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2013

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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

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

B Check if applicable	C Name of organization MINNESOTA HOSPITAL ASSOCIATION		D Employer identification number 41-0637595
<input type="checkbox"/> Address change	Doing Business As		
<input type="checkbox"/> Name change			
<input type="checkbox"/> Initial return	Number and street (or P O box if mail is not delivered to street address) 2550 UNIVERSITY AVENUE WEST NO 350-S	Room/suite	E Telephone number (651) 646-3501
<input type="checkbox"/> Terminated			
<input type="checkbox"/> Amended return	City or town, state or province, country, and ZIP or foreign postal code ST PAUL, MN 551141900		
<input type="checkbox"/> Application pending			G Gross receipts \$ 10,365,045
F Name and address of principal officer LAWRENCE J MASSA 2550 UNIVERSITY AVENUE WEST NO 350-S ST PAUL, MN 551141900		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
		H(c) Group exemption number ►	
I Tax-exempt status <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) (6) ► (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		J Website: ► WWW.MNHOSPITALS.ORG	
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►		L Year of formation 1918	M State of legal domicile MN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PROMOTION OF THE HEALTHCARE INDUSTRY

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

3 Number of voting members of the governing body (Part VI, line 1a)	3	30
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	29
5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	0
6 Total number of volunteers (estimate if necessary)	6	200
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	16,550
b Net unrelated business taxable income from Form 990-T, line 34	7b	6,549

8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	13,480	0
9 Program service revenue (Part VIII, line 2g)	10,436,418	10,206,716
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,383	40,032
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	69,695	46,241
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	10,524,976	10,292,989

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	4,040
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)	4,765,372	5,166,829
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)	3,179,496	3,989,800
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	7,944,868	9,160,669
19 Revenue less expenses Subtract line 18 from line 12	2,580,108	1,132,320

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	8,065,570	10,505,757
21 Total liabilities (Part X, line 26)	2,491,972	3,621,523
22 Net assets or fund balances Subtract line 21 from line 20	5,573,598	6,884,234

Part II Signature Block

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

Sign Here	*****	2014-10-07
	Signature of officer	Date
LAWRENCE J MASSA PRESIDENT & CHIEF EXECUTIVE OFFICER		
Type or print name and title		

Paid Preparer Use Only	Print/Type preparer's name JOHN TAUER	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00294068
	Firm's name ► CLIFTONLARSONALLEN LLP				Firm's EIN ► 41-0746749
	Firm's address ► 220 SOUTH SIXTH STREET SUITE 300 MINNEAPOLIS, MN 55402				Phone no (612) 376-4500

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

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III **1 Briefly describe the organization's mission**

TO ENHANCE THE ABILITY OF OUR MEMBERS TO ACHIEVE THEIR MISSIONS AND GOALS BY BEING THE STATE'S MOST INFLUENTIAL, TRUSTED AND RESPECTED LEADER IN HEALTH-CARE POLICY AND ADVOCACY, AND BY BEING A VALUED RESOURCE FOR INFORMATION AND KNOWLEDGE

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

EDUCATION PROVIDED 59 EDUCATION PROGRAMS THROUGH WEBINAR, IN PERSON SEMINARS AND CONFERENCES FOR HEALTH CARE EXECUTIVES, CAREGIVERS, MANAGERS, HOSPITAL TRUSTEES, PHYSICIAN LEADERS AND MEMBERS OF THE PUBLIC IN 2013, MHA ALSO PRODUCED EDUCATIONAL VIDEOS ON KEY HEALTH CARE AND GOVERNANCE TOPICS AND MADE THESE VIDEOS AVAILABLE THROUGH OUR WEBSITE MANY PUBLIC AND CHARITABLE HOSPITALS HAVE USED THE VIDEOS FOR BOARD AND COMMUNITY EDUCATION PROGRAMS

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

MENTAL HEALTH BED TRACKER ADMINISTER ELECTRONIC MENTAL HEALTH INPATIENT BED TRACKER TO PROVIDE DAILY CLOSE-TO-REAL-TIME INFORMATION FOR HOSPITALS SEEKING TO ADMIT PATIENTS WITH MENTAL OR BEHAVIORAL HEALTH NEEDS THIS BED TRACKER IS USED FOR PATIENT PLACEMENT BY ALMOST ALL 146 HOSPITALS IN MINNESOTA MHA ALSO RECENTLY EXPANDED ACCESS TO THE BED TRACKER TO INCLUDE COMMUNITY-BASED SERVICES WHO MAY NEED TO REFER A PATIENT FOR INPATIENT CARE FROM TIME TO TIME

