

EXTENSION GRANTED THROUGH 11/17/2014

OMB No 1545-0047

Form **990****Return of Organization Exempt From Income Tax**

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

2013Department of the Treasury
Internal Revenue Service

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990Open to Public
Inspection**A** For the 2013 calendar year, or tax year beginning

and ending

B Check if applicable**C** Name of organization**D** Employer identification numberPOTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

54-0853898

Doing Business As SENTARA NORTHERN VA MED CENTER

Number and street (or P.O. box if mail is not delivered to street address)

Room/suite

E Telephone number

757-455-7020

6015 POPLAR HALL DRIVE

G Gross receipts \$ 235,763,070.

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

NORFOLK, VA 23502

H(a) Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number**F** Name and address of principal officer **STEPHEN D. PORTER**
SAME AS C ABOVE**Tax-exempt status** ☒ 501(c)(3) ☐ 501(c)() (insert no.) ☐ 4947(a)(1) or ☐ 527**Website:** WWW.SENTARA.COM**Form of organization:** ☒ Corporation ☐ Trust ☐ Association ☐ Other**L** Year of formation: 1968 **M** State of legal domicile: VA**Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities	AS PART OF SENTARA HEALTHCARE'S INTEGRATED HEALTH CARE SYSTEM, WE IMPROVE HEALTH EVERY DAY.	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	8
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	4
	5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	1441
	6	Total number of volunteers (estimate if necessary)	6	301
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	3,468,094.	2,758,543.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 5)	216,622,151.	231,426,203.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-649,526.	3,033.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	-4,072,257.	710,215.
	13	Grants and similar amounts paid (Part IX, column (A), line 3)	215,368,462.	234,897,994.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	396,498.	1,148,440.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	82,952,744.	92,257,402.
	16b	Total fundraising expenses (Part IX, column (D), line 25)	0.	0.
Expenses	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	111,697,602.	119,852,512.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	195,046,844.	213,258,354.
	19	Revenue less expenses. Subtract line 18 from line 12	20,321,618.	21,639,640.
	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
Net Assets or Fund Balances	21	Total liabilities (Part X, line 26)	209,460,066.	216,803,786.
	22	Net assets or fund balances Subtract line 21 from line 20	19,120,917.	20,684,307.
	23	Net assets or fund balances. Subtract line 21 from line 20	190,339,149.	196,119,479.

Part II Signature Block

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

Sign Here	Signature of officer	Date			
	Robert A. Bruermann, Treasurer	9/15/17			
Paid	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN

Preparer'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

320001-10-20-13 LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2013)

OGDEN, UT

36109

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OF PRINCE WILLIAM

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Part III Statement of Program Service Accomplishments

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

☒ X

1 Briefly describe the organization's mission:

AS PART OF SENTARA HEALTHCARE'S INTEGRATED HEALTH CARE SYSTEM, WE
IMPROVE HEALTH EVERY DAY THROUGH THE OPERATION OF A HOSPITAL AND OTHER
HEALTH CARE FACILITIES IN PRINCE WILLIAM, SOUTHERN FAIRFAX, AND
NORTHERN STAFFORD COUNTIES, FOR THE CARE OF ALL PERSONS REGARDLESS OF

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 \$ 179,404,824. including grants of \$ 1,148,440.) (Revenue \$ 231,426,203.)

SENTARA NORTHERN VIRGINIA MEDICAL CENTER ("SNVMC") PROVIDES INPATIENT
AND OUTPATIENT MEDICAL SERVICES THROUGH THE OPERATION OF A 183-BED
TERTIARY AND ACUTE CARE HOSPITAL THAT SERVES THE INCREASINGLY DIVERSE
COMMUNITY IN PRINCE WILLIAM, SOUTHERN FAIRFAX, AND NORTHERN STAFFORD
COUNTIES. THE HOSPITAL PROVIDED 93,290 ADJUSTED PATIENT DAYS OF CARE
DURING 2013 AND OFFERS A WIDE RANGE OF MEDICAL SPECIALTIES, A HIGHLY
QUALIFIED MEDICAL AND CLINICAL STAFF, AND STATE-OF-THE-ART TECHNOLOGY
REQUIRED TO UPHOLD ITS MISSION. SNVMC ALSO OPERATES TWO OFF-SITE
OUTPATIENT CAMPUSES THAT OFFER 24-HOUR EMERGENCY CARE, DOCTORS'
OFFICES, AND QUALITY DIAGNOSTIC TESTING INCLUDING ADVANCED IMAGING AND
LAB SERVICES. SEE SCHEDULE O FOR ADDITIONAL INFORMATION.

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 179,404,824.

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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
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? <i>If "Yes," complete Schedule C, Part II</i>		X
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? <i>If "Yes," complete Schedule C, Part III</i>		X
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? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
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? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
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? <i>If "Yes," complete Schedule D, Part VI</i>	X	
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? <i>If "Yes," complete Schedule D, Part VII</i>		X
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? <i>If "Yes," complete Schedule D, Part VIII</i>		X
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? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
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? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
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? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
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? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
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? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i>	X	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions).		
28a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
35b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

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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.	107		
1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		X	
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.	1441		
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).		X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?			X
b If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O.			
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)?			X
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?			X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			
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?			X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			
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?			X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			X
d If "Yes," indicate the number of Forms 8282 filed during the year.	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			
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?			
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?			
b Did the organization make a distribution to a donor, donor advisor, or related person?			
10 Section 501(c)(7) organizations. Enter:			
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?			
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.			
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?			X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.			

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 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 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.	8	
b Enter the number of voting members included in line 1a, above, who are independent	4	
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 X	
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	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6 X	
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 X	
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 X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a X	
b Each committee with authority to act on behalf of the governing body?	8b X	
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	X

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	X
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 X	
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 X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b X	
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 X	
13 Did the organization have a written whistleblower policy?	13 X	
14 Did the organization have a written document retention and destruction policy?	14	X
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	X
b Other officers or key employees of the organization	15b	X
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 X	
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	X

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 Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 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: **CORPORATE OFFICERS - 757-455-7020**
6015 POPLAR HALL DRIVE, NORFOLK, VA 23502

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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, and 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 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) HOWARD P. KERN DIRECTOR/VICE CHAIR	1.00 51.20	X		X				0.	1,865,703.	853,243.
(2) DAVID L. BERND DIRECTOR	1.00 53.20	X						0.	3,601,597.	215,569.
(3) CARLOS CASTRO DIRECTOR	1.00 0.00	X						0.	0.	0.
(4) SAM HILL, ED. D. DIRECTOR	1.00 0.00	X						0.	0.	0.
(5) MARY BETH MICHOS DIRECTOR	1.00 0.00	X						0.	0.	0.
(6) MEGAN R. PERRY DIRECTOR/PRESIDENT (THRU 12/13)	2.00 40.00	X		X				0.	756,316.	130,043.
(7) CAROL S. SHAPIRO, M.D. DIRECTOR	1.00 0.00	X						0.	120,280.	28,934.
(8) R. MICHAEL SORENSEN DIRECTOR/CHAIRMAN	2.00 1.00	X		X				0.	0.	0.
(9) ROBERT A. BROERMANN TREASURER	1.00 51.00			X				0.	1,256,843.	161,559.
(10) KELA CASEY ASST SECRETARY	1.00 0.00			X				85,191.	0.	11,789.
(11) JEFFREY KING SECRETARY	1.00 46.00			X				0.	598,006.	77,049.
(12) NATHAN VANGENDEREN CFO/ASST TREASURER	40.00 0.00			X				0.	355,199.	30,175.
(13) VALERIE E. KEANE VP, OPERATIONS	40.00 0.00				X			200,151.	0.	-36,592.
(14) DORKA M. PICARD VP, INTEGRATED & FACILITY SERVICES	40.00 0.00				X			178,165.	0.	-6,492.
(15) MARLENE M. BOLSTER VP, OPERATIONS	40.00 0.00				X			152,543.	0.	5,232.
(16) DAVID SCHWARTZ VP, MEDICAL AFFAIRS VPMA	40.00 0.00					X		460,487.	0.	29,136.
(17) LINDA G. DODGE MID-LEVEL PRACTITIONER	40.00 0.00					X		215,369.	0.	44,259.

**POTOMAC HOSPITAL CORPORATION
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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 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) ROBIN ADAMS DIR, MARKET DEVELOPMENT	40.00 0.00					X		184,188.	0.	21,035.
(19) XING P. YUAN RNFA/ROBOTICS COORD	40.00 0.00					X		170,596.	0.	-23,740.
(20) ADEDAYO AKINBI DIR, PHARMACY	40.00 0.00					X		165,669.	0.	19,213.
(21) WENDY M. ATKINSON FORMER KE (SENIOR DIRECTOR)	40.00 0.00						X	149,604.	0.	-16,707.
1b Sub-total								1,961,963.	8,553,944.	1,543,705.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								1,961,963.	8,553,944.	1,543,705.

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 106

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

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
SODEXO, INC. & AFFILIATES PO BOX 536922, ATLANTA, GA 30353	FOOD & FACILITY MGMT	4,023,894.
VA HOSPITAL PRACTITIONERS LLC, 484 TEMPLE HILL ROAD, STE 102, NEW WINDSOR, NY 12553	PHYSICIAN GROUP	1,425,000.
DELPHI HEALTHCARE PARTNERS, INC. 170 SOUTHPORT DR, MORRISVILLE, NC 27560	PHYSICIAN GROUP	1,324,387.
MASTERPLAN, INC., 9582 TOPANGA CANYON RD, CHATSWORTH, CA 91311	MEDICAL SYS. SUPPORT	1,193,457.
PYRAMID HEALTHCARE SOLUTIONS, INC. PO BOX 17389, CLEARWATER, FL 33762	HC CONSULTANTS	1,178,019.

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 32

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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	1 a Federated campaigns	1a				
	b Membership dues	1b	1,360.			
	c Fundraising events	1c	10,660.			
	d Related organizations	1d				
	e Government grants (contributions)	1e	2,197,896.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	548,627.			
	g Noncash contributions included in lines 1a-1f \$					
	h Total. Add lines 1a-1f		2,758,543.			
	Program Service Revenue	2 a PATIENT SERVICE REV	Business Code 900099	230,697,975.	230,697,975.	
b OTHER PROGRAM SVC REV		900099	770,012.	770,012.		
c EQUITY IN EARN OF AFFIL		900099	-41,784.	-41,784.		
d						
e						
f All other program service revenue						
g Total. Add lines 2a-2f			231,426,203.			
Other Revenue		3 Investment income (including dividends, interest, and other similar amounts)		3,033.		
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real 1,371,094.				
	b Less: rental expenses	748,109.				
	c Rental income or (loss)	622,985.				
	d Net rental income or (loss)		622,985.			622,985.
	7 a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b Less: cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss)					
	8 a Gross income from fundraising events (not including \$ 10,660. of contributions reported on line 1c) See Part IV, line 18	a	54,792.			
	b Less: direct expenses	b	24,843.			
	c Net income or (loss) from fundraising events		29,949.			29,949.
	9 a Gross income from gaming activities See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
	10 a Gross sales of inventory, less returns and allowances	a	145,245.			
	b Less: cost of goods sold	b	92,124.			
	c Net income or (loss) from sales of inventory		53,121.			53,121.
Miscellaneous Revenue		Business Code				
11 a CAFETERIA/CAFE SALES	722210	4,160.			4,160.	
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		4,160.				
12 Total revenue. See instructions.		234,897,994.	231,426,203.	0.	713,248.	

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**POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM**

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Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	1,143,540.	1,143,540.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	4,900.	4,900.		
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	589,987.	471,990.	117,997.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	76,107,372.	60,885,898.	15,221,474.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	4,785,624.	3,828,499.	957,125.	
9 Other employee benefits	5,122,063.	4,097,650.	1,024,413.	
10 Payroll taxes	5,652,356.	4,521,885.	1,130,471.	
11 Fees for services (non-employees):				
a Management	6,249,914.	4,999,931.	1,249,983.	
b Legal	283,706.	226,965.	56,741.	
c Accounting				
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 Sch O.)	13,299,763.	12,908,020.	391,743.	
12 Advertising and promotion	969,392.	775,514.	193,878.	
13 Office expenses	8,993,717.	7,194,974.	1,798,743.	
14 Information technology	795,043.	636,034.	159,009.	
15 Royalties				
16 Occupancy	4,398,786.	3,519,029.	879,757.	
17 Travel	196,980.	157,584.	39,396.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	83,327.	66,662.	16,665.	
20 Interest	1,780,268.	1,780,268.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	14,178,191.	11,342,553.	2,835,638.	
23 Insurance	810,931.	648,745.	162,186.	
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	31,627,421.	31,627,421.		
b BAD DEBT	26,629,862.	26,629,862.		
c SENTARA SERVICE EXPENSE	7,134,086.		7,134,086.	
d PURCHASED SERVICES	897,647.	718,118.	179,529.	
e All other expenses	1,523,478.	1,218,782.	304,696.	
25 Total functional expenses. Add lines 1 through 24e	213,258,354.	179,404,824.	33,853,530.	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)

**POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM**

Form 990 (2013)

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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		1	
	2 Savings and temporary cash investments	15,124,307.	2	17,927,323.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	25,040,660.	4	27,787,418.
	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 instr). Complete Part II of Sch L	337,711.	6	382,489.
	7 Notes and loans receivable, net	744,540.	7	934,181.
	8 Inventories for sale or use	3,496,658.	8	4,201,391.
	9 Prepaid expenses and deferred charges	591,429.	9	686,917.
	10a Land, buildings, and equipment. cost or other basis. Complete Part VI of Schedule D	10a 310,305,395.		
	b Less: accumulated depreciation	10b 155,793,653.	10c	154,511,742.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	2,597,709.
	15 Other assets. See Part IV, line 11	9,112,789.	15	7,774,616.
16 Total assets. Add lines 1 through 15 (must equal line 34)	209,460,066.	16	216,803,786.	
Liabilities	17 Accounts payable and accrued expenses	4,498,756.	17	6,842,773.
	18 Grants payable		18	
	19 Deferred revenue	215,562.	19	161,671.
	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	14,406,599.	25	13,679,863.
	26 Total liabilities. Add lines 17 through 25	19,120,917.	26	20,684,307.
	Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
27 Unrestricted net assets		187,955,018.	27	194,026,259.
28 Temporarily restricted net assets		1,716,934.	28	1,426,023.
29 Permanently restricted net assets		667,197.	29	667,197.
Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
30 Capital stock or trust principal, or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 Total net assets or fund balances		190,339,149.	33	196,119,479.
34 Total liabilities and net assets/fund balances		209,460,066.	34	216,803,786.

Form 990 (2013)

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Form 990 (2013)

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Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	234,897,994.
2	Total expenses (must equal Part IX, column (A), line 25)	2	213,258,354.
3	Revenue less expenses. Subtract line 2 from line 1	3	21,639,640.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	190,339,149.
5	Net unrealized gains (losses) on investments	5	
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	-15,859,310.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	196,119,479.

Part XII Financial Statements and Reporting

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

	Yes	No
1 Accounting method used to prepare the Form 990. <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both. <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
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?		X
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		

Form 990 (2013)

SCHEDULE A
(Form 990 or 990-EZ)

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.

OMB No 1545-0047

2013

Open to Public
Inspection

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

Name of the organization **POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM**

Employer identification number
54-0853898

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?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s).

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

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2013

POTOMAC HOSPITAL CORPORATION

Schedule A (Form 990 or 990-EZ) 2013 OF PRINCE WILLIAM

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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 section 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 from 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 <input type="checkbox"/>		
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 <input type="checkbox"/>		
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 <input type="checkbox"/>		
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 <input type="checkbox"/>		
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 <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2013

POTOMAC HOSPITAL CORPORATION

Schedule A (Form 990 or 990-EZ) 2013 OF PRINCE WILLIAM

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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 section 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 ☐

Schedule A (Form 990 or 990-EZ) 2013 OF PRINCE WILLIAM

Part IV **Supplemental Information.** Provide the explanations required by Part II, line 10, Part II, line 17a or 17b; and Part III, line 12.

[illegible]

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.**

▶ **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 **POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM**

Employer identification number
54-0853898

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e g , recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

	Held at the End of the Tax 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	▶ \$ _____

**POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM**

Schedule D (Form 990) 2013

54-0853898 Page **2**

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

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply).
- a** ☐ Public exhibition **d** ☐ Loan or exchange programs
- b** ☐ Scholarly research **e** ☐ Other _____
- c** ☐ Preservation for future generations
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ **Yes** ☐ **No**

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

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ **Yes** ☐ **No**
- b** If "Yes," explain the arrangement in Part XIII and complete the following table
- | | Amount |
|---|--------|
| 1c Beginning balance | |
| 1d Additions during the year | |
| 1e Distributions during the year | |
| 1f Ending balance | |
- 2a** Did the organization include an amount on Form 990, Part X, line 21? ☐ **Yes** ☐ **No**
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,384,131.	3,679,757.	4,254,093.	1,200,358.	1,178,473.
b Contributions	685,717.	554,601.	1,262,740.	3,982,404.	5,000.
c Net investment earnings, gains, and losses				87,528.	17,385.
d Grants or scholarships	500.	1,000.	1,000.	12,500.	500.
e Other expenditures for facilities and programs	976,127.	1,849,227.	1,836,076.	1,003,697.	
f Administrative expenses					
g End of year balance	2,093,221.	2,384,131.	3,679,757.	4,254,093.	1,200,358.

- 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 ☒ 31.87 %
- c** Temporarily restricted endowment ☒ 68.13 %
- 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 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (ii) related organizations | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- b** If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? ☐
- 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	8,951,773.	2,437,851.		11,389,624.
b Buildings		159,735,522.	56,887,402.	102,848,120.
c Leasehold improvements				
d Equipment		123,648,500.	88,848,239.	34,800,261.
e Other		15,531,749.	10,058,012.	5,473,737.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c))				154,511,742.

Schedule D (Form 990) 2013

**POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM**

Schedule D (Form 990) 2013

54-0853898 Page **3**

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		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (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)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15)	

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO AFFILIATES	592,971.
(3) OTHER LIABILITIES	13,086,892.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25)	13,679,863.

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 ☐

Schedule D (Form 990) 2013

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule D (Form 990) 2013

54-0853898 Page 4

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.

