






















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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II 	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III 	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII 	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c Yes	
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	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? <i>If "Yes," complete Schedule I, Parts I and II</i>	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? <i>If "Yes," complete Schedule I, Parts I and III</i>	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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
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		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If so, complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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? <i>If "Yes," complete Schedule R, Part VI</i>	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.	739	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	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	6,327
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	19	
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			
1b	Enter the number of voting members included in line 1a, above, who are independent	17	
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
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	a The governing body?	8a	Yes
8b	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	Yes
10b	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	Yes
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
12b	b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	a The organization's CEO, Executive Director, or top management official	15a	Yes
15b	b Other officers or key employees of the organization	15b	Yes
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes
16b	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▶MD
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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)
19	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶JAMES G LEE 820 WEST DIAMOND AVE SUITE 600 GAITHERSBURG,MD 208781419 (301) 315-3030

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

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

Form **990** (2013)

Part VII

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	9,173,894	0	639,038

\$100,000 of reportable compensation from the organization▶278

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	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? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
ANTHLIO HEALTHCARE SOLUTIONS INC PO BOX 671001 DALLAS TX 75267	IT SERVICES	32,861,382
QUEST DIAGNOSTICS 14225 NEWBROOK DRIVE CHANTILLY VA 19176	CLININCAL LAB SERVICES	17,428,804
SODEXO INC PO BOX 536922 ALTANTA GA 303536922	DIETARY & PLANT OPS	4,823,096
CERNER CORPORATION PO BOX 412702 KANSAS CITY MO 64141	IT/SOFTWARE SERVICES	3,716,445
FIRST COLONIAL ANESTHESIA ASSOC 7490 NEW TECHNOLOGY WAY FREDERICK MD 21703	MEDICAL SERVICES	2,990,000

\$100,000 of compensation from the organization ▶115

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	2,103,260			
	e	Government grants (contributions) 1e	366,507			
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	1,341,162			
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f	3,810,929			
Program Service Revenue	2a	WOMEN AND CHILDREN	900099	215,650,090	215,650,090	
	b	CARDIAC	900099	111,682,958	111,682,958	
	c	BEHAVIORAL HEALTH	900099	43,404,092	43,404,092	
	d	ONCOLOGY	900099	29,083,779	29,083,779	
	e	OCCUPATIONAL/SPEECH/PH	900099	18,668,087	18,668,087	
	f	All other program service revenue		166,766,316	166,533,133	233,183
	g	Total. Add lines 2a-2f	585,255,322			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	5,697,842		
4		Income from investment of tax-exempt bond proceeds				
5		Royalties				
6a		Gross rents	(i) Real 5,605,362	(ii) Personal		
b		Less rental expenses	5,934,927			
c		Rental income or (loss)	-329,565			
d		Net rental income or (loss)	-329,565			-329,565
7a		Gross amount from sales of assets other than inventory	(i) Securities 217,438,919	(ii) Other 1,800		
b		Less cost or other basis and sales expenses	219,379,456	0		
c		Gain or (loss)	-1,940,537	1,800		
d		Net gain or (loss)	-1,938,737			-1,938,737
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		127,854		127,854
	Miscellaneous Revenue	Business Code				
11a	NON OPERATING INCOME	900099	1,706,337	1,706,337		
b						
c						
d	All other revenue					
e	Total. Add lines 11a-11d		1,706,337			
12	Total revenue. See Instructions		594,329,982	586,728,476	233,183	3,557,394

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.	1,608,962	1,608,962		
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.	7,046,346		7,046,346	
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.	229,644,118	203,979,475	25,116,802	547,841
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	6,652,170	6,001,950	627,257	22,963
9	Other employee benefits.	26,031,972	18,829,376	7,168,182	34,414
10	Payroll taxes.	18,157,370	14,916,126	3,200,587	40,657
11	Fees for services (non-employees):				
a	Management.	9,131,578	7,024,622	2,106,956	
b	Legal.	885,949		885,949	
c	Accounting.	469,724		469,724	
d	Lobbying.	246,834	246,834		
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	2,522,271	6,086	2,516,185	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	55,749,137	46,044,188	9,481,360	223,589
12	Advertising and promotion.	1,998,041	80,127	1,917,731	183
13	Office expenses.	61,985,008	55,649,465	6,300,342	35,201
14	Information technology.	24,599,892	18,449,919	6,149,973	
15	Royalties.				
16	Occupancy.	27,827,335	22,274,234	5,464,261	88,840
17	Travel.	1,909,437	1,371,889	527,290	10,258
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	434,064	253,766	177,131	3,167
20	Interest.	5,870,629	90,099	5,780,530	
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	30,263,233	29,582,029	681,204	
23	Insurance.	4,948,519		4,948,519	
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	59,796,084	59,796,084		
b	RECRUITING	951,139		951,139	
c	LOSS ON EXTINGUISHMET O	707,292		707,292	
d					
e	All other expenses				
25	Total functional expenses. Add lines 1 through 24e.	579,437,104	486,205,231	92,224,760	1,007,113
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> 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)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		58,000	1	0
	2	Savings and temporary cash investments		13,011,315	2	64,078,792
	3	Pledges and grants receivable, net		913,332	3	1,115,483
	4	Accounts receivable, net		116,631,326	4	102,488,758
	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		4,904,370	7	10,845,249
	8	Inventories for sale or use		10,453,887	8	10,266,335
	9	Prepaid expenses and deferred charges		5,378,191	9	7,791,273
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a717,340,386			
	b	Less: accumulated depreciation	10b357,611,422	346,038,933	10c	359,728,964
	11	Investments—publicly traded securities		166,178,486	11	134,453,920
	12	Investments—other securities. See Part IV, line 11.		6,062,816	12	7,195,860
	13	Investments—program-related. See Part IV, line 11.		56,701,954	13	63,173,637
	14	Intangible assets		3,555,521	14	3,427,736
	15	Other assets. See Part IV, line 11.		38,145,649	15	39,952,755
	16	Total assets. Add lines 1 through 15 (must equal line 34).		768,033,780	16	804,518,762
Liabilities	17	Accounts payable and accrued expenses		95,135,367	17	104,153,529
	18	Grants payable			18	
	19	Deferred revenue			19	135
	20	Tax-exempt bond liabilities		236,622,570	20	254,818,500
	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		100,108,801	23	89,890,245
	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.		39,723,644	25	36,536,897
	26	Total liabilities. Add lines 17 through 25.		471,590,382	26	485,399,306
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		294,891,559	27	318,165,342
	28	Temporarily restricted net assets		1,551,839	28	954,114
	29	Permanently restricted net assets			29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		296,443,398	33	319,119,456
	34	Total liabilities and net assets/fund balances		768,033,780	34	804,518,762

Part XI Reconciliation 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	594,329,982
2	Total expenses (must equal Part IX, column (A), line 25)	2	579,437,104
3	Revenue less expenses Subtract line 2 from line 1	3	14,892,878
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	296,443,398
5	Net unrealized gains (losses) on investments	5	6,318,571
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	1,464,609
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	319,119,456

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

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 ADVENTIST HEALTHCARE INC	Employer identification number 52-1532556
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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	<input type="checkbox"/>	A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
2	<input type="checkbox"/>	A school described in section 170(b)(1)(A)(ii). (Attach Schedule E)
3	<input checked="" type="checkbox"/>	A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
4	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
7	<input type="checkbox"/>	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	<input type="checkbox"/>	A community trust described in section 170(b)(1)(A)(vi) (Complete Part II)
9	<input type="checkbox"/>	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	<input type="checkbox"/>	An organization organized and operated exclusively to test for public safety See section 509(a)(4).
11	<input type="checkbox"/>	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 <input type="checkbox"/> Type I b <input type="checkbox"/> Type II c <input type="checkbox"/> Type III - Functionally integrated d <input type="checkbox"/> Type III - Non-functionally integrated
e	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? (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? (ii) A family member of a person described in (i) above? (iii) A 35% controlled entity of a person described in (i) or (ii) above?
h	<input type="checkbox"/>	Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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 IIISupport 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 ADVENTIST HEALTHCARE INC	Employer identification number 52-1532556
--	--

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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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															
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		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		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a If zero or less, enter -0-															
i Subtract line 1f from line 1c If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No													

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

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

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?	Yes		
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?	Yes		12,626
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?	Yes		234,208
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?		No	
j	Total. Add lines 1c through 1i.			246,834
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	IN 2013, ADVENTIST HEALTHCARE, INC. WAS ENGAGED IN LOBBYING ACTIVITIES AT THE LOCAL, STATE AND FEDERAL LEVEL. ACTIVITIES INCLUDED DISCUSSIONS WITH MONTGOMERY COUNTY AND PRINCE GEORGES COUNTY OFFICIALS ABOUT VARIOUS REGIONAL HEALTH CARE MATTERS, PARTICULARLY INVOLVING THE LOCAL HEALTH CARE SAFETY NET AND ISSUES OF ACCESS TO CARE. CONTACT WITH LEGISLATORS AND LOBBYING ON ISSUES AT THE STATE LEVEL ALSO TOOK PLACE, PARTICULARLY AROUND ISSUES OF PUBLIC HEALTH AND ACCESS TO HEALTH CARE SERVICES. AT THE FEDERAL LEVEL, ADVENTIST HEALTHCARE WAS ENGAGED IN MONITORING LEGISLATIVE AND EXECUTIVE ACTION RELATED TO FEDERAL HEALTH REFORM, HEALTHCARE REIMBURSEMENT AND ACCESS TO CARE.

[illegible]

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ 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.

Name of the organization ADVENTIST HEALTHCARE INC	Employer identification number 52-1532556
--	--

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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

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

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

▶ \$ _____

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 52283D

Schedule D (Form 990) 2013

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

d

☐ Loan or exchange programs

b

☐ Scholarly research

e

☐ Other

c

☐ Preservation for future generations
- 4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

- 1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No
- b

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

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	
- 2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No
- b

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

☐

Part V

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

- | | (a)Current year | (b)Prior year | b (c)Two years back | (d)Three years back | (e)Four years back |
|----|--|---------------|---------------------|---------------------|--------------------|
| 1a | Beginning of year balance | | | | |
| b | Contributions | | | | |
| c | Net investment earnings, gains, and losses | | | | |
| d | Grants or scholarships | | | | |
| e | Other expenditures for facilities and programs | | | | |
| f | Administrative expenses | | | | |
| g | End of year balance | | | | |
- 2

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

Board designated or quasi-endowment
- b

Permanent endowment
- c

Temporarily restricted endowment

The percentages in lines 2a, 2b, and 2c should equal 100%
- 3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- (i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

b

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

3b

Yes

No
- 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		9,747,294		9,747,294
b Buildings		342,864,133	197,400,232	145,463,901
c Leasehold improvements		38,128,253	18,975,895	19,152,358
d Equipment		249,819,189	121,730,014	128,089,175
e Other		76,781,517	19,505,281	57,276,236
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				359,728,964

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	FIN 48 NOTES THE CORPORATION ACCOUNTS FOR UNCERTAINTY IN INCOME TAXES USING A RECOGNITION THRESHOLD OF MORE-LIKELY-THAN-NOT TO BE SUSTAINED UPON EXAMINATION BY THE APPROPRIATE TAXING AUTHORITY MEASUREMENT OF THE TAX UNCERTAINTY OCCURS IF THE RECOGNITION THRESHOLD IS MET MANAGEMENT DETERMINED THERE WERE NO TAX UNCERTAINTIES THAT MET THE RECOGNITION THRESHOLD IN 2013 OR 2012

[illegible]

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
ADVENTIST HEALTHCARE INC

Employer identification number
52-1532556

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 <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> 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 <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ % b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other _____ 60000 0000000000 % 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"?	3a	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	4	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 eligible for free or discounted care?	5a	Yes	
6a	Did the organization prepare a community benefit report during the tax year?	5b	Yes	
b	If "Yes," did the organization make it available to the public?	5c		No
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	6a	Yes	
		6b	Yes	

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)			19,611,707		19,611,707	3 380 %
b Medicaid (from Worksheet 3, column a)			15,667,741	13,397,872	2,269,869	0 390 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			35,279,448	13,397,872	21,881,576	3 770 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			8,608,516	267,392	8,341,124	1 440 %
f Health professions education (from Worksheet 5)			2,019,755	160,010	1,859,745	0 320 %
g Subsidized health services (from Worksheet 6)			29,288,388	350	29,288,038	5 050 %
h Research (from Worksheet 7)			856,435	343,734	512,701	0 090 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,608,962		1,608,962	0 280 %
j Total Other Benefits			42,382,056	771,486	41,610,570	7 180 %
k Total. Add lines 7d and 7j			77,661,504	14,169,358	63,492,146	10 950 %

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		8,626	4,905	3,721	0 %
2	Economic development		1,239		1,239	0 %
3	Community support		419,025		419,025	0 070 %
4	Environmental improvements		2,094		2,094	0 %
5	Leadership development and training for community members		446		446	0 %
6	Coalition building		115,134		115,134	0 020 %
7	Community health improvement advocacy		1,003,367	6,356	997,011	0 170 %
8	Workforce development		2,549		2,549	0 %
9	Other					
10	Total		1,552,480	11,261	1,541,219	0 260 %

Part III

Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1

Did the organization report bad debt expense in accordance with Healthcare 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

29,737,685

3

Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.

3

4

Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.

Section B. Medicare

5

Enter total revenue received from Medicare (including DSH and IME).

5

202,285,037

6

Enter Medicare allowable costs of care relating to payments on line 5.

6

163,444,987

7

Subtract line 6 from line 5. This is the surplus (or shortfall).

7

38,840,050

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 9 GERMANTOWN OUTPATIENT IMAGING	OUTPATIENT IMAGING CENTER	50 000 %		50 000 %
2 10 MID-ATLANTIC PRIMARY CARE ACO LLC	MEDICARE SHARED SAVINGS PLAN ACO	25 000 %		75 000 %
3 11 PREMIER MEDICAL NETWORK INC	PHYSICAN HOSPITAL ORGANIZATION	50 000 %		50 000 %
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?

6

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)

SHADY GROVE ADVENTIST HOSPITAL

Name of hospital facility or facility reporting group

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 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
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? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>SEE URL ON SECTION C</u>		
b <input type="checkbox"/> Other website (list url) _____		
c <input checked="" type="checkbox"/> Available upon request from the hospital facility		
d <input checked="" type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> 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 <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>200 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes				
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>600 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes				
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes				
a <input type="checkbox"/> Income level							
b <input type="checkbox"/> Asset level							
c <input type="checkbox"/> Medical indigency							
d <input type="checkbox"/> Insurance status							
e <input type="checkbox"/> Uninsured discount							
f <input type="checkbox"/> Medicaid/Medicare							
g <input checked="" type="checkbox"/> State regulation							
h <input type="checkbox"/> Residency							
i <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes				
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website							
b <input checked="" type="checkbox"/> The policy was attached to billing invoices							
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms							
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices							
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility							
f <input checked="" type="checkbox"/> The policy was available upon request							
g <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency							
b <input type="checkbox"/> Lawsuits							
c <input type="checkbox"/> Liens on residences							
d <input type="checkbox"/> Body attachments							
e <input type="checkbox"/> 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?							No
If "Yes," check all actions in which the hospital facility or a third party engaged							
a <input type="checkbox"/> Reporting to credit agency							
b <input type="checkbox"/> Lawsuits							
c <input type="checkbox"/> Liens on residences							
d <input type="checkbox"/> Body attachments							
e <input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input checked="" type="checkbox"/> 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? If "Yes," explain in Part VI		No
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? If "Yes," explain in Part VI		No

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)

WASHINGTON ADVENTIST HOSPITAL

Name of hospital facility or facility reporting group

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)

2

	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 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
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? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>SEE URL ON SECTION C</u>		
b <input type="checkbox"/> Other website (list url) _____		
c <input checked="" type="checkbox"/> Available upon request from the hospital facility		
d <input checked="" type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> 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 <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>200 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes		
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>600 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes		
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes		
a <input type="checkbox"/> Income level					
b <input type="checkbox"/> Asset level					
c <input type="checkbox"/> Medical indigency					
d <input type="checkbox"/> Insurance status					
e <input type="checkbox"/> Uninsured discount					
f <input type="checkbox"/> Medicaid/Medicare					
g <input checked="" type="checkbox"/> State regulation					
h <input type="checkbox"/> Residency					
i <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes		
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website					
b <input checked="" type="checkbox"/> The policy was attached to billing invoices					
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms					
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices					
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility					
f <input checked="" type="checkbox"/> The policy was available upon request					
g <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input checked="" type="checkbox"/> 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? If "Yes," explain in Part VI		No
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? If "Yes," explain in Part VI		No

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)
HACKETTSTOWN COMMUNITY HOSPITAL

Name of hospital facility or facility reporting group

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)3

		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 If "Yes," indicate what the CHNA report describes (check all that apply)	1	Yes
a	<input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b	<input checked="" type="checkbox"/> Demographics of the community		
c	<input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input checked="" type="checkbox"/> How data was obtained		
e	<input checked="" type="checkbox"/> The health needs of the community		
f	<input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input type="checkbox"/> Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u>		
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? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5	Yes
a	<input checked="" type="checkbox"/> Hospital facility's website (list url) <u>WWW.HRMCNJ.ORG</u>		
b	<input type="checkbox"/> Other website (list url) _____		
c	<input checked="" type="checkbox"/> Available upon request from the hospital facility		
d	<input type="checkbox"/> 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	<input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	<input checked="" type="checkbox"/> Execution of the implementation strategy		
c	<input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d	<input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e	<input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f	<input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	<input checked="" type="checkbox"/> Prioritization of health needs in its community		
h	<input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	<input type="checkbox"/> 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? 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	10	Yes
11	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000% If "No," explain in Part VI the criteria the hospital facility used	11	Yes
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12	Yes
a	<input checked="" type="checkbox"/> Income level		
b	<input checked="" type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input checked="" type="checkbox"/> Medicaid/Medicare		
g	<input checked="" type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14	Yes
a	<input type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available upon request		
g	<input type="checkbox"/> 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	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> 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? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input checked="" type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> 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? If "Yes," explain in Part VI		No
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? If "Yes," explain in Part VI		No

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)

ADVENTIST REHABILITATION HOSPITAL OF MAR

Name of hospital facility or facility reporting group

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)

4

		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 If "Yes," indicate what the CHNA report describes (check all that apply) a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility b <input checked="" type="checkbox"/> Demographics of the community c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community d <input checked="" type="checkbox"/> How data was obtained e <input checked="" type="checkbox"/> The health needs of the community f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs j <input type="checkbox"/> Other (describe in Part VI)	1	Yes	
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>			
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? If "Yes," indicate how the CHNA report was made widely available (check all that apply) a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>SEE URL ON SECTION C</u> b <input type="checkbox"/> Other website (list url) _____ c <input checked="" type="checkbox"/> Available upon request from the hospital facility d <input checked="" type="checkbox"/> Other (describe in Part VI)	5	Yes	
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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA b <input checked="" type="checkbox"/> Execution of the implementation strategy c <input type="checkbox"/> Participation in the development of a community-wide plan d <input type="checkbox"/> Participation in the execution of a community-wide plan e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA g <input checked="" type="checkbox"/> Prioritization of health needs in its community h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community i <input type="checkbox"/> 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 <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>200 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes		
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>600 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes		
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes		
a <input type="checkbox"/> Income level					
b <input type="checkbox"/> Asset level					
c <input type="checkbox"/> Medical indigency					
d <input type="checkbox"/> Insurance status					
e <input type="checkbox"/> Uninsured discount					
f <input type="checkbox"/> Medicaid/Medicare					
g <input checked="" type="checkbox"/> State regulation					
h <input type="checkbox"/> Residency					
i <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes		
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website					
b <input checked="" type="checkbox"/> The policy was attached to billing invoices					
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms					
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices					
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility					
f <input checked="" type="checkbox"/> The policy was available upon request					
g <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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? If "No," indicate why		
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input checked="" type="checkbox"/> 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? If "Yes," explain in Part VI		No
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? If "Yes," explain in Part VI		No

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)

ADVENTIST BEHAVIORAL HEALTH - ROCKVILLE

Name of hospital facility or facility reporting group

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)

5

	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 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
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? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>SEE URL ON SECTION C</u>		
b <input type="checkbox"/> Other website (list url)		
c <input checked="" type="checkbox"/> Available upon request from the hospital facility		
d <input checked="" type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> 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 <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>200 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes		
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>600 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes		
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes		
a <input type="checkbox"/> Income level					
b <input type="checkbox"/> Asset level					
c <input type="checkbox"/> Medical indigency					
d <input type="checkbox"/> Insurance status					
e <input type="checkbox"/> Uninsured discount					
f <input type="checkbox"/> Medicaid/Medicare					
g <input checked="" type="checkbox"/> State regulation					
h <input type="checkbox"/> Residency					
i <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes		
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website					
b <input checked="" type="checkbox"/> The policy was attached to billing invoices					
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms					
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices					
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility					
f <input checked="" type="checkbox"/> The policy was available upon request					
g <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input checked="" type="checkbox"/> 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? If "Yes," explain in Part VI		No
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? If "Yes," explain in Part VI		No

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)

ADVENTIST BEHAVIORAL HEALTH - EASTERN SH

Name of hospital facility or facility reporting group

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)

6

		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 If "Yes," indicate what the CHNA report describes (check all that apply)	1	Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility			
b <input checked="" type="checkbox"/> Demographics of the community			
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d <input checked="" type="checkbox"/> How data was obtained			
e <input checked="" type="checkbox"/> The health needs of the community			
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs			
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests			
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs			
j <input type="checkbox"/> Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>			
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? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5	Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>SEE URL ON SECTION C</u>			
b <input type="checkbox"/> Other website (list url) _____			
c <input checked="" type="checkbox"/> Available upon request from the hospital facility			
d <input checked="" type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b <input checked="" type="checkbox"/> Execution of the implementation strategy			
c <input type="checkbox"/> Participation in the development of a community-wide plan			
d <input type="checkbox"/> Participation in the execution of a community-wide plan			
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans			
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA			
g <input checked="" type="checkbox"/> Prioritization of health needs in its community			
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i <input type="checkbox"/> 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 <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>200 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes		
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>600 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes		
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes		
a <input type="checkbox"/> Income level					
b <input type="checkbox"/> Asset level					
c <input type="checkbox"/> Medical indigency					
d <input type="checkbox"/> Insurance status					
e <input type="checkbox"/> Uninsured discount					
f <input type="checkbox"/> Medicaid/Medicare					
g <input checked="" type="checkbox"/> State regulation					
h <input type="checkbox"/> Residency					
i <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes		
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website					
b <input checked="" type="checkbox"/> The policy was attached to billing invoices					
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms					
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices					
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility					
f <input checked="" type="checkbox"/> The policy was available upon request					
g <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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? If "No," indicate why		
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input checked="" type="checkbox"/> 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? If "Yes," explain in Part VI		No
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? If "Yes," explain in Part VI		No

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.

[illegible]

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? 6

Name and address	Type of Facility (describe)
1 ADVENTIST BEHAVIORAL HEALTH AT ANNE ARUN 14 ROMIG DRIVE CROWNSVILLE, MD 21032	BEHAVIORAL TREATMENT FACILITY
2 REGINALD S LOURIE CENTER FOR INFANTS AN 12301 ACADEMY WAY ROCKVILLE, MD 20852	INFANT AND YOUNG CHILDREN DEVELOPMENT CARE CENTER
3 SHADY GROVE ADVENTIST RADIATION ONCOLOGY 40 WEST GUDE DR ROCKVILLE, MD 20850	OUTPATIENT CANCER TREATMET CENTER
4 SHADY GROVE ADVENTIST EMERGENCY CTR 19731 GERMANTOWN ROAD GERMANTOWN, MD 20874	FREE STANDING ER CENTER
5 ADVENTIST HOME HEALTH SERVICES 12041 BORNEFIELD WAY SUITE B SILVER SPRING, MD 20904	HOME HEALTH SERVICES
6 ADVENTIST REHABILITATION INC 831 E UNIVERSITY BOULEVARD 14 SILVER SPRING, MD 20903	REHABILITATION
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 3C	IN CONSIDERATION FOR FINANCIAL ASSISTANCE TO OUR PATIENTS, AHC ALSO CONSIDERS CIRCUMSTANCES BEYOND INCOME OUR CIRCUMSTANCES COULD INCLUDE THE NEEDS OF THE PATIENT AND/OR FAMILY AND OTHER FINANCIAL RESOURCES IT IS OUR MISSION TO PROVIDE NECESSARY MEDICAL CARE TO THOSE WHO ARE UNABLE TO PAY FOR THAT CARE IN GENERAL, AHC HAS 15 LEVELS OF FINANCIAL ASSISTANCE THEY ARE AS FOLLOW - ANNUAL INCOME <= 1 0X OF FPL, 0% PATIENT RESPONSIBILITY- ANNUAL INCOME > 1 00X AND <= 1 25X OF FPL, 0% PATIENT RESPONSIBILITY- ANNUAL INCOME > 1 25X AND <= 1 50X OF FPL, 0% PATIENT RESPONSIBILITY- ANNUAL INCOME > 1 50X AND <= 1 75X OF FPL, 0% PATIENT RESPONSIBILITY- ANNUAL INCOME > 1 75X AND <= 2 00X OF FPL, 0% PATIENT RESPONSIBILITY- ANNUAL INCOME > 2 00X AND <= 2 25X OF FPL, 10% PATIENT RESPONSIBILITY- ANNUAL INCOME > 2 25X AND <= 2 50X OF FPL, 20% PATIENT RESPONSIBILITY- ANNUAL INCOME > 2 50X AND <= 2 75X OF FPL, 30% PATIENT RESPONSIBILITY- ANNUAL INCOME > 2 75X AND <= 3 00X OF FPL, 40% PATIENT RESPONSIBILITY- ANNUAL INCOME > 3 00X AND <= 3 50X OF FPL, 50% PATIENT RESPONSIBILITY- ANNUAL INCOME > 3 50X AND <= 4 00X OF FPL, 60% PATIENT RESPONSIBILITY- ANNUAL INCOME > 4 00X AND <= 4 50X OF FPL, 70% PATIENT RESPONSIBILITY- ANNUAL INCOME > 4 50X AND <= 5 00X OF FPL, 80% PATIENT RESPONSIBILITY- ANNUAL INCOME > 5 00X AND <= 5 50X OF FPL, 90% PATIENT RESPONSIBILITY- ANNUAL INCOME > 5 50X AND <= 6 00X OF FPL, 95% PATIENT RESPONSIBILITY
PART I, LINE 7	MARYLAND'S UNIQUE ALL PAYER SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE FOR THE REPORTING OF COMMUNITY BENEFIT, AHC USED MEDICARE'S COST REPORT METHODOLOGY OF COST TO CHARGE RATIO THE COST TO CHARGE RATIO WAS USED TO REDUCE THE YEARLY CHARITY CARE PROVISION FROM CHARGE TO COST AHC ALSO APPLIED THE COST TO CHARGE RATIO TO BAD DEBT EXPENSES AND ADMINISTRATIVE DEDUCTION TO COST IN ADDITION, AHC ALSO CONSIDERED GOVERNMENT ASSESSMENTS THROUGH THE STATE'S HEALTH SERVICE COST REGULATORY AGENCY AND OTHER RELATED STATE GOVERNMENT AGENCIES AHC COMPUTED THE COMMUNITY BENEFITS BY ITS HOSPITAL FACILITIES AND AGGREGATED THE TOTAL

