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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

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

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

OMB No 1545-0047

2013

Open to Public Inspection

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

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

C Name of organization
MARTHA JEFFERSON HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
500 MARTHA JEFFERSON DRIVE

City or town, state or province, country, and ZIP or foreign postal code
CHARLOTTESVILLE, VA 22911

D Employer identification number
54-0261840

E Telephone number
(434) 654-8198

G Gross receipts $ 257,782,964

F Name and address of principal officer
JAMES HADEN
500 MARTHA JEFFERSON DRIVE
CHARLOTTESVILLE, VA 22911

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW MARTHAJEFFERSON ORG

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

L Year of formation 1929

M State of legal domicile VA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
AT MARTHA JEFFERSON HOSPITAL, WE IMPROVE HEALTH EVERY DAY

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	10
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	1,997
6	Total number of volunteers (estimate if necessary)	**6**	771
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	108,257
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	42,552

		Prior Year	Current Year
Revenue **8**	Contributions and grants (Part VIII, line 1h)	4,772,454	3,733,514
9	Program service revenue (Part VIII, line 2g)	243,570,836	244,816,257
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	73,085	17,275
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,268,607	3,580,716
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	253,684,982	252,147,762
Expenses **13**	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	230,270	174,950
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	115,884,794	123,528,438
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	121,844,456	118,897,179
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	237,959,520	242,600,567
19	Revenue less expenses Subtract line 18 from line 12	15,725,462	9,547,195

		Beginning of Current Year	End of Year
Net Assets or Fund Balances **20**	Total assets (Part X, line 16)	290,055,872	330,382,073
21	Total liabilities (Part X, line 26)	327,246,905	323,381,593
22	Net assets or fund balances Subtract line 21 from line 20	-37,191,033	7,000,480

Part II Signature Block

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

Sign Here

▶ Signature of officer — 2014-11-11 Date

▶ J MICHAEL BURRIS VICE PRESIDENT & CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

WE IMPROVE HEALTH EVERY DAY WE IMPROVE THE HEALTH STATUS OF OUR COMMUNITY AND SET THE STANDARD FOR CLINICAL QUALITY AND PERSONALIZED HEALTHCARE SERVICES WE ARE DEDICATED TO PROVIDING THE BEST CLINICAL QUALITY WHILE MAINTAINING EXTRAORDINARY CUSTOMER SERVICE

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 215,525,135 including grants of $ 174,950) (Revenue $ 245,099,785)

AT THE HEART OF MARTHA JEFFERSON'S MISSION AS A NOT-FOR-PROFIT COMMUNITY HOSPITAL IS OUR ROLE AND RESPONSIBILITY TO ADDRESS THE HEALTH NEEDS OF OUR COMMUNITY MARTHA JEFFERSON IS ENTRUSTED WITH RESOURCES AND SKILLS THAT CAN HELP THE PEOPLE OF OUR COMMUNITY ACHIEVE AND MAINTAIN THEIR BEST POSSIBLE HEALTH THE HOSPITAL'S BOARD OF DIRECTORS IN 2013 REAFFIRMED THE FOLLOWING COMMITMENTS THAT ARE FUNDAMENTAL TO OUR ABILITY TO MEET THESE CHALLENGES AS AN INTEGRAL PART OF THE STRATEGIC PLANNING PROCESS, THE MISSION OF MARTHA JEFFERSON HOSPITAL WILL BE REVIEWED ALONG WITH SPECIFIC INITIATIVES, GOALS AND OBJECTIVES TO CONSIDER INCORPORATING SPECIFIC STATEMENTS AIMED AT HELPING TO RESOLVE COMMUNITY PROBLEMS ADVERSELY AFFECTING THE HEALTH STATUS OF THE COMMUNITIES WE SERVE MARTHA JEFFERSON WILL CONDUCT, OR GAIN ACCESS TO, COMMUNITY-NEEDS ASSESSMENTS TO IDENTIFY PROBLEMS ADVERSELY AFFECTING OUR COMMUNITIES' HEALTH STATUS MARTHA JEFFERSON WILL REGULARLY INVENTORY HOSPITAL-SPONSORED AND COMMUNITY PROGRAMS WORKING TO MEET THE IDENTIFIED NEEDS OF MEDICALLY UNDERSERVED OR DISADVANTAGED POPULATIONS AS APPROPRIATE, THESE PROGRAMS WILL BE TRACKED AND EVALUATED FOR THEIR IMPACT ON IDENTIFIED HEALTH STATUS ISSUES MARTHA JEFFERSON WILL REGULARLY ASSESS ITS ABILITY TO COMMIT RESOURCES, FINANCIAL AND HUMAN, TOWARD HELPING MEET IDENTIFIED NEEDS THE MARTHA JEFFERSON HOSPITAL BOARD OF DIRECTORS FORMALLY ACCEPTED AND ADOPTED THE MOBILIZING FOR ACTION THROUGH PLANNING AND PARTNERSHIPS (MAPP2HEALTH) DISTRICT-WIDE COMMUNITY HEALTH ASSESSMENT AND COMMUNITY HEALTH IMPROVEMENT PLAN IN JANUARY 2013 ACCESS TO HEALTHCARE MARTHA JEFFERSON ACCEPTS PATIENTS REGARDLESS OF THEIR ABILITY TO PAY FOR HEALTHCARE SERVICES THE HOSPITAL ASSISTS PATIENTS WITH FINANCIAL NEEDS THROUGH THE MARTHA JEFFERSON HEALTHTRUST, A PROGRAM THAT PROVIDES A SLIDING FEE SCALE FOR HOSPITAL PATIENTS WHO QUALIFY BASED ON FAMILY INCOME UP TO 300 PERCENT OF POVERTY LEVEL FINANCIAL ASSISTANCE IS BASED ON A REVIEW OF THE PATIENT'S FINANCIAL CIRCUMSTANCES UPON ADMISSION OR THE SERVICE DATE BECAUSE MARTHA JEFFERSON DOES NOT PURSUE COLLECTION OF THE AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE, SUCH AMOUNTS ARE NOT REPORTED AS A COMPONENT OF PATIENT SERVICE REVENUES MARTHA JEFFERSON DEFINES CHARITY CARE AS CARE FOR WHICH COLLECTION IS NOT ATTEMPTED (I E INDIGENT CARE) AND OPERATING COSTS FOR SERVICES RENDERED FOR MEDICAID PATIENTS THAT ARE IN EXCESS OF REIMBURSEMENT FROM STATE AGENCIES THE PERCENTAGE OF PATIENTS RECEIVING SOME FORM OF CHARITY ASSISTANCE WAS 20 07% ADDITIONAL CHARITY CARE INFORMATION IS PROVIDED ON SCHEDULE H IN ADDITION TO PROVIDING UNCOMPENSATED CARE, MARTHA JEFFERSON HAS ESTABLISHED SPECIAL ACCOUNTS TO PROVIDE FREE DIAGNOSTIC SERVICES FOR PATIENTS REFERRED BY THE CHARLOTTESVILLE FREE CLINIC AND THE FREE CLINIC OF GREENE COUNTY THROUGHOUT THE YEAR, COMMUNITY HEALTH SCREENINGS AND REDUCED-FEE SERVICES PROVIDED OTHER MEANS OF ACCESS TO HEALTHCARE FOR PEOPLE ACROSS CENTRAL VIRGINIA PHYSICIANS EMPLOYED BY MARTHA JEFFERSON HOSPITAL HAVE OFFICES THROUGHOUT CHARLOTTESVILLE AND IN SEVEN SURROUNDING COUNTIES INCLUDING ALBEMARLE, BUCKINGHAM, LOUISA, MADISON, GREENE, FLUVANNA AND NELSON, WHICH PROVIDE ACCESS TO HEALTHCARE IN MANY RURAL AREAS WITHOUT REGARD TO ONE'S ABILITY TO PAY DURING 2013, THE MEDICAL STAFF CONSISTED OF JUST OVER 400 PHYSICIANS REPRESENTING 35 MEDICAL SPECIALTIES MARTHA JEFFERSON HOSPITAL ALSO OPERATES A MAIN EMERGENCY DEPARTMENT, AS WELL AS A FREE-STANDING EMERGENCY DEPARTMENT, BOTH OF WHICH ARE STAFFED 24-HOURS A DAY/7 DAYS A WEEK BY BOARD-CERTIFIED PHYSICIANS AND SPECIALLY TRAINED NURSES AND SUPPORT STAFF IN FISCAL YEAR 2013, MARTHA JEFFERSON HOSPITAL SERVED THE COMMUNITY BY WAY OF 10,509 INPATIENT ADMISSIONS, 222,555 OUTPATIENT ACCOUNTS, 52,455 EMERGENCY DEPARTMENT VISITS, 7,313 OPERATING ROOM VISITS, AND 175,587 PHYSICIAN OFFICE VISITS IN ADDITION, MARTHA JEFFERSON OFFERED OR SUPPORTED MANY PROGRAMS AND SERVICES IN OUR COMMUNITY, WHICH ARE DETAILED BELOW EDUCATIONAL PROGRAMS AN IMPORTANT PART OF OUR COMMUNITY OUTREACH IS CENTERED ON EDUCATIONAL PROGRAMS AND TRAINING WHEN A FAMILY IS PREPARING TO DELIVER A BABY AT MARTHA JEFFERSON, SIBLING TOURS, BREASTFEEDING CLASSES AND PEDIATRIC CPR ARE OFFERED AS WELL AS CLASSES CENTERED ON PREPARING FOR CHILDBIRTH AND BECOMING A PARENT ONCE THE BABY HAS BEEN DELIVERED HOWEVER, THE EDUCATION DOESN'T STOP A BRUNCH IS HELD DAILY FOR NEW FAMILIES BEFORE THEY ARE DISCHARGED DURING THIS TIME FAMILIES LEARN HOW TO CALM THEIR CRYING BABY, THE DANGERS OF SUDDEN INFANT DEATH SYNDROME AND HOW TO GET A BIG BROTHER OR SISTER WARMED UP TO THE IDEA OF SHARING MOM AND DAD OTHER EDUCATIONAL CLASS OFFERINGS AT MARTHA JEFFERSON INCLUDE, PREPARING FOR A HYSTERECTOMY, POST-HYSTERECTOMY REHAB, ADVANCED MEDICAL PLANNING, STRESS MANAGEMENT, JOINT PAIN WHEN IS ENOUGH, ENOUGH?, UNDERSTANDING VASCULAR DISEASE, CARDIAC REHABILITATION AND PULMONARY REHABILITATION THE STARR HILL HEALTH CENTER OFFERS A BABY BASICS MOMS CLUB THE MOMS CLUB IS A FREE CLUB FOR PREGNANT WOMEN, TARGETING WOMEN WHO MIGHT NOT NORMALLY ATTEND A CHILDBIRTH EDUCATION CLASS THE MOMS CLUB ADDRESS ALL THE PRIORITY AREAS IDENTIFIED IN THE COMMUNITY HEALTH ASSESSMENT SCHOOL PROGRAMS MARTHA JEFFERSON HOSPITAL UNDERSTANDS MANY OF THE HEALTH DECISIONS WE MAKE AS ADULTS ARE A RESULT OF THE SITUATIONS WE EXPERIENCE AS CHILDREN THROUGH OUR SCHOOL PROGRAMS WE ARE ABLE TO TEACH CHILDREN AND LEAVE AN IMPRESSION THAT WILL HOPEFULLY STAY WITH THEM AS THEY GROW UP THE HOSPITAL ENGAGES CHILDREN OF ALL AGES IN FREE HEALTH AND NUTRITION-RELATED CLASSES AND CAMPS IN OUR ELEMENTARY SCHOOL OUTREACH, AN EMPLOYEE OF MARTHA JEFFERSON ENGAGES STUDENTS IN THEIR CLASSROOM IN LESSONS ON HEALTH AND WELLNESS THAT DIRECTLY RELATE TO THE VIRGINIA STANDARDS OF LEARNING ADDITIONALLY VOLUNTEER PROGRAMS ARE OFFERED EACH SUMMER TO HIGH SCHOOL STUDENTS IN THE COMMUNITY INTERESTED IN THE MEDICAL FIELD THEY ARE REQUIRED TO COMPLETE 50 HOURS OF VOLUNTEER SERVICE, AND ARE GIVEN THE CHANCE TO WORK WITH HOSPITAL STAFF AND BUILD THEIR SKILLS AND INTEREST LEVEL IN THEIR AREA OF INTEREST PROFESSIONAL EDUCATION SUPPORT AS A WAY TO PROVIDE CONTINUED PROFESSIONAL EDUCATION, MARTHA JEFFERSON SUPPORTS AND PROVIDES CLINICAL PLACEMENTS FOR NURSING STUDENTS OF UNIVERSITY OF VIRGINIA, JAMES MADISON UNIVERSITY, LIBERTY UNIVERSITY, LYNCHBURG COLLEGE, SOUTH UNIVERSITY, PIEDMONT VIRGINIA COMMUNITY COLLEGE, BLUE RIDGE COMMUNITY COLLEGE, VIRGINIA COMMONWEALTH UNIVERSITY AND SHENANDOAH UNIVERSITY HOSPITAL SERVICES MARTHA JEFFERSON HOSPITAL OFFERS MANY PROGRAMS THAT HELP PATIENTS BOTH GET ACCLIMATED WITH OUR SYSTEM, AND ALSO NAVIGATE THE HOSPITAL AS NEEDS ARISE HEALTH CONNECTION, OUR PHYSICIAN REFERRAL, PATIENT EDUCATION AND INFORMATION SERVICE TAKES 100+ CALLS ON A DAILY BASIS THEY'RE ABLE TO HELP NEW MEMBERS OF THE COMMUNITY FIND A PHYSICIAN, ENROLL PEOPLE IN THE VARIOUS CLASSES THE HOSPITAL OFFERS AND PROVIDE SUPPORT FOR SPECIFIC MEDICAL NEEDS FOR PEOPLE UNDERGOING CANCER TREATMENTS AT MARTHA JEFFERSON HOSPITAL, WE PROVIDE A CANCER CARE CENTER THE CENTER SERVES AS A RESOURCE FOR PATIENTS FROM THE MOMENT THEY ARE DIAGNOSED THROUGH THEIR ENTIRE LINE OF INTERACTIONS AT THE HOSPITAL, AND IN MANY CASES EVEN CONTINUES AFTER THEY ARE ARE NO LONGER COMING FOR VISITS STAFF MEMBERS ARE DEDICATED TO HELPING PATIENTS DEAL WITH THE EMOTIONS THAT GO ALONG WITH BEING DIAGNOSED WITH CANCER, FITTING THEM WITH COMPLIMENTARY WIGS AND SCARVES TO USE DURING TREATMENT AND JUST BEING FRIENDS THROUGHOUT THE PROCESS MARTHA JEFFERSON HOSPITAL ALSO OFFERS A PALLIATIVE CARE PROGRAM WHEN A PERSON IS FACING A SERIOUS OR ADVANCING ILLNESS, THE ACCOMPANYING PHYSICAL, EMOTIONAL AND SPIRITUAL ISSUES CAN DRAMATICALLY AFFECT THE EXPERIENCE AND OFTEN QUALITY OF LIFE FOR PATIENTS AND LOVED ONES OVER THE PAST FIVE YEARS MORE THAN 1,000 LOCAL FAMILIES HAVE BENEFITTED FROM CONSULTATIONS BY A MULTIDISCIPLINARY TEAM PROVIDING PALLIATIVE CARE AT MARTHA JEFFERSON HOSPITAL THE CAREGIVERS FOCUS ON DELIVERING A UNIQUE COMBINATION OF SPECIAL EXPERTISE IN PAIN AND SYMPTOM MANAGEMENT AND COORDINATE CARE AMONG A MULTIPLICITY OF PHYSICIANS INVOLVED WHEN AN INDIVIDUAL IS SERIOUSLY ILL AND DEDICATE THE TIME NEEDED FOR PATIENT-FAMILY COMMUNICATION ABOUT GOALS OF CARE AND THE EMOTIONAL AND SPIRITUAL STRUGGLES THAT OFTEN ACCOMPANY A LIFE-CHANGING ILLNESS IN ADDITION TO THE ABOVE MENTIONED PROGRAMS, MARTHA JEFFERSON HOSPITAL ALSO OFFERS THE FOLLOWING CHAPLAINCY PROGRAM, PATIENT ADVOCATE PROGRAM AND WEBSITE WITH INTEGRATED HEALTH INFORMATION (WWW MARTHAJEFFERSON ORG) MARTHA JEFFERSON HOSPITAL HELD 'UNWANTED MEDICATION TAKE BACK DAY' WHICH WAS A DRIVE-THROUGH EVENT ALLOWING ANY AND ALL IN OUR COMMUNITY TO DROP OFF UNWANTED MEDICATIONS AND MEDICAL SHARPS FOR PROPER DISPOSAL

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

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

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 215,525,135

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

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**	Yes	
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	136		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	1,997		
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		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		Yes	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	1		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	13		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	10		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			**2** Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .			**3**	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?			**4**	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .			**5**	No
6	Did the organization have members or stockholders?			**6** Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			**7a** Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			**7b** Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?			**8a** Yes	
b	Each committee with authority to act on behalf of the governing body?			**8b** Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*			**9**	No

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

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

Section C. Disclosure

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

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

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

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

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

▶ J MICHAEL BURRIS CFO 500 MARTHA JEFFERSON DRIVE
CHARLOTTESVILLE, VA 22911 (434) 654-7304

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) WILLIAM L ACHENBACH BOARD MEMBER	2 00 3 00	X						0	0	0
(2) LILLIAN R BEVIER BOARD MEMBER	2 00 3 00	X						0	0	0
(3) PETER BROOKS CHAIR	2 50 2 00	X		X				0	0	0
(4) DR GREGORY DOULL BOARD MEMBER	2 00	X						0	0	0
(5) RICHARD GILLIAM BOARD MEMBER	2 00	X						0	0	0
(6) CAROL B HURT BOARD MEMBER	2 00	X						0	0	0
(7) DR JOHN LIGUSH BOARD MEMBER	2 00	X						0	0	0
(8) E RAY MURPHY BOARD MEMBER	2 00 1 00	X						0	0	0
(9) BRUCE MURRAY BOARD MEMBER	2 00	X						0	0	0
(10) DAVID G SUTTON BOARD MEMBER	2 00 2 00	X						0	0	0
(11) DAVID L BERND BOARD MEMBER	2 00 52 20	X						0	3,601,597	215,569
(12) HOWARD P KERN VICE CHAIR	2 00 50 20	X		X				0	1,865,703	660,096
(13) KENNETH M KRAKAUR BOARD MEMBER	2 00 49 20	X						0	1,020,406	48,537
(14) JAMES E HADEN PRESIDENT (NON-VOTING)	50 00 15 00			X				631,058	0	71,680
(15) ELLIOT H KUIDA SECRETARY (NON-VOTING)	63 00 3 00			X				417,145	0	34,997
(16) J MICHAEL BURRIS TREASURER (NON-VOTING)	32 00 38 20			X				359,438	0	93,466
(17) AMELIA S BLACK VP, CHIEF NURSE EXECUTIVE	65 00				X			254,700	0	39,578

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) MARIJO LECKER VP, CLINICAL SUPPORT SVS/I	65 00				X			261,631	0	36,361
(19) RONALD J COTTRELL VP, PLANNING, MKTG, CORP D	65 00				X			245,000	0	68,259
(20) FINLAY M ASHBY VP, MEDICAL AFFAIRS	65 00				X			240,314	0	33,069
(21) SUSAN CABELL MAINS VP, HR, RETAIL, COMPLIANCE	65 00				X			244,792	0	113,988
(22) RAY R MISHLER VP, DEVELOPMENT	25 00 40 00				X			206,535	0	71,863
(23) DEBORAH L THEXTON FINANCE DIRECTOR	60 00 5 00				X			166,100	0	12,527
(24) JOHN Z EDWARDS PHYSICIAN	40 00					X		503,378	0	37,535
(25) ERIKA J STRUBLE PHYSICIAN	40 00					X		435,639	0	9,574
(26) SANDEEP TEJA PHYSICIAN	40 00					X		570,723	0	24,355
(27) JACOB N YOUNG PHYSICIAN	40 00					X		704,756	0	37,340
(28) STEPHEN B GUNTHER PHYSICIAN	40 00					X		541,185	0	36,051

1b	**Sub-Total** . . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . . ▶	5,782,394	6,487,706	1,644,845

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 141

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
QUEST DIAGNOSTICS 12436 COLLECTIONS CENTER DRIVE CHICAGO IL 606932436	LAB SERVICES	1,426,998
EXECUTIVE HEALTH RESOURCES PO BOX 822688 PHILADELPHIA PA 191822688	PHYSICIAN ADVISORY SERVICES	917,553
PIEDMONT EMERGENCY CONSULTANTS 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE VA 22911	PHYSICIAN SERVICES	876,175
HANDCRAFT LINEN SERVICES 1501 ROSENEATH ROAD RICHMOND VA 232304431	LAUNDRY SERVICES	849,971
NIELSEN BUILDERS INC 3588 EARLY ROAD HARRISONBURG VA 22801	CONSTRUCTION	728,345

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 38

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	225,755			
	d	Related organizations . . .	1d				
	e	Government grants (contributions)	1e	2,348,791			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,158,968			
	g	Noncash contributions included in lines 1a-1f $		139,931			
	h	**Total.** Add lines 1a-1f . . . . . ▶		3,733,514			
Program Service Revenue			Business Code				
	2a	PATIENT SERVICES	621500	244,352,010	244,258,146	93,864	
	b	PREMIUM CAPITATION	621500	464,247	464,247		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		244,816,257			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		346,359	69,532	14,393	262,434
	4	Income from investment of tax-exempt bond proceeds . . ▶		28			28
	5	Royalties . . . . . ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents	767,951				
	b	Less rental expenses	188,589				
	c	Rental income or (loss)	579,362				
	d	Net rental income or (loss) . . . . . ▶		579,362			579,362
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	4,952,491				
	b	Less cost or other basis and sales expenses	5,281,603				
	c	Gain or (loss)	-329,112				
	d	Net gain or (loss) . . . . . ▶		-329,112			-329,112
Other Revenue	8a	Gross income from fundraising events (not including $ 225,755 of contributions reported on line 1c) See Part IV, line 18 . . a	239,755				
	b	Less direct expenses . . . b	165,010				
	c	Net income or (loss) from fundraising events . . ▶		74,745			74,745
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a	CAFETERIA & GIFT SHOP	722210	2,536,901			2,536,901
	b	OTHER REVENUE	900099	281,523	199,675		81,848
	c	PHYSICIAN TELEPHONE SERV	541900	108,185	108,185		
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶		2,926,609			
	12	**Total revenue.** See Instructions . . . . . ▶		252,147,762	245,099,785	108,257	3,206,206

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	174,950	174,950		
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	3,602,500		3,602,500	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	36,483	36,483		
7 Other salaries and wages	90,768,031	86,227,699	4,540,332	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	4,313,889	4,075,331	238,558	
9 Other employee benefits	17,902,179	16,060,153	1,842,026	
10 Payroll taxes	6,905,356	6,465,445	439,911	
11 Fees for services (non-employees)				
a Management				
b Legal	655,475	3,087	652,388	
c Accounting	344,460	144,030	200,430	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	17,613,117	14,378,993	3,234,124	
12 Advertising and promotion	845,393	838,587	6,806	
13 Office expenses	5,201,063	4,408,492	792,571	
14 Information technology	6,217,094	4,899,219	1,317,875	
15 Royalties . .				
16 Occupancy	6,637,871	6,408,503	229,368	
17 Travel	372,547	286,309	86,238	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	220,371	159,385	60,986	
20 Interest	6,210,227		6,210,227	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	12,547,979	11,600,495	947,484	
23 Insurance	1,854,624	663,912	1,190,712	
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	42,651,430	42,650,576	854	
b PROV FOR BAD DEBT	9,448,638	9,447,797	841	
c EQUIPMENT MAINTENANCE	4,980,058	4,745,467	234,591	
d DUES & SUBSCRIPTIONS	1,114,062	414,030	700,032	
e All other expenses	1,982,770	1,436,192	546,578	
25 **Total functional expenses.** Add lines 1 through 24e	242,600,567	215,525,135	27,075,432	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		33,933,901	1	83,540,340
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		26,746,200	4	25,951,238
	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		2,393,877	7	2,511,765
	8	Inventories for sale or use		3,780,756	8	2,951,675
	9	Prepaid expenses and deferred charges		2,844,072	9	3,308,507
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 213,765,947			
	b	Less accumulated depreciation	10b 28,375,520	191,765,457	10c	185,390,427
	11	Investments—publicly traded securities		5,797,882	11	5,437,793
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		22,793,727	15	21,290,328
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		290,055,872	16	330,382,073
Liabilities	17	Accounts payable and accrued expenses		36,845,384	17	40,487,175
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		290,401,521	25	282,894,418
	26	**Total liabilities.** Add lines 17 through 25		327,246,905	26	323,381,593
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		-42,680,255	27	1,472,899
	28	Temporarily restricted net assets		4,376,401	28	4,364,584
	29	Permanently restricted net assets		1,112,821	29	1,162,997
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		-37,191,033	33	7,000,480
	34	Total liabilities and net assets/fund balances		290,055,872	34	330,382,073

