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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
SHAWNEE MISSION MEDICAL CENTER INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
9100 W 74TH STREET

City or town, state or province, country, and ZIP or foreign postal code
SHAWNEE MISSION, KS 66204

D Employer identification number
48-0637331

E Telephone number
(913)676-2000

G Gross receipts $ 362,724,592

F Name and address of principal officer
KEN BACON
9100 W 74TH STREET
SHAWNEE MISSION,KS 66204

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 ▶ 1071

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

J Website: ▶ WWW SHAWNEEMISSION ORG

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

L Year of formation 1956

M State of legal domicile KS

Part I Summary

1 Briefly describe the organization's mission or most significant activities
THE PROVISION OF MEDICAL CARE TO THE COMMUNITY THROUGH THE OPERATION OF A 504 BED HOSPITAL

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	21
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	16
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	3,004
6	Total number of volunteers (estimate if necessary)	6	694
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	802,214
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	719,488	829,525
9	Program service revenue (Part VIII, line 2g)	352,255,358	354,956,431
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,727,136	4,542,313
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,980,778	2,371,648
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	360,682,760	362,699,917
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,453,275	1,479,511
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)	178,245,006	182,270,373
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)	150,190,753	154,890,384
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	329,889,034	338,640,268
19	Revenue less expenses Subtract line 18 from line 12	30,793,726	24,059,649

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	593,632,539	591,144,040
21	Total liabilities (Part X, line 26)	257,992,021	223,694,393
22	Net assets or fund balances Subtract line 21 from line 20	335,640,518	367,449,647

Part II Signature Block

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

Sign Here

****** | 2014-11-14
Signature of officer | Date

LYNN C ADDISCOTT ASSISTANT SECRETARY
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			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

ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION AND ALL OF ITS SUBSIDIARY ORGANIZATIONS WERE ESTABLISHED BY THE SEVENTH-DAY ADVENTIST CHURCH TO BRING A MINISTRY OF HEALING AND HEALTH TO THE COMMUNITIES SERVED OUR MISSION IS TO EXTEND THE HEALING MINISTRY OF CHRIST

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 $ 318,083,247 including grants of $ 1,479,511) (Revenue $ 356,438,134)

OPERATION OF A 504-BED ACUTE CARE HOSPITAL THERE WERE 19,896 PATIENT ADMISSIONS, 78,990 PATIENT DAYS, AND 182,779 OUTPATIENT VISITS IN THE CURRENT YEAR

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

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

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ 318,083,247

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		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**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	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**	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*	**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**		No
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	328		
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	3,004		
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**	21		
	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**	16		
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				
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**		No
b	Other officers or key employees of the organization	**15b**		No
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**	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 ▶

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

▶KARSTEN RANDOLPH 9100 W 74TH STREET
SHAWNEE MISSION, KS 66204 (913) 676-2152

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)** . . . . . ▶								2,783,898	6,533,561	908,991

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 ▶ 134

			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
UNITED EXCEL CORPORATION 5425 ANTIOCH DRIVE MERRIAM KS 66202	CONSTRUCTION	7,579,308
MEDICAL SERVICES BILLING PO BOX 22266 CHATTANOOGA TN 37422	BILLING SERVICES	2,616,163
FAULTLESS LINEN PO BOX 802786 KANSAS CITY KS 64180	LAUNDRY SERVICES	1,222,630
US ENGINEERING COMPANY 3433 ROANOKE RD KANSAS CITY MO 64111	ENGINEERING SERVICES	1,197,465
EM SPECIALISTS PA 9100 W 74TH STREET SHAWNEE MISSION KS 66204	PHYSICIAN SERVICES	1,151,461

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 ▶ 67

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations . . .	1d	812,199			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	17,326			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		829,525			
Program Service Revenue			Business Code				
	2a	NET PATIENT REVENUE	900099	345,103,939	345,103,939		
	b	PHARMACY	446110	3,254,830	2,509,474	745,356	
	c	DAYCARE REVENUE	624410	1,817,783	1,817,783		
	d	CAFETERIA REVENUE	900099	1,201,195	1,201,195		
	e	TIMESHARE/MOB	531120	737,535	737,535		
	f	All other program service revenue		2,841,149	2,784,291	56,858	
	g	**Total.** Add lines 2a–2f . . . . . ▶		354,956,431			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		2,420,064			2,420,064
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents	112,406				
	b	Less rental expenses	24,675				
	c	Rental income or (loss)	87,731				
	d	Net rental income or (loss) . . . . . ▶		87,731			87,731
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	2,110,723 / 11,526				
	b	Less cost or other basis and sales expenses	0 / 0				
	c	Gain or (loss)	2,110,723 / 11,526				
	d	Net gain or (loss) . . . . . ▶		2,122,249			2,122,249
	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from fundraising events . . ▶					
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a	EHR REVENUE	900099	2,283,917	2,283,917		
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶		2,283,917			
	12	**Total revenue.** See Instructions . . . . . ▶		362,699,917	356,438,134	802,214	4,630,044

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21	1,479,511	1,479,511		
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	2,352,128		2,352,128	
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	133,416,684	133,293,068	123,616	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	4,798,705	4,722,535	76,170	
9 Other employee benefits	31,837,038	31,641,609	195,429	
10 Payroll taxes	9,865,818	9,709,216	156,602	
11 Fees for services (non-employees)				
a Management				
b Legal	291,651		291,651	
c Accounting	64,735		64,735	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	13,232,671	7,660,058	5,572,613	
12 Advertising and promotion	1,736,102		1,736,102	
13 Office expenses	6,789,902	3,795,256	2,994,646	
14 Information technology	12,339,624	10,316,320	2,023,304	
15 Royalties . .				
16 Occupancy	11,663,892	11,663,892		
17 Travel	946,257		946,257	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	7,696,811	7,696,811		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	20,450,718	20,450,718		
23 Insurance	3,689,031		3,689,031	
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	50,224,805	50,224,805		
b PURCHASED SERVICES	17,736,668	17,516,805	219,863	
c REPAIRS & MAINTENANCE	6,941,732	6,941,732		
d TAXES & LICENSES	114,874		114,874	
e All other expenses	970,911	970,911		
25 **Total functional expenses.** Add lines 1 through 24e	338,640,268	318,083,247	20,557,021	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		9,084	1	8,933
	2	Savings and temporary cash investments		236,078,653	2	220,317,179
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		41,033,559	4	41,930,082
	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		5,971,853	8	6,084,243
	9	Prepaid expenses and deferred charges		7,480,369	9	6,960,498
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 445,743,207			
	b	Less accumulated depreciation	10b 161,153,154	272,215,807	10c	284,590,053
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		11,818,549	12	11,712,219
	13	Investments—program-related See Part IV, line 11		253,490	13	157,355
	14	Intangible assets		4,256,842	14	4,221,806
	15	Other assets See Part IV, line 11		14,514,333	15	15,161,672
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		593,632,539	16	591,144,040
Liabilities	17	Accounts payable and accrued expenses		34,763,930	17	29,564,134
	18	Grants payable			18	
	19	Deferred revenue		92,616	19	886,314
	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	1,678,705
	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		223,135,475	25	191,565,240
	26	**Total liabilities.** Add lines 17 through 25		257,992,021	26	223,694,393
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		335,640,518	27	367,397,439
	28	Temporarily restricted net assets			28	52,208
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		335,640,518	33	367,449,647
	34	Total liabilities and net assets/fund balances		593,632,539	34	591,144,040

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	362,699,917
2	Total expenses (must equal Part IX, column (A), line 25)	2	338,640,268
3	Revenue less expenses Subtract line 2 from line 1	3	24,059,649
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	335,640,518
5	Net unrealized gains (losses) on investments	5	199,005
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	7,550,475
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	367,449,647

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
SHAWNEE MISSION MEDICAL CENTER INC

Employer identification number
48-0637331

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*.

OMB No 1545-0047

2013

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
SHAWNEE MISSION MEDICAL CENTER INC	48-0637331

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	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		23,244
j	Total Add lines 1c through 1i			23,244
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
PART II-B, LINE 1	DUES WERE PAID TO THE AMERICAN HOSPITAL ASSOCIATION AND KANSAS HOSPITAL ASSOCIATION

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*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
SHAWNEE MISSION MEDICAL CENTER INC

Employer identification number
48-0637331

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		31,098,512		31,098,512
b Buildings		291,750,336	86,840,348	204,909,988
c Leasehold improvements				
d Equipment		105,174,662	68,610,030	36,564,632
e Other		17,719,697	5,702,776	12,016,921
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				284,590,053

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

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

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

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

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

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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	
OTHER CURRENT LIABILITIES	8,470
DUE TO AFFILIATED	1,502,919
PAYABLE TO THIRD PARTIES	2,388,474
CREDIT BALANCES IN A/R	3,116,968
INTERCO ALLOC OF TE BOND PROCEEDS	184,548,409
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	191,565,240

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 X, LINE 2	THE FILING ORGANIZATION IS A SUBSIDIARY ORGANIZATION WITHIN ADVENTIST HEALTH SYSTEM (AHS) THE CONSOLIDATED FINANCIAL STATEMENTS OF AHS CONTAIN THE FOLLOWING FIN 48 FOOTNOTE PLEASE NOTE THAT DOLLAR AMOUNTS ARE IN THOUSANDS HEALTHCARE CORPORATION AND ITS AFFILIATED ORGANIZATIONS, OTHER THAN NORTH AMERICAN HEALTH SERVICES, INC AND ITS SUBSIDIARIES (NAHS), ARE EXEMPT FROM STATE AND FEDERAL INCOME TAXES ACCORDINGLY, HEALTHCARE CORPORATION AND ITS TAX-EXEMPT AFFILIATES ARE NOT SUBJECT TO FEDERAL, STATE, OR LOCAL INCOME TAXES EXCEPT FOR ANY NET UNRELATED BUSINESS TAXABLE INCOME FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012, UNRELATED BUSINESS INCOME ACTIVITIES CONDUCTED BY HEALTHCARE CORPORATION AND ITS TAX-EXEMPT AFFILIATES DID NOT GENERATE A MATERIAL AMOUNT OF COMBINED FEDERAL, STATE AND LOCAL INCOME TAX NAHS IS A WHOLLY OWNED, FOR-PROFIT SUBSIDIARY OF HEALTHCARE CORPORATION NAHS AND ITS SUBSIDIARIES ARE SUBJECT TO FEDERAL AND STATE INCOME TAXES NAHS FILES A CONSOLIDATED FEDERAL INCOME TAX RETURN AND, WHERE APPROPRIATE, CONSOLIDATED STATE INCOME TAX RETURNS FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012, NAHS GENERATED TAXABLE INCOME OF APPROXIMATELY $500 AND $2,100, RESPECTIVELY THIS TAXABLE INCOME WAS FULLY OFFSET BY NET OPERATING LOSS CARRYFORWARDS FOR FEDERAL INCOME TAX PURPOSES ALTHOUGH ONE STATE IN WHICH NAHS CONDUCTS BUSINESS HAS SUSPENDED THE UTILIZATION OF NET OPERATING LOSS CARRYFORWARDS FOR THE YEAR ENDED DECEMBER 31, 2013, NO MATERIAL STATE INCOME TAX LIABILITY RESULTED ACCORDINGLY, THERE IS NO PROVISION FOR CURRENT FEDERAL OR STATE INCOME TAX FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012 NAHS ALSO HAS TEMPORARY DEDUCTIBLE DIFFERENCES OF APPROXIMATELY $65,000 AND $64,800 AT DECEMBER 31, 2013 AND 2012, RESPECTIVELY, PRIMARILY AS A RESULT OF NET OPERATING LOSS CARRYFORWARDS AT DECEMBER 31, 2013, NAHS HAD NET OPERATING LOSS CARRYFORWARDS OF APPROXIMATELY $64,200 OF WHICH $21,000 WILL EXPIRE IN 2023, WITH THE REMAINING $43,200 EXPIRING BEGINNING IN 2018 THROUGH 2026 SOME OF THESE NET OPERATING LOSSES ARE SUBJECT TO THE SEPARATE RETURN LIMITATION YEAR RULES DEFERRED TAXES HAVE BEEN PROVIDED FOR THESE AMOUNTS, RESULTING IN A NET DEFERRED TAX ASSET OF APPROXIMATELY $24,700 AND $24,600 AT DECEMBER 31, 2013 AND 2012, RESPECTIVELY A FULL VALUATION ALLOWANCE HAS BEEN PROVIDED AT DECEMBER 31, 2013 AND 2012, RESPECTIVELY, TO OFFSET THE DEFERRED TAX ASSET SINCE HEALTHCARE CORPORATION HAS DETERMINED THAT IT IS MORE LIKELY THAN NOT THAT THE BENEFIT OF THE NET OPERATING LOSS CARRYFORWARDS WILL NOT BE REALIZED IN FUTURE YEARS THE INCOME TAXES TOPIC OF THE ASC (ASC 740) PRESCRIBES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAX POSITIONS RECOGNIZED IN FINANCIAL STATEMENTS ASC 740 PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN THERE WERE NO MATERIAL UNCERTAIN TAX POSITIONS AS OF DECEMBER 31, 2013 AND 2012

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
SHAWNEE MISSION MEDICAL CENTER INC

Employer identification number
48-0637331

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 _____ %	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	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
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)			13,495,856		13,495,856	3 990 %
b Medicaid (from Worksheet 3, column a)			24,477,818	13,892,067	10,585,751	3 130 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			37,973,674	13,892,067	24,081,607	7 120 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1,085,184		1,085,184	0 320 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			677,883		677,883	0 200 %
j **Total.** Other Benefits			1,763,067		1,763,067	0 520 %
k **Total.** Add lines 7d and 7j			39,736,741	13,892,067	25,844,674	7 640 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
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			425,267		425,267	0 130 %
10	**Total**			425,267		425,267	0 130 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	16,301,953		
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	785,846		
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	73,950,106
6	Enter Medicare allowable costs of care relating to payments on line 5	6	78,229,446
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-4,279,340
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	1 SHAWNEE MISSION PRAIRIE STAR SURGERY CENTER LLC	AMBULATORY SURGERY SERVICES	50 000 %	0 %	50 000 %
2	2 SHAWNEE MISSION SURGERY CENTER LLC	AMBULATORY SURGERY SERVICES	50 000 %	0 %	50 000 %
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 SHAWNEE MISSION 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 2013			
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) HTTP //WWW SHAWNEEMISSION ORG/PORTALS/41/			
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 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☑ Uninsured discount			
f ☑ Medicaid/Medicare			
g ☑ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	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
SHAWNEE MISSION MEDICAL CENTER	PART V, SECTION B, LINE 3 SHAWNEE MISSION MEDICAL CENTER (HOSPITAL) IS A 504-BED FACILITY WITH NEARLY 20,000 INPATIENT ADMISSIONS AND MORE THAN 200,000 OUTPATIENT ADMISSIONS ANNUALLY THE HOSPITAL HAS THE BUSIEST EMERGENCY DEPARTMENT IN JOHNSON COUNTY THE HOSPITAL'S PRIMARY SERVICE AREA COVERS TWENTY-THREE ZIP CODES IN JOHNSON COUNTY AND WYANDOTTE COUNTY, IN EASTERN KANSAS THE HOSPITAL'S 2013 COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) WAS CONDUCTED IN COLLABORATION WITH THE JOHNSON COUNTY DEPARTMENT OF HEALTH AND ENVIRONMENT A COMMUNITY HEALTH SURVEY AND A FOCUS GROUP WERE CONDUCTED TO OBTAIN INPUT FROM THE COMMUNITY AND SPECIFICALLY TO GET INPUT FROM PERSONS REPRESENTING THE BROAD INTERESTS OF THE COMMUNITY SERVED IN SEPTEMBER 2012, 3,000 HOUSEHOLDS WERE RANDOMLY SELECTED TO PARTICIPATE IN THE CHNA SURVEY JUST OVER 20 PERCENT (606) OF THE HOUSEHOLDS COMPLETED THE SURVEY ADDITIONALLY, A FOCUS GROUP WAS HELD WITH KEY COMMUNITY GROUPS TO ENSURE REPRESENTATION ACROSS SOCIO-ECONOMIC GROUPS PARTICIPANTS IN THE FOCUS GROUP CONSISTED OF REPRESENTATIVES FROM THE JOHNSON COUNTY DEPARTMENT OF HEALTH AND ENVIRONMENT, JOHNSON COUNTY GOVERNMENT, JOHNSON COUNTY COMMUNITY COLLEGE, MERRIAM CITY COUNCIL, BLUE VALLEY SCHOOL DISTRICT, SAFEHOME (A SHELTER FOR VICTIMS OF DOMESTIC VIOLENCE), LAKEVIEW VILLAGE (RETIREMENT FACILITY) AND DESOTO SCHOOL DISTRICT THESE GROUPS WERE CHOSEN BECAUSE OF THEIR KNOWLEDGE OF HEALTH NEEDS IN THE COMMUNITY, PARTICULARLY THOSE WHO ARE UNDERSERVED AND/OR MIGHT BE UNDERREPRESENTED IN THE COMMUNITY SURVEY
SHAWNEE MISSION MEDICAL CENTER	PART V, SECTION B, LINE 5D THE HOSPITAL HAS ADOPTED A POLICY THAT ADDRESSES THE PUBLIC POSTING REQUIREMENTS OF THE COMMUNITY HEALTH NEEDS ASSESSMENT UNDER THIS POLICY, THE COMMUNITY HEALTH NEEDS ASSESSMENT REPORT MUST BE POSTED ON THE HOSPITAL'S WEBSITE BY THE END OF THE YEAR IN WHICH IT IS CONDUCTED THE HOSPITAL WILL MAKE A COPY OF ITS COMMUNITY HEALTH NEEDS ASSESSMENT REPORT AVAILABLE UPON REQUEST THE HOSPITAL WILL ALSO MAKE A PAPER COPY OF THE COMMUNITY HEALTH NEEDS ASSESSMENT REPORT AVAILABLE FOR PUBLIC INSPECTION AT THE HOSPITAL FACILITY
SHAWNEE MISSION MEDICAL CENTER	PART V, SECTION B, LINE 6I AS A PART OF ITS COMMUNITY HEALTH NEEDS ASSESSMENT, THE FILING ORGANIZATION CONDUCTED AN EXTENSIVE AND THOROUGH ANALYSIS AND PRIORITIZATION OF ITS SIGNIFICANT IDENTIFIED HEALTH NEEDS PLEASE SEE OUR DISCUSSION IN PART V, SECTION B, LINE 7 THE FILING ORGANIZATION ADOPTED ITS INITIAL COMMUNITY HEALTH NEEDS ASSESSMENT BY 12/31/13 AND WAS IN THE PROCESS OF DEVELOPING ITS COMMUNITY HEALTH NEEDS IMPLEMENTATION STRATEGY THE FILING ORGANIZATION'S IMPLEMENTATION STRATEGY WILL BE DOCUMENTED IN A WRITTEN REPORT CALLED THE "COMMUNITY HEALTH PLAN" THE COMMUNITY HEALTH PLAN (CHP) WILL DESCRIBE HOW THE FILING ORGANIZATION PLANS TO MEET ITS IDENTIFIED PRIORITIZED HEALTH NEEDS OR WILL IDENTIFY THE HEALTH NEED AS ONE THE FILING ORGANIZATION DOES NOT INTEND TO SPECIFICALLY ADDRESS AND PROVIDE AN EXPLANATION AS TO WHY THE FILING ORGANIZATION DOES NOT INTEND TO ADDRESS THAT HEALTH NEED IN ACCORDANCE WITH PROPOSED REGULATION SECTION 1 501(R)-3(E)(2), THE FILING ORGANIZATION'S CHP WILL BE ADOPTED NO LATER THAN MAY 15, 2014
SHAWNEE MISSION MEDICAL CENTER	PART V, SECTION B, LINE 7 SHAWNEE MISSION MEDICAL CENTER (THE HOSPITAL) USED A COMMITTEE COMPRISED OF COMMUNITY AND HOSPITAL REPRESENTATIVES TO REVIEW PRIMARY AND SECONDARY DATA COLLECTED AND TO FORMULATE THE DETERMINATION OF HEALTH PRIORITIES BASED UPON THE PRIMARY AND SECONDARY DATA COLLECTED, THE FOLLOWING NINE HEALTH ISSUES WERE IDENTIFIED ACROSS ALL DATA COLLECTION POINTS AND COMMUNITY INPUT 1 BETTER EDUCATION ON EATING HABITS & NUTRITION2 PHYSICAL ACTIVITY & WELLNESS3 RECRUITING AND RETAINING GOOD DOCTORS AND NURSES4 BEHAVIORAL HEALTH SERVICES5 ADDITIONAL HOLISTIC WELLNESS PROGRAMS6 MORE DOCTORS TAKING MEDICAID7 AGING POPULATION, HOW TO ACCESS SENIOR SERVICES8 INTEGRATED DATA PATIENT REGISTRATION9 UNINSURED FUNDINGTHE INITIAL NINE IDENTIFIED HEALTH ISSUES WERE ANALYZED AND PRIORITIZED BY COMMUNITY AND HOSPITAL REPRESENTATIVES THROUGH A PROCESS OF THOUGHTFUL DIALOG AND DELIBERATION FOCUSING ON THOSE NEEDS THAT THE HOSPITAL WOULD HAVE THE ABILITY TO INFLUENCE THROUGH THE IMPLEMENTATION OR EXPANSION OF PROGRAMS, SERVICES, OR OTHER ACTIONS, AND THAT MAY BE THE FOCUS OF OTHER COMMUNITY RESOURCES/ORGANIZATIONS THAT MAY BE ALREADY ADDRESSING THE NEED IN SOME WAY UPON FINAL HEALTH NEEDS PRIORITY SELECTION, THE FOLLOWING FOUR PRIORITIES WERE IDENTIFIED BETTER EDUCATION ON EATING HABITS & NUTRITIONPHYSICAL ACTIVITY & WELLNESSRECRUITING AND RETAINING GOOD DOCTORS AND NURSESBEHAVIORAL HEALTH SERVICES
SHAWNEE MISSION MEDICAL CENTER	PART V, SECTION B, LINE 14G THE FILING ORGANIZATION HAS DEVELOPED A PATIENT-FRIENDLY SUMMARY VERSION OF ITS FINANCIAL ASSISTANCE POLICY (FAP) THE FILING ORGANIZATION'S FAP PROVIDES THAT ITS HOSPITAL FACILITY WILL POST THE PATIENT-FRIENDLY SUMMARY VERSION OF ITS FAP ON THE HOSPITAL'S WEBSITE IN ADDITION, THE FAP OF THE HOSPITAL FACILITY STATES THAT SIGNAGE REGARDING THE AVAILABILITY OF THE HOSPITAL FACILITY'S FAP WILL BE VISIBLE AT POINTS OF ADMISSION AND REGISTRATION, INCLUDING THE EMERGENCY DEPARTMENT
SHAWNEE MISSION MEDICAL CENTER	PART V, SECTION B, LINE 20D IN DETERMINING THE MAXIMUM AMOUNT THAT CAN BE CHARGED TO FINANCIAL ASSISTANCE POLICY-ELIGIBLE INDIVIDUALS FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE, THE HOSPITAL USES THE FOLLOWING METHODOLOGY THE HOSPITAL IDENTIFIES ALL COMMERCIAL PAYORS THAT HAD ANY ACTIVITY WITH THE HOSPITAL DURING THE TAXABLE YEAR FOR THOSE IDENTIFIED COMMERCIAL PAYORS, AN AVERAGE OF THE NEGOTIATED COMMERCIAL INSURANCE RATES IS DETERMINED THE AVERAGE OF ALL OF THE NEGOTIATED COMMERCIAL INSURANCE RATES FOR THOSE IDENTIFIED COMMERCIAL PAYORS DETERMINES THE MAXIMUM AMOUNT THAT CAN BE CHARGED TO PATIENTS ELIGIBLE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY

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? **25**

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

Part VI Supplemental Information

Provide the following information

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

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

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Form and Line Reference	Explanation
PART I, LINE 6A	THE FILING ORGANIZATION IS A WHOLLY OWNED SUBSIDIARY OF ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION (AHSSHC) AHSSHC SERVES AS A PARENT ORGANIZATION TO 24 TAX-EXEMPT 501(C)(3) HOSPITAL ORGANIZATIONS THAT OPERATE 44 HOSPITALS IN TEN STATES WITHIN THE U S THE SYSTEM OF ORGANIZATIONS UNDER THE CONTROL AND OWNERSHIP OF AHSSHC IS KNOWN AS "ADVENTIST HEALTH SYSTEM" (AHS) ALL HOSPITAL ORGANIZATIONS WITHIN AHS COLLECT, CALCULATE, AND REPORT THE COMMUNITY BENEFITS THEY PROVIDE TO THE COMMUNITIES THEY SERVE AHS ORGANIZATIONS EXIST SOLELY TO IMPROVE AND ENHANCE THE LOCAL COMMUNITIES THEY SERVE AHS HAS A SYSTEM-WIDE COMMUNITY BENEFITS ACCOUNTING POLICY THAT PROVIDES GUIDELINES FOR ITS HEALTH CARE PROVIDER ORGANIZATIONS TO CAPTURE AND REPORT THE COSTS OF SERVICES PROVIDED TO THE UNDERPRIVILEGED AND TO THE BROADER COMMUNITY ON AN ANNUAL BASIS, THE COMMUNITY BENEFITS OF ALL AHS ORGANIZATIONS ARE CONSOLIDATED AND REPORTED IN THE AHS ANNUAL REPORT DOCUMENT PREPARED BY ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION
PART I, LINE 7	THE AMOUNTS OF COSTS REPORTED IN THE TABLE IN LINE 7 OF PART I OF SCHEDULE H WERE DETERMINED BY UTILIZING A COST-TO-CHARGE RATIO DERIVED FROM WORKSHEET 2, RATIO OF PATIENT CARE COST-TO-CHARGES, CONTAINED IN THE SCHEDULE H INSTRUCTIONS

