
Accounts receivable from Advocate Health Care Network and subsidiaries	45,005	–	41,745	2,046	167	–	1,047	–	1,041	6
Intercompany accounts receivable	–	(63,421)	38,095	20,019	4,793	52	462	(330)	676	116
Prepaid expenses, inventories, and other current assets	158,422	–	131,025	20,271	6,403	484	239	–	219	20
Collateral proceeds received under securities lending program	19,165	–	19,165	–	–	–	–	–	–	–
Total current assets	1,294,606	(63,526)	1,110,226	137,266	86,068	3,569	21,003	(330)	16,262	5,071
Assets limited as to use										
Internally and externally designated investments limited as to use	3,995,215	–	3,885,355	51,990	41,658	6,163	10,049	–	7,349	2,700
Investments under securities lending program	19,013	–	19,013	–	–	–	–	–	–	–
Prepaid pension expense and other noncurrent assets	128,818	–	128,818	–	–	–	–	–	–	–
Interest in health care and related entities	124,833	(15,869)	48,170	92,455	–	77	–	–	–	–
Reinsurance receivable	8,064	–	7,602	–	462	–	–	–	–	–
Deferred costs and intangible assets, less allowances for amortization	41,036	–	39,580	104	–	1,352	–	–	–	–
	4,316,979	(15,869)	4,128,538	144,549	42,120	7,592	10,049	–	7,349	2,700
Property and equipment – at cost										
Land and land improvements	203,561	–	107,227	41,430	54,904	–	–	–	–	–
Buildings	2,207,731	–	1,833,786	136,202	236,899	–	844	–	844	–
Movable equipment	1,256,761	–	1,135,113	64,322	52,965	–	4,361	–	4,296	65
Construction-in-progress	309,790	–	258,094	49,138	2,558	–	–	–	–	–
	3,977,843	–	3,334,220	291,092	347,326	–	5,205	–	5,140	65
Less allowances for depreciation	2,056,331	–	1,865,835	112,654	73,296	–	4,546	–	4,510	36
	1,921,512	–	1,468,385	178,438	274,030	–	659	–	630	29
	$ 7,533,097	$ (79,395)	$ 6,707,149	$ 460,253	$ 402,218	$ 11,161	$ 31,711	$ (330)	$ 24,241	$ 7,800

Advocate Health and Hospitals Corporation and Subsidiaries

Details of Consolidated Balance Sheet (continued)
(Dollars in Thousands)

	Consolidated	Eliminations	Advocate Health and Hospitals Corporation	Advocate Northside Health System	Advocate Condell Medical Center	Midwest Heart Specialists	EHS Home Health Care Services, Inc. and Subsidiary	Eliminations	EHS Home Health Care Service, Inc.	Advocate Hospice
Liabilities and net assets										
Current liabilities										
Current portion of long-term debt	$ 17,285	$ –	$ 16,785	$ –	$ 500	$ –	$ –	$ –	$ –	$ –
Long-term debt subject to short-term remarketing arrangements	135,130	–	135,130	–	–	–	–	–	–	–
Accounts payable	277,372	–	231,202	27,725	13,297	455	4,693	–	3,247	1,446
Accrued salaries and employee benefits	394,146	–	350,553	22,934	14,680	–	5,979	–	5,120	859
Accrued expenses	94,999	(105)	84,377	7,270	2,359	292	806	–	701	105
Amounts due to primary third-party payors	242,138	–	165,604	33,491	36,428	–	6,615	–	6,580	35
Current portion of accrued insurance and claims costs	78,614	–	78,614	–	–	–	–	–	–	–
Notes and accounts payable to Advocate Health Care Network and subsidiaries	14,304	–	10,724	2,112	390	–	1,078	–	1,002	76
Intercompany payables	–	(63,421)	25,256	28,435	8,278	105	1,347	(330)	977	700
Obligations to return collateral under securities lending program	19,440	–	19,440	–	–	–	–	–	–	–
Total current liabilities	1,273,428	(63,526)	1,117,685	121,967	75,932	852	20,518	(330)	17,627	3,221
Noncurrent liabilities										
Long-term debt, less current portion	1,268,612	–	1,238,432	–	30,180	–	–	–	–	–
Pension plan liability	23,737	–	–	–	23,737	–	–	–	–	–
Accrued insurance and claims cost, less current portion	633,425	–	633,425	–	–	–	–	–	–	–
Accrued losses subject to reinsurance recovery	8,064	–	7,602	–	462	–	–	–	–	–
Obligations under swap agreements, net of collateral posted	47,908	–	47,908	–	–	–	–	–	–	–
Other noncurrent liabilities	105,225	–	100,038	4,748	108	331	–	–	–	–
	2,086,971	–	2,027,405	4,748	54,487	331	–	–	–	–
Total liabilities	3,360,399	(63,526)	3,145,090	126,715	130,419	1,183	20,518	(330)	17,627	3,221
Net assets										
Unrestricted	4,171,618	–	3,560,979	333,538	271,799	(5,891)	11,193	–	6,614	4,579
Temporarily restricted	1,080	–	1,080	–	–	–	–	–	–	–
Additional paid-in capital	–	(15,869)	–	–	–	15,869	–	–	–	–
Total net assets	4,172,698	(15,869)	3,562,059	333,538	271,799	9,978	11,193	–	6,614	4,579
	$ 7,533,097	$ (79,395)	$ 6,707,149	$ 460,253	$ 402,218	$ 11,161	$ 31,711	$ (330)	$ 24,241	$ 7,800