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

DIRECT SUPERVISION OF OUTPATIENT THERAPEUTIC SERVICES WHITE PAPER MHA PRODUCED AND DISTRIBUTED AT NO CHARGE A RESEARCH PAPER ON NEW DIRECT PHYSICIAN SUPERVISION REQUIREMENTS FOR OUTPATIENT THERAPEUTIC SERVICES DELIVERED IN A HOSPITAL THIS RESEARCH WAS PROVIDED TO ALL MHA MEMBER HOSPITALS, AS WELL AS MADE PUBLICLY AVAILABLE TO OTHERS AROUND THE COUNTRY IN PARTICULAR, OTHER STATE HOSPITAL ASSOCIATIONS HAVE USED THE RESEARCH TO HELP SUPPORT THE EDUCATION AND COMPLIANCE NEEDS OF THEIR MEMBERS

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

TRANSFORMING CARE AT THE BEDSIDE THROUGH ITS INVOLVEMENT WITH ALIGNING FORCES FOR QUALITY, MHA BEGAN ADMINISTERING THE FIRST STATEWIDE EFFORT TO IMPLEMENT TRANSFORMING CARE AT THE BEDSIDE, A HOSPITAL WORKFORCE AND QUALITY IMPROVEMENT EFFORT DEVELOPED BY THE ROBERT WOOD JOHNSON FOUNDATION, IN 23 HOSPITALS ACROSS THE STATE THE PROJECT HAS CONTINUED TO EXPAND EACH YEAR AND, IN 2013, WAS ROLLED UP AS A KEY PART OF THE MHA HOSPITAL ENGAGEMENT NETWORK (SEE BELOW) THE TCAB PROJECT IS DESIGNED TO INCREASE THE PROPORTIONATE AMOUNT OF TIME NURSES AND OTHER CAREGIVERS SPEND IN DIRECT PATIENT CARE DURING THEIR WORK SHIFT

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

HOSPITAL QUALITY MEASUREMENT RESEARCH FOR THE AGENCY FOR HEALTHCARE RESEARCH AND QUALITY (AHRQ) MHA COMPLETED ITS WORK ON A THREE-YEAR PROJECT FOR THE U S AGENCY FOR HEALTHCARE RESEARCH AND QUALITY (AHRQ) THE PROJECT DEVELOPED AND TESTED HOW TO COMBINE EXISTING LAB TESTING DATA WITH HOSPITAL CLAIMS DATA TO HELP DETERMINE WHETHER SOME TREATMENT PROTOCOLS WERE MORE EFFECTIVE THAN OTHERS AND TO CREATE NEW MEASURES OF THE QUALITY OF CARE DELIVERED BY HOSPITALS THE RESULTS OF THE RESEARCH HAVE BEEN INCORPORATED INTO NEW PUBLICLY REPORTED QUALITY MEASURES IN MINNESOTA

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

LEADING EDGE ADVANCED PRACTICE TOPICS (LEAPT) BECAUSE OF MHAS SUCCESSFUL HOSPITAL ENGAGEMENT NETWORK (HEN), THE CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) AWARDED A CONTRACT TO MHA TO UNDERTAKE AN AMBITIOUS EFFORT TO IMPROVE CARE SAFETY AND QUALITY AT PARTICIPATING HOSPITALS THE LEADING EDGE ADVANCED TOPICS (LEAPT) WORK WILL FOCUS ON SEVERAL AREAS OF CARE IMPROVEMENT INCLUDING REDUCING HOSPITAL ACQUIRED CONDITIONS SUCH AS SEPSIS INFECTIONS, C DIFFICILE, DELIRIUM, PRESSURE ULCERS, ADVERSE DRUG EVENTS, AND FALLS ACROSS THE COMMUNITY

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

HOSPITAL ENGAGEMENT NETWORK (HEN) MHA HAS SUCCESSFULLY ADMINISTERED A HOSPITAL ENGAGEMENT NETWORK (HEN) THROUGH A CONTRACT WITH THE CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) BY PREVENTING HARM TO OVER 7,000 PATIENTS AND SAVED \$58 MILLION IN HEALTHCARE COSTS BECAUSE OF MHAS SUCCESS IN HELPING PARTICIPATING HOSPITALS MAKE MEASURABLE IMPROVEMENTS IN QUALITY, SAFETY AND PATIENT SATISFACTION, CMS AWARDED MHA AN EXTENSION OF THE OPTION YEAR ONE CONTRACT IN 2013 THIS WORK, ALONG WITH THE LEAPT PROJECT, IS ACCELERATING THE DISSEMINATION OF BEST PRACTICES AND PROTOCOLS TO MAKE CARE PROVIDED IN MINNESOTA AND, THROUGH JOINT COLLABORATIVES WITH OTHER HENS AROUND THE COUNTRY, IN OTHER STATES