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES	SHAWNEE MISSION MEDICAL CENTER (THE HOSPITAL) IS INVOLVED WITH AND SUPPORTIVE OF VARIOUS OTHER COMMUNITY AGENCIES IN ITS SERVICE AREA THAT WORK COLLABORATIVELY TO HELP THOSE IN NEED AND TO IMPROVE THE HEALTH AND SAFETY OF THE RESIDENTS OF THE COMMUNITY THE HOSPITAL PARTICIPATES WITH A NUMBER OF OTHER COMMUNITY ORGANIZATIONS TO ADDRESS THE HEALTHCARE NEEDS OF THE COMMUNITY, SUCH AS THE HEALTH PARTNERSHIP OF JOHNSON COUNTY WHO SPECIALIZES IN TREATING LOW INCOME PERSONS IN ADDITION TO OFFERING NUMEROUS CLASSES AND A SPIRITUAL WELLNESS PROGRAM, THE HOSPITAL IS SUPPORTIVE OF OTHER HEALTH AND WELLNESS EVENTS CURRENTLY CONDUCTED IN ITS COMMUNITY, SUCH AS THE AMERICAN HEART ASSOCIATION HEART WALK THE HOSPITAL ALSO PROVIDES FINANCIAL SUPPORT AND ASSISTANCE TO OTHER COMMUNITY GROUPS THROUGH THE PROVISION OF GRANTS TO ORGANIZATIONS, SUCH AS THE SHAWNEE MISSION EDUCATION FOUNDATION AND BLUE VALLEY EDUCATION FOUNDATION
PART III, LINE 2	THE AMOUNT OF BAD DEBT EXPENSE, REPORTED ON LINE 2 OF SECTION A OF PART III IS RECORDED IN ACCORDANCE WITH HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION STATEMENT NO 15 DISCOUNTS AND PAYMENTS ON PATIENT ACCOUNTS ARE RECORDED AS ADJUSTMENTS TO REVENUE, NOT BAD DEBT EXPENSE

Form and Line Reference	Explanation
PART III, LINE 3	METHODOLOGY FOR DETERMINING THE ESTIMATED AMOUNT OF BAD DEBT EXPENSE THAT MAY REPRESENT PATIENTS WHO COULD HAVE QUALIFIED UNDER THE FILING ORGANIZATION'S CHARITY CARE POLICY SELF-PAY PATIENTS ARE REQUIRED TO COMPLETE A PATIENT FINANCIAL ASSISTANCE APPLICATION SHORT FORM (PFAA) IF THE PFAA IS NOT COMPLETED AFTER REASONABLE ATTEMPTS TO OBTAIN IT ARE EXHAUSTED, PATIENT INFORMATION IS PROCESSED THROUGH A SCORER PRODUCT THE SCORER PRODUCT UTILIZES PUBLICLY AVAILABLE DATA, SUCH AS CREDIT REPORTS, TO ASSESS AN INDIVIDUAL PATIENT'S FINANCIAL VIABILITY PATIENTS WHO EARN A CERTAIN SCORE ON THE SCORER PRODUCT ARE CONSIDERED TO QUALIFY AS NON-STATE CHARITY PATIENTS AN AMOUNT UP TO $1,000 OF SUCH A PATIENT'S BILL IS WRITTEN OFF AS BAD DEBT EXPENSE, WHILE THE REMAINING PORTION OF THE PATIENT'S BILL IS CONSIDERED TO BE NON-STATE CHARITY THE AMOUNT WRITTEN OFF AS BAD DEBT EXPENSE FOR THOSE PATIENTS WHO POTENTIALLY QUALIFY AS NON-STATE CHARITY USING THE SCORER PRODUCT IS THE AMOUNT SHOWN ON LINE 3 OF SECTION A OF PART III RATIONALE FOR INCLUDING CERTAIN BAD DEBTS IN COMMUNITY BENEFIT THE FILING ORGANIZATION IS DEDICATED TO THE VIEW THAT MEDICALLY NECESSARY HEALTH CARE FOR EMERGENCY AND NON-ELECTIVE PATIENTS SHOULD BE ACCESSIBLE TO ALL, REGARDLESS OF AGE, GENDER, GEOGRAPHIC LOCATION, CULTURAL BACKGROUND, PHYSICIAN MOBILITY, OR ABILITY TO PAY THE FILING ORGANIZATION TREATS EMERGENCY AND NON-ELECTIVE PATIENTS REGARDLESS OF THEIR ABILITY TO PAY OR THE AVAILABILITY OF THIRD-PARTY COVERAGE BY PROVIDING HEALTH CARE TO ALL WHO REQUIRE EMERGENCY OR NON-ELECTIVE CARE IN A NON-DISCRIMINATORY MANNER, THE FILING ORGANIZATION IS PROVIDING HEALTH CARE TO THE BROAD COMMUNITY IT SERVES AS A 501(C)(3) HOSPITAL ORGANIZATION, THE FILING ORGANIZATION MAINTAINS A 24/7 EMERGENCY ROOM PROVIDING CARE TO ALL WHOM PRESENT WHEN A PATIENT'S ARRIVAL AND/OR ADMISSION TO THE FACILITY BEGINS WITHIN THE EMERGENCY DEPARTMENT, TRIAGE AND MEDICAL SCREENING ARE ALWAYS COMPLETED PRIOR TO REGISTRATION STAFF PROCEEDING WITH THE DETERMINATION OF A PATIENT'S SOURCE OF PAYMENT IF THE PATIENT REQUIRES ADMISSION AND CONTINUED NON-ELECTIVE CARE, THE FILING ORGANIZATION PROVIDES THE NECESSARY CARE REGARDLESS OF THE PATIENT'S ABILITY TO PAY THE FILING ORGANIZATION'S OPERATION OF A 24/7 EMERGENCY DEPARTMENT THAT ACCEPTS ALL INDIVIDUALS IN NEED OF CARE PROMOTES THE HEALTH OF THE COMMUNITY THROUGH THE PROVISION OF CARE TO ALL WHOM PRESENT CURRENT INTERNAL REVENUE SERVICE GUIDANCE THAT TAX-EXEMPT HOSPITALS MAINTAIN SUCH EMERGENCY ROOMS WAS ESTABLISHED TO ENSURE THAT EMERGENCY CARE WOULD BE PROVIDED TO ALL WITHOUT DISCRIMINATION THE TREATMENT OF ALL AT THE FILING ORGANIZATION'S EMERGENCY DEPARTMENT IS A COMMUNITY BENEFIT UNDER THE FILING ORGANIZATION'S CHARITY CARE POLICY, EVERY EFFORT IS MADE TO OBTAIN A PATIENT'S NECESSARY FINANCIAL INFORMATION TO DETERMINE ELIGIBILITY FOR CHARITY CARE HOWEVER, NOT ALL PATIENTS WILL COOPERATE WITH SUCH EFFORTS AND A CHARITY CARE ELIGIBILITY DETERMINATION CAN NOT BE MADE IN THIS CASE, A PATIENT'S PORTION OF A BILL THAT REMAINS UNPAID FOR A CERTAIN STIPULATED TIME PERIOD IS WHOLLY OR PARTIALLY CLASSIFIED AS BAD DEBT BAD DEBTS ASSOCIATED WITH PATIENTS WHO HAVE RECEIVED CARE THROUGH THE FILING ORGANIZATION'S EMERGENCY DEPARTMENT SHOULD BE CONSIDERED TO BE COMMUNITY BENEFIT AS CHARITABLE HOSPITALS EXIST TO PROVIDE SUCH CARE IN PURSUIT OF THEIR PURPOSE OF MEETING THE NEED FOR EMERGENCY MEDICAL CARE SERVICES AVAILABLE TO ALL IN THE COMMUNITY
PART III, LINE 4	FINANCIAL STATEMENT FOOTNOTE RELATED TO ACCOUNTS RECEIVABLE AND ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS THE FINANCIAL INFORMATION OF THE FILING ORGANIZATION IS INCLUDED IN A CONSOLIDATED AUDITED FINANCIAL STATEMENT FOR THE CURRENT YEAR THE APPLICABLE FOOTNOTE FROM THE ATTACHED CONSOLIDATED AUDITED FINANCIAL STATEMENTS THAT ADDRESSES ACCOUNTS RECEIVABLE, THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS, AND THE PROVISION FOR BAD DEBTS CAN BE FOUND ON PAGES 7 AND 8 PLEASE NOTE THAT DOLLAR AMOUNTS ON THE ATTACHED CONSOLIDATED AUDITED FINANCIAL STATEMENTS ARE IN THOUSANDS

Form and Line Reference	Explanation
PART III, LINE 8	COSTING METHODOLOGY MEDICARE ALLOWABLE COSTS WERE CALCULATED USING A COST-TO-CHARGE RATIO RATIONALE FOR INCLUDING A MEDICARE SHORTFALL AS COMMUNITY BENEFIT AS A 501(C)(3) ORGANIZATION, THE FILING ORGANIZATION PROVIDES EMERGENCY AND NON-ELECTIVE CARE TO ALL REGARDLESS OF ABILITY TO PAY ALL HOSPITAL SERVICES ARE PROVIDED IN A NON-DISCRIMINATORY MANNER TO PATIENTS WHO ARE COVERED BENEFICIARIES UNDER THE MEDICARE PROGRAM AS A PUBLIC INSURANCE PROGRAM, MEDICARE PROVIDES A PRE-ESTABLISHED REIMBURSEMENT RATE/AMOUNT TO HEALTH CARE PROVIDERS FOR THE SERVICES THEY PROVIDE TO PATIENTS IN SOME CASES, THE REIMBURSEMENT AMOUNT PROVIDED TO A HOSPITAL MAY EXCEED ITS COSTS OF PROVIDING A PARTICULAR SERVICE OR SERVICES TO A PATIENT IN OTHER CASES, THE MEDICARE REIMBURSEMENT AMOUNT MAY RESULT IN THE HOSPITAL EXPERIENCING A SHORTFALL OF REIMBURSEMENT RECEIVED OVER COSTS INCURRED IN THOSE CASES WHERE AN OVERALL SHORTFALL IS GENERATED FOR PROVIDING SERVICES TO ALL MEDICARE PATIENTS, THE SHORTFALL AMOUNT SHOULD BE CONSIDERED AS A BENEFIT TO THE COMMUNITY TAX-EXEMPT HOSPITALS ARE REQUIRED TO ACCEPT ALL MEDICARE PATIENTS REGARDLESS OF THE PROFITABILITY, OR LACK THEREOF, WITH RESPECT TO THE SERVICES THEY PROVIDE TO MEDICARE PATIENTS THE POPULATION OF INDIVIDUALS COVERED UNDER THE MEDICARE PROGRAM IS SUFFICIENTLY LARGE SO THAT THE PROVISION OF SERVICES TO THE POPULATION IS A BENEFIT TO THE COMMUNITY AND RELIEVES THE BURDENS OF GOVERNMENT IN THOSE SITUATIONS WHERE THE PROVISION OF SERVICES TO THE TOTAL MEDICARE PATIENT POPULATION OF A TAX-EXEMPT HOSPITAL DURING ANY YEAR RESULTS IN A SHORTFALL OF REIMBURSEMENT RECEIVED OVER THE COST OF PROVIDING CARE, THE TAX-EXEMPT HOSPITAL HAS PROVIDED A BENEFIT TO A CLASS OF PERSONS BROAD ENOUGH TO BE CONSIDERED A BENEFIT TO THE COMMUNITY DESPITE A FINANCIAL SHORTFALL, A TAX-EXEMPT HOSPITAL MUST AND WILL CONTINUE TO ACCEPT AND CARE FOR MEDICARE PATIENTS TYPICALLY, TAX-EXEMPT HOSPITALS PROVIDE HEALTH CARE SERVICES BASED UPON AN ASSESSMENT OF THE HEALTH CARE NEEDS OF THEIR COMMUNITY AS OPPOSED TO THEIR TAXABLE COUNTERPARTS WHERE PROFITABILITY OFTEN DRIVES DECISIONS ABOUT PATIENT CARE SERVICES THAT ARE OFFERED PATIENT CARE PROVIDED BY TAX-EXEMPT HOSPITALS THAT RESULTS IN MEDICARE SHORTFALLS SHOULD BE CONSIDERED AS PROVIDING A BENEFIT TO THE COMMUNITY AND RELIEVING THE BURDENS OF GOVERNMENT
PART III, LINE 9B	COLLECTION POLICIES AT THE TIME OF PATIENT REGISTRATION, NON-ELECTIVE SELF-PAY PATIENTS ARE INFORMED OF THE FILING ORGANIZATION'S FINANCIAL ASSISTANCE POLICY AND TOLD THAT THEY WILL BE REQUIRED TO SUBMIT NECESSARY FINANCIAL DATA IN ORDER TO POTENTIALLY RECEIVE ANY DISCOUNTS UNDER THE FILING ORGANIZATION'S FINANCIAL ASSISTANCE POLICY, PERCENTAGE DISCOUNTS ARE APPLIED TO A PATIENT'S ACCOUNT BASED UPON AMOUNTS GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE UNDER THE FILING ORGANIZATION'S POLICIES, PAYMENT PLANS FOR PARTIAL CHARITY ACCOUNTS WILL BE INDIVIDUALLY DEVELOPED WITH THE PATIENT PARTIAL CHARITY ACCOUNTS RESULT WHEN A FINANCIAL ASSISTANCE ELIGIBILITY DETERMINATION ALLOWS FOR A PERCENTAGE REDUCTION BUT LEAVES THE PATIENT WITH A SELF-PAY BALANCE IF THE PATIENT COMPLIES WITH THE AGREED-UPON PAYMENT PLAN, THE FILING ORGANIZATION DOES NOT PURSUE ANY COLLECTION ACTION WITH RESPECT TO THE PATIENT THE FILING ORGANIZATION DOES NOT PURSUE COLLECTION OF AMOUNTS FROM PATIENTS DETERMINED TO QUALIFY FOR A 100% REDUCTION IN CHARGES UNDER ITS FINANCIAL ASSISTANCE POLICY

Form and Line Reference	Explanation
SUPPLEMENTAL SCHEDULE TO SCHEDULE H, PART III, SECTION B	RECONCILIATION OF SCHEDULE H REPORTED MEDICARE SURPLUS/(SHORTFALL) TO UNREIMBURSED MEDICARE COSTS ASSOCIATED WITH THE PROVISION OF SERVICESTO ALL MEDICARE BENEFICIARIES THE MEDICARE REVENUE AND ALLOWABLE COSTS OF CARE REPORTED IN SECTION B OF PART III OF SCHEDULE H ARE BASED UPON THE AMOUNTS REPORTED IN THE FILING ORGANIZATION'S MEDICARE COST REPORT IN ACCORDANCE WITH THE IRS INSTRUCTIONS FOR SCHEDULE H ON AN ANNUAL BASIS, THE FILING ORGANIZATION ALSO DETERMINES ITS TOTAL UNREIMBURSED COSTS ASSOCIATED WITH PROVIDING SERVICES TO ALL MEDICARE PATIENTS UNREIMBURSED COSTS ARE REPORTED AS A COMMUNITY BENEFIT TO THE ELDERLY AND ARE INCLUDED IN THE CONSOLIDATED ADVENTIST HEALTH SYSTEM (AHS OR THE COMPANY) COMMUNITY BENEFITS REPORT CONTAINED IN THE AHS ANNUAL REPORT DOCUMENT THE PRIMARY RECONCILING ITEMS BETWEEN THE MEDICARE SURPLUS/(SHORTFALL) SHOWN ON LINE 7 OF SECTION B OF PART III OF SCHEDULE H AND THE FILING ORGANIZATION'S UNREIMBURSED COSTS OF SERVICES PROVIDED TO MEDICARE PATIENTS AS REPORTED IN THE AHS COMMUNITY BENEFIT REPORT ARE AS FOLLOWS - MEDICARE SURPLUS/ (SHORTFALL) SHOWN ON LINE 7 OF SECTION B OF SCHEDULE H $ (4,279,340)- DIFFERENCE IN COSTING METHODOLOGY (11,399,549)- UNREIMBURSED COSTS INCURRED FOR SERVICES PROVIDED TO MEDICARE PATIENTS THAT ARE NOT INCLUDED IN THE ORGANIZATION'S MEDICARE COST REPORT (6,038,008) ----------TOTAL UNREIMBURSED COSTS OF SERVING ALL MEDICARE PATIENTS PER THE FILING ORGANIZATION'S COMMUNITY BENEFIT REPORTING $(21,716,897) AS INDICATED ABOVE, THE PRIMARY DIFFERENCES BETWEEN THE MEDICARE SURPLUS/(SHORTFALL) REPORTED ON SCHEDULE H, PART III, SECTION B, LINE 7 AND THE FILING ORGANIZATION'S PORTION OF THE COMPANY'S ANNUAL COMMUNITY BENEFIT STATEMENT IS DUE TO A DIFFERENCE IN THE COSTING METHODOLOGY AND DIFFERENCES IN THE POPULATION OF MEDICARE PATIENTS WITHIN THE CALCULATION THE COST METHODOLOGY UTILIZED IN CALCULATING ANY MEDICARE SURPLUS/(SHORTFALL) FOR PURPOSES OF THE ANNUAL COMMUNITY BENEFIT REPORTING IS BASED UPON THE COST-TO-CHARGE RATIO OUTLINED IN WORKSHEET 2 OF THE SCHEDULE H INSTRUCTIONS THE SAME COST-TO-CHARGE RATIO IS USED TO DETERMINE THE COSTS ASSOCIATED WITH SERVICES PROVIDED TO CHARITY CARE PATIENTS AND MEDICAID PATIENTS AS REPORTED IN SCHEDULE H, PART I, LINE 7 IN ADDITION, THE MEDICARE COST REPORT EXCLUDES SERVICES PROVIDED TO MEDICARE PATIENTS FOR PHYSICIAN SERVICES, SERVICES PROVIDED TO PATIENTS ENROLLED IN MEDICARE HMOS, AND CERTAIN SERVICES PROVIDED BY OUTPATIENT DEPARTMENTS OF THE FILING ORGANIZATION THAT ARE REIMBURSED ON A FEE SCHEDULE THE COMPANY'S OWN COMMUNITY BENEFIT STATEMENT CAPTURES THE UNREIMBURSED COST OF PROVIDING SERVICES TO ALL MEDICARE BENEFICIARIES THROUGHOUT THE ORGANIZATION
PART VI, LINE 2	AS REPORTED IN SCHEDULE H, PART V, SECTION B, LINES 1-8, THE HOSPITAL CONDUCTED ITS INITIAL COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) DURING THE CURRENT YEAR ITS INITIAL CHNA WAS ADOPTED BY ITS GOVERNING BOARD BY DECEMBER 31, 2013, THE END OF THE HOSPITAL'S TAXABLE YEAR IN WHICH IT CONDUCTED THE CHNA THE HOSPITAL'S INITIAL CHNA COMPLIED WITH THE GUIDANCE SET FORTH BY THE IRS IN PROPOSED REGULATION SECTION 1 501(R)-3 IN ADDITION TO THE CHNA DISCUSSED ABOVE, A VARIETY OF PRACTICES AND PROCESSES ARE IN PLACE TO ENSURE THAT THE FILING ORGANIZATION IS RESPONSIVE TO THE HEALTH NEEDS OF ITS COMMUNITY SUCH PRACTICES AND PROCESSES INVOLVE THE FOLLOWING 1 A HOSPITAL OPERATING/COMMUNITY BOARD COMPOSED OF INDIVIDUALS BROADLY REPRESENTATIVE OF THE COMMUNITY, COMMUNITY LEADERS, AND THOSE WITH SPECIALIZED MEDICAL TRAINING AND EXPERTISE,2 POST-DISCHARGE PATIENT FOLLOW-UP RELATED TO THE ON-GOING CARE AND TREATMENT OF PATIENTS WHO SUFFER FROM CHRONIC DISEASES, 3 SPONSORSHIP AND PARTICIPATION IN COMMUNITY HEALTH AND WELLNESS ACTIVITIES THAT REACH A BROAD SPECTRUM OF THE FILING ORGANIZATION'S COMMUNITY, AND 4 COLLABORATION WITH OTHER LOCAL COMMUNITY GROUPS TO ADDRESS THE HEALTH CARE NEEDS OF THE FILING ORGANIZATION'S COMMUNITY

Form and Line Reference	Explanation
PART VI, LINE 3	THE FACILITY HAS A PROCESS IN PLACE WHEREBY PATIENTS ARE INFORMED ABOUT THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY SIGNAGE IS POSTED IN THE EMERGENCY ROOM INDICATING THAT FINANCIAL ASSISTANCE IS AVAILABLE FOR THOSE SELF-PAY PATIENTS MEETING ELIGIBILITY REQUIREMENTS AFTER EMTALA MEDICAL SCREENING AND STABILIZATION REQUIREMENTS ARE MET, REGISTRATION PERSONNEL WILL SECURE FINANCIAL INFORMATION ON AS MANY SELF-PAY PATIENTS AS POSSIBLE AT THE TIME OF SERVICE FOR THOSE WHO APPEAR TO QUALIFY FOR MEDICAID OR UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THE FINANCIAL COUNSELORS WILL CONTINUE TO WORK WITH THOSE PATIENTS UNTIL FINAL ACCOUNT RESOLUTION IS ACHIEVED ALL OTHER SELF-PAY PATIENTS ARE COVERED UNDER THIS PROCESS AT ANY TIME DURING THE PROCESS THAT DATA IS PROVIDED SHOWING THAT A PATIENT QUALIFIES FOR ASSISTANCE UNDER THE FINANCIAL ASSISTANCE POLICY THE DISCOUNTS EXTENDED UNDER THAT POLICY WILL BE APPLIED AS PART OF THE BILLING PROCESS, THE HOSPITAL INCLUDES THE APPLICATION FOR FINANCIAL ASSISTANCE ALONG WITH THE INITIAL PATIENT BILL THE HOSPITAL'S FINANCIAL ASSISTANCE APPLICATION IS ALSO AVAILABLE TO PATIENTS ON THE HOSPITAL'S WEB-SITE IN BOTH AN ENGLISH AND SPANISH VERSION ADDITIONALLY, THE HOSPITAL'S FINANCIAL COUNSELORS ARE AVAILABLE TO WORK WITH EVERY PATIENT DURING THE FIRST 120 DAYS OF THE BILLING PROCESS TO ASSIST THE PATIENT WITH COMPLETING FINANCIAL ASSISTANCE APPLICATIONS AND INVESTIGATING OTHER POTENTIAL SOURCES OF THIRD-PARTY ASSISTANCE THE DETERMINATION OF A PATIENT'S ELIGIBILITY FOR FINANCIAL ASSISTANCE IS MADE ON A CASE-BY-CASE BASIS VARIOUS FACTORS ARE CONSIDERED IN THAT DETERMINATION EACH INDIVIDUAL PATIENT WHO IS IDENTIFIED AS POTENTIALLY BEING ELIGIBLE TO RECEIVE FINANCIAL ASSISTANCE IS SEEN BY A FINANCIAL COUNSELOR AT THE HOSPITAL THE FINANCIAL COUNSELOR WILL WORK WITH THE PATIENT TO MAKE SURE THAT OTHER SOURCES OF ASSISTANCE (PUBLIC OR OTHERWISE) HAVE BEEN SOUGHT TO THE FULLEST EXTENT POSSIBLE WHEN OTHER FORMS OF ASSISTANCE ARE NOT AVAILABLE OR HAVE BEEN EXHAUSTED, THE HOSPITAL WILL GATHER CERTAIN FINANCIAL INFORMATION FROM THE PATIENT TO DETERMINE THE PATIENT'S ABILITY TO PAY BASED UPON LEVEL OF INCOME
PART VI, LINE 4	THE FILING ORGANIZATION (THE HOSPITAL) IS LOCATED IN SUBURBAN SHAWNEE MISSION, KANSAS IT CURRENTLY OPERATES THE SECOND LARGEST HOSPITAL FACILITY IN THE KANSAS CITY METROPOLITAN AREA AND IS LICENSED FOR 504 ACUTE CARE BEDS THE HOSPITAL'S 54-ACRE CAMPUS INCLUDES A FREE-STANDING OUTPATIENT SURGERY CENTER, A COMMUNITY HEALTH EDUCATIONAL BUILDING AND FITNESS CENTER, SIX MEDICAL OFFICE BUILDINGS, AN ASSOCIATE CHILD CARE CENTER AND A COMMUNITY FITNESS COURSE IN ADDITION TO OPERATING A HOSPITAL, THE FILING ORGANIZATION ALSO RUNS A SATELLITE CAMPUS WHICH INCLUDES A HOSPITAL BASED EMERGENCY DEPARTMENT AND OTHER AMBULATORY SERVICES, AND VARIOUS OCCUPATIONAL MEDICINE, REHABILITATIVE, AND URGENT CARE CLINICS IN THE KANSAS CITY AREA THE FILING ORGANIZATION EMPLOYS MORE THAN 2,900 LOCAL RESIDENTS AND SUPPORTS AN EXCEPTIONAL STAFF OF APPROXIMATELY 700 PHYSICIANS, THE LARGEST MEDICAL STAFF IN KANSAS CITY SHAWNEE MISSION MEDICAL CENTER (SMMC) IS A CRUCIAL COMMUNITY AND REGIONAL ASSET SMMC HAS THE BUSIEST EMERGENCY DEPARTMENT IN JOHNSON COUNTY, THE AREA'S FIRST ACCREDITED CHEST PAIN EMERGENCY CENTER, A NATIONALLY RECOGNIZED CENTER FOR WOMEN'S HEALTH, DELIVERS MORE BABIES THAN ANY OTHER HOSPITAL IN THE METROPOLITAN AREA, AND SINCE 1986 HAS BEEN OPERATING AN ASK-A-NURSE RESOURCE CENTER WHICH ALLOWS INDIVIDUALS IN THE COMMUNITY TO SEEK FREE AND DEPENDABLE HEALTH INFORMATION FROM A REGISTERED NURSE 24 HOURS A DAY A TOTAL OF 5 OTHER COMPETING HOSPITALS ARE LOCATED WITHIN A RADIUS OF 12 MILES OR LESS FROM THE HOSPITAL'S PRIMARY HOSPITAL FACILITY SHAWNEE MISSION, KANSAS IS LOCATED IN JOHNSON COUNTY THE HOSPITAL'S PRIMARY MARKET HAS A POPULATION OF APPROXIMATELY 803,000, WITH AN ESTIMATED 92,000 OVER THE AGE OF 65 THE WEIGHTED AVERAGE HOUSEHOLD INCOME, BASED ON POPULATION, IN THE PRIMARY MARKET IS APPROXIMATELY $67,000 HIGH SCHOOL GRADUATES ACCOUNT FOR APPROXIMATELY 95% OF JOHNSON COUNTY, WITH AN ESTIMATED 51% HAVING A BACHELOR'S DEGREE OR HIGHER IT IS ESTIMATED THAT 5% OF THE INDIVIDUALS RESIDING IN JOHNSON COUNTY LIVE BELOW THE POVERTY LEVEL AND THE UNEMPLOYMENT RATE IS ABOUT 4 3% APPROXIMATELY 39% OF THE HOSPITAL'S PATIENTS DURING 2013 WERE MEDICARE PATIENTS, ABOUT 8% WERE MEDICAID PATIENTS, ABOUT 6% WERE SELF-PAY PATIENTS, AND THE REMAINING PERCENTAGE WERE PATIENTS COVERED UNDER COMMERCIAL INSURANCE IN 2013, ABOUT 54% OF THE HOSPITAL'S IN-PATIENTS WERE ADMITTED THROUGH THE HOSPITAL'S EMERGENCY DEPARTMENT