Advocate Health and Hospitals Corporation and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets and Shareholders' Equity
(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Health and Hospitals Corporation	Advocate Northside Health System	Advocate Condell Medical Center	Midwest Heart Specialists	EHS Home Health Care Services, Inc. and Subsidiary	Eliminations	EHS Home Health Care Service, Inc.	Advocate Hospice
Unrestricted revenues, gains, and other support										
Net patient service revenue	$ 4,092,747	$ (1,333)	$ 3,218,111	$ 465,980	$ 326,385	$ –	$ 83,604	$ –	$ 64,503	$ 19,101
Provision for uncollectible accounts	(225,401)	–	(173,912)	(30,585)	(19,896)	–	(1,008)	–	(1,024)	16
	3,867,346	(1,333)	3,044,199	435,395	306,489	–	82,596	–	63,479	19,117
Capitation revenue	325,415	–	323,156	1,890	–	–	369	–	369	–
Other revenue	307,377	(61,632)	319,240	29,301	15,232	857	4,379	(2,097)	6,379	97
	4,500,138	(62,965)	3,686,595	466,586	321,721	857	87,344	(2,097)	70,227	19,214
Expenses										
Salaries, wages, and employee benefits	2,298,349	–	1,893,953	214,169	128,778	–	61,449	–	52,082	9,367
Purchased services and operating supplies	1,057,398	(56,941)	860,161	123,078	116,220	390	14,490	(2,097)	8,925	7,662
Contracted medical services	131,886	(1,333)	133,219	–	–	–	–	–	–	–
Insurance and claims costs	119,135	(431)	99,759	14,720	4,879	8	200	–	134	66
Other	365,616	(4,260)	308,949	38,880	17,110	24	4,913	–	4,093	820
Depreciation and amortization	193,290	–	160,658	14,079	16,513	1,622	418	–	410	8
Interest	49,258	–	46,767	–	2,491	–	–	–	–	–
	4,214,932	(62,965)	3,503,466	404,926	285,991	2,044	81,470	(2,097)	65,644	17,923
Operating income (loss)	285,206	–	183,129	61,660	35,730	(1,187)	5,874	–	4,583	1,291
Nonoperating income (loss)										
Investment income	252,832	–	231,928	15,198	3,876	1,013	817	–	572	245
Change in fair value of interest rate swaps	41,236	–	41,236	–	–	–	–	–	–	–
Fair value of net assets acquired	2,167	–	1,701	–	–	–	466	–	466	–
Loss on refinancing of debt	(46)	–	(46)	–	–	–	–	–	–	–
Other nonoperating items, net	(7,970)	–	(7,225)	120	(958)	93	–	–	–	–
Revenues in excess of (less than) expenses	573,425	–	450,723	76,978	38,648	(81)	7,157	–	5,621	1,536
Unrestricted net assets										
Net assets released from restrictions and used for capital purposes	2,809	–	2,047	460	302	–	–	–	–	–
Net assets released from grants used for capital purposes	834	–	648	–	186	–	–	–	–	–
Transfers to/from Advocate Health Care Network and subsidiaries	(170,000)	–	(47,000)	(75,000)	(40,000)	–	(8,000)	–	(5,000)	(3,000)
Postretirement benefit plan adjustments	70,912	–	59,317	–	11,595	–	–	–	–	–
Other	(2)	–	(2)	–	–	–	–	–	–	–
Increase (decrease) in unrestricted net assets	**477,978**	**–**	**465,733**	**2,438**	**10,731**	**(81)**	**(843)**	**–**	**621**	**(1,464)**