PART V, LINE 4:

THE ENDOWMENT FUND IS FOR THE PRIMARY PURPOSE OF PROVIDING
SCHOLARSHIPS TO HIGH SCHOOL SENIORS PLANNING TO ENTER HEALTH CARE RELATED
FIELDS OF STUDY.

TEMPORARILY RESTRICTED CONTRIBUTIONS ARE TO SPECIFIC PURPOSE FUNDS OR
PLANT EXPANSION FUNDS. SPECIFIC PURPOSE FUNDS INCLUDE GENERAL BENEFIT
FUNDS SUCH AS MOBILE CLINIC OPERATIONS, MOBILE MAMMOVAN, EMS/EKG
TRANSMISSION. OTHER SPECIFIC PURPOSE FUNDS ARE FOR CANCER/ONCOLOGY, AND
CARDIAC. PLANT EXPANSION FUNDS INCLUDE FUNDS FOR GENERAL BUILDING.

SCH D, PART V, COLUMN D, LINE 1B

332054
09-25-13

Schedule D (Form 990) 2013

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule D (Form 990) 2013

54-0853898 Page 5

Part XIII Supplemental Information (continued)

POTOMAC HOSPITAL CORPORATION BECAME AFFILIATED WITH SENTARA HEALTHCARE ON
12/01/09. ADDITIONAL FUNDS OF \$3,843,863 WERE RECLASSIFIED AS ENDOWMENT
FUNDS AFTER THE AFFILIATION AND HAVE BEEN SHOWN AS CONTRIBUTIONS ON PART V
COLUMN (D) LINE 1B.

Department of the Treasury
Internal Revenue Service

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.

► 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

Employer identification number
54-0853898

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

- 2 a** 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?		(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
		Yes	No			
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

[illegible]

POTOMAC HOSPITAL CORPORATION

Schedule G (Form 990 or 990-EZ) 2013 OF PRINCE WILLIAM

54-0853898 Page 2

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.

Revenue		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))	
		GOLF TOURNAMENT	PECAN SALES	1		
		(event type)	(event type)	(total number)		
1	Gross receipts	53,309.	6,381.	5,762.	65,452.	
2	Less. Contributions	10,660.			10,660.	
3	Gross income (line 1 minus line 2)	42,649.	6,381.	5,762.	54,792.	
Direct Expenses	4	Cash prizes				
	5	Noncash prizes				
	6	Rent/facility costs				
	7	Food and beverages				
	8	Entertainment				
	9	Other direct expenses	19,674.	4,869.	300.	24,843.
	10	Direct expense summary. Add lines 4 through 9 in column (d)				24,843.
	11	Net income summary. Subtract line 10 from line 3, column (d)				29,949.

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			
	2	Cash prizes			
Direct Expenses	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No _____ %	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No _____ %	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> 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: _____

Schedule G (Form 990 or 990-EZ) 2013 OF PRINCE WILLIAM

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

<p>13 Indicate the percentage of gaming activity operated in:</p> <p>a The organization's facility</p> <p>b An outside facility</p>	<p>13a</p>	<p>%</p>
	<p>13b</p>	<p>%</p>

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 to be 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).

SCHEDULE H
(Form 990)

Hospitals

OMB No 1545-0047

2013

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

- ▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**
▶ **Attach to Form 990. ▶ See separate instructions.**
▶ **Information about Schedule H (Form 990) and its instructions is at www.irs.gov/form990.**

Name of the organization **POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM** Employer identification number
54-0853898

Part I Financial Assistance and Certain Other Community Benefits at Cost

- 1a** Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a
- b** If "Yes," was it a written policy?
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 _____ %
- b** Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:
☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☒ Other 600 %
- 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"?
- 5a** Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?
- b** If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?
- c** If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?
- 6a** Did the organization prepare a community benefit report during the tax year?
- b** If "Yes," did the organization make it available to the public?

	Yes	No
1a	X	
1b	X	
3a	X	
3b	X	
4	X	
5a	X	
5b	X	
5c		X
6a	X	
6b	X	

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

	(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
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			17,819,539.		17,819,539.	9.45%
b Medicaid (from Worksheet 3, column a)			27,379,634.	23,358,696.	4,020,938.	2.13%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			45,199,173.	23,358,696.	21,840,477.	11.58%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			515,801.		515,801.	.27%
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total. Other Benefits			515,801.		515,801.	.27%
k Total. Add lines 7d and 7j			45,714,974.	23,358,696.	22,356,278.	11.85%

Schedule H (Form 990) 2013

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

Part III	Bad Debt, Medicare, & Collection Practices
-----------------	---

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

~~332092~~
10-03-13

**POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM**

Schedule H (Form 990) 2013

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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 POTOMAC 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	X
If "Yes," indicate what the CHNA report describes (check all that apply).		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Section C)		
2 Indicate the tax year the hospital facility last conducted a CHNA: <u>20 13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	4	X
5 Did the hospital facility make its CHNA report widely available to the public?	5	X
If "Yes," indicate how the CHNA report was made widely available (check all that apply).		
a <input type="checkbox"/> Hospital facility's website (list url): _____		
b <input checked="" type="checkbox"/> Other website (list url): _____		
c <input checked="" type="checkbox"/> Available upon request from the hospital facility		
d <input checked="" type="checkbox"/> Other (describe in Section C)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Section C)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs	7	X
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	X
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? \$		

POTOMAC HOSPITAL CORPORATION

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Part V Facility Information (continued) POTOMAC HOSPITAL

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	X	
If "Yes," indicate the FPG family income limit for eligibility for free care <u>200</u> %			
If "No," explain in Section C the criteria the hospital facility used			
11	Used FPG to determine eligibility for providing discounted care?	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>600</u> %			
If "No," explain in Section C the criteria the hospital facility used			
12	Explained the basis for calculating amounts charged to patients?	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	<input checked="" type="checkbox"/> Income level		
b	<input checked="" type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Section C)		
13	Explained the method for applying for financial assistance?	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input type="checkbox"/> The policy was attached to billing invoices		
c	<input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available on request		
g	<input checked="" type="checkbox"/> Other (describe in Section C)		
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?	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

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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

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

X

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 Section C)

d

☐

Other (describe in Section C)

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 Section C)

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

X

If "Yes," explain in Section C.

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

X

If "Yes," explain in Section C

POTOMAC HOSPITAL CORPORATION
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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 LAKE RIDGE AMBULATORY CENTER

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

2

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply):	1	X
a <input type="checkbox"/> A definition of the community served by the hospital facility		
b <input type="checkbox"/> Demographics of the community		
c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input type="checkbox"/> How data was obtained		
e <input type="checkbox"/> The health needs of the community		
f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Section C)		
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>20</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	4	
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply):	5	
a <input type="checkbox"/> Hospital facility's website (list url): _____		
b <input type="checkbox"/> Other website (list url): _____		
c <input type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):		
a <input type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input type="checkbox"/> Execution of the implementation strategy		
c <input type="checkbox"/> Participation in the development of a community-wide plan		
d <input type="checkbox"/> Participation in the execution of a community-wide plan		
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input type="checkbox"/> Prioritization of health needs in its community		
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Section C)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs	7	
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	
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? \$		

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Part V Facility Information (continued) LAKE RIDGE AMBULATORY CENTER

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
If "No," explain in Section C the criteria the hospital facility used			
11	Used FPG to determine eligibility for providing discounted care?	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 600 %			
If "No," explain in Section C the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	<input checked="" type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Section C)		
13	Explained the method for applying for financial assistance?	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input type="checkbox"/> The policy was attached to billing invoices		
c	<input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available on request		
g	<input type="checkbox"/> Other (describe in Section C)		
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?	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP.		
a	<input checked="" type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	X	
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	<input checked="" type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

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Part V Facility Information (continued) LAKE RIDGE AMBULATORY CENTER

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

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?

	Yes	No
19		X

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 Section C)
- d ☒ Other (describe in Section C)

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 Section C)

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?

20		
21		X
22		X

If "Yes," explain in Section C

22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?

If "Yes," explain in Section C

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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.

POTOMAC HOSPITAL:

PART V, SECTION B, LINE 3: IN CONDUCTING THE COMMUNITY HEALTH NEEDS ASSESSMENTS (CHNAS), SENTARA NORTHERN VIRGINIA MEDICAL CENTER (SNVMC) 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 THROUGH: 1) SURVEYING KEY COMMUNITY STAKEHOLDERS BY USE OF AN ONLINE SURVEY TO IDENTIFY SIGNIFICANT HEALTH PROBLEMS AND SERVICE GAPS; 2) REVIEW OF ASSESSMENTS AND OTHER PLANNING DOCUMENTS PREPARED BY COMMUNITY ORGANIZATIONS SUCH AS THE LOCAL HEALTH DEPARTMENT; AND 3) DIRECT COMMUNICATION WITH COMMUNITY STAKEHOLDERS.

1) SNVMC CONVENED A CHNA STEERING COMMITTEE RESPONSIBLE FOR OVERSEEING THE ASSESSMENT, INCLUDING THE SURVEY. THE STEERING COMMITTEE INCLUDED REPRESENTATIVES OF THE PRINCE WILLIAM HEALTH DISTRICT, THE PRINCE WILLIAM AREA FREE CLINIC, THE GREATER PRINCE WILLIAM COMMUNITY HEALTH CENTER, AND SEVERAL OTHER HEALTH-RELATED ORGANIZATIONS. THE COMMITTEE WAS RESPONSIBLE FOR IDENTIFYING KEY STAKEHOLDERS TO RECEIVE THE SURVEY. THE SURVEY LIST WAS REVIEWED TO ENSURE BROAD REPRESENTATION, INCLUDING REPRESENTATIVES OF THE LOCAL HEALTH DEPARTMENTS, FREE CLINICS, FEDERALLY QUALIFIED COMMUNITY HEALTH CENTERS, COMMUNITY SERVICES BOARDS (MENTAL HEALTH AND SUBSTANCE ABUSE), SOCIAL SERVICES DEPARTMENTS, EDUCATIONAL INSTITUTIONS, PROVIDERS (MEDICAL, DENTAL, ETC.), BUSINESSES, VOLUNTARY HEALTH AGENCIES, AREA AGENCIES ON AGING, CIVIC LEAGUES, THE FAITH COMMUNITY AND OTHER HEALTH AND HUMAN SERVICES ORGANIZATIONS AND GROUPS. DURING THE SURVEY PROCESS, THE RESPONSE RATE WAS MONITORED AND FOLLOW UP WAS MADE TO ENSURE GOOD AND

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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

BROADLY REPRESENTATIVE PARTICIPATION.

2) THE STEERING COMMITTEE ALSO REVIEWED HEALTH-RELATED ASSESSMENTS AND PLANS DEVELOPED BY OTHER ORGANIZATIONS. EXAMPLES ARE THE GREATER PRINCE WILLIAM COMMUNITY NEEDS ASSESSMENT AND ASSESSMENTS CONDUCTED BY AND FOR THE POTOMAC HEALTH FOUNDATION. THE FINDINGS OF THESE REPORTS WERE TAKEN INTO ACCOUNT IN THE IDENTIFICATION OF SIGNIFICANT HEALTH ISSUES AND IN THE DEVELOPMENT OF THE HOSPITAL'S IMPLEMENTATION STRATEGIES.

3) DIRECT COMMUNICATION WITH COMMUNITY STAKEHOLDERS WAS ALSO AN IMPORTANT PART OF THE PROCESS. THIS OCCURRED WITH MEMBERS OF THE STEERING COMMITTEE AND OTHERS. STEERING COMMITTEE MEMBERS WERE INVALUABLE IN CONTRIBUTING TO THE UNDERSTANDING OF THE ASSESSMENT AND THE SHAPING OF THE IMPLEMENTATION STRATEGIES.

POTOMAC HOSPITAL:

PART V, SECTION B, LINE 5D: A COPY OF THE COMMUNITY HEALTH NEEDS ASSESSMENT IS AVAILABLE AT THE HOSPITAL FACILITY. IN ADDITION, COPIES OF THE ASSESSMENT HAVE BEEN PROVIDED TO OTHER ORGANIZATIONS.

THE DIRECT URL ADDRESS FOR THE COMMUNITY HEALTH NEEDS ASSESSMENT IS:
[HTTP://WWW.SENTARA.COM/NORTHERN-VIRGINIA/LOCATIONS/SENTARA-NORTHERN-VIRGINIA-MEDICAL-CENTER/DOCUMENTS/SENTARA%20NORTHERN%20VIRGINIA%20COMPLETE%20CHNA%202013%20FINAL.PDF](http://www.sentara.com/northern-virginia/locations/sentara-northern-virginia-medical-center/documents/sentara%20northern%20virginia%20complete%20chna%202013%20final.pdf)

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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.

POTOMAC HOSPITAL:

PART V, SECTION B, LINE 7: THE SNVMC COMMUNITY HEALTH NEEDS ASSESSMENT IDENTIFIED NUMEROUS HEALTH ISSUES. DURING THE CHNA PROCESS, THE HOSPITAL UNDERWENT A PRIORITIZATION PROCESS TO IDENTIFY THE SIGNIFICANT HEALTH NEEDS FOR WHICH IMPLEMENTATION STRATEGIES SHOULD BE ADDRESSED. THE PROCESS CONSIDERED FACTORS SUCH AS SIZE AND SCOPE OF THE HEALTH PROBLEM, THE INTENSITY AND SEVERITY OF THE ISSUE, THE POTENTIAL TO EFFECTIVELY ADDRESS THE PROBLEM AND THE AVAILABILITY OF COMMUNITY RESOURCES, AND SENTARA'S MISSION "TO IMPROVE HEALTH EVERYDAY". IN OTHER WORDS, SOME OF THE AREA NEEDS WHICH ARE NOT SPECIFICALLY ADDRESSED IN THE IMPLEMENTATION STRATEGY WERE IDENTIFIED AS LOWER PRIORITY BECAUSE THEY DID NOT RANK HIGH WITH THE PRIORITIZATION FACTORS.

POTOMAC HOSPITAL:

PART V, SECTION B, LINE 14G: BROCHURES DESCRIBING THE FACILITY'S FINANCIAL ASSISTANCE PROGRAM WERE AVAILABLE IN THE EMERGENCY ROOM AND PATIENT REGISTRATION AREAS AND INCLUDED A CHARITY CARE APPLICATION AND CONTACT INFORMATION FOR RECEIVING ASSISTANCE. PATIENTS WHO PRESENTED AS SELF-INSURED WERE AUTOMATICALLY PROVIDED WITH THIS INFORMATION UPON REGISTRATION. POSTERS ADVERTISING THE FACILITY'S FINANCIAL ASSISTANCE POLICY WERE CONSPICUOUSLY DISPLAYED IN THE EMERGENCY ROOM AND PATIENT REGISTRATION AREAS. ALL LETTERS FOR PAYMENT INCLUDED A NOTIFICATION REGARDING THE FACILITY'S FINANCIAL ASSISTANCE POLICY ALONG WITH CONTACT INFORMATION FOR APPLYING FOR ASSISTANCE. A SUMMARY OF THE FACILITY'S FINANCIAL ASSISTANCE PROGRAMS WAS AVAILABLE ON THE PATIENT BILLING SECTION OF THE WEBSITE.

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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.

LAKE RIDGE AMBULATORY CENTER:

PART V, SECTION B, LINE 18E: AS ONLY PRE-ARRANGED PROCEDURES ARE PERFORMED AT THE FACILITY, UNINSURED INDIVIDUALS DESIRING TREATMENT HAD TO FIRST SPEAK WITH FACILITY PERSONNEL BEFORE BEING SCHEDULED FOR SURGERY, IN ORDER TO DISCUSS PAYMENT ARRANGEMENTS. FAP-ELIGIBILITY WAS DISCUSSED AT THIS TIME. INSURED INDIVIDUALS WITH BALANCES DUE WERE MADE AWARE OF THE FINANCIAL ASSISTANCE POLICY WHEN UNABLE TO PAY THEIR BILLS.

LAKE RIDGE AMBULATORY CENTER:

PART V, SECTION B, LINE 19D: THE FACILITY IS AN AMBULATORY SURGERY CENTER AND DOES NOT TREAT INDIVIDUALS REQUIRING EMERGENCY MEDICAL CARE. ONLY PRE-PLANNED PROCEDURES ARE PERFORMED AT THE FACILITY. SEE PART VI NARRATIVE ON THE ORGANIZATION'S AMBULATORY SURGERY CENTER FOR FURTHER INFORMATION.

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.

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 COST-TO-CHARGE RATIO, CALCULATED USING WORKSHEET 2, WAS
USED TO CALCULATE COSTS REPORTED IN THE TABLE.

PART I, LINE 7, COLUMN (F):

THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25(A),
BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN
THIS COLUMN IS \$ 26,629,862.

PART II, COMMUNITY BUILDING ACTIVITIES:

COALITION BUILDING - THE ORGANIZATION PARTICIPATED IN VARIOUS
COALITIONS ON COMMUNITY ISSUES.

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule H (Form 990)

54-0853898 Page 9

Part VI Supplemental Information (Continuation)

COMMUNITY HEALTH IMPROVEMENT ADVOCACY - THE ORGANIZATION PARTICIPATED IN
VARIOUS COMMUNITY COALITIONS ON ASTHMA AND ON BETTER HEALTH FOR THE
COMMUNITY.

WORKFORCE DEVELOPMENT - THE ORGANIZATION COLLABORATED WITH OTHER COMMUNITY
ORGANIZATIONS TO FUND RADIOLOGY PROGRAM GROWTH IN THE COMMUNITY.

PART III, LINE 4:

SEE PAGE 17 OF THE ATTACHED FINANCIAL STATEMENTS FOR THE
FOOTNOTE WHICH DISCUSSES BAD DEBT.

PART III, LINE 8:

WORKSHEET A IN THE INSTRUCTIONS WAS USED TO COMPUTE THE
AMOUNT REPORTED ON LINE 6.