Form and Line Reference	Explanation
PART VI, LINE 5	THE PROVISION OF COMMUNITY BENEFIT IS CENTRAL TO SHAWNEE MISSION MEDICAL CENTER'S MISSION OF SERVICE AND COMPASSION RESTORING AND PROMOTING THE HEALTH AND QUALITY OF LIFE OF THOSE IN THE COMMUNITIES SERVED BY THE HOSPITAL IS A FUNCTION OF "EXTENDING THE HEALING MINISTRY OF CHRIST" AND EMBODIES THE HOSPITAL'S COMMITMENT TO ITS VALUES AND PRINCIPLES THE HOSPITAL COMMITS SUBSTANTIAL RESOURCES TO PROVIDE A BROAD RANGE OF SERVICES TO BOTH THE UNDERPRIVILEGED AS WELL AS THE BROADER COMMUNITY IN ADDITION TO THE COMMUNITY BENEFIT INFORMATION PROVIDED IN PARTS I, II AND III OF THIS SCHEDULE H, THE HOSPITAL CAPTURES AND REPORTS THE BENEFITS PROVIDED TO ITS COMMUNITY THROUGH FAITH-BASED CARE EXAMPLES OF SUCH BENEFITS INCLUDE THE COST ASSOCIATED WITH CHAPLAINCY CARE PROGRAMS AND MISSION PEER REVIEWS AND MISSION CONFERENCES DURING THE CURRENT YEAR, HOSPITAL PROVIDED $488,625 OF BENEFIT WITH RESPECT TO THE FAITH-BASED AND SPIRITUAL NEEDS OF THE COMMUNITY IN CONJUNCTION WITH ITS OPERATION OF A COMMUNITY HOSPITAL THE HOSPITAL ALSO PROVIDES BENEFITS TO ITS COMMUNITY'S INFRASTRUCTURE BY INVESTING IN CAPITAL IMPROVEMENTS TO ENSURE THAT FACILITIES AND TECHNOLOGY PROVIDE THE BEST POSSIBLE CARE TO THE COMMUNITY DURING THE CURRENT YEAR, THE HOSPITAL EXPENDED $32,300,845 IN NEW CAPITAL IMPROVEMENTS AS A FAITH-BASED MISSION-DRIVEN COMMUNITY HOSPITAL, THE HOSPITAL IS CONTINUALLY INVOLVED IN MONITORING ITS COMMUNITY, IDENTIFYING UNMET HEALTH CARE NEEDS AND DEVELOPING SOLUTIONS AND PROGRAMS TO ADDRESS THOSE NEEDS IN ACCORDANCE WITH ITS CONSERVATIVE APPROACH TO FISCAL RESPONSIBILITY, SURPLUS FUNDS OF THE HOSPITAL ARE CONTINUALLY BEING INVESTED IN RESOURCES THAT IMPROVE THE AVAILABILITY AND QUALITY OF DELIVERY OF HEALTH CARE SERVICES AND PROGRAMS TO ITS COMMUNITY
PART VI, LINE 6	SHAWNEE MISSION MEDICAL CENTER IS A PART OF A FAITH-BASED HEALTHCARE SYSTEM OF ORGANIZATIONS WHOSE PARENT IS ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION (AHSSHC) THE SYSTEM IS KNOWN AS ADVENTIST HEALTH SYSTEM (AHS) AHSSHC IS AN ORGANIZATION EXEMPT FROM FEDERAL INCOME TAX UNDER IRC SECTION 501(C)(3) AHSSHC AND ITS SUBSIDIARY ORGANIZATIONS OPERATE 44 HOSPITALS IN 10 STATES THROUGHOUT THE U S , PRIMARILY IN THE SOUTHEASTERN PORTION OF THE U S AHSSHC AND ITS SUBSIDIARIES ALSO OPERATE 16 NURSING HOME FACILITIES AND OTHER ANCILLARY HEALTH CARE PROVIDER FACILITIES, SUCH AS AMBULATORY SURGERY CENTERS AND DIAGNOSTIC IMAGING CENTERS AS THE PARENT ORGANIZATION OF THE AHS SYSTEM, AHSSHC PROVIDES EXECUTIVE LEADERSHIP AND OTHER PROFESSIONAL SUPPORT SERVICES TO ITS SUBSIDIARY ORGANIZATIONS PROFESSIONAL SUPPORT SERVICES INCLUDE AMONG OTHERS CORPORATE COMPLIANCE, LEGAL, HUMAN RESOURCES, REIMBURSEMENT, RISK MANAGEMENT, AND TAX AS WELL AS TREASURY FUNCTIONS THE PROVISION OF THESE EXECUTIVE AND SUPPORT SERVICES ON A CENTRALIZED BASIS BY AHSSHC PROVIDES AN APPROPRIATE BALANCE BETWEEN PROVIDING EACH AHS SUBSIDIARY HOSPITAL ORGANIZATION WITH MISSION-DRIVEN CONSISTENT LEADERSHIP AND SUPPORT WHILE ALLOWING THE HOSPITAL ORGANIZATION TO FOCUS ITS RESOURCES ON MEETING THE SPECIFIC HEALTH CARE NEEDS OF THE COMMUNITY IT SERVES THE READER OF THIS FORM 990 SHOULD KEEP IN MIND THAT THIS REPORTING ENTITY MAY DIFFER IN CERTAIN AREAS FROM THAT OF A STAND-ALONE HOSPITAL ORGANIZATION DUE TO ITS INCLUSION IN A LARGER SYSTEM OF HEALTHCARE ORGANIZATIONS AS A PART OF A SYSTEM OF HOSPITAL AND OTHER HEALTH CARE ORGANIZATIONS, THE FILING ORGANIZATION BENEFITS FROM REDUCED COSTS DUE TO SYSTEM EFFICIENCIES, SUCH AS LARGE GROUP PURCHASING DISCOUNTS, AND THE AVAILABILITY OF INTERNAL RESOURCES SUCH AS INTERNAL LEGAL COUNSEL EACH AHS SUBSIDIARY PAYS A MANAGEMENT FEE TO AHSSHC FOR THE INTERNAL SERVICES PROVIDED BY AHSSHC AS A RESULT, MANAGEMENT FEE EXPENSE REPORTED BY A AHS SUBSIDIARY ORGANIZATION MAY APPEAR GREATER IN RELATION TO MANAGEMENT FEE EXPENSE THAT MAY BE REPORTED BY A SINGLE STAND-ALONE HOSPITAL THE SINGLE STAND-ALONE HOSPITAL WOULD LIKELY REPORT COSTS ASSOCIATED WITH MANAGEMENT AND OTHER PROFESSIONAL SERVICES ON VARIOUS EXPENSE LINE ITEMS IN ITS STATEMENT OF REVENUE AND EXPENSE AS OPPOSED TO REPORTING SUCH COSTS IN ONE OVERALL MANAGEMENT FEE EXPENSE AS THE REPORTING OF THE FORM 990 IS DONE ON AN ENTITY BY ENTITY BASIS, THERE IS NO SINGLE FORM 990 THAT CAPTURES THE PROGRAMS AND OPERATIONS OF AHS AS A WHOLE THE READER IS DIRECTED TO VISIT THE WEB-SITE OF AHS AT WWW ADVENTISTHEALTHSYSTEM COM TO LEARN MORE ABOUT THE MISSION AND OPERATIONS OF AHS AND TO ACCESS AHS'S ANNUAL REPORT THAT CONTAINS FINANCIAL DATA AS WELL AS COMMUNITY BENEFIT REPORTING FOR THE ENTIRE SYSTEM

Form and Line Reference	Explanation
PART VI, LINE 7, REPORTS FILED WITH STATES	KS

Additional Data

Software ID:
Software Version:
EIN: 48-0637331
Name: SHAWNEE MISSION MEDICAL CENTER INC

Form 990 Schedule H, Part V Section D. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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

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

	Name and address	Type of Facility (describe)
1	SHAWNEE MISSION PHYSICIANS GROUP GEORGET 7301 FRONTAGE RD STE 100 MERRIAM,KS 66204	PHYSICIAN CLINIC
2	CLINCIAL CARDIOVASCULAR ASSOCIATES 9119 W 74TH STREET SUITE 350 MERRIAM,KS 66204	PHYSICIAN CLINIC
3	CLINCIAL CARDIOVASCULAR ASSOCIATES 206 NW MOCK AVENUE SUITE 200 BLUE SPRINGS,MO 64014	PHYSICIAN CLINIC
4	SHAWNEE MISSION PHYSICIAN GROUP SHAWNEE 9119 W 74TH STREET STE 150 MERRIAM,KS 66204	PHYSICIAN CLINIC
5	PRAIRIE STAR ED 23401 PRAIRIE STAR PARKWAY LENEXA,KS 66224	PHYSICIAN CLINIC
6	SHAWNEE MISSION PRIMARY CARE - SHAWNEE C 6815 HILLTOP RD SHAWNEE,KS 66226	PHYSICIAN CLINIC
7	URGENT CARE 9040 QUIVIRA RD LENEXA,KS 66204	PHYSICIAN CLINIC
8	SHAWNEE MISSION PHYSICIANS GROUP ENDOCRI 8901 W 74TH STREET STE 372 MERRIAM,KS 66204	PHYSICIAN CLINIC
9	SHAWNEE MISSION PHYSICIANS GROUP LENEXA 8700 BOURGADE STREET STE 2 LENEXA,KS 66219	PHYSICIAN CLINIC
10	CORPORATE CARE LENEXA 11140 THOMPSON AVE LENEXA,KS 66215	PHYSICIAN CLINIC
11	SHAWNEE MISSION PHYSICIANS GROUP NEUROLO 8800 W 75TH ST SUITE 100 MERRIAM,KS 66204	PHYSICIAN CLINIC
12	SHAWNEE MISSION CARDIOLOGY ASSOCIATES 8901 W 74TH ST SUITE 380 MERRIAM,KS 66204	PHYSICIAN CLINIC
13	CORPORATE CARE LEE'S SUMMIT 805 NE RICE ROAD LEES SUMMIT,MO 64086	PHYSICIAN CLINIC
14	CORPORATE CARE NORTH 2025 SWIFT AVENUE KANSAS CITY,MO 64116	PHYSICIAN CLINIC
15	SHAWNEE MISSION PRIMARY CARE - PRAIRIE S 23401 PRAIRIE STAR PARKWAY SUITE 245 LENEXA,KS 66227	PHYSICIAN CLINIC
16	SHAWNEE MISSION MEDICAL CENTER SLEEP LAB 8901 W 74TH STREET STE 225 MERRIAM,KS 66204	PHYSICIAN CLINIC
17	SHAWNEE MISSION MEDICAL CENTER COMP DIAG 9119 W 74TH ST STE 200 MERRIAM,KS 66204	PHYSICIAN CLINIC
18	SHAWNEE MISSION CARDIOLOGY ASSOC - KCK 1150 N 75TH PLACE SUITE 101 KANSAS CITY,KS 66112	PHYSICIAN CLINIC
19	SHAWNEE MISSION CARDIOLOGY ASSOC-LEAVENW 3601 S 4TH STREET SUITE 4 LEAVENWORTH,KS 66048	PHYSICIAN CLINIC
20	CORPORATE CARE KCI 10090 NW PRAIRIE VIEW ROAD KANSAS CITY,MO 64153	PHYSICIAN CLINIC
21	SHAWNEE MISSION PRIMARY CARE - DESOTO 33490 LEXINGTON AVENUE DESOTO,KS 66018	PHYSICIAN CLINIC
22	SHAWNEE MISSION GERIATRIC CENTER 9000 PARK ST SUITE 100 LENEXA,KS 66215	PHYSICIAN CLINIC
23	REPRODUCTIVE MEDICINE 8901 W 74TH STREET SUITE 269 MERRIAM,KS 66204	PHYSICIAN CLINIC
24	SHAWNEE MISSION GASTROENTEROLOGY 8901 W 74TH STREET SUITE 269 MERRIAM,KS 66204	PHYSICIAN CLINIC
25	SHAWNEE MISSION HOLISTIC CLINIC 8901 W 74TH STREET SUITE 148 MERRIAM,KS 66204	PHYSICIAN CLINIC

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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
SHAWNEE MISSION MEDICAL CENTER INC

Employer identification number
48-0637331

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
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 16

3 Enter total number of other organizations listed in the line 1 table . . . . . ▶ 10

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

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

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

Return Reference	Explanation
PART I, LINE 2	GRANTS ARE GENERALLY MADE ONLY TO RELATED ORGANIZATIONS THAT ARE EXEMPT FROM FEDERAL INCOME TAX UNDER 501(C)(3) AND OTHER ORGANIZATIONS THAT ARE EXEMPT FROM FEDERAL INCOME TAX UNDER 501(C)(3) AND 501(C)6) ACCORDINGLY, THE FILING ORGANIZATION HAS NOT ESTABLISHED SPECIFIC PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS IN THE UNITED STATES AS THE FILING ORGANIZATION DOES NOT HAVE A GRANT MAKING PROGRAM THAT WOULD NECESSITATE SUCH PROCEDURES THEREFORE, GRANTS ARE APPROVED ON A CASE-BY-CASE BASIS

Additional Data

Software ID:
Software Version:
EIN: 48-0637331
Name: SHAWNEE MISSION MEDICAL CENTER INC

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
FOUNDATION FOR SHAWNEE MISSION MEDICAL CENTER INC 9100 W 74TH STEET SHAWNEE MISSION, KS 66204	48-0868859	501(C)(3)		1,053,655	COST	GEN ADMIN SUPPORT	GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
3 & 2 BASEBALL CLUB OF JOHNSON COUNTY INC PO BOX 14011 LENEXA,KS 66285	44-0612233	501(C)(3)	20,000				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN CANCER SOCIETY 1100 PENNSYLVANIA AVE KANSAS CITY,MO 64105	13-1788491	501(C)(3)	6,500				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN HEART ASSOCIATION 7272 GREENVILLE AVE DALLAS,TX 75231	13-5613797	501(C)(3)	20,000				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ARTS AND RECREATION FOUNDATION OF OVERLAND PARK INC PO BOX 26392 OVERLAND PARK, KS 66225	48-1171599	501(C)(3)	10,000				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
BLUE VALLEY EDUCATIONAL FOUNDATION 15020 METCALF AVENUE OVERLAND PARK, KS 66223	48-1159744	501(C)(3)	12,500				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
BOUNDLESS NETWORK 200 E 6TH STREET SUITE 300 AUSTIN,TX 78701	20-2240417	OTHER	5,568				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CENTER FOR PRACTICAL BIOETHICS 1111 MAIN ST SUITE 500 KANSAS CITY,MO 64105	48-0985815	501(C)(3)	13,500				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CENTRAL EXCHANGE EDUCATION FOUNDATION 1020 CENTRAL KANSAS CITY,MO 64105	43-1859698	501(C)(3)	10,000				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CHAMBER OF COMMERCE OF GREATER KANSAS CITY 30 WEST PERSHING RD STE 301 KANSAS CITY,MO 64108	44-0196840	501(C)(6)	14,450				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
DESOTO CHAMBER OF COMMERCE INC 33150 83RD STREET PO BOX 70 DESOTO,KS 66018	43-1938765	501(C)(6)	5,048				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
DOWNTOWN OVERLAND PARK PARTNERSHIP INC 7315 W 79TH STREET OVERLAND PARK, KS 66204	48-1147998	501(C)(6)	15,000				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
HEALTH PARTNERSHIP OF JOHNSON COUNTY INC 7171 W 95TH STREET NO 100 OVERLAND PARK, KS 66212	48-1115529	501(C)(3)	20,000				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
JOHNSON COUNTY COMMUNITY COLLEGE FOUNDATION 12345 COLLEGE BLVD OVERLAND PARK, KS 66210	23-7164614	501(C)(3)	15,000				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
JOHNSON COUNTY PARK & RECREATION DISTRICT 6501 ANTIOCH ROAD BUILDING A MERRIAM,KS 66202	48-6090320	501(C)(3)	7,750				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
KANSAS CITY AREA DEVELOPMENTAL COUNCIL 2600 COMMERCE TOWER 911 MAIN ST KANSAS CITY,MO 64105	43-1852671	501(C)(6)	11,500				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
KANSAS CITY EXPRESS PO BOX 8158 PRAIRIE VILLAGE, KS 66205	48-0853144	501(C)(3)	10,000				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LEAWOOD CHAMBER OF COMMERCE 13451 BRIAR DRIVE SUITE 201 LEAWOOD,KS 66209	48-1172223	501(C)(6)	8,838				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LENEXA CHAMBER OF COMMERCE INC 11180 LACKMAN RD LENEXA,KS 66219	48-0797145	501(C)(6)	7,666				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MID-AMERICA COALITION ON HEALTH CARE 6901 SHAWEE MISSION PARKWAY SUITE 204 OVERLAND PARK,KS 66202	43-1248648	501(C)(3)	12,930				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MIDLAND ADVENTIST ACADEMY 6915 MAURER RD SHAWNEE,KS 66217	48-0774673	501(C)(3)	34,350				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NORTHEAST JOHNSON COUNTY CHAMBER OF COMMERCE INC 5800 FOXRIDGE DRIVE STE 100 MISSION,KS 66202	48-0509430	501(C)(6)	20,205				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
OVERLAND PARK CHAMBER OF COMMERCE 9001 W 110TH STREET SUITE 150 OVERLAND PARK, KS 66210	48-0687259	501(C)(6)	43,717				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SHAWNEE AREA CHAMBER OF COMMERCE 15100 W 67TH STREET STE 202 SHAWNEE,KS 66217	48-0777633	501(C)(6)	20,250				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SHAWNEE MISSION EDUCATION FDN 7235 ANTIOCH ROAD SHAWNEE MISSION, KS 66204	74-2823938	501(C)(3)	21,000				GENERAL SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
UNION COLLEGE 3800 S 48TH STREET LINCOLN,NE 68506	47-0405319	501(C)(3)	92,167				GENERAL SUPPORT

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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
SHAWNEE MISSION MEDICAL CENTER INC