Advocate Health and Hospitals Corporation and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets and Shareholders' Equity (continued)
(Dollars in Thousands)

	Consolidated	Eliminations	Advocate Health and Hospitals Corporation	Advocate Northside Health System	Advocate Condell Medical Center	Midwest Heart Specialists	EHS Home Health Care Services, Inc. and Subsidiary	Eliminations	EHS Home Health Care Service, Inc.	Advocate Hospice
Temporarily restricted net assets										
Contributions for medical education programs, capital purchases, and other purposes	$ (13)	$ –	$ (13)	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Realized gains on investments	15	–	15	–	–	–	–	–	–	–
Unrealized gains on investments	5	–	5	–	–	–	–	–	–	–
Increase in temporarily restricted net assets	7	–	7	–	–	–	–	–	–	–
Increase (decrease) in net assets	477,985	–	465,740	2,438	10,731	(81)	(843)	–	621	(1,464)
Net assets at beginning of year	3,694,713	(15,869)	3,096,319	331,100	261,068	10,059	12,036	–	5,993	6,043
Net assets at end of year	$ 4,172,698	$ (15,869)	$ 3,562,059	$ 333,538	$ 271,799	$ 9,978	$ 11,193	$ –	$ 6,614	$ 4,579

Advocate Sherman Hospital and Subsidiaries

Details of Consolidated Balance Sheet

(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Sherman Hospital	Sherman West Court	Health Visions, Inc.	Sherman Choice
Assets						
Current assets						
Cash and cash equivalents	$ 16,116	$ –	$ 10,196	$ 2,021	$ 650	$ 3,249
Patient accounts receivable, less allowances for uncollectible accounts	36,920	–	35,939	981	–	–
Accounts receivable from Advocate Health Care Network and subsidiaries	5,539	–	2,289	13	3,237	–
Intercompany accounts receivable	–	(9,339)	9,299	40	–	–
Prepaid expenses, inventories, and other current assets	17,313	–	17,088	14	–	211
Total current assets	75,888	(9,339)	74,811	3,069	3,887	3,460
Assets limited as to use						
Internally and externally designated investments limited as to use	126,013	–	125,953	60	–	–
Intercompany accounts receivable	–	(4,150)	4,150	–	–	–
Interest in health care and related entities	2,646	(2,130)	4,776	–	–	–
Reinsurance receivable	12,449	–	12,449	–	–	–
Deferred costs and intangible assets, less allowances for amortization	4,011	–	4,011	–	–	–
	145,119	(6,280)	151,339	60	–	–
Property and equipment – at cost						
Land and land improvements	34,618	–	33,504	1,114	–	–
Buildings	245,846	–	243,330	2,516	–	–
Movable equipment	37,512	–	37,442	70	–	–
Construction-in-progress	2,759	–	2,759	–	–	–
	320,735	–	317,035	3,700	–	–
Less allowances for depreciation	11,786	–	11,675	111	–	–
	308,949	–	305,360	3,589	–	–
	$ 529,956	$ (15,619)	$ 531,510	$ 6,718	$ 3,887	$ 3,460

Advocate Sherman Hospital and Subsidiaries

Details of Consolidated Balance Sheet (continued)

(Dollars in Thousands)