PART III, LINE 9B:

UNDER THE ORGANIZATION'S WRITTEN DEBT COLLECTION POLICY, A
HOSPITAL FACILITY MUST TAKE REASONABLE EFFORTS TO DETERMINE A PATIENT'S
ELIGIBILITY FOR FINANCIAL ASSISTANCE PRIOR TO ENGAGING IN COLLECTION
EFFORTS AGAINST A PATIENT. SUCH EFFORTS INCLUDE NOTIFYING PATIENTS OF THE
FINANCIAL ASSISTANCE POLICY UPON ADMISSION AND PRIOR TO DISCHARGE;
PROVIDING ASSISTANCE IN THE APPLICATION PROCESS; ADVERTISING THE
AVAILABILITY OF FINANCIAL ASSISTANCE ON PATIENT STATEMENTS; FOLLOWING UP
WITH PATIENTS WHO HAVE SUBMITTED INCOMPLETE APPLICATIONS TO TRY AND OBTAIN
THE MISSING INFORMATION; AND INFORMING APPLICANTS REGARDING THEIR
ELIGIBILITY DETERMINATION. PRIOR TO TURNING THE ACCOUNTS OF UNRESPONSIVE
PATIENTS OVER TO COLLECTIONS, THE HOSPITAL FACILITY ALSO ATTEMPTS TO
QUALIFY AND WRITE OFF BALANCES UNDER THE FINANCIAL ASSISTANCE POLICY BASED

POTOMAC HOSPITAL CORPORATION
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Schedule H (Form 990)

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Part VI Supplemental Information (Continuation)

ON CREDIT REPORTING DATA THAT ASSISTS IN DETERMINING INCOME AND CREDIT WORTHINESS. WHEN THE CREDIT DATA SUGGESTS THAT A PATIENT'S INCOME IS AT OR BELOW THE 200% FEDERAL POVERTY GUIDELINES, THE ACCOUNT BALANCE IS WRITTEN-OFF TO PRESUMPTIVE CHARITY; AND ALL COLLECTIONS EFFORTS CEASE. IF THE CREDIT REPORTING DATA IS UNCLEAR ON AN UNRESPONSIVE PATIENT'S ELIGIBILITY FOR FINANCIAL ASSISTANCE, THE PATIENT'S ACCOUNT MAY BE MOVED TO BAD DEBT AND FURTHER COLLECTIONS ACTIONS TAKEN. IF AT ANY TIME DURING THE BAD DEBT COLLECTIONS PROCESS THE HOSPITAL FACILITY RECEIVES INFORMATION THAT THE PATIENT IS ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY, THE COLLECTION EFFORTS CEASE; AND THE ACCOUNT IS WRITTEN OFF TO CHARITY.

PART III, LINE 2

BAD DEBT EXPENSE IS REPORTED AT ESTABLISHED RATES IN ACCORDANCE WITH THE ORGANIZATION'S BOOKS AND RECORDS, NET OF ANY DISCOUNTS OR COLLECTIONS ON ACCOUNTS THAT WERE PREVIOUSLY WRITTEN-OFF. SEE ALSO THE FOOTNOTE ON PAGE 17 OF THE ATTACHED FINANCIAL STATEMENTS WHICH DISCUSSES BAD DEBT.

PART III, LINE 3

IN COMPUTING LINE 3, THE ORGANIZATION CONSERVATIVELY ESTIMATES THAT 30% OF BAD DEBT IS ATTRIBUTABLE TO PATIENTS WHO WOULD QUALIFY FOR CHARITY ASSISTANCE IF SUFFICIENT DATA WAS AVAILABLE. THIS ESTIMATE IS BASED ON CREDIT REPORTING DATA PURCHASED FROM EQUIFAX. THIS DATA PROVIDES CREDIT SCORE, INCOME PREDICTION DATA AND NUMEROUS LINES OF CREDIT AND ASSET DATA. FOR UNRESPONSIVE PATIENTS, THE ORGANIZATION USES THE ESTIMATED INCOME, MARITAL STATUS, ASSET INFORMATION AND CREDIT LINE DATA TO DETERMINE WHETHER THE PATIENT WOULD

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule H (Form 990)

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Part VI Supplemental Information (Continuation)

QUALIFY FOR CHARITY BASED ON A PROJECTED INCOME OF 200% OF THE FEDERAL POVERTY GUIDELINES WITH LITTLE TO NO ASSET DATA. THIS INFORMATION IS NOT ALL INCLUSIVE FOR ALL UNRESPONSIVE PATIENTS THAT COULD QUALIFY, AS DEPENDENT INFORMATION IS NOT READILY AVAILABLE.

PART VI, LINE 2:

THE ORGANIZATION ASSESSES THE HEALTH CARE NEEDS OF ITS COMMUNITIES THROUGH THESE MEANS:

-ANALYSIS OF AREA SOCIODEMOGRAPHIC, HEALTH STATUS, AND OTHER 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 HOSPITAL LEADERSHIP AND IS INCORPORATED INTO THE ORGANIZATION'S STRATEGIC PLANS.

-OBTAINING INPUT FROM KEY STAKEHOLDERS AND THE PUBLIC HEALTH COMMUNITY: IN ADDITION TO THE ANALYSIS OF SOCIODEMOGRAPHIC, HEALTH STATUS, AND OTHER DATA, ADDITIONAL INFORMATION IS OBTAINED AND ANALYZED. THIS INCLUDES INPUT FROM KEY STAKEHOLDERS INCLUDING THE LOCAL PUBLIC HEALTH COMMUNITY.

-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.

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule H (Form 990)

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Part VI Supplemental Information (Continuation)

-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
ORGANIZATIONS 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 PROVIDERS IS SOUGHT AND
CYCLED INTO THE ASSESSMENT PHASE OF PROJECTS.

PART VI, LINE 3:

FINANCIAL ASSISTANCE BROCHURES AND OTHER INFORMATION ARE
POSTED AT EACH POINT OF SERVICE. A TOLL-FREE NUMBER IS GIVEN TO PATIENTS
TO REACH CUSTOMER SERVICE REPRESENTATIVES DURING THE BUSINESS DAY FOR
QUESTIONS OR CONCERNS. FINANCIAL ASSISTANCE PROGRAMS ARE ALSO PUBLISHED ON
THE ORGANIZATION'S WEBSITE AND INCLUDED ON THE STATEMENTS PROVIDED TO
PATIENTS. THE ORGANIZATION EMPLOYS FINANCIAL COUNSELORS WHO ARE AVAILABLE
TO HELP PATIENTS COMPLETE APPLICATIONS FOR MEDICAID OR OTHER GOVERNMENT
PAYMENT ASSISTANCE PROGRAMS, OR APPLY FOR CARE UNDER THE ORGANIZATION'S
FINANCIAL ASSISTANCE POLICY, IF APPLICABLE. THE ORGANIZATION ALSO EMPLOYS
AN EXTERNAL FIRM TO ASSIST IN THE ELIGIBILITY PROCESS.

PART VI, LINE 4:

THE ORGANIZATION'S SERVICE AREA INCLUDES THE FOLLOWING AREAS
OF PRINCE WILLIAM, STAFFORD, AND FAIRFAX COUNTIES IN NORTHERN VIRGINIA:
WOODBIDGE, DUMFRIES, STAFFORD, TRIANGLE, QUANTICO, MANASSAS, AND LORTON.

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule H (Form 990)

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Part VI Supplemental Information (Continuation)

THE 2014 POPULATION OF THE ORGANIZATION'S SERVICE AREA IS 394,914 (SOURCE: NIELSEN) AND IS PROJECTED TO GROW BY 8.0% OVER THE NEXT FIVE YEARS, COMPARED TO A PROJECTED U.S. GROWTH RATE OF 3.5%. CURRENTLY APPROXIMATELY 7.5% OF THE POPULATION IS AGE 65+, COMPARED TO 14.2% FOR THE U.S. THIS AGE GROUP IS GROWING IN SIZE AND IS PROJECTED TO COMPRISE 10.0% OF THE ORGANIZATION'S SERVICE AREA POPULATION IN 2019.

IN TERMS OF THE RACIAL COMPOSITION, 54.5% OF THE SERVICE AREA'S POPULATION IS WHITE; THIS COMPARES TO 71.3% NATIONWIDE. 24.1% OF THE AREA'S POPULATION IS BLACK; THE U.S. COMPARISON IS 12.7%. THE ASIANS AND PACIFIC ISLANDERS POPULATION REPRESENTS 7.6% OF THE TOTAL, COMPARED TO 5.2% NATIONWIDE. MULTI-RACE AND OTHER GROUPS ACCOUNT FOR 13.8% WITHIN THE SERVICE AREA AND 10.8% NATIONALLY. IN TERMS OF THE ETHNIC COMPOSITION, THE HISPANIC ETHNIC GROUP ACCOUNTS FOR 19.1% OF THE POPULATION OF THE SERVICE AREA, COMPARED TO 17.6% NATIONWIDE.

OF THE ORGANIZATION'S SERVICE AREA ADULTS, 90.2% HAVE AT LEAST A HIGH SCHOOL LEVEL OF EDUCATION, COMPARED TO THE 85.4% NATIONALLY. THE AREA'S UNEMPLOYMENT RATE IS 4.8%, COMPARED TO 6.6% NATIONALLY. ABOUT 3.8% OF THE AREA'S WORKFORCE IS EMPLOYED IN THE ARMED FORCES.

THE AVERAGE HOUSEHOLD INCOME IN THE ORGANIZATION'S SERVICE AREA IS \$123,056 COMPARED TO THE U.S. HOUSEHOLD AVERAGE OF \$71,320. 7.8% OF THE ORGANIZATION'S SERVICE AREA HOUSEHOLDS HAVE AN ANNUAL INCOME OF \$25,000 OR LESS, COMPARED TO 24.4% OF U.S. HOUSEHOLDS. THE 2014 FEDERAL POVERTY GUIDELINES FOR A FAMILY OF THREE AT 200% IS \$39,580. IT IS ESTIMATED THAT APPROXIMATELY 16% OF THE AREA'S FAMILIES MEET THIS GUIDELINE. IN ALL THREE COUNTIES WITHIN THE ORGANIZATION'S SERVICE AREA, PARTS OF THE

Schedule H (Form 990)

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule H (Form 990)

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Part VI Supplemental Information (Continuation)

MUNICIPALITIES ARE DESIGNATED AS MUA (MEDICALLY UNDERSERVED AREA) OR MUP (MEDICALLY UNDERSERVED POPULATION). TWO CIVILIAN GENERAL ACUTE CARE HOSPITALS ARE LOCATED WITHIN THIS AREA; THIS INCLUDES THE SENTARA FACILITY. THE AREA IS ALSO SERVED BY SEVERAL OTHER HOSPITALS LOCATED IN SURROUNDING COMMUNITIES.

PART VI, LINE 5:

THE ORGANIZATION'S GOVERNING BODY IS ELECTED ANNUALLY BY THE ORGANIZATION'S SOLE MEMBER, SENTARA HEALTHCARE, A 501(C) TAX-EXEMPT ORGANIZATION, WHOSE COMMUNITY-BASED BOARD IS COMPRISED OF A MAJORITY OF MEMBERS WHO ARE NEITHER EMPLOYEES NOR CONTRACTORS OF SENTARA HEALTHCARE, NOR FAMILY MEMBERS THEREOF.

GENERALLY, MEDICAL STAFF MEMBERSHIP IS OPEN TO ALL CARE PROVIDERS WHO MAY QUALIFY. THE ORGANIZATION'S SURPLUS FUNDS ARE USED FOR IMPROVEMENTS IN PATIENT CARE, PROVISION OF SERVICES TO THE UNINSURED AND UNDERINSURED, MEDICAL EDUCATION, AND COMMUNITY PROGRAMS.

PART VI, LINE 6:

SENTARA HEALTHCARE, THE ORGANIZATION'S 501(C)(3) SOLE MEMBER, PROVIDES A NUMBER OF PROGRAMS TO PROMOTE THE HEALTH OF THE COMMUNITIES IT SERVES, IN ADDITION TO THOSE IDENTIFIED FOR THE ORGANIZATION. SEE FORM 990 PART III SCHEDULE O DISCLOSURE FOR FURTHER INFORMATION ON THE SERVICES AND FACILITIES PROVIDED BY THE SENTARA HEALTHCARE SYSTEM.

PART VI

GENERAL NARRATIVE REGARDING AMBULATORY SURGERY CENTERS:

Part VI Supplemental Information (Continuation)

THE ORGANIZATION IS A MEMBER OF A JOINT VENTURE WHICH OWNS AND OPERATES AN AMBULATORY SURGERY CENTER ("ASC") LOCATED IN VIRGINIA (SEE PART IV FOR OWNERSHIP INFORMATION). AS VIRGINIA REQUIRES ASCS TO GO THROUGH A CERTIFICATE OF PUBLIC NEED PROCESS AND RETAIN A HOSPITAL LICENSE, VIRGINIA ASCS MEET THE DEFINITION OF HOSPITAL FACILITIES FOR FORM 990 REPORTING PURPOSES.

THE ORGANIZATION'S ASC IS ORGANIZED AND OPERATED IN ACCORDANCE WITH THE ORGANIZATION'S CHARITABLE PURPOSES AS AN EXTENSION OF ITS OUTPATIENT FACILITIES, IN PARTNERSHIP WITH ITS PHYSICIANS, TO PROVIDE A MORE EFFECTIVE MEANS OF CARING FOR LESS SERIOUS NON-EMERGENCY MEDICAL CONDITIONS THAT DO NOT REQUIRE FULL-FLEDGED HOSPITAL CARE. ONLY PRE-PLANNED PROCEDURES ARE PERFORMED AT THE ASC.

ON APRIL 5, 2013, THE IRS ISSUED PROPOSED REGULATIONS WHICH CLARIFIED THE EXTENT TO WHICH IRC SEC 501(R) WOULD APPLY TO HOSPITAL FACILITIES OPERATED THROUGH A PARTNERSHIP JOINT VENTURE. ACCORDINGLY, DURING 2013, THE HOSPITAL ORGANIZATION TOOK NECESSARY STEPS TOWARDS ASC COMPLIANCE WITH IRC SEC 501(R). THE ORGANIZATION INTENDS TO FULLY MEET THE REQUIREMENTS UNDER TREAS. REG. 1.501(R) IN REGARDS TO ITS ASC ONCE FINAL OR TEMPORARY REGULATIONS ARE PUBLISHED.

PART V, SECTION B, LINE 5B

OTHER WEBSITE:

[HTTP://WWW.SENTARA.COM/NORTHERN-VIRGINIA/LOCATIONS/SENTARA-NORTHERN-VIRGINIA-MEDICAL-CENTER/DOCUMENTS/SENTARA%20NORTHERN%20VIRGINIA%20COMPLETE%20CHNA%202013%20FINAL.PDF](http://WWW.SENTARA.COM/NORTHERN-VIRGINIA/LOCATIONS/SENTARA-NORTHERN-VIRGINIA-MEDICAL-CENTER/DOCUMENTS/SENTARA%20NORTHERN%20VIRGINIA%20COMPLETE%20CHNA%202013%20FINAL.PDF)

**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

Name of the organization **POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM**

Part I General Information on Grants and Assistance

Employer identification number
54-0853898

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC 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 SKILLSOURCE GROUP, INC. 8300 BOONE BLVD, STE 450 VIENNA, VA 22182	30-0129320	501(C)(3)	21,454.	0.			DONATION/SPONSORSHIP
LORTON ARTS FOUNDATION INC 9517 WORKHOUSE WAY LORTON, VA 22079	75-3057770	501(C)(3)	14,100.	0.			DONATION/SPONSORSHIP
LORTON COMMUNITY ACTION CENTER P.O. BOX 154 LORTON, VA 22199	51-0181451	501(C)(3)	9,000.	0.			DONATION/SPONSORSHIP
SENTARA HEALTHCARE 6015 POPLAR HALL DR NORFOLK, VA 23502	52-1271901	501(C)(3)	1,069,479.	0.			OVERHEAD ALLOCATION

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **4.**

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

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

Schedule I (Form 990) (2013)

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.

Part IV	Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information
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Schedule I (Form 990) (2013)

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule I (Form 990)

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Part IV Supplemental Information

THE ORGANIZATION DONATES FUNDS TO OTHER 501(C)(3) ORGANIZATIONS WITH A
SIMILAR MISSION OF PROVIDING AND PROMOTING HEALTH, MEDICAL EDUCATION, AND
THE SOCIAL, CULTURAL, EDUCATIONAL, AND ECONOMIC DEVELOPMENT OF THE
COMMUNITY. SUCH ORGANIZATIONS ALSO HAVE COMMUNITY BOARDS WHICH OVERSEE THE
PROPER EXPENDITURES OF SUCH FUNDS.

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" on 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

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Employer identification number

54-0853898

Part I Questions Regarding Compensation

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

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or
reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors,
trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's
CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to
establish compensation of the CEO/Executive Director, but explain in Part III

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing
organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?

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

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the revenues of

- a** The organization?
- b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the net earnings of

- a** The organization?
- b** Any related organization?