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

COMMUNITY HEALTH NEEDS ASSESSMENTS TO HELP MHA MEMBERS COMPLETE THEIR COMMUNITY HEALTH NEEDS ASSESSMENTS (CHNAS) AS REQUIRED BY FEDERAL LAW, MHA CREATED A WEBSITE WITH TOOLKITS AND OTHER RESOURCES FOR HOSPITALS TO USE, AS WELL AS LINKS TO PUBLICLY AVAILABLE DATA SETS THAT MIGHT BE USEFUL IN ASSESSING THE HEALTH NEEDS OF THEIR COMMUNITIES MHA THEN COLLECTED APPROXIMATELY 100 CHNAS COMPLETED BY MEMBER HOSPITALS IN 2013 IN PREPARATION FOR EXPANDING ACCESS TO THOSE REPORTS FOR THE PUBLIC, AS WELL AS CONDUCTING INDEPENDENT RESEARCH AND ANALYSIS ON THE HEALTH NEEDS OF MINNESOTAS COMMUNITIES AS WELL AS THE STRATEGIES HOSPITALS IDENTIFIED TO ADDRESS THE MOST SIGNIFICANT NEEDS AS MHA COMPLETES ITS RESEARCH AND ANALYSIS, THE RESULTS WILL BE PUBLICLY AVAILABLE

4d Other program services (Describe in Schedule O)

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

4e Total program service expenses ►

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, *Schedule of Contributors* (see instructions)?

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

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

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

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

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

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

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

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

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

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

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

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

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X

f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part XI

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII

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

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

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

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

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

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)

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

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

20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

	Yes	No
1		No
2		No
3		No
4		
5	Yes	
6		No
7		No
8		No
9		No
10		No
11a	Yes	
11b	Yes	
11c		No
11d	Yes	
11e	Yes	
11f	Yes	
12a		No
12b	Yes	
13		No
14a		No
14b		No
15		No
16		No
17		No
18		No
19		No
20a		No
20b		

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		No
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		
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		
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)	28a		No
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32		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	33		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	34	Yes	
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	35a	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35b	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	36		
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	37		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	38	Yes	
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			

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	61	
1b 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		
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	0	
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		
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).	7a		
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? . . .	7b		
b If "Yes," did the organization notify the donor of the value of the goods or services provided? . . .	7c		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . .	7d		
d If "Yes," indicate the number of Forms 8282 filed during the year . . .	7e		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . .	7f		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	7g		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? . . .	7h		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . . .	8		
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? . . .	9a		
9 Sponsoring organizations maintaining donor advised funds.	9b		
a Did the organization make any taxable distributions under section 4966? . . .			
b Did the organization make a distribution to a donor, donor advisor, or related person? . . .			
10 Section 501(c)(7) organizations. Enter	10a		
a Initiation fees and capital contributions included on Part VIII, line 12 . . .	10b		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
11 Section 501(c)(12) organizations. Enter	11a		
a Gross income from members or shareholders . . .	11b		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . .			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? . . .	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.	13a		
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	13b		
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 . . .	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	30		
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	29		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No	
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		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	8a	Yes		
a The governing body?	8b	Yes		
b Each committee with authority to act on behalf of the governing body?	9	No		
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				

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?	15a	Yes	
a The organization's CEO, Executive Director, or top management official	15b	Yes	
b Other officers or key employees of the organization			
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No	
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

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

JEFF ANDERSEN 2550 UNIVERSITY AVENUE WEST 305-S
ST PAUL, MN 55114-1900 (651) 603-3501

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 VI

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, 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 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.

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

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: **6**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	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
	MICHAEL PINE & ASSOCIATES 1 EAST WICKER DRIVE SUITE 1210 CHICAGO IL 60601	AHRQ GRANT	477,094
	MAYO CLINIC ROCHESTER PO BOX 4008 ROCHESTER MN 559034008	AHRQ GRANT	242,029