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	252,147,762
2	Total expenses (must equal Part IX, column (A), line 25)	2	242,600,567
3	Revenue less expenses Subtract line 2 from line 1	3	9,547,195
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-37,191,033
5	Net unrealized gains (losses) on investments	5	166,310
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	34,478,008
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	7,000,480

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☑ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Non-functionally integrated

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? **11g(i)**		
(ii) A family member of a person described in (i) above? **11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	**(ii)** EIN	**(iii)** Type of organization (described on lines 1- 9 above or IRC section **(see instructions))**	**(iv)** Is the organization in col **(i)** listed in your governing document?		**(v)** Did you notify the organization in col **(i)** of your support?		**(vi)** Is the organization in col **(i)** organized in the U S ?		**(vii)** Amount of monetary support
			Yes	**No**	**Yes**	**No**	**Yes**	**No**	
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

16a **33 1/3% support test—2013.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2012.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2013.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

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

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

Facts And Circumstances Test		
Return Reference	Explanation	

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance	28,907,762	29,368,803	29,368,803		
b	Contributions				29,368,803	
c	Net investment earnings, gains, and losses	1,328,076	2,784,380			
d	Grants or scholarships					
e	Other expenditures for facilities and programs	1,361,184	-3,245,421			
f	Administrative expenses					
g	End of year balance	28,874,654	28,907,762	29,368,803	29,368,803	

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Temporarily restricted endowment ▶ 100 000 %

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

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

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

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

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		31,569,529		31,569,529
b Buildings		114,659,133	5,517,809	109,141,324
c Leasehold improvements		1,315,339	357,527	957,812
d Equipment		63,754,922	21,943,274	41,811,648
e Other		2,467,024	556,910	1,910,114
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				185,390,427

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

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

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

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

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

(a) Description	(b) Book value
(1) MISCELLANEOUS ACCOUNTS RECEIVABLE	4,677,242
(2) DEPOSITS	1,446,985
(3) OTHER ASSETS	9,264,311
(4) ASSETS HELD FOR SALE	4,223,560
(5) DUE FROM AFFILIATE	1,678,230
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	21,290,328

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
CLAIMS ACCRUAL	500,000
CAPITAL LEASE OBLIGATIONS	665,103
LONG TERM LIABILITIES	7,756,678
IBNR LIABILITY	3,783,264
DUE TO AFFILIATES	267,998,750
DUE TO 3RD PARTY PAYORS	2,190,623
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	282,894,418

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☐

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

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

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

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

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Return Reference	Explanation
PART V, LINE 4	ENDOWMENT FUNDS ARE USED TO SUPPORT THE HEALTH CARE NEEDS OF THE COMMUNITY

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

▶ **Information about Schedule G (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
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

Part I **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

- **a** ☐ Mail solicitations
- **b** ☐ Internet and email solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

	(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total . . . . . ▶							

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 MARTHA'S MARKET (event type)	(b) Event #2 IN THE PINK (event type)	(c) Other events 1 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	430,494	31,977	3,039	465,510
	2 Less Contributions	202,364	22,707	684	225,755
	3 Gross income (line 1 minus line 2)	228,130	9,270	2,355	239,755
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs	42,039			42,039
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	120,901	1,478	592	122,971
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(165,010)
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				74,745

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ____% ☐ No	☐ Yes ____% ☐ No	☐ Yes ____% ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary Subtract line 7 from line 1, column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain _____

11

Does the organization operate gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a	The organization's facility	13a	%
b	An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ .....

Address ▶ .....

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____

c If "Yes," enter name and address of the third party

Name ▶ .....

Address ▶ .....

16 Gaming manager information

Name ▶ .....

Gaming manager compensation ▶ $ .....

Description of services provided ▶ .....

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV Supplemental Information. Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493315011764

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
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			7,259,952		7,259,952	3 110 %
b Medicaid (from Worksheet 3, column a)			9,679,026	7,252,137	2,426,889	1 040 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			16,938,978	7,252,137	9,686,841	4 150 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1,087,069		1,087,069	0 470 %
f Health professions education (from Worksheet 5)			607,942	195,922	412,020	0 180 %
g Subsidized health services (from Worksheet 6)			21,522,464	12,150,711	9,371,753	4 020 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			211,937		211,937	0 090 %
j **Total.** Other Benefits			23,429,412	12,346,633	11,082,779	4 760 %
k **Total.** Add lines 7d and 7j			40,368,390	19,598,770	20,769,620	8 910 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support			2,521		2,521	0 %
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 **Total**			2,521		2,521	

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1	Yes		
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	9,448,638		
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	3,140,108		
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	67,470,634
6	Enter Medicare allowable costs of care relating to payments on line 5	6	81,565,617
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-14,094,983
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☐ Cost to charge ratio ☑ Other

Section C. Collection Practices

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

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

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

Part V Facility Information

Section A. Hospital Facilities

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

	Name, address, primary website address, and state license number	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
	See Additional Data Table										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or facility reporting group MARTHA JEFFERSON HOSPITAL

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☑ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 2013			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	5	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☐ Hospital facility's website (list url)			
b	☑ Other website (list url) WWW.VDH.VIRGINIA.GOV/LHD/THOMASJEFFERSON/DATA			
c	☑ Available upon request from the hospital facility			
d	☑ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide plan			
e	☑ Inclusion of a community benefit section in operational plans			
f	☑ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☑ Uninsured discount			
f ☑ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☑ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☐ Other (describe in Part VI)			
21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	**22**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

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

Form and Line Reference	Explanation
MARTHA JEFFERSON HOSPITAL	PART V, SECTION B, LINE 3 MARTHA JEFFERSON HOSPITAL (MJH) PARTICIPATED WITH THE THOMAS JEFFERSON HEALTH DEPARTMENT IN A COLLABORATIVE EFFORT TO CONDUCT A COMMUNITY HEALTH NEEDS ASSESSMENT OF THE SIX LOCALITIES (CHARLOTTESVILLE/ALBEMARLE, FLUVANNA, GREENE, LOUISA, NELSON) IN THE HEALTH DISTRICT THESE LOCALITIES ARE CONSIDERED MJH'S SERVICE AREA, ACCOUNTING FOR APPROXIMATELY 84% OF MJH'S INPATIENTS OTHER PARTICIPANTS IN THIS PROCESS INCLUDED THE UNIVERSITY OF VIRGINIA HEALTH SYSTEM, THE UNIVERSITY OF VIRGINIA SCHOOL OF PUBLIC HEALTH, THE AREA AGENCY ON AGING, THE UNITED WAY, THE AREA FREE CLINIC, THE PLANNING DISTRICT COMMISSION, THE COOPERATIVE EXTENSION SERVICE, ETC REGIONAL COUNTY INTERAGENCY COUNCILS WITH MJH REPRESENTATION WERE USED TO COLLECT EXISTING HEALTH DATA, COMMUNITY MEMBER SURVEYS, AND KEY STAKEHOLDER FOCUS GROUPS TO CREATE THE ASSESSMENT AND PLAN THE PROCESS TOOK 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
MARTHA JEFFERSON HOSPITAL	PART V, SECTION B, LINE 4 THE CHNA OF MARTHA JEFFERSON HOSPITAL WAS CONDUCTED WITH UNIVERSITY OF VIRGINIA HEALTH SYSTEM/MEDICAL CENTER
MARTHA JEFFERSON HOSPITAL	PART V, SECTION B, LINE 5D A COPY OF THE COMMUNITY HEALTH NEEDS ASSESSMENT IS AVAILABLE AT THE HOSPITAL FACILITY A LINK TO THE HOSPITAL FACILITY'S COMMUNITY HEALTH NEEDS ASSESSMENT IS ON THE HOSPITAL FACILITY'S WEBSITE HTTP //WWW MARTHAJEFFERSON ORG/MJH/ABOUT-OUTREACH-REPORTS ASPXA LINK TO THE HOSPITAL FACILITY'S COMMUNITY HEALTH NEEDS ASSESSMENT IS ALSO ON THE SENTARA HEALTHCARE WEBSITE HTTP //WWW SENTARA COM/SENTARA-HEALTCARE/ABOUT/PAGES/COMMUNITY-HEALTH- NEEDS-ASSESSMENT ASPX# UYX4QYXDWTA
MARTHA JEFFERSON HOSPITAL	PART V, SECTION B, LINE 7 TO SELECT COMMUNITY HEALTH NEEDS ASSESSMENT PRIORITIES, THE HANLON MODEL WAS USED TO RATE THE MAGNITUDE AND SERIOUSNESS OF THE HEALTH ISSUES AND THE FEASIBILITY OF ADDRESSING THEM AT THE LOCAL LEVEL HOSPITAL AND OTHER PARTICIPANTS RECOGNIZED THAT RESOURCES NEEDED TO BE DIRECTED TO THE HIGHEST PRIORITY HEALTH PROBLEMS

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? **21**

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

Part VI Supplemental Information

Provide the following information

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

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

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

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

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

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

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

Form and Line Reference	Explanation
PART I, LINE 6A	THE ORGANIZATION'S COMMUNITY BENEFIT REPORT WAS CONTAINED IN A SYSTEM-WIDE REPORT PREPARED BY SENTARA HEALTHCARE, EIN 52-1271901, THE ORGANIZATION'S 501 (C)(3) SOLE MEMBER
PART I, LINE 7	A COMBINATION OF A RATIO OF COSTS TO CHARGES AND A COST ACCOUNTING PROCESS WHICH ADDRESSES ALL PATIENT SEGMENTS (INPATIENT, OUTPATIENT, EMERGENCY ROOM, PRIVATE INSURANCE, MEDICARE, MEDICAID, UNINSURED AND SELF PAY) WAS USED TO DETERMINE ALL AMOUNTS REPORTED ON LINE 7

Form and Line Reference	Explanation
PART I, LINE 7G	INCLUDES PRIMARY CARE PRACTICES COSTS OF $9,371,753
PART I, LN 7 COL(F)	THE AMOUNT OF BAD DEBT EXPENSE SUBTRACTED FROM THE DENOMINATOR WHEN CALCULATING COLUMN F PERCENTAGES IS $9,448,638

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES	WE OFFER A VARIETY OF COMMUNITY BUILDING ACTIVITIES INCLUDING THOSE DESIGNED TO HELP MEET THE BASIC NEEDS OF OUR COMMUNITY SUCH AS FOOD DRIVES AND OUR SHOES FOR THE HOMELESS ANNUAL CAMPAIGN WE OFFER AN ANNUAL CELEBRATION OF LIFE EVENT FOR CANCER SURVIVORS TO GIVE THEM THE OPPORTUNITY TO INTERACT WITH THE PHYSICIANS AND STAFF WHO WERE RESPONSIBLE FOR THEIR CARE OVER THE PAST SEVERAL YEARS, WE HAVE HAD ANNUAL UNWANTED MEDICATION AND SHARPS DROP-OFF EVENTS WE HAVE STEADILY INCREASED THE AMOUNT OF MEDICATIONS AND SHARPS WE ARE TAKING OUT OF HOMES IN OUR COMMUNITY AT EACH EVENT
PART III, LINE 2	BAD DEBT EXPENSE IS REPORTED AT ESTABLISHED RATES IN ACCORDANCE WITH THE ORGANIZATION'S BOOKS AND RECORDS BAD DEBT EXPENSE IS REPORTED NET OF ANY DISCOUNTS OR COLLECTIONS ON ACCOUNTS THAT WERE PREVIOUSLY WRITTENOFF (I E BAD DEBT WRITE-OFFS MINUS DISCOUNTS MINUS PAYMENTS RECEIVED)

Form and Line Reference	Explanation
PART III, LINE 3	IN COMPUTING LINE 3, THE ORGANIZATION REVIEWED ALL ACCOUNTS WRITTEN-OFF TO BAD DEBT FOR EMPLOYMENT HISTORY, PREVIOUS ELIGIBILITY FOR MEDICAID, INSURANCE PAYMENTS, REGISTRATION WITH INSURANCE, BANKRUPTCY AND COMPLIANCE TO INTERNAL CHARITY POLICIES
PART III, LINE 4	SEE PAGE 17 OF THE ATTACHED FINANCIAL STATEMENTS FOR THE FOOTNOTE WHICH DISCUSSES BAD DEBT

Form and Line Reference	Explanation
PART III, LINE 8	THE MEDICARE COST REPORT WAS USED TO DETERMINE THE MEDICARE COSTS REPORTED ON LINE 6 MEDICARE MARGINS HAVE BEEN DECLINING AT THE SAME TIME THAT HOSPITALS HAVE BEEN ENGAGED IN CONCERTED EFFORTS TO IMPROVE EFFICIENCY, WHICH POINTS TO THE FACT THAT THE LOSSES ARE MOST LIKELY THE RESULT OF INADEQUATE REIMBURSEMENT BY THE FEDERAL GOVERNMENT, THUS, SHOULD BE INCLUDED IN COMMUNITY BENEFIT
PART III, LINE 9B	COLLECTION PRACTICES ARE GEARED TOWARDS PATIENTS THAT HAVE A HIGH PROBABILITY OF BEING ABLE TO PAY FOR SERVICES BASED ON INCOME LEVEL AND INELIGIBILITY FOR CHARITY PROGRAMS IT IS THE POLICY OF MARTHA JEFFERSON HOSPITAL TO REVIEW ACCOUNTS TO ENSURE ALL POSSIBLE METHODS OF PAYMENT HAVE BEEN EXHAUSTED, I E MEDICAL ASSISTANCE, FINANCIAL ASSISTANCE, PAYMENT PLANS AND SELF-PAY DISCOUNTS, PRIOR TO AN ACCOUNT BEING DEEMED AS "BAD DEBT" THE ORGANIZATION PERFORMS INTERNAL BAD DEBT COLLECTION FUNCTIONS AND USES OUTSIDE COLLECTION AGENCIES ON A SECOND PLACEMENT BASIS THE ORGANIZATION DETERMINES WHICH PATIENTS ARE SENT TO OUTSIDE AGENCIES AND GUIDES THE AGENCIES IN PERFORMING REASONABLE COLLECTION EFFORTS

Form and Line Reference	Explanation
PART VI, LINE 2	THE ORGANIZATION ASSESSES THE HEALTH CARE NEEDS OF ITS COMMUNITIES THROUGH THESE MEANS - ANALYSIS OF AREA SOCIODEMOGRAPHIC AND HEALTH STATUS DATA THE ANALYSIS FOCUSES ON IDENTIFICATION OF HEALTH CARE NEEDS FOR PLANNING AND DEVELOPMENT OF HEALTH SERVICES AND PROGRAMS THIS ANALYSIS IS UTILIZED FOR EDUCATION OF BOARD MEMBERS AND SENIOR HOSPITAL AND MEDICAL STAFF LEADERS AND IS INCORPORATED INTO THE ORGANIZATION'S STRATEGIC PLANS - OBTAINING INPUT FROM KEY STAKEHOLDERS AND THE PUBLIC HEALTH COMMUNTIY IN ADDITION TO THE ANALYSIS OF SOCIODEMOGRAPHIC AND HEALTH STATUS DATA, ADDITIONAL INFORMATION IS OBTAINED AND ANALYZED THIS INCLUDES SURVEYS OF KEY COMMUNITY STAKEHOLDERS, INPUT FROM THE LOCAL PUBLIC HEALTH COMMUNITY, AND OTHER INFORMATION - ANLAYSIS OF HEALTH CARE UTILIZATION PATTERNS AND TRENDS, FOR EXAMPLE - REVIEW OF HEALTH CARE NEEDS ASSESSMENTS AND DATA DEVELOPED BY COMMUNITY PARTNERS (SUCH AS STATE HEALTH DEPARTMENTS AND LOCAL HEALTH DISTRICTS), REGIONAL AGENCIES (SUCH AS THE PLANNING COUNCIL OR PLANNING DISTRICT COMMISSION), NATIONAL ORGANIZATIONS WHICH REPORT ON A LOCAL BASIS (SUCH AS COUNTY HEALTH RANKINGS), AND INFORMATION REPORTED IN LOCAL MEDIA THIS INFORMATION IS STUDIED AND INCORPORATED INTO THE ORGANIZATION'S PLANS - DEVELOPMENT OF COMMUNITY HEALTH NEEDS ASSESSMENTS AND IMPLEMENTATION PLANS INCORPORATING THE INFORMATION DESCRIBED ABOVE, THE HOSPITAL UNDERTAKES A REVIEW AND PRIORITIZATION PROCESS TO IDENTIFY KEY HEALTH PROBLEMS AND TO DEVELOP IMPLEMENTATION STRATEGIES - PARTICIPATION IN COLLABORATIVE HEALTH PLANNING AND NEEDS ASSESSMENT ACTIVITIES SUCH AS THOSE SPONSORED BY LOCAL HEALTH DISTRICTS (MAPP - MOBILIZING FOR ACTION THROUGH PLANNING AND PARTNERSHIPS) AND OTHER ORGRANIZATIONS SUCH AS UNITED WAY AND ACCESS PARTNERSHIP INFORMATION GATHERED THROUGH THESE ACTIVITIES IS INCORPORATED INTO THE ORGANIZATION'S PLANNING - INFORMATION AND INPUT FROM PATIENTS AND CARE PROVIDERS PATIENT CHARACTERISTICS AND TRENDS ARE REVIEWED TO ASSIST IN IDENTIFYING NEW COMMUNITY NEEDS INPUT FROM PATIENTS AND CARE PROVDIERS IS SOUGHT AND CYCLED INTO THE ASSESSMENT PHASE OF PROJECTS
PART VI, LINE 3	THE HOSPITAL PROVIDES PAMPHLETS AT REGISTRATION AREAS, PAYMENT AREAS AND WAITING ROOMS DESCRIBING THE HOSPITAL'S BILLING PROCESS AND FINANCIAL ASSISTANCE IN ADDITION, INFORMATION IS AVAILABLE ON THE HOSPITAL'S WEBSITE DISCUSSING ELIGIBILITY CRITERIA FOR FINANCIAL ASSISTANCE, THE FULL FINANCIAL ASSISTANCE POLICY, AS WELL AS INFORMATION ON THE APPLICATION PROCESS FINANCIAL COUNSELORS AT THE HOSPITAL MAY REACH OUT TO PATIENTS TO DETERMINE IF THEY WOULD LIKE TO APPLY FOR ASSISTANCE, WHICH APPLICATION MAY BE MADE PRIOR TO, DURING OR SUBSEQUENT TO RECEIVING SERVICES

Form and Line Reference	Explanation
PART VI, LINE 4	MARTHA JEFFERSON HOSPITAL SERVES THE THOMAS JEFFERSON AREA PLANNING DISTRICT (PD10), INCLUDING THE CITY OF CHARLOTTESVILLE, AND THE COUNTIES OF ALBEMARLE, FLUVANNA, GREENE, LOUISA, AND NELSON, ALL OF WHICH ARE FEDERALLY-DESIGNATED MEDICALLY UNDERSERVED AREAS THIS DISTRICT INCLUDES URBAN, RURAL AND SUBURBAN GEOGRAPHIC AREAS PD10 CONSISTS OF APPROXIMATELY 230,000 PEOPLE (U S CENSUS BUREAU 2009), WITH ALBEMARLE COUNTY BY FAR THE MOST HIGHLY POPULATED AREA, DISTANTLY FOLLOWED BY THE CITY OF CHARLOTTESVILLE AND THE OTHER COUNTIES IN GENERAL, THE PLANNING DISTRICT IS GROWING IN POPULATION, WITH AN INCREASE OF OVER 30,000 PEOPLE FROM 2000-2009 (U S CENSUS BUREAU 2009) APPROXIMATELY 75 PERCENT OF CITY RESIDENTS AND 90 PERCENT OF ALBEMARLE COUNTY RESIDENTS LIVE ABOVE THE FEDERAL POVERTY LEVEL, WITH CHILDREN BEING THE MOST AFFECTED GROUP BY AGE OF PERSONS LIVING IN POVERTY WHILE ABOUT 10 PERCENT OF CITY HOUSEHOLDS RECEIVE ASSISTANCE THROUGH FOOD STAMPS, OVER 50 PERCENT OF CITY SCHOOL CHILDREN QUALIFY FOR FREE OR REDUCED-COST LUNCH PROGRAMS (2008 CITY OF CHARLOTTESVILLE/ALBEMARLE COUNTY COMMUNITY HEALTH STATUS ASSESSMENT) MEDICAID AND SELF PAY PATIENTS COMPRISE APPROXIMATELY 10% OF THE HOSPITAL'S PATIENTS THE COMMUNITY IS SERVED BY TWO HOSPITALS
PART VI, LINE 5	MARTHA JEFFERSON FURTHERS ITS EXEMPT PURPOSE BY PROMOTING THE HEALTH OF THE COMMUNITY THROUGH WORKPLACE HEALTHY INITIATIVES, AN OPEN MEDICAL STAFF, BOARDS OF DIRECTORS COMPRISED OF COMMUNITY MEMBERS AND PHYSICIANS, CHARITY CARE POLICIES AND OUTREACH, AND USE OF SURPLUS FUND DISPERSAL WORKFORCE DEVELOPMENT PROGRAMS CONTINUE AS DOES OUR SUPPORT OF ORGANIZATIONS CHAMPIONING CHILD DENTAL, INDIGENT PRESCRIPTION DRUG, COMMUNITY MENTAL HEALTH SERVICES AND FREE CLINIC ACCESS EFFORTS MARTHA JEFFERSON HOSPITAL STAFF SERVE ON COMMITTEES AND BOARDS RELATED TO COMMUNITY HEALTH INCLUDING THE CHARLOTTESVILLE FREE CLINIC, JEFFERSON AREA BOARD FOR AGING, THE SENIOR CENTER, THE CHARLOTTESVILLE OBESITY TASK FORCE, HOSPICE OF THE PIEDMONT, AND THE WOMEN'S INITIATIVE PARTNERSHIPS ARE IMPORTANT TO US WE PARTNER WITH ORGANIZATIONS THAT HAVE A TRACK RECORD OF IMPROVING HEALTH IN OUR COMMUNITY INCLUDING BUT NOT LIMITED TO THE CHARLOTTESVILLE FREE CLINIC, GREENE FREE CLINIC, CHARLOTTESVILLE/ALBEMARLE RESCUE SQUAD, THE UNITED WAY, AND THE WOMEN'S INITIATIVE (MENTAL HEALTH SERVICES) WE MAXIMIZE OUR REACH THROUGH FINANCIAL AND IN-KIND DONATIONS TO ORGANIZATIONS SUCH AS THE CHARLOTTESVILLE CITY SCHOOLS, HOSPICE OF THE PIEDMONT, JEFFERSON AREA BOARD FOR AGING AND HEAD START PROGRAMS IN SEVERAL SURROUNDING COUNTIES OUR PARTNERSHIPS HELP BUILD AND STRENGTHEN EXISTING PROGRAMS, AS WELL AS LEADING TO THE DEVELOPMENT OF NEW PROGRAMS OUR PARTNERSHIPS WITH OTHER NON-PROFITS IN THE COMMUNITY ALSO HELP US STAY ABREAST OF COMMUNITY NEEDS MARTHA JEFFERSON HOSPITAL WELCOMES AND ENCOURAGES SIGNIFICANT COMMUNITY INVOLVEMENT THROUGH THE ESTABLISHMENT OF NUMEROUS GOVERNING COMMITTEES AND A COMMUNITY LEADERSHIP COUNCIL THERE ARE 100 COMMUNITY MEMBERS ANNUALLY INVOLVED DIRECTLY WITH THESE COMMITTEES MARTHA JEFFERSON HOSPITAL MAINTAINS AN OPEN MEDICAL STAFF TO ALL WHO SEEK PRIVILEGES HERE THERE ARE OVER 450 PHYSICIANS AND ALLIED STAFF ON THE MARTHA JEFFERSON HOSPITAL MEDICAL STAFF MARTHA JEFFERSON HOSPITAL UTILIZES SURPLUS FUNDS TO PURCHASE MEDICAL EQUIPMENT AND FACILITIES DESIGNED TO MEET THE NEEDS OF THE COMMUNITY IT SERVES