If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments
not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the
initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in
Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

X

X

X

X

X

X

X

X

X

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

Schedule J (Form 990) 2013

**POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM**

54-0853898

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Schedule J (Form 990) 2013

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) HOWARD P. KERN DIRECTOR/VICE CHAIR	(i) 0. (ii) 870,692.	0. 820,913.	0. 174,098.	0. 831,522.	0. 21,721.	0. 2,718,946.	0. 200,477.
(2) DAVID L. BERND DIRECTOR	(i) 0. (ii) 1,273,079.	0. 1,426,213.	0. 902,305.	0. 188,187.	0. 27,382.	0. 3,817,166.	0. 394,615.
(3) MEGAN R. PERRY DIRECTOR/PRESIDENT (THRU 12/13)	(i) 0. (ii) 431,464.	0. 305,564.	0. 19,288.	0. 110,523.	0. 19,520.	0. 886,359.	0. 59,389.
(4) ROBERT A. BROERMANN TREASURER	(i) 0. (ii) 682,672.	0. 548,870.	0. 25,301.	0. 138,841.	0. 22,718.	0. 1,418,402.	0. 134,095.
(5) JEFFREY KING SECRETARY	(i) 0. (ii) 408,648.	0. 169,597.	0. 19,761.	0. 56,092.	0. 20,957.	0. 675,055.	0. 36,604.
(6) NATHAN VANGENDEREN CFO/ASST TREASURER	(i) 0. (ii) 249,765.	0. 105,243.	0. 191.	0. 13,666.	0. 16,509.	0. 385,374.	0. 14,251.
(7) VALERIE E. KEANE VP, OPERATIONS	(i) 0. (ii) 169,227.	0. 20,822.	0. 10,102.	0. -47,727.	0. 11,135.	0. 163,559.	0. 0.
(8) DORCA M. PICARD VP, INTEGRATED & FACILITY SERVICES	(i) 0. (ii) 153,900.	0. 18,755.	0. 5,510.	0. -10,311.	0. 3,819.	0. 171,673.	0. 0.
(9) MARLENE M. BOLSTER VP, OPERATIONS	(i) 0. (ii) 134,778.	0. 17,750.	0. 15.	0. 0.	0. 5,232.	0. 157,775.	0. 0.
(10) DAVID SCHWARTZ VP, MEDICAL AFFAIRS VPMA	(i) 0. (ii) 436,912.	0. 0.	0. 23,575.	0. 7,650.	0. 21,486.	0. 489,623.	0. 13,952.
(11) LINDA G. DODGE MID-LEVEL PRACTITIONER	(i) 0. (ii) 213,702.	0. 250.	0. 1,417.	0. 36,437.	0. 7,822.	0. 259,628.	0. 0.
(12) ROBIN ADAMS DIR, MARKET DEVELOPMENT	(i) 0. (ii) 169,583.	0. 14,068.	0. 537.	0. 5,357.	0. 15,678.	0. 205,223.	0. 0.
(13) ADEDAYO AKINBI DIR, PHARMACY	(i) 0. (ii) 149,697.	0. 14,933.	0. 1,039.	0. 96.	0. 19,117.	0. 184,882.	0. 0.
(14) WENDY M. ATKINSON FORMER KE (SENIOR DIRECTOR)	(i) 0. (ii) 134,429.	0. 13,708.	0. 1,467.	0. -38,330.	0. 21,623.	0. 132,897.	0. 0.
	(i) 0. (ii) 0.	0. 0.	0. 0.	0. 0.	0. 0.	0. 0.	0. 0.
	(i) 0. (ii) 0.	0. 0.	0. 0.	0. 0.	0. 0.	0. 0.	0. 0.
	(i) 0. (ii) 0.	0. 0.	0. 0.	0. 0.	0. 0.	0. 0.	0. 0.
	(i) 0. (ii) 0.	0. 0.	0. 0.	0. 0.	0. 0.	0. 0.	0. 0.

Schedule J (Form 990) 2013

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

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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.

PART I, LINE 3:

SENTARA HEALTHCARE, THE 501(C)(3) SOLE MEMBER OF THE ORGANIZATION, ESTABLISHED THE COMPENSATION OF THE ORGANIZATION'S TOP MANAGEMENT OFFICIAL THROUGH THE USE OF A COMPENSATION COMMITTEE, AN INDEPENDENT COMPENSATION CONSULTANT, A COMPENSATION STUDY, AND APPROVAL BY SENTARA HEALTHCARE'S COMPENSATION COMMITTEE.

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.

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Schedule J (Form 990) 2013

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

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, ROBERT BROERMANN, MEGAN PERRY, AND JEFFREY KING,

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

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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

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, HOWARD KERN RECEIVED A VESTED DISTRIBUTION UNDER THE PLAN OF
\$134,952. THIS AMOUNT HAS BEEN REPORTED IN COLUMN(B)(III) OF SCHEDULE J,
PART II.

PART I, LINE 7:

DURING 2013, THE ORGANIZATION MADE NON-FIXED PAYMENTS OF
COMPENSATION UNDER THE FOLLOWING INCENTIVE PROGRAMS:

PERFORMANCE PLUS - ELIGIBLE FULL-TIME AND PART-TIME EMPLOYEES NOT COVERED
UNDER ANOTHER INCENTIVE PLAN MAY EARN ADDITIONAL COMPENSATION IF THEIR
BUSINESS UNIT MEETS FINANCIAL, SAFETY, QUALITY AND CUSTOMER SERVICE GOALS,

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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

AND THE SYSTEM NET OPERATING MARGIN GOAL HAS BEEN MET. INDIVIDUAL PAYOUT IS BASED ON JOB CLASSIFICATION, BUSINESS UNIT GOAL SUCCESS AND PERCENTAGE OF POOL AVAILABLE FOR DISTRIBUTION. GOALS AND THE PERCENTAGE OF POOL AVAILABLE FOR DISTRIBUTION ARE DETERMINED AFTER YEAR-END, AT WHICH POINT AWARDS MAY BE PAID AND REPORTED AS COMPENSATION.

MANAGER INCENTIVE PLAN - MANAGEMENT EMPLOYEES NOT COVERED UNDER ANOTHER INCENTIVE PLAN ARE ELIGIBLE FOR THE MANAGEMENT INCENTIVE PLAN. AWARDS ARE BASED ON SYSTEM YEAR-END RESULTS AS DETERMINED BY THE BOARD; BUSINESS UNIT RESULTS FOR FINANCIAL, SAFETY, QUALITY AND CUSTOMER SERVICE; AND THE MANAGER'S INDIVIDUAL PERFORMANCE SCORE. SYSTEM, BUSINESS UNIT, AND INDIVIDUAL RESULTS ARE DETERMINED AFTER YEAR-END, AT WHICH POINT AWARDS MAY BE PAID AND REPORTED AS COMPENSATION.

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, line 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

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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 the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____

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

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
BLUE POINT SURG		PHYS REC		X	206,112.	133,114.		X		X	X	
HALMI & ASSOCIA		PHYS REC		X	315,000.	249,375.		X		X	X	
Total						▶ \$ 382,489.						

Part III Grants or Assistance Benefiting 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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2013

SEE PART V FOR CONTINUATIONS

POTOMAC HOSPITAL CORPORATION

Schedule L (Form 990 or 990-EZ) 2013 OF PRINCE WILLIAM

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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

Part V Supplemental Information

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

SCHEDULE L, PART II, LOANS TO AND FROM INTERESTED PERSONS:

(A) NAME OF PERSON: BLUE POINT SURGICAL GROUP

(C) PURPOSE OF LOAN: PHYS RECRUIT-INC GUAR

(A) NAME OF PERSON: HALMI & ASSOCIATES, INC.

(C) PURPOSE OF LOAN: PHYS RECRUIT-INC GUAR

SCHEDULE L, PART II

LOANS TO INTERESTED PERSONS:

THE ORGANIZATION HAS DETERMINED THAT IT HAS A COMMUNITY OBLIGATION IN FURTHERANCE OF ITS CHARITABLE PURPOSES TO ASSIST IN THE RECRUITMENT OF ADDITIONAL PHYSICIANS TO AND RETENTION OF PHYSICIANS IN ITS SERVICE AREA FOR THE PURPOSE OF IMPROVING THE QUALITY, EXPANDING THE SCOPE, AND ENHANCING THE ACCESSIBILITY OF MEDICAL SERVICES TO RESIDENTS OF ITS SERVICE AREA. THE ORGANIZATION HAS DETERMINED THAT THE MOST FEASIBLE METHOD BY WHICH TO MEET THIS COMMUNITY OBLIGATION IS THROUGH THE SELECTIVE USE OF RECRUITMENT INCENTIVES INCLUDING, BUT NOT LIMITED TO, FINANCIAL ASSISTANCE WITH THE COSTS ASSOCIATED WITH RELOCATION OF A PHYSICIAN TO ITS SERVICE AREA, AND THE COSTS ASSOCIATED WITH A PHYSICIAN'S INITIAL YEARS IN PRACTICE IN ITS SERVICE AREA.

POTOMAC HOSPITAL CORPORATION
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Schedule L (Form 990 or 990-EZ)

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Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

TO THAT END, THE ORGANIZATION HAS ENTERED INTO CERTAIN PHYSICIAN INCOME GUARANTY LOANS, WHICH INCLUDES THE PRACTICE OF DR. DENIS J. HALMI, A FORMER EX-OFFICIO NON-VOTING DIRECTOR, WHEREBY THE ORGANIZATION PROVIDES FINANCIAL ASSISTANCE TO THE PRACTICE IN ORDER TO HELP IT IN RECRUITING, ATTRACTING AND RETAINING ADDITIONAL PHYSICIANS PRACTICING IN A SPECIALTY AREA WHERE THERE IS CURRENTLY AN EXISTING AND PROJECTED SHORTAGE OF PHYSICIANS WITHIN THE ORGANIZATION'S COMMUNITY. FUNDS ARE ADVANCED TO THE PRACTICE DURING THE INCOME GUARANTY PERIOD. REPAYMENT IS LATER FORGIVEN BASED ON THE PHYSICIAN'S LENGTH OF STAY IN THE SERVICE AREA, IN RECOGNITION OF THE PHYSICIAN'S CONTRIBUTION TO THE HEALTH CARE OF RESIDENTS IN THE SERVICE AREA. AMOUNTS FORGIVEN, INCLUDING INTEREST ON OUTSTANDING LOAN BALANCES, ARE REPORTED TO THE IRS ON THE APPLICABLE REPORTING FORM.

SCHEDULE L, PART IV

DIRECTORS/TRUSTEES/OFFICERS/KEY EMPLOYEES OF THE ORGANIZATION MAY ALSO SERVE AS DIRECTORS/TRUSTEES/OFFICERS OF RELATED TAXABLE ENTITIES WITHIN THE SENTARA HEALTHCARE SYSTEM. SEE SCHEDULE R FOR A LISTING OF TRANSACTIONS THE ORGANIZATION HAD WITH THESE RELATED ENTITIES.

SCHEDULE L, PART II

FOR THE CALENDAR YEAR 2013, THE FOLLOWING ARE THE AMOUNTS OF PRINCIPAL AND INTEREST FORGIVEN UNDER THE LOANS:

DR. HALMI AND ASSOCIATES, INC. FOR DR. JOHN DOCKENS:

PRINCIPAL: \$65,625

POTOMAC HOSPITAL CORPORATION
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Schedule L (Form 990 or 990-EZ)

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Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

ACCRUED INTEREST: \$14,566

TOTAL AMOUNT FORGIVEN: \$80,191

BLUE POINT SURGICAL GROUP FOR DR. RAMAN KUMAR:

PRINCIPAL: \$51,528

ACCRUED INTEREST: \$9,071

TOTAL AMOUNT FORGIVEN: \$60,599

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 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

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FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

RACE, COLOR OR CREED, WHO ARE SUFFERING FROM ANY ILLNESS, INJURY OR
DISABILITY WHICH MAY REQUIRE HOSPITAL AND OTHER HEALTH CARE.

FORM 990, PART III, LINE 4A

PROGRAM SERVICE ACCOMPLISHMENTS:

SENTARA HEALTHCARE

I.YOUR NOT-FOR-PROFIT HEALTH PARTNER

FOR 125 YEARS, SENTARA HAS BEEN COMMITTED TO HELPING PEOPLE JUST LIKE
YOU, PEOPLE WHO WANT THE MOST DEDICATED MEDICAL PROFESSIONALS HELPING
THEM THROUGH EVERY STAGE OF LIFE. TO PROVIDE A RANGE OF QUALITY CARE,
WE HAVE GROWN SLOWLY THROUGHOUT VIRGINIA AND NORTH CAROLINA. WE HAVE
REACHED OUT TO INDUSTRY LEADERS AND JOINED FORCES, AND WE NOW OPERATE
MORE THAN 100 SITES OF CARE, INCLUDING 12 ACUTE CARE HOSPITALS - SEVEN
IN HAMPTON ROADS, ONE IN NORTHERN VIRGINIA, TWO IN THE BLUE RIDGE
REGION OF VIRGINIA, ONE IN SOUTHERN VIRGINIA AND ONE IN NORTH CAROLINA.

FOR MORE THAN A DECADE, MODERN HEALTHCARE MAGAZINE HAS RANKED US AS ONE
OF THE NATION'S TOP INTEGRATED HEALTHCARE SYSTEMS. OUR NOT-FOR-PROFIT
SYSTEM PROUDLY INCLUDES ADVANCED IMAGING CENTERS, NURSING AND
ASSISTED-LIVING CENTERS, OUTPATIENT CAMPUSES, PHYSICAL THERAPY AND
REHABILITATION SERVICES, HOME HEALTH AND HOSPICE AGENCY, A
3,800-PROVIDER MEDICAL STAFF, AND FOUR MEDICAL GROUPS. IN ADDITION, WE

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Schedule O (Form 990 or 990-EZ) (2013)

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PROVIDE MEDICAL TRANSPORT AMBULANCES AND NIGHTINGALE AIR AMBULANCE, AND
EXTEND HEALTH INSURANCE TO 440,000 PEOPLE THROUGH OPTIMA HEALTH, OUR
AWARD-WINNING HEALTH PLAN.

AMONG OUR MANY STRENGTHS, WE ARE A NATIONAL LEADER IN HEART AND KIDNEY
CARE, STROKE CARE, AND INFECTION PREVENTION, AND WE WERE THE FIRST IN
THE NATION TO PIONEER AND DEVELOP THE EICU, A REMOTE MONITORING SYSTEM
FOR INTENSIVE CARE. OUR DEDICATION TO IMPROVING AND INCREASING MEDICAL
OPTIONS FOR OUR PATIENTS IS REINFORCED BY OUR ONGOING PARTICIPATION IN
NATIONAL AND INTERNATIONAL RESEARCH. THESE VITAL MEDICAL TRIALS HELP US
ADVANCE TOWARD OUR MISSION OF IMPROVING HEALTH EVERY DAY.

IN NOVEMBER 2013, WE PROUDLY CELEBRATED 125 YEARS OF DELIVERING
COMPASSIONATE AND QUALITY CARE. WHEN WE BEGAN AS THE RETREAT FOR THE
SICK IN 1888 IN NORFOLK, VIRGINIA, MEDICAL PROVIDERS DEDICATED
THEMSELVES TO CARING FOR NORFOLK'S POOR, FOCUSED ON MEETING THEIR
IMMEDIATE HEALTHCARE NEEDS. AS NOTED ABOVE AND DETAILED IN THIS REPORT,
WE HAVE GROWN INTO A MULTI-STATE, INTEGRATED HEALTHCARE SYSTEM
COMMITTED TO STILL DELIVERING THAT SAME COMPASSIONATE AND QUALITY CARE
- AND REACHING FAR BEYOND THE PATIENTS WHO COME DIRECTLY TO US. WE
STRIVE TO SERVE EVERYONE IN OUR COMMUNITIES THROUGH HEALTH OUTREACH
PROGRAMS, EDUCATION AND FINANCIAL SUPPORT OF OTHER NOT-FOR-PROFIT
HEALTH ORGANIZATIONS.

II. GROWING THE SENTARA FAMILY

SINCE THE BEGINNING, SENTARA HAS REACHED OUT TO NEARBY INDUSTRY LEADERS
AND JOINED FORCES TO EXTEND HEALTHCARE TO MORE PEOPLE. IN RECENT YEARS,
WE HAVE GROWN IN VIRGINIA AND NORTH CAROLINA BY SEEKING PARTNERSHIPS

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WITH LONG-ESTABLISHED AND SUCCESSFUL HOSPITALS AND HEALTHCARE SYSTEMS
WHO SHARE OUR DEDICATION TO EXCELLENCE AND VALUE. SOME OF OUR MOST
RECENT ADDITIONS INCLUDE:

A. HALIFAX REGIONAL HOSPITAL

IN THE FALL OF 2012, HALIFAX REGIONAL HOSPITAL SIGNED A LETTER OF
INTENT TO AFFILIATE WITH SENTARA HEALTHCARE. IT IS AN INTEGRATED SYSTEM
INCLUDING A 192-BED HOSPITAL, THREE LONG-TERM CARE FACILITIES, A HOME
CARE AND HOSPICE FACILITY, AND A BROAD RANGE OF SPECIALTIES AND
OUTPATIENT SERVICES ACROSS THE SOUTH BOSTON REGION, ABOUT 165 MILES
WEST OF NORFOLK.

THE MERGER WAS COMPLETED JULY 1, 2013, WHICH ALSO MARKED HALIFAX'S 60TH
ANNIVERSARY SERVING THE SOUTH BOSTON COMMUNITY. THE SYSTEM'S EXTENSIVE
EXPERIENCE SERVING RURAL COMMUNITIES MAKES IT PARTICULARLY VALUABLE TO
LOCALS AND COMPLEMENTS SENTARA'S COMMITMENT TO PERSONALIZED HEALTHCARE
IT IS NOW THE 11TH OF 12 HOSPITALS IN SENTARA'S NOT-FOR-PROFIT
INTEGRATED HEALTH SYSTEM.

B. SENTARA ALBEMARLE HOSPITAL, MEDICAL GROUP AND RELATED FACILITIES

SENTARA HEALTHCARE AND ALBEMARLE HEALTH OF NORTHEASTERN NORTH CAROLINA
BEGAN A PARTNERSHIP MARCH 1, 2014, AFTER APPROVAL BY THE PASQUOTANK
COUNTY BOARD OF COMMISSIONERS AND THE ALBEMARLE HOSPITAL AUTHORITY
BOARD OF COMMISSIONERS AND THEIR TWO-YEAR PROCESS OF EVALUATING
POTENTIAL PARTNERS. ALL FOUR ENTITIES SHARE THE GOALS OF IMPROVING THE
COMMUNITY'S ACCESS TO PRIMARY CARE, MANAGING CHRONIC DISEASE AND

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IMPROVING SERVICES AND PROGRAMS IN THE REGION.

LOCATED IN ELIZABETH CITY, SENTARA ALBEMARLE MEDICAL CENTER IS A 182
LICENSED BED, FULL-SERVICE FACILITY OFFERING A WIDE RANGE OF SERVICES,
INCLUDING: INPATIENT AND CRITICAL CARE, A FULL ARRAY OF SURGICAL
SERVICES, SOPHISTICATED DIAGNOSTIC IMAGING TECHNOLOGY, COMPREHENSIVE
WOMEN'S CARE, CARDIOLOGY, CANCER TREATMENT, REHABILITATION SERVICES AND
MORE. SENTARA ALBEMARLE MEDICAL CENTER HAS ASSEMBLED A MEDICAL STAFF OF
MORE THAN 100 PHYSICIANS, REPRESENTING NEARLY 30 SPECIALTIES, AND A
CARING STAFF OF ALMOST 1,000 EMPLOYEES. IT IS NUMBER 12 OF OUR 12
HOSPITALS.