Employer identification number
48-0637331

Part I Questions Regarding Compensation

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

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

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

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

(A) Name and Title	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported as deferred in prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
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
PART I, LINE 1A	THE FILING ORGANIZATION IS A PART OF THE SYSTEM OF HEALTHCARE ORGANIZATIONS KNOWN AS ADVENTIST HEALTH SYSTEM (AHS) MEMBERS OF THE FILING ORGANIZATION'S EXECUTIVE MANAGEMENT TEAM THAT HOLD THE POSITION OF VICE-PRESIDENT OR ABOVE ARE COMPENSATED BY AND ON THE PAYROLL OF ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION (AHSSHC), THE PARENT ORGANIZATION OF AHS AHSSHC IS EXEMPT FROM FEDERAL INCOME TAX UNDER IRC SECTION 501(C)(3) THE FILING ORGANIZATION REIMBURSES AHSSHC FOR THE SALARY AND BENEFIT COST OF THOSE EXECUTIVES ON THE PAYROLL OF AHSSHC THAT PROVIDE SERVICES AND ARE ON THE MANAGEMENT TEAM OF THE FILING ORGANIZATION TRAVEL FOR COMPANIONS AHSSHC HAS A CORPORATE EXECUTIVE POLICY THAT PROVIDES A BENEFIT TO ALLOW FOR A TRAVELING AHSSHC EXECUTIVE TO HAVE HIS OR HER SPOUSE ACCOMPANY THE EXECUTIVE ON CERTAIN BUSINESS TRIPS EACH YEAR TYPICALLY, REIMBURSEMENT IS ONLY PROVIDED TO VICE PRESIDENTS AND ABOVE AND IS USUALLY LIMITED TO ONE BUSINESS TRIP PER YEAR BEYOND THE ANNUAL AHS PRESIDENT'S COUNCIL BUSINESS MEETING AND OTHER MEETINGS WHERE THE SPOUSE IS SPECIFICALLY INVITED THE AHSSHC CORPORATE EXECUTIVE SPOUSAL TRAVEL POLICY WAS ORIGINALLY APPROVED AND REVIEWED BY THE AHSSHC BOARD COMPENSATION COMMITTEE, AN INDEPENDENT BODY OF THE AHSSHC BOARD OF DIRECTORS ALL SPOUSAL TRAVEL COSTS REIMBURSED TO THE EXECUTIVE ARE CONSIDERED TAXABLE COMPENSATION TO THE EXECUTIVE TAX INDEMNIFICATION AND GROSS-UP PAYMENTS AHS HAS A SYSTEM-WIDE POLICY ADDRESSING GROSS-UP PAYMENTS PROVIDED IN CONNECTION WITH EMPLOYER-PROVIDED BENEFITS/OTHER TAXABLE ITEMS UNDER THE POLICY, CERTAIN TAXABLE BUSINESS-RELATED REIMBURSEMENTS (I E TAXABLE BUSINESS-RELATED MOVING EXPENSES, TAXABLE ITEMS PROVIDED IN CONNECTION WITH EMPLOYMENT) PROVIDED TO ANY EMPLOYEE MAY BE GROSSED-UP AT A 25% RATE UPON APPROVAL OF THE FILING ORGANIZATION'S CEO AND CFO ADDITIONALLY, EMPLOYEES AT THE DIRECTOR LEVEL AND ABOVE ARE ELIGIBLE FOR GROSS-UP PAYMENTS ON GIFTS RECEIVED FOR BOARD OF DIRECTOR SERVICES DISCRETIONARY SPENDING ACCOUNT A NOMINAL DISCRETIONARY SPENDING AMOUNT WAS PROVIDED IN THE CURRENT YEAR TO ALL ELIGIBLE EXECUTIVES WHO ATTEND THE ANNUAL AHS PRESIDENT'S COUNCIL BUSINESS MEETING ($500 PER EXECUTIVE) OR THE ANNUAL AHS CFO CONFERENCE BUSINESS MEETING ($300 PER EXECUTIVE) OTHER DISCRETIONARY SPENDING ACCOUNTS MAY BE PROVIDED IN CONNECTION WITH OTHER AHS SPONSORED CONFERENCES BUT TYPICALLY DO NOT EXCEED $200 PER PARTICIPANT WITH RESPECT TO THE AHS PRESIDENT'S COUNCIL MEETING, ELIGIBLE EXECUTIVES MAY INCLUDE AHSSHC VICE PRESIDENTS AND ABOVE AND ALL AHSSHC SUBSIDIARY ORGANIZATION CEOS AND REGIONAL CFOS THE PAYMENT PROVIDED TO EACH EXECUTIVE WAS CONSIDERED TAXABLE COMPENSATION TO THE EXECUTIVE HOUSING ALLOWANCE OR RESIDENCE FOR PERSONAL USE AHSSHC HAS A CORPORATE EXECUTIVE POLICY THAT ADDRESSES ASSISTANCE TO EXECUTIVES WHO HAVE BEEN RELOCATED BY THE COMPANY DURING THE YEAR RELOCATION ASSISTANCE PROVIDED TO EXECUTIVES MAY INCLUDE RELOCATION ALLOWANCES TO ASSIST WITH DUPLICATE HOUSING EXPENSES RELOCATION ASSISTANCE IS ADMINISTERED PER AHSSHC POLICY BY AN EXTERNAL RELOCATION COMPANY ANY TAXABLE REIMBURSEMENTS MADE TO EXECUTIVES IN CONNECTION WITH RELOCATION ASSISTANCE ARE TREATED AS WAGES TO THE EXECUTIVE AND ARE SUBJECT TO ALL PAYROLL WITHHOLDING AND REPORTING REQUIREMENTS HEALTH OR SOCIAL CLUB DUES OR INITIATION FEES AHSSHC HAS A CORPORATE EXECUTIVE POLICY THAT ADDRESSES BUSINESS DEVELOPMENT EXPENDITURES UNDER THIS POLICY, CERTAIN AHS ELIGIBLE EXECUTIVES MAY BE REIMBURSED FOR MEMBER DUES AND USAGE CHARGES FOR A COUNTRY CLUB OR OTHER SOCIAL CLUB UPON AUTHORIZATION CLUB MEMBERSHIPS MUST BE RECOMMENDED BY THE CEO OF THE AHS HOSPITAL ORGANIZATION AND APPROVED BY THE CHAIRMAN OF THE BOARD OF DIRECTORS OF THE ORGANIZATION IN ADDITION, THE PROPOSED MEMBERSHIP MUST BE APPROVED ANNUALLY BY THE AHSSHC BOARD COMPENSATION COMMITTEE, AN INDEPENDENT COMMITTEE OF THE BOARD OF DIRECTORS OF AHSSHC ELIGIBLE EXECUTIVES ARE LIMITED TO CERTAIN SENIOR LEVEL EXECUTIVES (HOSPITAL ORGANIZATION CEOS, THE CEO OF THE NURSING HOME DIVISION OF AHS, SENIOR VICE PRESIDENTS AT THREE LARGE HOSPITAL ORGANIZATIONS, REGIONAL CEOS AND CFOS AND THE PRESIDENT AND SENIOR VICE PRESIDENTS OF AHSSHC) IN THE CURRENT YEAR, FOR THIS FILING ORGANIZATION, ONE EXECUTIVE WAS ELIGIBLE TO RECEIVE REIMBURSEMENT FOR CLUB FEES EACH AHS EXECUTIVE WHO IS APPROVED FOR A CLUB MEMBERSHIP MUST SUBMIT AN ANNUAL REPORT TO THE AHSSHC BOARD COMPENSATION COMMITTEE THAT DESCRIBES HOW THE MEMBERSHIP BENEFITED THEIR ORGANIZATION DURING THE PRECEDING YEAR
PART I, LINE 3	THE INDIVIDUAL WHO SERVES AS THE CEO OF THE FILING ORGANIZATION IS COMPENSATED BY ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION (AHSSHC) FOR THAT INDIVIDUAL'S ROLE IN SERVING AS THE CEO COMPENSATION AND BENEFITS PROVIDED TO THIS INDIVIDUAL ARE DETERMINED PURSUANT TO POLICIES, PROCEDURES, AND PROCESSES OF AHSSHC THAT ARE DESIGNED TO ENSURE COMPLIANCE WITH THE INTERMEDIATE SANCTIONS LAWS AS SET FORTH IN IRC SECTION 4958 AHSSHC HAS TAKEN STEPS TO ENSURE THAT PROCESSES ARE IN PLACE TO SATISFY THE REBUTTABLE PRESUMPTION OF REASONABLENESS STANDARD AS SET FORTH IN TREASURY REGULATION 53 4958-6 WITH RESPECT TO ITS ACTIVE EXECUTIVE-LEVEL POSITIONS THE AHSSHC BOARD COMPENSATION COMMITTEE (THE COMMITTEE) SERVES AS THE GOVERNING BODY FOR ALL EXECUTIVE COMPENSATION MATTERS THE COMMITTEE IS COMPOSED OF CERTAIN MEMBERS OF THE BOARD OF DIRECTORS (THE BOARD) OF AHSSHC VOTING MEMBERS OF THE COMMITTEE INCLUDE ONLY INDIVIDUALS WHO SERVE ON THE BOARD AS INDEPENDENT REPRESENTATIVES OF THE COMMUNITY, WHO HOLD NO EMPLOYMENT POSITIONS WITH AHSSHC AND WHO DO NOT HAVE RELATIONSHIPS WITH ANY OF THE INDIVIDUALS WHOSE COMPENSATION IS UNDER THEIR REVIEW THAT IMPACTS THEIR BEST INDEPENDENT JUDGMENT AS FIDUCIARIES OF AHSSHC THE COMMITTEE'S ROLE IS TO REVIEW AND APPROVE ALL COMPONENTS OF THE EXECUTIVE COMPENSATION PLAN OF AHSSHC AS AN INDEPENDENT GOVERNING BODY WITH RESPECT TO EXECUTIVE COMPENSATION, IT SHOULD BE NOTED THAT THE COMMITTEE WILL OFTEN CONFER IN EXECUTIVE SESSIONS ON MATTERS OF COMPENSATION POLICY AND POLICY CHANGES IN SUCH EXECUTIVE SESSIONS, NO MEMBERS OF MANAGEMENT OF AHSSHC ARE PRESENT THE COMMITTEE IS ADVISED BY AN INDEPENDENT THIRD PARTY COMPENSATION ADVISOR THIS ADVISOR PREPARES ALL THE BENCHMARK STUDIES FOR THE COMMITTEE COMPENSATION LEVELS ARE BENCHMARKED WITH A NATIONAL PEER GROUP OF OTHER NOT-FOR-PROFIT HEALTHCARE SYSTEMS AND HOSPITALS OF SIMILAR SIZE AND COMPLEXITY TO AHS AND EACH OF ITS AFFILIATED ENTITIES THE FOLLOWING PRINCIPLES GUIDE THE ESTABLISHMENT OF INDIVIDUAL EXECUTIVE COMPENSATION - THE SALARY OF THE PRESIDENT/CEO OF AHS WILL NOT EXCEED THE 40TH PERCENTILE OF COMPARABLE SALARIES PAID BY SIMILARLY SITUATED ORGANIZATIONS, AND - OTHER EXECUTIVE SALARIES SHALL BE ESTABLISHED USING MARKET MEDIANS THE COMPENSATION PHILOSOPHY, POLICIES, AND PRACTICES OF AHSSHC ARE CONSISTENT WITH THE ORGANIZATION'S FAITH-BASED MISSION AND CONFORM TO APPLICABLE LAWS, REGULATIONS, AND BUSINESS PRACTICES AS A FAITH-BASED ORGANIZATION SPONSORED BY THE SEVENTH-DAY ADVENTIST CHURCH (THE CHURCH), AHSSHC'S PHILOSOPHY AND PRINCIPLES WITH RESPECT TO ITS EXECUTIVE COMPENSATION PRACTICES REFLECT THE CONSERVATIVE APPROACH OF THE CHURCH'S MISSION OF SERVICE AND WERE DEVELOPED IN COUNSEL WITH THE CHURCH'S LEADERSHIP
PART I, LINES 4A-B	PART I, LINE 4A DURING THE YEAR ENDING DECEMBER 31, 2013, SAMUEL TURNER, SR RECEIVED SEVERANCE PAYMENTS IN THE AMOUNT OF $411,237 PURSUANT TO THE AHSSHC CORPORATE EXECUTIVE POLICY GOVERNING EXECUTIVE SEVERANCE, SEVERANCE AGREEMENTS FOR EXECUTIVES OPERATING AT THE VICE PRESIDENT LEVEL AND ABOVE ARE ENTERED INTO UPON ELIGIBILITY TO FACILITATE THE TRANSITION TO SUBSEQUENT EMPLOYMENT FOLLOWING AN INVOLUNTARY SEPARATION FROM EMPLOYMENT WITH AHS PART I, LINE 4B AS DISCUSSED IN LINE 1A ABOVE, EXECUTIVES ON THE FILING ORGANIZATION'S MANAGEMENT TEAM THAT HOLD THE POSITION OF VICE-PRESIDENT OR ABOVE ARE COMPENSATED BY AND ON THE PAYROLL OF ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION (AHSSHC), THE PARENT ORGANIZATION OF A HEALTHCARE SYSTEM KNOWN AS ADVENTIST HEALTH SYSTEM (AHS) IN RECOGNITION OF THE CONTRIBUTION THAT EACH EXECUTIVE MAKES TO THE SUCCESS OF AHS, AHS PROVIDES TO ELIGIBLE EXECUTIVES PARTICIPATION IN THE AHS EXECUTIVE FLEX BENEFIT PROGRAM (THE PLAN) THE PURPOSE OF THE PLAN IS TO OFFER ELIGIBLE EXECUTIVES AN OPPORTUNITY TO ELECT FROM AMONG A VARIETY OF SUPPLEMENTAL BENEFITS, INCLUDING DEFERRED COMPENSATION BENEFITS TAXABLE UNDER INTERNAL REVENUE CODE (IRC) SECTION 457(F), TO INDIVIDUALLY TAILOR A BENEFITS PROGRAM APPROPRIATE TO EACH EXECUTIVE'S NEEDS THE PLAN PROVIDES ELIGIBLE PARTICIPANTS A PRE-DETERMINED BENEFITS ALLOWANCE CREDIT THAT IS EQUAL TO A PERCENTAGE OF THE EXECUTIVE'S BASE PAY FROM WHICH IS DEDUCTED THE COST OF MANDATORY AND ELECTIVE EMPLOYEE BENEFITS THE PRE-DETERMINED BENEFITS ALLOWANCE CREDIT PERCENTAGE IS APPROVED BY THE AHSSHC BOARD COMPENSATION COMMITTEE, AN INDEPENDENT COMMITTEE OF THE BOARD OF DIRECTORS OF AHSSHC ANY FUNDS THAT REMAIN AFTER THE COST OF MANDATORY AND ELECTIVE BENEFITS ARE SUBTRACTED FROM THE ANNUAL PRE-DETERMINED BENEFITS ALLOWANCE ARE CONTRIBUTED, AT THE EMPLOYEE'S OPTION, TO EITHER AN IRC 457(F) DEFERRED COMPENSATION ACCOUNT OR TO AN IRC 457(B) ELIGIBLE DEFERRED COMPENSATION PLAN UPON ATTAINMENT OF AGE 65, ALL PREVIOUS 457(F) DEFERRED AMOUNTS ARE PAID IMMEDIATELY TO THE PARTICIPANT AND ANY FUTURE EMPLOYER CONTRIBUTIONS ARE MADE QUARTERLY FROM THE PLAN DIRECTLY TO THE PARTICIPANT THE PLAN DOCUMENTS DEFINE AN EMPLOYEE WHO IS ELIGIBLE TO PARTICIPATE IN THE PLAN TO GENERALLY INCLUDE THE CHIEF EXECUTIVE OFFICERS OF AHS ENTITIES AND VICE PRESIDENTS OF ALL AHS ENTITIES WHOSE BASE SALARY IS AT LEAST $218,000 THE PLAN PROVIDES FOR A CLASS YEAR VESTING SCHEDULE (2 YEARS FOR EACH CLASS YEAR) WITH RESPECT TO AMOUNTS ACCUMULATED IN THE EXECUTIVE'S 457(F) DEFERRED COMPENSATION ACCOUNT DISTRIBUTIONS COULD ALSO BE MADE FROM THE EXECUTIVE'S 457(F) DEFERRED COMPENSATION ACCOUNT UPON ATTAINMENT OF AGE 65 OR UPON AN INVOLUNTARY SEPARATION THE ACCOUNT IS FORFEITED BY THE EXECUTIVE UPON A VOLUNTARY SEPARATION IN ADDITION TO THE PLAN, AHS HAS INSTITUTED A DEFINED BENEFIT, NON-TAX-QUALIFIED DEFERRED COMPENSATION PLAN FOR CERTAIN EXECUTIVES WHO HAVE PROVIDED LENGTHY SERVICE TO AHS AND/OR TO OTHER SEVENTH-DAY ADVENTIST CHURCH HOSPITALS OR HEALTH CARE INSTITUTIONS PARTICIPATION IN THE PLAN IS OFFERED TO AHS EXECUTIVES ON A PRORATA SCHEDULE BEGINNING WITH 20 YEARS OF SERVICE AS AN EMPLOYEE OF AHS AND/OR ANOTHER HOSPITAL OR HEALTH CARE INSTITUTION CONTROLLED BY THE SEVENTH-DAY ADVENTIST CHURCH AND WHO SATISFY CERTAIN OTHER QUALIFYING CRITERIA THIS SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (SERP) WAS DESIGNED TO PROVIDE ELIGIBLE EXECUTIVES WITH THE ECONOMIC EQUIVALENT OF AN ANNUAL INCOME BEGINNING AT NORMAL RETIREMENT AGE EQUAL TO 60% OF THE AVERAGE OF THE PARTICIPANT'S THREE, FIVE OR SEVEN HIGHEST YEARS OF BASE SALARY FROM AHS ACTIVE EMPLOYMENT INCLUSIVE OF INCOME FROM ALL OTHER SEVENTH-DAY ADVENTIST CHURCH HEALTHCARE EMPLOYER-FINANCED RETIREMENT INCOME SOURCES AND INVESTMENT INCOME EARNED ON THOSE CONTRIBUTIONS THROUGH SOCIAL SECURITY NORMAL RETIREMENT AGE AS DEFINED IN THE PLAN THE NUMBER OF YEARS INCLUDED IN HIGHEST AVERAGE COMPENSATION IS DETERMINED BY THE INDIVIDUAL'S YEAR OF ENTRY TO THE SERP AND BY THE INDIVIDUAL'S YEAR OF ENTRY TO THE AHS EXECUTIVE FLEX BENEFIT PROGRAM FLEX PLAN FLEX PLAN/ SERP 457(B) CY CY EMPLOYER CY CONTRIB / DISTRIBUTIONS CONTRIB DISTRIBUTIONS* PAYMENT ---------- KENNETH BACON $ 52,729 $0 $0 $0 LARRY BOTTS, MD $ 30,579 $ 19,187 $0 $0 ROBIN HARROLD $ 12,622 $ 12,495 $ 93,493 $0 SHERI HAWKINS $ 21,415 $ 3,355 $ 29,038 $0 ROBERT HENDERSCHEDT $120,509 $104,830 $201,948 $0 PAUL RATHBUN $ 94,132 $ 91,331 $0 $0 RICHARD REINER $191,096 $173,596 $194,730 $0 SAMUEL TURNER, SR $ 0 $ 0 $0 $411,237 JACK WAGNER $ 52,117 $ 17,117 $0 $0 TREVOR WRIGHT $ 31,656 $ 8,947 $0 $0 * INCLUDING INVESTMENT EARNINGS

Additional Data

Software ID:
Software Version:
EIN: 48-0637331
Name: SHAWNEE MISSION MEDICAL CENTER INC

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
RICHARD REINER CHAIRMAN	(I) (II)	0 913,142	0 302,898	0 446,854	0 13,850	0 45,505	0 1,722,249	0 0
KENNETH BACON CEO/TRUSTEE	(I) (II)	0 423,758	0 63,885	0 30,371	0 50,425	0 39,378	0 607,817	0 0
ROBERT HENDERSCHEDT TRUSTEE	(I) (II)	0 632,650	0 210,247	0 342,878	0 134,358	0 29,938	0 1,350,071	0 92,554
PAUL RATHBUN TRUSTEE	(I) (II)	0 554,224	0 184,590	0 125,554	0 107,982	0 36,146	0 1,008,496	0 83,247
JACK WAGNER CFO/TREASURER	(I) (II)	0 340,323	0 57,891	0 84,585	0 8,750	0 22,874	0 514,423	0 0
TREVOR WRIGHT COO	(I) (II)	0 270,574	0 35,835	0 15,289	0 43,166	0 43,145	0 408,009	0 8,943
LARRY BOTTS MD CMO	(I) (II)	0 315,469	0 43,001	0 35,877	0 44,428	0 27,762	0 466,537	0 16,421
SHERI HAWKINS CNO	(I) (II)	0 223,921	0 38,056	0 55,341	0 17,765	0 20,259	0 355,342	0 3,031
CLARKE HENRY JR MD PHYSICIAN	(I) (II)	694,407 0	0 0	2,572 0	13,850 0	14,850 0	725,679 0	0 0
JOHN E PETERSON MD PHYSICIAN	(I) (II)	475,610 0	43,781 0	2,820 0	13,850 0	14,226 0	550,287 0	0 0
JAY A JACKSON MD PHYSICIAN	(I) (II)	477,097 0	43,781 0	1,005 0	13,850 0	9,810 0	545,543 0	0 0
WILLIAM S RITTER MD PHYSICIAN	(I) (II)	477,157 0	43,781 0	838 0	11,708 0	10,434 0	543,918 0	0 0
JHULAN MUKHARJI MD PHYSICIAN	(I) (II)	475,745 0	43,781 0	1,523 0	13,850 0	14,850 0	549,749 0	0 0
SAMUEL TURNER SR FORMER CEO/PRES	(I) (II)	0 0	0 0	0 410,817	0 13,850	0 12,956	0 437,623	0 0
ROBIN HARROLD FORMER COO	(I) (II)	0 227,999	0 31,610	0 115,922	0 26,471	0 38,705	0 440,707	0 10,998

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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
SHAWNEE MISSION MEDICAL CENTER INC

Employer identification number
48-0637331

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) SHAWNEE MISSION PULMONARY CONSULTANTS PA	>5% OWNED BY BOARD MEMBER	277,163	ICU SERVICES AGREEMENT		No
(2) SUSAN ROGERS	FAMILY MEMBER OF BOARD MEMBER	38,015	COMPENSATION		No

Part V Supplemental Information

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

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493321064984

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
SHAWNEE MISSION MEDICAL CENTER INC

Employer identification number
48-0637331

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	SHAWNEE MISSION MEDICAL CENTER, INC (THE FILING ORGANIZATION) HAS ONE MEMBER THE SOLE MEMBER OF THE FILING ORGANIZATION IS ADVENTIST HEALTH MID-AMERICA, INC (AHMA) AHMA IS A KANSAS, NOT-FOR-PROFIT CORPORATION THAT IS EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE (IRC) SECTION 501(C) (3) THERE ARE NO OTHER CLASSES OF MEMBERSHIP IN THE FILING ORGANIZATION

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	THE SOLE MEMBER OF THE FILING ORGANIZATION IS AHMA THE BOARD OF TRUSTEES OF THE FILING ORGANIZATION ARE APPOINTED BY THE SOLE MEMBER, AHMA, WHO HAS THE RIGHT TO ELECT, APPOINT OR REMOVE ANY MEMBER OF THE BOARD OF TRUSTEES OF THE FILING ORGANIZATION

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	AHMA, AS THE SOLE MEMBER OF THE FILING ORGANIZATION, HAS CERTAIN RESERVED POWERS AS SET FORTH IN THE BYLAWS OF THE FILING ORGANIZATION THESE RESERVED POWERS INCLUDE THE FOLLOWING A) TO APPROVE AND DISAPPROVE THE EXECUTIVE AND/OR ADMINISTRATIVE LEADERSHIP OF THE FILING ORGANIZATION, AND THEIR SALARIES, B) TO ADOPT, AMEND, RESTATE, AND REPEAL THE ARTICLES OF INCORPORATION OR BYLAWS OF THE FILING ORGANIZATION, AND THE MEDICAL STAFF BYLAWS, C) TO SET LIMITS AND TERMS FOR THE BORROWING OF FUNDS, D) TO APPROVE OR DISAPPROVE MAJOR BUILDING PROGRAMS AND/OR PURCHASE OR SALE OF PERSONAL PROPERTY OR REAL PROPERTY EQUAL TO OR IN EXCESS OF ONE MILLION DOLLARS, E) TO APPROVE OR DISAPPROVE THE ANNUAL OPERATING AND CAPITAL BUDGETS OF THE FILING ORGANIZATION, F) TO DIRECT THE PLACEMENT OF FUNDS AND CAPITAL OF THE FILING ORGANIZATION, G) TO ESTABLISH GENERAL GUIDING POLICIES, TO IMPLEMENT QUALITY ASSESSMENT, IMPROVEMENT AND UTILIZATION REVIEW PROGRAMS, AND H) TO APPROVE THE APPOINTMENT OF AN AUDITING FIRM AND ELECTION OF THE FISCAL YEAR FOR THE FILING ORGANIZATION

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	THE FILING ORGANIZATION'S CURRENT YEAR FORM 990 WAS REVIEWED BY THE BOARD CHAIRMAN, BOARD FINANCE COMMITTEE CHAIR, CEO AND BY THE CFO PRIOR TO ITS FILING WITH THE IRS THE REVIEW CONDUCTED BY THE BOARD CHAIRMAN, BOARD FINANCE COMMITTEE CHAIR, CEO AND THE CFO DID NOT INCLUDE THE REVIEW OF ANY SUPPORTING WORKPAPERS THAT WERE USED IN PREPARATION OF THE CURRENT YEAR FORM 990, BUT DID INCLUDE A REVIEW OF THE ENTIRE FORM 990 AND ALL SUPPORTING SCHEDULES

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	THE CONFLICT OF INTEREST POLICY OF THE FILING ORGANIZATION APPLIES TO MEMBERS OF ITS BOARD OF DIRECTORS AND ITS PRINCIPAL OFFICERS (TO BE KNOWN AS INTERESTED PERSONS) IN CONNECTION WITH ANY ACTUAL OR POSSIBLE CONFLICT OF INTERESTS, ANY MEMBER OF THE BOARD OF DIRECTORS OF THE FILING ORGANIZATION OR ANY PRINCIPAL OFFICER OF THE FILING ORGANIZATION (I E INTERESTED PERSONS) MUST DISCLOSE THE EXISTENCE OF ANY FINANCIAL INTEREST WITH THE FILING ORGANIZATION AND MUST BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS CONCERNING THE FINANCIAL INTEREST/ARRANGEMENT TO THE BOARD OF DIRECTORS OF THE FILING ORGANIZATION OR TO ANY MEMBERS OF A COMMITTEE WITH BOARD DELEGATED POWERS THAT IS CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT SUBSEQUENT TO ANY DISCLOSURE OF ANY FINANCIAL INTEREST/ARRANGEMENT AND ALL MATERIAL FACTS, AND AFTER ANY DISCUSSION WITH THE RELEVANT BOARD MEMBER OR PRINCIPAL OFFICER, THE REMAINING MEMBERS OF THE BOARD OF DIRECTORS OR COMMITTEE WITH BOARD DELEGATED POWERS SHALL DISCUSS, ANALYZE, AND VOTE UPON THE POTENTIAL FINANCIAL INTEREST/ARRANGEMENT TO DETERMINE IF A CONFLICT OF INTEREST EXISTS ACCORDING TO THE FILING ORGANIZATION'S CONFLICT OF INTEREST POLICY, AN INTERESTED PERSON MAY MAKE A PRESENTATION TO THE BOARD OF DIRECTORS (OR COMMITTEE WITH BOARD DELEGATED POWERS), BUT AFTER SUCH PRESENTATION, SHALL LEAVE THE MEETING DURING THE DISCUSSION OF, AND THE VOTE ON, THE TRANSACTION OR ARRANGEMENT THAT RESULTS IN A CONFLICT OF INTEREST EACH INTERESTED PERSON, AS DEFINED UNDER THE FILING ORGANIZATION'S CONFLICT OF INTEREST POLICY, SHALL ANNUALLY SIGN A STATEMENT WHICH AFFIRMS THAT SUCH PERSON HAS RECEIVED A COPY OF THE CONFLICT OF INTERESTS POLICY, HAS READ AND UNDERSTANDS THE POLICY, HAS AGREED TO COMPLY WITH THE POLICY, AND UNDERSTANDS THAT THE FILING ORGANIZATION IS A CHARITABLE ORGANIZATION THAT MUST PRIMARILY ENGAGE IN ACTIVITIES WHICH ACCOMPLISH ONE OR MORE OF ITS EXEMPT PURPOSES THE FILING ORGANIZATION'S CONFLICT OF INTEREST POLICY ALSO REQUIRES THAT PERIODIC REVIEWS SHALL BE CONDUCTED TO ENSURE THAT THE FILING ORGANIZATION OPERATES IN A MANNER CONSISTENT WITH ITS CHARITABLE PURPOSES

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	THE FILING ORGANIZATION'S CEO, OTHER OFFICERS AND KEY EMPLOYEES ARE NOT COMPENSATED BY THE FILING ORGANIZATION SUCH INDIVIDUALS ARE COMPENSATED BY THE RELATED TOP-TIER PARENT ORGANIZATION OF THE FILING ORGANIZATION PLEASE SEE THE DISCUSSION CONCERNING THE PROCESS FOLLOWED BY THE RELATED TOP-TIER PARENT ORGANIZATION IN DETERMINING EXECUTIVE COMPENSATION IN OUR RESPONSE TO SCHEDULE J, LINE 3

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE FILING ORGANIZATION IS A PART OF THE SYSTEM OF HEALTHCARE ORGANIZATIONS KNOWN AS ADVENTIST HEALTH SYSTEM (AHS) EACH YEAR, AHS PUBLISHES AN ANNUAL REPORT DOCUMENT THAT INCLUDES A FINANCIAL REPORT FOR THE RELEVANT YEAR AS WELL AS A COMMUNITY BENEFIT REPORT THE FINANCIAL REPORT AND COMMUNITY BENEFIT REPORT ARE PRESENTED ON A CONSOLIDATED BASIS AND REPRESENT ALL OF THE ACTIVITIES, RESULTS OF OPERATIONS, AND FINANCIAL POSITION AT YEAR-END OF THE ENTIRE AHS SYSTEM IN ADDITION, THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF AHS AND OF THE AHS "OBLIGATED GROUP" ARE FILED ANNUALLY WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) THE "OBLIGATED GROUP" IS A GROUP OF AHSSHC SUBSIDIARIES THAT ARE JOINTLY AND SEVERALLY LIABLE UNDER A MASTER TRUST INDENTURE THAT SECURES DEBT PRIMARILY ISSUED ON A TAX-EXEMPT BASIS UNAUDITED QUARTERLY FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) ARE ALSO FILED WITH MSRB FOR AHS ON A CONSOLIDATED BASIS AND FOR THE GROUPING OF AHS SUBSIDIARIES COMPRISING THE "OBLIGATED GROUP" THE FILING ORGANIZATION DOES NOT GENERALLY MAKE ITS GOVERNING DOCUMENTS OR CONFLICT OF INTEREST POLICY AVAILABLE TO THE PUBLIC

Return Reference	Explanation
FORM 990, PART IX, LINE 11G	PAYMENTS TO HEALTHCARE PROFESSIONAL PROGRAM SERVICE EXPENSES 6,642,875 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 6,642,875 PROFESSIONAL FEES PROGRAM SERVICE EXPENSES 171,799 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 171,799 ENVIRONMENTAL SERVICES PROGRAM SERVICE EXPENSES 108,935 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 108,935 RECRUITING PROGRAM SERVICE EXPENSES 736,449 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 736,449 AHS MANAGEMENT FEES PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 3,558,052 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 3,558,052 BILLING & COLLECTION SERVICES PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 716,168 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 716,168 EHR MANAGEMENT FEES PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 1,298,393 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 1,298,393

Return Reference	Explanation
FORM 990, PART XI, LINE 9	ALLOCATIONS FROM TAX-EXEMPT PARENT WITH RESPECT TO DEBT 7,671,261 TRANSFER TO TAX-EXEMPT PARENT -2,160,692 TRANSFERS FROM RELATED TAX-EXEMPT ENTITIES 2,039,906

Return Reference	Explanation
PART VII, SECTION A	FOR THOSE BOARD OF DIRECTOR MEMBERS, OFFICER(S) WHO DEVOTE LESS THAN FULL-TIME TO THE FILING ORGANIZATION (BASED UPON THE AVERAGE NUMBER OF HOURS PER WEEK SHOWN IN COLUMN (B) ON PAGE 7 OF THE RETURN) THE COMPENSATION AMOUNTS SHOWN IN COLUMNS (E) AND (F) ON PAGE 7 WERE PROVIDED IN CONJUNCTION WITH THAT PERSON'S RESPONSIBILITIES AND ROLES IN SERVING IN AN EXECUTIVE LEADERSHIP POSITION WITHIN ADVENTIST HEALTH SYSTEM

Return Reference	Explanation
PART X, LINE 2	THE AMOUNTS SHOWN ON LINE 2 OF PART X OF THIS RETURN INCLUDES THE FILING ORGANIZATION'S INTEREST IN A CENTRAL INVESTMENT POOL MAINTAINED BY ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION, THE FILING ORGANIZATION'S TOP-TIER PARENT THE INVESTMENTS IN THE CENTRAL INVESTMENT POOL ARE RECORDED AT MARKET VALUE

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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
SHAWNEE MISSION MEDICAL CENTER INC

Employer identification number
48-0637331

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
(1) SM CORPORATE CARE LLC 9100 W 74TH ST MERRIAM, KS 66204 43-1864343	OCCUPATION MEDICINE BILLING	KS	5,889,741		SHAWNEE MISSION MEDICAL CENTER INC
(2) SM MEDICAL SERVICES LLC 9100 W 74TH ST MERRIAM, KS 66204 43-1864341	INACTIVE	KS			SHAWNEE MISSION MEDICAL CENTER INC
(3) STRATEGIC HEALTHCARE RESOURCES LLC 9100 W 74TH ST MERRIAM, KS 66204 48-1219284	INACTIVE	KS			SHAWNEE MISSION MEDICAL CENTER INC

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?		(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	
See Additional Data Table												