Form and Line Reference	Explanation
PART VI, LINE 6	THE ORGANIZATION IS AFFILIATED WITH THE SENTARA HEALTHCARE SYSTEM ("SENTARA") SENTARA, A NOT-FOR-PROFIT HEALTH SYSTEM, OPERATES MORE THAN 100 SITES OF CARE SERVING RESIDENTS ACROSS VIRGINIA AND NORTHEASTERN NORTH CAROLINA THE SYSTEM IS COMPRISED OF 11 ACUTE CARE HOSPITALS, INCLUDING SEVEN IN HAMPTON ROADS, ONE IN NORTHERN VIRGINIA, TWO IN THE BLUE RIDGE REGION, AND ONE IN SOUTH CENTRAL VIRGINIA, ADVANCED IMAGING CENTERS, NURSING AND ASSISTED LIVING CENTERS, OUTPATIENT CAMPUSES, TWO HOME HEALTH AND HOSPICE AGENCIES, A 3,800-PROVIDER MEDICAL STAFF, AND FOUR MEDICAL GROUPS WITH OVER 600 PROVIDERS THE ORGANIZATION'S AFFILIATION WITH SENTARA ENHANCES ITS ABILITY TO ACHIEVE BEST PRACTICES IN HEALTHCARE DELIVERY, ACQUIRE CUTTING EDGE TECHNOLOGY AND INTEGRATED INFORMATION SYSTEMS, AND PROVIDE A HIGHER LEVEL OF MEDICAL CARE TO VIRGINIA'S BLUE RIDGE REGION COMMUNITY COMBINED, THESE ATTRIBUTES BETTER POSITION THE ORGANIZATION TO ADDRESS HEALTH CARE REFORM AND OTHER PROFOUND CHANGES AFFECTING THE HEALTHCARE ENVIRONMENT

Additional Data

Software ID:
Software Version:
EIN: 54-0261840
Name: MARTHA JEFFERSON HOSPITAL

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

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

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

	Name and address	Type of Facility (describe)
1	MARTHA JEFFERSON OUTPATIENT CARE CENTER 595 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER
2	MARTHA JEFFERSON HEALTH SERVICES 3263 PROFFIT ROAD CHARLOTTESVILLE,VA 22902	DIAGNOSTIC CENTER
3	MJ SURGICAL ASSOCIATES 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER
4	MARTHA JEFFERSON SLEEP CENTER 1793 RICHMOND ROAD CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER
5	FOREST LAKES FAMILY MEDICINE 3263 PROFFIT ROAD SUITE 101 CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER
6	MJ ORTHOPAEDICS 590 PETER JEFFERSON PARKWAY SUITE 100 CHARLOTTESVILLE,VA 229034896	DIAGNOSTIC CENTER
7	GREENE FAMILY MEDICINE 140 STONERIDGE DRIVE S SUITE 100 RUCKERSVILLE,VA 229683096	DIAGNOSTIC CENTER
8	PALMYRA MEDICAL ASSOCIATES 17 CENTRE COURT PALMYRA,VA 229632330	DIAGNOSTIC CENTER
9	CROZET FAMILY MEDICINE 1646 PARK RIDGE DRIVE CROZET,VA 229323155	DIAGNOSTIC CENTER
10	BLUE RIDGE INTERNAL MEDICINE 310 OLD IVY WAY SUITE 201 CHARLOTTESVILLE,VA 229034896	DIAGNOSTIC CENTER
11	MJ INTERNAL MEDICINE 590 PETER JEFFERSON PARKWAY SUITE 100 CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER
12	AFTON FAMILY MEDICINE 10950 ROCKFISH VALLEY HWY AFTON,VA 229203203	DIAGNOSTIC CENTER
13	MJ AESTHETIC & RECONSTRUCTIVE SURGERY 600 PETER JEFFERSON PARKWAY CHARLOTTESVILLE,VA 229118837	DIAGNOSTIC CENTER
14	BUCKINGHAM FAMILY MEDICINE 65 BRICKYARD ROAD DILLWYN,VA 229360030	DIAGNOSTIC CENTER
15	MJ MEDICAL ONCOLOGY ASSOCIATES 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER
16	MADISON FAMILY MEDICINE 2503 SOUTH SEMINOLE TRAIL MADISON,VA 227272690	DIAGNOSTIC CENTER
17	MARTHA JEFFERSON NEUROSCIENCES 595 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER
18	WOUND CARE AT MARTHA JEFFERSON 1490 PANTOPS MOUNTAIN PLACE CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER
19	MJ SPRING CREEK 29 JEFFERSON COURT GORDONSVILLE,VA 22942	DIAGNOSTIC CENTER
20	MJH IVF LAB 595 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER
21	THE SOMETHING SPECIAL SHOP 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE,VA 22911	DIAGNOSTIC CENTER

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990**

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

Part I General Information on Grants and Assistance

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

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

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) AMERICAN CANCER SOCIETY 1445 E RIO ROAD SUITE 104 CHARLOTTESVILLE,VA 22901	13-1788491	501(C)(3)	9,500				COMMUNITY HEALTH
(2) CHARLOTTESVILLE CITY SCHOOLS 1562 DAIRY ROAD CHARLOTTESVILLE,VA 22903	54-6001203		6,000				DENTAL SERVICES
(3) CHARLOTTESVILLE FREE CLINIC 1138 ROSE HILL DRIVE 200 CHARLOTTESVILLE,VA 22903	54-1610405	501(C)(3)	33,000				COMMUNITY HEALTHCARE, SMOKING CESSATION
(4) GREENE CARE CLINIC 39 STANDARD STREET STANDARDSVILLE,VA 22973	72-1602744	501(C)(3)	15,000				MENTAL HEALTH SERVICES
(5) THE WOMEN'S INITIATIVE 1101 EAST HIGH STREET STE A CHARLOTTESVILLE,VA 22902	20-5913090	501(C)(3)	40,000				MENTAL HEALTH SERVICES
(6) THE CHARLOTTESVILLE ALBEMARLE COMMUNITY FOUNDATION PO BOX 1767 CHARLOTTESVILLE,VA 229021767	54-1506312	501(C)(3)	10,000				COMMUNITY MENTAL HEALTH & WELLNESS
(7) UNITED WAY 806 EAST HIGH STREET CHARLOTTESVILLE,VA 22902	54-0505882	501(C)(3)	18,000				RX RELIEF PROGRAM
(8) AMERICAN HEART ASSOCIATION 4217 PARK PLACE COURT GLEN ALLEN,VA 23060	13-5613797	501(C)(3)	6,000				COMMUNITY HEALTH

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 7

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

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	MARTHA JEFFERSON HOSPITAL DONATES FUNDS IN FURTHERANCE OF THE HOSPITAL'S MISSION TO IMPROVE THE HEALTH STATUS OF THE COMMUNITY BY MAINTAINING, ENHANCING AND RESTORING PERSONAL HEALTH AND WELL BEING ASSISTANCE IS GIVEN BASED ON DIRECTION FROM THE BOARD OF DIRECTORS AND COMMUNITY NEED

Additional Data

Software ID:
Software Version:
EIN: 54-0261840
Name: MARTHA JEFFERSON HOSPITAL

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN CANCER SOCIETY 1445 E RIO ROAD SUITE 104 CHARLOTTESVILLE,VA 22901	13-1788491	501(C)(3)	9,500				COMMUNITY 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
CHARLOTTESVILLE CITY SCHOOLS 1562 DAIRY ROAD CHARLOTTESVILLE,VA 22903	54-6001203		6,000				DENTAL SERVICES

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
CHARLOTTESVILLE FREE CLINIC 1138 ROSE HILL DRIVE 200 CHARLOTTESVILLE,VA 22903	54-1610405	501(C)(3)	33,000				COMMUNITY HEALTHCARE, SMOKING CESSATION

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
GREENE CARE CLINIC 39 STANDARD STREET STANDARDSVILLE,VA 22973	72-1602744	501(C)(3)	15,000				MENTAL HEALTH SERVICES

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
THE WOMEN'S INITIATIVE 1101 EAST HIGH STREET STE A CHARLOTTESVILLE,VA 22902	20-5913090	501(C)(3)	40,000				MENTAL HEALTH SERVICES

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
THE CHARLOTTESVILLE ALBEMARLE COMMUNITY FOUNDATION PO BOX 1767 CHARLOTTESVILLE,VA 229021767	54-1506312	501(C)(3)	10,000				COMMUNITY MENTAL HEALTH & WELLNESS

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
UNITED WAY 806 EAST HIGH STREET CHARLOTTESVILLE,VA 22902	54-0505882	501(C)(3)	18,000				RX RELIEF PROGRAM

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN HEART ASSOCIATION 4217 PARK PLACE COURT GLEN ALLEN,VA 23060	13-5613797	501(C)(3)	6,000				COMMUNITY HEALTH

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

Part I Questions Regarding Compensation

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

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

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

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

(A) Name and Title	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported as deferred in prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 1A	THE INDICATED BENEFITS ARE PROVIDED TO CERTAIN SENIOR EXECUTIVES OF THE ORGANIZATION AS PART OF OVERALL COMPENSATION PACKAGES AND ARE CONSIDERED IN EVALUATING THE REASONABLENESS OF COMPENSATION (SEE FORM 990, PART VI, LINE 15, FOR A DESCRIPTION OF THE PROCESS USED TO DETERMINE EXECUTIVE COMPENSATION) COUNTRY CLUB MEMBERSHIP FEES AND DUES SOCIAL CLUB DUES PAID ON BEHALF OF THE ORGANIZATION'S SENIOR EXECUTIVES ARE ALLOCATED BETWEEN BUSINESS AND PERSONAL USE, THE PERSONAL USE OF WHICH IS TREATED AS ADDITIONAL COMPENSATION AND REPORTED ON FORM W-2 AS TAXABLE WAGES PERSONAL SERVICES FINANCIAL PLANNING - THE CEO RECEIVES ANNUAL PAYMENTS UP TO $4,000, VICE PRESIDENTS RECEIVE UP TO $2,500 EVERY FOUR YEARS AT THE DISCRETION OF THE PRESIDENT/CEO FINANCIAL PLANNING (I E PERSONAL SERVICES) EXPENSES PAID BY OR ON BEHALF OF THE ORGANIZATION'S SENIOR EXECUTIVES ARE TREATED AS ADDITIONAL COMPENSATION AND REPORTED ON FORM W-2 AS TAXABLE WAGES
PART I, LINE 7	THE MANAGEMENT AND SENIOR MANAGEMENT INCENTIVE PLANS RECOGNIZE INDIVIDUALS BASED ON SPECIFIC CRITERIA AND DEFINED ORGANIZATION PERFORMANCE STANDARDS THOSE PLANS ARE NOT ANNUALLY GUARANTEED AND IMPLEMENTATION WILL DEPEND ON ORGANIZATION-WIDE PERFORMANCE IF ORGANIZATION-WIDE GOALS ARE NOT MET, THE PRESIDENT/CEO WILL HAVE THE DISCRETION TO DETERMINE ANY VARIATIONS TO THE PLAN
PART I, LINE 4B	HOWARD KERN PARTICIPATED IN THE SENTARA SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN PARTICIPATION IN THE PLAN IS LIMITED TO SELECT INDIVIDUALS AS APPROVED BY SENTARA HEALTHCARE'S BOARD OF DIRECTOR'S COMPENSATION COMMITTEE THE PLAN IS CURRENTLY CLOSED TO ADDITIONAL MEMBERS VESTING OCCURS UPON THE COMPLETION OF A TWO YEAR NON-COMPETE PERIOD FOLLOWING TERMINATION AFTER EARLY RETIREMENT DATE OR UPON DEATH EARLY RETIREMENT DATE IS WHEN THE EXECUTIVE OBTAINS AT LEAST AGE 55 AND HAS 10 YEARS OF SERVICE AND BENEFITS ARE FORFEITED IF PARTICIPANT LEAVES PRIOR TO AGE 55 WITH 10 YEARS OF SERVICE DAVID BERND PARTICIPATED IN AN INDIVIDUAL SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN VESTING OCCURS EACH DECEMBER 31 AND THE PRESENT VALUE OF THE ADDITIONAL ACCRUAL IS DISTRIBUTED IN A TAXABLE LUMP SUM FOR 2013, MR BERND RECEIVED A TOTAL LUMP SUM DISTRIBUTION OF $844,040 THIS AMOUNT HAS BEEN REPORTED IN COLUMN(B)(III) OF SCHEDULE J, PART II DAVID BERND AND HOWARD KERN PARTICIPATED IN THE SENTARA OPTION PLAN FOR EXECUTIVES THIS PLAN IS UNRELATED TO "EQUITY" OF THE EMPLOYER PARTICIPATION IS LIMITED TO SELECT INDIVIDUALS AS APPROVED BY SENTARA HEALTHCARE'S BOARD OF DIRECTOR'S COMPENSATION COMMITTEE VESTING IS DETERMINED BY THE GOVERNING BOARD OF SENTARA HEALTHCARE AND IS SEPARATELY STATED IN EACH PARTICIPANT'S OPTION AGREEMENT THERE WERE NO OPTIONS GRANTED AFTER 2002 DAVID BERND, HOWARD KERN, AND KENNETH KRAKAUR PARTICIPATED IN THE SENTARA CAPITAL ACCUMULATION ACCOUNT PLAN PARTICIPATION IS LIMITED TO A SELECT GROUP OF CORPORATE EXECUTIVES AS APPROVED BY SENTARA HEALTHCARE'S BOARD OF DIRECTOR'S COMPENSATION COMMITTEE TERMS OF THE PLAN CHANGED EFFECTIVE JANUARY 1, 2009, WHEREBY VESTING OF CONTRIBUTIONS MADE ON OR AFTER THAT DATE NOW OCCURS ON THE EARLIER OF FIVE YEARS FOR EACH YEARS' CONTRIBUTIONS OR AGE 55 WITH 10 YEARS OF SERVICE UNDER THE OLD TERMS, VESTING OF CONTRIBUTIONS MADE PRIOR TO JANUARY 1, 2009 OCCURS ON THE EARLIEST OF ASSIGNED DISTRIBUTION DATE, DEATH, INVOLUNTARY TERMINATION WITHOUT CAUSE OR COMPLETION OF TWO-YEAR NON-COMPETE AFTER VOLUNTARY TERMINATION (REGARDLESS OF ORIGINAL ASSIGNED DISTRIBUTION DATE) DURING 2013, THE FOLLOWING CORPORATE EXECUTIVES RECEIVED VESTED DISTRIBUTIONS UNDER THE PLAN HOWARD KERN ($134,952) AND KENNETH KRAKAUR ($81,091) THESE AMOUNTS HAVE BEEN REPORTED IN COLUMN(B)(III) OF SCHEDULE J, PART II

Additional Data

Software ID:
Software Version:
EIN: 54-0261840
Name: MARTHA JEFFERSON HOSPITAL

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				
DAVID L BERND BOARD MEMBER	(I) (II)	0 1,290,579	0 1,426,213	0 884,805	0 188,187	0 27,382	0 3,817,166	0 394,615
HOWARD P KERN VICE CHAIR	(I) (II)	0 888,192	0 820,913	0 156,598	0 638,375	0 21,721	0 2,525,799	0 200,477
KENNETH M KRAKAUR BOARD MEMBER	(I) (II)	0 515,244	0 409,889	0 95,273	0 27,448	0 21,089	0 1,068,943	0 99,050
JAMES E HADEN PRESIDENT (NON-VOTING)	(I) (II)	481,212 0	139,083 0	10,763 0	49,055 0	22,625 0	702,738 0	0 0
ELLIOT H KUIDA SECRETARY (NON-VOTING)	(I) (II)	268,004 0	148,260 0	881 0	17,850 0	17,147 0	452,142 0	0 0
J MICHAEL BURRIS TREASURER (NON-VOTING)	(I) (II)	268,004 0	91,434 0	0 0	70,124 0	23,342 0	452,904 0	0 0
AMELIA S BLACK VP, CHIEF NURSE EXECUTIVE	(I) (II)	199,992 0	49,900 0	4,808 0	17,829 0	21,749 0	294,278 0	0 0
MARIJO LECKER VP, CLINICAL SUPPORT SVS/I	(I) (II)	205,781 0	49,600 0	6,250 0	17,850 0	18,511 0	297,992 0	0 0
RONALD J COTTRELL VP, PLANNING, MKTG, CORP D	(I) (II)	197,499 0	45,848 0	1,653 0	42,221 0	26,038 0	313,259 0	0 0
FINLAY M ASHBY VP, MEDICAL AFFAIRS	(I) (II)	196,058 0	44,256 0	0 0	16,822 0	16,247 0	273,383 0	0 0
SUSAN CABELL MAINS VP, HR, RETAIL, COMPLIANCE	(I) (II)	190,116 0	47,464 0	7,212 0	94,412 0	19,576 0	358,780 0	0 0
RAY R MISHLER VP, DEVELOPMENT	(I) (II)	165,254 0	39,999 0	1,282 0	58,592 0	13,271 0	278,398 0	0 0
DEBORAH L THEXTON FINANCE DIRECTOR	(I) (II)	144,350 0	21,750 0	0 0	11,627 0	900 0	178,627 0	0 0
JOHN Z EDWARDS PHYSICIAN	(I) (II)	458,378 0	45,000 0	0 0	17,850 0	19,685 0	540,913 0	0 0
ERIKA J STRUBLE PHYSICIAN	(I) (II)	417,931 0	17,708 0	0 0	7,650 0	1,924 0	445,213 0	0 0
SANDEEP TEJA PHYSICIAN	(I) (II)	523,223 0	47,500 0	0 0	17,850 0	6,505 0	595,078 0	0 0
JACOB N YOUNG PHYSICIAN	(I) (II)	639,756 0	65,000 0	0 0	17,850 0	19,490 0	742,096 0	0 0
STEPHEN B GUNTHER PHYSICIAN	(I) (II)	491,185 0	50,000 0	0 0	17,281 0	18,770 0	577,236 0	0 0

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) MARTHA JEFFERSON PHYSICIAN HOSPITAL ORGANIZATION INC	SEE BELOW	157,845	ACCOUNTING SERVICE		No
(2) ETHAN R MURPHY	FAMILY MEMBER OF BOARD MEMBER E RAY MURPHY	36,483	EMPLOYMENT		No
(3) SHANNON M KUIDA	FAMILY MEMBER OF OFFICER ELLIOT H KUIDA	28,345	EMPLOYMENT		No

Part V Supplemental Information

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

Return Reference	Explanation
PART IV (B)	TRANSACTIONS WITH INTERESTED PERSONS - BOARD/OFFICER/KEY EMPLOYEE OVERLAP WITH TAXABLE ENTITIESBOARD MEMBER CAROL HURT AND OFFICERS JAMES HADEN AND J MICHAEL BURRIS ALSO SERVE AS BOARD MEMBERS AND/OR OFFICERS OF MARTHA JEFFERSON PHYSICIAN HOSPITAL ORGANIZATION, INC , A JOINT VENTURE OF THE ORGANIZATION DIRECTORS/OFFICERS/KEY EMPLOYEES OF THE ORGANIZATION MAY ALSO SERVE AS DIRECTORS/OFFICERS/KEY EMPLOYEES OF RELATED TAXABLE ENTITIES WITHIN THE SENTARA HEALTHCARE SYSTEM SEE FORM 990 SCHEDULE R FOR A LISTING OF TRANSACTIONS THE ORGANIZATION HAD WITH THESE RELATED TAXABLE ENTITIES

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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
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

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	X	4	8,100	APPRAISAL
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	X	14	92,536	COST OR SELLING PRICE
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 ▶ (GIFTS IN KIND)	X	197	32,174	COST OR SELLING PRIC
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 . . . 29

			Yes	No
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		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	Yes	
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			

Part II **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
PART I, LINE 32B	MARTHA JEFFERSON HOSPITAL USES EXTERNAL PARTIES TO COORDINATE AN ARMS-LENGTH SALE OF NON-CASH CONTRIBUTIONS FOR EXAMPLE, A LICENSED STOCK BROKER WAS USED THIS YEAR TO SELL GIFTS OF STOCK

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

Return Reference	Explanation
FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS CONTINUED	COMMUNITY EVENTS AND HEALTH SCREENINGS HEALTH SCREENINGS ARE AN IMPORTANT SERVICE OFFERED BY MARTHA JEFFERSON THE FOLLOWING SCREENINGS ARE HELD ANNUALLY SKIN CANCER SCREENING, BREAST HEALTH SCREENING, DIABETES SCREENING IN ADDITION TO THE SCREENING EVENTS, WE ALSO HOST EVENTS FO RTHE COMMUNITY THAT PROMOTE WELLNESS EACH SPRING THE CELEBRATION OF LIFE IS HELD FOR CANCER PATIENTS, SURVIVORS AND THEIR FAMILIES THE AFTERNOON IS FILLED WITH FOOD, SALSA DANCING, GAMES AND MUSIC AND PROVIDES A CHANCE FOR MEMBERS OF THE COMMUNITY TO CELEBRATE THEIR LIFE WE ALSO HOLD FOOD AND SHOE DRIVES TO HELP PROVIDE MUCH NEEDED ITEMS TO PEOPLE IN OUR COMMUNITY L ANNUALLY, WE HOST THE MJ8K RUN AND WALK TO BENEFIT COMMUNITY EDUCATION SERVICES AND MARTHA'S MARKET, WHICH HELPS FUND CANCER SERVICES AND SUPPORT WELLNESS INITIATIVES NUTRITION PROGRAMS AS HEALTHCARE PROVIDERS, OUR GOAL IS TO KEEP THE MEMBERS OF OUR COMMUNITY HELATHY AND FEELING WELL AT MARTHA JEFFERSON HOSPITAL WE OFFER A VARIETY OF PROGRAMS THAT ALLOW PEOPLE ACCESS TO INFORMATION THAT THEN HELPS THEM MAKE EDUCATED NUTRITION CHOICES FOR STARTERS, ONE OF OUR REGISTERED DIETICIANS TAKES LEARNING ON LOCATION THROUGH OUR SUPERMARKET SMARTS CLASSES THROUGH A PARTNERSHIP WITH GIANT FOOD, PEOPLE ARE ABLE TO GET HANDS-ON EXPERIENCE WHEN IT COMES TO MAKING HEALTHY DECISIONS AT THE GROCERY WE ALSO PROVIDE HEART HEALTHY NUTRITION, DIABETES NUTRITION AND NUTRITION TIPS FOR INDIVIDUALS WITH CANCER IN ADDITION TO OUR CLASSES, MARTHA JEFFERSON HAS A PRESENCE ACROSS THE LOCAL MEDIA AIRWAVES NUTRITION TIPS AND TIMELY INFORMATION IS GIVEN BY ONE OF OUR REGISTERED DIETICIANS THROUGH DAILY RADIO SPOTS, A WEEKLY TELEVISION SEGMENT, AND VARIOUS PRINT OPPORTUNITIES SUPPORT GROUPS MARTHA JEFFERSON HOSPITAL OFFERS SUPPORT GROUPS OF A WIDE VARIETY TO OUR PATIENTS AND MEMBERS OF THE COMMUNITY GROUPS MEET ON A REGULAR BASIS AND HELP PROVIDE A SAFE COMMUNITY WHERE PEOPLE CAN SHARE STORIES, REFLECT ON THEIR EXPERIENCES, AND GAIN KNOWLEDGE FROM WHAT OTHERS ARE GOING THROUGH THE FOLLOWING ARE JUST SOME OF THE TOPICS WE OFFER WELOME TO MOTHERHOOD, BREAST CANCER SUPPORT, FAMILY CANCER SUPPORT, HODGKIN'S AND LYMPHOMA SUPPORT, CARDIAC REHAB SUPPORT AND SLEEP APNEA SUPPORT PROGRAM SUPPORT/UNDERWRITING MARTHA JEFFERSON PROVIDES MEDICAL IMAGING, LABORATORY SERVICE AND OUTPATIENT DIAGNOSTIC SERVICE ACCESS TO THE CLIENTS OF THE CHARLOTTESVILLE FREE CLINIC (CFC) AND GREENE FREE CLINIC (GFC) THIS ACCESS SUPPORTS PRIMARY CARE SERVICES FOR THE WORKING UNINSURED MEMBERS OF OUR COMMUNITIES MARTHA JEFFERSON HOSPITAL SUPPORTED ACCESS TO MENTAL HEALTH SERVICES IN 2013 THROUGH FINANCIAL AND IN-KIND DONATIONS TO THE WOMEN'S INITIATIVE AND THE COMMUNITY MENTAL HEALTH AND WELLNESS COALITION ACCESS TO DENTAL SERVICES FOR CHILDREN WAS SUPPORTED THROUGH FINANCIAL DONATIONS TO THE CHARLOTTESVILLE PUBLIC SCHOOLS AND THE ALBEMARLE COUNTY DEPARTMENT OF SOCIAL SERVICES OTHER LOCAL ORGANIZATIONS/PROGRAMS SUPPORTED BY MARTHA JEFFERSON HOSPITAL INCLUDE ALBEMARLE COUNTY FIRE AND RESCUE, ORANGE OOUNTY FREE CLINIC HEALTHY LIVING WORKSHOPS, UNITED WAY RX RELIEF PROGRAM, SMOKING CESSATION, FLU CLINIC, HELATH UPDATE FOR WOMEN, HIV/HEP C SCREENING