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

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a			
	b Membership dues	1b			
	c Fundraising events	1c			
	d Related organizations	1d			
	e Government grants (contributions)	1e			
	f All other contributions, gifts, grants, and similar amounts not included above	1f			
	g Noncash contributions included in lines 1a-1f \$				
	h Total. Add lines 1a-1f				
Program Service Revenue	2a PROGRAM SERVICE GRANTS/FEES	Business Code 541900	4,849,945	4,849,945	
	b MEMBERSHIP DUES/SERVICES	541900	4,441,815	4,441,815	
	c SEMINAR REGISTRATION	541900	583,408	583,408	
	d SUBSCRIPTIONS/PUBLICATIONS	541900	331,548	314,998	16,550
	e				
	f All other program service revenue				
	g Total. Add lines 2a-2f		10,206,716		
	3 Investment income (including dividends, interest, and other similar amounts)		25,795		25,795
4 Income from investment of tax-exempt bond proceeds					
5 Royalties					
6a Gross rents	(I) Real				
b Less rental expenses	(II) Personal				
c Rental income or (loss)					
d Net rental income or (loss)					
7a Gross amount from sales of assets other than inventory	(I) Securities				
b Less cost or other basis and sales expenses	86,293				
c Gain or (loss)	72,056				
d Net gain or (loss)	14,237				
8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18		14,237		14,237	
b Less direct expenses	a				
c Net income or (loss) from fundraising events	b				
9a Gross income from gaming activities See Part IV, line 19	a				
b Less direct expenses	b				
c Net income or (loss) from gaming activities					
10a Gross sales of inventory, less returns and allowances	a				
b Less cost of goods sold	b				
c Net income or (loss) from sales of inventory					
Miscellaneous Revenue	Business Code				
11a MISCELLANEOUS REVENUE	900099	46,241		46,241	
b					
c					
d All other revenue					
e Total. Add lines 11a-11d		46,241			
12 Total revenue. See Instructions		10,292,989	10,190,166	16,550	86,273

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	4,040			
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,118,819			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	2,744,517			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	498,000			
9 Other employee benefits	805,493			
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management				
b Legal	105,184			
c Accounting	17,838			
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees	14,864			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,510,781			
12 Advertising and promotion	60,827			
13 Office expenses	234,260			
14 Information technology	65,503			
15 Royalties				
16 Occupancy	302,965			
17 Travel	90,151			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	488,199			
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	6,831			
23 Insurance	24,401			
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 INCENTIVES - LEAPT & HE	598,987			
b EQUIPMENT RENTAL	122,585			
c DUES AND SUBSCRIPTIONS	117,162			
d MDH STAFFING	99,328			
e All other expenses	129,934			
25 Total functional expenses. Add lines 1 through 24e	9,160,669			
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 <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck 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	3,188,909	1	3,431,377	
	2 Savings and temporary cash investments	1,187,216	2	1,350,476	
	3 Pledges and grants receivable, net	172,121	3	276,223	
	4 Accounts receivable, net	181,840	4	57,729	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5		
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6		
	7 Notes and loans receivable, net		7		
	8 Inventories for sale or use		8		
	9 Prepaid expenses and deferred charges	48,064	9	69,913	
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	568,027		
	b Less accumulated depreciation	10b	549,867	10c	18,160
	11 Investments—publicly traded securities		11	2,041,094	
	12 Investments—other securities See Part IV, line 11		12	2,470,152	
	13 Investments—program-related See Part IV, line 11		13		
	14 Intangible assets		14		
	15 Other assets See Part IV, line 11		787,277	15	790,633
16 Total assets. Add lines 1 through 15 (must equal line 34)		8,065,570	16	10,505,757	
Liabilities	17 Accounts payable and accrued expenses	313,927	17	301,215	
	18 Grants payable		18		
	19 Deferred revenue	854,361	19	1,303,184	
	20 Tax-exempt bond liabilities		20		
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21		
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22		
	23 Secured mortgages and notes payable to unrelated third parties		23		
	24 Unsecured notes and loans payable to unrelated third parties		24		
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	1,323,684	25	2,017,124	
	26 Total liabilities. Add lines 17 through 25	2,491,972	26	3,621,523	
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27 Unrestricted net assets	5,573,598	27	6,884,234	
	28 Temporarily restricted net assets		28		
	29 Permanently restricted net assets		29		
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> 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	5,573,598	33	6,884,234	
	34 Total liabilities and net assets/fund balances	8,065,570	34	10,505,757	

Part XI Reconciliation of Net AssetsCheck 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	10,292,989
2	Total expenses (must equal Part IX, column (A), line 25)	2	9,160,669
3	Revenue less expenses Subtract line 2 from line 1	3	1,132,320
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	5,573,598
5	Net unrealized gains (losses) on investments	5	178,316
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	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	6,884,234

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

SCHEDULE C
(Form 990 or 990-EZ)**Political Campaign and Lobbying Activities****2013****Open to Public
Inspection****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.

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 MINNESOTA HOSPITAL ASSOCIATION	Employer identification number 41-0637595
--	--

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 ► \$ 0
- 3 Volunteer hours 0

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 ► \$ 0
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ► \$ 0
- 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			
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:		
Not over \$500,000	20% of the amount on line 1e		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
g Grassroots nontaxable amount (enter 25% of line 1f)			
h Subtract line 1g from line 1a If zero or less, enter -0-			
i Subtract line 1f from line 1c If zero or less, enter -0-			
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes	<input type="checkbox"/> 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)			(b)	
	Yes	No	Amount		
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of					
a Volunteers?					
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?					
c Media advertisements?					
d Mailings to members, legislators, or the public?					
e Publications, or published or broadcast statements?					
f Grants to other organizations for lobbying purposes?					
g Direct contact with legislators, their staffs, government officials, or a legislative body?					
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?					
i Other activities?					
j Total Add lines 1c through 1i					
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?					
b If "Yes," enter the amount of any tax incurred under section 4912					
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912					
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?					