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	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	Yes	
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		No
k Lease of facilities, equipment, or other assets from related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
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		No
s Other transfer of cash or property from related organization(s)	1s		No

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

(a) Name of 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: 48-0637331
Name: SHAWNEE MISSION MEDICAL CENTER INC

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) ADVENTIST BOLINGBROOK HOSPITAL 500 REMINGTON BLVD BOLINGBROOK, IL 60440 65-1219504	OPERATION OF HOSPITAL & RELATED SERVICES	IL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(1) ADVENTIST CARE CENTERS - COURTLAND INC 730 COURTLAND STREET ORLANDO, FL 32804 20-5774723	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(2) ADVENTIST GLENOAKS HOSPITAL 701 WINTHROP AVENUE GLENDALE HEIGHTS, IL 60139 36-3208390	OPERATION OF HOSPITAL & RELATED SERVICES	IL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(3) ADVENTIST HINSDALE HOSPITAL 120 NORTH OAK STREET HINSDALE, IL 60521 36-2276984	OPERATION OF HOSPITAL & RELATED SERVICES	IL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(4) ADVENTIST HLTH MID-AMERICA INC 9100 W 74TH STREET SHAWNEE MISSION, KS 66204 52-1347407	HLTHCARE RELATED SERVICES	KS	501(C)(3)	LINE 11A, I	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(5) ADVENTIST HLTH PARTNERS INC 1000 REMINGTON BLVD STE 200 BOLINGBROOK, IL 60440 36-4138353	OPERATE OUT-PATIENT PHYSICIAN CLINICS	IL	501(C)(3)	LINE 3	AHS MIDWEST MANAGEMENT INC		No
(6) ADVENTIST HLTH SYSTEM AFFILIATED BENEFIT TRUST 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 26-6422966	PROMOTION OF HLTHCARE	FL	501(C)(3)	LINE 11A, I	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(7) ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 59-2170012	MANAGEMENT SERVICES	FL	501(C)(3)	LINE 11A, I	N/A		No
(8) ADVENTIST HLTH SYSTEMGEORGIA INC 1035 RED BUD ROAD CALHOUN, GA 30701 58-1425000	OPERATION OF HOSPITAL & RELATED SERVICES	GA	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(9) ADVENTIST HLTH SYSTEMSUNBELT INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 59-1479658	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(10) ADVENTIST HLTH SYSTEMTEXAS INC 602 COURTLAND STREET ORLANDO, FL 32804 74-2578952	LEASING PERSONNEL TO AFFILIATED HOSPITAL	TX	501(C)(3)	LINE 11C, III-FI	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(11) ADVENTIST UNIVERSITY OF HEALTH SCIENCES INC (630 YEAR END) 671 LAKE WINYAH DRIVE ORLANDO, FL 32803 59-3069793	EDUCATION/OPERATION OF SCHOOL	FL	501(C)(3)	LINE 2	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(12) AHS MIDWEST MANAGEMENT INC 1000 REMINGTON BLVD STE 200 BOLINGBROOK, IL 60440 36-3354567	OPERATION OF PHYSICIAN PRACTICE MGMT	IL	501(C)(3)	LINE 11A, I	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(13) AHSCENTRAL TEXAS INC 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 74-2621825	PROVIDE OFFICE SPACE - MEDICAL PROFESSIONALS	TX	501(C)(3)	LINE 11C, III-FI	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(14) APOPKA HLTH CARE PROPERTIES INC 305 E OAK STREET APOPKA, FL 32703 51-0605694	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(15) BATTLE CREEK ADVENTIST HOSPITAL 1000 REMINGTON BLVD STE 200 BOLINGBROOK, IL 60440 38-1359189	INACTIVE	MI	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(16) BOLINGBROOK HOSPITAL FOUNDATION 1000 REMINGTON BLVD N ENTRANCE 2ND BOLINGBROOK, IL 60440 90-0494445	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	IL	501(C)(3)	LINE 7	MIDWEST HLTH FOUNDATION		No
(17) BRADFORD HEIGHTS HLTH & REHAB CENTER INC 950 HIGHPOINT DRIVE HOPKINSVILLE, KY 42240 20-5782342	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(18) BURLESON NURSING & REHAB CENTER INC 301 HUGULEY BLVD BURLESON, TX 76028 20-5782243	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	TX	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(19) CALDWELL HLTH CARE PROPERTIES INC 1333 WEST MAIN PRINCETON, KY 42445 51-0605680	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No

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	(g) Section 512 (b)(13) controlled entity? No
(21) CEDAR CRAG TERRACE INC (630 YEAR END) (11-72213) RT 5 BOX 900 MANCHESTER, KY 40962 61-1120442	OPERATION OF HOME FOR THE ELDERLY-DISABLED	KY	501(C)(3)	LINE 7	MEMORIAL HOSPITAL INC		No
(1) CENTRAL TEXAS HLTHCARE COLLABORATIVE 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 45-3739929	SUPPORT OPERATION OF HOSPITAL	TX	501(C)(3)	LINE 11A, I	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(2) CENTRAL TEXAS MEDICAL CENTER FOUNDATION 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 74-2259907	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	TX	501(C)(3)	LINE 7	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(3) CHICKASAW HLTH CARE PROPERTIES INC 250 S CHICKASAW TRAIL ORLANDO, FL 32825 51-0605681	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(4) CHIPPEWA VALLEY HOSPITAL & OAKVIEW CARE CENTER INC 1220 THIRD AVENUE WEST DURAND, WI 54736 39-1365168	OPERATION OF HOSPITAL & RELATED SERVICES	WI	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(5) COBB MEDICAL ASSOCIATES LLC 3949 SOUTH COBB DRIVE SE SMYRNA, GA 30080 58-2617089	OPERATION OF PHYSICIAN PRACTICES & MEDICAL SERVICES	GA	501(C)(3)	LINE 3	EMORY-ADVENTIST INC		No
(6) COURTLAND HLTH CARE PROPERTIES INC 730 COURTLAND STREET ORLANDO, FL 32804 51-0605682	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(7) CREEKWOOD PLACE NURSING & REHAB CENTER INC 683 E THIRD STREET RUSSELLVILLE, KY 42276 20-5782260	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(8) DAIRY ROAD HLTH CARE PROPERTIES INC 7350 DAIRY ROAD ZEPHYRHILLS, FL 33540 51-0605684	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(9) EAST ORLANDO HLTH & REHAB CENTER INC 250 S CHICKASAW TRAIL ORLANDO, FL 32825 20-5774748	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(10) EMORY-ADVENTIST INC 3949 SOUTH COBB DRIVE SMYRNA, GA 30080 58-2171011	OPERATION OF HOSPITAL & RELATED SVCS	GA	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(11) FLETCHER HOSPITAL INC 100 HOSPITAL DRIVE HENDERSONVILLE, NC 28792 56-0543246	OPERATION OF HOSPITAL & RELATED SVCS	NC	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(12) FLNC INC 3355 E SEMORAN BLVD APOPKA, FL 32703 20-5774761	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(13) FLORIDA HOSPITAL HEALTHCARE PARTNERS INC (130-123113) 301 MEMORIAL MEDICAL PARKWAY DAYTONA BEACH, FL 32117 46-2354804	OPERATION OF PHYSICIAN PRACTICES & MEDICAL SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(14) FLORIDA HOSPITAL MEDICAL GROUP INC 900 WINDERLEY PLACE MAITLAND, FL 32751 59-3214635	OPERATION OF PHYSICIAN PRACTICES & MEDICAL SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(15) FLORIDA HOSPITAL PHYSICIAN GROUP INC (21-123113) 14055 RIVEREDGE DRIVE STE 250 TAMPA, FL 33637 46-2021581	OPERATION OF PHYSICIAN PRACTICES & MEDICAL SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(16) FLORIDA HOSPITAL WATERMAN INC 1000 WATERMAN WAY TAVARES, FL 32778 59-3140669	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(17) FLORIDA HOSPITAL ZEPHYRHILLS INC 7050 GALL BLVD ZEPHYRHILLS, FL 33541 59-2108057	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(18) FOUNDATION FOR SHAWNEE MISSION MEDICAL CENTER INC 9100 W 74TH STREET SHAWNEE MISSION, KS 66204 48-0868859	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	KS	501(C)(3)	LINE 11A, I	SHAWNEE MISSION MEDICAL CENTER INC	Yes	
(19) GLENOAKS HOSPITAL FOUNDATION 701 WINTHROP AVENUE GLENDALE HEIGHTS, IL 60139 36-3926044	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	IL	501(C)(3)	LINE 7	MIDWEST HLTH FOUNDATION		No

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
(41) HELEN ELLIS MEMORIAL HOSPITAL AUXILIARY INC 1395 S PINELLAS AVE TARPON SPRINGS, FL 34689 59-2106043	FUND-RAISING FOR TAX-EXEMPT HOSPITAL/FOUNDATION	FL	501(C)(3)	LINE 11C, III-FI	TARPON SPRINGS HOSPITAL FOUNDATION INC		No
(1) HELEN ELLIS MEMORIAL HOSPITAL FOUNDATION INC 1395 S PINELLAS AVE TARPON SPRINGS, FL 34689 59-3690149	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	FL	501(C)(3)	LINE 11C, III-FI	TARPON SPRINGS HOSPITAL FOUNDATION INC		No
(2) HINSDALE HOSPITAL FOUNDATION 7 SALT CREEK LANE SUITE 203 HINSDALE, IL 60521 52-1466387	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	IL	501(C)(3)	LINE 7	MIDWEST HLTH FOUNDATION		No
(3) IN-MOTION REHAB INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804 20-8023411	THERAPY SERVICES TO TAX EXEMPT NURSING HOMES	KS	501(C)(3)	LINE 11B, II	SUNBELT HLTH CARE CENTERS INC		No
(4) JELLICO COMMUNITY HOSPITAL INC 188 HOSPITAL LANE JELLICO, TN 37762 62-0924706	OPERATION OF HOSPITAL & RELATED SERVICES	TN	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(5) JOHNSON COUNTY COMMUNITY CARE CORPORATION (11-5613) 11801 SOUTH FREEWAY BURLESON, TX 76028 45-2793120	SUPPORT OPERATION OF HOSPITAL	TX	501(C)(3)	LINE 11A, I	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(6) LA GRANGE MEMORIAL HOSPITAL FOUNDATION 5101 S WILLOW SPRINGS RD LA GRANGE, IL 60525 30-0247776	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	IL	501(C)(3)	LINE 7	MIDWEST HLTH FOUNDATION		No
(7) MEMORIAL HLTH SYSTEMS FOUNDATION INC 770 WEST GRANADA BLVD ORMOND BEACH, FL 32174 31-1771522	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	FL	501(C)(3)	LINE 7	MEMORIAL HLTH SYSTEMS INC		No
(8) MEMORIAL HLTH SYSTEMS INC 301 MEMORIAL MEDICAL PARKWAY DAYTONA BEACH, FL 32117 59-0973502	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(9) MEMORIAL HOSPITAL - WEST VOLUSIA INC 701 WEST PLYMOUTH AVENUE DELAND, FL 32720 59-3256803	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	MEMORIAL HLTH SYSTEMS INC		No
(10) MEMORIAL HOSPITAL FLAGLER INC 60 MEMORIAL MEDICAL PARKWAY PALM COAST, FL 32164 59-2951990	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	MEMORIAL HLTH SYSTEMS INC		No
(11) MEMORIAL HOSPITAL INC 210 MARIE LANGDON DRIVE MANCHESTER, KY 40962 61-0594620	OPERATION OF HOSPITAL & RELATED SERVICES	KY	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(12) MERRIAM HLTH CARE PROPERTIES INC 9700 WEST 62ND STREET MERRIAM, KS 66203 36-4595806	LEASE TO RELATED ORGANIZATION	KS	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(13) METROPLEX ADVENTIST HOSPITAL INC 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549 74-2225672	OPERATION OF HOSPITAL & RELATED SERVICES	TX	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(14) METROPLEX CLINIC PHYSICIANS INC 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549 11-3762050	PHYSICIAN HLTHCARE SERVICES TO THE COMMUNITY	TX	501(C)(3)	LINE 3	METROPLEX ADVENTIST HOSPITAL INC		No
(15) METROPLEX HOSPITAL INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 46-1256516	FUTURE OPERATION OF HOSPITAL & RELATED SVCS	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(16) MIDWEST HLTH FOUNDATION 120 NORTH OAK STREET HINSDALE, IL 60521 35-2230515	SUPPORT OF SUBSIDIARY FOUNDATIONS	IL	501(C)(3)	LINE 11B, II	N/A		No
(17) MILLS HLTH & REHAB CENTER INC 500 BECK LANE MAYFIELD, KY 42066 20-5782320	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(18) MISSION STRATEGIES OF GEORGIA INC 3949 S COBB DRIVE SMYRNA, GA 30080 90-0866024	PROVISION OF SUPPORT TO THE NURSING HOME DIVISION	GA	501(C)(3)	LINE 11B, II	SUNBELT HLTH CARE CENTERS INC		No
(19) MISSION STRATEGIES INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804 20-5982365	PROVISION OF SUPPORT TO THE NURSING HOME DIVISION	KS	501(C)(3)	LINE 11B, II	SUNBELT HLTH CARE CENTERS INC		No

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	(g) Section 512 (b)(13) controlled entity? No
(61) MISSOURI ADVENTIST HLTH INC 9100 W 74TH STREET SHAWNEE MISSION, KS 66204 43-1224729	SUPPORT HLTH CARE SERVICES	MO	501(C)(3)	LINE 11D, III-O	ADVENTIST HLTH MID-AMERICA INC		No
(1) NORTH REGIONAL EMS INC 188 HOSPITAL LANE JELLICO, TN 37762 26-2653616	EMS SERVICES	TN	501(C)(3)	LINE 9	JELLICO COMMUNITY HOSPITAL INC		No
(2) ORMOND BEACH MEMORIAL HOSPITAL AUXILIARY INC 301 MEMORIAL MEDICAL PARKWAY DAYTONA BEACH, FL 32117 59-1721962	VOLUNTEER SUPPORT SERVICES	FL	501(C)(3)	LINE 11C, III-FI	MEMORIAL HLTH SYSTEMS INC		No
(3) OVERLAND PARK NURSING & REHAB CENTER INC 6501 WEST 75TH STREET OVERLAND PARK, KS 66204 20-5774821	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KS	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(4) PARAGON HLTH CARE PROPERTIES INC 950 HIGHPOINT DRIVE HOPKINSVILLE, KY 42240 51-0605686	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(5) PASCO-PINELLAS HILLSBOROUGH COMMUNITY HLTH SYSTEM INC 2400 BEDFORD ROAD ORLANDO, FL 32803 20-8488713	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(6) PORTERCARE ADVENTIST HLTH SYSTEM (630 YEAR END) 2525 S DOWNING STREET DENVER, CO 80210 84-0438224	OPERATION OF HOSPITAL & RELATED SERVICES	CO	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(7) PORTLAND NURSING & REHAB CENTER INC (11-6513) 215 HIGHLAND CIRCLE DRIVE PORTLAND, TN 37148 20-5774842	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	TN	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(8) PRINCETON HLTH & REHAB CENTER INC 1333 WEST MAIN PRINCETON, KY 42445 20-5782272	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(9) PRINCETON PROFESSIONAL SERVICES INC 601 E ROLLINS STREET ORLANDO, FL 32803 59-1191045	PROVISION OF HLTHCARE SERVICES	FL	501(C)(3)	LINE 9	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(10) QUALITY CIRCLE FOR HLTHCARE INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 26-3789368	HLTHCARE QUALITY SERVICES	FL	501(C)(3)	LINE 11A, I	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(11) RESOURCE PERSONNEL INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804 20-8040875	PROVIDE ADMINISTRATIVE SUPPORT TO TAX EXEMPT NURSING HOMES	FL	501(C)(3)	LINE 11B, II	SUNBELT HLTH CARE CENTERS INC		No
(12) ROCKY MOUNTAIN ADVENTIST HLTHCARE FOUNDATION (630 YEAR END) 2525 SOUTH DOWNING STREET DENVER, CO 80210 84-0745018	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	CO	501(C)(3)	LINE 7	PORTERCARE ADVENTIST HLTH SYSTEM		No
(13) ROLLINS BROOK COMMUNITY CARE CORP 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549 46-1656773	INACTIVE	TX	501(C)(3)	LINE 11A, I	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(14) RUSSELLVILLE HLTH CARE PROPERTIES INC 683 EAST THIRD STREET RUSSELLVILLE, KY 42276 51-0605691	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(15) SAN MARCOS HLTH CARE PROPERTIES INC 1900 MEDICAL PARKWAY SAN MARCOS, TX 78666 51-0605693	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(16) SAN MARCOS NURSING & REHAB CENTER INC 1900 MEDICAL PARKWAY SAN MARCOS, TX 78666 20-5782224	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	TX	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(17) SHAWNEE MISSION HLTH CARE INC 6501 WEST 75TH STREET OVERLAND PARK, KS 66204 48-0952508	LEASE TO RELATED ORGANIZATION	KS	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(18) SHAWNEE MISSION MEDICAL CENTER INC 9100 W 74TH STREET SHAWNEE MISSION, KS 66204 48-0637331	OPERATION OF HOSPITAL & RELATED SERVICES	KS	501(C)(3)	LINE 3	ADVENTIST HLTH MID-AMERICA INC		No
(19) SOUTH CENTRAL NURSING HOMES PROPERTIES INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 59-3686109	MANAGEMENT SUPPORT	GA	501(C)(3)	LINE 11D, III-O	SOUTH CENTRAL INC		No

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	(g) Section 512 (b)(13) controlled entity? No
(81) SOUTH CENTRAL NURSING HOMES INC 602 COURTLAND STREET ORLANDO, FL 32804 61-1242373	MANAGEMENT SUPPORT	KY	501(C)(3)	LINE 11D, III-O	SOUTH CENTRAL INC		No
(1) SOUTH CENTRAL PROPERTIES III INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 59-3692860	REAL ESTATE	GA	501(C)(2)		SOUTH CENTRAL NURSING HOMES PROPERTIES INC		No
(2) SOUTH CENTRAL PROPERTIES IV INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 59-3692862	REAL ESTATE	GA	501(C)(2)		SOUTH CENTRAL NURSING HOMES PROPERTIES INC		No
(3) SOUTH CENTRAL PROPERTIES VI INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 59-3692857	REAL ESTATE	GA	501(C)(2)		SOUTH CENTRAL NURSING HOMES PROPERTIES INC		No
(4) SOUTH CENTRAL PROPERTIES INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 59-3651692	REAL ESTATE	GA	501(C)(2)		SOUTH CENTRAL NURSING HOMES PROPERTIES INC		No
(5) SOUTH CENTRAL INC 602 COURTLAND STREET ORLANDO, FL 32804 59-3689740	MANAGEMENT SUPPORT	GA	501(C)(3)	LINE 11C, III-FI	N/A		No
(6) SOUTH PASCO HLTH CARE PROPERTIES INC 38250 A AVENUE ZEPHYRHILLS, FL 33542 51-0605679	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(7) SOUTHWEST VOLUSIA HLTH SERVICES INC 1055 SAXON BLVD ORANGE CITY, FL 32763 59-3281591	MEDICAL OFFICE BUILDING FOR HOSPITAL	FL	501(C)(3)	LINE 11A, I	SOUTHWEST VOLUSIA HLTHCARE CORP		No
(8) SOUTHWEST VOLUSIA HLTHCARE CORP 1055 SAXON BLVD ORANGE CITY, FL 32763 59-3149293	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(9) SPECIALTY PHYSICIANS OF CENTRAL TEXAS INC 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 20-8814408	PHYSICIAN HLTHCARE SERVICES TO THE COMMUNITY	TX	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(10) SPRING VIEW HLTH & REHAB CENTER INC 718 GOODWIN LANE LEITCHFIELD, KY 42754 20-5782288	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(11) SUNBELT HLTH & REHAB CENTER - APOPKA INC 305 EAST OAK STREET APOPKA, FL 32703 20-5774856	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(12) SUNBELT HLTH CARE CENTERS INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804 58-1473135	MANAGEMENT SERVICES	TN	501(C)(3)	LINE 11B, II	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(13) SUNSYSTEM DEVELOPMENT CORP 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714 59-2219301	FUND RAISING FOR AFFILIATED TAX-EXEMPT HOSPITALS	FL	501(C)(3)	LINE 7	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(14) TARPON SPRINGS HOSPITAL FOUNDATION INC 1395 S PINELLAS AVE TARPON SPRINGS, FL 34689 59-0898901	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	UNIVERSITY COMMUNITY HOSPITAL INC		No
(15) TARRANT COUNTY HLTH CARE PROPERTIES INC 301 HUGULEY BLVD BURLESON, TX 76028 51-0605677	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(16) TAYLOR CREEK HLTH CARE PROPERTIES INC 718 GOODWIN LANE LEITCHFIELD, KY 42754 51-0605678	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(17) THE VOLUNTEER AUXILIARY OF FLORIDA HOSPITAL - FLAGLER INC 60 MEMORIAL MEDICAL PARKWAY PALM COAST, FL 32164 59-2486582	VOLUNTEER SUPPORT SERVICES	FL	501(C)(3)	LINE 11C, III-FI	MEMORIAL HOSPITAL FLAGLER INC		No
(18) TRINITY NURSING & REHAB CENTER INC 9700 WEST 62ND STREET MERRIAM, KS 66203 20-5774890	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KS	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(19) UNIVERSITY COMMUNITY HOSPITAL FOUNDATION INC 3100 E FLETCHER AVE TAMPA, FL 33613 59-2554889	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	FL	501(C)(3)	LINE 11A, I	UNIVERSITY COMMUNITY HOSPITAL INC		No

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
(101) UNIVERSITY COMMUNITY HOSPITAL SPECIALTY CARE INC 3100 E FLETCHER AVE TAMPA, FL 33613 59-3231322	INACTIVE	FL	501(C)(3)	LINE 11A, I	UNIVERSITY COMMUNITY HOSPITAL INC		No
(1) UNIVERSITY COMMUNITY HOSPITAL INC 3100 E FLETCHER AVE TAMPA, FL 33613 59-1113901	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	LINE 3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(2) WEST KENTUCKY HLTH CARE PROPERTIES INC 500 BECK LANE MAYFIELD, KY 42066 51-0605676	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	LINE 11C, III-FI	SUNBELT HLTH CARE CENTERS INC		No
(3) ZEPHYR HAVEN HLTH & REHAB CENTER INC 38250 A AVENUE ZEPHYRHILLS, FL 33542 20-5774930	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No
(4) ZEPHYRHILLS HLTH & REHAB CENTER INC 7350 DAIRY ROAD ZEPHYRHILLS, FL 33540 20-5774967	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	LINE 9	SUNBELT HLTH CARE CENTERS INC		No

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(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?		(i) Code V-UBI amount in Box 20 of K-1 (Form 1065)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
APPALACHIAN THERAPY SERVICES LLC 100 HOSPITAL DRIVE HENDERSONVILLE, NC 28792 20-2463851	THERAPY STAFFING	NC	N/A									
CLEAR CREEK MOB LTD 2201 S CLEAR CREEK RD KILLEEN, TX 76549 74-2609195	REAL ESTATE	TX	N/A									
ENDOSCOPY CENTER AT PORTER LLC 1001 SOUTH PARK DRIVE LITTLETON, CO 80120 20-5855038	MEDICAL SERVICES	CO	N/A									
FLORIDA HOSPITAL DMERT LLC 2450 MAITLAND CENTER PKWY STE 200 MAITLAND, FL 32751 20-2392253	MEDICAL EQUIPMENT	FL	N/A									
FLORIDA HOSPITAL HOME INFUSION 2450 MAITLAND CENTER PKWY STE 200 MAITLAND, FL 32751 59-3142824	HOME INFUSION SERVICES	FL	N/A									
KCCCSMMC CANCER CENTER LLC (11-4813) 9100 W 74TH STREET SHAWNEE MISSION, KS 66204 27-0909763	EQUIPMENT RENTAL	KS	SHAWNEE MISSION MED CTR INC	RELATED	42,004			No		Yes		50 000 %
PAHSUSP SURGERY CENTERS LLC 15305 DALLAS PKWY STE 1600 LB 28 ADDISON, TX 75010 26-3057950	MEDICAL SERVICES	CO	N/A									
SAN MARCOS MRI LP 1330 WONDER WORLD DR STE 202 SAN MARCOS, TX 78666 77-0597972	IMAGING & TESTING	TX	N/A									
SHAWNEE MISSION OPEN MRI LLC 9100 W 74TH STREET BOX 2923 SHAWNEE MISSION, KS 66201 27-0011796	IMAGING & TESTING	KS	SHAWNEE MISSION MED CTR INC	RELATED	57,746	132,809		No			No	60 000 %