	Consolidated	Eliminations	Advocate Sherman Hospital	Sherman West Court	Health Visions, Inc.	Sherman Choice
Liabilities and net assets						
Current liabilities						
Current portion of long-term debt	$ 166	$ –	$ 166	$ –	$ –	$ –
Current portion of intercompany long-term debt	–	(277)	–	277	–	–
Accounts payable	7,548	–	7,211	291	46	–
Accrued salaries and employee benefits	15,100	–	14,666	434	–	–
Accrued expenses	9,213	–	5,592	154	7	3,460
Amounts due to primary third-party payors	30,030	–	30,030	–	–	–
Current portion of accrued insurance and claims costs	5,849	–	5,849	–	–	–
Notes and accounts payable to Advocate Health Care Network and subsidiaries	24,390	–	22,723	2	1,663	2
Intercompany payables	–	(9,062)	40	510	8,496	16
Total current liabilities	92,296	(9,339)	86,277	1,668	10,212	3,478
Noncurrent liabilities						
Long-term debt, less current portion	178,039	–	178,039	–	–	–
Long-term intercompany debt, less current portion	–	(4,150)	–	4,150	–	–
Notes and accounts payable to Advocate Health Care Network and subsidiaries	91,380	–	91,380	–	–	–
Accrued insurance and claims cost, less current portion	554	–	554	–	–	–
Accrued losses subject to reinsurance recovery	12,449	–	12,449	–	–	–
Other noncurrent liabilities	409	–	409	–	–	–
	282,831	(4,150)	282,831	4,150	–	–
Total liabilities	375,127	(13,489)	369,108	5,818	10,212	3,478
Net assets						
Unrestricted	154,624	–	162,257	840	(8,455)	(18)
Temporarily restricted	205	–	145	60	–	–
Common stock	–	(1)	–	–	1	
Additional paid-in capital	–	(2,129)	–	–	2,129	–
Total net assets	154,829	(2,130)	162,402	900	(6,325)	(18)
	$ 529,956	$ (15,619)	$ 531,510	$ 6,718	$ 3,887	$ 3,460

Advocate Sherman Hospital and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets and Shareholders' Equity

(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Sherman Hospital	Sherman West Court	Health Visions, Inc.	Sherman Choice
Unrestricted revenues, gains, and other support						
Net patient service revenue	$ 178,057	$ –	$ 171,879	$ 5,744	$ 434	$ –
Provision for uncollectible accounts	(15,292)	–	(15,213)	(103)	24	–
	162,765	–	156,666	5,641	458	–
Other revenue	7,481	(156)	7,600	37	–	–
	170,246	(156)	164,266	5,678	458	–
Expenses						
Salaries, wages, and employee benefits	78,112	–	73,898	3,525	689	–
Purchased services and operating supplies	50,121	(156)	48,909	1,110	240	18
Insurance and claims costs	2,120	–	1,856	201	63	–
Other	15,504	–	15,005	197	302	–
Depreciation and amortization	12,183	–	12,072	111	–	–
Interest	7,173	(37)	7,151	59	–	–
	165,213	(193)	158,891	5,203	1,294	18
Operating income (loss)	5,033	37	5,375	475	(836)	(18)
Nonoperating income (loss)						
Investment income (loss)	5,217	(37)	5,254	–	–	–
Fair value of net assets acquired	143,849	(2,130)	151,103	365	(5,489)	–
Other nonoperating items, net	(33)	–	(33)	–	–	–
Revenues in excess of (less than) expenses	154,066	(2,130)	161,699	840	(6,325)	(18)
Net assets released from restrictions and used for capital purposes	245	–	245	–	–	–
Net assets released from grants used for capital purposes	313	–	313	–	–	–
Increase (decrease) in unrestricted net assets	154,624	(2,130)	162,257	840	(6,325)	(18)
Temporarily restricted net assets						
Contribution of net assets of Sherman Hospital	205	–	145	60	–	–
Increase in temporarily restricted net assets	205	–	145	60	–	–
Increase (decrease) in net assets	154,829	(2,130)	162,402	900	(6,325)	(18)
Net assets at end of year	$ 154,829	$ (2,130)	$ 162,402	$ 900	$ (6,325)	$ (18)