Form and Line Reference	Explanation
PART I, LINE 7G	SUBSIDIZED HEALTH SERVICES INCLUDED PAYMENTS FOR NON-EMPLOYED BUT HOSPITAL-BASED PHYSICIANS, NON-RESIDENT HOSPITAL STAFF, HOSPITALISTS, EMERGENCY ON-CALL, OFF-CAMPUS EMERGENCY CENTER, AND WOMEN'S AND CHILDREN'S SERVICES SUBSIDIES
PART III, LINE 2	TO ESTIMATE THE COST OF BAD DEBT THAT WE HAVE REPORTED ON SCHEDULE H, WE MULTIPLIED THE ORGANIZATION'S COST TO CHARGE RATIO (CCR) TIMES THE BAD DEBT PROVISION THAT HAS BEEN REPORTED IN THE GENERAL LEDGER THE ORGANIZATION'S CCR IS THE QUOTIENT THAT RESULTS WHEN TOTAL COST IS DIVIDED BY TOTAL CHARGES AS REFLECTED ON WORKSHEET C PART I OF THE 2013 MEDICARE COST REPORT THE BAD DEBT EXPENSE THAT IS RECORDED IN THE GENERAL LEDGER REFLECTS THE AMOUNT OF PROVISION MANAGEMENT DEEMS NECESSARY TO REPORT PATIENT ACCOUNTS RECEIVABLE AT THEIR NET REALIZABLE VALUE IN EVALUATING THE COLLECTABILITY OF PATIENT ACCOUNTS RECEIVABLE, WE ANALYZE PAST HISTORY AND TRENDS FOR EACH MAJOR PAYER AND ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL COLLECTIONS

Form and Line Reference	Explanation
PART III, LINE 4	<p>PATIENT ACCOUNTS RECEIVABLE ARE REPORTED AT NET REALIZABLE VALUE. ACCOUNTS ARE WRITTEN OFF WHEN THEY ARE DETERMINED TO BE UNCOLLECTIBLE BASED UPON MANAGEMENT'S ASSESSMENT OF INDIVIDUAL ACCOUNTS. IN EVALUATING THE COLLECTABILITY OF PATIENT ACCOUNTS RECEIVABLE, THE CORPORATION ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL COLLECTIONS AND PROVISION FOR DOUBTFUL COLLECTIONS. FOR PATIENT ACCOUNTS RECEIVABLE ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD-PARTY COVERAGE, THE CORPORATION ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR DOUBTFUL COLLECTIONS AND PROVISION FOR DOUBTFUL COLLECTIONS, IF NECESSARY. FOR RECEIVABLES ASSOCIATED WITH SELF-PAY PATIENTS (WHICH INCLUDES BOTH PATIENTS WITHOUT INSURANCE AND PATIENTS WITH DEDUCTIBLE AND COPAYMENT BALANCES DUE FOR WHICH THIRD-PARTY COVERAGE EXISTS FOR PART OF THE BILL), THE CORPORATION RECORDS A PROVISION FOR DOUBTFUL COLLECTIONS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE. THE DIFFERENCE BETWEEN THE BILLED RATES AND THE AMOUNTS ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED OFF AGAINST THE ALLOWANCE FOR DOUBTFUL COLLECTIONS.</p>
PART III, LINE 8	<p>ACUTE CARE HOSPITALS IN MARYLAND ARE EXEMPT FROM MEDICARE REIMBURSEMENT METHODOLOGY AND ALL PAYORS (INCLUDING MEDICARE AND MEDICAID) PAY HOSPITALS' CHARGES, WHICH ARE REGULATED BY THE STATE'S HEALTH SERVICES COST REVIEW COMMISSION (HSCRC). SPECIFICALLY, MEDICARE ENJOYS A DISCOUNT OF 6% OF CHARGES WITHOUT AN ADVANCE FUNDING DEPOSIT WITH PROVIDERS. THERE SHOULD BE NO SHORTFALL AND THEREFORE COUNT TOWARD COMMUNITY BENEFIT AHC USED SCHEDULE C OF THE MEDICARE COST REPORT TO COMPUTE A COST TO CHARGE RATIO USED TO ESTIMATE THE COST OF COMMUNITY BENEFITS IN PROVIDING BAD DEBT AND CHARITY DEDUCTIONS. SINCE THE HSCRC ASSESSES HOSPITALS TO SUBSIDIZE MEDICAID DEFICITS BUDGET, THESE ASSESSMENTS ARE ALSO COUNTED TOWARD COMMUNITY BENEFITS.</p>

Form and Line Reference	Explanation
PART III, LINE 9B	AHC PROVIDES QUALITY MEDICAL SERVICES REGARDLESS OF A PATIENT'S ABILITY TO PAY, RACE, CREED, SEX, AGE, NATIONAL ORIGIN OR FINANCIAL STATUS OUR FINANCIAL ASSISTANCE POLICY ENCOURAGES THE PATIENT AND THEIR REPRESENTATIVE TO COOPERATE WITH AND AVAIL THEMSELVES OF ALL AVAILABLE PROGRAMS (INCLUDING MEDICAID, WORKERS COMPENSATION, AND STATE AND LOCAL PROGRAMS) WHICH MIGHT PROVIDE COVERAGE OUR REGISTRATION, FINANCIAL COUNSELORS, CUSTOMER SERVICE, AND COLLECTION STAFF ARE THOROUGHLY FAMILIAR WITH THE CRITERIA AND PROCESS OF FINANCIAL ASSISTANCE FINANCIAL ASSISTANCE PROCESS AND COLLECTION PROTOCOL ARE WELL DEFINED WITH MANAGERS AVAILABLE TO GUIDE AND HANDLE EXCEPTION SITUATIONS OUTSOURCED AGENCIES AND COLLECTIONS FIRMS ARE EXPECTED TO ADHERE TO AHC'S POLICY WITHOUT EXCEPTIONS BAD DEBT, CHARITY AND ADMINISRATIVE WRITEOFF ARE CLEARLY DEFINED WITH PRE-DETERMINED AUTHORIZATION LEVELS DEPENDING ON THE MAGNITUDE GRANTED AHC ALSO REVISES ITS FINANCIAL ASSISTANCE POLICY AS FEDERAL GOVERNMENT AND/OR STATE GOVERNMENT REVISE THEIR POVERTY GUIDELINES OVERALL, AHC EXPECTS ITS STAFF TO TREAT ITS PATIENTS WITH DIGNITY AND RESPECT, AS THEY WOULD LIKE TO BE TREATED
PART VI, LINE 2	NEEDS ASSESSMENT ADVENTIST HEALTHCARE, INCLUDING SHADY GROVE ADVENTIST HOSPITAL, WASHINGTON ADVENTIST HOSPITAL, AND ADVENTIST BEHAVIORAL HEALTH, FORMED A COMMUNITY BENEFIT COUNCIL (CBC) IN 2011 TO GUIDE AND LEAD ITS COMMUNITY BENEFIT ACTIVITIES, INCLUDING CONDUCTING THE COMMUNITY HEALTH NEEDS ASSESSMENT THE COMMUNITY BENEFIT COUNCIL HAS REPRESENTATION FROM VARIOUS DEPARTMENTS WITHIN ADVENTIST HEALTHCARE AND IS LED BY ISMAEL GAMA, ASSOCIATE VICE PRESIDENT OF MISSION INTEGRATION & PASTORAL CARE SERVICES AS A STARTING POINT FOR ASSESSING THE HEALTH NEEDS OF THE COMMUNITY, THE COMMUNITY BENEFIT COUNCIL DECIDED TO RESEARCH TOPICS IN ALIGNMENT WITH MONTGOMERY COUNTY'S HEALTHY MONTGOMERY FOCUS AREAS OF CANCER, CARDIOVASCULAR DISEASES, DIABETES, MATERNAL & INFANT HEALTH, BEHAVIORAL HEALTH, AND OBESITY THE COMMUNITY BENEFIT COUNCIL ALSO DECIDED TO RESEARCH ADDITIONAL TOPICS OF INTEREST TO THE HOSPITALS AND THE COMMUNITIES SERVED INCLUDING ASTHMA, INFLUENZA, HIV/AIDS, SENIOR HEALTH, INCOME AND POVERTY, ACCESS TO CARE/HEALTH INSURANCE COVERAGE, FOOD ACCESS, HOUSING QUALITY, EDUCATION, AND TRANSPORTATION THE TOPICS INCLUDED IN THE COMMUNITY HEALTH NEEDS ASSESSMENTS WERE REVIEWED, DISCUSSED AND APPROVED BY THE COMMUNITY BENEFIT ADVISORY BOARD AND BY THE BOARDS OF EACH ENTITY SINCE 2006, ADVENTIST HEALTHCARE HAS REGULARLY CONVENED AN ADVISORY BOARD TO HELP GUIDE OUR EFFORTS TO REDUCE AND ELIMINATE HEALTH DISPARITIES, TO IDENTIFY COMMUNITY NEEDS, AND TO HELP ASSESS AND DIRECT OUR RESPONSE TO THOSE NEEDS THE ADVISORY BOARD IS COMPRISED OF BOTH INTERNAL AND EXTERNAL (COMMUNITY) LEADERS MEMBERS INCLUDE CLINICIANS, RESEARCHERS, ADMINISTRATORS AND OTHERS FROM OUR HOSPITALS, COMMUNITY-BASED ORGANIZATIONS, LOCAL AND STATE HEALTH DEPARTMENTS, UNIVERSITY OF MARYLAND, THE NATIONAL INSTITUTES OF HEALTH (SPECIFICALLY, THE NATIONAL INSTITUTE OF MINORITY HEALTH AND HEALTH DISPARITIES), AND OTHER PUBLIC HEALTH STAKEHOLDER ORGANIZATIONS THE COMMUNITY HEALTH NEEDS ASSESSMENTS WERE REVIEWED AND APPROVED BY THE BOARD OF TRUSTEES AT EACH ENTITY, AS WELL AS BY THE ADVENTIST HEALTHCARE BOARD OF TRUSTEES AFTER COMPLETION OF THE COMMUNITY HEALTH NEEDS ASSESSMENTS, THE PRESIDENT'S COUNCIL OR EXECUTIVE COUNCIL AT EACH HOSPITAL MET TO DISCUSS AND VOTE UPON FOCUS AREAS FOR IMPLEMENTATION OF STRATEGIES TO ADDRESS IDENTIFIED HEALTH NEEDS THE IMPLEMENTATION STRATEGIES DEVELOPED BY EACH ENTITY WERE ALSO REVIEWED AND APPROVED BY THE BOARD OF TRUSTEES AT EACH ENTITY, THE ADVENTIST HEALTHCARE BOARD OF TRUSTEES, AND THE COMMUNITY BENEFIT ADVISORY BOARD IN ADDITION TO INPUT FROM VARIOUS BOARDS, THE COMMUNITY PERSPECTIVE WAS OBTAINED THROUGH A COMMUNITY HEALTH NEEDS ASSESSMENT SURVEY OFFERED TO THE PUBLIC THROUGH POSTINGS ON ADVENTIST HEALTHCARE ENTITY FACEBOOK PAGES, NEWSLETTERS, EMAIL LISTSERVS, MEETINGS WITH COMMUNITY LEADERS, AND HEALTH FAIRS ADDITIONALLY, ADVENTIST BEHAVIORAL HEALTH HAS A COMMUNITY ADVISORY COUNCIL, WHICH INCORPORATES FEEDBACK FROM THE COMMUNITY IN THE PLANNING AND DELIVERY OF SERVICES TO OBTAIN SECONDARY DATA FOR THE COMMUNITY HEALTH NEEDS ASSESSMENTS, WE WORKED WITH MONTGOMERY COUNTY'S HEALTH AND HUMAN SERVICES, COMMUNITY HEALTH IMPROVEMENT PROCESS (CHIP), TO REVIEW THE STATE OF MARYLAND'S STATE HEALTH IMPROVEMENT PROCESS' (SHIP) 39 HEALTH INDICATORS ADVENTIST HEALTHCARE HAS REPRESENTATION ON THE HEALTHY MONTGOMERY STEERING COMMITTEE THE GROUP'S COLLABORATIVE EFFORTS IN 2011 FOCUSED ON A SELECTION PROCESS FOR MONTGOMERY COUNTY'S HEALTH PRIORITIES DATA WAS COLLECTED AND A VENDOR (HEALTHY COMMUNITY INSTITUTE) WAS SELECTED TO IMPLEMENT A COMMUNITY TRACKING TOOL THAT IS LINKED TO PUBLIC HEALTH INTERVENTIONS THAT IMPROVE HEALTH OUTCOMES THIS ONGOING SURVEILLANCE IS POPULATION-BASED DATA THAT SHOWS HEALTH SERVICES UTILIZATION AND SOCIAL AND ENVIRONMENTAL DETERMINANTS OF HEALTH, INCLUDING SOCIO-ECONOMIC STATUS, SOCIAL ISOLATION, HOUSING AND AIR QUALITY IT IS AVAILABLE TO THE PUBLIC ON THE HEALTHY MONTGOMERY WEBSITE ADVENTIST HEALTHCARE'S CENTER FOR HEALTH EQUITY AND WELLNESS (FORMERLY CENTER ON HEALTH DISPARITIES) DEVELOPS AND RELEASES ANNUAL PROGRESS REPORTS, AND THESE REPORTS HELPED TO INFORM THE HOSPITALS' COMMUNITY HEALTH NEEDS ASSESSMENTS ALL PROGRESS REPORTS DEVELOPED BY THE CENTER FOR HEALTH EQUITY AND WELLNESS ("THE CENTER") ARE MADE AVAILABLE TO THE PUBLIC ON THE CENTER'S WEBSITE, AS WELL AS IN HARD COPY THROUGH CONFERENCES AND UPON REQUEST THE CENTER'S 2011 PROGRESS REPORT, ENTITLED HEALTH DISPARITIES IN THE ERA OF REFORM IMPLEMENTATION, DETAILED DEMOGRAPHIC TRENDS AND ASSESSED DISPARITIES ACROSS A RANGE OF ISSUES WITHIN THREE BROAD HEALTH TOPICS AFFECTING OUR COMMUNITY MATERNAL AND INFANT HEALTH, HEART DISEASE AND STROKE, AND CANCER THE REPORT INCORPORATED DESCRIPTIVE FINDINGS FROM NATIONAL, STATE AND COUNTY-LEVEL DATABASES ON THE RACIAL AND ETHNIC MAKEUP OF THE POPULATION, THE PREVALENCE OF DISEASE ACROSS THESE GROUPS, AND THE RATES OF RECEIVING APPROPRIATE TREATMENT TO CREATE THIS REPORT, THE CENTER ANALYZED THE U S CENSUS BUREAU'S AMERICAN COMMUNITY SURVEY AND PROFILES OF GENERAL POPULATION AND HOUSING CHARACTERISTICS TO PRODUCE A BROAD DEMOGRAPHIC OVERVIEW BY COUNTY, RACE, AND ETHNICITY IN MARYLAND, THE CENTER PRODUCED DESCRIPTIVE TABULATIONS BASED ON DATA FROM THE MARYLAND BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM, THE MARYLAND CANCER REGISTRY, THE MARYLAND VITAL STATISTICS ADMINISTRATION, THE MARYLAND HEALTH CARE COMMISSION, AND THE MARYLAND DEPARTMENT OF HEALTH AND MENTAL HYGIENE'S (MDHMH) OFFICE ON MINORITY HEALTH & HEALTH DISPARITIES IN ADDITION TO THESE DATA SOURCES, THE CENTER ALSO SUMMARIZED FINDINGS FROM VARIOUS NATIONAL AND STATE-LEVEL REPORTS ON INSURANCE COVERAGE, DISEASE CONDITION, AND HEALTHY BEHAVIORS RELEASED BY THE AGENCY FOR HEALTHCARE RESEARCH AND QUALITY, THE KAISER FAMILY FOUNDATION, AND THE MDHMH'S FAMILY HEALTH ADMINISTRATION, OFFICE OF CHRONIC DISEASE PREVENTION THE CENTER'S 2012 PROGRESS REPORT WAS A HEALTH EQUITY REPORT THAT INCLUDED INFORMATION ABOUT PATIENTS TREATED AT SHADY GROVE ADVENTIST HOSPITAL AND WASHINGTON ADVENTIST HOSPITAL IN 2011 AND EXAMINED THE INTERSECTION OF QUALITY AND HEALTH EQUITY THIS REPORT CONVEYED GENERAL INFORMATION ABOUT THE PATIENT POPULATION SERVED AT ADVENTIST HEALTHCARE HOSPITALS, WHERE THEY RECEIVED CARE WITHIN THE HOSPITALS, AND THE QUALITY OF CARE RECEIVED THE 2012 REPORT INCLUDED HOSPITAL-SPECIFIC DATA ON CANCER, INPATIENT CLINICAL QUALITY INDICATORS, HOSPITAL READMISSION RATES, AND PATIENT EXPERIENCE THE CENTER'S 2013 HEALTH EQUITY REPORT SHARED DEMOGRAPHIC, CLINICAL, AND QUALITY INFORMATION ABOUT ADVENTIST HEALTHCARE HOSPITALS AND OTHER ENTITIES, AND HIGHLIGHTED EFFORTS TO IMPROVE PATIENT EXPERIENCES AND OUTCOMES IN THE COMMUNITIES WE SERVE SPECIAL HIGHLIGHTS IN THE 2013 REPORT INCLUDED INFORMATION ABOUT FEDERAL STANDARDS TO INCREASE CULTURALLY COMPETENT CARE AND REDUCE HEALTH DISPARITIES, THE IMPLEMENTATION OF THE AFFORDABLE CARE ACT (ACA) IN THE STATE OF MARYLAND, EFFORTS TO REDUCE READMISSIONS AND IMPROVE PATIENT-CENTERED CARE ACROSS THE ADVENTIST HEALTHCARE SYSTEM, AND ADVENTIST HEALTHCARE HOSPITALS' COMMUNITY HEALTH NEEDS ASSESSMENT RESULTS AND NEXT STEPS

Form and Line Reference	Explanation
PART VI, LINE 3	PATIENT EDUCATION OF ELIGIBILITY AHC EDUCATES OUR PATIENTS AND COMMUNITY RESIDENTS ABOUT CHARITY CARE AND FINANCIAL ASSISTANCE IN MANY WAYS THEY INCLUDE, BUT ARE NOT LIMITED TO THE FOLLOWING (1)AHC HAS FINANCIAL ASSISTANCE SIGNAGE IN ALL ITS FACILITIES, ON ALL PATIENT STATEMENTS AND ON OUR HOSPITALS' WEBSITE, (2) PATIENTS THAT ARE REGISTERED AS SELF PAY OR WITH NO INSURANCE, ARE INFORMED ABOUT THE HOSPITAL'S CHARITY CARE POLICY AND GIVEN A CHARITY APPLICATION, (3) WHEN GOING THROUGH THE MEDICAID ELIGIBILITY SCREENING, SELF PAY PATIENTS ARE GIVEN A CHARITY APPLICATION DURING THAT PROCESS JUST IN CASE THE PATIENT DOES NOT QUALIFY FOR MEDICAID, (4) WHEN PATIENTS WITH A BALANCE CONTACT THE COLLECTION DEPARTMENT AND EXPRESS FINANCIAL HARDSHIP, CUSTOMER SERVICE REPS AND SELF PAY COLLECTORS WILL MAIL A CHARITY APPLICATION TO THE PATIENT, AND (5) RESIDENTS THAT PARTICIPATE IN OUR COMMUNITY PROGRAMS, SUCH AS BREAST CANCER, MATERNITY, ETC , ARE INFORMED OF AHC'S CHARITY PROGRAM PRIOR TO RECEIVING SERVICES
PART VI, LINE 4	COMMUNITY INFORMATION AHC'S SERVICE AREAS ARE SITUATED IN THE WASHINGTON/BALTIMORE METROPOLITANAREA SPECIFICALLY, SHADY GROVE ADVENTIST HOSPITAL PRIMARILY SERVES RESIDENTS OF MONTGOMERY COUNTY,MARYLAND APPROXIMATELY 80 PERCENT OF DISCHARGES COME FROM OUR TOTAL SERVICE AREA, WHICH IS CONSIDERED SHADY GROVE ADVENTIST HOSPITAL'S COMMUNITY BENEFIT SERVICE AREA "CBSA" WITHIN THAT AREA, 60 PERCENT OF DISCHARGES ARE FROM THE PRIMARY SERVICE AREA INCLUDING THE FOLLOWING ZIP CODES/CITIES 20874 GERMANTOWN, 20878 GAITHERSBURG, 20850 ROCKVILLE, 20877 GAITHERSBURG,20886 MONTGOMERY VILLAGE, 20879 GAITHERSBURG, AND 20876 GERMANTOWN WE DRAW 20 PERCENT OF DISCHARGES FROM OUR SECONDARY SERVICE AREA INCLUDING THE FOLLOWING ZIP CODES/CITIES 20852 ROCKVILLE, 20854 POTOMAC, 20906 SILVER SPRING, 20871 CLARKSBURG, 20872 DAMASCUS, 20855 DERWOOD, 20851 ROCKVILLE, 20853 ROCKVILLE, 20882 GAITHERSBURG, AND 20841 BOYDS WASHINGTON ADVENTIST HOSPITAL PRIMARILY SERVES RESIDENTS OF PRINCE GEORGE'S COUNTY AND MONTGOMERY COUNTY, MARYLAND APPROXIMATELY 80 PERCENT OF DISCHARGES COME FROM OUR TOTAL SERVICE AREA, WHICH IS CONSIDERED WASHINGTON ADVENTIST HOSPITAL'S COMMUNITY BENEFIT SERVICE AREA "CBSA" WITHIN THAT AREA, 60 PERCENT OF DISCHARGES ARE FROM THE PRIMARY SERVICE AREA INCLUDING THE FOLLOWING ZIP CODES/CITIES 20783 HYATTSVILLE, 20912 TAKOMA PARK, 20782 HYATTSVILLE, 20903 SILVER SPRING,20904 SILVER SPRING, 20901 SILVER SPRING, 20910 SILVER SPRING, 20740 COLLEGE PARK, 20902 SILVER SPRING, 20906 SILVER SPRING, 20737 RIVERDALE, 20011 WASHINGTON, AND 20705 BELTSVILLE WE DRAW 20PERCENT OF DISCHARGES FROM OUR SECONDARY SERVICE AREA INCLUDING THE FOLLOWING ZIP CODES/CITIES 20706 LANHAM, 20707 LAUREL, 20708 LAUREL, 20712 MOUNT RAINIER, 20722 BRENTWOOD, 20743 CAPITOL HEIGHTS, 20744 FORT WASHINGTON, 20747 DISTRICT HEIGHTS, 20770 GREENBELT, 20774 UPPER MARLBORO, 20781 HYATTSVILLE, 20784 HYATTSVILLE, 20785 HYATTSVILLE, 20850 ROCKVILLE, 20853 ROCKVILLE, 20866 BURTONSVILLE, 20874 GERMANTOWN, 20877 GAITHERSBURG, 20878 GAITHERSBURG, 20886 MONTGOMERY VILLAGE, 20905 SILVER SPRING, 20012 WASHINGTON D C , 20019 WASHINGTON D C WE SERVE ONE OF THE MOST ETHNICALLY DIVERSE COMMUNITIES IN THE UNITED STATES, NON-HISPANIC WHITES NOW COMPRISE ONLY 49% OF THE POPULATION OF MONTGOMERY COUNTY, MD , A DECREASE OF MORE THAN 20% OVER THE LAST TWO DECADES FOR THE FIRST TIME, MINORITIES ACCOUNT FOR MORE THAN HALF OF THE COUNTY'S POPULATION, MAKING IT ONE OF ONLY 336 "MAJORITY-MINORITY" COUNTIES IN THE NATION ACCORDING TO THE U S BUREAU CENSUS BUREAU, THE PERCENTAGE OF HISPANICS OR LATINOS IN MONTGOMERY COUNTY IS MORE THAN DOUBLE THE PERCENTAGE OF HISPANICS OR LATINOS IN THE STATE OF MARYLAND AND WITHIN THE COUNTY, IT OUTNUMBERS ALL POPULATIONS OTHER THAN NON-HISPANIC WHITES THE U S CENSUS BUREAU HAS ALSO FOUND THAT MARYLAND IS ONE OF THE TOP TEN DESTINATIONS FOR FOREIGN-BORN INDIVIDUALS, AND 41% OF THE FOREIGN-BORN IN MARYLAND RESIDE IN MONTGOMERY COUNTY THE COUNTY'S FOREIGN-BORN POPULATION HAS GROWN FROM 12% IN 1980 TO CURRENTLY MORE THAN 30% IMMIGRANTS CONTRIBUTE GREATLY TO OUR COMMUNITY AND OUR HOSPITAL PROVIDERS ARE COMMITTED TO UNDERSTANDING THEIR NEEDS AND WORKING TO TREAT THEM IN A CULTURALLY COMPETENT MANNER