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2	THE ORGANIZATION'S OFFICERS AND DIRECTORS SERVE TOGETHER ON THE BOARDS OF OTHER ORGANIZATIONS WITHIN THE SENTARA HEALTHCARE SYSTEM ("THE SYSTEM"), AS WELL AS JOINT VENTURES IN WHICH THE SYSTEM HAS AN OWNERSHIP INTEREST SEE SCHEDULE R FOR A LISTING OF SUCH ENTITIES DAVID BERND AND HOWARD KERN HAVE A BUSINESS RELATIONSHIP

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	SENTARA HEALTHCARE, A 501(C)(3) TAX EXEMPT ORGANIZATION, IS THE SOLE MEMBER OF MARTHA JEFFERSON HOSPITAL

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	BOARD CANDIDATES IDENTIFIED BY THE ORGANIZATION'S NOMINATION COMMITTEE MUST BE RATIFIED BY THE BOARD OF DIRECTORS OF THE ORGANIZATION'S SOLE MEMBER, SENTARA HEALTHCARE, PRIOR TO ELECTION

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	THE ORGANIZATION MAY NOT TAKE OR ALLOW ANY OF THE FOLLOWING GOVERNANCE ACTIONS WITHOUT THE CONSENT OF ITS 501(C)(3) SOLE MEMBER, SENTARA HEALTHCARE. APPROVAL OR ADOPTION OF ANY PLAN OR MERGER OR CONSOLIDATION, ANY SALE, LEASE, EXCHANGE, MORTGAGE, PLEDGE OR OTHER DISPOSITION OF ALL, OR SUBSTANTIALLY ALL, THE PROPERTY AND ASSETS OF THE ORGANIZATION, THE VOLUNTARY DISSOLUTION OR LIQUIDATION OF THE ORGANIZATION, REVOCATION OF ANY SUCH VOLUNTARY DISSOLUTION PROCEEDINGS, OR ANY DECISION TO FILE A PETITION REQUESTING OR CONSENTING TO AN ORDER FOR RELIEF UNDER THE FEDERAL BANKRUPTCY LAWS OR SIMILAR STATE LAWS FOR THE ORGANIZATION, ELECTION OF NEW BOARD MEMBERS, OR ALTERATION, AMENDMENT, RESTATEMENT OR REPEAL OF ANY ORGANIZING OR ENABLING DOCUMENTS OR BYLAWS. THE APPROVAL OF THE SOLE MEMBER IS ALSO REQUIRED FOR CERTAIN OPERATIONAL ACTIONS, AS OUTLINED IN THE ORGANIZATION'S BYLAWS. SUCH ACTIONS INCLUDE, BUT ARE NOT LIMITED TO, APPROVAL OF LONG-RANGE AND STRATEGIC PLANS AND ANNUAL OPERATING AND CAPITAL BUDGETS, TRANSACTIONS WITH INTERESTED PERSONS, CREATION OR ACQUISITION OF SUBSIDIARIES OR INTERESTS IN WHICH THE ORGANIZATION WILL BE A MEMBER, ENTRANCE INTO JOINT VENTURE OR OTHER SIMILAR ARRANGEMENTS, EMPLOYMENT MATTERS CONCERNING THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER, AND THE COMMENCEMENT OR SETTLEMENT OF LITIGATION. SENTARA HEALTHCARE HAS EXCLUSIVE AUTHORITY TO DIRECT AND MANAGE THE OPERATIONS AND AFFAIRS OF THE HOSPITAL AND TO MAKE ALL DECISIONS REGARDING THE BUSINESS OF THE ORGANIZATION, SUBJECT TO BOARD OVERSIGHT TO THE EXTENT AND IN THE MANNER SET FORTH IN THE ORGANIZATION'S BYLAWS

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	PRIOR TO FILING THE FORM 990 WITH THE IRS, IT IS REVIEWED BY THE FINANCE TEAM, INCLUDING THE CHIEF FINANCIAL OFFICER IT IS ALSO REVIEWED BY SENTARA HEALTHCARE'S TAX DIRECTOR MARTHA JEFFERSON HOSPITAL WILL SUBMIT THE PUBLIC DISCLOSURE VERSION OF FORM 990 FOR THE PRECEDING FISCAL YEAR TO THE CEO EVALUATION COMMITTEE OF THE MARTHA JEFFERSON HOSPITAL BOARD OF DIRECTORS IN THE RESPECTIVE MEETING FOLLOWING THE FILING OF THE FORM 990 IN ADDITION, THE PUBLIC DISCLOSURE VERSION OF FORM 990 WILL BE PROVIDED TO THE MARTHA JEFFERSON HOSPITAL BOARD OF DIRECTORS AT THE MEETING FOLLOWING THE FILING OF THE FORM 990 MARTHA JEFFERSON HOSPITAL WILL ALSO ADVISE BOARD MEMBERS OF THE WEBSITE ADDRESS AT WHICH THE PUBLIC DISCLOSURE VERSION OF FORM 990 WILL BE POSTED (WWW GUIDESTAR ORG/990)

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	MARTHA JEFFERSON HOSPITAL'S CONFLICT OF INTEREST POLICY IS ADMINISTERED BY THE CORPORATE COMPLIANCE OFFICER ON AN ANNUAL BASIS ALL DIRECTORS, TRUSTEES, OFFICERS, KEY EMPLOYEES, MEDICAL STAFF MEMBERS WITH ADMINISTRATIVE RESPONSIBILITIES AND OTHER EMPLOYEES COMPLETE A DETAILED CONFLICT OF INTEREST QUESTIONNAIRE DISCLOSING ANY REPORTABLE ACTIVITIES AND INVESTMENTS THESE QUESTIONNAIRES ARE REVIEWED BY THE CORPORATE COMPLIANCE OFFICER IN ADDITION, ALL PERSONS LISTED ABOVE ARE ANNUALLY PROVIDED A COPY OF THE CONFLICT OF INTEREST POLICY IF CHANGES TO PERSONNEL OCCUR BETWEEN ANNUAL COMPLETION OF THE CONFLICT OF INTEREST QUESTIONNAIRE, NEW PERSONNEL ARE ALSO REQUIRED TO COMPLETE THE QUESTIONNAIRE ALL DISCLOSURE STATEMENTS ARE REVIEWED FOR REPORTABLE TRANSACTIONS

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	THE ORGANIZATION HAS AN ESTABLISHED CEO EVALUATION COMMITTEE MADE UP OF HOSPITAL BOARD MEMBERS AND COMMITTEE MEMBERS ON AN ANNUAL BASIS, A THIRD PARTY COMPENSATION CONSULTING FIRM PROVIDES AN INDEPENDENT REVIEW AND ANALYSIS OF BASE AND TOTAL COMPENSATION AND EXECUTIVE PERQUISITES USING MARKET COMPARABILITY DATA THE CONSULTING FIRM RENDERS AN OPINION ON THE FAIR MARKET VALUE OF COMPENSATION PAID AND BENEFITS PROVIDED WITH RESPECT TO THE IRS INTERMEDIATE SANCTIONS REGULATIONS THE PROCESS IS FOLLOWED FOR THE FOLLOWING POSITIONS CEO, VICE PRESIDENTS, EMPLOYED PHYSICIANS VICE CHAIRMAN THE VICE CHAIRMAN ALSO SERVES AS THE COO/PRESIDENT OF THE SENTARA HEALTHCARE SYSTEM (''SENTARA'') SENTARA FOLLOWED PROCESSES AND PROCEDURES SET FORTH IN ITS GOVERNING DOCUMENTS TO ENSURE COMPLIANCE WITH ITS OBLIGATIONS AS A 501(C)(3) HEALTHCARE ORGANIZATION TO PAY DISQUALIFIED PERSONS REASONABLE COMPENSATION SUCH PROCESSES AND PROCEDURES ARE INTENDED TO ESTABLISH THE REBUTTABLE PRESUMPTION OF REASONABLENESS UNDER THE INTERNAL REVENUE CODE SECTION 4958 REGULATIONS FORM 990, PART VI, SECTION B, LINE 16B AT DECEMBER 31, 2013 MARTHA JEFFERSON HOSPITAL DID NOT HAVE A SPECIFIC JOINT VENTURE POLICY ANY PROPOSED JOINT VENTURE PARTICIPATION IS EVALUATED WITHIN THE CONTEXT OF THE ADMINISTRATIVE POLICY ENTITLED ''AUTHORITY TO COMMIT AND EXPEND FUNDS'' THIS POLICY DEPICTS THE TYPES AND LEVELS OF EXPENDITURES AND COMMITMENTS THAT MANAGEMENT CAN UNDERTAKE ALL PROPOSED JOINT VENTURES ARE REVIEWED BY EXTERNAL LEGAL COUNSEL TO ENSURE COMPLIANCE WITH THE APPROPRIATE FEDERAL, STATE AND REGULATORY LAW ANY JOINT VENTURE PARTICIPATION MUST BE EVALUATED AND APPROVED BY THE MARTHA JEFFERSON HOSPITAL BOARD OF DIRECTORS A SPECIFIC JOINT VENTURE PARTICIPATION POLICY IS CURRENTLY IN PROCESS OF DEVELOPMENT

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST

Return Reference	Explanation
FORM 990, PART XI, LINE 9	TRANSFER FROM MJH FOUNDATION 2,115,876 DECREASE IN ADDITIONAL MINIMUM PENSION LIABILITY 13,941,314 INTEREST RATE SWAP 18,420,818

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
MARTHA JEFFERSON HOSPITAL

Employer identification number
54-0261840

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) MARTHA JEFFERSON MEDICAL GROUP LLC 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE, VA 22911 26-1126956	PHYSICIAN PRACTICES	VA	41,573,269	3,136,420	MARTHA JEFFERSON HOSPITAL

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) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
See Additional Data Table												

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

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

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

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

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

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

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

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

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

Part VII Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 54-0261840
Name: MARTHA JEFFERSON HOSPITAL

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) MARTHA JEFFERSON HEALTH SERVICES CORPORATION 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE, VA 22911 54-1401355	COMMUNITY HEALTHCARE	VA	501(C)(3)	11 TYPE I	N/A		No
(1) MJH FOUNDATION 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE, VA 22911 54-1401357	INVESTMENT & MANAGEMENT SERVICES FOR MARTHA JEFFERSON HOSPITAL	VA	501(C)(3)	11 TYPE I	MARTHA JEFFERSON HOSPITAL	Yes	
(2) MARTHA JEFFERSON HOSPITAL FOUNDATION 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE, VA 22911 30-0041113	FUNDRAISING	VA	501(C)(3)	11 TYPE I	MARTHA JEFFERSON HOSPITAL	Yes	
(3) CLARKSVILLE SENIOR CARE LLC 184 BUFFALO ROAD CLARKSVILLE, VA 23927 54-1957066	SENIOR CARE	VA	501(C)(3)	11 TYPE I	HALIFAX REGIONAL HOSPITAL	Yes	
(4) HALIFAX REGIONAL DEV FOUNDATION INC 2204 WILBORN AVENUE SOUTH BOSTON, VA 24592 54-1801459	HEALTH/WELFARE	VA	501(C)(3)	11 TYPE I	HALIFAX REGIONAL HOSPITAL	Yes	
(5) HALIFAX REGIONAL HOSPITAL INCORPORATED 2204 WILBORN AVENUE SOUTH BOSTON, VA 24592 54-0648699	HEALTH CARE	VA	501(C)(3)	3	SENTARA HEALTHCARE	Yes	
(6) HALIFAX REGIONAL LONG TERM CARE INC 103 ROSE HILL DRIVE SOUTH BOSTON, VA 24592 54-6074529	SENIOR CARE	VA	501(C)(3)	11 TYPE I	HALIFAX REGIONAL HOSPITAL	Yes	
(7) HALIFAX REGIONAL PROPERTIES INC 2204 WILBORN AVENUE SOUTH BOSTON, VA 24592 54-1801463	HEALTH/WELFARE	VA	501(C)(3)	11 TYPE I	HALIFAX REGIONAL HOSPITAL	Yes	
(8) SENTARA HEALTHCARE 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 52-1271901	HEALTH CARE	VA	501(C)(3)	7	N/A		No
(9) SENTARA PRINCESS ANNE HOSPITAL 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 52-1277419	HEALTH CARE	VA	501(C)(3)	3	SENTARA HOSPITALS	Yes	
(10) SENTARA HOSPITALS 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1547408	HEALTH CARE	VA	501(C)(3)	3	SENTARA HEALTHCARE	Yes	
(11) SENTARA MEDICAL GROUP 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1217184	HEALTH CARE	VA	501(C)(3)	9	SENTARA HEALTHCARE	Yes	
(12) SENTARA LIFE CARE CORP 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1217183	HEALTH CARE	VA	501(C)(3)	9	SENTARA HEALTHCARE	Yes	
(13) MPB INC 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1346393	TITLE HOLDING COMPANY	VA	501(C)(2)	LINE 9	SENTARA ENTERPRISES	Yes	
(14) OPTIMA HEALTH PLAN 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1283337	HMO	VA	501(C)(3)	11A - I	SENTARA HEALTHCARE	Yes	
(15) POTOMAC HOSPITAL CORP OF PRINCE WILLIAM 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-0853898	HEALTH CARE	VA	501(C)(3)	3	SENTARA HEALTHCARE	Yes	
(16) SENTARA RMH MEDICAL CENTER 2010 HEALTH CAMPUS DRIVE HARRISONBURG, VA 22801 54-0506331	HEALTH CARE	VA	501(C)(3)	3	SENTARA HEALTHCARE	Yes	
(17) VALLEY WELLNESS CENTER 501 STONE SPRING ROAD HARRISONBURG, VA 22801 52-1309257	PREVENTATIVE HEALTH/REHAB	VA	501(C)(3)	9	ROCKINGHAM MEMORIAL HOSPITAL	Yes	
(18) SENTARA ENTERPRISES 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1917649	HEALTH CARE	VA	501(C)(3)	9	SENTARA HEALTHCARE	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in Box 20 of K-1 (Form 1065)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
PHYSICAL THERAPY ACAC LLC 501 ALBEMARLE SQUARE CHARLOTTESVILLE, VA 22901 26-0080717	PHYSICAL THERAPY	VA	MARTHA JEFFERSON MEDICAL ENTERPRISES INC	UNRELATED	96,779	277,599		No			No	50 000 %
MANAGEMENT SERVICES 814 GREENBRIER CIR CHESAPEAKE, VA 23320 54-1365012	HEALTH MANAGEMENT SERVICES	VA	N/A									
OBICI REAL ESTATE HOLDINGS LLC 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 26-1749881	REAL ESTATE RENTAL	VA	N/A									
PRINCESS ANNE AMB SURG CENTER 1975 GLENN MITCHELL DRIVE STE 300 VA BEACH, VA 23456 20-4920880	HEALTH CARE	VA	N/A									
VA BEACH AMBULATORY SURG CENTER 1700 WILL O WISP DR VA BEACH, VA 23454 54-1448218	HEALTH CARE	VA	N/A									
AMER HEALTH EVAL CTR - WMSBG LLC 739 THIMBLE SHOALS STE 105 NEWPORT NEWS, VA 23606 26-3761741	HEALTH CARE	VA	N/A									
CANCER CENTERS OF VA LLC 5900 LAKE WRIGHT DR NORFOLK, VA 23502 20-1338518	HEALTH CARE	VA	N/A									
HAMPTON ROADS LITHOTRIPSY LLC 225 CLEARFIELD AVE VA BEACH, VA 23502 20-0942600	HEALTH CARE	VA	N/A									
HEALTHCARE PERFORMANCE IMPROVEMENT LLC 5041 CORPORATE WOODS DR STE 180 VA BEACH, VA 23462 20-4024074	CONSULTING	VA	N/A									
RADIOLOGY SERVICES OF HAMPTON ROADS LC 814 GREENBRIER CIR STE L CHESAPEAKE, VA 23320 54-1774472	HEALTH CARE	VA	N/A									
CAREPLEX ORTHOPAEDIC ASC LLC 3000 COLISEUM DRIVE HAMPTON, VA 23666 27-1867311	HEALTH CARE	VA	N/A									
SENTARA OBICI AMBULATORY SURGERY LLC 2750 GODWIN BLVD SUFFOLK, VA 23434 26-0144898	HEALTH CARE	VA	N/A									
ST LUKES PROPERTIES LLC 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 27-2774684	MOB RENTAL	VA	N/A									
POTOMAC INOVA HEALCARE ALLIANCE LLC 8110 GATEHOUSE ROAD STE 400W FALLS CHURCH, VA 22042 54-1802733	HEALTH CARE	VA	N/A									
CAREPLEX WEST LLC 18000 W SARAH LANE STE 250 BROOKFIELD, WI 53045 20-2738977	RENTAL RE	WI	N/A									

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in Box 20 of K-1 (Form 1065)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
PORT WARWICK II LLC 18000 W SARAH LANE STE 250 BROOKFIELD, WI 53045 20-2739075	RENTAL RE	WI	N/A									
ORTHOPAEDIC HOSPITAL MGT LLC 3000 COLISEUM DRIVE HAMPTON, VA 23666 27-4185117	MGT SVCS	VA	N/A									
PORT WARWICK III LLC 18000 W SARAH LANE STE 250 BROOKFIELD, WI 53045 61-1499371	RENTAL RE	WI	N/A									
VALIANCE HEALTH LLC 3190 PEOPLES DR HARRISONBURG, VA 22801 54-1866081	HEALTH CARE	VA	N/A									
NORTHERN VIRGINIA HOME CARE LLC 601 SOUTH CARLIN SPRINGS RD ARLINGTON, VA 22204 45-3940053	HOME CARE	VA	N/A									
MNS SUPPLY CHAIN NETWORK LLC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 45-4235238	GPO	DE	N/A									
LAKE RIDGE AMBULATORY SURGERY CENTER LLC 12825 MINNIEVILLE RD STE 204 WOODBRIDGE, VA 22192 45-5347932	HEALTH CARE	VA	N/A									
OPACC I LLC 18000 W SARAH LANE STE 250 BROOKFIELD, WI 53045 39-2021431	REAL ESTATE RENTAL	WI	N/A	N/A				No			No	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
MARTHA JEFFERSON MEDICAL ENTERPRISES INC 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE, VA 22911 54-1841528	MEDICAL BILLING SERVICE	VA	MARTHA JEFFERSON HOSPITAL	C	3,079,575	415,526	100 000 %	Yes	
SOUTHSIDE HEALTH SERVICES INC 2204 WILBORN AVENUE SOUTH BOSTON, VA 24592 54-1417772	HEALTH CARE	VA	N/A	C				Yes	
DOMINION HEALTH MEDICAL ASSOCIATES LTD 2204 WILBORN AVENUE SOUTH BOSTON, VA 24592 54-1060357	HEALTH CARE	VA	N/A	C				Yes	
SENTARA HOLDINGS INC 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1555638	HOLDING COMPANY	VA	N/A	C				Yes	
SENTARA HEALTH PLANS INC 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 52-2368125	TPA	VA	N/A	C				Yes	
OPTIMA HEALTH GROUP 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1473382	HMO	VA	N/A	C				Yes	
OPTIMA HEALTH INSURANCE COMPANY 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1642752	HEALTH INSURANCE	VA	N/A	C				Yes	
OPTIMA BEHAVIORAL HEALTH SERVICES 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 62-1382666	MENTAL HEALTH SVCS	VA	N/A	C				Yes	
SENTARA VENTURES INC 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1688615	HOLDING COMPANY	VA	N/A	C				Yes	
SMG INNOVATIONS INC 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 20-3730331	HEALTH CARE	VA	N/A	C				Yes	
SENTARA OBICI PROFESSIONAL CENTER 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1445865	RE RENTAL	VA	N/A	C				Yes	
SENTARA STRATEGIC SOLUTIONS INC 6015 POPLAR HALL DRIVE NORFOLK, VA 23502 54-1020941	HEALTH CARE	VA	N/A	C				Yes	
ROCKINGHAM HEALTH SERVICES INC 2010 HEALTH CAMPUS DRIVE HARRISONBURG, VA 22801 54-1721387	CONTRACTING SERVICES	VA	N/A	C				Yes	
POTOMAC VENTURES CORP 2300 OPITZ BLVD WOODBRIDGE, VA 22191 54-1441420	PHARMACY	VA	N/A	C				Yes	
BAY PRIMEX INSURANCE COMPANY LTD PO BOX 1051 GRAND CAYMAN KY1-1102 CJ 98-0704114	INSURANCE	CJ	N/A	C				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
MARTHA JEFFERSON MEDICAL ENTERPRISES	A	83,925	CORP BOOKS/RECORDS
MARTHA JEFFERSON MEDICAL ENTERPRISES	D	2,661,765	CORP BOOKS/RECORDS
MARTHA JEFFERSON MEDICAL ENTERPRISES	Q	285,026	CORP BOOKS/RECORDS
MARTHA JEFFERSON MEDICAL ENTERPRISES	M	2,951,849	CORP BOOKS/RECORDS
MJH FOUNDATION	Q	161,277	CORP BOOKS/RECORDS
MJH FOUNDATION	S	2,115,876	CORP BOOKS/RECORDS
MJH FOUNDATION	C	293,674	CORP BOOKS/RECORDS
SENTARA ENTERPRISES	M	292,379	CORP BOOKS/RECORDS
OPTIMA HEALTH PLAN	L	8,201,077	CORP BOOKS/RECORDS
ROCKINGHAM MEMORIAL HOSPITAL	O	143,836	CORP BOOKS/RECORDS
ROCKINGHAM MEMORIAL HOSPITAL	P	255,546	CORP BOOKS/RECORDS
SENTARA HEALTH PLANS	M	486,088	CORP BOOKS/RECORDS
SENTARA HEALTH PLANS	L	3,654,772	CORP BOOKS/RECORDS

KPMG

SENTARA HEALTHCARE AND SUBSIDIARIES

Consolidated Financial Statements and
Supplemental Schedules

December 31, 2013 and 2012

(With Independent Auditors' Report Thereon)

SENTARA HEALTHCARE AND SUBSIDIARIES

Table of Contents

KPMG LLP
Suite 1900
440 Monticello Avenue
Norfolk, VA 23510

Independent Auditors' Report

The Board of Directors
Sentara Healthcare

We have audited the accompanying consolidated financial statements of Sentara Healthcare and subsidiaries, 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 Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U S generally accepted accounting principles, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free 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 auditors' 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 Sentara Healthcare'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 Sentara Healthcare'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 Sentara Healthcare and subsidiaries as of December 31, 2013 and 2012, and the results of their operations and their cash flows for the years then ended, in accordance with U S generally accepted accounting principles