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	Yes		
	2	No		
3	No			

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

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid)	2a	
a Current year	2b	
b Carryover from last year	2c	
c Total	3	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	4	
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?	5	
5 Taxable amount of lobbying and political expenditures (see instructions)		

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-B, line 2, and Part II-B, line 1. Also, complete this part for any additional information

Return Reference	Explanation

Part IV Supplemental Information (continued)

Return Reference	Explanation

Schedule D (Form 990) 2013

SCHEDULE D
(Form 990)**Supplemental Financial Statements**

OMB No 1545-0047

2013

► 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.

Open to Public InspectionDepartment of the Treasury
Internal Revenue Service**Name of the organization**
MINNESOTA HOSPITAL ASSOCIATION**Employer identification number**

41-0637595

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)	<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) <input type="checkbox"/> Preservation of an historically important land area
	<input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure
	<input type="checkbox"/> 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	
a Total number of conservation easements	Held at the End of the Year
b Total acreage restricted by conservation easements	2a
c Number of conservation easements on a certified historic structure included in (a)	2b
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2c
	2d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? 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 <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange programs
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other
c <input type="checkbox"/> Preservation for future generations	

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

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

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

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

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

	Amount
1c	
1d	
1e	
1f	

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

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

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

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

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

a Board designated or quasi-endowment

b Permanent endowment

c Temporarily restricted endowment

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

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

(i) unrelated organizations

(ii) related organizations

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

Yes	No
3a(i)	
3a(ii)	
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					
b Buildings					
c Leasehold improvements					
d Equipment		568,027	549,867	18,160	
e Other					
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				18,160	

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	2,470,152	F
Other		

Total. (Column (b) must equal Form 990, Part X, col (B) line 12.)

2,470,15

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.

Total. (Column (b) must equal Form 990, Part X, col (B) line 13)

Page 1 of 1

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

Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.)

790,633

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.

Total. (Column (b) must equal Form 990, Part X, col (B) line 25)

2,017,12

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 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	10,471,286
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	178,316
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	-19
e	Add lines 2a through 2d	2e	178,297
3	Subtract line 2e from line 1	3	10,292,989
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	0
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	10,292,989

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	9,171,741
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	11,072
e	Add lines 2a through 2d	2e	11,072
3	Subtract line 2e from line 1	3	9,160,669
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	0
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	9,160,669

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 X, LINE 2	THE ASSOCIATION FOLLOWS THE GUIDANCE THAT CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN AN ASSOCIATION'S FINANCIAL STATEMENTS. THE ASSOCIATION IS NOT AWARE OF ANY UNCERTAIN TAX POSITIONS AS OF YEAR-END. THE ORGANIZATION WILL RECOGNIZE FUTURE ACCRUED INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS IN INCOME TAX EXPENSE, IF INCURRED. THE ASSOCIATION IS NO LONGER SUBJECT TO FEDERAL TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS PRIOR TO 2010 AND STATE EXAMINATIONS FOR YEARS PRIOR TO 2010.
PART XI, LINE 2D - OTHER ADJUSTMENTS	AFFILIATE REVENUES REPORTED ON SEPARATE TAX RETURNS -19
PART XII, LINE 2D - OTHER ADJUSTMENTS	AFFILIATE EXPENSES REPORTED ON SEPARATE TAX RETURNS 11,072

Part XIII Supplemental Information (continued)

Return Reference	Explanation

Schedule J
(Form 990)**Compensation Information**

OMB No 1545-0047

2013**Open to Public
Inspection**Department of the Treasury
Internal Revenue ServiceFor 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.Name of the organization
MINNESOTA HOSPITAL ASSOCIATION

Employer identification number

41-0637595

Part I Questions Regarding Compensation**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> 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**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?**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

<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> 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?**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

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?**b** Any related organization?

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?**b** Any related organization?