Form and Line Reference	Explanation
PART VI, LINE 5	COMMUNITY HEALTH PROMOTION IN KEEPING WITH OUR MISSION, ADVENTIST HEALTHCARE CONTINUES TO PROMOTE GOOD HEALTH IN THE COMMUNITY THROUGH A ROBUST VARIETY OF METHODS OFFERING HEALTH AND WELLNESS SERVICES THROUGHOUT MONTGOMERY, PRINCE GEORGES, AND FREDERICK COUNTIES IN MARYLAND AS WELL AS SOME AREAS IN WASHINGTON D C IN 2012 WE PROVIDED MORE THAN 64,000 ENCOUNTERS IN JUST THE HEALTH AND WELLNESS AREAS BELOW IS A BRIEF SUMMARY OF THE HEALTH PROMOTION ACTIVITIES WHICH INCLUDES EDUCATION, SCREENINGS, LECTURES, SUPPORT GROUPS, AS WELL AS SUPPORTING THE COMMUNITY SERVING ON COMMUNITY BOARDS AND COMMITTEES AND SUPPORTING THE SAFETY NET CLINICS WE FOCUS ON CHRONIC DISEASES PREVALENT WITH THE COMMUNITIES WE SERVE AS WELL AS THOSE GROUPS THAT ARE MOST VULNERABLE > A VARIETY OF HEALTH SCREENINGS WERE HELD IN COMMUNITY SETTINGS SUCH AS SENIOR LIVING COMMUNITIES, SCHOOLS, SHOPPING CENTERS, BUSINESSES, AND OTHER PRIVATE AND RELIGIOUS INSTITUTIONS > MATERNAL AND CHILD EDUCATION PROVIDED MORE THAN 500 CLASSES, TOURS, AND SUPPORT GROUPS> EDUCATIONAL CLASSES TO THE COMMUNITY INCLUDED BABYSITTING, CPR, HEALTHY EATING, AND GENERAL HEALTH LECTURES> INFLUENZA AND PNEUMONIA VACCINATIONS WERE OFFERED FOR FREE OR REDUCED COST IN MANY COMMUNITY SETTINGS SOME OF THESE VACCINATIONS WERE OFFERED IN PARTNERSHIP WITH MONTGOMERY COUNTY HEALTH DEPARTMENT AND THROUGH PARTNERSHIPS AND GRANTS > DIABETES PREVENTION INCLUDED FREE PRE-DIABETIC CLASSES AS WELL AS INDIVIDUAL COUNSELING AND CLASSES FOR THOSE WITH DIABETES > IN THE AREA OF CARDIAC AND VASCULAR HEALTH WE PROVIDED OVER 52 SCREENING EVENTS INCLUDING 2 LARGE HEART EVENTS AND ONE LARGE STROKE EVENT OFFERING FREE SCREENINGS WITH OVER 2500 ENCOUNTERS > CANCER IS ANOTHER AREA OF CONCENTRATION TO REACH OUT TO THE COMMUNITY THE HOSPITAL PARTICIPANTS IN BREAST CANCER AND COLORECTAL SCREENINGS FOR LOW-INCOME AND UNINSURED CLIENTS IN ADDITION 189 PEOPLE PARTICIPATED IN THE CANCER SCREENING DAYS RECEIVING SCREENING FOR MULTIPLE TYPES OF CANCER (BREAST, COLORECTAL, SKIN, BLADDER, PROSTATE, AND THYROID ADDITIONAL SCREENINGS HAVE BEEN CONDUCTED FOR LUNG CANCER THE CANCER PROGRAM ALSO PROVIDES FREE SUPPORT GROUPS AND NAVIGATION SERVICES FOR THE COMMUNITY > ADVENTIST HEALTHCARE HAS A SPECIFIC PROGRAM THAT SUPPORTS FAITH COMMUNITY NURSES AND HEALTH MINISTERS TO ADDRESS HEALTH ISSUES IN THE FAITH COMMUNITIES OVER 140 FAITH COMMUNITIES ARE INVOLVED IN OUR PROGRAM THAT RECEIVES SUPPORT AND RESOURCES > PERSONNEL FROM VARIOUS DEPARTMENTS ARE ACTIVE IN THE COMMUNITY SERVING ON VARIOUS BOARDS, COALITIONS AND COMMITTEES TO HELP ADDRESS HEALTH IN THE COMMUNITY, PARTICULARLY THE HEALTH OF THE UNDERSERVED AND AT-RISK POPULATIONS > EACH OF THE HOSPITALS SUPPORTS ACCESS TO CARE BY PROVIDING FINANCIAL AND IN-KIND SUPPORT TO THE SAFETY NET CLINICS THIS SUPPORT INCLUDES FINANCIAL CONTRIBUTIONS AND PROVISION OF LABORATORY AND RADIOLOGY SERVICES > TO MEET THE CONTINUING NEEDS OF OUR DIVERSE COMMUNITY, THE HOSPITALS PROVIDE CULTURAL COMPETENCY TRAINING TO MEDICAL AND SUPPORT STAFF WE ARE COMMITTED TO CONTINUE TO PROMOTE THE HEALTH OF THE COMMUNITY THROUGH NEW AND INNOVATIVE MEASURES UTILIZING THE ENTIRE HEALTH SYSTEM FROM ACUTE CARE, REHABILITATION HOSPITAL AND BEHAVIORAL HEALTH
PART VI, LINE 6	AFFILIATED HEALTH CARE ADVENTIST HEALTHCARE, BASED IN ROCKVILLE, MD , IS A FAITH-BASED, NOT-FOR-PROFIT ORGANIZATION OF DEDICATED PROFESSIONALS WHO WORK TOGETHER EACH DAY TO PROVIDE EXCELLENT WELLNESS, DISEASE MANAGEMENT AND HEALTH-CARE SERVICES TO THE COMMUNITY WE WERE FOUNDED UPON THE PRINCIPLE OF WELLNESS MORE THAN 100 YEARS AGO AND TODAY PROVIDE INNOVATIVE CARE TO HEART-ATTACK VICTIMS, CANCER PATIENTS AND PREMATURE BABIES AND THE COMMUNITY OUR UNWAVERING FOCUS HAS ALWAYS BEEN ON THE HEALTH AND WELLNESS OF THE COMMUNITIES WE SERVE WE ARE ALREADY A STEP AHEAD AS HEALTH CARE REFORM IS CHALLENGING HOSPITAL SYSTEMS NATIONWIDE TO IMPROVE THE HEALTH OF POPULATIONS, OUR INTEGRATED, HEALTH-CARE DELIVERY NETWORK INCLUDES FIVE NATIONALLY ACCREDITED, ACUTE-CARE AND SPECIALTY HOSPITALS, MENTAL HEALTH SERVICES AND HOME HEALTH AGENCIES, SERVING THE WASHINGTON, D C METROPOLITAN AREA AND NORTHWESTERN NEW JERSEY ADVENTIST HEALTHCARE IS SHADY GROVE ADVENTIST HOSPITAL, WASHINGTON ADVENTIST HOSPITAL, HACKETTSTOWN REGIONAL MEDICAL CENTER IN NEW JERSEY, ADVENTIST BEHAVIORAL HEALTH, ADVENTIST REHABILITATION HOSPITAL OF MARYLAND, ADVENTIST HOME HEALTH SERVICES, THE REGINALD S LOURIE CENTER FOR INFANTS AND YOUNG CHILDREN AND OTHER HEALTH SERVICES TOGETHER, WITH OUR HEALTH & WELLNESS PROGRAMS, OUR CENTER ON HEALTH DISPARITIES AND MORE THAN 2,000 AFFILIATED PHYSICIANS, ADVENTIST HEALTHCARE ENCOMPASSES MANY OF THE NECESSARY CARE DELIVERY COMPONENTS NEEDED TO DELIVER POPULATION-BASED CARE ACROSS THE CONTINUUM OUR COMMITMENT TO THE COMMUNITY EXTENDS BEYOND OUR WALLS TO ENCOMPASS THE MOST VULNERABLE AND UNDERSERVED IN 2011, WE CARED FOR NEARLY 400,000 RESIDENTS, AND PROVIDED SIGNIFICANT CHARITY CARE AND COMMUNITY BENEFIT MORE THAN \$62 MILLION AS ONE OF THE LARGEST EMPLOYERS IN THE STATE OF MARYLAND, WE ARE GRATEFUL TO HAVE THE DEDICATED COMMITMENT OF NEARLY 6,500 EMPLOYEES AND ALMOST 1,600 VOLUNTEERS THROUGHOUT ADVENTIST HEALTHCARE WHO PROVIDE COMPASSIONATE, HIGH-QUALITY CARE EACH AND EVERY DAY IN ADDITION TO PROVIDING CHARITY CARE AT OUR FACILITIES, ADVENTIST HEALTHCARE IS INVOLVED IN NUMEROUS OUTREACH INITIATIVES DESIGNED TO IMPROVE ACCESS TO HEALTH CARE FOR LOW INCOME AND UNINSURED INDIVIDUALS, AS WELL AS HISTORICALLY UNDER-SERVED COMMUNITIES INCLUDING MINORITIES AND IMMIGRANTS OUR GOAL IS EFFECTIVE PREVENTION, TREATMENT AND CARE PROGRAMS FOR ALL INDIVIDUALS, REGARDLESS OF THEIR ECONOMIC, CULTURAL, LINGUISTIC OR DEMOGRAPHIC CHARACTERISTICS VISIT WWW.ADVENTISTHEALTHCARE.COM TO LEARN EVEN MORE ABOUT OUR SERVICES AND OUR LONGSTANDING BELIEF THAT A HEALTHY LIFESTYLE IS THE BEST WAY TO PREVENT DISEASE, AND THAT PREVENTION IS MUCH BETTER THAN A CURE AHC EXPECTS OUR OPERATING DIVISION TO BE EFFICIENT IN HEALTH SERVICESDELIVERY AND INVOLVED IN THE LOCAL COMMUNITY WHILE THE OVERALL PLANNING AND INVOLVEMENT IN THE COMMUNITY ARE COORDINATED THROUGH THE CORPORATE OFFICE THE PURPOSE IS NOT TO CREATE REDUNDANCY AND INEFFECTIVE USES OF RESOURCES

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

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
ADVENTIST HEALTHCARE INC

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

Employer identification number
52-1532556

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

25

3

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

3

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	THE ADVENTIST HEALTHCARE COMMUNITY PARTNERSHIP FUND PROGRAM OPERATES IN SUPPORT OF OUR ORGANIZATIONS MISSION WE DEMONSTRATE GODS CARE BY IMPROVING THE HEALTH OF PEOPLE AND COMMUNITIES THROUGH A MINISTRY OF PHYSICAL, MENTAL AND SPIRITUAL HEALING THE ADVENTIST HEALTHCARE COMMUNITY PARTNERSHIP FUND SEEKS TO SUPPORT AND PARTNER WITH COMMUNITY-BASED ORGANIZATIONS TO IMPROVE BOTH OVERALL COMMUNITY HEALTH AND THE HEALTH CARE SYSTEM THE COMMUNITY PARTNERSHIP FUND WILL CHANNEL ITS INVESTMENTS INTO AREAS OF FOCUS THAT WILL IMPROVE COMMUNITY HEALTH THESE INVESTMENTS INCLUDE, BUT ARE NOT LIMITED TO WORKING TO INCREASE ACCESS FOR THE UNDERSERVED, DISSEMINATING CARE IMPROVEMENTS, ADDRESSING SOCIAL DETERMINANTS OF HEALTH, AND INFLUENCING PUBLIC POLICY AREAS OF FOCUS - PROJECTS THAT WILL IMPROVE CULTURALLY COMPETENT CARE AND LINGUISTIC SERVICES, HEALTH DISPARITIES RESEARCH PROJECTS, AND EDUCATIONAL CONFERENCES THAT WILL ADDRESS THE NEEDS OF VULNERABLE POPULATIONS -PROGRAMS THAT PROMOTE HEALTH AND WELLNESS IN THE AREAS OF CANCER AND CARDIOVASCULAR SERVICES -PROJECTS THAT WILL RESULT IN THE EXPANSION OF HEALTH SERVICES PARTICULARLY IN SERVING THE UNDERSERVED AND UNINSURED IN THE AREA -INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTE HEALTHCARE CAREERS, AND POLICY ADVOCACY ASSESSMENT CRITERIA (RANKED IN ORDER OF IMPORTANCE) 1 FACILITATES ACCOMPLISHMENT OF AHC GOALS (20%) -STRATEGIC FIT BETWEEN PROJECT AND AHC POSITION AS A HEALTH ADVOCATE -DEMONSTRATES CHANGING PERCEPTION OF AHC BRAND -DEMONSTRATES AHC LEADERSHIP IN CARE AND CLINICAL SERVICES -DEMONSTRATES AHC LEADERSHIP IN HEALTH AND MEDICAL MANAGEMENT -DEMONSTRATES AHC LEADERSHIP IN EDUCATION AND RESEARCH -BRAND REPUTATION OF PARTNER -STABILITY OF PARTNER -LEVERAGES EXISTING RELATIONSHIP AND MAKES IT STRONGER -OPENS NEW DOORS FOR RELATIONSHIP (VS ONE-TIME OPPORTUNITY WITH LIMITED FUTURE) 2 COMMUNITY HEALTH IMPACT (IF COMMUNITY BENEFIT IN NATURE) (15%) -TAKES PLACE IN AHCS AREAS OR REGION OF SERVICE -IDENTIFIES POPULATION-SERVED -ADDRESSES RACIAL AND ETHNIC HEALTH DISPARITIES 3 COST & RESOURCE ISSUES (15%) -COST RELATIVE TO BUDGET -MULTIPLE AHC ENTITIES OR DEPARTMENTS SUPPORT REQUIRED -CLINICAL PERSONNEL REQUIRED -VALUE FOR INVESTMENT (E G COST VS IMPACT) -EASE OF EXECUTION 4 FIT WITH CUSTOMER TARGETS (IF COMMERCIAL IN NATURE) (15%) -DEMOGRAPHIC FIT WITH CUSTOMER SEGMENTATION -HOSPITALITY BENEFITS -VIP ENTERTAINMENT BENEFITS 5 OWNERSHIP/VISIBILITY (10%) -TITLE SPONSOR, ORGANIZATION-NAMED ACTIVITY -OPPORTUNITY TO BUILD EQUITY OVER TIME (LONG-TERM OR SHORT-TERM COMMITMENT) -INDUSTRY CATEGORY EXCLUSIVITY, ABILITY TO PRE-EMPT COMPETITORS -AVOID CLUTTER OF MULTIPLE LAYERS OF SPONSORS -ABILITY TO INFLUENCE CONTENT 6 MEDIA AND PUBLICITY (EXPOSURE) (10%) -QUALITY AND QUANTITY OF OPPORTUNITY FOR MEDIA PLACEMENTS -MEDIA CO-SPONSOR TIE-IN -NEWSWORTHINESS OF ACTIVITY -LATITUDE TO COMMUNICATE AHC MESSAGES OR LOGO-RECOGNITION 7 EMPLOYEE IMPACT (10%) -POTENTIAL TO HAVE POSITIVE IMPACT ON EMPLOYEE MORALE -ABILITY TO REACH EMPLOYEES IN KEY COMMUNITIES -FIT BETWEEN PROJECT AND EMPLOYEES WORK/FAMILY BALANCE ISSUES 8 GENERAL COMMUNITY IMPACT (5%) -BUILDING OF GOODWILL -DEMONSTRATION OF LEADERSHIP

Additional Data

Software ID:
Software Version:
EIN: 52-1532556
Name: ADVENTIST HEALTHCARE 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
AMERICAN HEART ASSOCIATION 4301 N FAIRFAX DR SUITE 530 ARLINGTON,VA 22203	13-5613797	501-(C)-(3)	5,000				PROGRAMS THAT PROMOTE HEALTH AND WELLNESS IN THE AREAS OF CANCER, CARDIOVASCULAR SERVICES, AND MATERNAL AND CHILD HEALTH

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
BIOHEALTH INNOVATION INC 22 BALTIMORE RD 100 ROCKVILLE, MD 20850	45-3824067	501-(C)-(3)	125,000				INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY

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
CASA OF MARYLAND INC CO GUSTAV TORRES 310 TULIP AVENUE TAKOMA PARK, MD 20917	52-1372972	501-(C)-(3)	110,000				PROMISING NEIGHBORHOOD PROJECT FOR LANGLEY PARK - PROJECTS THAT WILL RESULT IN THE EXPANSION OF HEALTH SERVICES PARTICULARLY IN SERVICING THE UNDERSERVED AND UNINSURED AREAS

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
CENTRE POINTE COUNCELING PO BOX 339 ASHTON, MD 20861	52-1288655	501-(C)-(3)	10,000				NON-PROFIT BEHAVIORAL HEALTH CENTER EMP/E-CLINICAL WORKS IMPLEMENTATION - PROJECTS THAT WILL RESULT IN THE EXPANSION OF HEALTH SERVICES PARTICULARLY IN SERVICING THE UNDERSERVED AND UNINSURED AREAS

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

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CITY OF GAITHERSBURG 31 S SUMMIT AVENUE GAITHERSBURG, MD 20877	52-6000792	CITY OF GAITHERSBURG	7,000				SNOW FLAKE SPONSOR FOR THE CITY OF GAITHERSBURG WINTER LIGHTS (\$5,000) & PREMIER SPONSOR FOR THE 6TH ANNUAL ACTIVE AGING EXPO (\$2,000)

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

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COLUMBIA UNION CONFERENCE OF SDA 5427 TWIN KNOLLS RD COLUMBIA, MD 21045	52-0664576	501-(C)-(3)	180,000				2013 PLEDGE (\$175,000)/ COLUMBIA UNION PASTOR'S CONVENTION AT HUNT VALLEY INN (\$5,000) - SEVENTH- DAY ADVENTSIT PARTNERSHIPS

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
COMMITTEE FOR MONTGOMERY 11337 CLASSICAL LANE SILVER SPRING,MD 20901	90-6437327	501-(C)-(4)	5,000				2013 ANNUAL LEGISTLATIVE BREAKFAST - INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY

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
COMMONHEALTH ACTION 1301 CONNECTICUT AVENUE NW WASHINGTON,DC 20036	83-0398572	501-(C)-(3)	50,000				SPONSORSHIP FOR HEALTHY MONTGOMERY FOR THE PERIOD OF PERFORMANCE OF JAN 1, 2013 - DEC 31, 2013 - ((PROJECTS THAT WILL IMPROVE CULTURALLY COMPETENT CARE AND LINGUISTIC SERVICES, HEALTH DISPARITIES RESEARCH PROJECTS AND EDUCATIONAL CONFERENCES THAT WILL ADDRESS THE NEEDS OF VULNERABLE POPULATIONS/PROGRAMS THAT PROMOTE HEALTH AND WELLNESS IN THE AREAS OF CANCER, CARDIOVASCULAR SERVICES, AND MATERNAL AND CHILD HEALTH/PROJECTS THAT WILL RESULT IN THE EXPANSION OF HEALTH SERVICES PARTICULARLY IN SERVICING THE UNDERSERVED AND UNINSURED AREAS/INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY)

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
COMMUNITY CLINIC INC 8630 FENTON STREET SUITE 1204 SILVER SPRING, MD 20910	52-0988386	501-(C)-(3)	175,000				SUPPORT CCI EXPANSION TO GREENBELT - PROJECTS THAT WILL RESULT IN THE EPANISION OF HEALTH SERVICES PARTICULARLY SERVICING THE UNDERSERVED AND UNINSURED AREAS

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

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GERMANTOWN CULTURAL ARTS CENTER DBA BLACKROCK 12901 TOWN COMMONS DRIVE GERMANTOWN, MD 20874	52-2010744	501-(C)-(3)	13,000				2013 BLACKROCK SPRING GALA (\$3,000)/THREE-YEAR PLEDGE THIRD AND LAST INSTALLMENT (\$10,000) - INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY

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
GREATER SILVER SPRING CHAMBER OF COMMERCE 8601 GEORGIA AVE 203 SILVER SPRING, MD 20910	52-1813227	501-(C)-(6)	8,500				BOARD SPONSORSHIP - CORPORATE PARTNER - INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY

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

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IMPACT SILVER SPRING 8545 PINEY BRANCH ROAD SILVER SPRING, MD 20901	52-2164844	501-(C)-(3)	10,000				IMPACT NOW! EVENT - INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY

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

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JEWISH SOCIAL SERVICE AGENCY 6123 MONTROSE ROAD ROCKVILLE,MD 20852	53-0196598	501-(C)-(3)	5,000				BRONZE SPONSOR FOR THE JSSA 2013 SPRING GALA - (PROJECTS THAT WILL IMPROVE CULTURALLY COMPETENT CARE AND LINGUISTIC SERVICES, HEALTH DISPARITIES RESEARCH PROJECTS AND EDUCATIONAL CONFERENCES THAT WILL ADDRESS THE NEEDS OF VULNERABLE POPULATIONS/PROGRAMS THAT PROMOTE HEALTH AND WELLNESS IN THE AREAS OF CANCER, CARDIOVASCULAR SERVICES, AND MATERNAL AND CHILD HEALTH/PROJECTS THAT WILL RESULT IN THE EXPANSION OF HEALTH SERVICES PARTICULARLY IN SERVICING THE UNDERSERVED AND UNINSURED AREAS)

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

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MANSFIELD KASEMAN HEALTH CLINIC 114 WEST MONTGOMERY AVENUE ROCKVILLE, MD 20850	27-2529951	501-(C)-(3)	10,000				MONTE CARLO NIGHT - PROJECTS THAT WILL RESULT IN THE EXPANSION OF HEALTH SERVICES PARTICULARLY IN SERVICING THE UNDERSERVED AND UNINSURED AREAS

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

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MARYLAND HEALTHCARE EDUCATION INSTITUTE 6820 DEERPATH ROAD ELKRIDGE,MD 210756234	52-9001664	501-(C)-(3)	150,000				PLEDGE OF \$1,500,000, \$450,000 REMAINING - INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY

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

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MERCY HEALTH CLINIC 9913 KENTSDALE DRIVE POTOMAC, MD 20854	52-2230932	501-(C)-(3)	10,000				GALA (\$7,500), 5K RUN/WALK (\$1,000), GOLF CLASSIC (\$1,500) - PROJECTS THAT WILL RESULT IN THE EXPANSION OF HEALTH SERVICES PARTICULARLY IN SERVICING THE UNDERSERVED AND UNINSURED AREAS

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
MOBILE MEDICAL CARE INC 9309 OLD GEORGETOWN ROAD BETHESDA, MD 208141620	23-7022588	501-(C)-(3)	345,000				2013 \$200,000 PLEDGE (JAN 2013, APRIL 2013), FIVE-YEAR PLEDGE TO SUPPORT RENT AT UPCOUNTY (\$75,000), MEDICAL SERVICES FOR LOW-INCOME, UNINSURED RESIDENTS IN WAH AREA JULY 2013 TO JUNE 2014 (\$70,000) - (PROJECTS THAT WILL IMPROVE CULTURALLY COMPETENT CARE AND LINGUISTIC SERVICES, HEALTH DISPARITIES RESERACH PROJECTS AND EDUCATIONAL CONFERENCES THAT WILL ADDRESS THE NEEDS OF VULNERABLE POPULATIONS/PROGRAMS THAT PROMOTE HEALTH AND WELLNESS IN THE AREAS OF CANCER, CARDIVASCULAR SERVICES, AND MATERNAL AND CHILD HEALTH/PROJECTS THAT WILL RESULT IN THE EXPANSION OF HEALTH SERVICES PARTICULARLY IN SERVICING THE UNDERSERVED AND UNINSURED AREAS)

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
MONTGOMERY COALITION FOR ADULT - ENGLISH LITERACY 10605 CONCORD TREET ST 440 KENSINGTON, MD 20895	20-8015355	501-(C)-(3)	5,000				PHILANTHROPIC SUPPORT FOR ADVENTIST HEALTHCARE - (PROJECTS THAT WILL IMPROVE CULTURALY COMPETENT CARE AND LINGUISTIC SERVICES/HEALTH DISPARITIES RESEARCH PROJECTS AND EDUCATIONAL CONFERENCES THAT WILL ADDRESS THE NEEDS OF CULNERABLE POPULATIONS/INITIATIVES THAT FOSTER COLLABORATIONS/PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY)

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

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MONTGOMERY COUNTY CHAMBER OF COMMERCE 451 HUNGERFORD DR 515 ROCKVILLE, MD 20850	52-0735621	501-(C)-(6)	25,000				LEADERSHIP CIRCL (\$25,000), GOLD TABLE - PUBLIC SAFETY AWARDS LUNCHEON (\$5,000), (2) UNDERWRITTEN TABLE PSA - PUBLIC SAFETY AWARDS LUNCHEON (\$1,000) - INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY

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

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MONTGOMERY HOSPICE 1450 RESEARCH BLVD SUITE 310 ROCKVILLE,MD 20850	52-1114719	501-(C)-(3)	5,000				CORPORATE SPONSOR 2013 - (PROJECTS THAT WILL IMPROVE CULTURALLY COMPETENT CARE AND LINGUISTIC SERVICES/HEALTH DISPARITIES RESEARCH PROJECTS AND EDUCATIONAL CONFERENCES THAT WILL ADDRESS THE NEEDS OF CULNERABLE POPULATIONS)

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

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NATIONAL HEALTH FOUNDATION 515 S FIGUEROA ST SUITE 1300 LOS ANGELES,CA 90071	23-7314808	501-(C)-(3)	5,000				BRONZE SPONSOR - CELEBRATION OF LEADERSHIP, VISION, AND COMMITMENT, RUTHITA FIKE'S TRIBUTE DINNER - SEVENTH-DAY ADVENTIST PARTNERSHIPS

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

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NORTH AMERICAN DIVISION OF SEVENTH-DAY ADVENTISTS 12501 OLD COLUMBIA PIKE SILVER SPRING, MD 209046600	20-3164300	501-(C)-(3)	5,000				COMMUNITY SERVICES PROJECTS - HELPING PAY FOR T-SHIRTS - SEVENTH-DAY ADVENTIST PARTNERSHIPS

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

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OAKWOOD UNIVERSITY 7000 ADVENTIST BOULEVARD NW HUNTSVILLE,AL 35896	63-0366652	501-(C)-(3)	10,000				OAKWOOD UNIVERSITY CLASS OF 1963 SCHOLARSHIP ENDORSEMENT FOR FOR STUDENTS IN HEALTHCARE - SEVENTH-DAY ADVENTIST PARTNERSHIPS

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

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SENIOR LEADERSHIP MONTGOMERY 5910 EXECUTIVE BLVD 200 ROCKVILLE, MD 20852	52-1627257	501-(C)-(3)	20,000				CLASS PROGRAM - PROGRAM SPONSOR (\$15,000), CELEBRATION (\$5,000) - INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY

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

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SHADY GROVE ADVENTIST HOSPITAL FOUNDATION INC 820 WEST DIAMOND AVENUE GAITHERSBURG,MD 20878	52-1216429	501-(C)-(3)	102,967				FACILITY RENT FOR SHADY GROVE ADVENTIST HOSPITAL

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

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STRATHMORE HALL FOUNDATION INC - MUSIC CENTER 5301 TUKERMAN LANE NORTH BETHESDA, MD 20852	52-1233092	501-(C)-(3)	10,000				2013 SPRING GALA - INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY

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
WASHINGTON ADVENTIST HOSPITAL FOUNDATION INC 820 WEST DIAMOND AVENUE GAITHERSBURG,MD 20878	52-1692158	501-(C)-(3)	84,693				PAID FOR CONSULTING RELATED TO LAUNCHING AN ONLINE FUNDRAISING SERVICE AND MAJOR GIFT FUNDRAISING SERVICES

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

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WASHINGTON ADVENTIST UNIVERSITY 7600 FLOWER AVENUE TAKOMA PARK, MD 20912	52-0643528	501-(C)-(3)	7,500				2013 FAMILY FUN FESTIVAL (\$2,500), VISION 2020 - GROWING WITH EXCELLENCE INAUGURAL GALA (\$4,000) - INITIATIVES THAT FOSTER COLLABORATIONS, PROMOTES HEALTHCARE CAREERS AND POLICY ADVOCACY/SEVENTH-DAY ADVENTIST PARTNERSHIPS)

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

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SHADY GROVE ADVENTIST HOSPITAL FOUNDATION INC 820 WEST DIAMOND AVENUE GAITHERSBURG,MD 20878	52-1216429	501-(C)-(3)	16,000				DONATIONS MADE TO A GOLF TOURNAMENT , WITH PROCEEDS OF THIS EVENT GOING TOWARDS CRITICAL NEEDS

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

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WASHINGTON ADVENTIST HOSPITAL FOUNDATION INC 820 WEST DIAMOND AVENUE GAITHERSBURG,MD 20878	52-1692158	501-(C)-(3)	10,000				DONATIONS MADE TO TWO SPECIAL FUNDRAISING EVENTS, A BLACK TIE GALA AND A GOLF TOURNAMENT, WITH ALL THE PROCEEDS OF THESE EVENTS GOING TOWARDS CRITICAL NEEDS

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
ADVENTIST HEALTHCARE INC

Employer identification number
52-1532556

Part I

Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items</div><div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>b</div><div>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</div></div>		No
<div><div>2</div><div>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?</div></div>	Yes	
<div><div>3</div><div>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</div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div>		
<div><div>4</div><div>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</div></div>		
<div><div>a</div><div>Receive a severance payment or change-of-control payment?</div></div>	Yes	
<div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	Yes	
<div><div>c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>		No
<div><div></div><div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div></div>		
<div><div>5</div><div>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</div></div>		
<div><div>a</div><div>The organization?</div></div>		No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>		No
<div><div>6</div><div>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</div></div>		
<div><div>a</div><div>The organization?</div></div>		No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>		No
<div><div>7</div><div>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</div></div>		No
<div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III</div></div>		No
<div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div></div>		