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
ALTAMONTE MEDICAL PLAZA CONDOMINIUM ASSOCIATION INC 601 EAST ROLLINS STREET ORLANDO, FL 32803 59-2855792	CONDO ASSOCIATION	FL	N/A	C					No
APOPKA MEDICAL PLAZA CONDOMINIUM ASSOCIATION INC 601 EAST ROLLINS STREET ORLANDO, FL 32803 59-3000857	CONDO ASSOCIATION	FL	N/A	C					No
CC MOB INC 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549 74-2616875	REAL ESTATE RENTAL	TX	N/A	C					No
CENTRAL TEXAS MEDICAL ASSOCIATES 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 74-2729873	PHYSICIAN CLINICS	TX	N/A	C					No
CENTRAL TEXAS PROVIDER'S NETWORK 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 74-2827652	PHYSICIAN HOSPITAL ORG	TX	N/A	C					No
FLORIDA HOSPITAL FLAGLER MEDICAL OFFICES ASSOCIATION INC 60 MEMORIAL MEDICAL PARKWAY PALM COAST, FL 32164 26-2158309	CONDO ASSOCIATION	FL	N/A	C					No
FLORIDA HOSPITAL HEALTHCARE SYSTEM INC 602 COURTLAND STREET ORLANDO, FL 32804 59-3215680	PHO/TPA	FL	N/A	C					No
FLORIDA MEDICAL PLAZA CONDO ASSOCIATION INC 601 EAST ROLLINS STREET ORLANDO, FL 32803 59-2855791	CONDO ASSOCIATION	FL	N/A	C					No
FLORIDA MEMORIAL HEALTH NETWORK INC 770 W GRANADA BLVD STE 317 ORMOND BEACH, FL 32174 59-3403558	PHYSICIAN HOSPITAL ORG	FL	N/A	C					No
HUGULEY ALLIANCE FOUNDATION 11801 SOUTH FREEWAY FORT WORTH, TX 76115 75-2642209	INACTIVE	TX	N/A	C					No
KISSIMMEE MULTISPECIALTY CLINIC CONDOMINIUM ASSOCIATION INC 201 HILDA STREET SUITE 30 KISSIMMEE, FL 34741 59-3539564	CONDO ASSOCIATION	FL	N/A	C					No
MIDWEST MANAGEMENT SERVICES INC 9100 WEST 74TH STREET SHAWNEE MISSION, KS 66204 48-0901551	REAL ESTATE RENTAL	KS	N/A	C					No
METROPLEX ADVENTIST HOSPITAL CRNA (11-111113) 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549 26-0760794	SUPPORT HOSPITAL - PROVIDE ALLIED HEALTH PROFESSIONALS	TX	N/A	C					No
NORTH AMERICAN HEALTH SERVICES INC & SUBS 111 N ORLANDO AVENUE WINTER PARK, FL 32789 62-1041820	LESSOR/HOLDING CO	TN	N/A	C					No
ORMOND PROFESSIONAL CONDO ASSOCIATION (430 YEAR END) 770 W GRANADA BLVD STE 101 ORMOND BEACH, FL 32174 59-2694434	CONDO ASSOCIATION	FL	N/A	C					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
PARK RIDGE PROPERTY OWNER'S ASSOCIATION INC 1 PARK PLACE NAPLES ROAD FLETCHER, NC 28732 03-0380531	CONDO ASSOCIATION	NC	N/A	C					No
PORTER AFFILIATED HLTH SERVICES INC DBA DIVERSIFIED AFFILIATED HLTH SVCS 2525 S DOWNING STREET DENVER, CO 80210 84-0956175	HEALTHCARE SERVICES	CO	N/A	C					No
SAN MARCOS REGIONAL MRI INC 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 77-0597968	HOLDING COMPANY	TX	N/A	C					No
THE GARDEN RETIREMENT COMMUNITY INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804 59-3414055	REAL ESTATE RENTAL	FL	N/A	C					No
UNIVERSITY COMMUNITY HEALTH INSURANCE COMPANY SPC LTD (11-32813) C/O AON INSURANCE MANAGERS PO BOX GRAND CAYMAN CJ	CAPTIVE INSURANCE	CJ	N/A	C					No
UCH SERVICES INC (11-61213) 3100 EAST FLETCHER AVE TAMPA, FL 33613 59-3508454	MANAGEMENT COMPANY	FL	N/A	C					No
WINTER PARK MEDICAL OFFICE BUILDING I CONDO ASSOC INC 200 LAKEMONT AVE WINTER PARK, FL 32792 45-2228478	PHYSICIAN CLINICS	FL	N/A	C					No

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
FOUNDATION FOR SHAWNEE MISSION MEDICAL CENTER INC	C	2,740,930	ACTUAL AMOUNT RECEIVED
FOUNDATION FOR SHAWNEE MISSION MEDICAL CENTER INC	B	1,053,655	COST
FOUNDATION FOR SHAWNEE MISSION MEDICAL CENTER INC	Q	283,092	COST
ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORP	B	2,160,093	ACTUAL AMOUNT GIVEN
ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORP	M	2,985,551	% OF FACILITY'S OPERATING EXPENSE
ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORP DBA AHS IS	M	10,827,201	% OF FACILITY'S OPERATING EXPENSE
ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORP	P	10,461,894	COST
ADVENTIST HEALTH SYSTEMSUNBELT INC	M	1,298,393	% OF FACILITY'S EHR REVENUE
ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORP	C	111,175	AMOUNT RECEIVED

Adventist Health System

Audited Consolidated Financial Statements

December 31, 2013

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Consolidated Balance Sheets

December 31, 2013 and 2012

(dollars in thousands)	2013	2012
ASSETS		
Current Assets		
Cash and cash equivalents	$ 966,141	$ 654,893
Investments (including investments pledged under securities lending program of $20,154 in 2013 and $3,000 in 2012)	3,514,606	3,285,606
Current portion of assets whose use is limited	240,087	216,767
Collateral held under securities lending program	20,619	3,060
Patient accounts receivable, less allowance for uncollectible accounts of $264,870 in 2013 and $217,832 in 2012	345,133	311,406
Estimated settlements from third parties	39,349	35,640
Other receivables	349,098	332,116
Inventories	157,657	153,614
Prepaid expenses and other current assets	78,744	73,257
	5,711,434	5,066,359
Property and Equipment	4,872,811	4,661,206
Assets Whose Use is Limited, net of current portion	605,611	419,908
Other Assets	518,438	497,622
	$ 11,708,294	$ 10,645,095
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	$ 771,260	$ 701,427
Estimated settlements to third parties	229,487	177,917
Payable under securities lending program	20,619	3,060
Other current liabilities	219,304	169,880
Short-term financings	108,324	136,945
Current maturities of long-term debt	75,882	88,089
	1,424,876	1,277,318
Long-Term Debt, net of current maturities	3,400,199	3,050,405
Other Noncurrent Liabilities	562,811	561,465
	5,387,886	4,889,188
Net Assets		
Unrestricted		
Controlling interest	6,105,853	5,549,868
Noncontrolling interests	39,841	39,761
	6,145,694	5,589,629
Temporarily restricted – controlling interest	174,714	166,278
	6,320,408	5,755,907
Commitments and Contingencies		
	$ 11,708,294	$ 10,645,095

The accompanying notes are an integral part of these consolidated financial statements

Consolidated Statements of Operations and Changes in Net Assets

For the years ended December 31, 2013 and 2012

(dollars in thousands)	2013	2012
Revenue		
Patient service revenue	$ 7,666,256	$ 7,345,338
Provision for bad debts	(426,710)	(330,877)
Net patient service revenue	7,239,546	7,014,461
EHR incentive payments	38,944	57,982
Other	319,309	274,154
Total operating revenue	7,597,799	7,346,597
Expenses		
Employee compensation	3,678,015	3,524,445
Supplies	1,334,264	1,311,364
Professional fees	481,061	442,094
Purchased services	487,934	471,778
Other	550,272	522,269
Interest	132,154	146,524
Depreciation and amortization	433,720	415,653
Total operating expenses	7,097,420	6,834,127
Income from Operations	500,379	512,470
Nonoperating Gains (Losses)		
Investment income	79,781	77,213
Change in fair value of interest rate swaps	–	289
Loss from early extinguishment of debt	(1,919)	(82,186)
Total nonoperating gains (losses)	77,862	(4,684)
Excess of revenue and gains over expenses and losses	578,241	507,786
Less: Deficiency (excess) of revenue and gains over expenses and losses attributable to noncontrolling interests	577	(2,828)
Excess of Revenue and Gains over Expenses and Losses Attributable to Controlling Interest	578,818	504,958

Continued on following page

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

For the years ended December 31, 2013 and 2012

(dollars in thousands)	2013	2012
CONTROLLING INTEREST		
Unrestricted Net Assets		
Excess of revenue and gains over expenses and losses	$ 578.818	$ 504.958
Change in unrealized gains and losses on investments	(91.423)	22.631
Change in fair value of cash flow hedges	–	(1.544)
Accumulated derivative losses related to terminated cash flow hedges reclassified into loss on extinguishment of debt	1.613	73.544
Accumulated derivative losses reclassified into excess of revenue and gains over expenses and losses	11.352	10.028
Net assets released from restrictions for purchase of property and equipment	22.322	15.287
Pension-related changes other than net periodic pension cost	24.137	(27.397)
Other	9.166	932
Increase in unrestricted net assets	555.985	598.439
Temporarily Restricted Net Assets		
Investment income	2.447	2.909
Gifts and grants	36.411	31.081
Net assets released from restrictions for purchase of property and equipment or use in operations	(38.107)	(28.032)
Other	7.685	3.404
Increase in temporarily restricted net assets	8.436	9.362
NONCONTROLLING INTERESTS		
Unrestricted Net Assets		
(Deficiency) excess of revenue and gains over expenses and losses	(577)	2.828
Distributions	(1.613)	(1.240)
Other	2.270	360
Increase in noncontrolling interests	80	1.948
Increase in Net Assets	564.501	609.749
Net assets, beginning of year	5.755.907	5.146.158
Net assets, end of year	$ 6.320.408	$ 5.755.907

The accompanying notes are an integral part of these consolidated financial statements

Consolidated Statements of Cash Flows

For the years ended December 31, 2013 and 2012

(dollars in thousands)	2013	2012
Operating Activities	$ 1,153,648	$ 978,176
Investing Activities		
Purchases of property and equipment, net	(652,363)	(657,310)
Sales and maturities of investments	18,618,004	13,558,555
Purchases of investments	(18,931,976)	(14,283,195)
Sales and maturities of assets whose use is limited	407,222	527,351
Purchases of assets whose use is limited	(444,696)	(566,461)
Additional purchases of assets whose use is limited from borrowings	(178,000)	–
(Increase) decrease in collateral held under securities lending program	(17,559)	8,432
Net proceeds from sale of controlling interest in a subsidiary	–	9,794
Increase in other assets	(11,147)	(27,154)
	(1,210,515)	(1,429,988)
Financing Activities		
Repayments of long-term borrowings	(152,552)	(1,092,639)
Additional long-term borrowings	494,676	1,019,465
Repayments of short-term borrowings	(30,700)	(54,031)
Additional short-term borrowings	2,079	20,000
Payment of deferred financing costs	(1,805)	(6,593)
Increase (decrease) in payable under securities lending program	17,559	(8,432)
Restricted gifts and grants and investment income	38,858	33,990
	368,115	(88,240)
Increase (Decrease) in Cash and Cash Equivalents	311,248	(540,052)
Cash and cash equivalents at beginning of year	654,893	1,194,945
Cash and Cash Equivalents at End of Year	$ 966,141	$ 654,893
Operating Activities		
Increase in net assets	$ 564,501	$ 609,749
Provision for bad debts	426,710	330,877
Depreciation	429,346	412,004
Amortization of intangible assets	4,374	3,649
Amortization of deferred financing costs and original issue discounts and premiums	(2,103)	(1,217)
Loss on extinguishment of debt, excluding reclassification of accumulated derivative loss	306	8,642
Change in unrealized gains and losses on investments	91,423	(22,631)
Change in fair value of interest rate swaps	–	1,255
Restricted gifts and grants and investment income	(38,858)	(33,990)
Income from unconsolidated entities	(28,960)	(24,790)
Distributions from unconsolidated entities	14,178	14,649
Pension-related changes other than net periodic pension cost	(24,137)	27,397
Changes in operating assets and liabilities		
Patient accounts receivable	(460,437)	(289,036)
Other receivables	(16,982)	(19,513)
Other current assets	1,882	(35,434)
Accounts payable and accrued liabilities	69,637	44,075
Estimated settlements to third parties	47,861	7,720
Other current liabilities	49,424	22,249
Other noncurrent liabilities	25,483	(77,479)
	$ 1,153,648	$ 978,176

The accompanying notes are an integral part of these consolidated financial statements

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

1. Significant Accounting Policies

Reporting Entity

Adventist Health System Sunbelt Healthcare Corporation d/b/a Adventist Health System (Healthcare Corporation) is a not-for-profit healthcare corporation that operates and controls hospitals, nursing homes and philanthropic foundations (referred to herein collectively as the System) The affiliated hospitals, nursing homes and philanthropic foundations are operated or controlled through their by-laws, governing board appointments or operating agreements by Healthcare Corporation The System's 43 hospitals, 16 nursing homes and philanthropic foundations operate in 10 states – Colorado, Florida, Georgia, Illinois, Kansas, Kentucky, North Carolina, Tennessee, Texas and Wisconsin

Healthcare Corporation and the System are collectively controlled by the Lake Union Conference of Seventh-day Adventists, the Mid-America Union Conference of Seventh-day Adventists, the Southern Union Conference of Seventh-day Adventists and the Southwestern Union Conference of Seventh-day Adventists

SunSystem Development Corporation (Foundation) is a charitable foundation operated by the System for the benefit of the hospitals that are divisions or controlled affiliates of Healthcare Corporation The board of directors is appointed by the board of directors of the System The Foundation is involved in philanthropic activities

Mission

The System exists solely to improve and enhance our local communities that we serve in harmony with Christ's healing ministry All financial resources and excess of revenue and gains over expenses and losses are used to benefit the communities in the areas of patient care, research, education, community service and capital reinvestment

Specifically, the System provides

Benefit to the underprivileged, by offering services free of charge or deeply discounted to those who cannot pay, and by supplementing the unreimbursed costs of the government's Medicaid assistance program

Benefit to the elderly, as provided through governmental Medicare funding, by subsidizing the unreimbursed costs associated with this care

Benefit to the community's overall health and wellness through clinics and primary care services, health education and screenings, in-kind donations, extended education and research

Benefit to the faith-based and spiritual needs of the community in accordance with our mission of extending the healing ministry of Christ

Benefit to the community's infrastructure by investing in capital improvements to ensure the facilities and technology provide the best possible care to the community

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Adventist Health System/Sunbelt, Inc (Sunbelt), the Foundation and other affiliated organizations that are controlled by Healthcare Corporation Any subsidiary or other

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

operations owned and controlled by divisions or controlled affiliates of Healthcare Corporation are included in these consolidated financial statements Investments in entities where Healthcare Corporation does not have operating control are recorded under the equity or cost method of accounting Income from unconsolidated entities is included in other operating revenue in the accompanying consolidated statements of operations and changes in net assets All significant intercompany accounts and transactions have been eliminated in consolidation

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes Actual results could differ from those estimates

Recent Accounting Pronouncements

In December 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No 2011-11, *Disclosures about Offsetting Assets and Liabilities* (ASU 2011-11), an amendment to the accounting guidance for disclosure of offsetting assets and liabilities In January 2013, the FASB issued ASU No 2013-01, *Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities* (ASU 2013-01) These ASUs expand the disclosure requirements in that entities will be required to disclose both gross and net information about instruments and transactions eligible for offset in the balance sheet This new guidance was effective for annual reporting periods beginning on or after January 1, 2013 The adoption of this standard did not have an impact on the System's consolidated financial statements

Net Patient Service Revenue, Patient Accounts Receivable and Allowance for Uncollectible Accounts

The System's patient acceptance policy is based on its mission statement and its charitable purposes Accordingly, the System accepts patients in immediate need of care, regardless of their ability to pay Patient service revenue is reported at estimated net realizable amounts for services rendered The System recognizes patient service revenue associated with patients who have third-party payor coverage on the basis of contractual rates for the services rendered For uninsured patients that do not qualify for charity care, revenue is recognized on the basis of discounted rates in accordance with the System's policy

Patient service revenue is reduced by the provision for bad debts and accounts receivable are reduced by an allowance for uncollectible accounts These amounts are based on management's assessment of historical and expected net collections for each major payor source, considering business and economic conditions, trends in healthcare coverage and other collection indicators Management regularly reviews collections data by major payor sources in evaluating the sufficiency of the allowance for uncollectible accounts On the basis of historical experience, a significant portion of the System's self-pay patients will be unable or unwilling to pay for the services provided Thus, the System records a significant provision for bad debts in the period services are provided related to self-pay patients The System's allowance for uncollectible accounts for self-pay patients was 97% of self-pay accounts receivable as of December 31, 2013 and 2012 For receivables associated with patients who have third-party coverage, the System analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for bad debts, if

For the years ended December 31, 2013 and 2012 (dollars in thousands)

necessary. Accounts receivable are written off after collection efforts have been followed in accordance with the System's policies.

For all patients other than charity patients, patient service revenue, net of contractual allowances and self-pay discounts and before the provision for bad debts, recognized from major payor sources is as follows:

	Year Ended December 31	
	2013	2012
Third-party payors, net of contractual allowances	$7,240,083	$6,977,094
Self-pay patients, net of discounts	426,173	368,244
	$7,666,256	$7,345,338

The System has not experienced significant changes in write-off trends and has not changed its self-pay discount or charity care policy for the years ended December 31, 2013 or 2012.

The System has determined, based on an assessment at the reporting-entity level, that services are provided prior to assessing the patient's ability to pay and as such, the entire provision for bad debts is recorded as a deduction from patient service revenue in the accompanying consolidated statements of operations and changes in net assets.

Third-Party Reimbursement Arrangements

Revenue from the Medicare and Medicaid programs represents approximately 31% and 33% of the System's patient service revenue for the years ended December 31, 2013 and 2012, respectively. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Other than the accounts receivable related to the Medicare and Medicaid programs, there are no significant concentrations of accounts receivable due from an individual payor at December 31, 2013 and 2012.

The System was a party to a settlement agreement dated April 5, 2012 with the United States Department of Health and Human Services (HHS), the Secretary of HHS and the Centers for Medicare and Medicaid Services (CMS). The System, along with a group of other Medicare providers, had challenged CMS' implementation of the rural floor budget neutrality provision of the Balance Budget Act of 1997, which effectively understated the standard amount paid through the inpatient prospective payment system for a number of years. Under the settlement agreement, the System received $52,769 during the year ended December 31, 2012 and recognized this amount as patient service revenue in the accompanying consolidated statements of operations and changes in net assets. Related professional fees of $5,277 are included in operating expenses for the year ended December 31, 2012 in the accompanying consolidated statements of operations and changes in net assets.

The System is subject to retroactive revenue adjustments due to future audits, reviews and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews and investigations. Adjustments to revenue related to prior periods, excluding amounts received from the 2012 CMS settlement discussed above, increased patient service revenue by approximately $10,600 and $49,500 for the years ended December 31, 2013 and 2012, respectively.

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

Charity Care

As discussed previously, the System's patient acceptance policy is based on its mission statement and its charitable purposes and as such, the System accepts patients in immediate need of care, regardless of their ability to pay. Patients that qualify for charity are provided services for which no payment is due for all or a portion of the patient's bill. Therefore, charity care is excluded from patient service revenue and the cost of providing such care is recognized within operating expenses.

The System estimates the direct and indirect costs of providing charity care by applying a cost to gross charges ratio to the gross uncompensated charges associated with providing charity care to patients. The System also receives certain funds to offset or subsidize charity services provided. These funds are primarily received from uncompensated care programs sponsored by various states, whereby healthcare providers within the state pay into an uncompensated care fund and the pooled funds are then redistributed based on state specific criteria. The cost of providing charity care, amounts paid by the System into uncompensated care funds and amounts received by the System to offset or subsidize charity services are as follows:

	Year Ended December 31	
	2013	2012
Cost of providing charity care	$ 293,770	$ 301,591
Funds paid into trusts (included in other expenses)	$ (128,717)	$ (117,480)
Funds received to offset or subsidize charity services (included in patient service revenue)	89,481	75,744
	$ (39,236)	$ (41,736)

EHR Incentive Payments

The American Recovery and Reinvestment Act of 2009 included provisions for implementing health information technology under the Health Information Technology for Economic and Clinical Health Act. The provisions were designed to increase the use of electronic health record (EHR) technology and establish the requirements for a Medicare and Medicaid incentive payment program beginning in 2011 for eligible providers that adopt and meaningfully use certified EHR technology. Eligibility for annual Medicare incentive payments is dependent on providers demonstrating meaningful use of EHR technology in each period over a four-year period. Initial Medicaid incentive payments are available to providers that adopt, implement or upgrade certified EHR technology. Providers must demonstrate meaningful use of such technology in subsequent years to qualify for additional Medicaid incentive payments.

The System accounts for EHR incentive payments as a gain contingency. Income from Medicare incentive payments is recognized as revenue after the System has demonstrated that it complied with the meaningful use criteria over the entire applicable compliance period and the cost report period that will be used to determine the final incentive payment has ended. The System recognized revenue from Medicaid incentive payments after it adopted certified EHR technology in its first year of participation and demonstrated compliance with the meaningful use criteria over the remaining compliance periods. Incentive payments totaling $38,944 and $57,982 for the years ended December 31, 2013 and 2012, respectively, are included in total operating revenue in the accompanying consolidated statements of operations and changes in net assets. Income from incentive payments is subject to retrospective adjustment as the incentive payments are calculated using Medicare cost report data

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

that is subject to audit Additionally, the System's compliance with the meaningful use criteria is subject to audit by the federal government

Excess of Revenue and Gains over Expenses and Losses

The consolidated statements of operations and changes in net assets include excess of revenue and gains over expenses and losses, which is analogous to income from continuing operations of a for-profit enterprise Changes in unrestricted net assets that are excluded from excess of revenue and gains over expenses and losses, consistent with industry practice, include changes in unrealized gains and losses on certain investments, changes in the fair value of derivative financial instruments that qualify as cash flow hedges, pension-related changes other than net periodic pension costs and 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)

Contributed Resources

Resources restricted by donors for specific operating purposes or a specified time period are held as temporarily restricted net assets until expended for the intended purpose or until the specified time restrictions are met, at which time they are reported as other revenue Resources restricted by donors for additions to property and equipment are held as temporarily restricted net assets until the assets are placed in service, at which time they are reported as transfers to unrestricted net assets Gifts, grants and bequests not restricted by donors are reported as other revenue At December 31, 2013 and 2012, respectively, the System had $174,414 and $166,278 of temporarily restricted net assets that will become available for various programs and capital expenditures at the System's hospitals when time or purpose restrictions are met

Cash Equivalents

Cash equivalents include all highly liquid investments, including certificates of deposit and commercial paper with maturities not in excess of three months when purchased Interest income on cash equivalents is included in investment income

Functional Expenses

The System does not present expense information by functional classification because its resources and activities are primarily related to providing healthcare services Further, since the System receives substantially all of its resources from providing healthcare services in a manner similar to a business enterprise, other indicators contained in the accompanying consolidated financial statements are considered important in evaluating how well management has discharged its stewardship responsibilities

Investments

Investment securities, excluding alternative investments accounted for under the equity method, are recorded at fair value The cost of securities sold is based on the specific identification method Investment income or loss includes realized gains and losses, interest, dividends and certain unrealized gains and losses The investment income or loss on investments that are restricted by donor or law is recorded as increases or decreases to temporarily restricted net assets The System accounts for investment transactions on a settlement-date basis

Management has designated all fixed-income securities as other-than-trading securities and, accordingly, changes in unrealized gains and losses are included in unrestricted net assets The System also has an equity investment portfolio, which includes domestic and foreign investments that are based on various market indices

and include securities such as futures contracts, exchange traded funds and puts Management has designated the securities in this portfolio as trading securities and, accordingly, changes in unrealized gains and losses are included in the excess of revenue and gains over expenses and losses Certain other equity investments, primarily held by the System's foundations, are designated as other than trading and related changes in unrealized gains and losses are included in unrestricted net assets

Alternative Investments – Equity Method
As part of its investment strategy, the System invests in alternative investments (primarily hedge funds) through partnership investment trusts The partnership investment trusts generally contract with managers who have full discretionary authority over the investment decisions The System accounts for its ownership interest in these alternative investments under the equity method Accordingly, the System's share of the hedge funds' income or loss, both realized and unrealized, is recognized as investment income or loss, which is a component of excess of revenue and gains over expenses and losses Alternative investments accounted for using the equity method totaled $447,327 and $602,114 at December 31, 2013 and 2012, respectively, and were classified as investments and assets whose use is limited in the accompanying consolidated balance sheets

Alternative Investments – Fair Value
The System has a wholly-owned subsidiary, AHS–K2 Alternatives Portfolio, Ltd (Fund) that primarily invests in alternative investments (primarily hedge funds) through partnership investment trusts The Fund is managed by an external investment manager (Manager) in accordance with the investment guidelines contained within the limited liability company agreement

The strategies of the underlying funds held by the Fund, as of December 31, 2013 and 2012, are described below

Commodity The underlying funds trade in agricultural, metal and energy markets at various stages in the commodity cycle

Event Driven The underlying funds focus on identifying and analyzing securities that may benefit from the occurrence of specific corporate events

Global Macro The underlying funds invest in products that may benefit from overall economic and political views of various countries

Insurance The underlying funds invest across instruments, the value of which is driven by insurance related events primarily related to property and life insurance Risk is managed by diversifying over geography, insurance type and sensitivity to insured losses among other factors The strategy is a tool to reduce overall investment risk as underlying insurance risk factors are less sensitive to general market factors

Long Short The underlying funds invest both long and short, primarily in common stocks, based on the manager's perception of such securities being undervalued or overvalued in the market Some of the managers may specialize in specific sectors or industries

Multi-strategy The underlying funds invest in multiple strategies to diversify risks and reduce volatility

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

Relative Value The underlying funds utilize non-directional strategies Relative value investing involves trading around the mispricing of two related securities using various types of securities or instruments

Specialist Credit The underlying funds seek to generate superior risk-adjusted returns from a combination of capital appreciation and current income by opportunistically investing and trading in a diversified portfolio of credit-related securities and other instruments

Structured Credit The underlying funds invest across structured credit markets including agency and non-agency residential mortgage-backed securities, commercial mortgage-backed securities and asset-backed securities

The Fund follows the Financial Services–Investment Companies Topic of the Accounting Standards Codification (ASC) (ASC 946), which requires that the investments in the underlying funds be recorded at fair value The fair value of the underlying hedge funds is determined in good faith by the Manager in accordance with GAAP and generally represents the Fund's proportionate share of the net assets of the underlying funds as reported by the managers Unrealized appreciation and depreciation resulting from valuing the underlying funds is recognized as investment income or loss, which is a component of excess of revenue and gains over expenses and losses

The Fund follows the Fair Value Measurement Topic of the ASC (ASC 820) for estimating the fair value of the underlying funds that have calculated a net asset value (NAV) per share in accordance with ASC 946 Accordingly, the Fund uses NAV as reported by the managers as a practical expedient to determine the fair value of those underlying funds that do not have a readily determinable fair value and either have the attributes of an investment company or prepare their financial statements consistent with the measurement principles of an investment company As of December 31, 2013 and 2012, the fair value of all underlying funds has been determined using the NAV of the underlying funds

The Manager uses its best judgment in estimating the fair value of these investments As there are inherent limitations in any estimation technique, the fair value estimates presented herein are not necessarily indicative of an amount that could be realized in an actual transaction and the differences could be material

Alternative investments accounted for at fair value totaled $248,569 and $211,164 as of December 31, 2013 and 2012, respectively, and were classified as investments and assets whose use is limited in the accompanying consolidated balance sheets

Lock-up Provisions At December 31, 2013, certain funds cannot currently be redeemed because the funds include restrictions that do not allow for redemption in the first 12 months after investment These restrictions are referred to as lock-ups At December 31, 2013, underlying funds with lock-up provisions expiring by January 31, 2014 totaled $1,095 Certain other underlying funds may charge a withdrawal fee ranging from 2% to 5% if the Fund liquidates its investment prior to the expiration of the lock-up periods At December 31, 2013, these underlying funds totaling $35,807 have lock-up provisions that expire through July 31, 2014 The remaining funds totaling $211,667 have no such restrictions

Redemption Terms Upon the expiration of lock-up provisions, the Fund has the ability to liquidate its investments periodically in accordance with the provisions of

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

the respective agreements with the underlying funds. The underlying funds have either monthly, quarterly or annual redemption terms. Certain funds with quarterly redemption terms allow redemptions of up to 25% of the investment each quarter and as such, a period of 12 months would be required to fully redeem these investments.