Other Matter

Our audits were performed for the purpose of forming an opinion on the basic consolidated financial statements as a whole The supplementary information included in schedules 1 through 10 is presented for purposes of additional analysis 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 audits 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 the other additional procedures in accordance with the auditing standards generally accepted in the United States of America In our opinion, this information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole

KPMG LLP

Norfolk, Virginia
March 28, 2014

SENTARA HEALTHCARE AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2013 and 2012

(In thousands)

Assets		2013	2012
Current assets			
Cash and cash equivalents	$	936,370	857,447
Receivables, net		445,862	460,629
Investments and assets whose use is limited		230,532	396,182
Inventories		58,433	52,838
Prepaid expenses and other current assets		37,678	43,146
Total current assets		1,708,875	1,810,242
Investments and assets whose use is limited		2,306,524	1,790,040
Property, plant, and equipment, net		1,691,546	1,545,665
Land held for future use, at cost		22,899	13,605
Other assets, net		124,635	147,349
Total assets	$	5,854,479	5,306,901
Liabilities and Net Assets			
Current liabilities			
Accounts payable and accrued expenses	$	114,941	96,898
Employee compensation and benefits		198,162	177,464
Medical claims accrued and payable		92,453	85,058
Current installments of long-term debt		20,547	23,283
Long-term debt subject to current remarketing provisions		219,100	380,926
Estimated third-party payor settlements		5,914	3,339
Other current liabilities		133,108	130,374
Total current liabilities		784,225	897,342
Long-term debt, excluding current installments		1,120,245	960,224
Retirement obligations		95,518	388,145
Other long-term liabilities		271,227	344,284
Total liabilities		2,271,215	2,589,995
Net assets			
Unrestricted		3,469,635	2,608,041
Temporarily restricted		64,280	65,276
Permanently restricted		18,997	18,639
Total net assets attributable to Sentara Healthcare		3,552,912	2,691,956
Noncontrolling interest		30,352	24,950
Total net assets		3,583,264	2,716,906
Total liabilities and net assets	$	5,854,479	5,306,901

See accompanying notes to consolidated financial statements

SENTARA HEALTHCARE AND SUBSIDIARIES

Consolidated Statements of Operations

Years ended December 31, 2013 and 2012

(In thousands)

	2013	2012
Operating revenues, gains, and other support		
Net patient service revenue (net of contractual allowances and discounts)	$ 2,985,210	2,844,943
Provision for bad debts	(249,048)	(249,044)
Net patient service revenue less provision for bad debts	2,736,162	2,595,899
Premium and capitation revenue	1,440,849	1,354,516
Other operating revenue	116,251	110,339
Net assets released from restrictions for operations	5,464	7,474
Total operating revenues, gains, and other support	4,298,726	4,068,228
Operating costs and expenses		
Salaries and wages	1,410,743	1,308,386
Benefits	344,396	313,226
Medical claims	882,590	847,351
Other operating	1,222,842	1,120,928
Interest	42,484	46,720
Depreciation and amortization	173,891	167,819
Total operating costs and expenses	4,076,946	3,804,430
Net operating income	221,780	263,798
Nonoperating gains, net	390,034	167,572
Excess of revenues over expenses before noncontrolling interest	611,814	431,370
Noncontrolling interest	(5,402)	(4,475)
Excess of revenues over expenses attributable to Sentara Healthcare	606,412	426,895
Net assets released from restricted funds for capital purchases	2,942	5,945
Change in funded status of retirement obligations	252,240	(125,096)
Increase in unrestricted net assets	$ 861,594	307,744

See accompanying notes to consolidated financial statements

SENTARA HEALTHCARE AND SUBSIDIARIES

Consolidated Statements of Changes in Net Assets

Years ended December 31, 2013 and 2012

(In thousands)

	Unrestricted	Temporarily restricted	Permanently restricted	Noncontrolling interest	Total
Balance at December 31, 2011	$ 2,300,297	66,640	18,358	20,475	2,405,770
Excess of revenues over expenses	426,895	—	—	4,475	431,370
Net assets released from restricted funds for capital purchases	5,945	(5,945)	—	—	—
Change in funded status of pension liability	(125,096)	—	—	—	(125,096)
Contributions	—	8,596	64	—	8,660
Net assets released from restrictions	—	(7,474)	—	—	(7,474)
Investment earnings	—	3,459	217	—	3,676
Change in net assets	307,744	(1,364)	281	4,475	311,136
Balance at December 31, 2012	2,608,041	65,276	18,639	24,950	2,716,906
Excess of revenues over expenses	606,412	—	—	5,402	611,814
Net assets released from restricted funds for capital purchases	2,942	(2,942)	—	—	—
Change in funded status of pension liability	252,240	—	—	—	252,240
Contribution of Halifax Regional Hospital (HRH) restricted net assets	—	1,143	—	—	1,143
Contributions	—	2,739	363	—	3,102
Net assets released from restrictions	—	(5,464)	—	—	(5,464)
Investment earnings (loss)	—	3,528	(5)	—	3,523
Change in net assets	861,594	(996)	358	5,402	866,358
Balance at December 31, 2013	$ 3,469,635	64,280	18,997	30,352	3,583,264

See accompanying notes to consolidated financial statements

SENTARA HEALTHCARE AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended December 31, 2013 and 2012

(In thousands)

	2013	2012
Cash flows from operating activities		
Increase in net assets	$ 866,358	311,136
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Contribution of HRH net assets	(102,665)	—
Provision for bad debts	249,048	249,044
Depreciation and amortization	173,891	167,819
Net realized and unrealized gains on investments	(179,474)	(108,867)
Loss on disposal of property, plant, and equipment	579	101
Loss on refunding of debt	99	5,920
Amortization of bond premiums	230	321
Change in market value of derivative instruments	(40,514)	(349)
Gain on redemption of derivative instrument	(8,338)	—
Equity in earnings of limited investment companies	(16,474)	(21,128)
Equity in earnings of joint ventures	(9,099)	(20,122)
Restricted contributions received	(3,102)	(8,660)
Changes in operating assets and liabilities		
Receivables, net	(212,993)	(292,877)
Inventories	(3,170)	373
Prepaid expenses and other current assets	8,403	(1,009)
Accounts payable and accrued expenses	8,912	19,331
Employee compensation and benefits	13,968	5,627
Medical claims accrued and payable	7,395	(14,943)
Estimated third-party payor settlements	871	(1,750)
Retirement obligations	(298,982)	96,323
Other liabilities	(27,847)	16,566
Net cash provided by operating activities	427,096	402,856
Cash flows from investing activities		
Capital expenditures	(213,501)	(195,635)
Purchases of investments, net	(119,650)	(244,534)
Contribution of HRH cash	5,073	—
Net changes in other assets	6,042	(11,470)
Proceeds from the disposal of property, plant, and equipment	3,655	4,439
Net cash used in investing activities	(318,381)	(447,200)
Cash flows from financing activities		
Restricted contributions received	3,102	8,660
Proceeds from issuance of long-term debt	160,515	303,053
Payments on long-term debt	(193,409)	(270,842)
Net cash (used in) provided by financing activities	(29,792)	40,871
Net increase (decrease) in cash and cash equivalents	78,923	(3,473)
Cash and cash equivalents at beginning of year	857,447	860,920
Cash and cash equivalents at end of year	$ 936,370	857,447
Supplemental disclosures of cash flow information		
Cash paid during the year for interest	$ 42,670	46,753
Cash refunded during the year for income taxes	(406)	(860)

See accompanying notes to consolidated financial statements

(1) Description of Organization

(a) Corporate Organization and Mission

Sentara Healthcare (Sentara) is a nonstock, nonprofit, 501(c)(3) tax-exempt Virginia Corporation formed to coordinate, promote, and plan for the provision of health services, medical education, and the economic development of Virginia and North Carolina

The mission of Sentara is "We improve health every day." Sentara recognizes that the public trust in its hospitals and services represents both a privilege and a commitment As the region's not-for-profit health partner, Sentara is recognized as a leader in providing high quality healthcare regardless of a patient's ability to pay

(b) Principles of Consolidation

Sentara is affiliated with its subsidiaries through the legal relationship of sole "member" or sole "stockholder." As sole member/stockholder, Sentara has those rights and powers prescribed by law and provided in the subsidiaries' Articles of Incorporation and Bylaws All significant intercompany balances and transactions have been eliminated in consolidation Noncontrolling interests have been recorded to recognize the portion of the net assets and operating results of affiliates not wholly owned by Sentara

The consolidated financial statements include the subsidiaries of Sentara organized into the following lines of business

- Sentara Healthcare Corporate (SHC) provides overall administration for all Sentara subsidiaries and includes Bay Primex Insurance Company, Ltd., a captive insurance company, which insures professional and general liability risks, and Medical Practice Buildings (MPB), which operates medical office buildings
- Sentara Hospitals (Hospitals), located in the Hampton Roads, Northern Virginia, Blue Ridge, and South Boston areas of Virginia, provides acute care hospital services and operates Sentara Norfolk General Hospital (SNGH), Sentara Virginia Beach General Hospital (SVBGH), Sentara Leigh Hospital (SLH), Sentara CarePlex Hospital (SCPH), Sentara Williamsburg Regional Medical Center (SWRMC), Sentara Obici Hospital (SOH), Sentara Princess Anne Hospital (SPAH), Sentara Northern Virginia Medical Center (SNVMC), Sentara RMH Medical Center (SRMH), Martha Jefferson Hospital (MJH), and Halifax Regional Hospital (HRH)
- Sentara Enterprises (SE) administers various outpatient healthcare programs, including home health services and patient transportation
- Sentara Life Care Corporation (SLCC) provides geriatric care services and operates long-term care and assisted living facilities
- Optima Health Plan (OHP) is a health maintenance organization

- Sentara Holdings, Inc (SHI) includes the subsidiaries Sentara Health Plans, Inc (SHP), Sentara Ventures, Inc (SVI), and Obici Professional Center (OPC) SHP provides and administers medical services to subscribers and includes Optima Health Group (OHG), a health maintenance organization, Optima Behavioral Health Services (OBHS), a mental health services company, and Optima Health Insurance Company (OHIC), a health insurance company SVI has been organized to carry on taxable healthcare activities OPC operates medical office buildings and includes Obici Medical Management Services (OMMS), which owns and operates physician practices and urgent care centers
- Sentara Medical Group (SMG) owns and operates physician practices and urgent care centers SMG Innovations (SMGI) is a subsidiary of SMG and owns and operates specialized physician practices

(2) Affiliation and Joint Venture

(a) Affiliation

On July 1, 2013, Sentara, Halifax Regional Health System (HRHS) and HRHS's subsidiary, Halifax Regional Hospital (HRH) closed the transactions contemplated by an Affiliation Agreement among those parties, dated April 23, 2013 As of such closing, Sentara became the sole member of HRH, and HRH became the sole member or stockholder, as applicable, of Halifax Regional Development Foundation, Inc., Halifax Regional Long-Term Care, Inc., Clarksville Senior Care, LLC, Halifax Regional Properties, Inc., Southside Health Services, Inc., and Halifax Physician Hospital Organization, Inc HRH is a 192-bed, acute inpatient, outpatient and emergency care provider to residents of South Boston, Virginia and its surrounding area

Pursuant to the Affiliation Agreement, Sentara committed to expend a total investment of $115,000 over a 10-year period to support expansion and enhancement of medical services for the communities served Such amounts will be expended pursuant to plans and budgets approved by Sentara

No consideration was paid to HRH as a result of the Agreement Sentara applied the business combination accounting guidance in Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2010-07, *Not-for-Profit Entities* (Topic 958-805) *Mergers and Acquisitions*, to account for the transactions The guidance primarily characterizes business combinations between not-for-profit entities as nonreciprocal transfers of assets resulting in the contribution of the fair value of the acquiree's net assets to the acquirer Accounting Standards Codification (ASC) 958-805 prescribes that the acquirer recognize an excess of the fair value of the acquisition date unrestricted net assets acquired over the fair value of the consideration transferred as a separate credit in its consolidated statement of operations Accordingly, Sentara recognized, as a component of nonoperating gains, net, contribution income related to the unrestricted net assets acquired in the transaction of $101,522 in its consolidated statement of operations for the year ended December 31, 2013 Sentara also recorded an increase in restricted net assets of $1,143 in its statement of changes in net assets for the year ended December 31, 2013 as a result of the affiliation

(In thousands)

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of the date of the affiliation

Assets		
Current assets	$	35,579
Property and equipment		90,017
Other long-term assets		35,390
Total assets	$	160,986
Liabilities		
Current liabilities	$	21,908
Long-term debt		24,544
Other long-term liabilities		11,869
Total liabilities		58,321
Net assets acquired		
Unrestricted		101,522
Temporarily restricted		1,143
Total net assets		102,665
Total liabilities and net assets	$	160,986

The following tables summarize the activity attributable to HRH since the date of affiliation through December 31, 2013, and Sentara's pro forma combined results as though the affiliation occurred at the beginning of fiscal year 2012

Since affiliation date		
Operating revenues	$	56,864
Net operating loss		(2,345)
Changes in net assets		
Unrestricted	$	23,020
Temporarily restricted		26
Total changes in net assets	$	23,046

(Continued)

(In thousands)

		Sentara pro forma combined	
		2013	2012
Operating revenues	$	4,357,330	4,184,017
Net operating income		214,720	259,206
Changes in net assets			
Unrestricted	$	784,163	310,306
Temporarily restricted		(2,246)	(1,413)
Permanently restricted		358	281
Total changes in net assets	$	782,275	309,174

(b) Joint Venture

SPAH opened on August 4, 2011 as a 160-bed acute care hospital that serves southern Virginia Beach, as well as neighboring Chesapeake and northeastern North Carolina communities SPAH is a joint venture between Sentara and Bon Secours Health System, Inc (Bon Secours) (collectively, the Members) pursuant to an Amended and Restated Master Agreement executed on August 3, 2011 Approximately 80% of the project costs for the new hospital were financed by Sentara, the borrowings of which were assumed by the joint venture The remaining project costs plus working capital were funded 70% by Sentara and 30% by Bon Secours Distributions to the Members occur in accordance with the respective membership interests based on days cash on hand above certain thresholds

The financial position and results of operations of SPAH are included in the consolidated financial statements of Sentara Bon Secours' interest is reflected as a noncontrolling interest in the consolidated statements of changes in net assets An excess of revenues over expenses of $12,605 and $5,402 was attributable to Sentara and to the noncontrolling interest, respectively, for the year ended December 31, 2013 An excess of revenues over expenses of $10,455 and $4,475 was attributable to Sentara and to the noncontrolling interest, respectively, for the year ended December 31, 2012

(3) Summary of Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less, excluding amounts held in investments

At December 31, 2013 and 2012, unrestricted cash and cash equivalents totaling $113,880 and $81,570, respectively, and unrestricted investments totaling $204,399 and $204,809, respectively, were held by Sentara's insurance subsidiaries, OHP, OHIC, and OHG Transfers of funds by these entities to other Sentara affiliates are subject to approval by the Virginia State Corporation Commission Bureau of Insurance

(b) Investments and Assets Limited as to Use

Investments in readily marketable debt and equity securities are carried at fair value. All investments, except for the portion required for payment of current liabilities, are classified as noncurrent assets. Readily marketable investments are deemed to be trading securities, therefore, investment income or loss (including realized and unrealized gains and losses) is included in nonoperating gains, net, unless restricted as to use by donor or law.

Sentara invests in alternative investments in the form of limited liability companies or partnerships. Alternative investments are accounted for under the equity method based on Sentara's interest in their underlying net assets. Alternative investments are typically not readily marketable and, accordingly, their fair value may be different from their carrying value and that difference could be material. Sentara's share of alternative investment gains and losses is included in nonoperating gains, net. Alternative investments are included in investments in the consolidated balance sheets.

Sentara's investments are exposed to several risks, including interest rate, currency, market, and credit risks. It is at least reasonably possible that changes in the values of investment securities will occur in the near term due to these risks and such changes could materially affect the amounts reported in the consolidated financial statements.

Sentara has invested in a number of joint ventures, limited liability corporations, and other nonpublic entities that provide specialty healthcare services or engage in other activities. Investments where Sentara has between a 20% and up to a 50% ownership interest are accounted for using the equity method. Sentara's equity in their earnings, which totaled $9,099 and $20,122 for the years ended December 31, 2013 and 2012, respectively, is included in other operating revenue in the accompanying consolidated statements of operations. These investments are included in other assets, net, in the accompanying consolidated balance sheets and totaled $35,981 and $36,079 at December 31, 2013 and 2012, respectively.

Assets limited as to use include assets held by trustees under debt agreements, malpractice funding arrangements, derivative financial instrument agreements, or internally designated as endowment funds.

(c) Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost at the date of acquisition or fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the life of the lease, or the useful life of the asset, whichever is shorter. Estimated useful lives range from 3 to 25 years for land improvements, 10 to 50 years for buildings, fixed equipment, and leasehold improvements, and 3 to 20 years for major movable equipment. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. Gains or losses on disposal of property, plant, and equipment are included in operating income. Repairs and maintenance are expensed as incurred.

(d) Impairment of Long-Lived Assets

Sentara assesses long-lived assets for impairment by determining whether their carrying values can be recovered through the undiscounted future operating cash flows generated by the assets The amount of impairment, if any, is measured by comparison of the fair value of the assets to their carrying value Fair value is determined using market data or projected discounted future operating cash flows using a discount rate reflecting Sentara's weighted average cost of capital

(e) Goodwill

Goodwill represents the excess of the purchase price over the fair value of the net assets of acquired companies In accordance with ASU 2010-07, Sentara no longer amortizes goodwill, but tests the carrying value of goodwill annually for impairment Total goodwill recognized on acquisitions, less accumulated amortization, was $27,772 and $25,037 as of December 31, 2013 and 2012, respectively, and is included in other assets, net

(f) Medical Claims Accrued and Payable

Claims unpaid by Sentara's insurance subsidiaries include amounts billed and not paid and an estimate of costs incurred for unbilled services provided The estimated liability for unbilled services is based principally on historical payment patterns using actuarial techniques Unpaid claims adjustment expenses are accrued based on an estimate of the costs necessary to process unpaid claims Claims unpaid are reviewed and adjusted periodically and, as adjustments are made, differences are included in current operations

(g) Derivative Financial Instruments

Sentara recognizes the fair value of derivative financial instruments, currently consisting of interest rate swap agreements, as assets or liabilities in the accompanying consolidated balance sheets Sentara has elected not to use hedge accounting with respect to any of its derivative financial instruments Accordingly, the change in fair value of these instruments is included in nonoperating income, net Net cash settlement amounts are included in interest expense

(h) Temporarily and Permanently Restricted Net Assets

Net assets and their related changes are classified based on the existence or absence of donor-imposed restrictions Temporarily restricted net assets have been limited by donors to a specific time period or purpose Permanently restricted net assets have been restricted by donors to be maintained in perpetuity as endowments Related income on endowment assets is classified as temporarily restricted until appropriated for expenditure Temporarily restricted net assets have been restricted primarily for the provision of various healthcare services

(i) Nonoperating Gains, Net and Excess of Revenues over Expenses

Activities related to the provision of healthcare services are reported as operating revenues and expenses Activities that result in gains or losses unrelated to Sentara's primary mission are considered to be nonoperating

The consolidated statements of operations include excess of revenues over expenses Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include changes in the funded status of defined-benefit pension plans, contributions of long-lived assets (including assets acquired using donor-restricted contributions), and capital contributions from noncontrolling interests

(j) Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as changes to estimates become known and tentative and final settlement adjustments are determined

(k) Charity Care

Sentara provides care to patients that meet certain criteria under its charity care policy without charge or at amounts less than its established rates Because Sentara does not pursue collection of amounts determined to qualify as charity care, related charges are not reported as revenue or included in accounts receivable

(l) Premium and Capitation Revenue

Premium and capitation payments are recognized as revenue during the coverage period Sentara's insurance subsidiaries are obligated to provide healthcare services Premium billings are billed in the month preceding the coverage period and are recorded as unearned revenue until earned Payments received by the Hospitals from SHP are eliminated in consolidation

(m) Medical Claims Expense

Medical claims expense for Sentara's insurance subsidiaries is recognized as services are provided, including estimated amounts for claims incurred but not yet reported These expenses are reported net of subscriber copay and deductible amounts and net of reimbursement from coordination of benefits Reinsurance premiums, net of recoveries, are included in medical claims expense in the accompanying consolidated statements of operations

(n) Income Taxes

Sentara and its not-for-profit subsidiaries have been recognized by the Internal Revenue Service as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code, and therefore, related income is generally not subject to federal and or state income taxes SHI, its incorporated subsidiaries, and SMGI account for income taxes in accordance with FASB ASC Topic 740, *Income Taxes* Income taxes are accounted for under the asset and liability method Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary

differences are expected to be recovered or settled The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date Any changes to the valuation allowance on the deferred tax asset are reflected in the year of the change Sentara accounts for uncertain tax positions in accordance with ASC Topic 740

(o) Use of Estimates

The preparation of the consolidated financial statements in conformity with U S generally accepted accounting principles 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 Estimates also affect the reported amounts of revenues and expenses during the reporting period Significant items subject to such estimates and assumptions include valuation allowances for receivables, recoverability of long-lived assets and goodwill, medical claims liabilities, self-insurance accruals, third-party payor settlements, and retirement obligations Actual results could differ from those estimates

(p) Fair Value of Financial Instruments

The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date FASB ASC Topic 820, *Fair Value Measurement*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value The fair value hierarchy gives the highest priority to quoted market prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3)

The carrying amounts of cash and cash equivalents, patient accounts receivable, other receivables, accounts payable and accrued expenses, employee compensation and benefits, estimated third-party payor settlements, and other liabilities reported in the consolidated balance sheets approximate fair value (classified as Level 1), in all significant respects, at December 31, 2013 and 2012 Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

(q) Subsequent Events

Sentara has evaluated subsequent events for recognition and disclosure through March 28, 2014, the date the consolidated financial statements were issued

On July 23, 2013, Sentara signed a letter of intent to operate Albemarle Health, which is located in Elizabeth City, North Carolina Albemarle Health includes a 142-bed community hospital, Regional Medical Center, Regional Oncology Center, and Albemarle Health Sleep Center The affiliation was finalized on March 1, 2014

(In thousands)

(4) Net Patient Service Revenue

Net patient service revenue, before provision for bad debts, is computed as follows for the years ended December 31

		2013	2012
Gross patient charges	$	8,327,107	7,476,941
Charity care		568,048	443,435
Gross patient service revenue		7,759,059	7,033,506
Deductions			
Medicare, Medicaid, and Tricare contractual deductions		3,158,530	2,801,631
Other discounts and adjustments		1,615,319	1,386,932
Total	$	2,985,210	2,844,943

Sentara has agreements with third-party payors that provide for payments at amounts different from its established rates A summary of payment arrangements with major third-party payors is as follows

Medicare Under the Medicare program, Sentara receives reimbursement under a prospective payment system (PPS) for inpatient services Under the hospital inpatient PPS, fixed payment amounts per inpatient discharge are established based on the patient's assigned diagnosis related group (DRG) When the estimated cost of treatment for certain patients is significantly higher than the average, providers typically will receive additional "outlier" payments SRMH is considered a sole-community service provider by Medicare and its prospective payment rates may be adjusted for inpatient operating costs The majority of outpatient services provided to Medicare beneficiaries are prospectively reimbursed based on service groups called ambulatory payment classifications (APCs) The remainder of outpatient services are paid on a cost basis or based on a fee schedule Educational costs are reimbursed by the Medicare program on a reasonable cost basis The Hospitals are paid for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary All hospitals have final settled with the Medicare program through the 2009 cost report year, except for HRH, which has settled through the 2008 cost report year