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	ADVENTIST HEALTHCARE DOES NOT HAVE A WRITTEN POLICY REGARDING REIMBURSEMENT OR PROVISION OF A COUNTRY CLUB EXPENSE INCURRED BY ONLY 2 EXECUTIVES. HOWEVER, WE DO HAVE A CONSISTENT PRACTICE AS FOLLOWS: AHC OWNS THREE COUNTRY CLUB ACCOUNTS, AND ONE OF THE ACCOUNTS IS USED EXCLUSIVELY FOR BUSINESS MEETING PURPOSES. THE USAGE OF THE COUNTRY CLUB ACCOUNT CAN ONLY BE AUTHORIZED BY EITHER ONE OF THE THREE CORPORATE OFFICERS. THE REMAINING TWO ACCOUNTS ARE USED EXCLUSIVELY BY TWO EXECUTIVES WITH SEPARATE BILLINGS FROM THE COUNTRY CLUB. ONE EXECUTIVE PAYS THE COUNTRY CLUB DIRECTLY OUT OF HIS OWN POCKET WITHOUT REIMBURSEMENT FROM AHC. FOR THE OTHER EXECUTIVE, ALTHOUGH ALL EXPENSES ARE PAID BY ADVENTIST HEALTHCARE, ALL SPENDING INCLUDING BUT NOT LIMITED TO FOOD CONSUMPTIONS, RENTAL OF FACILITY, SPORT ACTIVITY FEES AND ALL INCIDENTALS, ARE INCLUDED AS TAXABLE INCOME SUBJECT TO FEDERAL AND STATE TAXES WITHHOLDING. THE OVERALL EXPENDITURES ARE REVIEWED PERIODICALLY BY THE SENIOR VICE PRESIDENT OF HUMAN RESOURCES AND CORPORATE OFFICERS. IN ADDITION TO ANNUAL COMPENSATION REVIEW CONDUCTED BY THE BOARD, ADVENTIST HEALTHCARE DOES NOT CONSIDER IT NECESSARY TO ESTABLISH FORMAL POLICY DUE TO SUCH LIMITED USAGE OF COUNTRY CLUB MEMBERSHIP.
PART I, LINE 3	COMPENSATION DEFINED: THE COMPENSATION REPORTED FOR THE EMPLOYEES SET FORTH ON SCHEDULE J IS COMPRISED OF THE FOLLOWING: BASE COMPENSATION INCLUDES NONDISCRETIONARY PAYMENTS, AGREED UPON IN ADVANCE, CONTINGENT ONLY UPON THE PAYEE'S PERFORMANCE OF AGREED-UPON SERVICES (SUCH AS SALARY OR FEES). INCENTIVE COMPENSATION INCLUDES PAYMENTS BASED ON SATISFACTION OF PRE-DETERMINED PERFORMANCE TARGETS SUCH AS QUALITY/PATIENT SAFETY GOALS, EMPLOYEE AND CUSTOMER ENGAGEMENT GOALS, ORGANIZATIONAL GROWTH, AND FINANCIAL PERFORMANCE, AMONG OTHER THINGS. OTHER REPORTABLE COMPENSATION INCLUDES CERTAIN CUMULATIVE LUMP-SUM TAXABLE PAYMENTS MADE AS A RESULT OF TAX LAW CHANGES THAT AFFECTED THE ADMINISTRATION OF ADVENTIST HEALTHCARE CAPITAL ACCUMULATION ACCOUNT (CAA) PLAN ESTABLISHED PURSUANT TO SECTION 457(F) OF THE INTERNAL REVENUE CODE. IN ADDITION, OTHER REPORTABLE COMPENSATION INCLUDES LONG-TERM DISABILITY COVERAGE, CELL PHONE ALLOWANCES, CASH-OUT OF UNUSED PAID TIME OFF (PTO) HOURS, IMPUTED VALUE OF LIFE INSURANCE BENEFITS, TAXABLE PAYABLE PAY, AND SEVERANCE, AS APPLICABLE. NON-TAXABLE BENEFITS INCLUDES PRE-TAX PAYROLL DEDUCTIONS (SUCH AS FLEXIBLE MEDICAL SPENDING, DEPENDENT CARE, AND EMPLOYEE HEALTH BENEFIT PREMIUM), AND THE EMPLOYER PORTION OF CERTAIN EMPLOYEE BENEFITS SUCH AS HEALTH INSURANCE, DENTAL INSURANCE, VISION INSURANCE, LIFE INSURANCE, BASE CONTRIBUTIONS TO RETIREMENT PLANS, MATCHING OF EMPLOYEES' RETIREMENT CONTRIBUTIONS, QUALIFIED NON-TAXABLE EMPLOYEE MOVING REIMBURSEMENTS, ETC. PAY PRACTICE: ADVENTIST HEALTHCARE UTILIZES A SINGLE EMPLOYER ID FOR ALL OF ITS AFFILIATED ENTITIES FOR EMPLOYMENT PURPOSES. AS SUCH, ACTUAL COMPENSATION AND BENEFITS ARE CHARGED TO THE RESPECTIVE ENTITIES AND THE RESULTING COMPENSATION AND BENEFITS ARE REPORTED ON EACH AFFILIATE IRS FORM 990 AS IF PAID DIRECTLY BY SUCH AFFILIATE. AS APPLICABLE, THE SAME AND NON-ADDITIVE COMPENSATION AND EMPLOYMENT BENEFIT PLAN CONTRIBUTION AMOUNTS WERE ALSO DISCLOSED IN THE ADVENTIST HEALTHCARE INC. RELATED ENTITIES RETURNS. INDEPENDENT GUIDELINES: WHEN SETTING COMPENSATION FOR THE OFFICERS, DIRECTORS, TRUSTEES, KEY EMPLOYEES, AND THE HIGHEST COMPENSATED EMPLOYEES, ADVENTIST HEALTHCARE FULLY COMPLIES WITH THE PROCEDURAL SAFEGUARDS EMBODIED IN IRS REGULATIONS. COMPENSATION FOR ADVENTIST HEALTHCARE OFFICERS, DIRECTORS, TRUSTEES, KEY EMPLOYEES, AND THE HIGHEST COMPENSATED EMPLOYEES IS ENTIRELY SET BY A COMMITTEE OF ADVENTIST HEALTHCARE BOARD OF TRUSTEES. IN SETTING COMPENSATION, THE GOVERNING BOARD COMMITTEE RELIES UPON MARKET COMPARABILITY DATA PROVIDED BY AN INDEPENDENT OUTSIDE COMPENSATION CONSULTANT WHO PROVIDES A SUMMARY OF HEALTH CARE SALARIES AND BENEFITS FOR COMPARABLE SIZED ORGANIZATIONS BOTH NATIONALLY AND IN THE BALTIMORE-WASHINGTON REGION. TO FURTHER ENSURE REASONABLENESS, BOTH COMPENSATION AND BENEFITS ARE TARGETED AT THE 50TH PERCENTILE (OR MEDIAN) OF THE MARKET. PAY PHILOSOPHY: FOR ALL ADVENTIST HEALTHCARE EMPLOYEES INCLUDING THOSE LISTED ON SCHEDULE J, THE GOAL OF ADVENTIST HEALTHCARE IS TO OFFER COMPETITIVE SALARIES IN ORDER TO ATTRACT, HIRE AND RETAIN QUALIFIED AND TALENTED INDIVIDUALS. MAINTAINING A QUALITY AND STABLE WORKFORCE HAS A POSITIVE IMPACT ON THE WORKPLACE AND ON THE CARE PROVIDED TO OUR PATIENTS/RESIDENTS AND THEIR FAMILIES. IN GENERAL, NON-EXECUTIVE EMPLOYEES ARE COMPENSATED UTILIZING THE FULL WAGE SCALE FOR THEIR RESPECTIVE POSITIONS, COMPARED TO THE MARKET. HOWEVER, EXECUTIVES ARE GENERALLY LIMITED TO THE MEDIAN OF THE MARKET FOR THEIR RESPECTIVE POSITIONS.
PART I, LINES 4A-B	CUMULATIVE LUMP-SUM TAXABLE PAYMENTS MADE AS A RESULT OF TAX LAW CHANGES THAT AFFECTED THE ADMINISTRATION OF THE ADVENTIST HEALTHCARE CAPITAL ACCUMULATION ACCOUNT (CAA) PLAN ESTABLISHED PURSUANT TO SECTION 457(F) OF THE INTERNAL REVENUE CODE WERE AS FOLLOWS: WILLIAM G. ROBERTSON \$203,855; TERRY FORDE \$108,601; JAMES G. LEE \$105,670; JOHN SACKETT \$68,196; SUSAN L. GLOVER \$37,804; JOYCE L. NEWMYER \$71,430; JASON C. COE \$33,836; PATRICK GARRETT \$54,784; KEVIN YOUNG \$53,722; BRENT REITZ \$33,285; KEITH BALLENGER \$19,156; KEVIN SMOTHERS \$81,584; KENNETH B. DESTEFANO \$41,695; RANDALL WAGNER, MD \$72,052; EUNMEE SHIM \$32,972; PAULA WILDERLITE \$48,291; MARTA BRITO PEREZ \$58,265. ALSO, IN 2013, SEVERANCE PAYMENTS WERE MADE TO DENNIS HANSEN \$308,638; JERE STOCKS \$422,739.

Additional Data

Software ID:
Software Version:
EIN: 52-1532556
Name: ADVENTIST HEALTHCARE 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				
WILLIAM G ROBERTSON SECRETARY, PRESIDENT & CEO OF AHC	(i) (ii)	833,101 0	104,704 0	222,115 0	12,750 0	33,627 0	1,206,297 0	0 0
TERRY FORDE EVP & COO	(i) (ii)	519,697 0	75,518 0	135,305 0	12,750 0	23,003 0	766,273 0	0 0
JAMES G LEE EVP & CFO	(i) (ii)	477,313 0	81,595 0	112,231 0	12,750 0	17,862 0	701,751 0	0 0
JOHN SACKETT PRESIDENT, SGAH	(i) (ii)	324,296 0	0 0	331,680 0	12,550 0	53,623 0	722,149 0	0 0
JOYCE L NEWMYER PRESIDENT, WAH	(i) (ii)	369,122 0	0 0	78,680 0	12,750 0	25,745 0	486,297 0	0 0
JASON C COE PRESIDENT, HRMC	(i) (ii)	269,598 0	72,901 0	37,227 0	12,750 0	33,382 0	425,858 0	0 0
DENNIS D HANSEN PRESIDENT, SGAH	(i) (ii)	119,880 0	0 0	342,191 0	5,771 0	18,377 0	486,219 0	0 0
SUSAN L GLOVER SVP & SYSTEM QUALITY	(i) (ii)	261,402 0	47,816 0	42,000 0	12,750 0	26,540 0	390,508 0	0 0
PATRICK GARRETT MD SVP & PHYSICIAN INTEGRATION	(i) (ii)	215,264 0	0 0	178,113 0	0 0	26,248 0	419,625 0	0 0
KEVIN YOUNG PRESIDENT, ABH	(i) (ii)	272,200 0	80,630 0	57,426 0	5,343 0	21,652 0	437,251 0	0 0
BRENT REITZ VP & ADMINISTRATOR, ARHM	(i) (ii)	213,504 0	28,511 0	35,677 0	10,161 0	21,715 0	309,568 0	0 0
KEITH BALLENGER VP, HOME HEALTH	(i) (ii)	160,765 0	0 0	33,951 0	8,243 0	20,419 0	223,378 0	0 0
MARTA BRITO PEREZ SVP & CHIEF HR OFFICER	(i) (ii)	304,623 0	65,757 0	65,382 0	12,750 0	22,660 0	471,172 0	0 0
KEVIN SMOTHERS VP & CHIEF MEDICAL OFFICER	(i) (ii)	324,869 0	0 0	206,584 0	0 0	26,144 0	557,597 0	0 0
KENNETH B DESTEFANO VP & GENERAL COUNSEL	(i) (ii)	333,255 0	61,123 0	77,612 0	12,750 0	24,039 0	508,779 0	0 0
RANDALL WAGNER CHIEF MEDICAL OFFICER, WAH	(i) (ii)	329,992 0	0 0	76,578 0	8,400 0	11,856 0	426,826 0	0 0
EUNMEE SHIM VP, OPERATIONS	(i) (ii)	202,947 0	13,231 0	185,929 0	7,351 0	23,442 0	432,900 0	0 0
PAULA WIDERLITE VP, CHIEF DEVELOPMENT OFFICER	(i) (ii)	266,743 0	46,916 0	62,603 0	12,750 0	15,154 0	404,166 0	0 0
JERE D STOCKS FORMER EMPLOYEE, WAH	(i) (ii)	0 0	0 0	415,337 0	0 0	20,981 0	436,318 0	0 0

Schedule K
(Form 990)

Supplemental Information on Tax Exempt Bonds

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization
ADVENTIST HEALTHCARE INC

Employer identification number
52-1532556

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	MHHEFA (2005 A)	52-0936091	574217VS1	12-20-2005	78,000,000	SEE PART VI		X		X		X
B	MHHEFA (2011 A)	52-0936091	574218CH4	09-01-2011	57,508,761	SEE PART VI		X		X		X
C	MHHEFA (2011 B)	52-0936091	NONEAVAIL	09-01-2011	59,980,000	SEE PART VI		X		X		X
D	MHHEFA (2013)	52-0936091	NONEAVAIL	06-12-2013	15,623,500	SEE PART VI		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired								
2	Amount of bonds legally defeased								
3	Total proceeds of issue	79,853,550		57,508,761		59,980,000		15,623,500	
4	Gross proceeds in reserve funds	5,868,995		5,868,995					
5	Capitalized interest from proceeds	4,538,591							
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	691,085		909,734		550,992			
8	Credit enhancement from proceeds	490,630							
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	74,134,254							
11	Other spent proceeds	53,581,715		53,581,715		59,429,008		15,623,500	
12	Other unspent proceeds								
13	Year of substantial completion	2007		2005		2005		1982	
14	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No	Yes	No	Yes	No
			X	X		X		X	
15	Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16	Has the final allocation of proceeds been made?	X		X		X		X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?	X		X		X			X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X		X			
c	Are there any research agreements that may result in private business use of bond-financed property?	X		X		X			X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?	X		X		X			
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		1 160 %		4 280 %		1 850 %	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	0 %		0 %		0 %		0 %	
6	Total of lines 4 and 5	0 %		1 160 %		4 280 %		1 850 %	
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X		X		X	

Part IV

Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X		X		X		X
b	Exception to rebate?		X	X		X			X
c	No rebate due?		X		X		X		X
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X			X	X			X
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X			X		X		X
b	Name of provider	DEUTSCHE BANK							
c	Term of hedge	30 000000000000							
d	Was the hedge superintegrated?		X						
e	Was the hedge terminated?		X						

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions).

Return Reference	Explanation
PART I BOND ISSUES	A (A) ISSUER NAME MHHEFA (F) DESCRIPTION OF PURPOSE SHADY GROVE ADVENTIST HOSPITAL (SGAH) EXPANSION PROJECT - SHADY GROVE TOWER, RENOVATION TO SURGERY DEPARTMENT, MEDICAL/ONCOLOGY NURSING, MEDICAL NURSING, SURGICAL UNITS, EXPANDED EMERGENCY, OBSTETRICS, AND NEONATAL INTENSIVE CARE UNIT, POWER PLANT, ROAD AND ENTRANCEWAY, SIGNAGE AND PARKING, OTHER ROUTINE CAPITAL PROJECTS, B (A) ISSUER NAME MHHEFA (F) DESCRIPTION OF PURPOSE REFUNDING SERIES 2003 B, 2004 AND 2005 ISSUED 2/27/2003, 9/14/04 AND 12/20/05 CONSTRUCTION AND RENOVATIONS AT WASHINGTON ADVENTIST HOSPITAL (WAH), SHADY GROVE (SG), ADVENTIST BEHAVIORAL HEALTH (ABH), AND SG NURSING AND REHABILITATION CENTER EQUIPMENT AT WAH, SG, ABH, AND SG NURSING AND REHABILITATION CENTER, REFINANCE A LOC, FINANCE AND REFINANCE, A PORTION OF THE EXISTING FACILITIES OF ADVENTIST REHABILITATION HOSPITAL OF MD, ACQUISITION OF LIFE SCIENCES LAND, CONSTRUCTION, RENOVATIONS, PARKING LOTS, FENCES, WALKWAYS, AND LANDSCAPING FOR THE INSTITUTION, ADVENTIST REHABILITATION HOSPITAL OF MARYLAND (ARHM), AND SHADY GROVE NURSING, EQUIPMENT FOR ARHM AND SG NURSING, PLANNING AND DESIGN COSTS RELATED TO SG TOWER, COST OF ACQUISITION OF AN INTEREST IN ARHM, C (A) ISSUE NAME MHHEFA (F) DESCRIPTION OF PURPOSE REFUNDING OF 2004 A AND 2005 B FINANCE AND REFINANCE EXISTING FACILITIES AT ARHM, ACQUISITION OF LIFE SCIENCES LAND, FINANCE OR REFINANCE CONSTRUCTION, RENOVATION, PARKING LOTS, FENCES, WALKWAYS, LANDSCAPING, VARIOUS MAJOR MEDICAL EQUIPMENT, FINANCE OR REFINANCE CERTAIN PLANNING AND DESIGN COSTS RELATED TO THE CONSTRUCTION OF THE SHADY GROVE TOWER, COST OF ACQUISITION OF AN INTEREST IN ARHM, ACQUISITION, CONSTRUCTION, RENOVATION, AND EQUIPPING OF ARHM AND WAH, RENOVATION TO WAH AND SG D (A) ISSUE NAME MHHEFA (F) DESCRIPTION OF PURPOSE REFUND OF 2003 A BONDS REFUND 1991 A FOR THE "1991 A-1 PROJECT" - PROJECTS FINANCED OR REFINANCED WITH THE PROCEEDS OF THE 1983 BONDS, INCLUDING CONSTRUCTION, RENOVATION AND EQUIPPING OF FACILITIES AT WASHINGTON ADVENTIST HOSPITAL, PART II, COLUMN A THE 2005 A BOND ISSUE WAS OFFERED AT \$78,000,000 00, BUT AS THIS ISSUE WAS FOR A CONSTRUCTION PROJECT, THE PROCEEDS EARNED INTEREST IN A CONSTRUCTION FUND THE PROCEEDS, THEREFORE, WERE MORE THAN THE ISSUING PRICE PART II, COLUMN B 2011 A HAS A RESERVE FUND VALUED AT \$5,868,995 00 AS OF 12/31/2013 THIS RESERVE FUND WAS RESIZED WITH RESPECT TO THE REFUND OF THE 2003A BONDS WHICH WAS COMBINED WITH THE 2011 A RESERVE FUND ROW 3 WILL NOT TIE TO THE SUM OF ROWS 4-12 FOR THIS BOND ISSUE PART I, COLUMN (A) ISSUER NAME MHHEFA STANDS FOR THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY,

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
ADVENTIST HEALTHCARE INC

Employer identification number
52-1532556

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?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?	(i) Written agreement?	
			To	From			Yes	No		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) JEFFREY PARGAMENT ESQ	TRUSTEE	220,252	LEGAL SERVICES		No

Part V Supplemental Information

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

Return Reference	Explanation
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SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

►Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

►Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ADVENTIST HEALTHCARE INC

Employer identification number
52-1532556

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (2011 MICRO WAV)	X	0	60,000	FMV
26 Other ► ()				
27 Other ► ()				
28 Other ► ()				

29

Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

30a

During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

30a

Yes

No

b

If "Yes," describe the arrangement in Part II

31

Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

31

Yes

32a

Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

32a

No

b

If "Yes," describe in Part II

33

If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 51227J

Schedule M (Form 990) (2013)

Part III

Supplemental Information. Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Return Reference	Explanation
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As Filed Data -

DLN: 93493321017054

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
ADVENTIST HEALTHCARE INC

Employer identification number
52-1532556

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS, CONTINUED	
FORM 990, PART VI, SECTION A, LINE 6	SEE BY LAWS, ARTICLE II THE SOLE MEMBER OF THIS ORGANIZATION IS MID-ATLANTIC ADVENTIST HEALTHCARE, INC
FORM 990, PART VI, SECTION A, LINE 7A	SEE BY LAWS, ARTICLE II MEMBERSHIP THERE SHALL BE A SINGLE CLASS OF CONSTITUENT MEMBERS OF THE CORPORATION (INDIVIDUAL, "MEMBER", COLLECTIVELY, THE MEMBERSHIP") WHICH SHALL CONSI ST OF THE DULY ELECTED MEMBERS OF THE BOARD OF DIRECTORS OF MID-ATLANTIC ADVENTIST HEALTHC ARE, INC , AS THAT BOARD OF DIRECTORS MAY BE CONSTITUTED
FORM 990, PART VI, SECTION A, LINE 7B	DECISIONS SUBJECT TO APPROVAL SEE BY LAWS, ARTICLE II, SECTION 2 - RESERVED AUTHORITY AND RESPONSIBILITY THE FOLLOWING ACTIONS ARE RESERVED TO THE MEMBERSHIP A THE ADOPTION, ALT ERING, AMENDING OR REPLACING OF THE CERTIFICATE OF INCORPORATION OR THE BYLAWS OF THE HOSP ITAL CORPORATION, B THE LIQUIDATION, DISSOLUTION, WINDING UP OR ABANDONMENT OF THE HOSPITA L CORPORATION C APPOINTMENT OF MENBERS O FTHE BOARD OF TRUSTEES FROM NOMINEES SUBMITTED B Y THE NAMINATING COMMITTE D REMOVAL OF MEMBERS OF THE BOARD OF TRUSTEES E APPOINTMENT A ND REMOVAL OF THE CHIEF EXECUTIBE OFFICER (CEO) OF THE CORPORATION THE IN CONSULTATION WIT H THE BOARD OF TRUSTEES ALL MEMBERS HAVE RIGHTS TO VOTE
FORM 990, PART VI, SECTION B, LINE 11	THE FORM 990 WAS REVIEWED IN DETAIL PRIOR TO FILING VARIOUS SECTIONS WERE REVIEWED BY THE EXECUTIVE MANAGEMENT TEAM AND CERTAIN KEY SECTIONS BY THE EXECUTIVE COMMITTEE OF THE BOAR D OF DIRECTORS AN OVERALL REVIEW WAS CONDUCTED BY THE ORGANIZATION'S FINANCE DEPARTMENT W ITH THE ORGANIZATION'S OUTSIDE TAX ADVISORS PRIOR TO FILING, ALL MEMBERS OF THE BOARD ARE PROVIDED A COPY OF THIS FORM 990 THROUGH EMAIL, WHICH LINKED TO THE COMPANY'S INTRANET WE BSITE
FORM 990, PART VI, SECTION B, LINE 12C	PURSUANT TO THE ORGANIZATIONS CONFLICT OF INTEREST POLICY, EACH FACILITY BOARD MEMBER, OFF ICER, DIRECTOR AND ANY EMPLOYEE IN A POSITION THAT REQUIRES COORDINATION AND/OR NEGOTIATIO N WITH CONTRACTORS OR SUPPLIES, IS REQUIRED ON AN ANNUAL BASIS TO DISCLOSE ANY BUSINESS OR FINANCIAL RELATIONSHIP OUTSIDE OF THE ORGANIZATION COMPLIANCE WITH POLICY IS MONITORED A ND ENFORCED BY THE HUMAN RESOURCES DEPARTMENT, CORPORATE INTEGRITY DEPARTMENT AND THE LEGA L DEPARTMENT
FORM 990, PART VI, SECTION B, LINE 15	WHEN SETTING EXECUTIVE COMPENSATION, THE ORGANIZATION FULLY COMPLIES WITH THE PROCEDURAL S AFEGUARDS EMBEDDED IN THE IRS REGULATIONS EXECUTIVE COMPENSATION IS ENTIRELY SET BY A COM MITTEE OF THE BOARD OF TRUSTEES IN SETTING COMPENSATION, THE GOVERNING BOARD COMMITTEE RE LIES UPON MARKET COMPARABILITY DATA PROVIDED BY AN INDEPENDENT OUTSIDE COMPENSATION CONSUL TANT TO ENSURE REASONABLENESS, COMPENSATION IS SET AT THE 50TH PERCENTILE OF THE NATURAL MARKET
FORM 990, PART VI, SECTION C, LINE 19	THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS, ARE A VAILABLE TO THE PUBLIC UPON REQUEST
FORM 990, PART XI, LINE 9	NET ORGANIZATION TRANSFER 1,292,662 CHANGE IN ASSET HELD FOR EQUIP PURCHASE 30,317 OTHER UNRESTRICTED NET ASSETS ACTIVITY -82,045 CHANGE IN VALUE OF REMAINDER TRUST 223,675

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
ADVENTIST HEALTHCARE INC

Employer identification number
52-1532556

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) ADVENTIST CANCER CARE LLC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 26-2515407	OUTPATIENT CANCER CARE	MD	4,103,422	2,945,480	N/A
(2) AHC HOLDINGS I LLC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 52-1532556	HOLDING COMPANY	MD		5,400,000	N/A
(3) AHC HOLDINGS II LLC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 52-1532556	HOLDING COMPANY	DE		5,570,774	N/A
(4) ONE HEALTH QUALITY ALLIANCE LLC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 52-1532556	INTEGRATED PHYSICIAN GROUP	MD	0	0	N/A

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	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) Disproportionate 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	
(1) GERMANTOWN OUTPATIENT IMAGING LLC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 20-4395818	OUTPATIENT IMAGING	MD	SHADY GROVE RADIOLOGY CENTER	RELATED	-1,138,899	-1,626,611		No			No	50 000 %

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) PREMIER MEDICAL NETWORK INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 52-1952469	JOINT PHYSICIAN CONT	MD	ADVENTIST HEALTHCARE INC	C	815	19,612	50 000 %		No

Part V

Transactions With Related Organizations

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

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

1

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

a

Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

Lease of facilities, equipment, or other assets to related organization(s)

k

Lease of facilities, equipment, or other assets from related organization(s)

l

Performance of services or membership or fundraising solicitations for related organization(s)

m

Performance of services or membership or fundraising solicitations by related organization(s)

n

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

Other transfer of cash or property to related organization(s)

s

Other transfer of cash or property from related organization(s)

Yes

No

1a

No

1b

Yes

1c

Yes

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

No

1k

No

1l

Yes

1m

No

1n

No

1o

No

1p

No

1q

Yes

1r

No

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			

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.