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**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		
2		
4a		No
4b		No
4c		No
5a		
5b		
6a		
6b		
7		
8		
9		

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) LAWRENCE J MASSA PRESIDENT & CHIEF EXECUTIV	(i) 460,727 (ii) 0	(i) 112,104 (ii) 0	(i) 421,211 (ii) 0	(i) 38,654 (ii) 0	(i) 21,441 (ii) 0	(i) 1,054,137 (ii) 0	(i) 0 (ii) 0
(2) MATT ANDERSON VP REGULATORY/STRATEGIC	(i) 146,145 (ii) 0	(i) 16,000 (ii) 0	(i) 0 (ii) 0	(i) 22,430 (ii) 0	(i) 18,974 (ii) 0	(i) 203,549 (ii) 0	(i) 0 (ii) 0
(3) MARY KRINKIE VP GOVERNMENT RELATIONS	(i) 158,519 (ii) 0	(i) 18,500 (ii) 0	(i) 0 (ii) 0	(i) 25,345 (ii) 0	(i) 20,637 (ii) 0	(i) 223,001 (ii) 0	(i) 0 (ii) 0
(4) MARK SONNEBORN VP INFORMATION SERVICES	(i) 125,788 (ii) 0	(i) 13,365 (ii) 0	(i) 0 (ii) 0	(i) 19,009 (ii) 0	(i) 3,015 (ii) 0	(i) 161,177 (ii) 0	(i) 0 (ii) 0
(5) BENJAMIN PELTIER GENERAL COUNSEL	(i) 161,930 (ii) 0	(i) 17,148 (ii) 0	(i) 0 (ii) 0	(i) 21,004 (ii) 0	(i) 19,082 (ii) 0	(i) 219,164 (ii) 0	(i) 0 (ii) 0
(6) PEGGY WESTBY VP OF EDUCATION	(i) 120,303 (ii) 0	(i) 16,000 (ii) 0	(i) 0 (ii) 0	(i) 16,566 (ii) 0	(i) 10,595 (ii) 0	(i) 163,464 (ii) 0	(i) 0 (ii) 0

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Return Reference	Explanation
FORM 990, SCHEDULE J, PART II	THE ASSOCIATION'S PRESIDENT & CHIEF EXECUTIVE OFFICER IS COMPENSATED BY A RELATED ORGANIZATION, MCCA. MCCA IS REIMBURSED FOR SERVICES RENDERED BY THE PRESIDENT & CHIEF EXECUTIVE OFFICER TO THE ASSOCIATION FOR THE PURPOSES OF DETERMINING COMPENSATION, THE ASSOCIATION RELIED ON THE RELATED ORGANIZATION TO ESTABLISH COMPENSATION OF THE PRESIDENT & CHIEF EXECUTIVE OFFICER. THE RELATED ORGANIZATION USED THE FOLLOWING PRACTICES FOR ESTABLISHING COMPENSATION FOR THIS POSITION: COMPENSATION COMMITTEE, INDEPENDENT COMPENSATION CONSULTANT, FORM 990 OF OTHER ORGANIZATIONS, WRITTEN EMPLOYMENT CONTRACT, COMPENSATION SURVEY OR STUDY, AND APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE. THE ASSOCIATION IS REPORTING ALL COMPENSATION UNDER COMMON PAYMASTER RULES IN FORM 990, PART VII AND SCHEDULE J, PART II

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.****2013****Open to Public
Inspection**Name of the organization
MINNESOTA HOSPITAL ASSOCIATION**Employer identification number**

41-0637595

Return Reference	Explanation
FORM 990, PART III, LINE 2	LEADING EDGE ADVANCED PRACTICE TOPICS (LEAPT) BECAUSE OF MHAS SUCCESSFUL HOSPITAL ENGAGEMENT NETWORK (HEN), THE CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) AWARDED A CONTRACT TO MHA TO UNDERTAKE AN AMBITIOUS EFFORT TO IMPROVE CARE SAFETY AND QUALITY AT PARTICIPATING HOSPITALS. THE LEADING EDGE ADVANCED TOPICS (LEAPT) WORK WILL FOCUS ON SEVERAL AREAS OF CARE IMPROVEMENT INCLUDING REDUCING HOSPITAL ACQUIRED CONDITIONS SUCH AS SEPSIS INFECTIONS, C DIFFICILE, DELIRIUM, PRESSURE ULCERS, ADVERSE DRUG EVENTS, AND FALLS ACROSS THE COMMUNITY

Return Reference	Explanation
FORM 990, PART III, LINE 3	HOSPITAL QUALITY MEASUREMENT RESEARCH FOR THE AGENCY FOR HEALTHCARE RESEARCH AND QUALITY (AHRQ) MHA COMPLETED ITS WORK ON A THREE-YEAR PROJECT FOR THE U S AGENCY FOR HEALTHCARE RESEARCH AND QUALITY (AHRQ) THE PROJECT DEVELOPED AND TESTED HOW TO COMBINE EXISTING LAB TESTING DATA WITH HOSPITAL CLAIMS DATA TO HELP DETERMINE WHETHER SOME TREATMENT PROTOCOLS WERE MORE EFFECTIVE THAN OTHERS AND TO CREATE NEW MEASURES OF THE QUALITY OF CARE DELIVERED BY HOSPITALS THE RESULTS OF THE RESEARCH HAVE BEEN INCORPORATED INTO NEW PUBLICLY REPORTED QUALITY MEASURES IN MINNESOTA