ALBEMARLE PHYSICIAN SERVICES - SENTARA BRINGS TOGETHER A DEDICATED TEAM
OF PRIMARY CARE AND SPECIALTY PHYSICIANS TO CARE FOR PATIENTS ACROSS
NORTHEASTERN NORTH CAROLINA.

ALL OF THE FACILITIES ADOPTED THE SENTARA NAME IN MAY 2014.

III.CONSTANTLY LOOKING AHEAD

TO BEST SERVE OUR COMMUNITIES AND PROVIDE THE MOST PATIENT-FOCUSED,
COST-EFFECTIVE HEALTHCARE POSSIBLE, WE SEEK TO EXPAND AND ENHANCE OUR
SERVICES IN A VARIETY OF WAYS. WE STRIVE TO BE THE FIRST IN OUR
COMMUNITIES TO OFFER NEW, YET PROVEN, MEDICAL PROCEDURES, AND WE REACH
OUT TO NEW COMMUNITIES TO OFFER SERVICES WE HAVE PROUDLY AND
SUCCESSFULLY OFFERED IN OTHER REGIONS. WE ALSO LEAD AND PARTICIPATE IN
RESEARCH EFFORTS TO IDENTIFY AND TEST FUTURE TREATMENTS AND BEST
PRACTICES.

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SOME OF THE WAYS WE HAVE DONE THIS RECENTLY INCLUDE:

A.OFFERING NEW PROCEDURES AND TECHNOLOGY

SENTARA PHYSICIANS LEAD THE WAY BY OFFERING LIFE-SAVING PROCEDURES PREVIOUSLY NOT AVAILABLE OR NOT READILY AVAILABLE. BY DOING SO, THEY GIVE RESIDENTS THE COMFORT AND COST-SAVINGS OF BEING CLOSE TO HOME WHILE IMPROVING THEIR HEALTH.

IN 2013, SENTARA ADDED 3D MAMMOGRAPHY, A BREAKTHROUGH TECHNOLOGY FOR DETECTING EARLY BREAST CANCER, AT EIGHT BREAST IMAGING LOCATIONS FROM WILLIAMSBURG TO VIRGINIA BEACH. THIS ADVANCED TECHNOLOGY CREATES 3D BREAST RECONSTRUCTIONS SO RADIOLOGISTS CAN VIEW BREASTS IN THIN LAYERS AND SEE EARLY CANCERS THAT WOULD NOT BE VISIBLE USING OTHER MAMMOGRAPHY.

IN 2012, SENTARA WILLIAMSBURG REGIONAL MEDICAL CENTER STARTED A NEW TREATMENT FOR SEVERE ASTHMA CALLED BRONCHIAL THERMOPLASTY. THIS MINIMALLY INVASIVE OUTPATIENT PROCEDURE USES A BRONCHOSCOPE TO DELIVER THERMAL ENERGY TO THE LUNGS OF PATIENTS WITH ASTHMA TO DECREASE THE AMOUNT OF SMOOTH MUSCLE IN THE LUNGS - THE MUSCLES THAT CONSTRICT AND RESULT IN ASTHMA SYMPTOMS.

THAT SAME YEAR, THE SENTARA CANCER NETWORK'S MOBILE PET/CT BEGAN PERFORMING BODY SCANS TO DISCOVER AND STAGE CANCERS THAT MAY HAVE SPREAD TO THE BONES. THIS IS POSSIBLE DUE TO THE FDA'S APPROVAL OF THE USE OF 18F-SODIUM FLUORIDE AS AN INJECTION.

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AT ROCKINGHAM MEMORIAL HOSPITAL IN 2012, PATIENTS WITH THE HEART CONDITION ATRIAL FIBRILLATION BENEFITTED FROM A PROCEDURE CALLED CARDIAC CRYOABLATION, APPROVED BY THE FDA IN LATE 2010. CRYOABLATION EMPLOYS A SPECIAL BALLOON THAT'S FILLED WITH A COOLANT TO REDUCE ITS TEMPERATURE TO MINUS 80 DEGREES CELSIUS. THE BALLOON IS APPLIED TO THE HEART TISSUES THAT CAUSE IRREGULAR HEARTBEATS, AND THE COLD TEMPERATURES DESTROY THE TISSUE AND CORRECT THE HEART'S PROBLEM. IT HAS PROVED SUCCESSFUL FOR PATIENTS WHO DID NOT RESPOND FULLY TO OTHER TREATMENTS.

WITH A \$725,000 GRANT FROM THE POTOMAC HEALTH FOUNDATION, SENTARA NORTHERN VIRGINIA MEDICAL CENTER PURCHASED A NEW DIGITAL MAMMOGRAPHY VAN. WITH THE VAN, THE CENTER REACHES WOMEN WITH LITTLE OR NO INSURANCE, IN HOPES OF DETECTING CANCER EARLIER IN WOMEN IN PRINCE WILLIAM COUNTY, WHERE THERE'S A HIGHER-THAN-AVERAGE DEATH RATE FROM BREAST CANCER.

ON SEPTEMBER 17, 2012, SURGEONS AND CARDIOLOGISTS AT SENTARA HEART HOSPITAL WERE THE FIRST IN THE WORLD TO BEGIN PERFORMING SURGERIES IN THE DUAL EPICARDIAL ENDOCARDIAL PERSISTENT (DEEP) ATRIAL FIBRILLATION FEASIBILITY TRIAL. THIS FOOD AND DRUG ADMINISTRATION-APPROVED STUDY IS SPONSORED BY CARDIAC DEVICE MANUFACTURER ATRICURE, INC. AND IS DESIGNED TO EVALUATE THE SAFETY AND EFFICACY OF A COMBINED PROCEDURE WHEREBY THE SURGEON CREATES LINES OF BLOCK ON THE OUTSIDE OF THE HEART WORKING THROUGH TINY CHEST INCISIONS.

B. EXPANDING SERVICE AREAS AND PARTNERSHIPS

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IN 2013, WE LAUNCHED AN EFFORT TO BETTER SERVE THE SENIOR POPULATION IN HAMPTON ROADS THROUGH A MEDICARE ADVANTAGE PRODUCT FROM OPTIMA HEALTH, SENTARA HEALTHCARE'S AWARD-WINNING HEALTH PLAN, ONE SPECIALIZED SENTARA MEDICAL GROUP (SMG) PRACTICE AND A NEW COLLABORATION WITH SMG, EASTERN VIRGINIA MEDICAL SCHOOL, OPTIMA HEALTH, SENTARA HOME CARE AND LIFE CARE AND SENTARA HOSPITALS TO CREATE A SEAMLESS EXPERIENCE FOR PATIENTS ACROSS THE CONTINUUM OF CARE.

IN AUGUST 2012, SENTARA AND MDLIVE ANNOUNCED AN EQUITY PARTNERSHIP TO DELIVER REAL-TIME MEDICAL CONSULTATIONS VIA TELEPHONE AND ONLINE VIDEO THROUGH AN ESTABLISHED NETWORK OF PHYSICIANS. PATIENTS USE THE MDLIVE VIRTUAL CONSULT PLATFORM TO CONSULT DIRECTLY WITH A LICENSED SENTARA OR PARTNER PHYSICIAN WHO CAN DIAGNOSE LOW-ACUITY ILLNESSES, PROVIDE CARE, AND SUBSCRIBE PRESCRIPTIONS.

IN 2013, SENTARA EMPLOYEES WITH OPTIMA HEALTH AND CIGNA INSURANCE RECEIVED THE BENEFIT OF SENTARA MDLIVE APPOINTMENTS FOR A \$15 CO-PAY. WE SAW OVER 2,000 SENTARA EMPLOYEES/DEPENDENTS COVERED UNDER OPTIMA INSURANCE REGISTER WITH MDLIVE. THAT SAME YEAR, 429 EMPLOYEES AND THEIR FAMILIES MADE AN APPOINTMENT WITH MDLIVE. SENTARA IS WORKING WITH MDLIVE TO PARTNER WITH OTHER HEALTH SYSTEMS TO OFFER THE BENEFITS TO THEIR EMPLOYEES AND IS WORKING TO LEVERAGE THE TECHNOLOGY TO PILOT NEW MODELS TO TRANSFORM CARE AND IMPROVE LIVES.

C. EXPANDING EDUCATIONAL SERVICES

CONTINUING TO GROW AND DEVELOP AS WE AIM TO MEET THE DEMAND FOR

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WELL-EDUCATED HEALTHCARE EXPERTS, THE SENTARA SCHOOL OF HEALTH PROFESSIONALS CHANGED ITS NAME IN 2009 TO THE SENTARA COLLEGE OF HEALTH SCIENCES (SCHS). AT THE SAME TIME, IT RECEIVED APPROVAL TO OFFER A BACCALAUREATE DEGREE IN NURSING, A REQUIREMENT MORE HOSPITALS ARE SETTING FOR ITS STAFF. OUR BACHELOR OF SCIENCE IN NURSING PROGRAM BEGAN IN AUGUST 2010 WITH FOUR WAYS TO RECEIVE A DEGREE: TRADITIONAL BSN, LPN TO BSN, RN TO BSN AND EARLY ADMISSION FOR HIGH SCHOOL SENIORS. THE COLLEGE IS PROVIDING A NEW POOL OF HIGHLY COMPETENT NURSES: THE FIRST RN TO BSN CLASS GRADUATED IN MAY 2012 WITH SEVEN GRADUATES. TWENTY-SIX STUDENTS ALSO GRADUATED IN THE NEW, TRADITIONAL BSN PROGRAM, AND ONE STUDENT GRADUATED IN THE NEW LPN TO BSN PROGRAM.

ALL STUDENTS PRACTICE THEIR SKILLS IN SENTARA'S SIMULATION LAB A MINIMUM OF EIGHT TIMES, ENABLING THEM TO PERFECT THEIR CRITICAL-THINKING SKILLS IN A SAFE ENVIRONMENT. THE LAB, EQUIPPED WITH SIX, HIGH-FIDELITY PROGRAMMABLE MANNEQUINS WHO CAN CRY, SWEAT, BREATHE RAPIDLY AND DEVELOP SYMPTOMS OF CARDIAC ARREST, IS LOCATED INSIDE SCHS -- A FEATURE NOT FOUND IN MANY NURSING PROGRAMS -- SO THAT IT IS EASILY ACCESSIBLE FOR BOTH STUDENTS AND PROFESSORS, AND CLASSROOM INSTRUCTION OR FEEDBACK CAN OCCUR IMMEDIATELY AFTERWARDS.

WE FURTHERED OUR OFFERINGS WITH THE SURGICAL TECHNOLOGY PROGRAM AT THE COLLEGE LAUNCHING THE FIRST ASSOCIATE OF OCCUPATIONAL SCIENCE DEGREE WITH THE JANUARY 2013 CLASS.

D. RESEARCHING FOR THE FUTURE

IN A PATIENT STUDY CONDUCTED AT SENTARA LEIGH HOSPITAL IN 2012, NURSES

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WERE EMPOWERED TO GIVE IV FLUIDS AT THE EARLIEST SIGNS THAT A KNEE OR HIP JOINT REPLACEMENT PATIENT'S BLOOD PRESSURE WAS TRENDING DOWNWARD. BEFORE THE STUDY, A 10-STEP PROCESS INCLUDING A PHYSICIAN ORDER WAS REQUIRED. THIS NEW PROTOCOL SPED CARE AND REDUCED THE NUMBER OF PATIENTS WHOSE CONDITIONS WORSENE DUE TO LOW BLOOD PRESSURE BY 30 PERCENT. STUDY FINDINGS WERE SHARED WITH ORTHOPEDIC NURSES FROM AROUND THE UNITED STATES DURING THE 33RD ANNUAL NATIONAL ASSOCIATION OF ORTHOPAEDIC NURSES CONFERENCE IN SAN ANTONIO IN MAY 2013.

IN APRIL 2012, SENTARA HEART HOSPITAL JOINED THE HEARTLIGHT TRIAL FOR THE TREATMENT OF SYMPTOMATIC ATRIAL FIBRILLATION. USING A FIBER OPTIC LIGHT, DOCTORS LOOK INSIDE THE BEATING HEART OF PATIENTS, TESTING A NEW DEVICE CALLED THE CARDIOFOCUS HEARTLIGHT ENDOSCOPIC ABLATION SYSTEM. THE SYSTEM INCLUDES A BALLOON, SMALL CAMERA AND LASER LIGHT TO PRECISELY DELIVER LIGHT ENERGY TO MISFIRING AREAS OF THE HEART AND TO HELP RESTORE REGULAR HEART RHYTHM. THE STUDY REACHED A MILESTONE IN FEBRUARY 2013 WHEN IT ENROLLED MORE THAN HALF OF THE TOTAL STUDY PARTICIPANTS.

IN A 10-MONTH, 2012 STUDY, SENTARA PHYSICIANS WORKED WITH THE EASTERN VIRGINIA MEDICAL SCHOOL STRELITZ DIABETES CENTER TO DEVELOP ALERTS IN THE SENTARA ECARE HEALTH NETWORK, OUR ELECTRONIC MEDICAL RECORD SYSTEM, WHEN A CHANGE OCCURS IN A DIABETIC PATIENT'S CONDITION. THE ALERTS OFFER GUIDANCE ABOUT THE APPROPRIATE CARE FOR EACH SITUATION. DURING THE STUDY PERIOD, PATIENTS SHOWED SUBSTANTIAL IMPROVEMENT. NEARLY 900 PATIENTS MOVED FROM THE HIGHEST LEVEL OF RISK FOR COMPLICATIONS TO A HEALTHIER RANGE. THE RESULTS WERE PRESENTED MAY 2, 2013 IN PHOENIX AT THE 22ND ANNUAL SCIENTIFIC AND CLINICAL CONGRESS OF THE AMERICAN

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ASSOCIATION OF CLINICAL ENDOCRINOLOGIST (AACE).

**SENTARA PARTNERED WITH CUPRON AND EOS SURFACES IN 2013 TO LAUNCH THE
WORLD'S LARGEST CLINICAL TRIAL TO TEST THE EFFECTIVENESS OF
COPPER-INFUSED HARD SURFACES AND LINENS IN PREVENTING HOSPITAL-ACQUIRED
INFECTIONS.**

**THE STUDY LAUNCHED AT SENTARA NORFOLK GENERAL HOSPITAL'S ICU AND
SENTARA LEIGH HOSPITAL'S EAST TOWER IN THE FIRST QUARTER OF 2014 WITH
MORE THAN 15,000 HORIZONTAL SQUARE FEET OF PATENT-PENDING
CUPRON-ENHANCED EOS SURFACES INSTALLED. ANTI-ODOR TEXTILES MANUFACTURED
BY ENCOMPASS ARE USED FOR PATIENT BED LINENS, GOWNS AND OTHER TEXTILES.**

**THE COMPREHENSIVE PROGRAM IS BELIEVED TO BE THE WORLD'S LARGEST
HOSPITAL EVALUATION OF ANTIMICROBIAL-PROTECTED MATERIALS, WITH THE GOAL
OF COMBATING THE SPREAD OF PATHOGENS KNOWN TO CONTRIBUTE TO HEALTHCARE
INFECTIONS. APPROXIMATELY SEVEN MILLION PEOPLE WORLDWIDE SUFFER FROM
HOSPITAL-ACQUIRED INFECTIONS EACH YEAR.**

IV. BUILDING FOR THE FUTURE

**ALONG WITH REACHING OUT TO NEW COMMUNITIES, SENTARA HEALTHCARE STRIVES
TO BUILD ON OUR EXISTING SERVICES AND IN OUR ESTABLISHED AREAS SO THAT
WE EXCEED OUR PATIENTS' EXPECTATIONS AND MEET GROWING HEALTHCARE
DEMANDS. SOME OF THE CHANGES WE HAVE INVESTED IN RECENTLY WITHIN OUR
ESTABLISHED COMMUNITIES INCLUDE:**

A. LORTON OUTPATIENT FACILITIES

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NEW OUTPATIENT FACILITIES OPENED IN LORTON/FAIRFAX COUNTY IN JUNE 2013. IT INCLUDES A 24-HOUR EMERGENCY DEPARTMENT AND AN ADVANCED IMAGING CENTER WITH A 64-SLICE CT AT LORTON MARKETPLACE AND ANOTHER IMAGING CENTER AT LORTON STATION, WHICH ADDED 3D MAMMOGRAPHY IN JULY 2013. THESE ARE CONVENIENT HEALTHCARE DESTINATIONS IN A FAST-GROWING MARKETPLACE WHERE THE MAJORITY OF POPULATION GROWTH WILL BE FROM PEOPLE OVER 65.

B. BEHAVIORAL HEALTH UNIT

A 24-BED INPATIENT BEHAVIORAL HEALTH UNIT OPENED AT SENTARA VIRGINIA BEACH GENERAL HOSPITAL IN JANUARY 2014. THE UNIT INCLUDES 16 BEDS DESIGNATED FOR GERIATRIC PATIENTS AND EIGHT GENERAL ADULT BEDS. THE NUMBER OF PATIENTS SEEKING PSYCHIATRIC SERVICES THROUGH THE EMERGENCY DEPARTMENT AT SENTARA VIRGINIA BEACH GENERAL HAS INCREASED 111 PERCENT SINCE 2006. IN THE PAST, SOME PATIENTS HAVE HAD TO WAIT FOR ADMISSION IN THE EMERGENCY DEPARTMENT, WHERE A STAFF PERSON HAD TO BE COMMITTED TO THE PATIENT FOR HIS OR HER SAFETY. THE NEW BEDS SPEED UP ADMISSION AND IMPROVE CARE.

C. MARTHA JEFFERSON NEUROSCIENCE CENTER

THE NEUROSCIENCE CENTER BEGAN SERVING PATIENTS IN JANUARY 2013. IT IS EQUIPPED WITH THE LATEST TECHNOLOGY, WITH ELECTROMYOGRAPHY (EMG) AND ELECTROENCEPHALOGRAPHY (EEG) DIAGNOSTIC EQUIPMENT, NEW VESTIBULAR BALANCE REHABILITATION EQUIPMENT, LOW-DOSE CT-IMAGING, AND COMPLETE COMPLEX BRAIN SURGERY SUCH AS STEREOTACTIC RADIOSURGERY (SRS). FOUR

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NEUROLOGISTS, TWO NEUROSURGEONS AND 13 REHAB THERAPISTS ARE UNDER ONE ROOF TO ENSURE PATIENTS RECEIVE CARE IN ONE LOCATION. THE CENTER HAS ROLLED-OUT MULTI-DISCIPLINARY SUBSPECIALTY CLINICS THAT DELIVER A COORDINATED, PATIENT-CENTERED APPROACH. THE CLINICS INCLUDE THE SEIZURE DISORDER AND EPILEPSY CLINIC, THE NEUROPATHY CLINIC, THE STROKE RECOVERY CLINIC, THE COGNITIVE REHABILITATION CLINIC AND THE VESTIBULAR BALANCE AND FALLS PREVENTION CLINIC.