Medicaid The Medicaid program is administered by the Department of Medical Assistance Services (DMAS) of the Commonwealth of Virginia, pursuant to federal and state laws and regulations DMAS receives funding for program expenditures from both the federal government and the Commonwealth of Virginia Federal or state law or regulations may affect limits on Medicaid payment The majority of Medicaid recipients in Sentara's primary service area are enrolled in health maintenance organizations (HMOs) These HMOs contract with the Medicaid program to provide primary and acute care services to enrolled Medicaid recipients The Hospitals are paid for substantially all services rendered to Medicaid HMO beneficiaries on a prospective payment basis There are certain Medicaid patients excluded from the HMO program for which the Hospitals are reimbursed based on a DRG-based PPS, which is subject to certain limitations and possible retroactive adjustment All hospitals have final settled with the Medicaid program through the 2012 cost report year, except for HRH and SRMH, which have settled through the 2008 and 2011 cost report year, respectively

In addition to Medicare and Medicaid discussed above, Sentara also provides services to beneficiaries of numerous other third-party payors These payors pay based on negotiated contractual rates, which include prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation As a result, there is a reasonable possibility that recorded estimates will change by a material amount in the near term During 2013 and 2012, the effect of these settlement adjustments was to increase net patient service revenue by approximately $422 and $4,792, respectively

Due to the nature of the governmental cost report settlement process, the complexities of governmental and nongovernmental patient billing and other financial statement exposures that are inherent in the provision of healthcare services, Sentara has established financial accounting and reporting policies that formally govern the establishment of associated liability estimates beyond those related to specifically identifiable events The establishment of related liabilities is based on a number of factors, including net patient service revenue volumes Sentara believes that such policy properly provides for Sentara's routine and nonroutine exposures consistent with industry accounting principles and practices These estimated liabilities are included in other long-term liabilities in the accompanying consolidated balance sheets in the amounts of $88,171 and $80,822 as of December 31, 2013 and 2012, respectively

The Health Information Technology for Economic and Clinical Health (HITECH) Act that was enacted as part of the American Recovery and Reinvestment Act of 2009 was signed into law in February 2009 Within the context of the HITECH Act, certain healthcare entities must implement a certified Electronic Health Record (EHR) in an effort to promote the adoption and "meaningful use" of health information technology (HIT) Understanding the strategic importance of an EHR system, Sentara invested in a certified EHR system prior to the HITECH Act The HITECH Act includes significant monetary incentives to encourage the adaptation of a certified EHR system During 2013 and 2012, Sentara recognized incentive payments totaling $18,407 and $22,104, respectively, which are included in other operating revenue in the accompanying consolidated statements of operations

(In thousands)

(5) Receivables, Net

Receivables, net are summarized as follows at December 31

		2013	2012
Patient accounts receivable	$	1,175,656	1,052,901
Less			
Contractual allowances for third-party payors		627,373	546,445
Allowance for bad debts		212,626	170,172
Patient accounts receivable, net		335,657	336,284
Premium and capitation receivables, net		60,705	58,833
Estimated third-party payor settlements		19,646	31,406
Other receivables		29,854	34,106
Receivables, net	$	445,862	460,629

Patient accounts receivable are reduced by an allowance for bad debts In evaluating the collectibility of accounts receivable, Sentara analyzes historical collections and write-offs and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for bad debts and provision for bad debts Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for bad debts For receivables associated with services provided to patients who have third-party coverage, Sentara analyzes contractually due amounts and provides an allowance for bad debts, allowance for contractual adjustments, provision for bad debts, and contractual adjustments on accounts for which the third-party payor has not yet paid or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely For receivables associated with self-pay patients or with balances remaining after the third-party coverage has already paid, Sentara records a significant provision for bad debts in the period of service on the basis of its historical collections, which indicates that many patients are unwilling to pay the portion of their bill for which they are financially responsible The difference between the discounted rates and the amounts collected after all reasonable collection efforts have been exhausted is charged off against the allowance for bad debts

The activity in the allowance for bad debts is summarized as follows for the years ended December 31

		2013	2012
Beginning balance as of January 1	$	170,172	144,925
Provision for bad debts		249,048	249,044
Less writeoffs		(206,594)	(223,797)
Ending balance as of December 31	$	212,626	170,172

The change in the allowance for bad debts during 2013 is attributable to increased self-pay patient volumes and trends experienced in the collection of the related patient receivables

(Continued)

(In thousands)

(6) Investments and Assets Whose Use is Limited

A summary of investments and assets whose use is limited included in the accompanying December 31 consolidated balance sheets is as follows

		2013	2012
Investments at fair value	$	2,197,841	1,888,855
Investment companies accounted for under the equity method		339,215	297,367
Total investments		2,537,056	2,186,222
Less portion required to pay current liabilities		230,532	396,182
	$	2,306,524	1,790,040

Investments at estimated fair value comprise the following

		2013	2012
Unrestricted investments	$	2,378,958	1,966,938
Donor-restricted investments		65,452	65,127
Assets whose use is limited under indenture, self-insurance funding arrangement, and derivative financial instrument agreements held by trustee		76,970	139,510
Assets internally designated as endowment fund		15,676	14,647
Total investments at estimated fair value	$	2,537,056	2,186,222

The three levels of the fair value hierarchy are as follows

Level 1 – Quoted prices for identical assets or liabilities in active markets

Level 2 – Quoted prices for similar instruments in active markets, for identical instruments in markets that are not active, and model-driven valuations whose inputs are observable either indirectly or directly

Level 3 – Unobservable inputs that are significant to the fair value of the assets or liabilities

(Continued)

(In thousands)

The following tables present Sentara's fair value hierarchy for those assets measured at estimated fair value on a recurring basis as of December 31, 2013 and 2012, respectively

			Fair value measurements at December 31, 2013 using		
		Total	Level 1	Level 2	Level 3
Investments					
Fixed maturities					
Domestic	$	742,780	459,562	283,218	—
International		10,728	1,924	8,804	—
Equity securities					
Domestic		1,141,574	1,141,574	—	—
International		24,252	6,651	17,601	—
Multiasset funds		144,741	144,741	—	—
Alternative investments					
Hedge funds		185,882	—	149,859	36,023
Private equity		53,393	—	—	53,393
Real estate		137,050	—	—	137,050
Short-term investments		96,656	96,656	—	—
Total	$	2,537,056	1,851,108	459,482	226,466

			Fair value measurements at December 31, 2012 using		
		Total	Level 1	Level 2	Level 3
Investments					
Fixed maturities					
Domestic	$	778,714	448,671	330,043	—
International		7,717	358	7,359	—
Equity securities					
Domestic		847,363	847,363	—	—
International		5,390	954	4,436	
Multiasset funds		89,345	89,345	—	—
Alternative investments					
Hedge funds		173,568	—	137,014	36,554
Private equity		40,255	—	—	40,255
Real estate		116,579	—	—	116,579
Short-term investments		127,291	127,291	—	—
Total	$	2,186,222	1,513,982	478,852	193,388

Short-term investments comprise cash equivalents and short-term fixed income securities Because of the nature of these assets, carrying amounts approximate fair values, which have been determined from public quotations, when available

(Continued)

(In thousands)

Fair values for Sentara's fixed maturity securities are based on prices provided by its investment managers and its custodian bank, which use a variety of pricing sources to determine market valuations Sentara's fixed maturity securities portfolio is highly liquid, which allows for a high percentage of the portfolio to be priced through pricing services

Fair values of equity securities have been determined by Sentara from observable market quotations, when available Equity securities where a public quotation is not available are valued by using broker quotes

Sentara generally uses net asset value per share as provided by external investment managers without further adjustment as the practical expedient estimate of the fair value of its alternative investments consistent with the provisions of ASU 2009-12, *Fair Value Measurements and Disclosures (Topic 820) Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)* Accordingly, such values may differ from values that would have been used had an active market for the investments existed

For the years ended December 31, 2013 and 2012, the reconciliation of investments with estimated fair value measurements using significant unobservable inputs (Level 3) is as follows

		2013	2012
Beginning balance, as of January 1	$	193,388	129,528
Total net gains unrealized and realized		7,782	11,604
Purchases, sales, issuances, and settlements		25,296	49,347
Net transfers from Level 2		—	2,909
Ending balance, December 31	$	226,466	193,388

Sentara's limited investment companies are reported on the equity method based on the underlying net asset value of the investments which management believes approximates fair value The fair values of Sentara's limited investment companies are based on all available data, including information provided by fund managers Due to the nature of the underlying investments held, changes in market conditions, and the economic environment may significantly impact the investments' net asset value and the carrying value of Sentara's interest

Sentara's limited investment companies include redemption restrictions Hedge fund investments may require 65 to 105 day written notice of intent to withdraw and may be subject to a 12 to 36 month lock up period Private equity investments do not include provisions for redemption, and are distributed by the fund on a discretionary basis as restrictions are met and capital permits Level 3 real estate investments require written notice of intent to withdraw and are subject to the capital requirements of the fund manager

Sentara has remaining capital commitments of $48,221 at December 31, 2013 for certain limited investment companies

(Continued)

(In thousands)

(7) Property, Plant, and Equipment

The components of property, plant, and equipment, at cost, and the related accumulated depreciation at December 31 are summarized as follows

		2013	2012
Land	$	138,629	123,356
Land improvements		99,577	89,873
Buildings		1,172,579	1,038,880
Fixed equipment		596,800	552,183
Major moveable equipment		1,448,475	1,328,123
Leasehold improvements		51,063	45,413
		3,507,123	3,177,828
Less accumulated depreciation and amortization		1,882,200	1,723,910
		1,624,923	1,453,918
Construction in progress		66,623	91,747
Total	$	1,691,546	1,545,665

Depreciation and amortization related to property, plant, and equipment totaled $173,217 and $167,052 for the years ended December 31, 2013 and 2012, respectively

Significant construction projects in progress at December 31, 2013 are expected to have remaining project costs of approximately $133,519 The commitments include the costs to complete a new bed tower at SLH, an operating room expansion for SNVMC, a sports imaging center at SRMH, and other projects

(Continued)

(In thousands)

(8) Long-Term Debt

Long-term debt and capital lease obligations at December 31 are summarized as follows

	2013	2012
Sentara Healthcare Obligated Group Revenue and Refunding Bonds		
Series 2013A-B, payable in installments ranging from $1,190 to $11,535 from 2014 through 2048, with interest at a variable rate of 67% of one-month LIBOR plus 40% (actual interest rate at December 31, 2013 was 0 51%)	$ 159,660	—
Series 2012A, payable in installments ranging from $215 to $5,850 through 2034, with interest at a variable rate of SIFMA plus 0 08% (actual interest rate at December 31, 2013 was 0 14%)	68,190	68,580
Series 2012B, payable in installments ranging from $2,190 to $26,110 through 2043, with fixed interest rates ranging from 3 00% to 5 00% (average interest rate at December 31, 2013 was 4 60%)	144,660	146,810
Series RMH 2011A-C, payable in installments of $1,200 from 2015 through 2039, with interest at a variable rate of 67% of one-month LIBOR plus 0 40% (actual interest rate at December 31, 2013 was 0 51%)	30,000	30,000
Series RMH 2010A-C, payable in installments ranging from $1,724 to $2,724 through 2040, with interest at a variable rate of 67% of one-month LIBOR plus 0 40% (actual interest rate at December 31, 2013 was 0 51%)	71,552	73,276
Series 2010, payable in installments ranging from $1,600 to $37,160 through 2040, with fixed interest rates ranging from 4 00% to 5 00% (average interest rate for 2013 was 4 82%)	255,295	264,305
Series 2010B-C, payable in installments ranging from $425 to $11,250 through 2034, with interest at a variable rate of SIFMA plus 0 12% (actual interest rate at December 31, 2013 was 0 18%)	131,110	131,860
Series MJH 2008A-D, refunded by Series 2013A-B	—	160,795
Series 2008, payable in installments ranging from $1,450 to $26,860 through 2035, with a fixed interest rate of 5 75%	156,615	156,615

(Continued)

(In thousands)

	2013	2012
Series RMH 2006, payable in installments ranging from $1,140 to $11,670 through 2046, with fixed interest rates ranging from 4 00% to 5 00% (average interest rate for 2013 was 4 72%)	$ 186,965	188,005
City of Suffolk 1998, payable in annual installments of $667 through 2017, with a fixed interest rate of 4 71%	2,667	3,333
Isle of Wight 1998, payable in annual installments of $667 through 2017, with a fixed interest rate of 4 76%	2,667	3,333
Sussex County 1998, payable in annual installments of $267 through 2013, with a fixed interest rate of 4 69%	—	267
Series 1993, payable in installments ranging from $3,240 to $3,775 through 2018, with fixed interest rates of 5 13% and 6 00% (average interest rate for 2013 was 5 25%)	17,100	20,015
Halifax Regional Hospital Revenue Bonds-		
Series 2007, payable in installments ranging from $440 to $1,320 through 2037, with fixed interest rates ranging from 4 38% to 5 00% (average interest rate for 2013 was 4 93%)	19,185	—
Notes payable		
Sentara Healthcare Commercial Paper Note program $130,000 authorized tax-exempt issue, weighted average maturity and interest rate at December 31, 2013 was 122 days and 0 12%, respectively	48,800	52,800
$125,000 authorized taxable issue, weighted average maturity and interest rate at December 31, 2013 was 122 days and 0 22%, respectively	71,000	71,000
Note payable due 2014 with a fixed rate of interest of 7 00%	110	416
Note payable due 2017 with a fixed rate of Prime, adjusted every five years (actual interest rate at December 31, 2013 was 5 75%)	215	247
Capital lease obligations	2,215	1,121
	1,368,006	1,372,778
Unamortized bond discount, net	(8,114)	(8,345)
Less amount classified as current	(239,647)	(404,209)
	$ 1,120,245	960,224

(Continued)

(a) Obligated Group Revenue and Refunding Bonds

The Sentara Healthcare Obligated Group Revenue and Refunding Bonds were issued under various sales agreements between Sentara and the Industrial Development Authority (IDA) of the Cities of Norfolk, Chesapeake, Hampton, Suffolk, and Virginia Beach and the Counties of Isle of Wight, Sussex, and Surry (the Authorities), pursuant to which the Authorities will sell certain improvements back to Sentara for aggregate installment payments sufficient to enable the Authorities to pay the principal and interest on the bonds when due Under the terms of the sales agreements, Sentara delivered to the Authorities promissory notes, pursuant to a Master Trust Indenture, between Sentara and U S Bank, NA, as trustee

In June 2013, Sentara issued $160,515 in variable rate Hospital Facilities Revenue and Refunding Bonds The proceeds of the bonds were used to fully refund the MJH Series 2008 A-D Bonds

In April 2012, Sentara issued $68,890 in variable rate Hospital Facilities Revenue and Refunding Bonds The proceeds of the bonds were used to fully refund the Series 2009A Bonds

In May 2012, Sentara issued $148,740 in fixed rate Health Care Facilities Revenue and Refunding Bonds A portion of the proceeds are being used to finance the building of a new bed tower at SLH The remaining proceeds were used to fully refund the Series 2003 Potomac Hospital Facility Revenue Bonds and the Series 2002 MJH Revenue Bonds A total loss of $5,920 was recognized on the refundings and is included in nonoperating gains, net in the accompanying 2012 consolidated statement of operations A premium of $14,423 was recognized related to the issuance of the debt

Sentara maintains a balance of short-term investments equal to the Series 2012A Bonds, Series 2010B-C Bonds, and a portion of commercial paper issuances, which are not covered by a letter of credit (self-liquidity) Long-term debt subject to current remarketing provisions and covered by self-liquidity totaled $219,100 and $380,926 as of December 31, 2013 and 2012, respectively, and is classified as a current liability

(b) Commercial Paper Revenue Notes

Issuance of the tax-exempt Sentara Healthcare Commercial Paper Revenue Notes (the Notes) was authorized during 1998 under agreements between Sentara and the IDA of the City of Norfolk (the Authority) The Notes will be issued from time to time by the Authority as part of a pooled financing program to provide loans to Sentara to finance the cost of certain capital improvements, to refinance outstanding revenue, and refunding bonds and to pay costs associated with the issuance of the Notes It is management's intent to continuously rollover theses Notes However, the outstanding principal amount of all Notes must be repaid by 2028 Each Note will mature between 1 and 270 days after its date of issuance The maximum aggregate principal amount of the Notes outstanding at any one time shall not exceed the lesser of $130,000, or the aggregate amount of advances available under a Liquidity Facility Agreement (Liquidity Facility)

During 2012, Sentara entered into an agreement with a commercial finance company that authorizes the issuance of up to $125,000 of taxable commercial paper (the Commercial Paper) The Commercial Paper will be issued from time to time for general corporate purposes and to refund a

(In thousands)

portion of certain Notes previously issued It is management's intent to continuously rollover the Commercial Paper However, the outstanding principal amount of all the Commercial Paper must be repaid by 2028 Each Commercial Paper will mature between 1 and 270 days after its date of issuance

Under the terms of the current Liquidity Facility, Sentara may borrow, subject to certain conditions, up to $100,000 to pay the principal portion of the Notes or the Commercial Paper that have not been successfully remarketed Borrowings under the Liquidity Facility bear interest at certain rates under several options granted to Sentara There was no amount outstanding under the Liquidity Facility as of December 31, 2013 or 2012 The Liquidity Facility expires on June 5, 2015

(c) Other

The Revenue and Refunding Bonds are not secured by any security interest in or lien on any revenues or real property The Master Trust Indenture places certain restrictions on Sentara relative to operating ratios and incurrence of additional indebtedness

At December 31, 2013, management believes that Sentara was in compliance with all such restrictions

The fair value of all bonds and commercial paper revenue notes are determined by market quotations using Level 1 criteria The fair value of all bonds and commercial paper revenue notes at December 31, 2013 and 2012 was approximately $1,375,000 and $1,425,000, respectively

Estimated maturities and sinking fund requirements of all long-term indebtedness at December 31, 2013 are as follows

2014	$	20,547
2015		23,613
2016		25,398
2017		25,937
2018		26,059
Thereafter		1,246,452
	$	1,368,006

(9) Derivative Financial Instruments

Sentara uses interest rate swaps as a part of its risk management strategy to manage exposure to fluctuations in interest rates and to manage the overall cost of its debt The interest rate swaps are not used for speculative purposes and are measured at fair value in the consolidated balance sheets

(In thousands)

The following table provides details regarding Sentara's fair value of derivative instruments currently classified as other long-term liabilities at December 31, 2013 and 2012, none of which are designated as cash flow hedging instruments

		2013					
Interest rate swap	Fair value	Notional amount outstanding	Rate paid	Rate received	Average rate received in 2013	Counterparty	Term
2004	$ (28,272)	197,811	3 51%	67% of One month (1M) LIBOR	0 13%	Wells Fargo (75%) & Goldman Sachs (25%)	30 years
2008	382	156,615	SIFMA + 0 19%	5 75%	5 75	Citigroup	10 years
Sussex 1998	(1,142)	9,895	3 33%	59% of 1M LIBOR + 0 35%	0 47	Bank of America	18 years
RMH 2009 (Fixed Swap)	(150)	30,000	3 28%	67% of (1M LIBOR + 1 67%)	1 25	SunTrust	5 years
MJH 2013 (Basis Swap)	(1,991)	76,325	SIFMA	67% of 1M LIBOR + 0 41%	0 53	Barclays	15 years
MJH 2013 (Fixed Swap)	15,679	159,660	1 94%	67% of 3M LIBOR	0 18	Barclays	35 years

		2012					
Interest rate swap	Fair value	Notional amount outstanding	Rate paid	Rate received	Average rate received in 2012	Counterparty	Term
2004	$ (52 109)	198 906	3 51%	67% of One month (1M) LIBOR	0 24%	Wells Fargo (75%) & Goldman Sachs (25%)	30 years
2008	438	156 615	SIFMA + 0 19%	5 75%	5 75	Citigroup	10 years
Sussex 1998	(1 680)	267	3 33%	59% of 1M LIBOR	0 14	Bank of America	25 years
RMH 2009 (Fixed Swap)	(583)	30 000	3 28%	67% of 1M LIBOR + 1 67%	1 83	SunTrust	5 years
MJH 2007 (Basis Swap)	(473)	76 325	SIFMA	67% of 1M LIBOR + 0 41%	0 63	UBS	20 years
MJH 2008 (Fixed Swap)	(52 154)	160 795	4 13%	SIFMA	0 18	UBS	40 years

In conjunction with the refunding of the MJH 2008 A-D Series bonds, the associated swap was redeemed for $40,080 As of the redemption date, the fair value of the swap was $48,418, resulting in a gain of $8,338, which is included in nonoperating gains, net in the accompanying 2013 consolidated statement of operations Sentara subsequently entered into a basis swap as well as a fixed-payor swap, the terms of which are noted in the table above

In order to manage the credit risk of the swap agreements, Sentara and the counterparties are required to provide collateral in the event that the combined fair value of the swap agreements exceeds a predetermined threshold amount The collateral posting requirements are based upon the rating classification of Sentara's long-term, unsecured, and unsubordinated debt securities as assigned by a relevant rating agency As of December 31, 2013, the counterparty posted $11,060 in collateral with Sentara, which is included in noncurrent assets whose use is limited in the 2013 consolidated balance sheet

The fair value of the interest rate swap agreements is the estimated amount that Sentara would receive or pay to terminate the swap agreements at the reporting date, taking into account current interest rates and the current creditworthiness of the swap counterparties The swap agreements are valued based on readily

observable market parameters for all substantial terms of the contracts and are, therefore, categorized as Level 2 securities The change in the fair value of the interest rate swap agreements for the years ended December 31, 2013 and 2012 was $40,514 and $349, respectively, and is included in nonoperating gains, net in the consolidated statements of operations Sentara is exposed to credit loss in the event of nonperformance by the swap counterparties Sentara manages this risk through the monitoring of the credit standing of its counterparties

(10) Retirement Obligations

Sentara maintains a noncontributory defined-benefit pension plan that covers substantially all employees of Sentara Healthcare and its subsidiaries (Sentara Plan), except for Halifax, which maintains a separate plan (Halifax Plan) Halifax Plan benefits were frozen effective May 1, 2009, with the exception of employees who were at least age 55 with at least 10 years of service or who reached a total of 75 using a combination of age and service (known as grandfathered participants) Benefits remain frozen for employees who did not meet the grandfather criteria Effective December 31, 2013, the SRMH and MJH defined-benefit pension plans were merged into the Sentara Plan

The Plans conform to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA) Sentara's funding policy is to contribute amounts to the Plans sufficient to meet the minimum funding requirements under ERISA The Plans use a December 31 measurement date

(In thousands)

The following table sets forth amounts recognized in the consolidated financial statements of Sentara as of and for the years ended December 31, 2013 and 2012 related to the Sentara Plan

		2013	2012
Accumulated benefit obligation at measurement date	$	1,328,917	1,358,860
Change in projected benefit obligations			
Benefit obligation at previous measurement date	$	1,554,438	1,294,086
Service cost		65,506	55,017
Interest cost		56,682	57,424
Actuarial (gain) loss		(128,110)	192,215
Benefit payments		(48,009)	(44,306)
Projected benefit obligations at measurement date	$	1,500,507	1,554,436
Change in assets			
Fair value of assets at previous measurement date	$	1,166,291	1,002,263
Actual return on assets		168,090	110,831
Employer contributions		124,500	97,503
Benefit payments		(48,009)	(44,306)
Fair value of assets at measurement date	$	1,410,872	1,166,291
Amounts recognized in the consolidated balance sheets at December 31			
Long-term liabilities	$	(89,635)	(388,145)
Amounts recognized in unrestricted net assets at December 31			
Net actuarial loss	$	(306,191)	(557,884)
Prior service cost		44	69
Components of net periodic pension cost			
Service cost	$	65,506	55,017
Interest cost		56,682	57,424
Expected return on plan assets		(85,457)	(73,878)
Prior service cost recognized		(25)	180
Amortization of actuarial loss		40,949	29,690
Net periodic pension cost	$	77,655	68,433

(Continued)

(In thousands)

The following table sets forth amounts recognized in the consolidated financial statements of Sentara as of and for the year ended December 31, 2013 related to the Halifax Plan