Certain agreements may also allow the underlying fund to temporarily suspend redemptions or place other temporary restrictions, such as gate provisions or side pockets. Investments that cannot be fully redeemed within 90 days or less due to lock-up provisions and redemption terms totaled $65,033 and $70,299 as of December 31, 2013 and 2012, respectively.

Assets Whose Use is Limited

Certain of the System's investments are limited as to use through board resolution, by provisions of contractual arrangements, under the terms of bond indentures or under the terms of other trust agreements. These investments are classified as assets whose use is limited in the accompanying consolidated balance sheets. Interest and dividend income and realized gains and losses on assets whose use is limited are reported as investment income within nonoperating gains (losses) in the accompanying statements of operations and changes in net assets.

Securities Lending Program

The System participates in securities lending transactions with the custodian of its investments, whereby a portion of its investments is loaned to certain brokerage firms in return for cash and securities from the brokers as collateral for the investments loaned, usually on a short-term basis. Collateral provided by brokers is maintained at levels approximating 102% of the fair value of the securities on loan and is adjusted for daily market fluctuations. The fair value of collateral held for loaned securities is reported as collateral held under securities lending program, with a corresponding obligation reported for repayment of such collateral upon settlement of the lending transaction.

Derivative Financial Instruments

The System accounts for its derivative financial instruments as required by the Derivative and Hedging Topic of the ASC (ASC 815) and the Health Care Entities Derivative and Hedging Topic of the ASC (ASC 954-815), which requires that not-for-profit healthcare entities apply the provisions of ASC 815 in the same manner as for-profit enterprises.

Sale of Patient Accounts Receivable

The System and certain of its member affiliates maintain a program (Program) for the continuous sale of certain patient accounts receivable to the Highlands County, Florida, Health Facilities Authority (Highlands) on a nonrecourse basis. Highlands has partially financed the purchase of the patient accounts receivable through the issuance of tax-exempt, variable-rate bonds (Bonds). During 2012, Highlands refinanced the Bonds through a private placement of variable-rate bonds with a mandatory tender in February 2017 and a final maturity in November 2027. As of December 31, 2013 and 2012, Highlands had $409,600 and $410,000, respectively, of Bonds outstanding.

As of December 31, 2013 and 2012, the estimated net realizable value, as defined in the underlying agreements, of patient accounts receivable sold by the System and removed from the accompanying consolidated balance sheets was $700,128 and $675,966, respectively. The patient accounts receivable sold consist primarily of amounts due from government programs and commercial insurers. The proceeds received from Highlands consist of cash from the Bonds, a note on a subordinated

basis with the Bonds and a note on a parity basis with the Bonds. The note on a subordinated basis with the Bonds is in an amount to provide the required over-collateralization of the Bonds and was $115,528 and $115,641 at December 31, 2013 and 2012, respectively. The note on a parity basis with the Bonds is the excess of eligible accounts receivable sold over the sum of cash received and the subordinated note and was $175,000 and $150,325 at December 31, 2013 and 2012, respectively. These notes are included in other receivables (current) in the accompanying consolidated balance sheets. Due to the nature of the patient accounts receivable sold, collectability of the subordinated and parity notes is not significantly impacted by credit risk.

Inventories

Inventories (primarily pharmaceuticals and medical supplies) are stated at the lower of cost or market using the first-in, first-out method of valuation.

Property and Equipment

Property and equipment are reported on the basis of cost, except for donated items, which are recorded at fair value at the date of the donation. Expenditures that materially increase values, change capacities or extend useful lives are capitalized. Depreciation is computed primarily utilizing the straight-line method over the expected useful lives of the assets. Amortization of capitalized leased assets is included in depreciation expense and allowances for depreciation.

Goodwill

Goodwill represents the excess of the purchase price and related costs over the value assigned to the net tangible and identifiable intangible assets of the businesses acquired. These amounts are included in other assets (noncurrent) in the accompanying consolidated balance sheets and are evaluated annually for impairment or when there is an indicator of impairment. Based on a quantitative assessment of each reporting unit, there was no impairment to goodwill recorded during the year ended December 31, 2013.

Deferred Financing Costs

Direct financing costs are included in other assets (noncurrent) and deferred and amortized over the remaining lives of the financings using the effective interest method.

Interest in the Net Assets of Unconsolidated Foundations

Interest in the net assets of unconsolidated foundations represents contributions received on behalf of the System or its member affiliates by independent fund-raising foundations. As the System cannot influence the foundations to the extent that it can determine the timing and amount of distributions, the System's interest in the net assets of the foundations are included in other assets (noncurrent) and changes in that interest are included in temporarily restricted net assets.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or business conditions indicate the carrying amount of such assets may not be fully recoverable. Initial assessments of recoverability are based on estimates of undiscounted future net cash flows associated with an asset or group of assets. Where impairment is indicated, the carrying amount of these long-lived assets is reduced to fair value based on discounted net cash flows or other estimates of fair value.

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

Bond Discounts and Premiums

Bonds payable, including related original issue discounts and/or premiums, are included in long-term debt Discounts and premiums are being amortized over the life of the bonds using the effective interest method

Income Taxes

Healthcare Corporation and its affiliated organizations, other than North American Health Services, Inc and its subsidiaries (NAHS), are exempt from state and federal income taxes Accordingly, Healthcare Corporation and its tax-exempt affiliates are not subject to federal, state, or local income taxes except for any net unrelated business taxable income For the years ended December 31, 2013 and 2012, unrelated business income activities conducted by Healthcare Corporation and its tax-exempt affiliates did not generate a material amount of combined federal, state and local income tax

NAHS is a wholly owned, for-profit subsidiary of Healthcare Corporation NAHS and its subsidiaries are subject to federal and state income taxes NAHS files a consolidated federal income tax return and, where appropriate, consolidated state income tax returns For the years ended December 31, 2013 and 2012, NAHS generated taxable income of approximately $500 and $2,100, respectively This taxable income was fully offset by net operating loss carryforwards for federal income tax purposes Although one state in which NAHS conducts business has suspended the utilization of net operating loss carryforwards for the year ended December 31, 2013, no material state income tax liability resulted Accordingly, there is no provision for current federal or state income tax for the years ended December 31, 2013 and 2012

NAHS also has temporary deductible differences of approximately $65,000 and $64,800 at December 31, 2013 and 2012, respectively, primarily as a result of net operating loss carryforwards At December 31, 2013, NAHS had net operating loss carryforwards of approximately $64,200, of which $21,000 will expire in 2023, with the remaining $43,200 expiring beginning in 2018 through 2026 Some of these net operating losses are subject to the separate return limitation year rules Deferred taxes have been provided for these amounts, resulting in a net deferred tax asset of approximately $24,700 and $24,600 at December 31, 2013 and 2012, respectively A full valuation allowance has been provided at December 31, 2013 and 2012, respectively, to offset the deferred tax asset since Healthcare Corporation has determined that it is more likely than not that the benefit of the net operating loss carryforwards will not be realized in future years

The Income Taxes Topic of the ASC (ASC 740) prescribes the accounting for uncertainty in income tax positions recognized in financial statements ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return There were no material uncertain tax positions as of December 31, 2013 and 2012

Reclassifications

Certain reclassifications were made to the 2012 consolidated financial statements to conform to the classifications used in 2013 These reclassifications had no impact on the consolidated excess of revenue and gains over expenses and losses and changes in net assets previously reported

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

2. Sale of Controlling Interest in a Subsidiary

Effective May 1, 2012 (transaction date), the System sold a 51% membership interest in its Fort Worth, Texas hospital (Hospital) to an unrelated health system located in the North Texas market. The transaction was accounted for as a deconsolidation under ASC 810, as the System ceased holding a controlling interest in the Hospital as of the transaction date. The System continues to manage the Hospital and accounts for its remaining ownership as an equity method investment. Consideration received for the sale consisted of cash and certain intangible assets.

During the period in which the Hospital was consolidated, total operating revenue included in the accompanying consolidated statements of operations and changes in net assets was $56,880 for the year ended December 31, 2012.

3. Investments and Assets Whose Use is Limited

Investments

Investments are comprised of the following:

	December 31	
	2013	2012
Other than trading portfolio		
Fixed-income instruments		
U.S. government agencies and sponsored entities	$ 2,343,340	$ 2,247,645
Corporate bonds	198,017	115,719
Residential mortgage-backed	62,962	69,832
Commercial mortgage-backed	174,758	75,165
Collateralized debt obligations	60,541	24,177
Student loan asset-backed	13,738	16,552
Accrued interest	13,761	11,100
	2,867,117	2,560,190
Equity instruments		
Domestic	5,019	4,892
Foreign	948	964
	5,967	5,856
Trading portfolio		
Domestic equity index securities	37,492	–
	37,492	–
Alternative investments – fair value		
Commodity	7,844	–
Event driven	24,619	14,933
Global macro	16,649	16,083
Insurance	17,359	21,306
Long/short	73,303	46,688
Relative value	9,865	9,669
Specialist credit	9,951	12,441
Structured credit	22,851	32,022
	182,441	153,142
Alternative investments – equity method	421,589	566,418
	$ 3,514,606	$ 3,285,606

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

Assets Whose Use is Limited

Assets whose use is limited is comprised of the following

	December 31 2013	2012
Other than trading portfolio		
Fixed-income instruments		
U S government agencies and sponsored entities	$ 360,528	$ 396,035
Corporate bonds	15,459	12,309
Residential mortgage-backed	2,686	2,289
Commercial mortgage-backed	5,311	3,498
Collateralized debt obligations	1,475	1,041
Student loan asset-backed	661	1,793
Accrued interest	1,756	1,770
	387,876	418,735
Equity instruments		
Domestic	7,128	13,086
Foreign	862	3,674
	7,990	16,760
Trading portfolio		
Domestic equity index securities	11,292	–
Foreign equity index securities	1,343	–
	12,635	–
Alternative investments – fair value		
Commodity	2,843	–
Event driven	8,923	5,658
Global macro	6,035	6,094
Insurance	6,292	8,072
Long/short	26,569	17,689
Relative value	3,576	3,663
Specialist credit	3,607	4,714
Structured credit	8,283	12,132
	66,128	58,022
Alternative investments – equity method	25,738	35,696
Cash and cash equivalents	345,331	107,462
	$ 845,698	$ 636,675

Assets whose use is limited include investments held by bond trustees to fund capital expenditures and debt service, investments held under other trust agreements and investments designated by boards for employee retirement plans and capital expenditures Amounts to be used for the payment of current liabilities are classified as current assets

Indenture requirements of tax-exempt financings by the System provide for the establishment and maintenance of various accounts with trustees These arrangements require the trustee to control the expenditure of debt proceeds, as well as the payment of interest and the repayment of debt to bondholders Medical malpractice trust funds are set aside to provide funds for settling estimated medical malpractice claims

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

A summary of the major limitations as to the use of these assets consists of the following

	December 31 2013	2012
Investments held by bond trustees		
Construction funds	$ 178,876	$ –
Required bond funds	8,938	9,893
	187,814	9,893
Malpractice trust funds	403,716	356,130
Employee benefits funds	161,847	159,649
Board designated funds for capital expenditures	18,408	54,853
Other	73,913	56,150
	845,698	636,675
Less amounts to pay current liabilities	(240,087)	(216,767)
	$ 605,611	$ 419,908

Investment Income and Unrealized Gains and Losses

Investment income from cash and cash equivalents, investments and assets whose use is limited amounted to $79,781 and $77,213 for the years ended December 31, 2013 and 2012, respectively, and consisted of the following

	Year Ended December 31 2013	2012
Interest and dividend income	$ 43,663	$ 33,285
Net realized and unrealized gains/losses	26,834	17,783
The System's share of income from alternative investments – equity method	9,284	26,145
	$ 79,781	$ 77,213

Changes in unrealized gains and losses that are included as a (reduction of) increase to unrestricted net assets in the accompanying consolidated statements of operations and changes in net assets totaled $(91,423) and $22,631 for 2013 and 2012, respectively

At December 31, 2013 and 2012, the total fair value of investments and assets whose use is limited, excluding alternative investments, amounted to $3,648,891 and $3,096,133, respectively The net unrealized losses associated with these holdings were $68,744 at December 31, 2013, which is comprised of gross unrealized gains of $20,663 and gross unrealized losses of $89,407 The net unrealized gains associated with these holdings were $22,679 at December 31, 2012, which is comprised of gross unrealized gains of $32,886 and gross unrealized losses of $10,207

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

The following tables summarize the unrealized losses on investments and assets whose use is limited

	December 31, 2013			
	Unrealized Losses			
	Greater than 12 Months	Less than 12 Months	Total	Fair Value of Loss Holdings
Fixed-income instruments				
U S government agencies and sponsored entities	$ 17,788	$ 64,235	$ 82,023	$1,870,118
Corporate bonds	404	1,349	1,753	106,118
Residential mortgage-backed	625	917	1,542	46,074
Commercial mortgage-backed	848	3,023	3,871	134,486
Collateralized debt obligations	–	4	4	5,245
Student loan asset-backed	–	25	25	3,943
	19,665	69,553	89,218	2,165,984
Equity instruments				
Domestic	138	47	185	2,275
Foreign	3	1	4	80
	141	48	189	2,355
	$ 19,806	$ 69,601	$ 89,407	$2,168,339

	December 31, 2012			
	Unrealized Losses			
	Greater than 12 Months	Less than 12 Months	Total	Fair Value of Loss Holdings
Fixed-income instruments				
U S government agencies and sponsored entities	$ 4,389	$ 4,664	$ 9,053	$ 680,916
Corporate bonds	2	35	37	11,971
Residential mortgage-backed	685	2	687	6,641
Commercial mortgage-backed	173	124	297	24,134
	5,249	4,825	10,074	723,662
Equity instruments				
Domestic	96	23	119	1,494
Foreign	14	–	14	231
	110	23	133	1,725
	$ 5,359	$ 4,848	$ 10,207	$ 725,387

Management has evaluated the investments with unrealized losses and has concluded that none of the above losses should be considered other-than-temporary as of December 31, 2013 and 2012. Management does not intend to sell

For the years ended December 31, 2013 and 2012 (dollars in thousands)

the investments and it is not more likely than not that the System will be required to sell the investments before recovery of their amortized cost. Factors considered in this evaluation included credit rating information, discussions with external advisors and duration of the investments.

4. Unrestricted Cash and Investments

The System's unrestricted cash and cash equivalents, investments and board designated funds for capital expenditures consists of the following:

	December 31	
	2013	2012
Cash and cash equivalents	$ 966,141	$ 654,893
Investments	3,514,606	3,285,606
Board designated funds for capital expenditures	18,408	54,853
	$ 4,499,155	$3,995,352
Days cash and investments on hand	245	226

Days cash and investments on hand is calculated as unrestricted cash and cash equivalents, investments and certain board designated funds divided by daily operating expenses (excluding depreciation and amortization). The annualized operating expenses of newly constructed facilities are included in the calculations.

5. Property and Equipment

Property and equipment consists of the following:

	December 31	
	2013	2012
Land and improvements	$ 654,033	$ 625,126
Buildings and improvements	4,196,324	3,921,494
Equipment	3,619,591	3,364,202
	8,469,948	7,910,822
Less allowances for depreciation	(3,897,246)	(3,554,431)
	4,572,702	4,356,391
Construction in progress	300,109	304,815
	$ 4,872,811	$ 4,661,206

Certain hospitals have entered into construction contracts or other commitments for which costs have been incurred and included in construction in progress. These and other committed projects will be financed through operations, board designated funds and existing construction funds held by trustees (note 3). The estimated costs to complete these projects approximated $108,900 at December 31, 2013.

During periods of construction, interest costs are capitalized to the respective property accounts. Interest capitalized approximated $6,700 and $7,700 for the years ended December 31, 2013 and 2012, respectively.

For the years ended December 31, 2013 and 2012 (dollars in thousands)

The System capitalizes the cost of acquired software for internal use. Any internal costs incurred in the process of developing and implementing software are expensed or capitalized depending primarily on whether they are incurred in the preliminary project stage, application development stage or post-implementation stage. Capitalized software costs and estimated amortization expense in the tables below exclude software in progress of approximately $43,000 and $16,000 at December 31, 2013 and 2012, respectively.

	December 31	
	2013	2012
Capitalized software costs	$ 178,035	$ 164,869
Less accumulated amortization	(109,087)	(97,258)
Capitalized software costs, net	$ 68,948	$ 67,611

Estimated amortization expense related to capitalized software costs for the next five years and thereafter is as follows:

2014	$ 10,710
2015	9,226
2016	6,943
2017	5,359
2018	4,375
Thereafter	32,335

6. Other Assets

Other assets consists of the following:

	December 31	
	2013	2012
Goodwill	$ 171,078	$ 169,592
Deferred financing costs	21,620	22,359
Notes and loans receivable	69,802	64,380
Interests in net assets of unconsolidated foundations	63,429	56,539
Investments in unconsolidated entities	129,282	113,100
Other noncurrent assets	63,227	71,652
	$ 518,438	$ 497,622

The System's ownership interest and carrying amounts of investments in unconsolidated entities consists of the following:

	Ownership Interest	December 31	
		2013	2012
Texas Health Huguley, Inc. (note 2)	49%	$ 49,290	$ 37,739
Centura Health Corporation	30	37,867	34,061
Takoma Regional Hospital, Inc.	40	7,167	7,857
Other	4% – 50%	34,958	33,443
		$ 129,282	$ 113,100

Income from unconsolidated entities of $28,960 and $24,790 for 2013 and 2012, respectively, is included in other operating revenue in the accompanying consolidated statements of operations and changes in net assets.

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

7. Long-Term Debt

Long-term debt consists of the following

	December 31	
	2013	2012
Fixed-rate hospital revenue bonds, interest rates from 1 06% to 7 25%, payable through 2039	$ 3,095,305	$ 2,728,110
Variable-rate hospital revenue bonds, payable through 2035	300,410	326,231
Capitalized leases payable	34,317	33,321
Other indebtedness	1,361	1,607
Unamortized original issue premium, net	44,688	49,225
	3,476,081	3,138,494
Less current maturities	(75,882)	(88,089)
	$ 3,400,199	$ 3,050,405

Master Trust Indenture

Long-term debt has been issued primarily on a tax-exempt basis Substantially all bonds are secured under a Master Trust Indenture (MTI), which provides for, among other things, the deposit of revenue with the master trustee in the event of certain defaults, pledges of accounts receivable, pledges not to encumber property and limitations on additional borrowings In addition, the MTI requires certain covenants and reporting requirements to be met by the System

Variable-Rate Bonds

Certain variable-rate bonds may be put to the System at the option of the bondholder The variable-rate bond indentures generally provide the System the option to remarket the obligations at the then prevailing market rates for periods ranging from one day to the maturity dates The obligations have been primarily marketed for seven-day periods during 2013, with annual interest rates ranging from 0 02% to 0 40% Additionally, the System paid fees, such as remarketing fees, on variable-rate bonds during 2013 The System has various sources of liquidity in the event any variable-rate bonds are put and not remarketed, including a revolving credit agreement (Revolving Note) In the event variable-rate bonds are put and not remarketed and the Revolving Note were used for liquidity, the System's obligation to the banks would be payable in accordance with the variable-rate bond's original maturities with the remaining amounts due upon expiration of the Revolving Note

The System's Revolving Note is with a syndicate of banks (Syndicate) in the aggregate amount of $1,000,000 for letters of credit, liquidity facilities and general corporate needs, including working capital, capital expenditures and acquisitions The Revolving Note, which expires in November 2015, has certain prime rate and LIBOR-based pricing options At December 31, 2012, $30,000 was outstanding under the Revolving Note, which was classified as short-term financings in the accompanying consolidated balance sheet No amounts were outstanding under the Revolving Note as of December 31, 2013

2013 Debt Transactions

During 2013, the System issued fixed-rate bonds with par amounts totaling $485,000 and maturity dates ranging from 2025 to 2032 The interest rates range from 2 36% to 3 72% through 2029 Beginning in 2030, the interest rate for the remaining balance of $73,350 increases to 7 25% through the maturity date in

For the years ended December 31, 2013 and 2012 (dollars in thousands)

2032 With the proceeds, the System financed or refinanced certain costs of the acquisition, construction, renovations and equipping of certain facilities

2012 Debt Transactions

During 2012, the System completed a debt refinancing plan, whereby a significant portion of its variable-rate bonds were replaced with fixed-rate bonds (Phase I) and its remaining variable-rate bonds supported by letters of credit were replaced with self-liquidity, variable-rate bonds (Phase II) Phase I included the issuance by the System of fixed-rate bonds at a premium with par amounts totaling $500,900, interest rates ranging from 1 06% to 5 00% and maturity dates ranging from 2015 to 2037 Additionally, the System issued fixed-rate bonds with par amounts totaling $249,385 with interest rates ranging from 2 02% to 2 45% through mandatory tender dates from 2021 to 2023 The interest rate on these bonds may be reset at the mandatory tender dates to either a fixed-rate or variable-rate mode The proceeds from these bonds along with other available funds were used to extinguish short-term financings with par amounts totaling $48,200, variable-rate debt obligations with par amounts totaling $546,810 and fixed-rate debt obligations with par amounts totaling $204,660, interest rates ranging from 3 35% to 5 85% and maturity dates ranging from 2015 to 2035 Phase II of the debt refinancing plan was completed during November 2012 with the issuance of variable-rate bonds with par amounts totaling $232,125 with maturity dates through 2035 The proceeds from these bonds along with other available funds were used to extinguish variable-rate debt obligations with par amounts totaling $235,025

In connection with this debt refinancing plan, the System recorded a loss from early extinguishment of debt of $82,186 in the accompanying consolidated statements of operations and changes in net assets for the year ended December 31, 2012 Approximately $73,544 of the loss resulted from the reclassification of accumulated loss related to terminated cash flow hedges (note 8)

Debt Maturities

The following represents the maturities of long-term debt for the next five years and the years thereafter

2014	$ 75,882
2015	82,700
2016	97,598
2017	109,112
2018	123,904
Thereafter	2,942,197

8. Derivative Financial Instruments

Derivatives Designated as Hedging Instruments

In order to manage interest rate risk, the System had entered into interest rate swaps associated with its fixed-rate and variable-rate borrowings For derivative instruments that are designated and qualify as a cash flow hedge (i e , hedging the exposure to variability in expected future cash flows associated with certain of the System's variable-rate borrowings), the effective portion of the gain or loss on the derivative instrument is reported as a component of unrestricted net assets and reclassified into earnings in the same line item (interest expense) associated with the forecasted transaction and in the same period or periods during which the hedged transaction affects excess of revenue and gains over expenses and losses

For the years ended December 31, 2013 and 2012 (dollars in thousands)

During 2012, in connection with an overall debt restructuring plan, the System terminated and cash settled all of its interest rate swap agreements, including its forward-starting interest rate swaps. As such, none of the System's outstanding variable-rate debt had its interest payments designated as a hedged forecasted transaction at December 31, 2013 or 2012.

The changes in the accumulated net derivative loss included in unrestricted net assets associated with the System's cash flow hedges are as follows:

	Year Ended December 31	
	2013	2012
Accumulated net derivative loss included in unrestricted net assets at beginning of year	$ (52,957)	$ (134,985)
Net change associated with current period hedging transactions	–	(1,544)
Net reclassifications into excess of revenue and gains over expenses and losses	12,965	83,572
Accumulated net derivative loss included in unrestricted net assets at end of year	$ (39,992)	$ (52,957)

The accumulated net derivative loss included in unrestricted net assets will be reclassified into earnings in the same periods during which the hedged transaction affects excess of revenue and gains over expenses and losses or in the event it is determined that the original forecasted transactions are not probable of occurring by the end of the originally specified period or within the additional period of time allowed in ASC 815. In connection with the early extinguishment of certain variable-rate bonds (note 7), accumulated losses related to terminated cash flow hedges reclassified into excess of revenue and gains over expenses and losses were $73,544 for the year ended December 31, 2012. The System expects that the amount of net loss existing in unrestricted net assets to be reclassified into excess of revenue and gains over expenses and losses within the next 12 months will be approximately $11,000.

9. Retirement Plans

Defined Contribution Plans

The System participates with other Seventh-day Adventist healthcare entities in a defined contribution retirement plan (Plan) that covers substantially all full-time employees who are at least 18 years of age. The Plan is exempt from the Employee Retirement Income Security Act of 1974 (ERISA). The Plan provides, among other things, that the employer contribute 2.6% of wages, plus additional amounts for very highly paid employees. Additionally, the Plan provides that the employer match 50% of the employee's contributions up to 4% of the contributing employee's wages, resulting in a maximum available match of 2% of the contributing employee's wages each year.

Contributions for the Plan are included in employee compensation in the accompanying consolidated statements of operations and changes in net assets in the amount of $89,503 and $90,098 for the years ended December 31, 2013 and 2012, respectively.

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

Defined Benefit Plan – Multiemployer Plan

Prior to January 1, 1992, certain of the System's entities participated in a multiemployer, noncontributory defined benefit retirement plan, the Seventh-day Adventist Hospital Retirement Plan Trust (Old Plan) administered by the General Conference of Seventh-day Adventists that is exempt from ERISA. The risks of participating in multiemployer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If an entity chooses to stop participating in the multiemployer plan, it may be required to pay the plan an amount based on the underfunded status of the plan, referred to as withdrawal liability.

During 1992, the Old Plan was suspended and the Plan was established. The System, along with the other participants in the Old Plan, may be required to make future contributions to the Old Plan to fund any difference between the present value of the Old Plan benefits and the fair value of the Old Plan assets. Future funding amounts and the funding time periods have not been determined by the Old Plan administrators, however, management believes the impact of any such future decisions will not have a material adverse effect on the System's consolidated financial statements.

The plan assets and benefit obligation data for the Old Plan as of December 31, 2012 is as follows:

Total plan assets	$ 837,236
Actuarial present value of accumulated plan benefits	949,943
Funded status	88.1%

The System did not make contributions to the Old Plan for the years ended December 31, 2013 or 2012.