D. SENTARA EASTERN VIRGINIA MEDICAL SCHOOL (EVMS) COMPREHENSIVE PELVIC FLOOR CENTER

SENTARA AND EVMS PARTNERED IN FEBRUARY 2013 TO CREATE THE CENTER AND COMBINE THE LATEST IN RESEARCH, STATE-OF-THE-ART TECHNOLOGY AND A MULTIDISCIPLINARY CARE TEAM. THE CENTER BRINGS TOGETHER SPECIALISTS IN UROGYNECOLOGY, GASTROENTEROLOGY, SPECIALIZED RADIOLOGY, UROLOGY, COLORECTAL MEDICINE AND SURGERY, PHYSICAL MEDICINE AND REHABILITATION, NUTRITION AND PHYSICAL THERAPY TO HELP PATIENTS WITH PROBLEMS RELATED TO THE LOWER URINARY TRACT AND THE PELVIC FLOOR. ALMOST HALF OF ALL WOMEN AND ONE IN FIVE MEN WILL EXPERIENCE URINARY INCONTINENCE, AND ROUGHLY 10 PERCENT OF WOMEN WILL UNDERGO SURGERY FOR PELVIC ORGAN PROLAPSE OR URINARY INCONTINENCE.

E. SENTARA LEIGH TOWERS

WORK BEGAN IN DECEMBER 2011 ON A MULTI-PHASE, THREE-YEAR PROJECT TO BUILD A NEW SENTARA LEIGH HOSPITAL ON THE SITE OF THE CURRENT ONE. SENTARA OPENED THE NEW EAST TOWER IN NOVEMBER 2013. ALONG WITH OUR PLANNED WEST TOWER, IT REPLACES THREE 1970S-ERA WINGS AT THE NORFOLK,

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VIRGINIA HOSPITAL. THE TOWERS FEATURE STATE-OF-THE-ART PATIENT ROOMS WITH PRIVATE BATHROOMS, NO-STEP SHOWERS AND OVERNIGHT ACCOMMODATIONS FOR FAMILIES. THE PROJECT ALSO INCLUDES A 48-BED ORTHOPEDIC AND REHABILITATION CENTER ON THE FIRST FLOOR AND EMPLOYS PART OF THE OUTSIDE GARDEN SPACE FOR WALKING EXERCISES ON DIFFERENT GRADES AND SURFACES, MAKING IT A TRUE HEALING GARDEN. THE TOWERS PROJECT WILL CONTINUE AS OUR STAFF MAINTAINS EXCELLENT, UNINTERRUPTED PATIENT CARE DURING THE PHASED CONSTRUCTION.

F. SENTARA HOSPICE HOUSE

IN MARCH 2013, SENTARA OPENED SENTARA HOSPICE HOUSE, AN 8,311 SQUARE-FOOT FACILITY TO PROVIDE CARE FOR UP TO 12 PEOPLE AND THEIR FAMILIES. PREVIOUSLY, WITH ONLY FIVE LIVE-IN HOSPICES IN VIRGINIA AND NONE IN HAMPTON ROADS, PATIENTS WERE NOT OFTEN ABLE TO CHOOSE THIS CARE. NOW THEY CAN.

G. ROCKINGHAM MEMORIAL HOSPITAL (RMH) WOMEN'S CENTER

CONSTRUCTION BEGAN ON THE RMH FUNKHOUSER WOMEN'S CENTER IN JUNE 2012 AND WAS COMPLETED JUNE 2013. THE 15,000 SQUARE FOOT CENTER HOUSES WOMEN'S IMAGING, INCLUDING ADVANCED BREAST IMAGING/MAMMOGRAPHY AND BONE DENSITY SCREENING, RMH BREAST CARE, THE IMAGE RECOVERY CENTER AND RMH HEART CHECK FOR MEN AND WOMEN AND A SURGEON'S OFFICE.

H. ROCKINGHAM MEMORIAL HOSPITAL (RMH) OUTPATIENT ORTHOPEDICS & ADVANCED IMAGING CENTER

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RMH GAINED APPROVAL FOR THE NEW CENTER IN JULY 2012. THE NEW FACILITY WILL BE AN ORTHOPEDIC AND SPORTS MEDICINE DESTINATION INCLUDING ADVANCED IMAGING, RMH ORTHOPEDICS AND SPORTS MEDICINE, REHABILITATION THERAPY, A SPORTS PERFORMANCE ARENA AND AN INTERVENTIONAL SUITE FOR PAIN MANAGEMENT AND SPECIAL PROCEDURES. THE CENTER IS SCHEDULED TO BE COMPLETED IN LATE 2015.

I. MARTHA JEFFERSON OUTPATIENT CARE CENTER

A NEW OUTPATIENT CARE CENTER OPENED IN THE FALL OF 2012, WITH A FREE-STANDING 24-HOUR ED AND IMAGING, LABORATORY SERVICES AND A PRIMARY CARE PRACTICE. THE ED SHORTENS TRAVEL TIME FOR EMS PROVIDERS, AND THE FACILITY AS A WHOLE HELPS CUT TRAVEL TIME FOR PATIENTS IN THE NORTHERN COUNTIES OF VIRGINIA.

V. SENTARA QUALITY & PATIENT SAFETY DISTINCTIONS

A. MEASURING QUALITY HEALTHCARE

SINCE OUR HEALTH SYSTEM'S EARLIEST YEARS, WE HAVE BELIEVED THE COMMUNITY DESERVES HEALTHCARE THAT IS MEASURABLY BETTER. SENTARA'S GOAL IS TO BE ACCREDITED BY RESPECTED NATIONAL ORGANIZATIONS AND TO ACHIEVE TOP 10 PERCENT PERFORMANCE WHEREVER BENCHMARKS EXIST. WE ARE PROUD OF THE WORK WE HAVE DONE SO FAR TOWARD THIS GOAL, AS IT HAS BEEN RECOGNIZED IN MANY WAYS:

1. TOP 100 INTEGRATED HEALTHCARE NETWORK

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SENTARA HAS CONSISTENTLY RANKED AMONG THE NATION'S TOP INTEGRATED HEALTHCARE NETWORKS AS PUBLISHED IN MODERN HEALTHCARE'S FACT-BASED RANKING. THE ONLY HEALTHCARE SYSTEM IN THE COUNTRY TO BE AMONG THE NATION'S TOP 10 FOR ALL 15 YEARS OF THE SURVEY, SENTARA LANDED AT NUMBER ONE IN 2001, 2010 AND 2011. THE STUDY, PUBLISHED ANNUALLY, HIGHLIGHTS THE TOP 100 INTEGRATED HEALTH CARE NETWORKS ACROSS THE NATION AS SELECTED BY SDI, A HEALTH INFORMATION COMPANY.

2. USING TECHNOLOGY TO IMPROVE CARE

SENTARA HEALTHCARE WAS BEEN NAMED ONE OF THE NATION'S MOST WIRED HEALTH SYSTEMS IN THE 2013 AND 2012 MOST WIRED SURVEY AND BENCHMARKING STUDY. HOSPITALS & HEALTH NETWORKS POLLED ABOUT 1,570 HOSPITALS. THE SURVEY ASSESSES HOSPITALS AND HEALTH SYSTEMS' MEANINGFUL USE OF ELECTRONIC MEDIA TECHNOLOGY IN FOUR AREAS - INFRASTRUCTURE, BUSINESS AND ADMINISTRATIVE MANAGEMENT, CLINICAL QUALITY AND SAFETY, AND CARE CONTINUUM.

3. AWARD-WINING CARDIAC AND NEPHROLOGY CARE

SENTARA HEART HOSPITAL/SENTARA NORFOLK GENERAL HOSPITAL IS A COMPREHENSIVE NETWORK OF PROVIDERS, FACILITIES AND SERVICES WORKING TOGETHER TO ENSURE THE HIGHEST LEVEL OF CARE.

SENTARA NORFOLK GENERAL HOSPITAL HAS BEEN RANKED THE NUMBER ONE HOSPITAL IN VIRGINIA AND HAMPTON ROADS BY U.S. NEWS & WORLD REPORT. IN THE 2014-15 U.S. NEWS BEST HOSPITALS RANKINGS, THE HOSPITAL WAS RECOGNIZED WITH TWO NATIONALLY RANKED TOP 50 PROGRAMS.

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CARDIOLOGY AND HEART SURGERY ARE RANKED 44TH, WHICH MARKS THE PROGRAM'S 14TH CONSECUTIVE YEAR AMONG THE NATION'S ELITE PROGRAMS IN THE U.S. NEWS NATIONAL SURVEY. FOR THE FIRST TIME, EAR, NOSE AND THROAT IS ALSO AMONG THE NATION'S TOP 50 PROGRAMS AT NUMBER 41. THIS NATIONAL RANKING IS DUE, IN PART, TO INNOVATIVE PROCEDURES USED BY SURGEONS AND RADIOLOGISTS WITH EASTERN VIRGINIA MEDICAL SCHOOL MEDICAL GROUP FOR PATIENTS WITH HEAD AND NECK CANCERS AND TRAUMATIC INJURIES. THE TWO SPECIALTIES ARE THE ONLY TOP-50 RANKED HEART AND ENT PROGRAMS IN VIRGINIA.

IN ADDITION TO THE NATIONAL RANKINGS, U.S. NEWS INCLUDED RANKINGS FOR STATE AND METRO AREAS. SEVEN SENTARA HOSPITALS WERE FEATURED IN THE RANKINGS, WITH SENTARA NORFOLK GENERAL HOSPITAL LISTED AT NUMBER ONE IN THE REGION AND NUMBER ONE IN THE STATE. MARTHA JEFFERSON HOSPITAL RANKED 11TH IN THE STATE AND SENTARA ROCKINGHAM MEMORIAL HOSPITAL 15TH. SENTARA VIRGINIA BEACH GENERAL HOSPITAL WAS 8TH IN THE STATE AND SECOND IN HAMPTON ROADS; SENTARA WILLIAMSBURG REGIONAL MEDICAL CENTER TIED WITH SENTARA LEIGH HOSPITAL FOR 20TH IN THE STATE AND WAS RANKED THIRD IN HAMPTON ROADS. SENTARA LEIGH WAS SIXTH IN HAMPTON ROADS. SENTARA PRINCESS ANNE HOSPITAL RANKED 15TH IN THE STATE AND THIRD IN HAMPTON ROADS.

4. OUTSTANDING CANCER CARE

AFTER A THREE-DAY SURVEY IN 2012, THE AMERICAN COLLEGE OF SURGEONS' COMMISSION ON CANCER RE-ACCREDITED THE SENTARA CANCER NETWORK FOR THREE YEARS WITH COMMENDATIONS. THE ACCREDITATION WAS AS AN "INTEGRATED

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NETWORK" -THE ONLY ONE IN VIRGINIA - WITH NO DEFICIENCIES.

5. SENTARA SYSTEM STROKE TEAM

IN FEBRUARY 2013, THE VIRGINIA HOSPITAL ASSOCIATION SELECTED SENTARA'S STANDARDIZED STROKE PROGRAM AS A LEADING BEST PRACTICE. THE SYSTEM STROKE TEAM AT SENTARA DEVELOPED A STANDARDIZED PROGRAM AND IMPLEMENTED IT AT 10 SENTARA HOSPITALS. THE TEAM EVALUATED THE ENTIRE STROKE PROCESS FROM DIAGNOSIS IN THE FIELD AND TREATMENT IN THE EMERGENCY DEPARTMENT TO PATIENT DISCHARGE. THE RESULTS INCLUDED A REDUCTION IN SYSTEM-WIDE STROKE MORTALITY FROM 11 PERCENT IN 2008 TO FIVE PERCENT IN 2012; A REDUCTION IN AVERAGE LENGTH OF STAY BY TWO DAYS WITH AN ASSOCIATED COST SAVINGS OF \$1.1 MILLION; AND INCREASED STROKE CORE METRIC PERFORMANCE FROM 54.9 PERCENT OF GOAL MET IN 2009 TO 92.1 PERCENT OF GOAL MET IN 2012.

6. THE JOINT COMMISSION AND DET NORSKE VERITAS HEALTHCARE, INC. (DNVHC) ACCREDITATION

THE JOINT COMMISSION ON ACCREDITATION OF HEALTHCARE ORGANIZATIONS HAS GIVEN SEVERAL OF OUR HOSPITALS ITS GOLD SEAL OF APPROVAL AND DISEASE-SPECIFIC CARE CERTIFICATION.

AN INDEPENDENT, NOT-FOR-PROFIT ORGANIZATION, THE JOINT COMMISSION ACCREDITS AND CERTIFIES MORE THAN 20,500 HEALTH CARE ORGANIZATIONS AND PROGRAMS IN THE UNITED STATES. JOINT COMMISSION ACCREDITATION AND CERTIFICATION IS RECOGNIZED NATIONWIDE AS A SYMBOL OF QUALITY THAT REFLECTS AN ORGANIZATION'S COMMITMENT TO MEETING CERTAIN PERFORMANCE

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STANDARDS. THEIR MISSION IS TO CONTINUOUSLY IMPROVE HEALTHCARE FOR THE PUBLIC BY EVALUATING HEALTHCARE ORGANIZATIONS AND INSPIRING THEM TO EXCEL IN PROVIDING SAFE AND EFFECTIVE CARE OF THE HIGHEST QUALITY AND VALUE.

SENTARA NORFOLK GENERAL HOSPITAL EARNED THE JOINT COMMISSION'S VASCULAR CERTIFICATION.

SENTARA NORFOLK GENERAL HOSPITAL, SENTARA LEIGH HOSPITAL, SENTARA VIRGINIA BEACH GENERAL HOSPITAL, SENTARA CAREPLEX HOSPITAL, SENTARA OBICI HOSPITAL, AND SENTARA PRINCESS ANNE HOSPITAL ALL EARNED PRIMARY STROKE CERTIFICATION. VOLUNTARY HOSPITALS ASSOCIATION "BLUEPRINTED" THE SENTARA HAMPTON ROADS HOSPITALS' STROKE PROGRAMS AS A "LEADING PRACTICE IN STROKE CARE" WITH A WEBINAR ORIGINATING FROM SENTARA.

ROCKINGHAM MEMORIAL HOSPITAL (RMH) WAS CERTIFIED BY THE JOINT COMMISSION AS AN ADVANCED PRIMARY STROKE CENTER. THE SURVEYORS RECOGNIZED RMH'S PATIENT DISCHARGE PHONE CALL PROGRAM AND ITS COLLABORATION WITH LOCAL EMS PROVIDERS AS BEST PRACTICES IN STROKE CARE.

DNVHC ACCREDITED MARTHA JEFFERSON HOSPITAL WITH A HOSPITAL CERTIFICATION AND A STROKE PROGRAM CERTIFICATION.

DNVHC'S ACCREDITATION PROGRAM INVOLVES ANNUAL HOSPITAL SURVEYS AND ENCOURAGES HOSPITALS TO OPENLY SHARE INFORMATION ACROSS DEPARTMENTS AND TO DISCOVER IMPROVEMENTS IN CLINICAL WORKFLOWS AND SAFETY PROTOCOLS.

DNVHC IS AN INTERNATIONAL COMPANY BASED OUTSIDE OF OSLO, NORWAY FOUNDED

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IN 1864. IN 2012, DNV MERGED WITH GERMAN-BASED GERMANISCHER LLOYD TO
FORM THE DNV-GL GROUP.

7. AWARD FOR SUPPORTING BREASTFEEDING

FOUR SENTARA HOSPITALS IN HAMPTON ROADS AND SIX PROGRAM CHAMPIONS
RECEIVED BUSINESS INVESTMENT IN BABIES (BIB) AWARDS IN 2012 FROM THE
BUSINESS CASE FOR BREASTFEEDING PROGRAM ADMINISTERED THROUGH CINCH, THE
COALITION FOR INFANT AND CHILD HEALTH AT EASTERN VIRGINIA MEDICAL
SCHOOL. SENTARA WAS AMONG THE EMPLOYERS CITED FOR CREATING A SUPPORTIVE
ENVIRONMENT FOR NURSING MOTHERS TO PUMP BREAST MILK DURING THE WORKDAY
BY PROVIDING TIME, PRIVATE SPACE, AND WRITTEN POLICIES. HOSPITALS
INCLUDED SENTARA NORFOLK GENERAL, SENTARA LEIGH, SENTARA VIRGINIA BEACH
GENERAL, AND SENTARA PRINCESS ANNE.

**8. FIVE-STAR RANKINGS, SILVER ACHIEVEMENT, AND EXCELLENCE IN ACTION
AWARDS FOR NURSING CENTERS**

IN 2013, FOR THE THIRD YEAR IN A ROW, TWO SENTARA NURSING CENTERS
RECEIVED A FIVE STAR OVERALL RANKING IN U.S. NEWS & WORLD REPORT'S
ANNUAL BEST NURSING HOMES SURVEY. BEST NURSING HOMES RECOGNIZES
TOP-RATED HOMES IN THE UNITED STATES. OF MORE THAN 15,500 HOMES RATED,
SENTARA NURSING CENTER WINDMERE, VIRGINIA BEACH AND NURSING CENTER
PORTSMOUTH WERE AMONG FEWER THAN ONE IN EIGHT THAT RECEIVED A FIVE-STAR
OVERALL RATING IN ALL FOUR QUARTERS.

SENTARA NURSING CENTER BARCO, NORTH CAROLINA RECEIVED FIVE STARS IN
2012 AND 2013 AS WELL.

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SENTARA NURSING CENTER-CURRITUCK RECEIVED A 2012 SILVER-ACHIEVEMENT IN QUALITY AWARD FROM THE AMERICAN HEALTHCARE ASSOCIATION AND NATIONAL CENTER FOR ASSISTED LIVING. THE COMPETITIVE AWARDS FOLLOW CRITERIA IN THE BALDRIGE PERFORMANCE EXCELLENCE PROGRAM AND MARK MEASURABLE PROGRESS IN QUALITY IMPROVEMENTS IN LONG TERM CARE.