Accumulated benefit obligation at measurement date	$	14,501
Change in projected benefit obligations		
Benefit obligation at previous measurement date and affiliation date	$	21,227
Service cost		—
Interest cost		345
Actuarial loss		20
Benefit payments		(359)
Projected benefit obligations at measurement date	$	21,233
Change in assets		
Fair value of assets at previous measurement date and affiliation date	$	14,732
Actual return on assets		772
Employer contributions		205
Benefit payments		(359)
Fair value of assets at measurement date	$	15,350
Amounts recognized in the consolidated balance sheets at December 31		
Long-term liabilities	$	(5,883)
Amounts recognized in unrestricted net assets at December 31		
Net actuarial loss	$	(7,072)
Components of net periodic pension cost		
Service cost	$	—
Interest cost		345
Expected return on plan assets		(288)
Prior service cost recognized		72
Amortization of actuarial loss		115
Net periodic pension cost	$	244

For the years ended December 31, 2013 and 2012, Sentara recognized a change in unrestricted net assets of $252,240 and ($125,096), respectively, related to nonperiodic changes in the Plans assets and benefit obligations

The estimated actuarial loss and prior service credit for the Plans that will be amortized from accumulated other comprehensive loss into net periodic cost over the next year are $20,672 and $25, respectively No assets of the Plans are expected to be returned to Sentara for the year ended December 31, 2013

(Continued)

(In thousands)

The assumptions used to determine benefit obligations for the Plans at December 31, 2013 and 2012 are as follows

	2013	
	Sentara Plan	**Halifax Plan**
Discount rate	4 71%	5 09%
Rate of compensation increase	4 00	3 00
	2012	
Discount rate	3 75%	N/A
Rate of compensation increase	4 00	N/A

Weighted average assumptions used to determine net periodic benefit cost for the Plans for 2013 and 2012 are as follows

	2013	
	Sentara Plan	**Halifax Plan**
Discount rate	3 75%	4 01%
Expected long-term return on plan assets	7 25	5 76
Rate of compensation increase	4 00	3 00
	2012	
Discount rate	4 51%	N/A
Expected long-term return on plan assets	7 25	N/A
Rate of compensation increase	4 00	N/A

In developing the expected long-term rate of return on assets assumption, Sentara considered the current level of expected returns on risk-free investments (primarily, government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested, and the expectations for future returns of each asset class The expected return for each asset class was then weighted based on the target allocation to develop the expected long-term rate of return on assets assumption for the portfolio This resulted in the selections listed above for the years ended December 31, 2013 and 2012

(a) Investment Policy and Strategy

The overall financial objectives for the Plans' assets are (1) to provide funds for the timely payment of the Plans' obligations and (2) to produce an investment rate of return that improves the overall funding status of the Plans consistent with the first objective The investment objective of the Plans seeks to strike a balance between higher returns and controlling funding status volatility To achieve its objectives, the Plans' assets are allocated based on a target allocation established by the Sentara Finance Committee and approved by the Sentara Board of Directors A registered investment manager has been approved by the Finance Committee of the Sentara Board of Directors and reviews

(Continued)

(In thousands)

fund performance at each quarterly meeting The Plans' targeted asset allocation by asset category is as follows

Asset category	Target allocation percentage
Equity securities	30% – 60%
Debt securities	20% – 50%
Alternative investments	0% – 20%
Cash	0% – 10%

The allocation to fixed income investments is structured to match the expected stream of future benefit payments in order to minimize funding volatility risk Other investments are also diversified within asset classes (e g , within equities by economic sector, industry, quality, and size) in order to provide assurance that no single security or class of securities will have a disproportionate impact on the Plans

The following tables present the Plans' assets measured at estimated fair value aggregated by the level in the fair value hierarchy within which those measurements fall as of December 31, 2013 and 2012, respectively

		Fair value measurements at December 31, 2013 using		
	Total	Level 1	Level 2	Level 3
Investments				
Fixed maturities				
Domestic	$ 811,607	756,954	25,683	28,970
International	1,649	—	1,649	—
Equity securities				
Domestic	276,878	273,396	3,482	—
International	38,071	18,883	19,188	—
Multiasset	86,484	86,484	—	—
Alternative investments	173,463	—	129,403	44,060
Short-term investments	38,070	38,070	—	—
Total	$ 1,426,222	1,173,787	179,405	73,030

(Continued)

(In thousands)

		Fair value measurements at December 31, 2012 using		
	Total	Level 1	Level 2	Level 3
Investments				
Fixed maturities				
Domestic	$ 325,270	268,917	26,886	29,467
International	10,542	4,768	5,774	—
Equity securities				
Domestic	513,726	483,908	28,557	1,261
International	9,692	5,760	3,932	—
Multiasset	50,032	50,032	—	—
Alternative investments	139,879	—	103,750	36,129
Short-term investments	117,150	117,150	—	—
Total	$ 1,166,291	930,535	168,899	66,857

For the years ended December 31, 2013 and 2012, the reconciliation of the Plans' assets with estimated fair value measurements using significant unobservable inputs (Level 3) was as follows

	2013	2012
Beginning balance, as of January 1	$ 66,857	70,659
Total net gains unrealized and realized	2,912	9,051
Purchases, sales, issuances, and settlements	5,163	26,339
Net transfers to Level 2	(1,902)	(39,192)
Ending balance, December 31	$ 73,030	66,857

(b) Contributions

Sentara expects to contribute $120,360 to the Plans for the year ended December 31, 2014

(c) Estimated Future Benefit Payments

The following benefit payments, which reflect expected future employee service, as appropriate, are expected to be paid by the Plans in the following years ending December 31

2014	$ 74,925
2015	80,058
2016	85,057
2017	92,151
2018	100,630
2019-2023	582,431

(Continued)

The expected benefits to be paid are based on the same assumptions used to measure the Plans' benefit obligations at December 31, 2013

(d) Supplemental Executive Retirement Plan

Sentara maintains a supplemental executive retirement plan for certain executives Compensation expense under the plan was $2,103 and $2,202 for the years ended December 31, 2013 and 2012, respectively Accrued benefit liabilities under this plan totaled $10,651 and $9,444 as of December 31, 2013 and 2012, respectively, and are included in other long-term liabilities in the accompanying consolidated balance sheets

(e) Defined Contribution Retirement Plans

Substantially all of the employees of Sentara participate in defined-contribution retirement plans under Sections 403(b) and 401(k) of the Internal Revenue Code Sentara matches a percentage of contributions made by the employees Sentara's contribution expense related to these plans for the years ended December 31, 2013 and 2012 was $23,191 and $20,075, respectively, and is included in benefits expense in the accompanying consolidated statements of operations

(11) Charity Care and Other Community Benefits

(a) Charity

Sentara is committed to providing quality healthcare to all, regardless of their ability to pay Patients who meet the criteria of its charity care policy receive services without charge or at amounts less than its established rates The criterion for charity care considers the household income in relation to the federal poverty guidelines and the equity value of real property and/or other assets Sentara provides services without charge for patients with adjusted gross income equal to or less than 200% of the federal poverty guidelines For uninsured patients with adjusted gross income greater than 200% of the federal poverty guidelines, a sliding scale discount is applied Income and asset information obtained from patient and credit reporting data are used to determine patients' ability to pay Sentara maintains records to identify and monitor the level of charity care it furnishes under its charity care policy The charity care policies of the new affiliates are generally consistent with that of Sentara's policy

Due to the complexity of the eligibility process, Sentara provides eligibility services to patients free of charge to assist in the qualification process These eligibility services include, but are not limited to, the following

- Financial assistance brochures and other information are posted at each point of service When patients have questions or concerns, they are encouraged to call a toll-free number to reach customer service representatives during the business day Financial assistance programs are also published on the Sentara website and included on the statements provided to patients
- Sentara employs financial counselors who are available to help patients complete applications for Medicaid or other government payment assistance programs, or apply for care under

(In thousands)

Sentara's charity care policy, if applicable Sentara also employs an external firm to assist in the eligibility process

- Any patient, whether covered by insurance or not, may meet with a Sentara representative and receive financial counseling from Sentara's dedicated financial assistance unit

Sentara recognizes that a large number of uninsured and insured patients meet the charity care guidelines but do not respond to Sentara's attempts to obtain necessary financial information In these instances, Sentara uses credit reporting data to properly classify these unpaid balances as charity care as opposed to bad debt expense Utilization of income and asset information and credit reporting data indicate the vast majority of amounts reported as provision for bad debts represent amounts due from patients who would otherwise qualify for charity benefits but do not respond to Sentara's attempts to obtain the necessary financial information In these cases, reasonable collection efforts are pursued, but yield few collections Finally, management believes that the net loss associated with providing care to Medicaid patients is a component of providing charity care

Costs incurred are estimated based on the cost-to-charge ratio for each hospital and applied to charity care charges Since Sentara does not pursue collections of amounts determined to meet the criterion under the charity care policy, such amounts are not reported as net patient service revenue The amounts reported as charity care represent the cost of rendering such services The following information measures the level of charity and uncompensated care costs provided for the years ended December 31

		2013	2012
Components of estimated cost of charity and other uncompensated care			
Charity care	$	170,064	135,680
Medicaid		33,854	40,557
Bad debt		73,731	81,694
Total estimated cost	$	277,649	257,931

(b) Medical Education and Other Community Benefits

In addition to charity and uncompensated care, Sentara provides other community benefits These benefits include, among other items, educational activities, health services, and donations sponsored by Sentara in the communities served

Sentara provides support to other charitable organizations through direct contributions and sponsorships as well as free community health screenings and health education throughout the Hampton Roads community Expenses for community health programs represent Sentara's dedicated Community Health and Prevention Department Additional costs for similar activities carried out across the Sentara system are not specifically accumulated and include salaries and other operating expenses

(In thousands)

Sentara also underwrites much of the cost of training allied health professionals, physicians, and residents in its emergency rooms, clinics, and inpatient facilities Sentara maintains a dynamic partnership with Eastern Virginia Medical School to support medical education The Sentara College of Health Sciences (the School), in continuous operation since 1892, educates nurses, surgical, and cardiovascular technicians needed to provide the community with vital health services

The following is a summary of Sentara's community commitment as measured by charity care and community benefit costs

		2013	2012
Nonreimbursed cost of charity and uncompensated care	$	277,649	257,931
Medical education		20,472	19,866
Direct contributions and sponsorships		3,660	1,715
Community health programs		2,150	2,715
Total community benefits, at cost	$	303,931	282,227

Sentara also recognizes its responsibility to provide other healthcare services and programs for the benefit of the community, at reduced rates or free This includes the Ambulatory Care Clinic, a clinic designed to offer primary and specialized outpatient services to members of the Norfolk community who are either uninsured or under insured Sentara also operates an emergency medical helicopter service and both Level 1 and Level 3 Trauma Centers

(12) Concentration of Credit Risk

Patient receivables and patient service revenue consist of amounts earned for patient care Payments are made either directly by patients or by third-party payors, including the federal (Medicare) and state (Medicaid) governments and private insurance carriers Services are generally provided without requiring collateral from patients or third-party payors

A breakdown of net patient receivables by significant payor type is as follows

	2013	2012
Medicare	29%	29%
Medicaid	7	8
Anthem (Blue Cross)	20	19
SHP – HMO/PPO	9	8
All others (none individually more than 10%)	35	36
Total	100%	100%

(Continued)

(In thousands)

Premium and capitation receivables consist primarily of amounts earned by Sentara's health plans for providing benefits to subscribers. OHP and SHP have concentrations of credit risk with the U.S. Government's Office of Personnel Management (OPM) for subscriber benefits provided under the Federal Employee Health Benefits Program (FEHBP), and with the Virginia DMAS for benefits to Medicaid recipients.

A breakdown of premium and capitation receivables by significant customers is as follows:

	2013	2012
OPM	16%	13%
DMAS	74	74
Other (none individually more than 10%)	10	13
Total	100%	100%

(13) Functional Expenses

Sentara provides various healthcare services to patients within its geographic region. Expenses related to providing these services are as follows:

		2013	2012
Healthcare services	$	3,272,913	3,080,120
General and administrative		804,033	724,310
Total operating costs and expenses	$	4,076,946	3,804,430

(14) Commitments and Contingent Liabilities

(a) General Liability and Malpractice Insurance

Sentara insures its professional, general, and managed care liability risks through insurance policies issued by Lexington Insurance Company. Professional and managed care liability risks are primarily insured on a claims-made basis and general liability risks are insured on a claims-incurred basis. Lexington policy limits are $2,100 per occurrence and $23,000 in the aggregate per year for professional and managed care liability and $1,000 per occurrence for general liability.

Accrued professional liability costs on an undiscounted basis as of December 31, 2013 and 2012 amounted to $85,494 and $84,679, respectively. Cash and investments totaling $59,432 and $55,762 as of December 31, 2013 and 2012, respectively, have been designated by Sentara to settle these claims. Included in accrued professional liability costs are estimated claims incurred but not reported in the amounts of $21,008 and $23,339 as of December 31, 2013 and 2012, respectively.

The Lexington policies are fully reinsured by Bay Primex. The sole activity of Bay Primex is reinsurance, on a facultative basis, of the claims-made professional and managed care liability

insurance policies, and the occurrence based general liability policy issued by Lexington Insurance Company to Sentara and its related entities

All Sentara entities are covered by the same excess liability policies through three independent carriers with total annual coverage limits of $60,000 per occurrence and $60,000 in the aggregate for amounts exceeding the primary coverage limits

Professional liability policies entered into on a claims-made basis must be renewed or replaced with equivalent insurance if claims incurred during their term but asserted after their expiration are to be insured The estimated liability for professional and general liability claims will be significantly affected if current and future claims differ from historical trends While management monitors reported claims closely and considers potential outcomes as estimated by its actuaries when determining its professional and liability accruals, the complexity of the claims, the extended period of time to settle the claims, and the wide range of potential outcomes complicate the estimation In the opinion of management, adequate provision has been made for the related risk

(b) Stop-Loss Coverage

OHP and OHIC carry a stop-loss coverage policy for medical claims expense through Reinsurance Group of America, Incorporated (RGA) The deductible under the policy is $1,400 per member per policy year Once the deductible is met in a policy year, RGA will reimburse 90% of eligible medical expenses up to a maximum of $5,000 per member per policy year for commercial members and up to a maximum of $2,000 per member per policy year for Medicaid members This stop-loss coverage does not relieve OHP and OHIC of its primary obligation to its members Stop-loss expense related to the policy was $1,071 and $858 for the years ended December 31, 2013 and 2012, respectively

(c) Employee Health Benefits

Sentara is self-insured for employee health benefits Payments under the plan are limited to $300 per participant per year The liabilities associated with these claims totaled $13,496 and $11,386 at December 31, 2013 and 2012, respectively

(d) Workers' Compensation Insurance

Sentara is self-insured for workers' compensation insurance The liability associated with these claims totaled $8,959 and $5,913 at December 31, 2013 and 2012, respectively

(In thousands)

(e) Lease Commitments

Certain Sentara subsidiaries are parties to operating leases for property and equipment Rental expense incurred during the years ended December 31, 2013 and 2012 was approximately $59,614 and $53,135, respectively

2014	$	27,350
2015		24,892
2016		22,606
2017		17,803
2018		12,041
Thereafter		31,124
Total future minimum lease payments	$	135,816

(f) Litigation

Sentara is subject to various legal proceedings and claims that are inherent to the provision of healthcare services After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on Sentara's consolidated financial position

Laws and regulations governing Medicare and Medicaid programs are complex and subject to interpretation Sentara, through its compliance program, seeks to ensure compliance with such laws and regulations and to rectify instances of noncompliance Compliance with such laws and regulations is subject to future government review and interpretation as well as significant regulatory action, which can include fines, penalties, and exclusion from the Medicare and Medicaid programs

Sentara identified potential compliance violations during due diligence on recent acquisitions and has self-disclosed these potential violations to relevant regulatory authorities Sentara is working collaboratively with these authorities to determine what, if any, fines and penalties might be appropriate Although it is probable that some payments will have to be made by Sentara subsidiaries to relevant regulatory authorities, management believes, based on the information available to date, that the ultimate outcome to these matters will not have a material effect on Sentara's consolidated financial position or results of operations Sentara is not aware of any ongoing violations, and policies and procedures have been put in effect, which are intended to ensure future compliance at these subsidiaries

(In thousands)

(15) Nonoperating Gains, Net

Nonoperating gains, net are summarized as follows

	2013	2012
Investment income	$ 46,659	43,904
Realized gains on investments, net	93,709	59,898
Unrealized gains on investments, net	85,765	48,969
Equity in earnings of limited investment companies	16,474	21,128
Change in market value of derivative instruments	40,514	349
Gain on redemption of derivative instrument	8,338	—
Excess of fair value of net assets acquired over consideration paid for HRH	101,522	—
Other	(2,947)	(6,676)
Nonoperating gains, net	$ 390,034	167,572

(16) Other Operating Expenses

Other operating expenses are summarized as follows

	2013	2012
Supplies	$ 581,220	544,685
Professional fees	191,484	166,671
Purchased and contracted services	165,514	152,942
Repairs and maintenance	108,637	96,761
Rent	59,614	53,136
Insurance	18,576	16,917
Marketing	33,918	32,563
Utilities	36,732	34,029
Other	27,147	23,224
Other operating expenses	$ 1,222,842	1,120,928

Schedule 1

SENTARA HEALTHCARE AND SUBSIDIARIES

Consolidating Schedule – Balance Sheet Information

December 31, 2013

(In thousands)

Assets	Sentara Healthcare Corporate	Sentara Hospitals	Sentara Enterprises	Sentara Life Care Corporation	Optima Health Plan	Sentara Holdings, Inc.	Sentara Medical Group	Eliminations	Consolidated
Current assets									
Cash and cash equivalents	$ 559,514	227,987	261	457	110,962	26,216	10,973	—	936,370
Receivables, net	15,000	381,720	20,112	10,066	64,414	(3,005)	15,186	(57,631)	445,862
Receivables from affiliated organizations	69,786	15,895	532	—	1	6,351	2,704	(95,269)	—
Investments and assets whose use is limited	219,100	—	—	—	11,432	—	—	—	230,532
Inventories	—	56,361	1,067	1,005	—	—	—	—	58,433
Prepaid expenses and other current assets	4,055	27,936	114	90	37	3,443	2,003	—	37,678
Total current assets	867,455	709,899	22,086	11,618	186,846	33,005	30,866	(152,900)	1,708,875
Notes receivable from affiliated organizations	620,494	—	—	—	—	—	—	(620,494)	—
Investments and assets whose use is limited	1,686,359	427,198	—	—	157,860	35,107	—	—	2,306,524
Property, plant, and equipment, net	166,385	1,461,383	18,457	25,381	1,970	1,681	16,759	(470)	1,691,546
Land held for future use, at cost	4,720	17,581	—	—	—	598	—	—	22,899
Other assets, net	39,057	74,135	3,505	577	—	5,659	1,702	—	124,635
Total assets	$ 3,384,470	2,690,196	44,048	37,576	346,676	76,050	49,327	(773,864)	5,854,479
Liabilities and Net Assets									
Current liabilities									
Accounts payable and accrued expenses	$ 28,435	79,959	1,930	729	—	1,195	2,694	(1)	114,941
Employee compensation and benefits	150,236	38,201	1,585	—	—	8,140	—	—	198,162
Medical claims accrued and payable	—	—	—	1,352	124,784	16,439	—	(50,122)	92,453
Current installments of long-term debt	14,499	10,394	—	—	—	34	—	(4,380)	20,547
Long-term debt subject to current remarketing provisions	219,100	—	—	—	—	—	—	—	219,100
Payables to affiliated organizations	5,378	80,200	136	225	5,613	1,332	2,385	(95,269)	—
Estimated third-party payor settlements	—	3,822	429	1,663	—	—	—	—	5,914
Other current liabilities	40,751	74,007	2,186	1,017	5,945	9,359	2,971	(3,128)	133,108
Total current liabilities	458,399	286,583	6,266	4,986	136,342	36,499	8,050	(152,900)	784,225
Long-term debt, excluding current installments	1,082,134	184,588	—	—	—	182	—	(146,659)	1,120,245
Retirement obligations	73,714	21,804	—	—	—	—	—	—	95,518
Other long-term liabilities	146,739	103,716	4,681	1,970	8,934	—	5,187	—	271,227
Payables to affiliated organizations	—	473,835	—	—	—	—	—	(473,835)	—
Total liabilities	1,760,986	1,070,526	10,947	6,956	145,276	36,681	13,237	(773,394)	2,271,215
Net assets									
Unrestricted	1,621,259	1,508,501	32,940	30,602	201,400	39,350	36,053	(470)	3,469,635
Temporarily restricted	2,225	61,830	161	8	—	19	37	—	64,280
Permanently restricted	—	18,987	—	10	—	—	—	—	18,997
Total net assets attributable to Sentara Healthcare	1,623,484	1,589,318	33,101	30,620	201,400	39,369	36,090	(470)	3,552,912
Noncontrolling interest	—	30,352	—	—	—	—	—	—	30,352
Total net assets	1,623,484	1,619,670	33,101	30,620	201,400	39,369	36,090	(470)	3,583,264
Total liabilities and net assets	$ 3,384,470	2,690,196	44,048	37,576	346,676	76,050	49,327	(773,864)	5,854,479

See accompanying independent auditors' report

Schedule 2

SENTARA HOSPITALS

Consolidating Schedule – Balance Sheet Information

December 31, 2013

(In thousands)

Assets	Sentara Norfolk General Hospital	Sentara Leigh Hospital	Sentara Bayside Hospital	Sentara CarePlex Hospital	Sentara Virginia Beach General Hospital	Sentara Williamsburg Regional Medical Center	Sentara Obici Hospital	Sentara Princess Anne Hospital	Sentara Northern Virginia Medical Center	Rockingham Memorial Hospital	Martha Jefferson Hospital	Halifax Regional Health System	Eliminations	Total
Current assets														
Cash and cash equivalents (bank overdraft)	$ 136	(383)	(2)	(308)	(368)	(212)	(232)	66,027	18,697	50,709	83,551	10,372	—	227,987
Receivables, net	96,522	28,803	—	24,379	32,795	15,525	17,605	24,132	25,192	42,101	25,951	9,641	—	342,646
Other receivables	10,156	2,247	72	1,866	1,586	638	2,032	4,081	2,518	6,293	6,648	937	—	39,074
Receivables from affiliated organizations	1,665	877	—	785	910	563	2,137	8,300	658	—	—	—	—	15,895
Inventories	16,282	3,885	1	4,784	6,537	2,837	3,598	3,331	4,314	4,962	2,952	2,878	—	56,361
Prepaid expenses and other current assets	8,610	219	32	299	451	138	88	253	691	5,053	9,036	3,066	—	27,936
Total current assets	133,371	35,648	103	31,805	41,911	19,489	25,228	106,124	52,070	109,118	128,138	26,894	—	709,899
Investments	1,478	—	—	—	123	—	161	—	—	216,188	157,126	52,122	—	427,198
Property, plant, and equipment, net	193,168	142,508	—	103,615	73,019	125,847	95,743	169,908	145,560	145,015	185,038	86,849	(4,887)	1,461,383
Land held for future use, at cost	2,657	—	—	—	2,491	819	—	—	8,952	—	399	2,263	—	17,581
Other assets, net	3,452	9	—	3,065	6,670	12,298	12,469	—	11,689	11,373	7,762	5,348	—	74,135
Total assets	$ 334,126	178,165	103	138,485	124,214	158,453	133,601	276,032	218,271	481,694	478,463	173,476	(4,887)	2,690,196
Liabilities and Net Assets														
Current liabilities														
Accounts payable and accrued expenses	$ 16,759	5,814	51	5,725	5,410	3,912	3,887	2,539	4,618	8,884	14,145	8,215	—	79,959
Employee compensation and benefits	—	—	—	—	—	—	—	—	—	17,205	15,564	5,432	—	38,201
Current installments of long-term debt	—	110	—	—	3,085	—	1,333	4,380	—	—	437	1,049	—	10,394
Payables to affiliated organizations	2,343	1,727	—	1,256	886	1,524	2,340	12,074	936	4,881	52,081	152	—	80,200
Estimated third-party payor settlements	124	138	—	212	12	74	209	—	—	853	2,191	9	—	3,822
Other current liabilities	20,249	2,296	131	1,972	8,291	1,173	2,212	4,828	6,582	7,719	11,215	7,339	—	74,007
Total current liabilities	39,475	10,085	182	9,165	17,684	6,683	9,981	23,821	12,136	39,542	95,633	22,196	—	286,583
Long-term debt, excluding current installments	—	—	—	—	14,015	—	3,999	146,660	—	—	228	19,686	—	184,588
Retirement obligations	—	—	—	—	—	—	—	—	—	19,650	(3,729)	5,883	—	21,804
Other long-term liabilities	16,763	6,946	2,077	5,915	6,599	3,854	4,920	4,379	8,891	30,711	12,661	—	—	103,716
Payables to (from) affiliated organizations	(125,749)	(111,860)	(80,680)	56,444	26,826	113,512	50,821	—	—	257,917	215,918	—	70,686	473,835
Total liabilities	(69,511)	(94,829)	(78,421)	71,524	65,124	124,049	69,721	174,860	21,027	347,820	320,711	47,765	70,686	1,070,526
Net assets														
Unrestricted	398,952	272,944	78,524	66,515	58,772	34,133	62,606	70,811	195,151	100,869	120,255	124,542	(75,573)	1,508,501
Temporarily restricted	2,694	50	—	446	318	271	1,232	9	1,426	17,881	36,334	1,169	—	61,830
Permanently restricted	1,991	—	—	—	—	—	42	—	667	15,124	1,163	—	—	18,987
Total net assets attributable to Sentara Healthcare	403,637	272,994	78,524	66,961	59,090	34,404	63,880	70,820	197,244	133,874	157,752	125,711	(75,573)	1,589,318
Noncontrolling interest	—	—	—	—	—	—	—	30,352	—	—	—	—	—	30,352
Total net assets	403,637	272,994	78,524	66,961	59,090	34,404	63,880	101,172	197,244	133,874	157,752	125,711	(75,573)	1,619,670
Total liabilities and net assets	$ 334,126	178,165	103	138,485	124,214	158,453	133,601	276,032	218,271	481,694	478,463	173,476	(4,887)	2,690,196

See accompanying independent auditors' report.