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 1	THE ASSOCIATION'S EXECUTIVE COMMITTEE IS COMPOSED OF THE BOARD CHAIR, CHAIR-ELECT, PRESIDENT, SECRETARY/TREASURER AND FIVE OTHER DIRECTORS ELECTED BY THE BOARD AT THE ANNUAL MEETING, PROVIDED, HOWEVER, THAT IF THE IMMEDIATE PAST-CHAIR IS A DIRECTOR, THEN HE OR SHE SHALL ALSO BE A MEMBER OF THE EXECUTIVE COMMITTEE AND THE BOARD WILL ELECT FOUR NON-OFFICER MEMBERS. THE EXECUTIVE COMMITTEE HAS THE AUTHORITY OF THE BOARD OF DIRECTORS IN THE MANAGEMENT OF THE BUSINESS IN THE INTERVAL BETWEEN MEETINGS OF THE BOARD OF DIRECTORS. THE EXECUTIVE COMMITTEE IS AT ALL TIMES SUBJECT TO THE CONTROL AND DIRECTION OF THE BOARD.

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	VOTING MEMBERS - ORGANIZATIONS OR INSTITUTIONS WHICH ARE ACTIVE IN THE HEALTH CARE INDUSTRY AND SUPPORT THE WORK OF MHA AND PAY MEMBERSHIP DUES TO MHA CAN BE VOTING MEMBERS WITH APPROVAL FROM THE BOARD OF DIRECTORS REGIONAL MEMBERS - ORGANIZATIONS OR INSTITUTIONS WHICH ARE CONTROLLED BY A VOTING MEMBER THE SOLE VOTING RIGHT AFFORDED TO REGIONAL MEMBERS IS TO PARTICIPATE IN THE ELECTION OF REGIONAL DIRECTORS ASSOCIATE MEMBERS - ORGANIZATIONS THAT SUPPORT THE WORK OF MHA BUT ARE NOT OTHERWISE ELIGIBLE TO BE VOTING MEMBERS OR REGIONAL MEMBERS, AND PAY ASSOCIATE DUES TO MHA CAN BECOME ASSOCIATE MEMBERS WITH APPROVAL FROM THE BOARD OF DIRECTORS

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	VOTING MEMBERS DOMICILED IN MINNESOTA HAVING \$100 MILLION IN GROSS REVENUES AS TO WHICH DUES ARE ASSESSED SHALL BE ENTITLED TO DESIGNATE ONE STANDING DIRECTOR, WHO, UPON RATIFICATION BY THE BOARD OF DIRECTORS AT THE NEXT MEETING OF THE DIRECTORS FOLLOWING SUCH DESIGNATION, SHALL BECOME A MEMBER OF THE BOARD OF DIRECTORS THE VOTING MEMBERS AND THE REGIONAL MEMBERS OF EACH REGION SHALL COLLECTIVELY ELECT ONE REGIONAL DIRECTOR IN VOTING FOR THE REGIONAL DIRECTOR, THE VOTING MEMBER AND REGIONAL MEMBERS THAT ARE UNDER COMMON CONTROL SHALL COLLECTIVELY BE ENTITLED TO ONE VOTE VOTING MEMBERS MAY ELECT A MAXIMUM OF FIVE TRUSTEE DIRECTORS EACH TRUSTEE DIRECTOR SHALL BE A MEMBER OF THE GOVERNING BODY OF A VOTING MEMBER OR REGIONAL MEMBER VOTING MEMBERS MAY ELECT A MAXIMUM OF FIVE AT-LARGE DIRECTORS

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	AMENDMENTS TO THE ASSOCIATION'S BYLAWS MUST BE PROPOSED BY ADOPTING A RESOLUTION SETTING FORTH THE PROPOSED AMENDMENT AND DIRECTING THAT IT BE SUBMITTED FOR ADOPTION AT A MEETING OF THE VOTING MEMBERS OR BY WRITTEN PETITION SIGNED BY AT LEAST 50 VOTING MEMBERS OR TEN PERCENT OF THE VOTING MEMBERS, WHICHEVER IS LESS, AND DELIVERED TO THE SECRETARY. EACH PROPOSED AMENDMENT SHALL BE CONSIDERED BY THE VOTING MEMBERS, AND AN AMENDMENT SHALL BE ADOPTED UPON THE AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTING MEMBERS PRESENT AND ENTITLED TO VOTE AT THE MEETING. NOTICE OF THE MEETING SHALL INCLUDE A COPY OR SUMMARY OF EACH PROPOSED AMENDMENT. THE VOTING MEMBERS HAVE NO POWER TO AMEND THE BYLAWS EXCEPT AS DESCRIBED ABOVE.