Advocate Northside Health System and Subsidiaries

Details of Consolidated Balance Sheet

(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Northside Health System	HispanoCare, Inc.
Assets				
Current assets				
Cash and cash equivalents	$ 32,983	$ –	$ 32,459	$ 524
Patient accounts receivable, less allowances for uncollectible accounts	60,017	–	60,017	–
Amounts due from primary third-party payors	1,930	–	1,930	–
Accounts receivable from Advocate Health Care Network and subsidiaries	2,046	–	573	1,473
Intercompany accounts receivable	20,019	(1,455)	21,474	–
Prepaid expenses, inventories, and other current assets	20,271	–	20,271	–
Total current assets	137,266	(1,455)	136,724	1,997
Assets limited as to use				
Internally and externally designated investments limited as to use	51,990	–	51,990	–
Interest in health care and related entities	92,455	–	92,455	–
Deferred costs and intangible assets, less allowances for amortization	104	–	104	–
	144,549	–	144,549	–
Property and equipment – at cost				
Land and land improvements	41,430	–	41,430	–
Buildings	136,202	–	136,202	–
Movable equipment	64,322	–	64,315	7
Construction-in-progress	49,138	–	49,138	–
	291,092	–	291,085	7
Less allowances for depreciation	112,654	–	112,649	5
	178,438	–	178,436	2
	$ 460,253	$ (1,455)	$ 459,709	$ 1,999

Advocate Northside Health System and Subsidiaries

Details of Consolidated Balance Sheet (continued)

(Dollars in Thousands)

	Consolidated	Eliminations	Advocate Northside Health System	HispanoCare, Inc.
Liabilities and net assets				
Current liabilities				
Accounts payable	$ 27,725	$ –	$ 27,715	$ 10
Accrued salaries and employee benefits	22,934	–	22,913	21
Accrued expenses	7,270	–	7,270	–
Amounts due to primary third-party payors	33,491	–	33,491	–
Notes and accounts payable to Advocate Health Care Network and subsidiaries	2,112	–	2,033	79
Intercompany payables	28,435	(1,455)	28,435	1,455
Total current liabilities	121,967	(1,455)	121,857	1,565
Noncurrent liabilities				
Other noncurrent liabilities	4,748	–	4,748	–
	4,748	–	4,748	–
Total liabilities	126,715	(1,455)	126,605	1,565
Net assets				
Unrestricted	333,538	–	333,104	434
Total net assets	333,538	–	333,104	434
	$ 460,253	$ (1,455)	$ 459,709	$ 1,999

Advocate Northside Health System and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets and Shareholders' Equity

(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Northside Health System	HispanoCare, Inc.
Unrestricted revenues, gains, and other support				
Net patient service revenue	$ 465,980	$ –	$ 465,980	$ –
Provision for uncollectible accounts	(30,585)	–	(30,585)	–
	435,395	–	435,395	–
Capitation revenue	1,890	–	1,890	–
Other revenue	29,301	–	29,144	157
	466,586	–	466,429	157
Expenses				
Salaries, wages, and employee benefits	214,169	–	213,985	184
Purchased services and operating supplies	123,078	–	123,062	16
Insurance and claims costs	14,720	–	14,720	–
Other	38,880	–	38,741	139
Depreciation and amortization	14,079	–	14,078	1
	404,926	–	404,586	340
Operating income (loss)	61,660	–	61,843	(183)
Nonoperating income (loss)				
Investment income	15,198	–	15,197	1
Other nonoperating items, net	120	–	76	44
Revenues in excess of (less than) expenses	76,978	–	77,116	(138)
Unrestricted net assets				
Net assets released from restrictions and used for capital purposes	460	–	460	–
Transfers to/from Advocate Health Care Network and subsidiaries	(75,000)	–	(75,175)	175
Increase in unrestricted net assets	2,438	–	2,401	37
Unrestricted net assets at beginning of year	331,100	–	330,703	397
Unrestricted net assets at end of year	$ 333,538	$ –	$ 333,104	$ 434

Evangelical Services Corporation and Subsidiaries
d/b/a Advocate Network Services, Inc. and Subsidiaries