Notes to Consolidated Financial Statements

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Defined Benefit Plan – Frozen Pension Plans

Certain of the System's entities sponsored noncontributory defined benefit pension plans (Pension Plans). The System froze the Pension Plans in December 2010, such that no new benefits will accrue in the future.

The following table sets forth the remaining combined projected and accumulated benefit obligations and the assets of the Pension Plans at December 31, 2013 and 2012, the components of net periodic benefit costs for the year then ended and a reconciliation of the amounts recognized in the accompanying consolidated financial statements:

	Year Ended December 31	
	2013	2012
Accumulated benefit obligation, end of year	$ 176,979	$ 199,672
Change in projected benefit obligation		
Projected benefit obligation, beginning of year	$ 199,672	$ 171,238
Interest cost	8,183	8,653
Benefits paid	(6,105)	(5,344)
Actuarial (gains) losses	(24,771)	25,125
Projected benefit obligation, end of year	176,979	199,672
Change in plan assets		
Fair value of plan assets, beginning of year	150,164	149,689
Actual return on plan assets	7,406	5,819
Employer contributions	3,500	–
Benefits paid	(6,105)	(5,344)
Fair value of plan assets, end of year	154,965	150,164
Deficiency of fair value of plan assets over projected benefit obligation, included in other noncurrent liabilities	$ (22,014)	$ (49,508)

No plan assets are expected to be returned to the System during the fiscal year ending December 31, 2014.

Included in unrestricted net assets at December 31, 2013 and 2012, are unrecognized actuarial (gains) losses of $(2,739) and $21,398, respectively, which have not yet been recognized in net periodic pension expense. None of the actuarial gains included in unrestricted net assets are expected to be recognized in net periodic pension cost during the year ending December 31, 2014.

Changes in plan assets and benefit obligations recognized in unrestricted net assets include:

	Year Ended December 31	
	2013	2012
Net actuarial (gains) losses	$ (24,081)	$ 27,397
Amortization of net actuarial losses	(56)	–
Total (increase) decrease recognized in unrestricted net assets	$ (24,137)	$ 27,397

For the years ended December 31, 2013 and 2012 (dollars in thousands)

The components of net periodic pension cost were as follows

	Year Ended December 31	
	2013	2012
Interest cost	$ 8,183	$ 8,653
Expected return on plan assets	(8,096)	(8,091)
Recognized net actuarial losses	56	–
Net periodic pension cost	$ 143	$ 562

The assumptions used to determine the benefit obligation and net periodic pension cost for the Pension Plans are set forth below

	Year Ended December 31	
	2013	2012
Used to determine projected benefit obligation		
Weighted-average discount rate	5 06%	4 16%
Used to determine pension cost		
Weighted-average discount rate	4 16%	5 13%
Weighted-average expected long-term rate of return on plan assets	5 50%	5 50%

The Pension Plans' assets are invested in a portfolio designed to protect principal and obtain competitive investment returns and long-term investment growth, consistent with actuarial assumptions, with a reasonable and prudent level of risk Diversification is achieved by allocating funds to various asset classes and investment styles and by retaining multiple investment managers with complementary styles, philosophies and approaches

The Pension Plans' assets are managed solely in the interest of the participants and their beneficiaries The expected long-term rate of return on the Pension Plans' assets is based on historical and projected rates of return for current and planned asset categories in the investment portfolio Assumed projected rates of return for each asset category were selected after analyzing historical experience and future expectations of the returns and volatility for assets of that category using benchmark rates Based on the target allocation among the asset categories, the overall expected rate of return for the portfolio was developed and adjusted for historical and expected experience of active portfolio management results compared to benchmark returns and for the effect of expenses paid from plan assets

The target investment allocation for the Pension Plans is 50% fixed-income and 50% equity securities This allocation is partially achieved through investments in alternative investments that have fixed-income or equity strategies The System maintained this target investment allocation throughout 2013

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

The following table presents the Pension Plans' financial instruments as of December 31, 2013, measured at fair value on a recurring basis by the valuation hierarchy defined in note 12

	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 7,612	$ 7,612	$ –	$ –
Debt securities				
U S government agencies and sponsored entities	19,938	1,919	18,019	–
Corporate bonds	45,165	–	45,165	–
Commercial mortgage-backed	2,772	–	2,772	–
Collateralized debt obligations	11,120	–	11,120	–
Equity securities				
Domestic equities	7,605	7,605	–	–
Foreign equities	4,308	4,308	–	–
Alternative investments				
Commodity	1,523	–	1,523	–
Event driven	4,780	–	3,658	1,122
Global macro	3,232	–	1,558	1,674
Insurance	3,371	–	1,596	1,775
Long short	35,255	–	33,226	2,029
Relative value	1,915	–	1,915	–
Specialist credit	1,933	–	1,926	7
Structured credit	4,436	–	1,775	2,661
Total plan assets	$ 154,965	$ 21,444	$ 124,253	$ 9,268

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

The following table presents the Pension Plans' financial instruments as of December 31, 2012, measured at fair value on a recurring basis by the valuation hierarchy defined in note 12

	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 4,956	$ 4,956	$ –	$ –
Debt securities				
U S government agencies and sponsored entities	29,890	4,230	25,660	–
Corporate bonds	39,755	–	39,755	–
Commercial mortgage-backed	862	–	862	–
Collateralized debt obligations	14,019	–	14,019	–
Equity securities				
Domestic equities	7,170	7,170	–	–
Foreign equities	3,436	3,436	–	–
Alternative investments				
Event driven	3,101	–	1,840	1,261
Global macro	3,340	–	2,707	633
Insurance	4,425	–	1,708	2,717
Long short	27,968	–	26,087	1,881
Relative value	2,008	–	2,008	–
Specialist credit	2,584	–	2,011	573
Structured credit	6,650	–	3,127	3,523
Total plan assets	$ 150,164	$ 19,792	$ 119,784	$ 10,588

Fair value methodologies for Levels 1, 2 and 3 are consistent with the inputs described in note 12

The changes in financial assets classified as Level 3 during the year ended December 31, 2013 were as follows

	Alternative Investments					
	Beginning Balance	Gross Purchases	Gross Sales	Realized Gains (Losses)	Unrealized Gains (Losses)	Ending Balance
Event driven	$ 1,261	$ 200	$ (400)	$ 29	$ 32	$ 1,122
Global macro	633	1,140	–	–	(99)	1,674
Insurance	2,717	–	(750)	(103)	(89)	1,775
Long short	1,881	–	–	–	148	2,029
Specialist credit	573	–	(500)	49	(115)	7
Structured credit	3,523	100	(945)	35	(52)	2,661
	$ 10,588	$ 1,440	$ (2,595)	$ 10	$ (175)	$ 9,268

For the years ended December 31, 2013 and 2012 (dollars in thousands)

The changes in financial assets classified as Level 3 during the year ended December 31, 2012 were as follows

	Alternative Investments					
	Beginning Balance	Purchases (Sales)	Transfers	Realized Gains (Losses)	Unrealized Gains	Ending Balance
Event driven	$ 1,481	$ (624)	$ –	$ 94	$ 310	$ 1,261
Global macro	–	603	–	–	30	633
Insurance	–	339	2,128	–	250	2,717
Long short	–	1,657	–	–	224	1,881
Multi-strategy	1,001	(1,027)	–	(17)	43	–
Specialist credit	1,853	(1,664)	–	268	116	573
Structured credit	–	3,059	–	(191)	655	3,523
	$ 4,335	$ 2,343	$ 2,128	$ 154	$ 1,628	$10,588

The following represents the expected benefit plan payments for the next five years and the five years thereafter

Year ending December 31	
2014	$ 6,654
2015	6,998
2016	7,381
2017	7,903
2018	8,580
2019-2023	52,353

10. Medical Malpractice

The System established a self-insured revocable trust (Trust) that covers the System's subsidiaries and their respective employees for claims within a specified level (Self-Insured Retention) Claims above the Self-Insured Retention are insured by claims-made coverage that is placed with Adhealth Limited, a Bermuda company (Adhealth) Adhealth has purchased reinsurance through commercial insurers for the excess limits of coverage A Self-Insured Retention of $2,000 was established for the year ended December 31, 2001 The Self-Insured Retention was increased to $7,500 and $15,000 effective January 1, 2002 and 2003, respectively, and has remained at $15,000 through December 31, 2013

The Trust funds are recorded in the accompanying consolidated balance sheets as assets whose use is limited in the amount of $403,716 and $356,130 at December 31, 2013 and 2012, respectively The related accrued malpractice claims are recorded in the accompanying consolidated balance sheets as other current liabilities in the amount of $83,125 and $75,742 and as other noncurrent liabilities in the amount of $292,540 and $295,765 at December 31, 2013 and 2012, respectively The related estimated insurance recoveries are recorded as other assets in the amount of $11,251 and $13,875 in the accompanying consolidated balance sheets at December 31, 2013 and 2012, respectively

Management, with the assistance of consulting actuaries, estimated claim liabilities at the present value of future claim payments using a discount rate of 3 75% and 4 25% at December 31, 2013 and 2012, respectively

For the years ended December 31, 2013 and 2012 (dollars in thousands)

11. Commitments and Contingencies

Operating Leases

The System leases certain property and equipment under operating leases. Lease and rental expense was approximately $97,600 and $100,900 for the years ended December 31, 2013 and 2012, respectively, and is included in other expenses in the accompanying consolidated statements of operations and changes in net assets.

The following represents the net future minimum lease payments under noncancelable operating leases for the next five years and the years thereafter:

Year ending December 31	
2014	$ 38,333
2015	36,543
2016	30,822
2017	21,671
2018	11,590
Thereafter	20,079

Compliance with Laws and Regulations

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Compliance with such laws and regulations can be subject to future review and interpretation as well as regulatory actions unknown or unasserted at this time. Management assesses the probable outcome of unresolved litigation and investigations and records contingent liabilities reflecting estimated liability exposure.

As a part of its compliance activities, the System determined that relationships with certain physicians were not in full technical compliance with the Stark Law and elected to make voluntary self-disclosures to the federal government in 2013. The System is engaged in discussions and is fully cooperating with the Department of Justice on this matter. Based on information available to date, management believes that the System has adequately provided for the most likely outcome of the self-disclosure. However, as more information becomes known, it is possible that the estimate could change. As such, assurance cannot be given that the resolution of these matters will not affect the financial condition or operations of the System, taken as a whole.

In addition, certain of the System's affiliated organizations are involved in litigation and other regulatory investigations arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, these matters will be resolved without material adverse effect to the System's consolidated financial statements, taken as a whole.

12. Fair Value Measurements

The System categorizes, for disclosure purposes, assets and liabilities measured at fair value into a three-tier fair value hierarchy. Fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement, which should be determined based on assumptions

that would be made by market participants The three-tier hierarchy prioritizes the inputs used to measure fair value The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement)

Certain of the System's financial assets and liabilities are measured at fair value on a recurring basis, including money market, fixed-income and equity instruments and collateral under the securities lending program The three levels of the fair value hierarchy and a description of the valuation methodologies used for instruments measured at fair value are as follows

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the System has the ability to access

Level 2 – Financial assets and liabilities whose values are based on pricing inputs that are either directly observable or that can be derived or supported from observable data as of the reporting date Level 2 inputs may include quoted prices for similar assets or liabilities in nonactive markets or pricing models whose inputs are observable for substantially the full term of the asset or liability

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both significant to the fair value of the financial asset or liability and are generally less observable from objective sources These inputs may be used with internally developed methodologies that result in management's best estimate of fair value

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

Recurring Fair Value Measurements

The fair value of financial assets measured at fair value on a recurring basis at December 31, 2013, was as follows

	Total	Level 1	Level 2	Level 3
ASSETS				
CASH AND CASH EQUIVALENTS	$ 935,335	$ 935,335	$ –	$ –
INVESTMENTS				
Debt securities				
U.S. government agencies and sponsored entities	2,343,340	–	2,343,340	–
Corporate bonds	198,017	–	198,017	–
Residential mortgage-backed	62,962	–	62,962	–
Commercial mortgage-backed	174,758	–	174,758	–
Collateralized debt obligations	60,541	–	60,541	–
Student loan asset-backed	13,738	–	13,738	–
Equity securities				
Domestic equities	5,019	5,019	–	–
Foreign equities	948	948	–	–
Domestic equity index securities	37,492	37,492	–	–
Alternative investments				
Commodity	7,844	–	7,844	–
Event driven	24,619	–	18,838	5,781
Global macro	16,649	–	8,026	8,623
Insurance	17,359	–	8,219	9,140
Long short	73,303	–	62,855	10,448
Relative value	9,865	–	9,865	–
Specialist credit	9,951	–	9,921	30
Structured credit	22,851	–	9,141	13,710
Total investments	3,079,256	43,459	2,988,065	47,732

For the years ended December 31, 2013 and 2012 (dollars in thousands)

	As of December 31, 2013 (cont.)			
	Total	Level 1	Level 2	Level 3
ASSETS WHOSE USE IS LIMITED				
Cash and cash equivalents	345,331	345,331	–	–
Debt securities				
U.S. government agencies and sponsored entities	360,528	10,645	349,883	–
Corporate bonds	15,459	–	15,459	–
Residential mortgage-backed	2,686	–	2,686	–
Commercial mortgage-backed	5,311	–	5,311	–
Collateralized debt obligations	1,475	–	1,475	–
Student loan asset-backed	661	–	661	–
Equity securities				
Domestic equities	7,128	7,128	–	–
Foreign equities	862	862	–	–
Domestic equity index securities	11,292	11,292	–	–
Foreign equity index securities	1,343	1,343	–	–
Alternative investments				
Commodity	2,843	–	2,843	–
Event driven	8,923	–	6,828	2,095
Global macro	6,035	–	2,909	3,126
Insurance	6,292	–	2,979	3,313
Long short	26,569	–	22,782	3,787
Relative value	3,576	–	3,576	–
Specialist credit	3,607	–	3,596	11
Structured credit	8,283	–	3,314	4,969
Total assets whose use is limited	818,204	376,601	424,302	17,301
Collateral held under securities lending program	20,619	–	20,619	–
	$ 4,853,414	$ 1,355,395	$ 3,432,986	$ 65,033

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

The fair value of financial assets measured at fair value on a recurring basis at December 31, 2012, was as follows:

	Total	Level 1	Level 2	Level 3
ASSETS				
CASH AND CASH EQUIVALENTS	$ 654,893	$ 654,893	$ –	$ –
INVESTMENTS				
Debt securities				
U.S. government agencies and sponsored entities	2,247,645	39,999	2,207,646	–
Corporate bonds	115,719	181	115,538	–
Residential mortgage-backed	69,832	–	69,832	–
Commercial mortgage-backed	75,165	–	75,165	–
Collateralized debt obligations	24,177	–	24,177	–
Student loan asset-backed	16,552	–	16,552	–
Equity securities				
Domestic equities	4,892	4,892	–	–
Foreign equities	964	964	–	–
Alternative investments				
Event driven	14,933	–	8,860	6,073
Global macro	16,083	–	13,036	3,047
Insurance	21,306	–	8,225	13,081
Long short	46,688	–	37,631	9,057
Relative value	9,669	–	9,669	–
Specialist credit	12,441	–	9,683	2,758
Structured credit	32,022	–	15,055	16,967
Total investments	2,708,088	46,036	2,611,069	50,983

For the years ended December 31, 2013 and 2012 (dollars in thousands)

	As of December 31, 2012 (cont.)			
	Total	Level 1	Level 2	Level 3
ASSETS WHOSE USE IS LIMITED				
Cash and cash equivalents	107,462	107,462	–	–
Debt securities				
U.S. government agencies and sponsored entities	396,035	9,421	386,614	–
Corporate bonds	12,309	–	12,309	–
Residential mortgage-backed	2,289	–	2,289	–
Commercial mortgage-backed	3,498	–	3,498	–
Collateralized debt obligations	1,041	–	1,041	–
Student loan asset-backed	1,793	–	1,793	–
Equity securities				
Domestic equities	13,086	13,086	–	–
Foreign equities	3,674	3,674	–	–
Alternative investments				
Event driven	5,658	–	3,357	2,301
Global macro	6,094	–	4,939	1,155
Insurance	8,072	–	3,116	4,956
Long short	17,689	–	14,258	3,431
Relative value	3,663	–	3,663	–
Specialist credit	4,714	–	3,669	1,045
Structured credit	12,132	–	5,704	6,428
Total assets whose use is limited	599,209	133,643	446,250	19,316
Collateral held under securities lending program	3,060	–	3,060	–
	$ 3,965,250	$ 834,572	$ 3,060,379	$ 70,299

The changes in financial assets classified as Level 3 during the year ended December 31, 2013 were as follows:

	Alternative Investments					
	Beginning Balance	Gross Purchases	Gross Sales	Realized Gains (Losses)	Unrealized Gains (Losses)	Ending Balance
Event driven	$ 8,374	$ 1,500	$ (2,830)	$ 200	$ 632	$ 7,876
Global macro	4,202	8,000	–	–	(453)	11,749
Insurance	18,037	–	(5,000)	(374)	(210)	12,453
Long short	12,488	–	–	–	1,747	14,235
Specialist credit	3,803	–	(3,591)	(26)	(145)	41
Structured credit	23,395	1,000	(6,984)	596	672	18,679
	$ 70,299	$10,500	$(18,405)	$ 396	$ 2,243	$65,033

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

The changes in financial assets classified as Level 3 during the year ended December 31, 2012 were as follows

	Alternative Investments					
	Beginning Balance	Gross Purchases (Sales)	Transfers	Realized Gains (Losses)	Unrealized Gains	Ending Balance
Event driven	$ 8,413	$ (2,720)	$ –	$ 622	$ 2,059	$ 8,374
Global macro	–	4,000	–	–	202	4,202
Insurance	–	2,250	14,130	–	1,657	18,037
Long short	–	11,000	–	–	1,488	12,488
Multi-strategy	5,682	(5,852)	–	(116)	286	–
Specialist credit	10,524	(9,269)	–	1,778	770	3,803
Structured credit	–	20,317	–	(1,270)	4,348	23,395
	$ 24,619	$19,726	$14,130	$ 1,014	$ 10,810	$70,299

Transfers between levels are determined as of the beginning of the period, which assumes the investment would be transferred at fair value at the beginning of the reporting period Transfers from Level 2 to Level 3 occurred as a result of changes in the liquidity terms of an underlying fund The revised liquidity terms of the underlying fund now include quarterly redemption terms with a 25% maximum redemption, which does not allow the System the ability to redeem the investment within the near term Generally, the System defines near term as redemption of the entire investment within 90 days or less

Financial assets are reflected in the accompanying consolidated balance sheets as follows

	December 31	
	2013	2012
Cash and cash equivalents measured at fair value	$ 935,335	$ 654,893
Certificates of deposit	30,806	–
Total cash and cash equivalents	$ 966,141	$ 654,893
Investments measured at fair value	$ 3,079,256	$ 2,708,088
Alternative investments accounted for under the equity method	421,589	566,418
Accrued interest	13,761	11,100
Total investments	$ 3,514,606	$ 3,285,606
Assets whose use is limited measured at fair value	$ 818,204	$ 599,209
Alternative investments accounted for under the equity method	25,738	35,696
Accrued interest	1,756	1,770
Total assets whose use is limited	$ 845,698	$ 636,675

The fair values of the securities included in Level 1 were determined through quoted market prices. The fair values of Levels 2 and 3 financial assets were determined as follows:

Cash equivalents, U.S. government agencies and sponsored entities, corporate bonds, residential mortgage-backed, commercial mortgage-backed, collateralized debt obligations and student loan asset-backed – These Level 2 securities were valued through the use of third-party pricing services that use evaluated bid prices adjusted for specific bond characteristics and market sentiment.

Alternative investments – These underlying funds are valued using the NAV as a practical expedient to determine fair value. Several factors are considered in appropriately classifying the underlying funds in the fair value hierarchy. An underlying fund is generally classified as Level 2 if the System has the ability to withdraw its investment with the underlying fund at NAV at the measurement date or within the near term. An underlying fund is generally classified as Level 3 if the System does not have the ability to redeem its investment with the underlying fund at NAV within the near term. Those alternative investments classified as Level 3 as of December 31, 2013 and 2012, were classified as such because they could not be redeemed in the near term.

Collateral held under securities lending program – The System participates in securities lending transactions with the custodian of its investments (program), whereby a portion of its investments is loaned to certain brokerage firms in return for cash or similar debt securities from the brokers as collateral for the investments loaned. Any cash collateral is invested by the System in a securities lending quality trust (SLQT). The fair value of the System's interest in the SLQT is determined by considering its NAV and actual issuances and redemptions of interests in the SLQT. Currently, interests in the SLQT are purchased and redeemed at a constant NAV of $1.00 per unit for daily operational liquidity purposes, although redemptions for certain other purposes, such as termination of the System's participation in the program, may be in-kind. Any collateral in the form of debt securities is valued through the use of third-party pricing services that use evaluated bid prices adjusted for specific bond characteristics and market sentiment.

Other Fair Value Disclosures

The carrying values of accounts receivable, accounts payable, accrued liabilities and payable under the securities lending program are reasonable estimates of their fair values due to the short-term nature of these financial instruments.

The fair values of the System's fixed-rate bonds are estimated using Level 2 inputs based on quoted market prices for those or similar instruments. The estimated fair value of the fixed-rate bonds were approximately $3,219,000 and $2,987,000 as of December 31, 2013 and 2012, respectively. The carrying value of the fixed-rate bonds were approximately $3,095,000 and $2,728,000 as of December 31, 2013 and 2012, respectively. The carrying amount approximates fair value for all other long-term debt (note 7).

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

13. Subsequent Events

The System evaluated events and transactions occurring subsequent to December 31, 2013 through March 11, 2014, the date the accompanying consolidated financial statements were issued. During this period, there were no subsequent events that required recognition in the accompanying consolidated financial statements. Additionally, there were no nonrecognized subsequent events that required disclosure.

14. Fourth Quarter Results of Operations (Unaudited)

The System's operating results for the three months ended December 31, 2013 are presented below:

Revenue	
Patient service revenue	$ 1,961,557
Provision for bad debts	(129,216)
Net patient service revenue	1,832,341
EHR incentive payments	30,135
Other	85,680
Total operating revenue	1,948,156
Expenses	
Employee compensation	928,633
Supplies	351,487
Professional fees	125,672
Purchased services	129,015
Other	121,571
Interest	34,934
Depreciation and amortization	112,248
Total operating expenses	1,803,560
Income from Operations	144,596
Nonoperating Gains	
Investment income	28,915
Gain on early extinguishment of debt	25
Total nonoperating gains	28,940
Excess of revenue and gains over expenses	173,536
Less: Deficiency of revenue and gains over expenses attributable to noncontrolling interests	609
Excess of Revenue and Gains over Expenses Attributable to Controlling Interests	174,145
Other changes in unrestricted net assets, net	36,874
Decrease in temporarily restricted net assets, net	(3,686)
Increase in Net Assets	$ 207,333

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Report of Independent Certified Public Accountants

The Board of Directors
Adventist Health System Sunbelt Healthcare Corporation
d/b/a Adventist Health System

We have audited the accompanying consolidated financial statements of Adventist Health System Sunbelt Healthcare Corporation and Subsidiaries (the System), 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 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 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 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 financial statements are free of material misstatement

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

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

Opinion

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

Ernst & Young LLP

Orlando, Florida
March 11, 2014

Additional Data

Software ID:
Software Version:
EIN: 48-0637331
Name: SHAWNEE MISSION MEDICAL CENTER INC

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
RICHARD REINER CHAIRMAN	2 00 50 00	X						0	1,662,894	59,355
TIMOTHY RODGERS VICE CHAIRMAN	1 00 0 00	X						0	0	0
THOMAS LEMON VICE CHAIRMAN	1 00 0 00	X						0	0	0
KENNETH BACON CEO/TRUSTEE	50 00 1 00	X		X				0	518,014	89,803
RONALD CARLSON TRUSTEE	1 00 0 00	X						0	0	0
VALERIE CHOW TRUSTEE	1 00 0 00	X						0	0	0
DEAN CORIDAN TRUSTEE	1 00 0 00	X						0	0	0
KENT CRIPPIN TRUSTEE	1 00 0 00	X						0	0	0
BARBARA CUSICK TRUSTEE	1 00 0 00	X						0	0	0
BURRELL GADDY MD TRUSTEE(B 1/1/13 E 12/31/13)	1 00 0 00	X						0	0	0
CARL GERLACH TRUSTEE	1 00 0 00	X						0	0	0
ELAINE HAGELE TRUSTEE	1 00 0 00	X						0	0	0
ROBERT HENDERSCHEDT TRUSTEE	1 00 50 00	X						0	1,185,775	164,296
RODNEY HILL MD TRUSTEE (ENDED 03/31/13)	1 00 0 00	X						0	0	0
GREG MADDUX TRUSTEE	1 00 0 00	X						0	0	0
PENNY MARSHALL TRUSTEE	1 00 0 00	X						0	0	0
DAVID NEWCOMER TRUSTEE (ENDED 12/31/13)	1 00 0 00	X						0	0	0
KENNETH NORTON MD TRUSTEE	1 00 0 00	X						0	0	0
LYLE PISHNY TRUSTEE	1 00 0 00	X						0	0	0
PAUL RATHBUN TRUSTEE	1 00 50 00	X						0	864,368	144,128
RALPH REID TRUSTEE	1 00 0 00	X						0	0	0
MAURICE VALENTINE II TRUSTEE	1 00 0 00	X						0	0	0
JACK WAGNER CFO/TREASURER	50 00 1 00			X				0	482,799	31,624
TREVOR WRIGHT COO	50 00 1 00				X			0	321,698	86,311
LARRY BOTTS MD CMO	50 00 1 00				X			0	394,347	72,190

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			
SHERI HAWKINS CNO	50 00 1 00				X			0	317,318	38,024
CLARKE HENRY JR MD PHYSICIAN	50 00 0 00					X		696,979	0	28,700
JOHN E PETERSON MD PHYSICIAN	50 00 0 00					X		522,211	0	28,076
JAY A JACKSON MD PHYSICIAN	50 00 0 00					X		521,883	0	23,660
WILLIAM S RITTER MD PHYSICIAN	50 00 0 00					X		521,776	0	22,142
JHULAN MUKHARJI MD PHYSICIAN	50 00 0 00					X		521,049	0	28,700
SAMUEL TURNER SR FORMER CEO/PRES	0 00 0 00						X	0	410,817	26,806
ROBIN HARROLD FORMER COO	0 00 0 00						X	0	375,531	65,176