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	A DRAFT COPY OF THE FORM 990 IS PROVIDED TO THE BOARD OF DIRECTORS. THE BOARD REVIEWS THE DRAFT FORM 990, ADDRESSING ANY COMMENTS OR CONCERN. UPON APPROVAL OF THE DRAFT FORM 990 BY THE BOARD, THE FORM IS FILED WITH THE IRS.

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	THE ASSOCIATION'S CONFLICT OF INTEREST POLICY COVERS MEMBERS OF THE BOARD OF DIRECTORS, OFFICERS, AND OTHER INDIVIDUALS ENGAGED IN THE MANAGEMENT OF THE ASSOCIATION THAT OCCUPY POSITIONS OF FIDUCIARY TRUST COVERED INDIVIDUALS ARE REQUIRED TO UPDATE AN ANNUAL DISCLOSURE STATEMENT THAT IS REVIEWED BY THE EXECUTIVE COMMITTEE. THE COMMITTEE WILL MEET WITH INDIVIDUAL BOARD MEMBERS THAT ARE DETERMINED TO HAVE A POTENTIAL CONFLICT OF INTEREST TO RESOLVE WHETHER AND HOW THE INDIVIDUAL WILL PARTICIPATE IN ASSOCIATION ACTIVITIES ASSOCIATED WITH THE POTENTIAL CONFLICT. IF A COVERED INDIVIDUAL HAS A POTENTIAL CONFLICT OF INTEREST THAT ARISES DURING THE COURSE OF THE YEAR, THE MATERIAL FACTS MUST BE FULLY DISCLOSED TO THE BOARD OF DIRECTORS OR COMMITTEE MEMBERS WHO SHALL DETERMINE IF A CONFLICT EXISTS FOLLOWING THE DISCLOSURE THE CONFLICTED INDIVIDUAL MAY NOT BE PRESENT FOR THE DISCUSSION, THE VOTE ON THE TRANSACTION, NOR BE COUNTED FOR DETERMINING THE PRESENCE OF A QUORUM. THE MEETING MINUTES SHALL DOCUMENT THE DISCLOSURE, ABSTENTION FROM PARTICIPATION IN THE DISCUSSION, AND THE ABSTENTION FROM VOTING

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	THE ASSOCIATION'S BOARD OF DIRECTORS USED MARKET STUDIES, AN INDEPENDENT COMPENSATION CONSULTANT, AND FORM 990S OF OTHER SIMILARLY SIZED AND SITUATED ORGANIZATIONS TO DETERMINE COMPENSATION FOR THE PRESIDENT & CHIEF EXECUTIVE OFFICER, L. MASSA. THE PROCESS WAS LAST UNDERTAKEN DURING 2013. THE ASSOCIATION'S BOARD OF DIRECTORS USED MARKET STUDIES TO DETERMINE COMPENSATION FOR THE CONTROLLER, J. ANDERSEN. THE DETERMINATION LAST TOOK PLACE IN 2013.

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE ASSOCIATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

Return Reference	Explanation
FORM 990, PART IX, LINE 11G	CONSULTING 635,903 SUBCONTRACTOR - HEN PATIENT 111,726 SUBCONTRACTOR - AHRQ LAB PROJECT 705,118 SUBCONTRACTOR - LEAPT PATIENT 58,034

SCHEDULE R
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2013

Department of the Treasury
Internal Revenue Service

- 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.

**Open to Public
Inspection**

Name of the organization
MINNESOTA HOSPITAL ASSOCIATION

Employer identification number

41-0637595

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.

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.

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.

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

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

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

- a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		No
1b		No
1c		No
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k	Yes	
1l	Yes	
1m	Yes	
1n	Yes	
1o	Yes	
1p	Yes	
1q	Yes	
1r	Yes	
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
(1) MINNESOTA CONTINUUM OF CARE ASSOCIATION	K	320,728	PER CONTRACT
(2) MINNESOTA CONTINUUM OF CARE ASSOCIATION	O	5,160,943	DEPARTMENT CODING
(3) MINNESOTA HEALTHCARE PARTNERS	Q		DEPARTMENT CODING

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.

Part VII Supplemental Information

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

Return Reference	Explanation
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Schedule R (Form 990) 2013

Additional Data

Software ID:
Software Version:

EIN: 41-0637595

Name: MINNESOTA HOSPITAL ASSOCIATION

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

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