Details of Consolidated Balance Sheet
(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Network Services, Inc.	High Technology, Inc.	Advocate Home Care Products, Inc.	Dreyer Clinic, Inc.	Advocate Health Centers, Inc.	BroMenn Medical Group
Assets								
Current assets								
Cash and cash equivalents	$ 37,527	$ –	$ 15,664	$ 3,054	$ 4,384	$ 9,312	$ 1,094	$ 4,019
Assets limited as to use	139	–	–	–	–	–	–	139
Patient accounts receivable, less allowances for uncollectible accounts	23,875	–	–	1,963	2,683	15,814	–	3,415
Accounts receivable from Advocate Health Care Network and subsidiaries	8,532	–	6,360	335	1,136	59	403	239
Intercompany accounts and notes receivable	–	(29,803)	20,842	536	7	6,595	1,763	60
Prepaid expenses, inventories, and other current assets	29,566	–	21,933	99	1,142	5,534	144	714
Total current assets	99,639	(29,803)	64,799	5,987	9,352	37,314	3,404	8,586
Assets limited as to use								
Internally and externally designated investments limited as to use	72,523	–	16,564	24,709	18,765	–	10,048	2,437
Intercompany notes receivable	–	(48,965)	–	48,965	–	–	–	–
Investments and other noncurrent assets	–	(166,758)	166,758	–	–	–	–	–
Interest in health care and related entities	24,624	–	7,310	–	–	1,569	–	15,745
Deferred costs and intangible assets, less allowances for amortization	11,598	–	5,801	–	–	5,797	–	–
	108,745	(215,723)	196,433	73,674	18,765	7,366	10,048	18,182
Property and equipment – at cost								
Land and land improvements	13,117	–	6,138	1,004	–	5,488	–	487
Buildings	60,990	–	2,382	9,717	428	46,219	–	2,244
Movable equipment	62,891	–	8,184	19,053	7,911	23,701	–	4,042
Construction-in-progress	516	–	–	196	–	309	–	11
	137,514	–	16,704	29,970	8,339	75,717	–	6,784
Less allowances for depreciation	85,674	–	11,089	22,789	6,002	43,643	–	2,151
	51,840	–	5,615	7,181	2,337	32,074	–	4,633
	$ 260,224	$ (245,526)	$ 266,847	$ 86,842	$ 30,454	$ 76,754	$ 13,452	$ 31,401

Evangelical Services Corporation and Subsidiaries
d/b/a Advocate Network Services, Inc. and Subsidiaries

Details of Consolidated Balance Sheet (continued)
(Dollars in Thousands)

	Consolidated	Eliminations	Advocate Network Services, Inc.	High Technology, Inc.	Advocate Home Care Products, Inc.	Dreyer Clinic, Inc.	Advocate Health Centers, Inc.	BroMenn Medical Group
Liabilities and shareholder's equity								
Current liabilities								
Current portion of long-term debt	$ 359	$ –	$ –	$ –	$ –	$ 359	$ –	$ –
Current portion of intercompany long-term debt	–	(818)	–	–	–	283	–	535
Accounts payable	6,189	–	2,444	283	1,080	1,757	47	578
Accrued salaries and employee benefits	12,962	–	3,908	855	710	6,737	1	751
Accrued expenses	4,769	–	385	876	37	1,922	910	639
Amounts due to primary third-party payors	2,612	–	–	–	919	1,693	–	–
Current portion of accrued insurance and claims costs	1,881	–	–	–	–	–	1,742	139
Notes and accounts payable to Advocate Health Care Network and subsidiaries	10,455	–	6,140	601	1,228	1,029	32	1,425
Intercompany payables	–	(28,985)	8,424	671	792	19,006	42	50
Total current liabilities	39,227	(29,803)	21,301	3,286	4,766	32,786	2,774	4,117
Noncurrent liabilities								
Long-term debt, less current portion	5,458	–	–	–	–	5,458	–	–
Long-term intercompany debt, less current portion	–	(48,965)	–	–	–	–	–	48,965
Accrued insurance and claims cost, less current portion	8,775	–	–	–	–	–	7,425	1,350
Other noncurrent liabilities	44,156	–	38,123	114	102	5,509	–	308
	58,389	(48,965)	38,123	114	102	10,967	7,425	50,623
Total liabilities	97,616	(78,768)	59,424	3,400	4,868	43,753	10,199	54,740
Shareholders' equity								
Common stock	1	(5,163)	1	3,250	50	1,862	–	1
Additional paid-in capital	177,163	(193,581)	177,163	22,294	9,098	34,017	87,081	41,091
Non-controlling interest	956	–	–	–	–	956	–	–
Retained (deficit) earnings	(15,512)	31,986	30,259	57,898	16,438	(3,834)	(83,828)	(64,431)
Total shareholders' equity	162,608	(166,758)	207,423	83,442	25,586	33,001	3,253	(23,339)
	$ 260,224	$ (245,526)	$ 266,847	$ 86,842	$ 30,454	$ 76,754	$ 13,452	$ 31,401