[illegible]

Part VII

Supplemental Information

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

Return Reference	Explanation
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Additional Data

Software ID:

Software Version:

EIN: 52-1532556

Name: ADVENTIST HEALTHCARE 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 HEALTHCARE URGENT CARE CENTERS INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 46-1577511	CLINIC - EMERGENCY CARE	MD	501(C)(3)	LINE 3	ADVENTIST HEALTHCARE INC	Yes	
(1) ADVENTIST HOME HEALTH SERVICES INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 52-0986808	HOME CARE SERVICES	MD	501(C)(3)	LINE 9	ADVENTIST HEALTHCARE INC	Yes	
(2) ADVENTIST PHYSICIAN SERVICES INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 20-4600646	PHYSICIAN SERVICES	MD	501(C)(3)	LINE 9	ADVENTIST HEALTHCARE INC	Yes	
(3) ADVENTIST REHABILITATION HOSPITAL OF MARYLAND INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 20-1486678	REHABILITATION HOSPITAL	MD	501(C)(3)	LINE 3	ADVENTIST HEALTHCARE INC	Yes	
(4) ADVENTIST REHABILITATION INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 30-0780513	REHABILITATION HOSPITAL	MD	501(C)(3)	LINE 3	ADVENTIST REHABILITATION HOSPITAL OF MARYLAND INC	Yes	
(5) HACKETTSTOWN COMMUNITY HOSPITAL INC 651 WILLOW GROVE STREET HACKETTSTOWN, NJ 07840 22-6106281	HOSPITAL	NJ	501(C)(3)	LINE 3	ADVENTIST HEALTHCARE INC	Yes	
(6) HACKETTSTOWN REGIONAL MEDICAL CENTER EMERGENCY SERVICES INC 651 WILLOW GROVE STREET HACKETTSTOWN, NJ 07840 27-0820164	AMBULANCE SERVICE	NJ	501(C)(3)	LINE 11A, I	HACKETTSTOWN COMMUNITY HOSPITAL INC	Yes	
(7) HACKETTSTOWN COMMUNITY HOSPITAL FOUNDATION INC 651 WILLOW GROVE STREET HACKETTSTOWN, NJ 07840 22-2333410	FUNDRAISING	NJ	501(C)(3)	LINE 11A, I	HACKETTSTOWN COMMUNITY HOSPITAL INC	Yes	
(8) MEDICAL CENTER PARTNERS INC 651 WILLOW GROVE STREET HACKETTSTOWN, NJ 07840 45-4789273	PHYSICIAN SERVICES	NJ	501(C)(3)	LINE 11A, I	HACKETTSTOWN COMMUNITY HOSPITAL INC	Yes	
(9) MID-ATLANTIC ADVENTIST HEALTHCARE CORPORATION 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 52-1884153	HOLDING COMPANY	MD	501(C)(3)	LINE 9	N/A		No
(10) ADVENTIST BEHAVIORAL HEALTH FOUNDATION INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 20-5479860	FUNDRAISING	MD	501(C)(3)	LINE 11A, I	ADVENTIST HEALTHCARE INC	Yes	
(11) REGINALD S LOURIE CENTER FOR INFANTS AND YOUNG CHILDREN INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 52-1255870	BEHAVIORAL CARE	MD	501(C)(3)	LINE 9	ADVENTIST HEALTHCARE INC	Yes	
(12) SHADY GROVE ADVENTIST HOSPITAL FOUNDATION INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 52-1216429	FUNDRAISING	MD	501(C)(3)	LINE 11A, I	ADVENTIST HEALTHCARE INC	Yes	
(13) WASHINGTON ADVENTIST HOSPITAL FOUNDATION INC 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 52-1692158	FUNDRAISING	MD	501(C)(3)	LINE 11A, I	ADVENTIST HEALTHCARE INC	Yes	
(14) WASHINGTON ADVENTIST FITNESS CENTER 820 W DIAMOND AVE SUITE 600 GAITHERSBURG, MD 208781419 27-4758462	WELLNESS	MD	501(C)(3)	LINE 9	ADVENTIST HEALTHCARE INC	Yes	

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
SHADY GROVE ADVENTIST HOSPITAL FOUNDATION	C	2,000,000	FMV
ADVENTIST BEHAVIORAL HEALTH FOUNDATION	C	85,319	FMV
WASHINGTON ADVENTIST HOSPITAL FOUNDATION	C	17,941	FMV
SHADY GROVE ADVENTIST HOSPITAL FOUNDATION	B	102,967	FMV
WASHINGTON ADVENTIST HOSPITAL FOUNDATION	B	84,693	FMV
HACKETTSTOWN REGIONAL MEDICAL CENTER	L	2,268,812	FMV
HACKETTSTOWN REGIONAL MEDICAL CENTER	Q	4,485,178	FMV
ADVENTIST REHABILIATTION HOSPITAL OF MD	L	673,579	FMV
ADVENTIST REHABILIATTION HOSPITAL OF MD	Q	1,944,004	FMV
REGINALD LOURIE CENTER	L	150,569	FMV
ADVENTIST HOME HEALTH SERVICES INC	L	390,507	FMV
ADVENTIST HOME HEALTH SERVICES INC	Q	578,048	FMV
MEDICAL CENTER PARTNERS	L	42,156	FMV
SHADY GROVE ADVENTIST HOSPITAL FOUNDATION	B	16,000	FMV
WASHINGTON ADVENTIST HOSPITAL FOUNDATION	B	10,000	FMV

Adventist HealthCare, Inc. and Controlled Entities

Financial Statements and
Supplementary Information

December 31, 2013 and 2012



Adventist HealthCare, Inc. and Controlled Entities

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December 31, 2013 and 2012

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Independent Auditors' Report

Board of Trustees
Adventist HealthCare, Inc. and Controlled Entities

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Adventist HealthCare, Inc. and controlled entities (collectively, the "Corporation"), which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of operations, 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 Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating and combining information presented on pages 42 to 49 is presented for purposes of additional analysis rather than to present the financial position, results of operations, and cash flows of the individual companies and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Wilkes-Barre, Pennsylvania
April 29, 2014

Adventist HealthCare, Inc. and Controlled Entities

Consolidated Balance Sheets

December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 58,692,102	\$ 19,965,512
Short-term investments	128,642,187	155,416,945
Assets whose use is limited	3,950,514	5,722,017
Patient accounts receivable, net of estimated allowances of \$92,434,000 in 2013 and \$104,455,000 in 2012	127,698,502	138,952,125
Other receivables, net of estimated allowance for doubtful collections of \$2,288,000 in 2013 and \$2,350,000 in 2012	12,781,149	9,124,293
Inventories	12,172,222	12,781,870
Prepaid expenses and other current assets	<u>6,251,940</u>	<u>3,306,192</u>
Total current assets	350,188,616	345,268,954
Property and Equipment, Net	392,164,649	382,975,709
Assets Whose Use is Limited		
Under trust indentures and capital lease purchase financing facilities, held by trustees and banks	7,045,353	9,843,484
Professional liability trust fund	8,835,811	6,122,473
Deferred compensation fund	164,057	164,057
Cash and Cash Equivalents Temporarily Restricted for Capital Acquisition	2,978,828	2,650,934
Investments and Investments in Unconsolidated Subsidiaries	9,926,599	9,533,604
Land Held for Healthcare Development	84,805,542	76,230,174
Deferred Financing Costs, Net	2,622,135	3,374,836
Intangible Assets, Net	5,408,550	5,693,334
Deposits and Other Noncurrent Assets	<u>7,448,871</u>	<u>5,562,034</u>
Total assets	<u>\$ 871,589,011</u>	<u>\$ 847,419,593</u>

See notes to consolidated financial statements

Adventist HealthCare, Inc. and Controlled Entities

Consolidated Balance Sheets

December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 83,688,817	\$ 75,480,655
Accrued compensation and related items	31,922,897	30,866,740
Interest payable	2,222,769	3,043,488
Due to third party payors	21,919,784	26,873,945
Estimated self-insured professional liability	1,202,986	1,241,672
Current maturities of long-term obligations	22,925,596	38,270,987
Long-term debt subject to short-term remarketing and repayment arrangements	<u>41,985,000</u>	<u>-</u>
Total current liabilities	205,867,849	175,777,487
Construction Payable	116,254	124,101
Long-Term Obligations, Net		
Bonds payable	221,015,919	231,407,570
Notes payable	18,916,729	23,435,834
Capital lease obligations	16,348,680	15,183,624
Derivative Financial Instruments	16,103,581	28,169,723
Deferred Compensation	164,057	164,057
Other Liabilities	12,310,883	5,520,386
Estimated Self-Insured Professional Liability	<u>8,121,925</u>	<u>6,023,754</u>
Total liabilities	<u>498,965,877</u>	<u>485,806,536</u>
Net Assets		
Unrestricted	365,618,832	353,330,451
Temporarily restricted	6,662,881	7,941,185
Permanently restricted	<u>341,421</u>	<u>341,421</u>
Total net assets	<u>372,623,134</u>	<u>361,613,057</u>
Total liabilities and net assets	<u>\$ 871,589,011</u>	<u>\$ 847,419,593</u>

See notes to consolidated financial statements

Adventist HealthCare, Inc. and Controlled Entities

Consolidated Statements of Operations

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Unrestricted Revenues		
Net patient service revenue	\$ 664,929,799	\$ 660,197,337
Provision for doubtful collections	<u>(43,172,646)</u>	<u>(46,135,114)</u>
Net patient service revenue less provision for doubtful collections	621,757,153	614,062,223
Other revenue	<u>37,990,928</u>	<u>33,937,871</u>
Total unrestricted revenues	<u>659,748,081</u>	<u>648,000,094</u>
Expenses		
Salaries and wages	277,034,762	280,362,629
Employee benefits	58,644,334	56,654,101
Contract labor	29,565,999	26,663,188
Medical supplies	93,404,087	96,729,115
General and administrative	121,185,271	107,141,577
Building and maintenance	35,047,777	32,879,596
Insurance	5,147,729	5,149,118
Interest	8,365,613	9,782,884
Depreciation and amortization	<u>31,059,309</u>	<u>31,178,340</u>
Total expenses	<u>659,454,881</u>	<u>646,540,548</u>
Income from operations	<u>293,200</u>	<u>1,459,546</u>
Other Income (Expense)		
Investment income	2,786,060	2,310,413
Loss on extinguishment of debt	(707,292)	-
Other income	<u>1,673,660</u>	<u>799,959</u>
Total other income	<u>3,752,428</u>	<u>3,110,372</u>
Revenues in excess of expenses from continuing operations	4,045,628	4,569,918
Change in net unrealized gains and losses on investments other than trading securities	(2,896,072)	395,380
Change in net unrealized gain (loss) on derivative financial instruments	8,450,548	(555,316)
Net assets released from restriction for purchase of property and equipment	3,243,024	4,008,780
Other unrestricted net asset activity	<u>(82,046)</u>	<u>(210,000)</u>
Increase in unrestricted net assets from continuing operations	12,761,082	8,208,762
(Loss) income from discontinued operations	<u>(472,701)</u>	<u>2,298,650</u>
Increase in unrestricted net assets	<u>\$ 12,288,381</u>	<u>\$ 10,507,412</u>

See notes to consolidated financial statements

Adventist HealthCare, Inc. and Controlled Entities

Consolidated Statements of Changes in Net Assets
Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Unrestricted Net Assets		
Revenues in excess of expenses from continuing operations	\$ 4,045,628	\$ 4,569,918
Change in net unrealized gains and losses on investments other than trading securities	(2,896,072)	395,380
Change in net unrealized loss on derivative financial instruments	8,450,548	(555,316)
Net assets released from restriction for purchase of property and equipment	3,243,024	4,008,780
Other unrestricted net asset activity	<u>(82,046)</u>	<u>(210,000)</u>
Increase in unrestricted net assets from continuing operations	12,761,082	8,208,762
(Loss) income from discontinued operations	<u>(472,701)</u>	<u>2,298,650</u>
Increase in unrestricted net assets	<u>12,288,381</u>	<u>10,507,412</u>
Temporarily Restricted Net Assets		
Restricted gifts and donations	6,132,245	8,680,029
Net assets released from restriction for purchase of property and equipment	(3,243,024)	(4,008,780)
Net assets released from restriction used for operations	(4,290,355)	(6,613,695)
Change in value of beneficial interest in trusts and charitable gift annuity obligation	237,254	106,075
Change in discount of pledges receivable and provision for doubtful pledges	(146,325)	(16,886)
Donor restricted investment income	<u>31,901</u>	<u>17,448</u>
Decrease in temporarily restricted net assets	<u>(1,278,304)</u>	<u>(1,835,809)</u>
Permanently Restricted Net Assets		
Other permanently restricted net asset activity	<u>-</u>	<u>-</u>
Increase in net assets	11,010,077	8,671,603
Net Assets, Beginning	<u>361,613,057</u>	<u>352,941,454</u>
Net Assets, Ending	<u>\$ 372,623,134</u>	<u>\$ 361,613,057</u>

See notes to consolidated financial statements

Adventist HealthCare, Inc. and Controlled Entities

Consolidated Statements of Cash Flows

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities		
Increase in net assets	\$ 11,010,077	\$ 8,671,603
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Provision for doubtful collections	47,796,874	51,208,518
Depreciation and amortization	36,092,319	36,467,510
Loss on extinguishment of debt	707,292	-
Restricted contributions and grants	(2,246,168)	(5,985,585)
Earnings recognized from unconsolidated subsidiaries and affiliates	(2,695,156)	(3,026,134)
Amortization of bond discounts	-	9,790
Amortization of physician income guarantees	94,483	156,138
Gain on sale of interest in unconsolidated subsidiaries	(1,855,239)	(3,090,298)
Net realized loss on investments other than trading securities	903,233	1,561,074
Change in net unrealized gains and losses on investments other than trading securities	2,896,072	(395,380)
Change in net unrealized (gain) loss on derivative financial instruments	(8,450,548)	555,316
Change in value of beneficial interest in trusts and charitable gift annuity	(237,254)	(106,075)
Change in discount on pledges receivable and provision for doubtful pledges	146,325	16,886
Changes in assets and liabilities		
Patient accounts receivable, net	(36,543,251)	(60,410,918)
Other receivables, net	(3,389,526)	(885,133)
Inventories, prepaid expenses and other current assets	(2,336,100)	(186,128)
Accounts payable and accrued expenses	6,203,378	(6,139,327)
Accrued compensation and related items	1,056,157	(3,427,448)
Interest payable	(820,719)	534,568
Estimated self-insured professional liability	2,059,485	(1,680,884)
Due to third party payors	(4,954,161)	7,262,875
Other noncurrent assets and liabilities	1,378,995	(1,338,663)
Net cash provided by operating activities	<u>46,816,568</u>	<u>19,772,305</u>

See notes to consolidated financial statements

Adventist HealthCare, Inc. and Controlled EntitiesConsolidated Statements of Cash Flows
Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	\$ (34,507,464)	\$ (24,526,941)
Payments to physicians under income guarantees	(16,667)	(79,680)
Decrease in investments and investments in unconsolidated subsidiaries	25,381,710	10,392,031
Net additions to land held for healthcare development	(7,502,447)	(3,042,560)
Proceeds from sale of interest in unconsolidated subsidiaries	2,003,649	5,842,152
Distributions from investments in unconsolidated subsidiaries	262,586	2,555,418
Decrease in trustee held funds and restricted cash	1,013,310	6,801,791
	<u>(13,365,323)</u>	<u>(2,057,789)</u>
Net cash used in investing activities		
Cash Flows From Financing Activities		
Payment of financing costs	(191,318)	(166,398)
Proceeds from issuance of bonds	40,797,600	-
Repayments on long-term obligations, net	(37,577,105)	(18,734,996)
Proceeds from restricted contributions and grants	2,246,168	5,985,585
	<u>5,275,345</u>	<u>(12,915,809)</u>
Net cash provided by (used in) financing activities		
Net increase in cash and cash equivalents	38,726,590	4,798,707
Cash and cash equivalents, beginning	<u>19,965,512</u>	<u>15,166,805</u>
Cash and cash equivalents, ending	<u>\$ 58,692,102</u>	<u>\$ 19,965,512</u>
Supplemental Disclosure of Cash Flow Information		
Interest paid	<u>\$ 11,591,903</u>	<u>\$ 11,521,995</u>
Supplemental Disclosure of Noncash Investing and Financing Activities		
Capital lease obligation incurred for equipment	<u>\$ 9,306,779</u>	<u>\$ 3,841,370</u>
Construction payable for property and equipment	<u>\$ 116,254</u>	<u>\$ 124,101</u>

See notes to consolidated financial statements

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Adventist HealthCare, Inc. ("AHC") is a nonstock membership corporation organized to effectuate coordinated administration of hospitals and other health care organizations through the provision of key management and administrative services. AHC is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. AHC is not exempt from income taxes for unrelated business income. AHC's sole corporate member is Mid-Atlantic Adventist HealthCare, Inc.

AHC is comprised of several operating divisions. Shady Grove Adventist Hospital ("SGAH") is a 331-bed acute care hospital located in Rockville, Maryland. Washington Adventist Hospital ("WAH") is a 252-bed acute care hospital with 32 acute rehabilitation beds located in Takoma Park, Maryland. Adventist Behavioral Health ("ABH") is comprised of two separate facilities located in Maryland. ABH - Rockville is a 106-bed psychiatric hospital with 54 residential treatment rooms and 32 group home beds for adolescents. ABH - Eastern Shore is the region's only acute care and residential mental health resource for children and adolescents, which has 15 acute care psychiatric beds and 32 residential treatment rooms. The Support Center is comprised of the corporate office that provides corporate and centralized shared service functions that benefit the entire healthcare system. The Support Center is comprised of the following units: Adventist Choice Nursing ("ACN"), Adventist Home Assistance ("AHA") and the AHC Benefit business unit. ACN provides skilled nursing care to individual patients and other healthcare entities not affiliated with AHC. AHA provides non-clinical assistance to homebound patients who cannot perform certain daily activities on their own. The AHC Benefit business unit administers the self-insured health benefit program including health insurance, dental and vision coverage for Adventist HealthCare, Inc. and controlled entities.

Hackettstown Community Hospital d b a Hackettstown Regional Medical Center ("HRMC") is a 111-bed not-for-profit acute care hospital organized under the laws of the State of New Jersey. The primary purpose of HRMC is to participate in the health ministry of the Seventh-day Adventist Church and to promote the wholeness of man physically, mentally and spiritually through acute care hospital services. HRMC is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Effective January 28, 2014, the Corporation entered into an affiliation agreement with an unrelated third party for the future sale of HRMC pending state regulatory review. See Note 2 for further details.

Adventist Rehabilitation Hospital of Maryland, Inc. ("ARHM") is comprised of two outpatient sites in Maryland. ARHM - Rockville is a 55-bed rehabilitation facility and ARHM - Takoma Park is a 32-bed rehabilitation facility. ARHM is tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

The Reginald S. Lourie Center for Infants and Young Children ("Lourie Center") is a not-for-profit organization that specializes in the diagnosis, treatment and prevention of developmental and emotional disorders in children from birth through ten years of age. The Lourie Center is tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Adventist Medical Group (“AMG”), formerly known as Adventist Physician Services, Inc., is a not-for-profit entity that provides physician professional health services to further provide necessary services to the communities it serves. AMG is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Adventist Healthcare, Inc. is contracted with Medical Faculty Associates, Inc. (“MFA”) to employ the AMG employees, through a wholly owned affiliate of MFA, in exchange for certain economic support to facilitate the growth by MFA of the AMG practices.

Adventist Senior Living Services, Inc. (“ASLS”) is a nonstock membership corporation that provides management and support services to five subsidiary nursing homes, a wholly-owned dialysis center, and one affiliated nursing home. The facilities’ residents primarily come from the State of Maryland. ASLS and its subsidiary nursing homes are tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Effective November 30, 2010, the Corporation sold the operating assets of its five wholly-owned subsidiary nursing homes, its wholly owned dialysis center, and its one affiliated nursing home. See Note 2 for further details.

Adventist Home Health Services, Inc. (“AHHS”) is a nonstock membership corporation organized to provide home health services in Maryland. It is tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

Adventist Management Services, Inc. (“AMSI”) is organized as a taxable corporation to provide management services to its subsidiaries that provide various health care services including, but not limited to a wholly-owned healthcare recruitment organization, GROW HealthCare, LLC. Effective December 3, 2012, AMSI was legally dissolved and all remaining assets and liabilities were transferred to the parent AHC in 2013.

Washington Adventist Hospital Foundation, Inc., Shady Grove Adventist Hospital Foundation, Inc., Hackettstown Community Hospital Foundation, Inc., and Adventist Behavioral Health Foundation, Inc. (collectively the “Foundations”) are separate nonstock corporations that operate for the furtherance of each named hospital’s health care objectives primarily through the solicitation of contributions, gifts and bequests. The Foundations also exist to help fund new equipment purchases and capital improvement projects for their respective hospitals. The Foundations are tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

Principles of Consolidation

The consolidated financial statements for 2013 and 2012 include the accounts of AHC, the controlling parent, HRMC, ARHM, the Lourie Center, AMG, ASLS, AHHS, AMSI, the Foundations, and their majority-owned subsidiaries and controlled affiliates (collectively, the “Corporation”). All significant intercompany balances and transactions have been eliminated in the consolidated financial statements of the Corporation.

Subsequent Events

The Corporation evaluated subsequent events for recognition or disclosure through April 29, 2014, the date the consolidated financial statements were issued.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Use of Estimates

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

Risk Factors

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient services previously billed. Management is not aware of any material incidents of noncompliance, however, the possible future financial effects of this matter on the Corporation, if any, are not presently determinable.

Maryland Health Services Cost Review Commission

Patient charges of SGAH, WAH, ABH and ARHM are subject to review and approval by the Maryland Health Service Cost Review Commission ("HSCRC"). Management has filed the required reports with the HSCRC for each facility and believes they are in compliance with HSCRC requirements.

In April 2014, Adventist Healthcare entered into a Global Budget Revenue Agreement with the HSCRC for Shady Grove Adventist Hospital, Washington Adventist Hospital and Shady Grove Emergency Center, retroactive to July 1, 2013. This agreement sets a fixed amount of revenue for each entity for the period July 1, 2013 through June 30, 2014. Total revenue per the Global Budget Revenue Agreement, and the amount of that revenue recognized in 2013, are as follows:

	Total Approved Revenue July 1, 2013- June 30, 2014	Revenue Recognized July 1, 2013- December 31, 2013
Shady Grove Adventist Hospital	\$ 376,588,970	\$ 185,035,009
Washington Adventist Hospital	254,864,218	122,757,511
Shady Grove Emergency Center	13,839,618	7,324,110

The HSCRC has placed into its methodology a rate system which, among other things, causes SGAH and WAH to calculate the amount of revenue lost or gained due to variances from approved rates. Revenue lost due to undercharges in rates is recouped through increases in prospective rates. Similarly, revenue gained due to overcharges in rates is paid back, wholly or in part, through reductions in prospective rates.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The Corporation reported net undercharges of \$1,195,648 and \$6,987,996 as of December 31, 2013 and 2012, respectively. These price variances reflect (1) the variance between actual patient charges and the rate orders, and (2) a provision for expected rate adjustments related to the case mix experience of WAH and SGAH. The net amounts are reported as a component of net patient service revenue and patient accounts receivable in the consolidated financial statements. Since the HSCRC's rate year extends from July 1 through June 30, these amounts will continue to fluctuate until the end of the rate year as actual patient charges deviate from the Total Approved Global Budget Revenue Agreement amounts reflected above, at which time any over/under charges are amortized on the straight-line basis over the following rate year.

Under Maryland law, charges of specialty hospitals such as ARHM are subject to review and approval by the HSCRC. HSCRC regulations also include a provision whereby a hospital may apply for an exemption from the requirements to charge for services in accordance with the HSCRC regulations. Certain conditions regarding the percentage of revenue related to Medicare and Medicaid patients and total revenues must be met to receive the initial exemption and must be met each year thereafter. Reporting requirements as established by the HSCRC continue if an exemption regarding charging for services is received. The Corporation's management believes ARHM met the conditions for exemption during 2013 and 2012.

Cash and Cash Equivalents

Cash and cash equivalents include investments in money market funds and certificates of deposit purchased with original maturities of less than 90 days, excluding assets whose use is limited.

Patient Accounts Receivable

Patient accounts receivable are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. In evaluating the collectability of patient accounts receivable, the Corporation analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful collections and provision for doubtful collections. For patient accounts receivable associated with services provided to patients who have third-party coverage, the Corporation analyzes contractually due amounts and provides an allowance for doubtful collections and provision for doubtful collections, if necessary. For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Corporation records a provision for doubtful collections in the period of service on the basis of its past experience, which indicates that many patients are unable to pay the portion of their bill for which they are financially responsible. The difference between the billed rates and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful collections.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The Corporation's allowance for doubtful collections for self-pay patients as a percentage of self-pay accounts receivable was 67% and 64% at December 31, 2012 and 2013, respectively. In addition, the Corporation's self-pay account writeoffs, net of recoveries, increased from \$38,639,959 in 2012 to \$49,368,811 in 2013 which was the result of both increased services provided to self-pay patients and negative trends experienced in the collection of amounts from self-pay patients in 2013. The Corporation does not maintain a material allowance for doubtful collections from third party payors, nor did it have significant writeoffs from third-party payors.

Other Receivables

Other receivables represent amounts due to the Corporation for charges other than providing health care services to patients and pledges from donors. These services include, but are not limited to, fees from educational programs, rental of health care facility space, interest earned, and management services provided to unconsolidated subsidiaries. Other receivables are written off when they are determined to be uncollectible based on management's assessment of individual accounts. The allowance for doubtful accounts is estimated based upon historical collection experience and other managerial information.

Assets Whose Use Is Limited

Assets whose use is limited includes assets held by bond trustees under trust indentures, assets set aside as required by the Corporation's self-funded professional liability trust, and assets set aside for deferred compensation agreements. Amounts available to meet current liabilities of the Corporation have been reclassified as current assets in the accompanying consolidated balance sheets.

Investments and Investment Risk

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. Cash and cash equivalents and certificates of deposit are carried at cost which approximates fair value. Investments in joint ventures are accounted for using the equity or cost method of accounting depending on the Corporation's ownership interest. Investment income or loss (including realized gains and losses on investments, write-downs of the cost basis of investments due to an other-than-temporary decline in fair value, interest, and dividends) is included in the determination of revenues in excess of expenses from continuing operations unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are excluded from the determination of revenues in excess of expenses unless the investments are trading securities. Donor-restricted investment income is reported as an increase in temporarily restricted net assets.

The Corporation's investments are comprised of a variety of financial instruments. The fair values reported in the consolidated balance sheets are subject to various risks including changes in the equity markets, the interest rate environment, and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the accompanying consolidated financial statements could change materially in the near term.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Inventories

Inventories of drugs, medical supplies and surgical supplies are valued at the lower of cost or market. Cost is determined primarily by the weighted average cost method.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Equipment under capital leases is amortized on the straight-line method over the shorter period of the lease term or estimated useful life of the equipment. Such amortization is included in depreciation and amortization in the accompanying consolidated statements of operations.

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

Impairment losses are recognized in the consolidated statements of operations as a component of revenues in excess of expenses from continuing operations as they are determined. The Corporation reviews its long-lived assets whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. In that event, the Corporation calculates the estimated future net cash flows to be generated by the asset. If those future net cash flows are less than the carrying value of the asset, an impairment loss is recognized for the difference between the estimated fair value and the carrying value of the asset. There were no impairment losses reported in 2013 or 2012.

Intangible Assets

The Corporation's intangible assets primarily include costs in excess of net assets acquired related to certain business acquisitions. The Corporation is amortizing certain intangible assets over a period not to exceed 40 years. Amortization of these intangible assets was \$284,784 and \$286,201 in 2013 and 2012, respectively. Accumulated amortization of intangible assets was \$2,567,571 and \$2,282,787 as of December 31, 2013 and 2012, respectively.

Deferred Financing Costs

Costs incurred in connection with the issuance of long-term obligations have been deferred and are being amortized over the term of the related obligation using the straight-line method. Amortization was \$603,359 and \$661,831 in 2013 and 2012, respectively. Amortization for HRMC was \$37,783 in 2013 and 2012 and is included in (loss) income from discontinued operations in the consolidated statements of operations. Accumulated amortization of deferred financing costs was \$3,627,563 and \$3,203,288 at December 31, 2013 and 2012, respectively.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements
December 31, 2013 and 2012

Due to Third Party Payors

The Corporation receives advances from third party payors to provide working capital for services rendered to the beneficiaries of such services. These advances are principally determined based on the timing differences between the provision of care and the anticipated payment date of the claim for service in accordance with HSCRC's rate regulations. These advances are subject to periodic adjustment.

For HRMC, the Medicare and Medicaid programs pay for primarily all inpatient and outpatient services at predetermined rates. Regulations require annual retroactive settlements for cost-based reimbursement through cost reports filed by HRMC. These retroactive settlements are estimated and recorded in the consolidated financial statements in the year in which they occur. The estimated settlements recorded at December 31, 2013 and 2012 could differ from actual settlements based on the results of cost report audits.

For certain Corporation subsidiaries, services provided on behalf of Medicare and Medicaid beneficiaries are ultimately reimbursed at cost. For cost reimbursement programs, statements of reimbursable costs are filed with the applicable program that compute the difference between reimbursable cost and interim payments, in order to determine a final settlement for services rendered to patients covered under these programs. Contractual reimbursements are affected by limitations relating to charges and the reasonableness of costs (subject to limitations) and are subject to audits by the agencies administering the applicable program.

The Corporation's working capital advances and all expected third party payor settlement activity are classified as current liabilities in the accompanying consolidated balance sheets.

Derivative Financial Instruments

The Corporation has entered into two interest rate swap agreements, which are considered derivative financial instruments, to manage its interest rate exposure on certain long-term obligations (Note 10). The interest rate swap agreements are reported at fair value in the accompanying consolidated balance sheets. One of the interest rate swap agreements is designated as a cash flow hedge. The related effective changes in fair value for the cash flow hedge is reported in the accompanying consolidated statements of operations as an unrealized gain or loss on cash flow derivative financial instruments and the ineffective portion of the change in fair value is reported as a component of interest expense. For the interest rate swap not designated as a cash flow hedge, changes in fair value are reported as a component of other non-operating income.