B. PATIENT SAFETY

OUR FOCUS GOES BEYOND THE BASICS OF MAKING HEALTHCARE SAFE FOR OUR PATIENTS. SENTARA HAS BUILT A STRONG "CULTURE OF SAFETY" TO REDUCE MEDICAL ERRORS BY MODELING SUCCESSFUL PROGRAMS FROM THE NUCLEAR POWER AND AVIATION INDUSTRIES. THIS CULTURE OF SAFETY PROMOTES BEHAVIORS THAT RESULT IN SAFE, RELIABLE AND EFFECTIVE CARE.

THE FOUNDATION OF THIS CULTURE IS A STRONG ACCOUNTABILITY TO PERFORM REGIMENTED BEHAVIORS THAT REDUCE MEDICAL ERRORS. OUR STAFF USES GUIDELINES KNOWN AS "BEHAVIOR BASED EXPECTATIONS" OR BBE'S TO ENSURE THE HIGHEST STANDARD OF CARE. THE GOAL IS TO MAKE THESE TOOLS AND TECHNIQUES A HABIT. FOR OUR DEDICATION, WE HAVE RECEIVED NUMEROUS AWARDS FOR PATIENT SAFETY AND QUALITY OF CARE STANDARDS.

1. THE LEAPFROG HOSPITAL SURVEY

THE LEAPFROG HOSPITAL RECOGNITION PROGRAM (LHRP) HONORS HOSPITALS THAT DEMONSTRATE EXCELLENCE OR IMPROVEMENT IN PATIENT SAFETY, QUALITY, AND RESOURCE UTILIZATION.

IN 2012, THE LEAPFROG GROUP DEVELOPED THE HOSPITAL SAFETY SCORE,

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GRADING MORE THAN 2,600 OF THE NATION'S HOSPITALS ON PATIENT SAFETY. IN VIRGINIA, 58 HOSPITALS WERE NAMED IN THE REPORT, AND SEVEN SENTARA HOSPITALS ACHIEVED THE HIGHEST GRADE OF A FOR DELIVERING SAFE CARE TO PATIENTS.

IN 2013, LEAPFROG RECOGNIZED SENTARA NORFOLK GENERAL HOSPITAL WITH AN A RATING.

2. INFECTION PREVENTION

PREVENTION OF HEALTH CARE-ASSOCIATED INFECTIONS IS A NATIONAL CONCERN, AND SENTARA CONTINUALLY STRIVES TO REDUCE THESE CASES. ALL OF OUR HOSPITALS HAVE BEEN WORKING DILIGENTLY TO REDUCE THE OCCURRENCE OF VENTILATOR-ASSOCIATED PNEUMONIA (VAP), WHICH CAN DEVELOP IN PATIENTS WHO HAVE BEEN ON MECHANICAL VENTILATION FOR 48 HOURS OR MORE. IN 2013, SENTARA WILLIAMSBURG REGIONAL MEDICAL CENTER MARKED NINE CONSECUTIVE YEARS WITH ZERO CASES OF VAP, WHICH NO OTHER HOSPITAL IN THE COUNTRY CAN CLAIM. THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND THE CRITICAL CARE SOCIETIES COLLABORATIVE HAVE RECOGNIZED WILLIAMSBURG FOR OUTSTANDING ACHIEVEMENT AND LEADERSHIP IN THE ELIMINATION OF VAP. VOLUNTARY HOSPITALS OF AMERICA (VHA), A VOLUNTARY NATIONAL ORGANIZATION FOCUSED ON HEALTH CARE FINANCIAL PERFORMANCE THROUGH CLINICAL EXCELLENCE AND SUPPLY CHAIN MANAGEMENT, "BLUEPRINTED" THE PRACTICES AT SENTARA WILLIAMSBURG REGIONAL MEDICAL CENTER AS A MODEL FOR HOSPITALS ACROSS THE COUNTRY.

3. IMPROVING PATIENT SAFETY THROUGH TECHNOLOGY

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SENTARA HEALTHCARE PROVIDES THE SENTARA ECARE HEALTH NETWORK. THE CLINICAL SYSTEM USES INNOVATIVE TECHNOLOGY TO LINK PATIENT MEDICAL INFORMATION BETWEEN OUR HOSPITALS, PHYSICIAN PRACTICES AND OTHER HEALTH CARE SITES OVER A PROTECTED NETWORK, ENABLING THE SECURE SHARING OF PATIENT INFORMATION, INCREASING PATIENT SAFETY AND REDUCING PREVENTABLE MEDICAL ERRORS. MYCHART, THE COMPONENT OF ECARE THAT ALLOWS PATIENTS TO ACCESS PART OF THEIR MEDICAL RECORDS, WAS PROMOTED TO PATIENTS IN 2011. A PHONE APP WAS CREATED TO PROVIDE EASY ACCESS AS WELL. CURRENTLY, 140,000 PATIENTS ACCESS MYCHART EACH YEAR.

2013 MARKED THE 13TH YEAR THAT WE EMPLOYED OUR EICU REMOTE MONITORING SYSTEM FOR OUR SICKEST HOSPITAL PATIENTS. SENTARA WAS THE FIRST HOSPITAL SYSTEM IN THE COUNTRY TO IMPLEMENT THE EICU SYSTEM, WHICH USES A NETWORK OF CAMERAS, MONITORS, ALERTS, AND TWO-WAY COMMUNICATION LINKS. DOCTORS AND CRITICAL CARE NURSES AT THE EICU COMMAND CENTER MAKE VIRTUAL ROUNDS ON ICU PATIENTS. THIS SENTARA-PIONEERED TECHNOLOGY IS NOW USED TO HELP CARE FOR PATIENTS IN NEARLY 5,000 ICU BEDS NATIONALLY.

ANOTHER SAFETY INITIATIVE ADOPTED BY SENTARA IS BEDSIDE MEDICATION VERIFICATION, INCLUDING BAR-CODING TECHNOLOGY. NATIONAL STUDIES HAVE FOUND THAT BEDSIDE VERIFICATION CAN REDUCE HOSPITAL MEDICATION ERRORS BY NEARLY 70 PERCENT.

VI. COMMITMENT TO THE COMMUNITY

AS A NOT-FOR-PROFIT HEALTHCARE ORGANIZATION, WE CONTINUOUSLY REINVEST IN THE COMMUNITY-BY PURCHASING THE MOST MEDICALLY ADVANCED TECHNOLOGY; BUILDING NEW, STATE-OF-THE-ART HEALTHCARE FACILITIES; TRAINING MEDICAL

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PROFESSIONALS; AND PROVIDING THE HIGHEST QUALITY HEALTHCARE TO ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY. IT'S NOT JUST OUR MISSION, IT'S OUR COMMITMENT TO THE COMMUNITY.

MARTHA JEFFERSON HOSPITAL WAS HONORED BY THE CHARLOTTESVILLE REGIONAL CHAMBER OF COMMERCE WITH THE 2012 HOVEY S. DABNEY AWARD FOR CORPORATE CITIZENSHIP. ORGANIZATIONS RECEIVING THIS AWARD ARE KNOWN FOR ENGAGING IN SOUND, SUCCESSFUL BUSINESS PRACTICE AND BEING GOOD PARTNERS WITH OTHER BUSINESSES, INVESTING DIRECTLY IN THE ECONOMIC AND CULTURAL ADVANCEMENT OF THE COMMUNITY, PURSUING A POSITIVE WORK ENVIRONMENT, AND INSPIRING BY EXAMPLE.

THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES AWARDED ROCKINGHAM MEMORIAL HOSPITAL (RMH) WITH A \$3.1 MILLION, FIVE-YEAR GRANT IN NOVEMBER 2012 TO HELP FAMILIES AT RISK FROM SUBSTANCE ABUSE. AS A FISCAL AGENT, RMH OVERSEES ADMINISTRATION OF THE GRANT, AND CENTRAL SHENANDOAH VALLEY FAMILY PARTNERSHIP HELPS FAMILIES WITH CHILDREN IN DANGER OF BEING REMOVED FROM THEIR HOMES BECAUSE OF SUBSTANCE ABUSE BY A CAREGIVER.

SOLIANT HEALTH NAMED MARTHA JEFFERSON HOSPITAL THE TOP VOTE-GETTER IN THE COUNTRY IN ITS ANNUAL "MOST BEAUTIFUL HOSPITAL" SURVEY IN 2012.

HERE ARE SOME OF THE OTHER WAYS WE'VE INVESTED IN THE PEOPLE WE SERVE:

A. THE SENTARA HEALTH FOUNDATION

WE ESTABLISHED THE SENTARA HEALTH FOUNDATION IN 1998 TO IMPROVE HEALTH

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AND QUALITY OF LIFE THROUGHOUT SOUTHEASTERN VIRGINIA AND NORTH
CAROLINA, AND TO DEMONSTRATE OUR NOT-FOR-PROFIT MISSION.

THE FOUNDATION HAS TOUCHED THE LIVES OF MANY VIRGINIA RESIDENTS FROM
THE EASTERN SHORE TO GREATER HAMPTON ROADS THROUGH GRANTS SUPPORTING
COMMUNITY HEALTH PROGRAMS. SPECIFICALLY, IT HAS AWARDED OVER \$10
MILLION IN GRANTS, INCLUDING \$601,800 IN 2013. PROGRAMS INCLUDE DENTAL
CARE, PRENATAL SUPPORT, MEDICATION ASSISTANCE, AND REDUCED-COST PRIMARY
CARE. THE FOUNDATION ALSO SPONSORS COMMUNITY EVENTS, SUCH AS THE SUSAN
G. KOMEN TIDEWATER RACE FOR THE CURE, THE AMERICAN HEART ASSOCIATION
HEART GALA AND HEART WALK AND THE AMERICAN CANCER SOCIETY RELAY FOR
LIFE.

B. IN SUPPORT OF THE COMMUNITY

LED BY A VOLUNTEER COMMUNITY BOARD OF DIRECTORS, SENTARA PROUDLY
PROVIDES CARE TO ALL, AND REINVESTS IN THE COMMUNITY IN NUMEROUS WAYS:

1. CONTRIBUTIONS

EACH YEAR, WE PROVIDE MILLIONS OF DOLLARS IN BENEFITS TO THE COMMUNITY.
IN 2013, SENTARA REINVESTED \$299,989,000 INTO OUR COMMUNITIES.

SENTARA EARMARKED \$20,454,000 FOR HEALTH CARE TEACHING PROGRAMS TO
ENSURE A QUALIFIED POOL OF PHYSICIANS AND NURSES. WE ALSO SPENT
\$5,355,000 TO SUPPORT LOCAL COMMUNITY PROGRAMS THAT PROVIDED HEALTH
EVENTS AND HEALTH SCREENINGS TO INDIVIDUALS.

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WE FUNDED \$274,180,000 IN UNCOMPENSATED PATIENT CARE FOR PEOPLE WHO
WERE UNINSURED OR UNDERINSURED.

2. MEDICALLY UNDERSERVED

SENTARA MEDICAL GROUP'S PHYSICIANS AND MEDICAL STAFF VOLUNTEER
THOUSANDS OF HOURS TO EASTERN VIRGINIA MEDICAL SCHOOL (EVMS), FREE
CLINICS, COMMUNITY EDUCATION, AND CIVIC AND CHARITABLE PROGRAMS. WE
SUPPORT AND OPERATE UNCOMPENSATED CARE CLINICS THROUGHOUT THE REGION,
INCLUDING THE SENTARA AMBULATORY CARE CENTER (ACC). THE ACC IS A
COLLABORATIVE EFFORT WITH EVMS AND IS LOCATED NEAR SENTARA NORFOLK
GENERAL HOSPITAL. IT FEATURES AN APPOINTMENT SIDE, WHICH FUNCTIONS LIKE
A DOCTOR'S OFFICE, AND A SAME-DAY "WALK-IN" SERVICE SIDE FOR MORE
PRESSING AND IMMEDIATE HEALTH CONCERNS.

IN NOVEMBER 2012, SENTARA PARTNERED WITH THE FREE
FOUNDATION TO OPEN A VIRGINIA BEACH FACILITY. THE NON-PROFIT COLLECTS,
REFURBISHES, STERILIZES, AND DISTRIBUTES USED DURABLE MEDICAL EQUIPMENT
TO THOSE WHO CANNOT AFFORD IT. THE SENTARA HEALTH FOUNDATION SUPPORTED
THE FREE SET-UP AND DONATED SPACE.

C. IN SUPPORT OF COMMUNITY HEALTH INITIATIVES

1. SENTARA COMMUNITY HEALTH AND PREVENTION

AS PART OF SENTARA'S COMMITMENT TO PREVENTIVE HEALTH MEASURES, WE
SPONSOR AND HOST SPECIAL COMMUNITY INITIATIVES THAT ARE DESIGNED TO
EDUCATE THE COMMUNITY ABOUT HEALTH. OUR CAMPAIGNS HAVE INCLUDED:

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-NATIONAL DRUG TAKE BACK DAY

-DRIVE-THRU FLU SHOTS

-WOMEN'S DAY HEALTH FAIR

-WEBINARS FOR WEIGHT LOSS SURGERY

-PAINT FACEBOOK PINK TO RAISE AWARENESS FOR BREAST HEALTH

-TEXT OUTREACH TO PREGNANT WOMEN

-EATING FOR LIFE, AN AWARD-WINNING NUTRITION AND HEALTHY EATING PROGRAM

-KNOW YOUR NUMBERS, A CARDIOVASCULAR RISK REDUCTION AND HEALTH

IMPROVEMENT PROGRAM

-WALK-ABOUT WITH HEALTHY EDGE, A WALKING PROGRAM THAT ENCOURAGES

WALKING FOR CARDIOVASCULAR HEALTH

-GET OFF YOUR BUTT: STAY SMOKELESS FOR LIFE, A SMOKING CESSATION

PROGRAM

-HEALTHY HEART PROGRAM, A CARDIOVASCULAR DISEASE REDUCTION PROGRAM

-SENTARA LIVING, A COMPREHENSIVE WELLNESS PROGRAM FOR SENIORS

-SENTARA'S MOBILE MAMMOGRAPHY UNIT VISITS NUMEROUS WORK SITES EVERY

YEAR TO ENCOURAGE WELLNESS.

-CAMP LIGHTHOUSE, A GRIEF CAMP FOR KIDS AGES 5-16 WHO HAVE EXPERIENCED

THE DEATH OF A LOVED ONE

-DON'T SIT ON COLON CANCER HEALTHY EATING AND SCREENING CAMPAIGN AND 5K

-PROSTATE CANCER EDUCATION AND FREE SCREENINGS

-MOBILE ER TENTS AT VIRGINIA BEACH ROCK 'N' ROLL HALF MARATHON

-A NEW BLOG FOR WOMEN OF CHILDBEARING AGE WITH INFORMATION AND SUPPORT

FOR MOTHERS AND MOTHERS-TO-BE

-COURAGE F.U.N, A PROJECT TO COMBAT CHILDHOOD OBESITY THROUGH SOCCER

TRAINING AND WEIGHT MANAGEMENT EDUCATION

-LUNG CANCER SCREENING EDUCATION FOR SMOKERS 55 AND OLDER WHO HAVE

SMOKED A PACK A DAY FOR OVER 30 YEARS

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2. TOBACCO-FREE ENVIRONMENTS

HOSPITALS SEE THE EFFECTS OF TOBACCO EVERY DAY IN HEART DISEASE, RESPIRATORY AILMENTS, AND CANCERS. IN RESPONSE, SENTARA HAS IMPLEMENTED OUR TOBACCO-FREE ENVIRONMENT (TFE) CAMPAIGN. NO ONE IS ALLOWED TO SMOKE, CHEW OR DIP ANYWHERE ON CAMPUS, NOT EVEN IN CARS. THE GOAL IS NOT JUST TO AVOID THE AESTHETIC AND HEALTH ISSUES OF SECOND-HAND SMOKE, BUT TO PUT SENTARA'S MISSION INTO PRACTICE BY HELPING STAFF, PATIENTS, AND VISITORS QUIT THIS HABIT. AS OF 2011, ALL OF OUR FACILITIES ADOPTED THE TOBACCO FREE ENVIRONMENT INITIATIVES. WE HAVE EARNED THE AMERICAN CANCER SOCIETY "EXCELLENCE IN THE WORKPLACE TOBACCO CONTROL" AWARD FOR OUR EFFORTS.

VII. OPTIMA HEALTH PLAN

A. IMPROVING HEALTH

OPERATING WITH THE SAME MISSION IN MIND -- TO IMPROVE HEALTH EVERY DAY -- IS OUR HEALTH PLAN, OPTIMA HEALTH. WITH MORE THAN 25 YEARS OF HEALTH INSURANCE EXPERIENCE, OPTIMA HEALTH PROVIDES HEALTH PLAN COVERAGE TO MORE THAN 440,000 MEMBERS THROUGHOUT THE STATE. OUR QUALITY PROVIDER NETWORK FEATURES MORE THAN 15,000 PROVIDERS INCLUDING SPECIALISTS, PRIMARY CARE PHYSICIANS, AND HOSPITALS.

B. SUPPORTING THE COMMUNITY

OPTIMA HEALTH PROVIDES MORE THAN INSURANCE FOR OUR COMMUNITIES; WE

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REACH OUT THROUGH HEALTH SCREENINGS, EVENTS, EDUCATION MATERIALS, AND
IMMUNIZATIONS. OUR HIGHLIGHTS IN 2013 INCLUDED:

-HEALTH IMPROVEMENT EVENT PARTICIPATION NUMBERS INCREASED FROM THE
PREVIOUS YEAR (IN 2012 THERE WERE 43,263 PARTICIPANTS COMPARED TO
43,351 PARTICIPANTS IN 2013.) THESE EVENTS WERE OFFERED TO CHURCHES,
EMPLOYER GROUPS INCLUDING COMMUNITY HEALTH CENTERS AND OTHER COMMUNITY
LOCATIONS.