Evangelical Services Corporation and Subsidiaries
d/b/a Advocate Network Services, Inc. and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets and Shareholders' Equity
(Dollars in Thousands)

December 31, 2013

	Consolidated	Eliminations	Advocate Network Services, Inc.	High Technology, Inc.	Advocate Home Care Products, Inc.	Dreyer Clinic, Inc.	Advocate Health Centers, Inc.	BroMenn Medical Group
Unrestricted revenues, gains, and other support								
Net patient service revenue	$ 205.705	$ –	$ –	$ 22.944	$ 23.955	$ 130.864	$ (432)	$ 28.374
Provision for uncollectible accounts	(13.296)	–	–	(1.388)	(3.331)	(7.494)	1.783	(2.866)
	192.409	–	–	21.556	20.624	123.370	1.351	25.508
Capitation revenue	64.101	–	–	–	1.559	60.990	1.549	3
Other revenue	52.342	(4.008)	35.330	116	4.205	8.268	277	8.154
	308.852	(4.008)	35.330	21.672	26.388	192.628	3.177	33.665
Expenses								
Salaries, wages, and employee benefits	126.121	–	26.253	7.486	6.210	71.997	(660)	14.835
Purchased services and operating supplies	145.344	(4.008)	5.629	9.333	15.012	92.105	202	27.071
Contracted medical services	11.711	–	–	–	–	11.926	(215)	–
Insurance and claims costs	(428)	–	29	332	138	880	(2.868)	1.061
Other	19.886	–	2.656	1.181	1.899	11.084	77	2.989
Depreciation and amortization	7.414	–	518	1.587	704	3.923	–	682
Interest	230	(3.909)	2	–	–	260	377	3.500
	310.278	(7.917)	35.087	19.919	23.963	192.175	(3.087)	50.138
Operating (loss) income	(1.426)	3.909	243	1.753	2.425	453	6.264	(16.473)

Evangelical Services Corporation and Subsidiaries
d/b/a Advocate Network Services, Inc. and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Net Assets and Shareholders' Equity (continued)
(Dollars in Thousands)

	Consolidated	Eliminations	Advocate Network Services, Inc.	High Technology, Inc.	Advocate Home Care Products, Inc.	Dreyer Clinic, Inc.	Advocate Health Centers, Inc.	BroMenn Medical Group
Nonoperating income (loss)								
Investment income (loss)	$ 12,098	$ (3,909)	$ 4,459	$ 7,080	$ 3,488	$ 6	$ 45	$ 929
Other nonoperating items, net	(5,418)	–	(9,493)	(2,839)	(2,069)	(459)	4,577	4,865
Revenues in excess of (less than) expenses	5,254	–	(4,791)	5,994	3,844	–	10,886	(10,679)
Unrestricted net assets								
Transfers to from Advocate Health Care Network and subsidiaries	–	(67,989)	30,000	–	(30,000)	6,489	55,000	6,500
Other	1	–	–	–	–	–	–	1
Increase (decrease) in unrestricted net assets	5,255	(67,989)	25,209	5,994	(26,156)	6,489	65,886	(4,178)
Change in non-controlling interest	(26)	–	–	–	–	(26)	–	–
Decrease in non-controlling interest	(26)	–	–	–	–	(26)	–	–
Total change in shareholders' equity	5,229	(67,989)	25,209	5,994	(26,156)	6,463	65,886	(4,178)
Shareholders' equity at beginning of year	157,379	(98,769)	182,214	77,448	51,742	26,538	(62,633)	(19,161)
Shareholders' equity at end of year	$ 162,608	$ (166,758)	$ 207,423	$ 83,442	$ 25,586	$ 33,001	$ 3,253	$ (23,339)

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