Estimated Self-Insured Professional Liability

The provision for estimated self-insured professional liability includes estimates of the ultimate costs for both reported claims and claims incurred but not reported, including costs associated with litigating or settling claims. Anticipated insurance recoveries associated with reported claims are reported separately in the Corporation's consolidated balance sheets at net realizable value.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Corporation has been limited by donors to a specific time period or purpose, including the purchase of capital renovations and equipment, providing health education to the community, and designation for the furtherance of programs provided by specific operating departments. Permanently restricted net assets have been restricted by donors to be maintained by the Corporation in perpetuity.

Revenues in Excess of Expenses from Continuing Operations

The consolidated statements of operations include the determination of revenues in excess of expenses from continuing operations. Revenues in excess of expenses from continuing operations is the Corporation's performance indicator. Changes in unrestricted net assets which are excluded from the determination of revenues in excess of expenses from continuing operations, consistent with industry practice, include income from discontinued operations, unrealized gains and losses on investments other than trading securities, the effective portion of the unrealized gain (loss) on derivative financial instruments, transfers with unconsolidated subsidiaries, contributions of long-lived assets (including contributions which by donor restriction were to be used for the purpose of acquiring such long-lived assets), and other unrestricted net asset activity.

Net Patient Service Revenue

The Corporation reports net patient service revenue at the estimated net realizable amounts from patients, third party payors, and others for services rendered, including an estimate for retroactive adjustments that may occur as a result of 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, review and investigations. Net patient service revenue reported in the consolidated statements of operations is reduced both by (1) estimated allowances for the excess of charges over anticipated patient or third party payor payments and (2) a provision for doubtful collections. Certain of the health care services provided by the Corporation are reimbursed by third party payors on the basis of the lower of cost or charges, with costs subject to certain imposed limitations.

Patient accounts receivable are reported at net realizable value and include charges for accounts due from Medicare, Medicaid, other commercial and managed care insurers, and self-paying patients (Note 15). Patient accounts receivable also includes management's estimate of the impact of certain undercharges to be recouped or overcharges to be paid back for inpatient and outpatient services in subsequent years rates as discussed earlier. The Corporation also deducts from patient accounts receivable an estimated allowance for doubtful collections related to patients and allowances for the excess of charges over the payments to be received from third party payors.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The Corporation has agreements with third-party payors that provide for payments to the Corporation at amounts different from its established rates. The Corporation recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of these established rates for the services rendered. For uninsured patients that do not qualify for charity care, the Corporation recognizes revenues on the basis of its standard rates, discounted in accordance with the Corporation's policy. On the basis of historical experience, a significant portion of the Corporation's uninsured patients will be unable to pay for the services provided. Thus, the Corporation records a significant provision for doubtful collections related to uninsured patients in the period the services are provided. Patient service revenues, net of contractual allowances and discounts (but before the provision for doubtful collections), recognized in 2013 and 2012 from these major payor sources, are as follows:

	Patient Service Revenues (Net of Contractual Allowances and Discounts)				
	Medicare	Medicaid	Other Third Party Payors	Self Pay and Other	Total
December 31, 2013	<u>\$ 214,375,408</u>	<u>\$ 37,749,363</u>	<u>\$ 424,058,547</u>	<u>\$ 74,326,328</u>	<u>\$ 750,509,646</u>
December 31, 2012	<u>\$ 223,110,227</u>	<u>\$ 27,936,252</u>	<u>\$ 395,015,470</u>	<u>\$ 103,984,784</u>	<u>\$ 750,046,733</u>

Patient service revenues (net of contractual allowances and discounts) for HRMC were \$85,579,849 in 2013 and \$89,849,396 in 2012. These amounts have been classified in (loss) income from discontinued operations in the consolidated statements of operations.

During February 2012, the Corporation received approximately \$11.5 million in cash from Medicaid as an advance on patient claim balances.

Income Taxes

The Corporation accounts for uncertainty in income taxes using a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold is met. Management determined there were no tax uncertainties that met the recognition threshold in 2013 or 2012.

The Corporation's policy is to recognize interest related to unrecognized tax benefits in interest expense and penalties in operating expenses.

The Corporation's federal Exempt Organization Returns of Income Tax and its Business Income Tax Returns for the years ended prior to December 31, 2010 no longer remain subject to examination by the Internal Revenue Service.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Charity Care

The Corporation provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Such patients are identified based on financial information obtained from the patient (or their guarantor) and subsequent analysis which includes the patient's ability to pay for services rendered. Because the Corporation does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as a component of net patient service revenue or patient accounts receivable.

The Corporation maintains records to identify and monitor the level of charity care it provides. The costs associated with the charity care services provided are estimated by applying a cost-to-charge ratio to the amount of gross uncompensated charges for the patients receiving charity care. The level of charity care provided by the Corporation amounted to approximately \$22,016,000 in 2013 and \$14,040,000 in 2012. In accordance with the reimbursement methodology set forth by the HSCRC, the Corporation received cash payments from the state wide uncompensated care pool which totaled \$1,433,374 and \$1,102,785 for 2013 and 2012, respectively. The funds were received by the Corporation because charity care was provided in excess of the statewide average and are included in net patient service revenue in the accompanying consolidated statements of operations.

Donor Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received or when the underlying conditions have been substantially met. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as net assets released from restrictions. Restricted funds to be used for capital acquisitions have been reported as noncurrent assets in the accompanying consolidated balance sheets, while other restricted cash and investments are included with the cash and cash equivalents of unrestricted net assets.

Investment income that is earned on donor restricted net assets and subject to similar restrictions is reported as temporarily restricted net assets. Gifts, grants, and bequests not restricted by donors are reported as other operating income.

Advertising Costs

The Corporation expenses advertising costs as they are incurred.

Reclassifications

Certain amounts relating to 2012 have been reclassified to conform to the 2013 reporting format.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

2. Discontinued Operations

Effective November 30, 2010, the Corporation sold the operating assets of its five wholly-owned subsidiary nursing homes and its wholly-owned dialysis center to an unrelated third party, and discontinued the operations of these facilities. The Board of Trustees approved the plan of sale of these facilities in July 2010.

Effective November 30, 2010, Glade Valley Nursing & Rehabilitation Center also sold certain operating assets to the same unrelated third party.

Effective January 28, 2014, the Corporation entered into an affiliation agreement with an unrelated third party for the sale of HRMC. The sale of HRMC is pending state regulatory review which could span several months. The carrying value of property and equipment, net related to HRMC as of December 31, 2013 and 2012 was \$42,952,842 and \$45,479,206, respectively, and consists of the following:

	2013	2012
Land and improvements	\$ 2,275,448	2,275,448
Building and improvements	59,471,110	59,007,767
Office furniture and equipment	56,717,819	55,692,351
Computer software and hardware	5,004,371	4,838,474
Equipment under capital leases	19,332	19,332
Total	123,488,080	121,833,372
Less accumulated depreciation amortization	(82,300,834)	(77,355,946)
	41,187,246	44,477,426
Construction in progress	1,765,596	1,001,780
	<u>\$ 42,952,842</u>	<u>\$ 45,479,206</u>

The following amounts related to discontinued operations are included in income from discontinued operations in the accompanying consolidated statements of operations:

	2013	2012
Total unrestricted revenues	\$ 88,338,366	\$ 89,834,298
Total expenses	89,259,233	88,927,963
Other non-operating income (loss)	448,166	(107,685)
Net gain on sale of substantially all tangible and intangible assets	-	1,500,000
Revenues (less than) in excess of expenses	(472,701)	2,298,650

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements
December 31, 2013 and 2012

3. Investments

Short-Term Investments

The Corporation's short-term investments at December 31, 2013 and 2012 are comprised of the following

	2013	2012
Cash and cash equivalents	\$ 10,343,585	\$ 3,036,726
Marketable certificates of deposit	741,462	740,259
CBAM Intrepid Fund Ltd	9,534,675	16,326,184
CBAM Resolute Fund Ltd	20,618,514	35,128,531
U S government securities, mortgage-backed securities	87,403,951	100,185,245
Total	<u>\$ 128,642,187</u>	<u>\$ 155,416,945</u>

Assets Whose Use is Limited

The composition of assets whose use is limited at December 31, 2013 and 2012 is set forth in the following tables

	2013	2012
Under trust indentures and capital lease purchase financing facilities, held by trustees and banks		
Cash and cash equivalents	\$ 1,957,555	\$ 6,238,614
U S government securities		
U S treasury notes	7,835,326	1,179,181
Mortgage-backed securities	-	6,906,034
Total	9,792,881	14,323,829
Less funds held for current liabilities	<u>2,747,528</u>	<u>4,480,345</u>
Noncurrent portion of assets held under trust indentures and capital lease purchase financing facilities	<u>\$ 7,045,353</u>	<u>\$ 9,843,484</u>
Professional liability trust fund		
Cash and cash equivalents	\$ 3,009,063	\$ 676,322
Equity mutual funds		
Balanced	6,181,718	6,687,823
Large cap value	848,016	-
Total	10,038,797	7,364,145
Less funds held for current liabilities	<u>1,202,986</u>	<u>1,241,672</u>
Noncurrent portion of professional liability trust fund	<u>\$ 8,835,811</u>	<u>\$ 6,122,473</u>

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Deferred compensation fund		
Equity mutual funds		
Growth	\$ 164,057	\$ 164,057
Total	<u>\$ 164,057</u>	<u>\$ 164,057</u>

The indenture requirements of certain tax exempt financings provide for the establishment and maintenance of various accounts with a trustee (Note 9). These arrangements require the trustee to control the payment of interest and the ultimate repayment of respective debt to bondholders. In addition, under the terms of the capital lease purchase financing facilities with two commercial banks, the Corporation is required to maintain funds in escrow accounts for the purpose of funding future purchases of property and equipment.

The composition of trustee held and escrow funds at December 31, 2013 and 2012 is as follows:

	2013	2012
Debt service reserve fund	\$ 5,868,995	\$ 7,394,992
Principal and interest funds	2,904,428	4,480,345
Lease facility escrow funds	1,019,458	2,448,492
Total	<u>\$ 9,792,881</u>	<u>\$ 14,323,829</u>

Unrestricted investment income and gains and losses for investments, assets whose use is limited, and cash and cash equivalents are comprised of the following in 2013 and 2012:

	2013	2012
Investment income		
Interest and dividends, net	\$ 4,060,643	\$ 4,244,519
Interest on trustee held funds	55,008	156,496
Net realized losses on sale of investments	(903,233)	(1,561,074)
Total	<u>\$ 3,212,418</u>	<u>\$ 2,839,941</u>
Other changes in unrestricted net assets		
Change in net unrealized gains and losses on investments other than trading securities	<u>\$ (2,896,072)</u>	<u>\$ 395,380</u>

Investment income for HRMC was \$426,357 and \$529,529 in 2013 and 2012, respectively which is included in (loss) income from discontinued operations in the consolidated statements of operations. Included in these amounts are net realized losses on sale of investments \$376,774 and \$193,472, interest on trustee held funds of \$18,155 and \$21,124, and interest and dividends, net of \$784,977 and 701,877 in 2013 and 2012, respectively.

4. Fair Value Measurements and Financial Instruments

Fair Value Measurements

The Corporation measures its short-term investments, assets whose use is limited, investments, beneficial interest in trusts, and derivative financial instruments at fair value on a recurring basis in accordance with accounting principles generally accepted in the United States of America

Fair value is defined as the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework that the authoritative guidance establishes for measuring fair value includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

The levels of the fair value hierarchy are as follows:

Level 1 - Fair value is based on unadjusted quoted prices in active markets that are accessible to the Corporation for identical assets. These generally provide the most reliable evidence and are used to measure fair value whenever available.

Level 2 - Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the asset through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets, quoted market prices in markets that are not active for identical or similar assets, and other observable inputs.

Level 3 - Fair value would be based on significant unobservable inputs. Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows, and other similar techniques.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The fair value of the Corporation's financial instruments was measured using the following inputs at December 31

	2013				
	Carrying Value	Fair Value	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Reported at Fair Value					
Assets					
Cash and cash equivalents	\$ 15,412,901	\$ 15,412,901	\$ 15,412,901	\$ -	\$ -
Marketable certificates of deposit	741,462	741,462	-	741,462	-
Equity mutual funds					
Large cap value	848,016	848,016	848,016		
Growth	212,848	212,848	212,848		-
Balanced	6,181,718	6,181,718	6,181,718		-
CBAM Intrepid Fund Ltd	9,534,675	9,534,675	-	9,534,675	-
CBAM Resolute Fund Ltd	20,618,514	20,618,514	-	20,618,514	-
U S government securities					
U S treasury notes	7,835,326	7,835,326	-	7,835,326	-
Mortgage backed securities	88,139,586	88,139,586	-	88,139,586	-
Corporate bonds and other debt securities					
Other	67,925	67,925	-	67,925	-
Beneficial interest in trusts	1,713,042	1,713,042	-	-	1,713,042
	<u>\$ 151,306,013</u>	<u>\$ 151,306,013</u>	<u>\$ 22,655,483</u>	<u>\$ 126,937,488</u>	<u>\$ 1,713,042</u>
Liabilities					
Derivative financial instruments	<u>\$ 16,103,581</u>	<u>\$ 16,103,581</u>	<u>\$ -</u>	<u>\$ 16,103,581</u>	<u>\$ -</u>
Disclosed at Fair Value					
Cash and cash equivalents	\$ 58,692,102	\$ 58,692,102	\$ 58,692,102	\$ -	\$ -
Pledges receivable	3,185,497	3,100,002	-	-	3,100,002
Long-term debt, excluding capital leases (Note 9)					
Fixed rate revenue bonds	78,828,500	76,894,793	-	76,894,793	-
Variable rate revenue bonds	181,990,000	181,990,000	-	181,990,000	-
Note payable	8,750,000	8,750,000	-	-	8,750,000
Secured lines of credit	32,500,000	32,500,000	-	-	32,500,000

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

	2012				
	Carrying Value	Fair Value	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Reported at Fair Value					
Assets					
Cash and cash equivalents	\$ 10,515,221	\$ 10,515,221	\$ 10,515,221	\$ -	\$ -
Marketable certificates of deposit	740,259	740,259		740,259	-
Equity mutual funds			-		
Growth	212,357	212,357	212,357	-	-
Balanced	6,687,823	6,687,823	6,687,823	-	-
CBAM Intrepid Fund Ltd	16,326,184	16,326,184	-	16,326,184	-
CBAM Resolute Fund Ltd	35,128,531	35,128,531	-	35,128,531	-
U S government securities					
U S treasury notes	1,179,181	1,179,181	-	1,179,181	-
Mortgage backed securities	108,112,698	108,112,698	-	108,112,698	-
Corporate bonds and other debt securities					
Multi sector	77,923	77,923	-	77,923	-
Beneficial interest in trusts	1,506,265	1,506,265	-	-	1,506,265
	<u>\$ 180,486,442</u>	<u>\$ 180,486,442</u>	<u>\$ 17,415,401</u>	<u>\$ 161,564,776</u>	<u>\$ 1,506,265</u>
Liabilities					
Derivative financial instruments	<u>\$ 28,169,723</u>	<u>\$ 28,169,723</u>	<u>\$ -</u>	<u>\$ 28,169,723</u>	<u>\$ -</u>
Disclosed at Fair Value					
Cash and cash equivalents	\$ 19,965,512	\$ 19,965,512	\$ 19,965,512	\$ -	\$ -
Pledges receivable	3,618,480	3,401,407	-	-	3,401,407
Long-term debt, excluding capital leases (Note 9)					
Fixed rate revenue bonds	75,830,000	86,136,498	-	86,136,498	-
Variable rate revenue bonds	160,990,000	160,990,000	-	160,990,000	-
Note payable	13,000,000	13,000,000	-	-	13,000,000
Secured lines of credit	35,500,000	35,500,000	-	-	35,500,000

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The following table presents the fair value measurements for beneficial interest in trusts that have unobservable inputs at December 31, 2013 and 2012

Balance, January 1, 2012	\$ 1,406,743
Increase in value, included in changes in temporarily restricted net assets	<u>99,522</u>
Balance, December 31, 2012	1,506,265
Increase in value, included in changes in temporarily restricted net assets	<u>206,777</u>
Balance, December 31, 2013	<u>\$ 1,713,042</u>

The following represents a reconciliation of the assets reported at fair value included in the fair value table within the accompanying consolidated balance sheets at December 31

	<u>2013</u>	<u>2012</u>
Short-term investments (Note 3)	\$ 128,642,187	\$ 155,416,945
Assets whose use is limited (Note 3)		
Current portion	3,950,514	5,722,017
Under trust indentures, held by trustees	7,045,353	9,843,484
Professional liability trust fund	8,835,811	6,122,473
Deferred compensation fund	164,057	164,057
Investments held by foundations (Note 6)	955,049	1,711,201
Beneficial interest in trusts	<u>1,713,042</u>	<u>1,506,265</u>
Total	<u>\$ 151,306,013</u>	<u>\$ 180,486,442</u>

The Corporation did not have any financial assets or financial liabilities measured at fair value on a non-recurring basis

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value and for financial instruments disclosed at fair value. There have been no changes in methodologies used at December 31, 2013 and 2012.

Cash and cash equivalents The carrying amounts approximate fair value because of the short maturity of these financial instruments.

Marketable certificates of deposit and equity Mutual Funds Valued based on quoted market prices.

U S government securities, corporate bonds and other debt securities Valued based on estimated quoted market prices of similar securities.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Beneficial interest in trusts Beneficial interest in trusts are valued based on the fair value of the trusts underlying assets which represents a proxy for discounted present value of future cash flows. Beneficial interest in trusts are included in deposits and other noncurrent assets in the accompanying consolidated balance sheet.

Pledges receivable Valued based on the original pledge amount, adjusted by a discount rate that a market participant would demand and an evaluation of uncollectible pledges. Pledges receivables are included in prepaid and other current assets and deposits and other noncurrent assets in the accompanying consolidated balance sheet.

Long-term debt The fair value of the fixed rate debt is estimated based on market data provided by the Corporation's financial consultants. Fair values of the remaining long-term debt are considered to approximate their carrying amounts in the consolidated balance sheets.

The Corporation is invested in the CBAM Resolute Fund, Ltd. and the CBAM Intrepid Fund, Ltd. (collectively, the "Funds"). These funds are valued based on the net asset value per share of the funds which is based on the fair value of their underlying assets derived principally from or corroborated by observable market data by correlation or other means. In regards to the Funds, there are no unfunded purchase commitments or restrictions on the sale of the investments. Furthermore, the Corporation has no plans to sell the Funds or a portion of the amounts currently owned. In regards to redemption, the shares of the Funds can be redeemed on the last business day of each calendar month provided that written notice of redemption is provided five business days prior. Partial redemptions of the Funds must be at least \$200,000 and the Corporation cannot redeem a portion of the Funds if it would result in the Corporation holding amounts whose net asset value would be less than the minimum initial subscription amount required. There are no known existing or potential restrictions on redemption as of December 31, 2013.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The following represents the investment strategies of the Funds and the Corporation's investments measured at fair value at December 31

Fund	Investment Strategy	2013	2012
CBAM Resolute Fund, Ltd	To create an alternative source of income by harnessing risk premiums in global option markets. In pursuit of this objective, the fund will employ its option income strategy which utilizes actively-managed option-based investment structures to create absolute return profiles. This market-neutral strategy is designed to have minimal correlation to underlying market returns over an extended period of time and may be applied in a range of global markets including equities (both individual stocks and baskets of stocks), commodities, interest rates, foreign currencies and other markets where options are traded. The fund may trade and invest in the underlying instruments, related instruments (e.g. futures, forwards and exchange-traded funds or notes), and long and short call options and put options on the underlying or related instruments. The fund will seek to capitalize on a combination of systemic risk premium in global option markets and yields from active cash management.	\$ 20,618,514	\$ 35,128,531
CBAM Intrepid Fund, Ltd	To reshape expected distribution of long-term global equity returns by implementing an active combination of three strategies: trend, income and structure. The objective of the fund is to capture a significant proportion of upside equity returns while avoiding a significant proportion of downside equity returns thus reducing the volatility of returns. The trend strategy is designed to provide directional exposure to equity risk premium. The income strategy will utilize actively-managed option-based investment structures designed to harness systemic risk premiums in global markets. The structure strategy is designed to capture returns from lower probability events across global equity and equity volatility markets.	9,534,675	16,326,184
		<u>\$ 30,153,189</u>	<u>\$ 51,454,715</u>

The Corporation measures its derivative financial instruments at fair value based on proprietary models of an independent third-party valuation specialist. The fair value takes into consideration the prevailing interest rate environment and the specific terms and conditions of the derivative financial instrument, and considers the credit risk of the Corporation and counterparty. The method used to determine the fair value calculates the estimated future payments required by the derivative financial instrument and discounts these payments using an appropriate discount rate. The value represents the estimated exit price the Corporation would pay to terminate the agreement.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

5. Property and Equipment and Accumulated Depreciation and Amortization

Property and equipment and accumulated depreciation and amortization at December 31, 2013 and 2012 consist of the following

	2013	2012
Land and improvements	\$ 16,754,017	\$ 16,317,221
Buildings and improvements	462,359,205	447,893,682
Office furniture and equipment	216,520,642	208,287,934
Computer software and hardware	105,257,358	88,887,771
Equipment under capital leases	23,016,022	23,072,291
Total	823,907,244	784,458,899
Less accumulated depreciation and amortization	(451,063,074)	(415,697,434)
	372,844,170	368,761,465
Construction in progress	19,320,479	14,214,244
	<u>\$ 392,164,649</u>	<u>\$ 382,975,709</u>

Interest incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. During 2013 and 2012, the Corporation incurred interest expense of approximately \$11,167,000 and \$12,394,000, respectively, of which approximately \$1,415,000 was capitalized in 2013 and \$1,204,000 in 2012. HRMC incurred interest expense of approximately \$1,388,000 in 2013 and \$1,407,000 in 2012 which is included in (loss) income from discontinued operations in the consolidated statements of operations. There were no amounts capitalized for HRMC in 2013 and 2012. Investment earnings of approximately \$26,500 and \$42,000 were offset against capitalized interest in 2013 and 2012, respectively.

Depreciation expense, including amortization of equipment under capital leases, was \$35,549,319 in 2013 and \$35,519,478 in 2012. Depreciation expense, including amortization of equipment under capital leases, for HRMC was \$4,995,227 in 2013 and \$5,251,388 in 2012 and is included in (loss) income from discontinued operations in the consolidated statements of operations. Accumulated amortization of equipment under capital lease as of December 31, 2013 and 2012 was \$15,782,485 and \$14,245,776, respectively.

Construction in progress as of December 31, 2013 consists primarily of major renovation and expansion projects of clinical facilities. Purchase commitments related to these and other miscellaneous projects were approximately \$2,257,000 at December 31, 2013. The cost of these projects is expected to be funded through transfers from the Corporation's related foundations and from operations.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements
December 31, 2013 and 2012

6. Investments and Investments in Unconsolidated Subsidiaries

The Corporation's investments and investments in unconsolidated subsidiaries includes the following at December 31, 2013 and 2012

	2013	2012
Investment in healthcare entities	\$ 8,439,678	\$ 7,612,371
Capital balance in group purchasing organization	779,155	798,206
Investments held by foundations and other	707,766	1,123,027
Total	\$ 9,926,599	\$ 9,533,604

Investment in Healthcare Entities

The Corporation recognized earnings of \$1,037,529 and \$1,536,380 during 2013 and 2012, respectively, related to its ownership interest in the healthcare entities. A brief description of these investments is presented below.

Chesapeake Potomac Regional Cancer Center ("CPRCC") - CPRCC provides outpatient radiation oncology services to patients in Maryland. The Corporation has a 20% ownership interest in CPRCC.

Doctors Regional Cancer Center ("DRCC") - DRCC provides outpatient radiation oncology service to patients in Bowie and Lanham, Maryland. The Corporation has a 20% ownership interest in DRCC.

Germantown Outpatient Imaging ("GOI") - This organization provides radiology and other imaging services to patients on an outpatient basis in Germantown, Maryland. The Corporation has a 50% ownership interest in GOI.

Shady Grove Medical Building, LLC ("SGMB") - SGMB is organized for the purpose of developing and constructing a cancer care center on the campus of Shady Grove Adventist Hospital. The Corporation has a 50% ownership interest in SGMB.

Riverside Health, Inc. ("RHI") - RHI is a Medicaid managed care organization providing health services to its members. The Corporation has a 20% ownership in RHI.

Summarized financial information related to these entities is presented below.

	2013	2012
Net revenue	\$ 24,504,023	\$ 21,563,981
Revenues in excess of expenses	60,095	3,836,294
Total assets	41,306,378	31,106,742
Total liabilities	21,594,521	11,351,062

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Capital Balance in Group Purchasing Organization

The Corporation is a partner in Premier, Inc. ("Premier"), a health care system group purchasing organization. Partners are required to maintain capital accounts with Premier. The Corporation maintains approximately 0.5% of the total capital of Premier at December 31, 2013 and 2012. Excess earnings after expenses associated with the purchasing program are credited to partners' capital accounts based on partners' pro rata volume of purchases. Premier's board establishes a required capital balance every six months. Capital balances in excess of the required capital balance are distributed semi-annually. The Corporation recognized earnings of \$1,657,627 in 2013 and \$1,489,754 in 2012, which is included in other revenue in the accompanying consolidated statements of operations.

During 2013, the Corporation sold a portion of their investment in Premier and recognized a gain on the sale of \$1,855,239, which is included in other income in the accompanying consolidated statements of operations.

Investments Held by Foundations and Other

The Foundations also hold marketable debt and equity securities for funds not required to be expended in less than 90 days. These marketable securities are subject to credit and market risks.

The Corporation's investment in an entity that provides wellness initiatives services is reflected here and is accounted for under the equity method of accounting.

InforMed, LLC

On January 1, 2007, the Corporation paid \$3,000,000 to purchase a 10% membership interest in InforMed, LLC ("InforMed"), which is a provider of chronic disease and medical management, clinical claims data warehousing and analysis, network management, and third party administration based in Annapolis, Maryland. The Corporation accounted for this investment in InforMed on the cost basis method of accounting. During 2012, the Corporation sold its investment in InforMed and recognized a gain on the sale of \$3,090,298, which is included in other income in the accompanying consolidated statements of operations.

7. Land Held for Healthcare Development

Land - Clarksburg, Maryland

On February 25, 2002, the Corporation purchased 209 acres of land in Clarksburg, Maryland for approximately \$20,000,000. Concurrent with this purchase, the Corporation entered into a sale agreement with an unrelated third party to be used for residential construction for the sale of 91 acres for \$16,000,000.

On December 27, 2004, the Corporation purchased an additional adjacent parcel of land in Clarksburg, Maryland for \$8,000,000. The purchase price and the related closing costs were financed under a line of credit with a commercial bank. Total costs capitalized related to the above parcels of land and improvements on this land were \$48,804,074 and \$42,332,391 at December 31, 2013 and 2012, respectively.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

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In May 2013, the Corporation entered into a Purchase and Sale Agreement (the "Sale Agreement") with an unrelated third party to sell 37.1 acres of the land located in Clarksburg, Maryland. The Sale Agreement also includes the sale of 10.7 acres owned by Cabin Branch Commons, LLC ("Cabin Branch") and the total purchase price of \$28,250,000 will be adjusted at the closing pursuant to certain costs outlined in the Sale Agreement and allocated amongst the sellers. The Corporation along with Cabin Branch are collectively responsible for the completion of certain infrastructure improvements to the property prior to the Closing. The acreage noted in the Sale Agreement is based on approximate amounts which will be finalized at the closing. Total costs capitalized relate to the parcel of land to be sold by the Corporation and improvements were \$21,612,000 at December 31, 2013.