Schedule 3

SENTARA HOLDINGS, INC.

Consolidating Schedule – Balance Sheet Information

December 31, 2013

(In thousands)

Assets	Sentara Holdings, Inc.	Sentara Health Plans, Inc.	Optima Behavioral Health Services	Optima Health Group	Optima Health Insurance Company	Sentara Ventures, Inc.	Obici Professional Center and Subsidiary	Eliminations	Total
Current assets									
Cash and cash equivalents	$ 5	21,184	2,110	2,095	822	—	—	—	26,216
Receivables, net	17	(4,087)	56	—	(416)	1,424	1	—	(3,005)
Receivables from affiliated organizations	967	11,246	89	(1)	62	3,344	2,041	(11,397)	6,351
Prepaid expenses and other current assets	—	1,344	2,015	—	—	84	—	—	3,443
Total current assets	989	29,687	4,270	2,094	468	4,852	2,042	(11,397)	33,005
Investments	—	—	—	433	34,674	—	—	—	35,107
Property, plant, and equipment, net	—	1,257	—	—	212	212	—	—	1,681
Land held for future use, at cost	—	—	—	—	—	598	—	—	598
Other assets, net	—	20,144	16	4	—	5,639	—	(20,144)	5,659
Total assets	$ 989	51,088	4,286	2,531	35,354	11,301	2,042	(31,541)	76,050
Liabilities and Net Assets									
Current liabilities									
Accounts payable and accrued expenses	$ (2)	570	88	—	2	537	—	—	1,195
Employee compensation and benefits	—	8,140	—	—	—	—	—	—	8,140
Medical claims accrued and payable	—	—	4,890	—	11,549	—	—	—	16,439
Current installments of long-term debt	—	—	—	—	—	—	34	—	34
Payables to (from) affiliated organizations	1,410	1,995	1,407	—	2,592	3,573	1,752	(11,397)	1,332
Deferred revenue	—	—	22	—	1,066	—	—	—	1,088
Other current liabilities	—	5,377	1	—	410	2,483	—	—	8,271
Total current liabilities	1,408	16,082	6,408	—	15,619	6,593	1,786	(11,397)	36,499
Long-term debt, excluding current installments	—	—	—	—	—	—	182	—	182
Total liabilities	1,408	16,082	6,408	—	15,619	6,593	1,968	(11,397)	36,681
Net assets									
Unrestricted	(419)	34,987	(2,122)	2,531	19,735	4,708	74	(20,144)	39,350
Temporarily restricted	—	19	—	—	—	—	—	—	19
Total net assets	(419)	35,006	(2,122)	2,531	19,735	4,708	74	(20,144)	39,369
Total liabilities and net assets	$ 989	51,088	4,286	2,531	35,354	11,301	2,042	(31,541)	76,050

See accompanying independent auditors' report

Schedule 4

SENTARA HEALTHCARE AND SUBSIDIARIES

Consolidating Schedule – Operations Information

Year ended December 31, 2013

(In thousands)

	Sentara Healthcare Corporate	Sentara Hospitals	Sentara Enterprises	Sentara Life Care Corporation	Optima Health Plan	Sentara Holdings, Inc.	Sentara Medical Group	Eliminations	Consolidated
Operating revenues, gains, and other support									
Net patient service revenue	$ —	2,951,691	134,284	72,953	—	—	224,170	(397,888)	2,985,210
Provision for bad debts, net	1	(234,500)	(2,018)	(1,188)	(290)	(104)	(10,949)	—	(249,048)
Net patient service revenue less provision for bad debts	1	2,717,191	132,266	71,765	(290)	(104)	213,221	(397,888)	2,736,162
Premium and capitation revenue	1,297	4,358	—	16,790	1,302,392	145,241	5,457	(34,686)	1,440,849
Other operating revenue	27,755	69,273	3,215	576	965	39,900	8,511	(33,944)	116,251
Net assets released from restrictions	351	5,038	55	11	—	—	9	—	5,464
Total operating revenues, gains, and other support	29,404	2,795,860	135,536	89,142	1,303,067	185,037	227,198	(466,518)	4,298,726
Operating costs and expenses									
Salaries and wages	55,227	1,025,848	63,807	38,978	32,770	16,476	177,637	—	1,410,743
Benefits	13,501	265,953	17,705	9,249	8,742	4,481	31,403	(6,638)	344,396
Medical claims expense	—	—	—	4,805	1,167,224	134,349	—	(423,788)	882,590
Other operating expenses	50,317	1,052,987	37,950	26,078	46,879	28,790	8,335	(28,494)	1,222,842
Interest expense	11,322	38,188	—	—	378	194	—	(7,598)	42,484
Depreciation and amortization	8,006	155,008	3,999	2,711	687	307	3,173	—	173,891
Sentara Healthcare services	(68,994)	36,381	8,543	5,272	—	12,148	6,650	—	—
Total operating costs and expenses	69,379	2,574,365	132,004	87,093	1,256,680	196,745	227,198	(466,518)	4,076,946
Net operating income (loss)	(39,975)	221,495	3,532	2,049	46,387	(11,708)	—	—	221,780
Nonoperating gains, net	336,036	48,836	873	—	3,386	903	—	—	390,034
Excess of revenues over expenses before noncontrolling interest	296,061	270,331	4,405	2,049	49,773	(10,805)	—	—	611,814
Noncontrolling interest	—	(5,402)	—	—	—	—	—	—	(5,402)
Excess of revenues over expenses attributable to Sentara Healthcare	$ 296,061	264,929	4,405	2,049	49,773	(10,805)	—	—	606,412

See accompanying independent auditors' report

Schedule 5

SENTARA HOSPITALS

Consolidating Schedule – Operations Information

Year ended December 31, 2013

(In thousands)

	Sentara Norfolk General Hospital	Sentara Leigh Hospital	Sentara Bayside Hospital	Sentara CarePlex Hospital	Sentara Virginia Beach General Hospital	Sentara Williamsburg Regional Medical Center	Sentara Obici Hospital	Sentara Hospitals Corporate	Sentara Princess Anne Hospital	Sentara Northern Virginia Medical Center	Rockingham Memorial Hospital	Martha Jefferson Hospital	Halifax Regional Health System	Eliminations	Total
Operating revenues, gains, and other support															
Net patient service revenue	$ 721,658	282,948	833	239,274	280,205	154,105	174,423	—	213,204	231,664	347,710	244,346	61,321	—	2,951,691
Provision for bad debt, net	(58,400)	(21,818)	(257)	(27,221)	(28,563)	(11,722)	(15,077)	—	(19,800)	(26,630)	(9,207)	(9,449)	(6,356)	—	(234,500)
Net patient service revenue less provision for bad debts	663,258	261,130	576	212,053	251 642	142,383	159 346	—	193 404	205,034	338 503	234,897	54 965	—	2,717 191
Premium and capitation revenue	3,501	71	—	55	79	20	39	—	54	—	75	464	—	—	4,358
Other operating revenue	15 992	2,599	126	4,838	5 063	3,300	4 739	13,957	4 199	3,951	13 105	8,109	1 899	(12 604)	69,273
Net assets released from restrictions	1,525	21	—	49	58	21	337	—	—	727	395	1,905	—	—	5,038
Total operating revenues, gains, and other support	684,276	263,821	702	216,995	256,842	145,724	164,461	13,957	197,657	209,712	352,078	245,375	56,864	(12,604)	2,795,860
Operating costs and expenses															
Salaries and wages	173,763	72,157	—	64,010	76,918	44,521	52,078	133,878	59,690	76,934	141,154	104,334	26,411	—	1,025,848
Benefits	47 015	20,298	1	17,579	21 449	11,973	14 153	36,113	16 917	15,534	35 325	22,273	7 323	—	265 953
Other operating expenses	292,168	85,514	61	76,210	84,039	49,310	57,744	29,055	60,077	71,320	135,550	90,105	21,834	—	1,052,987
Interest expense	3 306	1,088	—	378	2 158	3,016	1 387	—	7 598	1,780	10 761	6,212	504	—	38 188
Depreciation and amortization	25,997	9,965	—	11,364	11,004	9,944	10,982	20,354	12,679	14,178	13,303	12,561	3,137	(460)	155,008
Sentara Healthcare services	76,298	34,913	—	31,848	36,699	21,508	23,378	(218,399)	22,946	7,190	—	—	—	—	36,381
Total operating costs and expenses	618,547	223,935	62	201,389	232,267	140,272	159,722	1,001	179,907	186,936	336,093	235,485	59,209	(460)	2,574,365
Net operating income	65,729	39,886	640	15,606	24,575	5,452	4,739	12 956	17,750	22 776	15,985	9 890	(2 345)	(12,144)	221,495
Nonoperating gains, net	(27)	2	—	—	318	1	543	(41)	257	3	21,361	23,940	2,479	—	48,836
Excess of revenues over expenses before noncontrolling interest	65 702	39,888	640	15,606	24 893	5,453	5,282	12,915	18 007	22,779	37 346	33,830	134	(12 144)	270 331
Noncontrolling interest	—	—	—	—	—	—	—	—	(5,402)	—	—	—	—	—	(5,402)
Excess of revenues over expenses attributable to Sentara Healthcare	$ 65,702	39,888	640	15,606	24,893	5,453	5,282	12,915	12,605	22,779	37,346	33,830	134	(12,144)	264,929

See accompanying independent auditors' report.

Schedule 6

SENTARA ENTERPRISES
Consolidating Schedule – Operations Information

Year ended December 31, 2013

(In thousands)

	Home Care Services	DME	Medical Transport, LLC	Divisional Support	Eliminations	Total
Operating revenues, gains, and other support:						
Net patient service revenue	$ 85,520	15,269	33,695	241	(441)	134,284
Provision for bad debts, net	(195)	(720)	(1,079)	(24)	—	(2,018)
Net patient service revenue less provision for bad debts	85,325	14,549	32,616	217	(441)	132,266
Other operating revenue	325	79	1,350	1,085	376	3,215
Net assets released from restrictions	—	—	—	55	—	55
Total operating revenues, gains, and other support	85,650	14,628	33,966	1,357	(65)	135,536
Operating costs and expenses:						
Salaries and wages	41,456	3,283	18,035	1,033	—	63,807
Benefits	11,037	879	5,529	260	—	17,705
Other operating expenses	24,492	8,590	5,793	(68)	(857)	37,950
Interest expense	—	—	—	378	(378)	—
Depreciation and amortization	865	1,569	960	605	—	3,999
Sentara Healthcare services	—	—	—	8,543	—	8,543
Total operating costs and expenses	77,850	14,321	30,317	10,751	(1,235)	132,004
Net operating income (loss)	7,800	307	3,649	(9,394)	1,170	3,532
Nonoperating gains	—	—	—	1,251	(378)	873
Excess (deficiency) of revenues over expenses	$ 7,800	307	3,649	(8,143)	792	4,405

See accompanying independent auditors' report.

SENTARA LIFE CARE CORPORATION

Consolidating Schedule – Operations Information

Year ended December 31, 2013

(In thousands)

	Sentara Life Care Administration	Sentara Nursing Center Chesapeake	Sentara Nursing Center Norfolk	Sentara Nursing Center Portsmouth	Sentara Nursing Center Currituck	Sentara Nursing Center Hampton	Sentara Nursing Center Virginia Beach	Sentara Windermere
Operating revenues, gains, and other support								
Net patient service revenue (expense)	$ 25	7,621	15,328	7,840	6,289	8,076	9,694	8,266
Provision for bad debt, net	14	(155)	(273)	(108)	(72)	(194)	(231)	(57)
Net patient service revenue less provision for bad debts	39	7,466	15,055	7,732	6,217	7,882	9,463	8,209
Premium and capitation revenue	—	—	—	—	—	—	—	—
Other operating revenue	1	5	77	124	4	3	151	14
Net assets released from restrictions	—	—	—	—	—	—	—	—
Total operating revenues, gains, and other support	40	7,471	15,132	7,856	6,221	7,885	9,614	8,223
Operating costs and expenses								
Salaries and wages	33	4,101	7,837	4,123	3,462	3,908	4,879	4,097
Benefits	6	863	1,866	966	821	842	1,122	987
Medical claims expense	—	—	—	—	—	—	—	—
Other operating expenses	511	1,574	4,180	1,858	1,963	2,276	2,975	2,242
Depreciation and amortization	51	211	321	190	205	279	250	279
Sentara Healthcare services	—	408	795	453	369	409	532	424
Total operating costs and expenses	601	7,157	14,999	7,590	6,820	7,714	9,758	8,029
Net operating income (loss)	(561)	314	133	266	(599)	171	(144)	194
Excess (deficiency) of revenues over expenses	$ (561)	314	133	266	(599)	171	(144)	194

(Continued)

Schedule 7

SENTARA LIFE CARE CORPORATION

Consolidating Schedule – Operations Information

Year ended December 31, 2013

(In thousands)

	Sentara Village Chesapeake	Sentara Village Norfolk	Sentara Village Virginia Beach	Sentara Senior Community Care I	Sentara Senior Community Care II	Pharmacy Rx	Eliminations	Total
Operating revenues, gains, and other support								
Net patient service revenue (expense)	$ 2,588	2,602	2,384	(282)	(72)	11,827	(9,233)	72,953
Provision for bad debt, net	(21)	(56)	(7)	(19)	(1)	(8)	—	(1,188)
Net patient service revenue less provision for bad debts	2,567	2,546	2,377	(301)	(73)	11,819	(9,233)	71,765
Premium and capitation revenue	—	—	—	12,076	4,714	—	—	16,790
Other operating revenue	5	104	76	—	11	1	—	576
Net assets released from restrictions	—	8	3	—	—	—	—	11
Total operating revenues, gains, and other support	2,572	2,658	2,456	11,775	4,652	11,820	(9,233)	89,142
Operating costs and expenses								
Salaries and wages	1,177	1,249	1,214	1,768	1,121	9	—	38,978
Benefits	334	378	343	462	256	3	—	9,249
Medical claims expense	—	—	—	5,517	2,771	—	(3,483)	4,805
Other operating expenses	690	722	559	1,406	888	9,985	(5,751)	26,078
Depreciation and amortization	259	185	204	79	149	49	—	2,711
Sentara Healthcare services	146	140	141	479	363	613	—	5,272
Total operating costs and expenses	2,606	2,674	2,461	9,711	5,548	10,659	(9,234)	87,093
Net operating income (loss)	(34)	(16)	(5)	2,064	(896)	1,161	1	2,049
Excess (deficiency) of revenues over expenses	$ (34)	(16)	(5)	2,064	(896)	1,161	1	2,049

See accompanying independent auditors' report

Schedule 8

SENTARA HOLDINGS, INC.

Consolidating Schedule – Operations Information

Year ended December 31, 2013

(In thousands)

	Sentara Holdings, Inc.	Sentara Health Plans, Inc.	Optima Behavioral Health Services	Optima Health Insurance Company	Sentara Ventures, Inc.	Obici Professional Center and Subsidiary	Eliminations	Total
Operating revenues, gains, and other support								
Provision for bad debt, net	$ —	(13)	—	(91)	—	—	—	(104)
Net patient service revenue less provision for bad debts	—	(13)	—	(91)	—	—	—	(104)
Premium and capitation revenue (expense)	—	—	34,380	113,080	—	—	(2,219)	145,241
Other operating revenue	—	5,083	1,469	2,294	17,073	—	13,981	39,900
Total operating revenues, gains, and other support	—	5,070	35,849	115,283	17,073	—	11,762	185,037
Operating costs and expenses								
Salaries and wages	—	11,148	—	5,328	—	—	—	16,476
Benefits	—	3,486	—	995	—	—	—	4,481
Medical claims expense (income)	—	(992)	32,838	104,722	—	—	(2,219)	134,349
Other operating expense (income)	—	(2,582)	(597)	16,900	14,993	76	—	28,790
Interest expense	—	9	—	75	97	13	—	194
Depreciation and amortization	—	227	—	80	—	—	—	307
Sentara Healthcare services	—	6,525	5,623	—	—	—	—	12,148
Total operating costs and expenses	—	17,821	37,864	128,100	15,090	89	(2,219)	196,745
Net operating income (loss)	—	(12,751)	(2,015)	(12,817)	1,983	(89)	13,981	(11,708)
Nonoperating gains (losses)	—	50	(1)	854	—	—	—	903
Excess (deficiency) of revenues over expenses	$ —	(12,701)	(2,016)	(11,963)	1,983	(89)	13,981	(10,805)

See accompanying independent auditors' report

Schedule 9

SENTARA HEALTHCARE AND SUBSIDIARIES

Consolidating Schedule – Fully Allocated Overhead Operations Information

Year ended December 31, 2013

(In thousands)

	Sentara Healthcare Corporate	Sentara Hospitals	Sentara Enterprises	Sentara Life Care Corporation	Optima Health Plan	Sentara Holdings, Inc.	Sentara Medical Group	Eliminations	Consolidated
Operating revenues, gains, and other support									
Net patient service revenue	$ —	2,951,691	134,284	72,953	—	—	224,170	(397,888)	2,985,210
Provision for bad debt, net	1	(234,500)	(2,018)	(1,188)	(290)	(104)	(10,949)	—	(249,048)
Net patient service revenue less provision for bad debts	1	2,717,191	132,266	71,765	(290)	(104)	213,221	(397,888)	2,736,162
Premium and capitation revenue	1,297	4,358	—	16,790	1,302,392	145,241	5,457	(34,686)	1,440,849
Other operating revenue	27,755	69,273	3,215	576	965	39,900	8,511	(33,944)	116,251
Net assets released from restrictions	351	5,038	55	11	—	—	9	—	5,464
Total operating revenues, gains, and other support	29,404	2,795,860	135,536	89,142	1,303,067	185,037	227,198	(466,518)	4,298,726
Operating costs and expenses									
Salaries and wages	55,227	1,025,848	63,807	38,978	32,769	16,477	177,637	—	1,410,743
Benefits	13,501	265,953	17,705	9,249	8,743	4,480	31,403	(6,638)	344,396
Medical claims expense	—	—	—	4,805	1,167,224	134,349	—	(423,788)	882,590
Other operating expenses	50,317	1,052,987	37,950	26,078	46,878	28,791	8,335	(28,494)	1,222,842
Interest expense	11,322	38,188	—	—	378	194	—	(7,598)	42,484
Depreciation and amortization	8,006	155,008	3,999	2,711	687	307	3,173	—	173,891
Sentara Healthcare services	(108,968)	96,742	3,253	1,910	—	4,654	2,409	—	—
Total operating costs and expenses	29,405	2,634,726	126,714	83,731	1,256,679	189,252	222,957	(466,518)	4,076,946
Net operating income	(1)	161,134	8,822	5,411	46,388	(4,215)	4,241	—	221,780
Nonoperating gains, net	336,036	48,836	873	—	3,386	903	—	—	390,034
Excess of revenues over expenses before noncontrolling interest	336,035	209,970	9,695	5,411	49,774	(3,312)	4,241	—	611,814
Noncontrolling interest	—	(5,402)	—	—	—	—	—	—	(5,402)
Excess of revenues over expenses attributable to Sentara Healthcare	$ 336,035	204,568	9,695	5,411	49,774	(3,312)	4,241	—	606,412

See accompanying independent auditors' report

Schedule 10

SENTARA HOSPITALS

Consolidating Schedule – Fully Allocated Overhead Operations Information

Year ended December 31, 2013

(In thousands)

	Sentara Norfolk General Hospital	Sentara Leigh Hospital	Sentara Bayside Hospital	Sentara CarePlex Hospital	Sentara Virginia Beach General	Sentara Williamsburg Regional Medical Center	Sentara Obici Hospital	Sentara Princess Anne Hospital	Sentara Northern Virginia Hospital	Rockingham Memorial Hospital	Martha Jefferson Hospital	Halifax Regional Health System	Total
Operating revenues, gains, and other support													
Net patient service revenue	$ 721,658	282,948	833	239,274	280,205	154,105	174,423	213,204	231,664	347,710	244,346	61,321	2,951,691
Provision for bad debt, net	(58,400)	(21,818)	(257)	(27,221)	(28,563)	(11,722)	(15,077)	(19,800)	(26,630)	(9,207)	(9,449)	(6,356)	(234,500)
Net patient service revenue less provision for bad debts	663,258	261,130	576	212,053	251,642	142,383	159,346	193,404	205,034	338,503	234,897	54,965	2,717,191
Premium and capitation revenue	3,501	71	—	55	79	20	39	54	—	75	464	—	4,358
Other operating revenue	16,469	2,783	126	4,989	5,242	3,401	4,854	4,199	4,097	13,105	8,109	1,899	69,273
Net assets released from restrictions	1,525	21	—	49	58	21	337	—	727	395	1,905	—	5,038
Total operating revenues, gains, and other support	684,753	264,005	702	217,146	257,021	145,825	164,576	197,657	209,858	352,078	245,375	56,864	2,795,860
Operating costs and expenses													
Salaries and wages	220,731	89,161	5	79,302	94,554	55,172	64,206	59,690	91,128	141,154	104,334	26,411	1,025,848
Benefits	59,685	24,885	2	21,704	26,206	14,846	17,424	16,917	19,363	35,325	22,273	7,323	265,953
Other operating expenses	302,360	89,204	62	79,529	87,867	51,622	60,376	60,077	74,401	135,550	90,105	21,834	1,052,987
Interest expense	3,306	1,088	—	378	2,158	3,016	1,387	7,598	1,780	10,761	6,212	504	38,188
Depreciation and amortization	32,976	12,492	1	13,636	13,625	11,527	12,784	12,679	16,287	13,303	12,561	3,137	155,008
Sentara Healthcare services	31,766	14,510	—	13,359	15,332	9,005	9,751	—	3,019	—	—	—	96,742
Total operating costs and expenses	650,824	231,340	70	207,908	239,742	145,188	165,928	156,961	205,978	336,093	235,485	59,209	2,634,726
Net operating income	33,929	32,665	632	9,238	17,279	637	(1,352)	40,696	3,880	15,985	9,890	(2,345)	161,134
Nonoperating gains (losses), net	(50)	16	—	(7)	310	(4)	537	251	3	21,361	23,940	2,479	48,836
Excess of revenues over expenses before noncontrolling interest	33,879	32,681	632	9,231	17,589	633	(815)	40,947	3,883	37,346	33,830	134	209,970
Noncontrolling interest	—	—	—	—	—	—	—	(5,402)	—	—	—	—	(5,402)
Excess of revenues over expenses attributable to Sentara Healthcare	$ 33,879	32,681	632	9,231	17,589	633	(815)	35,545	3,883	37,346	33,830	134	204,568

See accompanying independent auditors' report