Land - Silver Spring, Maryland

In July 2006, the Corporation purchased a parcel of land near the Calverton-White Oak area of Silver Spring for approximately \$11,000,000. The Corporation plans to build a replacement hospital for Washington Adventist Hospital. The cost of the land will continue to be reported as land held for healthcare development until such time as the Maryland Health Care Commission approves the Corporation's plan for constructing the new facility. As of December 31, 2013 and 2012, the Corporation had total costs capitalized related to this land and land improvements of \$33,544,921 and \$30,898,569, respectively.

Land - Boyds, Maryland

On December 29, 2008, the Corporation participated in a group purchase of 5.31 acres of property located in Boyds, Maryland. The parcel was purchased by Cabin Branch Management, LLC, a Maryland Limited Liability Company of which the Corporation is a voting member. The Corporation does not maintain control of this Limited Liability Company and, therefore, the operation of it is not included in the consolidated financial statements at December 31, 2013 and 2012. The Corporation contributed \$205,045 of the total contracted sales price of \$735,000.

Land - Concordia Property

During 2011, Winchester Homes, Inc. and the Corporation created a new entity, Cabin Branch Commons, LLC ("Cabin Branch"), the purpose of which was to acquire a certain parcel of property known as the "Concordia Property", which was in default with Wells Fargo Bank (formerly known as Wachovia Bank). The Corporation paid \$2,294,169 as its initial capital contribution to Cabin Branch. Cabin Branch purchased the note from Wachovia related to the Concordia Property, foreclosed on the Concordia Parcel, and purchased the Concordia Parcel at the foreclosure sale. The Corporation then paid Cabin Branch \$500,000 for construction rights for certain active adult units on the Concordia Parcel. Total costs capitalized related to the above parcel of land were \$2,794,169 at December 31, 2013 and 2012.

8. Short-Term Financing

The Corporation has a \$3,000,000 unsecured line of credit with a commercial bank, with interest at LIBOR plus 1.50% (1.67% at December 31, 2013). There were no borrowings outstanding under this line of credit as of December 31, 2013 or 2012.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

9. Long Term Obligations

Long term obligations as of December 31, 2013 and 2012 are comprised of the following

	2013	2012
Fixed rate revenue bonds	\$ 72,828,500	\$ 75,830,000
Variable rate revenue bonds	181,990,000	160,990,000
Secured lines of credit	32,500,000	35,500,000
Note payable	8,750,000	13,000,000
Capital lease purchase financing facilities	4,756,014	8,362,130
Other long term liabilities	20,367,410	14,813,315
Total obligations	321,191,924	308,495,445
Less current maturities	22,925,596	38,270,987
Less long-term debt subject to short-term remarketing and repayment agreements	41,985,000	-
Less bond discount	-	197,430
Noncurrent portion of long term obligations, net	\$ 256,281,328	\$ 270,027,028

Fixed Rate Revenue Bonds

Fixed rate revenue bonds consist of the Maryland Health and Higher Educational Facilities Authority Refunding Revenue Bonds, Series 2003A, Adventist HealthCare, Inc with a par amount of \$22,925,000 and the Series 2011A, Adventist HealthCare, Inc with a par amount of \$57,205,000. The Series 2003A bear interest at fixed coupon rates ranging from 5.00% to 5.75%. The Series 2011A bear interest at fixed coupon rates ranging from 5.00% to 6.25%.

In June 2013, the Series 2003A bonds were refunded in conjunction with the issuance of the Series 2013 fixed rate revenue bonds, bearing interest at a rate of 3.21%. The Maryland Health and Higher Educational Facilities Authority Refunding Revenue Bonds, Series 2013, Adventist HealthCare, Inc have a par amount of \$15,623,500. As a result of this refunding, a loss on extinguishment of debt was recognized in 2013 for approximately \$707,000 and is comprised of the remaining unamortized deferred financing costs and bond discount related to the Series 2003A bonds as well as the premium paid on the repayment of the Series 2003A.

Fixed rate revenue bonds consist of the following at December 31

	2013	2012
Series 2003A, Adventist HealthCare, Inc	\$ -	\$ 18,625,000
Series 2011A, Adventist HealthCare, Inc	57,205,000	57,205,000
Series 2013, Adventist HealthCare, Inc	15,623,500	-
Total	\$ 72,828,500	\$ 75,830,000

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The above bond issues are subject to trust indentures which impose various covenants on the Support Center, SGAH, WAH, HRMC, ABH, and ARHM (collectively, the "Obligated Group") which include restrictions on the transfer or disposition of property, the incurrence of additional liabilities, and the achievement of certain pre-established financial indicators. Management believes it has complied with the required covenants for the years ending December 31, 2013 and 2012. Debt service reserve funds are required on the Series 2011A bonds and were required related for the Series 2003A bonds prior to the refunding.

Variable Rate Revenue Bonds

Variable rate revenue bonds consist of the following at December 31

	<u>2013</u>	<u>2012</u>
Maryland Health and Higher Educational Facilities Authority Revenue Bonds		
Series 2005A, Adventist HealthCare, Inc	\$ 78,000,000	\$ 78,000,000
Series 2011B, Adventist HealthCare, Inc	52,005,000	55,005,000
Maryland Health and Higher Educational Facilities Authority Revenue Refunding Bonds		
Series 2004B, Adventist HealthCare, Inc	26,985,000	27,985,000
Maryland Health and Higher Educational Facilities Authority Taxable Revenue Bonds		
Series 2013B, Adventist HealthCare, Inc	<u>25,000,000</u>	<u>-</u>
Total	<u>\$ 181,990,000</u>	<u>\$ 160,990,000</u>

The Series 2005A Bonds bear interest at a variable rate based on the SIFMA index and reset weekly. At December 31, 2013, the tax-exempt rate on the 2005A bonds was 0.06%. The 2004B taxable bonds referenced above bear interest at a variable rate based on the LIBOR index. The rate on the 2004B bonds at December 31, 2013 was 0.12%. The Corporation's Series 2004B, 2005A and 2011B bonds are subject to an Amended and Restated Master Trust Indenture that imposes various covenants on the Obligated Group which include restrictions on the transfer or disposition of property, the incurrence of additional liabilities, and the achievement of certain pre-established financial indicators. Management believes it has complied with the required covenants for the years ending December 31, 2013 and 2012. The payment of principal and interest on the 2004B bonds are secured by a separate irrevocable direct-pay letter of credit with an expiration date in December 2014. As such, the entire outstanding balance of the 2004B bonds is shown as a component of long-term debt subject to short-term remarketing and repayment agreements in the consolidated balance sheet at December 31, 2013. The payment of principal and interest on the 2005A bonds are secured by a separate irrevocable direct-pay letter of credit with an expiration date in January 2015. Letters of credit are required to be maintained for the 2004B and 2005A bonds through their maturity dates.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The Series 2011B bond is a direct placement bond with a commercial bank and bears interest at a variable rate that resets after two years. In September 2013, the interest rate for reset for two years through September 2015. The interest rate for the current two year period is 67% of one month LIBOR plus a spread of 1.77% (1.94% at December 31, 2013).

In December 2013, the Corporation issued Series 2013B taxable revenue bonds in the amount of \$25,000,000 in order to fund certain capital expenditures. The Series 2013B bonds bear interest at a variable rate of 6-month LIBOR plus 3.00% (3.19% at December 31, 2013). The Series 2013B bonds are subject to the Amended and Restated Master Trust Indenture referred to above. In February 2014, the Series 2013B bonds were converted from taxable revenue bonds to tax-exempt revenue bonds and are now referred to as the Series 2014A bonds and bear interest at a fixed rate of 3.56%.

The bonds subject to the Amended and Restated Master Trust Indenture are secured by the unrestricted revenues of the Obligated Group as well as a mortgage interest in the facilities of Shady Grove Adventist Hospital, Adventist Behavioral Health, Adventist Rehabilitation Hospital of Maryland, Washington Adventist Hospital, and Hackettstown Community Hospital.

Secured Lines of Credit

The Corporation has two secured lines of credit outstanding as follows:

- \$20,000,000 line of credit with a commercial bank that bears interest at LIBOR plus 2.00% (2.17% at December 31, 2013). The amortization on the line extends to December 31, 2017, however the line is up for renewal at January 31, 2015. The balance on the working capital line was \$17,500,000 and \$19,500,000 at December 31, 2013 and 2012, respectively.
- \$16,000,000 line of credit that bears interest at LIBOR plus 1.75% (1.92% at December 31, 2013) and expires on June 30, 2014. As such, the entire outstanding balance is shown as a component of long-term debt subject to short-term remarketing and repayment agreements in the consolidated balance sheet at December 31, 2013. The balance on the line of credit was \$15,000,000 and \$16,000,000 at December 31, 2013 and 2012, respectively.

These lines of credit are secured by Master Notes issued under the Amended and Restated Master Trust Indenture dated as of February 1, 2003.

Note Payable

The Corporation had a \$20,000,000 unsecured line of credit outstanding with a commercial bank that bears interest at LIBOR plus 1.00% that expired on January 31, 2011. In February 2011, this line of credit was refinanced into a three year term loan, and bears interest at an interest rate of LIBOR plus 2.50% with a floor of 4.25% (4.25% at December 31, 2013). This new loan is secured by a Master Note issued under the Amended and Restated Master Trust Indenture dated as of February 1, 2003. In February 2012, the amortization of this note was amended and the term was extended for an additional year. This note expires in March 2015. The note payable balance was \$8,750,000 at December 31, 2013 and \$13,000,000 at December 31, 2012.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Capital Lease Purchase Financing Facilities

There are two capital lease purchase financing facilities with two commercial banks. The first facility was established in October 2008 for \$8,000,000 and bears interest at a rate of 3.85% and was repaid during 2013. The second facility was established in February 2011 for \$10,000,000 and bears interest at a rate of 3.47%. Both facilities have a five year repayment period. Under the terms of the agreements, the commercial banks deposited funds into escrow accounts for the purpose of funding future purchases of new or used medical or medical-related equipment. The commercial banks retain title to the equipment and are considered to be the owner, however, the Corporation is responsible for all related expenses, including but not limited to, insurance, maintenance, and taxes.

Other Long Term Liabilities

This category consists of several capital lease obligations and notes payable on various types of medical and IT equipment. The financed equipment serves as security on these leases. Interest rates on these other long term liabilities range from 3.40% - 6.83%.

Scheduled principal repayments of long-term obligations at December 31, 2013 are as follows:

Years ending December 31	
2014	\$ 64,910,596
2015	23,738,881
2016	17,721,067
2017	15,004,204
2018	11,214,969
Thereafter	<u>188,602,207</u>
Total	<u>\$ 321,191,924</u>

10. Derivative Financial Instruments

The Corporation has two interest rate swap agreements, which are considered derivative financial instruments. The agreements were entered into in order to manage interest rate exposure. The principal objective of the swap agreements is to minimize the risks associated with financing activities by reducing the impact of changes in interest rates on its debt portfolio. The notional amount of the swap agreements is used to measure the interest to be paid or received and does not represent the amount of exposure to credit loss. Exposure to credit loss is limited to the receivable, if any, which may be generated as a result of the swap agreement. Losses related to credit risk are managed by diversification among various swap counterparties and by requiring collateral from the Corporation's swap counterparties at various ratings thresholds while the Corporation has no reciprocal requirement to post collateral. The two interest rate swap agreements are reported at fair value in the consolidated balance sheets.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The interest rate swap agreement with a notional amount of \$78,000,000 was designated by the Corporation as a cash flow hedge, which qualifies it for hedge accounting treatment under accounting principles generally accepted in the United States of America. The effective portion of the change in fair value of the cash flow hedge is reported in the consolidated statements of operations and changes in net assets as an unrealized gain or loss on cash flow derivative financial instrument. The ineffective portion of the change in fair value is reported in the accompanying consolidated statements of operations as a component of interest expense.

In December 2010, the Corporation sold two separate options to the swap counterparties to terminate their remaining interest rate swap agreements designated as cash flow hedges, both at an exercise price of \$3,000,000. The option related to the interest rate swap agreement with a notional amount of \$59,330,000, as noted in the table below, had an exercise date of December 21, 2012 and the swap counterparty did not exercise this option. The other option related to the interest rate swap agreement with a notional amount of \$78,000,000, as noted in the table below, had an exercise date of December 1, 2013 and the swap counterparty did not exercise this option.

The net cash paid or received under the swap agreements is recognized as either an adjustment to interest expense or other income. The net cash paid under the interest rate swap agreements was \$4,536,085 in 2013 and \$4,611,952 in 2012. For 2013 and 2012, \$2,682,465 and \$2,656,541, respectively, are reported as a component of interest expense in the accompanying consolidated statements of operations. These amounts represent the net cash paid related to the swap agreement that continues to be accounted for using hedge accounting. The remaining amounts for 2013 and 2012 are reported as a component of other income in the accompanying consolidated statements of operations, which is related to the swap agreement that does not qualify for hedge accounting.

At December 31, 2013 and 2012, the Corporation's derivative financial instruments and related fair values are as follows:

	<u>2013</u>	<u>2012</u>
Agreement for the notional amount of \$55,680,000 requiring the Corporation to pay a fixed interest rate of 3.457% while receiving variable interest rates based upon 67% of LIBOR, maturing January 2021	\$ (4,764,505)	\$ (8,030,190)
Agreement for the notional amount of \$78,000,000 requiring the Corporation to pay a fixed interest rate of 3.567% while receiving variable interest rates based upon 67% of LIBOR, maturing January 2035 and qualifying for cash flow hedge accounting treatment	(11,339,076)	(20,139,533)
Total	<u>\$ (16,103,581)</u>	<u>\$ (28,169,723)</u>

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The fair value of the interest rate swap agreements is estimated to be the amount the Corporation would receive or pay to terminate the swap agreements at the reporting date and was based on information supplied by an independent third party valuation agent (Note 4). Additionally, the fair value reflects a credit risk assessment required under accounting principles generally accepted in the United States of America. To the extent that the interest rate swaps qualifying for cash flow hedge accounting treatment are effective in converting the variable interest rate to a fixed rate, the unrealized gain or loss on the derivative financial instruments is excluded from revenues in excess of expenses from continuing operations. Gains or losses resulting from hedge ineffectiveness are recognized in revenues in excess of expenses from continuing operations. Gains of \$500,129 and \$305,855 were recognized as of December 31, 2013 and 2012, respectively as a result of hedge ineffectiveness. Gains or losses resulting from interest rate swap agreements not qualifying for cash flow hedge accounting treatment are entirely recognized as a component of revenues in excess of expenses from continuing operations. The impact of swaps not qualifying for hedge accounting treatment on the consolidated statements of operations were gains of \$2,373,408 in 2013 and \$514,069 in 2012.

On October 3, 2008, the counterparty for the Corporation's fixed pay swap maturing in January 2035, Lehman Brothers, Inc., commenced proceedings under Chapter 11 of the Bankruptcy Code. This action triggered an Event of Default under the ISDA Master Agreement in effect with said party and gave the Corporation the right to terminate the transaction. On October 16, 2008, the Corporation terminated this agreement and concurrently entered into an agreement with a new counterparty that assumed all existing terms and conditions of the original agreement. The termination of the original swap agreement resulted in a gain of \$472,023 which is included in unrestricted net assets in the consolidated balance sheets. This gain is being amortized over the remaining term of the 2005A Series Bonds, or through January 2035. As of December 31, 2013 and 2012, accumulated amortization of \$89,909 and \$53,946, respectively, is included in other changes in net assets and interest expense in the consolidated statements of operations and changes in net assets.

11. Leases

The Corporation has entered into various operating leases primarily for office space as well as certain equipment items. Rental expense for operating leases was \$16,006,602 in 2013 and \$19,606,916 in 2012. Future minimum payments under non-cancelable operating leases with initial terms of one year or more consist of the following during the years ending December 31:

Years ending December 31	
2014	\$ 14,080,302
2015	13,643,186
2016	13,288,725
2017	12,418,366
2018	11,985,993
Thereafter	<u>84,918,623</u>
Total	<u>\$ 150,335,195</u>

The Corporation has also entered into various sub-lease agreements with tenants that occupy space in the Corporation's buildings. The terms of these sub-leases vary and extend through 2020. Rental income was \$3,851,382 in 2013 and \$4,335,800 in 2012, which has been reported as a component of other operating revenue in the consolidated statements of operations.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Future rent payments expected to be received by the Corporation during the years ending December 31 are as follows

Years ending December 31	
2014	\$ 2,894,563
2015	2,498,262
2016	1,778,550
2017	1,080,850
2018	623,734
Thereafter	<u>219,651</u>
Total	<u>\$ 9,095,610</u>

12. Retirement, Health Plans and Life Insurance

Defined Contribution Retirement Plan

The Corporation sponsors a 401(a) defined contribution retirement plan, which covers substantially all full-time employees. After twelve months of full-time or regular part-time employment of at least 1,000 base hours, the Corporation will contribute a total of 2% of eligible employees' compensation, plus a matching employer contribution equal to 50% of employee contributions up to 6% of base salary. Retirement plan expense was \$8,183,463 in 2013 and \$8,624,347 in 2012. Retirement plan expense for HRMC was \$666,071 in 2013 and \$733,839 in 2012 which is included in (loss) income from discontinued operations in the consolidated statements of operations.

Salary Deferral (457(b)) Plan

Employees who contribute the maximum allowable amount to the 403(b) retirement plan have an opportunity to contribute additional funds on a tax-deferred basis to a 457(b) retirement plan up to the maximum tax-sheltered opportunity. There are no employer contributions to this plan.

Employee Life and Health Benefit Program

The Corporation maintains a self-insurance employee program for its health insurance coverage. The Corporation accrues the estimated costs of incurred and reported and incurred but not reported claims, after consideration of its stop-loss insurance coverage, based upon data provided by the third-party administrator of the program and historical claims experience. Beginning January 1, 2005, HRMC maintained its own self-insurance program for employee health care coverage.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

Life Insurance

Full-time and part-time employees are insured for an amount equal to one times their base salary at time of enrollment up to \$450,000 for full-time employees and \$10,000 for part-time employees. In addition, if death is caused by accident, the employee is insured for an additional benefit equal to the amount of their life insurance.

13. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for betterments to plant facilities and purchases of equipment or to support operating programs sponsored by the Corporation and its affiliates.

Permanently restricted net assets have been restricted by donor to be maintained by the Corporation in perpetuity.

Net assets were released from donor restriction by satisfying their restricted purposes in the amount of \$7,533,379 in 2013 and \$10,622,475 in 2012.

14. Commitments and Contingencies

Litigation and Claims

The Corporation is subject to asserted and unasserted claims (in addition to litigation) encountered in the ordinary course of business. In the opinion of management and after consultation with legal counsel, the Corporation has established adequate reserves related to all known matters. The outcome of any potential investigative, regulatory or prosecutorial activity that may occur in the future cannot be predicted with certainty. However, any associated potential future losses resulting from such activity could have a material adverse effect on the Corporation's future financial position, results of operations and liquidity.

Insurance

The Corporation's primary coverage for professional liability is provided through a self-funded insurance retention trust (the "Trust") established on January 1, 1993. The Trust is funded based on actuarial estimates and provides coverage of \$2,000,000 per occurrence with no annual aggregate limitation. The Trust also provides general liability coverage up to \$1,000,000 per occurrence and \$3,000,000 in the aggregate. The Corporation also carries umbrella excess liability insurance on a claims made basis with a commercial carrier, with limits of \$20,000,000 per occurrence and in aggregate.

It is the Corporation's policy to accrue for the ultimate cost of uninsured asserted and unasserted malpractice claims, if any, when incidents occur. Based on a review of the Corporation's prior experience and incidents occurring through December 31, 2013, management determined that the fully-funded professional liability reserve reported at December 31, 2013 and 2012 is adequate in light of the program's excess umbrella policy currently in force and historical claims experience. The estimated professional liability for both asserted and unasserted claims was \$9,324,911 and \$7,265,426 at December 31, 2013 and 2012, respectively. The discount rate used in determining these liabilities was 2.5% at both December 31, 2013 and 2012.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

The Corporation is self-insured for unemployment and workers' compensation benefits. The liability for unemployment and worker's compensation claims payable is an estimate based on the Corporation's past experience and is included in the accompanying consolidated balance sheets. It is reasonably possible that the estimates used could change materially in the near term.

Remediation

Certain buildings, which were constructed prior to the passage of the Clean Air Act, contain encapsulated asbestos material. Current law requires that this asbestos be removed in an environmentally safe fashion prior to demolition and renovation of these buildings. At this time, the Corporation has no plans to demolish or renovate these buildings and, as such, cannot reasonably estimate the fair value of the liability for such asbestos removal.

15. Business and Credit Concentrations

The Corporation grants credit to patients, substantially all of whom are local residents. The Corporation generally does not require collateral or other security in extending credit, however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits receivable under their health insurance programs, plans or policies.

At December 31, 2013 and 2012, concentrations of gross receivables from third-party payors and others are as follows:

	2013	2012
Medicare	19 %	19 %
Medicaid	12	17
Other third party payers	37	39
Self-pay and others	32	25
	<u>100 %</u>	<u>100 %</u>

Gross patient service revenue, by payor class, consisted of the following for the years ended December 31:

	2013	2012
Medicare	29 %	39 %
Medicaid	5	5
Other third party payers	57	46
Self-pay and others	9	10
	<u>100 %</u>	<u>100 %</u>

The Corporation maintains its cash and cash equivalents with several financial institutions. Cash and cash equivalents on deposit with any one financial institution are insured up to \$250,000.

Adventist HealthCare, Inc. and Controlled Entities

Notes to Consolidated Financial Statements

December 31, 2013 and 2012

17. Functional Expenses

A summary of the Corporation's operating expenses by function for the years ended December 31 is as follows

	<u>2013</u>	<u>2012</u>
Hospital acute and ambulatory services	\$ 524,569,366	\$ 504,575,820
Home care services	15,114,246	14,314,302
Other health care services	105,945,631	101,221,270
Other, including general and administrative	13,121,785	25,537,867
Fundraising	<u>703,853</u>	<u>891,289</u>
Total	<u>\$ 659,454,881</u>	<u>\$ 646,540,548</u>

The Corporation also incurred general and administrative expense related to ASLS and hospital acute services expense related to HRMC that were included in (loss) income from discontinued operations in the consolidated statements of operations. ASLS general and administrative expenses were \$2,972 in 2013. There were no general and administrative expenses for ASLS incurred in 2012. HRMC hospital acute services expenses were \$89,256,261 in 2013 and \$88,927,963 in 2012.

Adventist HealthCare, Inc. and Controlled Entities

 Consolidating Schedule Balance Sheet
 December 31 2013

	Consolidated Adventist HealthCare, Inc	Eliminating Entries	Support Center	Shady Grove Adventist Hospital	Washington Adventist Hospital	Hackettstown Regional Medical Center	Adventist Behavioral Health Services	Louise Center	Adventist Rehabilitation Hospital of Maryland	Adventist Home Health Services	Adventist Medical Group	Adventist Senior Living Services	Adventist Management Services, Inc	Adventist HealthCare Inc Foundations
Assets														
Current Assets														
Cash and cash equivalents	\$ 58 692 102	\$ -	\$ (33 782 969)	\$ 105 863 271	\$ (6 971 085)	\$ 33 788 130	\$ (9 472 647)	\$ (2 002 075)	\$ 7 880 009	\$ 2 727 506	\$ (40 730 750)	\$ (42 164)	\$ (340 998)	\$ 1 775 874
Short term investments	128 642 187	-	128 642 187	-	-	-	-	-	-	-	-	-	-	-
Assets whose use is limited	3 950 514	-	3 950 514	-	-	-	-	-	-	-	-	-	-	-
Patient accounts receivable net of estimated allowances of \$92 434 000	127 698 502	-	393 103	52 479 937	40 561 412	9 497 690	9 253 345	-	10 239 140	2 341 466	2 936 754	(4 345)	-	-
Other receivables net of estimated allowance for uncollectible accounts of \$2 288 000	12 781 149	(190 379)	3 493 980	1 900 776	743 346	461 392	1 920 199	2 407 470	68 802	(8 377)	256 282	-	402 878	1 324 780
Due from third party payors	-	(2 313 438)	-	-	-	-	194 072	-	1 973 008	-	-	146 358	-	-
Due from affiliates	-	(180)	-	74 141	(74 141)	-	-	-	180	-	-	-	-	-
Inventories	12 172 222	-	-	5 931 563	4 056 160	1 801 874	130 095	-	104 013	-	-	-	148 517	-
Prepaid expenses and other current assets	6 251 940	-	2 961 189	1 501 979	1 084 096	293 660	93 334	2 275	72 347	47 131	159 350	-	36 229	350
Total current assets	350 188 616	(2 503 997)	105 658 004	167 751 667	39 399 788	45 842 746	2 118 398	407 670	20 337 499	5 107 726	(37 378 364)	99 849	246 626	3 101 004
Property and Equipment, Net	392 164 649	-	112 688 907	181 192 380	33 476 093	42 952 842	10 363 701	1 644 476	8 577 123	497 688	411 902	-	359 537	-
Assets Whose Use is Limited														
Under trust indenture and capital lease purchase financing facilities held by trustees and banks	7 045 353	-	1 340 578	1 105 757	866 336	2 793 642	492 996	-	446 044	-	-	-	-	-
Professional liability trust fund	8 835 811	-	8 835 811	-	-	-	-	-	-	-	-	-	-	-
Deferred compensation fund	164 057	-	-	-	164 057	-	-	-	-	-	-	-	-	-
Cash and Cash Equivalents Temporarily Restricted for Capital Acquisition	2 978 828	-	-	330 520	-	1 520 468	-	549 666	210 884	-	-	-	-	367 290
Investments and Investments in Unconsolidated Subsidiaries	9 926 599	-	5 094 069	2 101 791	-	1 353 168	-	-	-	-	-	422 522	-	955 049
Land Held for Healthcare Development	84 805 542	-	62 758 405	15 657	22 031 480	-	-	-	-	-	-	-	-	-
Deferred Financing Costs, Net	2 622 135	-	589 643	900 879	540 174	445 734	79 485	-	66 220	-	-	-	-	-
Intangible Assets, Net	5 408 550	-	48 632	1 426 333	-	867 660	1 862 520	-	974 334	184 256	-	-	44 815	-
Deposits and Other Noncurrent Assets	7 448 871	-	1 192 987	3 002 585	3 408	876 951	26 674	5 054	32 000	30 828	6 887	-	42 581	2 228 916
Total assets	<u>\$ 871 589 011</u>	<u>\$ (2 503 997)</u>	<u>\$ 298 207 036</u>	<u>\$ 357 827 569</u>	<u>\$ 96 481 336</u>	<u>\$ 96 653 211</u>	<u>\$ 14 943 774</u>	<u>\$ 2 606 866</u>	<u>\$ 30 644 104</u>	<u>\$ 5 820 498</u>	<u>\$ (36 959 575)</u>	<u>\$ 522 371</u>	<u>\$ 693 559</u>	<u>\$ 6 652 259</u>

Adventist HealthCare, Inc. and Controlled Entities

 Consolidating Schedule Balance Sheet
 December 31, 2013

	Consolidated Adventist HealthCare, Inc.	Eliminating Entries	Support Center	Shady Grove Adventist Hospital	Washington Adventist Hospital	Hackettstown Regional Medical Center	Adventist Behavioral Health Services	Louise Center	Adventist Rehabilitation Hospital of Maryland	Adventist Home Health Services	Adventist Medical Group	Adventist Senior Living Services	Adventist Management Services, Inc.	Adventist HealthCare Inc Foundations
Liabilities and Net Assets														
Current Liabilities														
Accounts payable and accrued expenses	\$ 83 688 817	\$ (182)	\$ 21 487 559	\$ 31 685 715	\$ 18 006 464	\$ 5 399 992	\$ 2 631 420	\$ 411 345	\$ 1 584 655	\$ 731 240	\$ 1 033 016	\$ (7 514)	\$ 620 857	\$ 124 250
Accrued compensation and related items	31 922 897	(190 379)	4 076 530	11 212 107	8 042 978	2 974 886	2 028 514	392 428	1 875 836	901 861	432 427	1 318	174 391	-
Interest payable	2 222 789	-	2 217 729	-	2 302	-	2 738	-	-	-	-	-	-	-
Due to third party payors	21 919 784	(2 313 438)	-	14 415 364	8 210 143	555 818	985 166	-	(27 057)	-	-	93 788	-	-
Estimated self-insured professional liability	1 202 986	-	1 202 986	-	-	-	-	-	-	-	-	-	-	-
Current maturities of long-term obligations	22 925 596	-	12 823 929	4 981 571	4 213 189	45 657	861 250	-	-	-	-	-	-	-
Long-term debt subject to short-term remarketing and repayment arrangements	41 985 000	-	-	32 920 739	9 064 261	-	-	-	-	-	-	-	-	-
Total Current Liabilities	205 867 849	(2 503 999)	41 788 733	95 215 496	47 539 337	8 976 353	6 509 088	803 773	3 433 434	1 633 101	1 465 443	87 592	795 248	124 250
Construction Payable	116 254	-	-	-	-	116 254	-	-	-	-	-	-	-	-
Long-Term Obligations, Net														
Bonds payable	221 015 919	-	181 885 000	3 732 000	35 398 919	-	-	-	-	-	-	-	-	-
Notes payable	18 916 729	-	18 216 562	-	243 750	-	456 417	-	-	-	-	-	-	-
Capital lease obligation	16 348 680	-	13 831 198	1 892 022	577 265	48 195	-	-	-	-	-	-	-	-
Internal debt	-	2	(177 649 000)	103 119 312	32 143 145	32 229 053	5 809 634	-	4 347 854	-	-	-	-	-
Derivative Financial Instruments	16 103 581	-	16 103 581	-	-	-	-	-	-	-	-	-	-	-
Deferred Compensation	164 057	-	-	-	164 057	-	-	-	-	-	-	-	-	-
Other Liabilities	12 310 883	-	5 207 680	5 249 737	486 931	1 106 959	-	-	200 000	-	-	-	-	59 576
Estimated Self Insured Professional Liability	8 121 925	-	8 121 925	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	498 965 877	(2 503 997)	107 505 679	209 208 567	116 553 404	42 476 814	12 775 139	803 773	7 981 288	1 633 101	1 465 443	87 592	795 248	183 826
Net Assets (Deficit)														
Unrestricted	365 618 832	-	190 608 660	148 328 361	(20 642 842)	52 986 699	2 168 636	1 324 203	22 584 799	4 187 397	(38 425 018)	434 779	(101 689)	2 154 847
Temporarily restricted	6 662 881	-	92 697	290 641	570 774	1 189 698	(1)	137 469	68 017	-	-	-	-	4 313 586
Permanently restricted	341 421	-	-	-	-	-	-	341 421	-	-	-	-	-	-
Total net assets (deficit)	372 623 134	-	190 701 357	148 619 002	(20 072 068)	54 176 397	2 168 635	1 803 093	22 662 816	4 187 397	(38 425 018)	434 779	(101 689)	6 468 433
Total liabilities and net assets	\$ 871 589 011	\$ (2 503 997)	\$ 298 207 036	\$ 357 827 569	\$ 96 481 336	\$ 96 653 211	\$ 14 943 774	\$ 2 606 866	\$ 30 644 104	\$ 5 820 498	\$ (36 959 575)	\$ 522 371	\$ 693 559	\$ 6 652 259

Adventist Healthcare, Inc. and Controlled Entities
Consolidating Schedule - Statement of Operations

Year Ended December 31, 2013

	Consolidated Adventist HealthCare Inc.	Eliminating Entries	Support Center	Shady Grove Adventist Hospital	Washington Adventist Hospital	Hackettstown Regional Medical Center	Adventist Behavioral Health Services	Louise Center	Adventist Rehabilitation Hospital of Maryland	Adventist Home Health Services	Adventist Medical Group	Adventist Senior Living Services	Adventist Management Services Inc.	Adventist HealthCare Inc Foundations
Unrestricted Revenues														
Net patient service revenue	\$ 614,617.99	\$ 6,777,139.00	4,777.00	\$ 7,700.00	\$ 10,774.07	\$ 7,777.47	\$ 694,011.00	\$ 7,777.114	\$ 671,017.00	\$ 17,209,221.00	\$ 9,790,000.00			
Provision for doubtful collections	(64,172,949.00)	4,764,222.00	(1,764.00)	(1,777,249.00)	(1,922,070.00)	(4,764,222.00)	(1,477,247.00)	(1,000.00)	(1,122,222.00)	(67,777.00)	(1,486,466.00)			
Net patient service revenue less provision for doubtful collections	\$ 550,445.00	\$ 1,012,917.00	4,013.00	\$ 5,922.00	\$ 8,851.07	\$ 3,013.25	\$ 216,764.00	\$ 6,777.114	\$ 548,895.00	\$ 16,537,994.00	\$ 8,303,534.00			
Other revenue	7,000.00	(17,400,000.00)	4,000.00	11,000,000.00	1,740,000.00	7,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	7,000.00	14,000.00		7,000,000.00	14,000.00
Total unrestricted revenue*	\$ 557,445.00	\$ 9,892,917.00	8,013.00	\$ 16,944.00	\$ 10,591.07	\$ 10,013.25	\$ 217,764.00	\$ 7,777.114	\$ 549,895.00	\$ 16,544,994.00	\$ 8,317,534.00		\$ 7,007,000.00	\$ 14,014.00
Operating Expenses														
Salaries and wages	27,000,000.00	1,777,144.00	1,000,000.00	11,000,000.00	1,000,000.00	7,000,000.00	2,000,000.00	4,000,000.00	1,000,000.00	10,000,000.00	1,000,000.00	400,000.00	1,000,000.00	1,000,000.00
Employee benefits	7,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Contract labor	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Medical supplies	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
General and administrative	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Building and maintenance	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Insurance	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Interest	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Depreciation and amortization	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
IT depreciation	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Allocation - IT service*														
AHC management fees														
Total expenses	\$ 37,000,000.00	\$ 6,777,144.00	\$ 7,000,000.00	\$ 11,000,000.00	\$ 1,000,000.00	\$ 7,000,000.00	\$ 2,000,000.00	\$ 4,000,000.00	\$ 1,000,000.00	\$ 10,000,000.00	\$ 1,000,000.00	\$ 400,000.00	\$ 1,000,000.00	\$ 1,000,000.00
Income (loss) from operations	\$ 187,445.00	\$ 3,115,773.00	\$ 1,013.00	\$ 5,944.00	\$ 8,591.07	\$ 3,000.00	\$ 17,764.00	\$ 7,777.114	\$ 548,895.00	\$ 16,544,994.00	\$ 7,317,534.00		\$ 6,007,000.00	\$ 14,014.00
Other Income (Expense)														
Investment income (loss)	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Loss on extinguishment of debt	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)
Other income (expense)	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Total other income (expense)	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
Revenue and gains in excess of (less than) expenses from continuing operation*	\$ 188,445.00	\$ 4,115,773.00	\$ 2,013.00	\$ 6,944.00	\$ 9,591.07	\$ 4,000.00	\$ 18,764.00	\$ 8,777.114	\$ 549,895.00	\$ 17,544,994.00	\$ 8,317,534.00		\$ 7,007,000.00	\$ 14,014.00
Change in net unrealized gains and losses on investment other than trading securities*	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Change in net unrealized gain on derivative financial instrument	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Transfer from (to) unconsolidated subsidiary	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Net assets released from restriction for purchase of property and equipment	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Other unrestricted net asset activity	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Increase (decrease) in unrestricted net asset* from continuing operations	\$ 1,000,000.00	\$ 4,115,773.00	\$ 2,013.00	\$ 6,944.00	\$ 9,591.07	\$ 4,000.00	\$ 18,764.00	\$ 8,777.114	\$ 549,895.00	\$ 17,544,994.00	\$ 8,317,534.00		\$ 7,007,000.00	\$ 14,014.00
Loss from discontinued operations	\$ 1,000,000.00	\$ 1,000,000.00												
Increase (decrease) in unrestricted net assets	\$ 1,000,000.00	\$ 3,115,773.00	\$ 2,013.00	\$ 6,944.00	\$ 8,591.07	\$ 3,000.00	\$ 17,764.00	\$ 7,777.114	\$ 548,895.00	\$ 16,544,994.00	\$ 7,317,534.00		\$ 6,007,000.00	\$ 14,014.00

Adventist Healthcare, Inc - Obligated Group

Combining Schedule, Balance Sheet
December 31, 2013

	Combined AHC Obligated Group	Eliminating Entries	Support Center	Shady Grove Adventist Hospital	Washington Adventist Hospital	Hackettstown Regional Medical Center	Adventist Behavioral Health	Adventist Rehabilitation Hospital of Maryland
Assets								
Current Assets								
Cash and cash equivalents	\$ 97,304,709	\$ -	\$ (33,782,969)	\$ 105,863,271	\$ (6,971,085)	\$ 33,788,130	\$ (9,472,647)	\$ 7,880,009
Short-term investments	128,642,187	-	128,642,187	-	-	-	-	-
Assets whose use is limited	3,950,514	-	3,950,514	-	-	-	-	-
Patient accounts receivable, net of estimated allowances of \$91,260,000	122,424,627	-	393,103	52,479,937	40,561,412	9,497,690	9,253,345	10,239,140
Other receivables, net of estimated allowance for uncollectible accounts of \$684,000	8,398,116	(190,379)	3,493,980	1,900,776	743,346	461,392	1,920,199	68,802
Due from third party payors	-	(2,167,080)	-	-	-	-	194,072	1,973,008
Due from affiliates	-	(180)	-	74,141	(74,141)	-	-	180
Inventories	12,023,705	-	-	5,931,563	4,056,160	1,801,874	130,095	104,013
Prepaid expenses and other current assets	6,006,605	-	2,961,189	1,501,979	1,084,096	293,660	93,334	72,347
Total current assets	378,750,463	(2,357,639)	105,658,004	167,751,667	39,399,788	45,842,746	2,118,398	20,337,499
Property and Equipment, Net	389,251,046	-	112,688,907	181,192,380	33,476,093	42,952,842	10,363,701	8,577,123
Assets Whose Use is Limited								
Under trust indenture and capital lease purchase financing facilities, held by trustees and banks	7,045,353	-	1,340,578	1,105,757	866,336	2,793,642	492,996	446,044
Professional liability trust fund	8,835,811	-	8,835,811	-	-	-	-	-
Deferred compensation fund	164,057	-	-	-	164,057	-	-	-
Cash and Cash Equivalents Temporarily Restricted for Capital Acquisition	2,061,872	-	-	330,520	-	1,520,468	-	210,884
Investments and Investments in Unconsolidated Subsidiaries	8,549,028	-	5,094,069	2,101,791	-	1,353,168	-	-
Land Held for Healthcare Development	84,805,542	-	62,758,405	15,657	22,031,480	-	-	-
Deferred Financing Costs	2,622,135	-	589,643	900,879	540,174	445,734	79,485	66,220
Intangible Assets, Net	5,179,479	-	48,632	1,426,333	-	867,660	1,862,520	974,334
Deposits and Other Noncurrent Assets	5,134,605	-	1,192,987	3,002,585	3,408	876,951	26,674	32,000
Total assets	<u>\$ 892,399,391</u>	<u>\$ (2,357,639)</u>	<u>\$ 298,207,036</u>	<u>\$ 357,827,569</u>	<u>\$ 96,481,336</u>	<u>\$ 96,653,211</u>	<u>\$ 14,943,774</u>	<u>\$ 30,644,104</u>

Adventist Healthcare, Inc. - Obligated Group

Combining Schedule, Balance Sheet
December 31, 2013

	Combined AHC Obligated Group	Eliminating Entries	Support Center	Shady Grove Adventist Hospital	Washington Adventist Hospital	Hackettstown Regional Medical Center	Adventist Behavioral Health	Adventist Rehabilitation Hospital of Maryland
Liabilities and Net Assets								
Current Liabilities								
Accounts payable and accrued expenses	\$ 80,775,623	\$ (182)	\$ 21,467,559	\$ 31,685,715	\$ 18,006,464	\$ 5,399,992	\$ 2,631,420	\$ 1,584,655
Accrued compensation and related items	30,020,472	(190,379)	4,076,530	11,212,107	8,042,978	2,974,886	2,028,514	1,875,836
Interest payable	2,222,769	-	2,217,729	-	2,302	-	2,738	-
Due to third party payors	21,972,354	(2,167,080)	-	14,415,364	8,210,143	555,818	985,166	(27,057)
Estimated self-insured professional liability	1,202,986	-	1,202,986	-	-	-	-	-
Current portion of long-term obligations	22,925,596	-	12,823,929	4,981,571	4,213,189	45,657	861,250	-
Long-term debt subject to short-term remarketing and repayment arrangements	41,985,000	-	-	32,920,739	9,064,261	-	-	-
Total current liabilities	201,104,800	(2,357,641)	41,788,733	95,215,496	47,539,337	8,976,353	6,509,088	3,433,434
Construction Payable	116,254	-	-	-	-	116,254	-	-
Long-Term Obligations, Net								
Bonds payable	221,015,919	-	181,885,000	3,732,000	35,398,919	-	-	-
Notes payable	18,916,729	-	18,216,562	-	243,750	-	456,417	-
Capital lease obligation	16,348,680	-	13,831,198	1,892,022	577,265	48,195	-	-
Internal debt	-	2	(177,649,000)	103,119,312	32,143,145	32,229,053	5,809,634	4,347,854
Derivative Financial Instruments	16,103,581	-	16,103,581	-	-	-	-	-
Deferred Compensation	164,057	-	-	-	164,057	-	-	-
Other Liabilities	12,251,307	-	5,207,680	5,249,737	486,931	1,106,959	-	200,000
Estimated Self-Insured Professional Liability	8,121,925	-	8,121,925	-	-	-	-	-
Total liabilities	494,143,252	(2,357,639)	107,505,679	209,208,567	116,553,404	42,476,814	12,775,139	7,981,288
Net Assets (Deficit)								
Unrestricted	396,044,313	-	190,608,660	148,328,361	(20,642,842)	52,986,699	2,168,636	22,594,799
Temporarily restricted	2,211,826	-	92,697	290,641	570,774	1,189,698	(1)	68,017
Total net assets (deficit)	398,256,139	-	190,701,357	148,619,002	(20,072,068)	54,176,397	2,168,635	22,662,816
Total liabilities and net assets	<u>\$ 892,399,391</u>	<u>\$ (2,357,639)</u>	<u>\$ 298,207,036</u>	<u>\$ 357,827,569</u>	<u>\$ 96,481,336</u>	<u>\$ 96,653,211</u>	<u>\$ 14,943,774</u>	<u>\$ 30,644,104</u>

Adventist Healthcare, Inc. - Obligated Group

Combining Schedule, Statement of Operations
Year Ended December 31, 2013

	Combined AHC Obligated Group	Eliminating Entries	Support Center	Shady Grove Adventist Hospital	Washington Adventist Hospital	Hackettstown Regional Medical Center	Adventist Behavioral Health Services	Adventist Rehabilitation Hospital of Maryland
Unrestricted Revenues								
Net patient service revenue	\$ 632,624,095	\$ (85,757,199)	\$ 4,577,689	\$ 338,865,036	\$ 216,357,425	\$ 85,579,847	\$ 39,049,612	\$ 33,951,685
Provision for doubtful collections	(41,490,454)	4,624,228	(36,641)	(18,775,242)	(20,223,050)	(4,624,228)	(1,473,295)	(982,226)
Net patient service revenue less provision for doubtful collections	591,133,641	(81,132,971)	4,541,048	320,089,794	196,134,375	80,955,619	37,576,317	32,969,459
Other revenue	26,991,606	(10,029,294)	4,839,558	11,068,192	6,540,625	7,382,747	6,829,623	360,155
Total unrestricted revenues	618,125,247	(91,162,265)	9,380,606	331,157,986	202,675,000	88,338,366	44,405,940	33,329,614
Operating Expenses								
Salaries and wages	256,793,361	(37,662,435)	12,012,680	119,025,920	82,830,918	37,662,435	23,960,613	18,963,230
Employee benefits	54,921,996	(9,313,960)	3,156,429	25,068,467	17,329,481	9,313,650	5,482,342	3,885,587
Contract labor	25,979,935	(1,936,549)	200,624	10,775,754	13,338,507	1,871,196	1,012,436	717,967
Medical supplies	91,844,933	(12,110,967)	(3,442)	52,143,295	36,700,444	12,047,963	1,743,800	1,323,840
General and administrative	109,353,354	(10,264,757)	37,266,028	39,561,825	27,423,483	9,418,785	3,092,734	2,855,256
Building and maintenance	33,611,078	(7,042,003)	907,509	21,344,117	9,031,414	5,192,743	2,961,967	1,215,331
Insurance	4,854,782	(532,209)	89,963	2,528,458	1,852,746	532,209	239,722	143,893
Interest	8,363,060	(1,388,123)	(125,251)	5,982,743	1,988,992	1,388,123	311,353	205,223
Depreciation and amortization	30,727,495	(5,033,010)	8,259,458	14,628,247	6,195,471	5,033,010	1,009,126	635,193
IT depreciation	(1,269,003)	(1,217,489)	(7,664,344)	3,856,865	2,108,421	1,217,489	68,779	361,276
Allocation IT services	(3,793,483)	(3,267,690)	(31,115,283)	14,235,038	10,091,609	3,267,690	1,412,424	1,582,729
AHC management fees	(2,884,330)	(2,310,968)	(15,408,268)	6,482,897	4,504,478	2,310,968	862,984	673,579
Total expenses	608,503,178	(92,080,160)	7,576,103	315,633,626	213,395,964	89,256,261	42,158,280	32,563,104
Income (loss) from operations	9,622,069	917,895	1,804,503	15,524,360	(10,720,964)	(917,895)	2,247,660	766,510
Other Income (Expense)								
Investment income (loss)	2,695,750	(426,358)	3,061,483	731,946	(1,027,531)	426,358	(151,156)	81,008
Loss on extinguishment of debt	(707,292)	-	(707,292)	-	-	-	-	-
Other income (expense)	1,673,660	649,149	3,228,900	(992,613)	(482,180)	(649,149)	(45,970)	(34,477)
Total other income (expense)	3,662,118	222,791	5,583,091	(260,667)	(1,509,711)	(222,791)	(197,126)	46,531
Revenue in excess of (less than) expenses from continuing operations	13,284,187	1,140,686	7,387,594	15,263,693	(12,230,675)	(1,140,686)	2,050,534	813,041
Change in net unrealized gains and losses on investments other than trading securities	(2,794,479)	-	(763,753)	(1,380,006)	(13,361)	(530,960)	(1,728)	(104,671)
Change in net unrealized gain on derivative financial instrument	8,450,548	-	8,450,548	-	-	-	-	-
#REF!	2,140,208	-	8,856,643	(3,030,260)	(2,107,217)	(860,732)	(403,379)	(314,847)
Net assets released from restriction for purchase of property and equipment	3,218,024	-	1,275,415	1,818,335	32,890	27,084	-	64,300
Other unrestricted net asset activity	(82,046)	-	(82,046)	-	-	-	-	-
Increase (decrease) in unrestricted net assets from continuing operations	24,216,442	1,140,686	25,124,401	12,671,762	(14,318,363)	(2,505,294)	1,645,427	457,823
Loss from discontinued operations	(1,140,686)	(1,140,686)	-	-	-	-	-	-
Increase (decrease) in unrestricted net assets	\$ 23,075,756	\$ -	\$ 25,124,401	\$ 12,671,762	\$ (14,318,363)	\$ (2,505,294)	\$ 1,645,427	\$ 457,823

Adventist HealthCare, Inc. - Foundations

Combining Schedule, Balance Sheet
December 31, 2013

	Combined Adventist HealthCare, Inc Foundations	Eliminating Entries	Shady Grove Adventist Hospital Foundation, Inc	Washington Adventist Hospital Foundation, Inc	Hackettstown Community Hospital Foundation, Inc	Adventist Behavioral Health Foundation, Inc
Assets						
Current Assets						
Cash and cash equivalents	\$ 1,775,874	\$ -	\$ 300,509	\$ 1,258,759	\$ 155,739	\$ 60,867
Current portion pledges receivable, less allowance for doubtful pledges of \$77,000	1,298,901	-	1,110,621	148,724	10,324	29,232
Other receivables	25,879	-	-	-	25,879	-
Prepaid expenses and other current assets	350	-	-	-	350	-
Total current assets	3,101,004	-	1,411,130	1,407,483	192,292	90,099
Cash and Cash Equivalents Held for Capital Acquisitions	367,290	-	-	218,389	-	148,901
Investments	955,049	-	949,332	5,717	-	-
Beneficial Interest in Trusts	829,438	-	-	829,438	-	-
Noncurrent Portion of Pledges Receivable	1,399,478	-	1,266,532	132,946	-	-
Total assets	\$ 6,652,259	\$ -	\$ 3,626,994	\$ 2,593,973	\$ 192,292	\$ 239,000
Liabilities and Net Assets						
Current Liabilities						
Accounts payable and accrued expenses	\$ 124,250	\$ -	\$ 114,251	\$ -	\$ 9,999	\$ -
Liability to Charitable Gift Annuitants	59,576	-	59,576	-	-	-
Total liabilities	183,826	-	173,827	-	9,999	-
Net Assets						
Unrestricted	2,154,847	-	1,484,794	587,961	19,967	62,125
Temporarily restricted	4,313,586	-	1,968,373	2,006,012	162,326	176,875
Total net assets	6,468,433	-	3,453,167	2,593,973	182,293	239,000
Total liabilities and net assets	\$ 6,652,259	\$ -	\$ 3,626,994	\$ 2,593,973	\$ 192,292	\$ 239,000

Adventist HealthCare, Inc. - Foundations

Combining Schedule, Statement of Operations

Year Ended December 31, 2013

	Combined Adventist HealthCare, Inc Foundations	Eliminating Entries	Shady Grove Adventist Hospital Foundation, Inc	Washington Adventist Hospital Foundation, Inc	Hackettstown Adventist Hospital Foundation, Inc	Adventist Behavioral Health Foundation Inc
Changes in Unrestricted Net Assets						
Unrestricted Revenues, Gains, And Other Support						
Contributions, net	\$ 405,434	\$ -	\$ 140,374	\$ 214,150	\$ 45,812	\$ 5,098
Investment income	51,101	-	50,678	-	41	382
Net assets released from restrictions	<u>2,637,124</u>	<u>-</u>	<u>2,102,088</u>	<u>193,238</u>	<u>299,107</u>	<u>42,691</u>
Total unrestricted revenues, gains, and other support	<u>3,093,659</u>	<u>-</u>	<u>2,293,140</u>	<u>407,388</u>	<u>344,960</u>	<u>48,171</u>
Expenses						
General administrative expenses	516,194	-	191,059	176,871	148,264	-
In-kind gifts expended	<u>187,660</u>	<u>-</u>	<u>102,967</u>	<u>84,693</u>	<u>-</u>	<u>-</u>
Total expenses before transfers to the hospitals	703,854	-	294,026	261,564	148,264	-
Transfers to the hospitals	<u>2,316,212</u>	<u>-</u>	<u>2,000,000</u>	<u>17,941</u>	<u>212,952</u>	<u>85,319</u>
Total expenses	<u>3,020,066</u>	<u>-</u>	<u>2,294,026</u>	<u>279,505</u>	<u>361,216</u>	<u>85,319</u>
Revenues in excess of (less than) expenses	73,593	-	(886)	127,883	(16,256)	(37,148)
Change in net unrealized gains on investments other than trading securities	<u>(46,732)</u>	<u>-</u>	<u>(46,732)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in unrestricted net assets	26,861	-	(47,618)	127,883	(16,256)	(37,148)
Unrestricted net assets, beginning	<u>2,127,986</u>	<u>-</u>	<u>1,532,412</u>	<u>460,078</u>	<u>36,223</u>	<u>99,273</u>
Unrestricted net assets, ending	<u>\$ 2,154,847</u>	<u>\$ -</u>	<u>\$ 1,484,794</u>	<u>\$ 587,961</u>	<u>\$ 19,967</u>	<u>\$ 62,125</u>
Changes in Temporarily Restricted Net Assets						
Contributions, net	\$ 2,336,471	\$ -	\$ 1,134,120	\$ 738,916	\$ 400,296	\$ 63,139
Net assets released from restrictions	(2,637,124)	-	(2,102,088)	(193,238)	(299,107)	(42,691)
Change in value of beneficial interest in trusts	13,579	-	-	13,579	-	-
Change in discount of pledges receivable and provision for doubtful pledges	(146,325)	-	(135,431)	(10,894)	-	-
Investment income and unrealized gain on investments	<u>31,901</u>	<u>-</u>	<u>13,298</u>	<u>18,603</u>	<u>-</u>	<u>-</u>
(Decrease) increase in temporarily restricted net assets	(401,498)	-	(1,090,101)	566,966	101,189	20,448
Temporarily restricted net assets, beginning	<u>4,715,084</u>	<u>-</u>	<u>3,058,474</u>	<u>1,439,046</u>	<u>61,137</u>	<u>156,427</u>
Temporarily restricted net assets, ending	<u>\$ 4,313,586</u>	<u>\$ -</u>	<u>\$ 1,968,373</u>	<u>\$ 2,006,012</u>	<u>\$ 162,326</u>	<u>\$ 176,875</u>

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

[illegible]

Additional Data

Software ID:

Software Version:

EIN: 52-1532556

Name: ADVENTIST HEALTHCARE 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			
DAVID E WEIGLEY CHAIRMAN	2 00	X						0	0	0
WILLIAM G ROBERTSON SECRETARY, PRESIDENT & CEO OF AHC	42 00 20 00	X		X				1,159,920	0	46,377
ROBERT T VANDEMAN VICE CHAIRMAN	2 00	X						0	0	0
SETH BARDU AUDIT & FINANCE CHAIR	2 00	X						0	0	0
AVIS E BUCHANAN ESQ TRUSTEE	2 00	X						0	0	0
BRUCE C ROBERTSON PHD TRUSTEE	1 00	X						0	0	0
DONALD MELNICK MD TRUSTEE	1 00	X						0	0	0
DREWRY J WHITE MD TRUSTEE	1 00	X						0	0	0
JAMES ROST MD TRUSTEE	1 00	X						0	0	0
JEFFREY JPARGAMENT JR TRUSTEE	1 00	X						0	0	0
MARK E GRIFFIN TRUSTEE	1 00	X						0	0	0
NANCY E HARDWICK TRUSTEE	1 00	X						0	0	0
PATRICK J HOGAN TRUSTEE	1 00	X						0	0	0
RENEE BATTLE-BROOKS ESQ TRUSTEE	1 00	X						0	0	0
RICK REMMERS TRUSTEE	1 00	X						0	0	0
ROBIN THOMASHAUER TRUSTEE	1 00	X						0	0	0
RUTH E BULGER PHD TRUSTEE	1 00	X						0	0	0
THOMAS WERNER TRUSTEE	1 00	X						0	0	0
WEYMOUTH SPENCE ED D TRUSTEE	1 00	X						0	0	0
TERRY FORDE EVP & COO	42 00 20 00			X				730,520	0	35,753
JAMES G LEE EVP & CFO	42 00 20 00			X				671,139	0	30,612
JOHN SACKETT PRESIDENT, SGAH	48 00 2 00			X				655,976	0	66,173
JOYCE L NEWMYER PRESIDENT, WAH	48 00 2 00			X				447,802	0	38,495
JASON C COE PRESIDENT, HRMC	5 00 55 00			X				379,726	0	46,132
DENNIS D HANSEN PRESIDENT, SGAH	20 00 30 00			X				462,071	0	24,148