-EATING FOR LIFE, WALKABOUT WITH HEALTHY EDGE, HEALTHY HEART,
MEDITATION, TAI CHI AND YOGA, OUR CARDIOVASCULAR DISEASE RISK REDUCTION
PROGRAMS, COLLECTIVELY INCREASED IN DISTRIBUTION BY 9 PERCENT OVER
2012.

-FLU PATROL ADMINISTERED A TOTAL OF 10,583 IMMUNIZATIONS. 8,573 WERE
GIVEN TO OPTIMA HEALTH INSURED EMPLOYERS IN VIRGINIA. THIS NUMBER
SURPASSED OUR GOAL OF 8,000.

-PREVENTIVE BIRTHDAY CARD REMINDERS FOR PREVENTIVE HEALTH SCREENINGS
DELIVERED MESSAGES TO 255,945 ADULT HEALTH PLAN MEMBERS. PREVENTIVE
BIRTHDAY CARD REMINDERS FOR CHILDREN DELIVERED ANNUAL PHYSICAL EXAM
MESSAGES TO 149,026 HEALTH PLAN MEMBERS. SELF-CARE MANUALS WERE
DISTRIBUTED TO HEALTH PLAN MEMBERS AND COMMUNITY ORGANIZATIONS. 1,775
WENT OUT IN 2013.

-OUR TOBACCO CESSATION PROGRAM HAD 11,404 INTERVENTIONS IN 2013. WE
SENT OUT 46,261 CAMPUS-WIDE ELECTRONIC INTERVENTIONS TO PROMOTE THE
GREAT AMERICAN SMOKEOUT AND DISTRIBUTED 5,719 QUIT KITS. OUR CERTIFIED
TOBACCO TREATMENT SPECIALISTS FACILITATED 17 TOBACCO CESSATION
AWARENESS GROUP PROGRAMS FOR 56 PARTICIPANTS AND PROVIDED 38 TOBACCO
AWARENESS PRESENTATIONS FOR COMMUNITY AND EMPLOYER GROUPS. WE CONTACTED
OVER 320 INPATIENTS FOUR WEEKS AFTER THEIR HOSPITAL DISCHARGE FOR

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TOBACCO CESSATION FOLLOW-UP.

-DURING THE MONTH OF NOVEMBER, 17,029 EMPLOYEES COMPLETED A HEALTH RISK ASSESSMENT IN CONJUNCTION WITH THE HEALTHY EDGE/MISSION: HEALTH PROGRAM. OF THOSE, 9,690 EMPLOYEES ATTENDED 132 ON-SITE HEALTH SCREENINGS WITHIN SIX MONTHS. IN 2013, WE IDENTIFIED 5,746 EMPLOYEES WITH TWO OR MORE HEALTH RISKS AND 5,423 AGREED TO ENGAGE WITH A HEALTH COACH. 3,238 EMPLOYEES AGREED TO CONTINUE ENGAGING WITH THEIR HEALTH COACH. 1,554 EMPLOYEES FROM 2013 WILL NO LONGER NEED TO ENGAGE WITH A HEALTH COACH. OUR EMPLOYEE MAMMOGRAPHY PROGRAM OFFERED ALL FEMALE SENTARA EMPLOYEES AGE 40 AND OVER THE OPPORTUNITY FOR A MAMMOGRAM. 678 EMPLOYEES SUBMITTED MAMMOGRAPHY, COLORECTAL CANCER SCREENING AND PROSTATE CANCER SCREENING PROGRAM COUPONS IN 2013.

-12,205 CITY OF VIRGINIA BEACH AND VIRGINIA BEACH PUBLIC SCHOOL EMPLOYEES ENROLLED IN THE WELLNESS FOR LIFE PROGRAM. OF THOSE, 7,199 EMPLOYEES ATTENDED 59 ON-SITE HEALTH SCREENINGS WITHIN NINE MONTHS. 4,996 EMPLOYEES WERE IDENTIFIED WITH TWO OR MORE HEALTH RISKS. OVERALL, 80 PERCENT OF ELIGIBLE EMPLOYEES PARTICIPATED.

-HAMPTON ROADS SANITATION DISTRICT AWARDED A THREE-YEAR HEALTH IMPROVEMENT SERVICES CONTRACT TO OPTIMA HEALTH & PREVENTIVE SERVICES. THIS UNIQUE CONTRACT IS BETWEEN OPTIMA HEALTH AND A GROUP THAT IS INSURED WITH ANOTHER CARRIER FOR OUR OUTSTANDING WELLNESS SERVICES. OUR HEALTH PROGRAMMING IMPACTED 812 EMPLOYEES IN 2013.

-POCKET EKG SCREENED 341 PARTICIPANTS IN 2013. WE IDENTIFIED 320 (94 PERCENT) OF THOSE PARTICIPANTS WITH CARDIOVASCULAR HEALTH RISKS.

-WE SUPPORTED COMMUNITY PARTNERS INCLUDING VIRGINIA DEPARTMENT OF HEALTH, VIRGINIA DIABETES COUNCIL, PENINSULA AGENCY ON AGING, COMMUNITY HEALTH CENTERS, AND VARIOUS CHURCHES WITH CARDIOVASCULAR HEALTH RISK REDUCTION RESOURCES, CANCER RISK REDUCTION PROGRAMS AND CLINICAL

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EXPERTISE FOR PROGRAM DEVELOPMENT.

C. ACCREDITATION AND AWARDS

THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE (NCQA) HAS RECOGNIZED OUR QUEST FOR EXCELLENCE BY AWARDING OUR COMMERCIAL HMO AND MEDICAID HMO PRODUCTS WITH AN "EXCELLENT" ACCREDITATION STATUS. WE HAVE MAINTAINED THIS RATING SINCE 1998, A CLAIM NO OTHER HEALTH PLAN IN THE REGION CAN MAKE.

OPTIMA HEALTH RECEIVED AN A+ RATING FROM THESTREET.COM (WEISS RATINGS, INC.) FOR FINANCIAL SOUNDNESS, RECOGNIZING OUR ABILITY TO WITHSTAND SEVERE ECONOMIC ADVERSITY AND SHOWING EXCEPTIONAL FINANCIAL STRENGTH. THESTREET.COM IS THE NATION'S LEADING INDEPENDENT PROVIDER OF RATINGS AND ANALYSES OF FINANCIAL SERVICE COMPANIES, MUTUAL FUNDS, AND STOCKS. THE RATING RECOGNIZES OPTIMA HEALTH AS AN OUTSTANDING INSURER OFFERING EXCELLENT FINANCIAL STABILITY FOR ITS CUSTOMERS. FEWER THAN FIVE PERCENT OF THE NATION'S HMOS AND HEALTH INSURERS MEET THESTREET.COM RATING'S CRITERIA FOR EXCEPTIONAL FINANCIAL STRENGTH.

VIII. CONCLUSION

THROUGH ALL THAT WE DO AT SENTARA HEALTHCARE AND OPTIMA HEALTH, WE STRIVE TO IMPROVE HEALTH EVERY DAY, WHETHER IT IS BY USING THE MOST ADVANCED MEDICAL EQUIPMENT POSSIBLE, CARING FOR A NEW PATIENT WHO MIGHT NOT OTHERWISE BE HELPED, OR RESEARCHING NEW WAYS TO PREVENT OR CURE CHALLENGING HEALTH CONDITIONS. WHILE OUR OFFICIAL PATIENT COUNT COULD BE FIGURED HOSPITAL BY HOSPITAL AND PHYSICIAN'S OFFICE BY PHYSICIAN'S

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OFFICE, WE BELIEVE WE MAY HELP OVER THREE MILLION PEOPLE - WHETHER
ENROLLED "PATIENTS" OR COMMUNITY MEMBERS - ACROSS VIRGINIA AND NORTH
CAROLINA, THANKS TO ALL OF OUR VITAL HEALTH SERVICES AND PROGRAMS
OFFERED EACH YEAR.

FORM 990, PART VI, SECTION A, LINE 2:

DAVID BERND AND HOWARD KERN HAVE A BUSINESS RELATIONSHIP
THROUGH COMMON OWNERSHIP OF AN ENTITY UNRELATED TO THE ORGANIZATION.

THE ORGANIZATION'S OFFICERS AND DIRECTORS SERVED TOGETHER ON THE BOARDS OF
OTHER ORGANIZATIONS WITHIN THE SENTARA HEALTHCARE SYSTEM ("THE SYSTEM"), AS
WELL AS JOINT VENTURES IN WHICH THE SYSTEM HAD AN OWNERSHIP INTEREST. SEE
SCHEDULE R FOR A LISTING OF SUCH ENTITIES.

FORM 990, PART VI, SECTION A, LINE 6:

THE ORGANIZATION HAD ONE CLASS OF MEMBER, THE SOLE MEMBER
BEING SENTARA HEALTHCARE, A VIRGINIA NONSTOCK CORPORATION DESCRIBED IN
SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE.

FORM 990, PART VI, SECTION A, LINE 7A:

THE BOARD OF DIRECTORS, WHICH SERVED AS THE ORGANIZATION'S
GOVERNING BODY, WAS ELECTED BY ITS SOLE MEMBER, SENTARA HEALTHCARE, A
501(C)(3) ORGANIZATION.

FORM 990, PART VI, SECTION A, LINE 7B:

THE SOLE MEMBER, SENTARA HEALTHCARE, A 501(C)(3) ORGANIZATION,
HAD EXCLUSIVE AUTHORITY TO DIRECT AND MANAGE THE OPERATIONS AND AFFAIRS OF

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THE ORGANIZATION AND TO MAKE ALL DECISIONS REGARDING THE BUSINESS OF THE ORGANIZATION, SUBJECT TO THE OVERSIGHT OF THE ORGANIZATION'S BOARD OF DIRECTORS. BOARD MEMBERS SERVED IN AN ADVISORY CAPACITY, MAKING RECOMMENDATIONS TO THE MEMBER REGARDING THE ESTABLISHMENT OF HOSPITAL POLICIES, THE MAINTENANCE OF QUALITY PATIENT CARE, AND THE PROVISION OF INSTITUTIONAL PLANNING IN A MANNER RESPONSIVE TO LOCAL COMMUNITY NEEDS.

FORM 990, PART VI, SECTION B, LINE 11:

THE ORGANIZATION WAS PART OF THE SENTARA HEALTHCARE SYSTEM ("THE SYSTEM"), AND AS SUCH, USED THE SYSTEM'S IN-HOUSE TAX DEPARTMENT, HEADED BY A LICENSED CERTIFIED PUBLIC ACCOUNTANT, TO BOTH PREPARE AND REVIEW ITS FORM 990. DURING THE PREPARATION AND REVIEW PROCESS, THE TAX DEPARTMENT WORKED CLOSELY WITH OTHER SYSTEM DEPARTMENTS, SUCH AS LEGAL, COMPENSATION AND BENEFITS, COMPLIANCE, FINANCE, AND MARKETING, TO ENSURE THAT A COMPLETE AND ACCURATE RETURN WAS FILED.

FORM 990, PART VI, SECTION B, LINE 12C:

DIRECTORS, BOARD-NOMINATED OFFICERS, AND KEY EMPLOYEES SUBMIT AN ANNUAL CONFLICT OF INTEREST QUESTIONNAIRE AND CERTIFY TO THE COMPLETION AND ACCURACY OF THE INFORMATION DISCLOSED. SENTARA HEALTHCARE SYSTEM'S LEGAL DEPARTMENT MONITORS TRANSACTIONS INVOLVING POTENTIAL CONFLICTS OF INTEREST, TO ENSURE THAT THEY ARE REASONABLE AND AT ARM'S LENGTH. REPORTS ON SUCH TRANSACTIONS ARE MADE TO THE AUDIT AND COMPLIANCE COMMITTEE OF THE BOARD AS NECESSARY.

FORM 990, PART VI, SECTION B, LINE 15:

AS PART OF THE SENTARA HEALTHCARE SYSTEM ("THE SYSTEM"), THE ORGANIZATION FOLLOWED PROCESSES AND PROCEDURES SET FORTH IN ITS GOVERNING

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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.

THE COMPENSATION PHILOSOPHY OF THE SYSTEM AS A WHOLE IS TO BASE OVERALL
COMPENSATION AND BENEFITS FOR EXECUTIVES ON NOT-FOR-PROFIT MARKET
COMPARABLES, ADJUSTED AS APPLIED TO EACH EXECUTIVE, TAKING INTO
CONSIDERATION THE INDIVIDUAL SKILLS, EXPERIENCE, TENURE AND PERFORMANCE OF
THE EXECUTIVE BEING COMPENSATED AND OVERALL PERFORMANCE OF THE
ORGANIZATION.

IN LINE WITH THIS PHILOSOPHY, THE SYSTEM PERFORMED SUBSTANTIAL DUE
DILIGENCE AS TO MARKET COMPARABLES. THE SYSTEM'S COMPENSATION COMMITTEE,
WHICH CONSISTS OF SYSTEM BOARD MEMBERS WITHOUT CONFLICTS OF INTERESTS,
ENGAGED AN OUTSIDE CONSULTANT, WHO REPORTS TO THE COMPENSATION COMMITTEE,
TO CONDUCT A STUDY ASSESSING THE COMPETITIVENESS OF TOTAL COMPENSATION
(INCLUDING CASH COMPENSATION, BENEFITS AND PERQUISITES) OF ITS SENIOR
EXECUTIVES PRIOR TO MAKING DECISIONS REGARDING ANNUAL BASE SALARY
ADJUSTMENTS, APPROVING INCENTIVE AWARDS, OR CONSIDERING PROGRAMMATIC
CHANGES. THE STUDY COMPARED THE COMPENSATION OF THE SYSTEM'S SENIOR
EXECUTIVES TO COMPENSATION DATA FROM MULTIPLE PUBLISHED SURVEY SOURCES
BASED ON THE SENIOR EXECUTIVE'S FUNCTIONAL RESPONSIBILITY. IN CONDUCTING
THE STUDY, THE CONSULTANT TARGETED OTHER NOT-FOR-PROFIT HEALTH SYSTEMS OF
SIMILAR SIZE BASED ON NET REVENUE AND COMPLEXITY. FOR HEALTH PLAN
POSITIONS, HEALTH PLANS WITH SIMILAR PREMIUMS, OR MEMBERS, WERE TARGETED.
THE CONSULTANT ALSO CONDUCTS A REVIEW OF THE ORGANIZATION'S PERFORMANCE

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RELATIVE TO A GROUP OF NOT-FOR-PROFIT HEALTH SYSTEMS OF COMPARABLE SIZE AND SCOPE OF OPERATIONS EVERY YEAR. THE MOST RECENT STUDY COMPARED SENTARA'S PERFORMANCE TO 29 NOT-FOR-PROFIT HEALTHCARE SYSTEMS BASED ON NET REVENUE GROWTH, OPERATING MARGIN, BOND RATING, AND QUALITATIVE PERFORMANCE MEASURES BASED ON RANKINGS FROM SDI'S NATIONAL TOP INTEGRATED HEALTH NETWORKS. OVERALL, THE CONSULTANT DETERMINED THAT SENTARA'S PAY WAS ALIGNED WITH ITS RELATIVE PERFORMANCE.

THE COMPENSATION STUDY WAS PRESENTED TO THE SYSTEM'S COMPENSATION COMMITTEE, WHICH MADE ITS COMPENSATION DECISIONS BASED ON A) ITS REVIEW AND ANALYSIS OF THE PERFORMANCE OF BOTH THE ORGANIZATION AND ITS SENIOR EXECUTIVES AND, B) A REASONABLENESS OF COMPENSATION ANALYSIS AND OPINION FROM AN EXTERNAL EXPERT IN THE COMPENSATION OF EXECUTIVES IN THE TAX-EXEMPT HEALTH CARE FIELD. THE COMMITTEE'S BASES FOR ITS DECISIONS WERE DOCUMENTED IN COMMITTEE MINUTES TAKEN DURING THE MEETING AND THEN CIRCULATED FOR REVIEW AND APPROVAL. ALL DECISIONS REGARDING COMPENSATION WERE MADE BY THE COMMITTEE, WHICH CONSISTS OF SYSTEM BOARD MEMBERS WITHOUT CONFLICT OF INTERESTS.

THIS PROCESS WAS USED TO ESTABLISH COMPENSATION FOR THE ORGANIZATION'S VICE CHAIRMAN, PRESIDENT, AND TREASURER; WHO ALSO SERVE AS PRESIDENT AND COO, SENIOR VICE PRESIDENT, AND SENIOR VICE PRESIDENT AND CFO OF THE SYSTEM, RESPECTIVELY. THE PROCESS WAS LAST UNDERTAKEN DURING 2013 FOR ALL POSITIONS LISTED.

FORM 990, PART VI, SECTION C, LINE 19:

THE CONSOLIDATED FINANCIAL STATEMENTS FOR SENTARA HEALTHCARE

AND SUBSIDIARIES WERE MADE PUBLICLY AVAILABLE THROUGH THE USE OF DAC BOND

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(DISCLOSURE DISSEMINATION AGENT) AND CAN BE FOUND ON THE INTERNET AT
WWW.DACBOND.COM. THE ORGANIZATION'S GOVERNING DOCUMENTS AND CONFLICTS OF
INTEREST POLICY ARE GENERALLY NOT MADE AVAILABLE TO THE PUBLIC.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

RECLASS OF INTERCOMPANY BALANCES TO EQUITY -15,859,310.

FORM 990, PART V, LINE 1A

THE 501(C)(3) SOLE MEMBER OF THE ORGANIZATION, SENTARA
HEALTHCARE, MAINTAINS AN AGENCY RELATIONSHIP WITH THE ORGANIZATION AND
ISSUES ALL 1099S ON ITS BEHALF. THE NUMBER REPORTED IS A BEST ESTIMATE
OF THE 1099S ATTRIBUTABLE TO THE ORGANIZATION. THE EXACT NUMBER CANNOT
BE DETERMINED; AS SOME OF THE 1099S ISSUED BY THE AGENT ARE
ATTRIBUTABLE TO MORE THAN ONE ENTITY, AND THERE IS NO REPORTING
MECHANISM TO DETERMINE 1099'S ATTRIBUTABLE SOLELY TO THE ORGANIZATION.

FORM 990, PART VI, LINE 1B

BOARD MEMBER INDEPENDENCE:

BOARD MEMBERS ARE ELECTED ANNUALLY BY THE ORGANIZATION'S 501(C)(3) SOLE
MEMBER, SENTARA HEALTHCARE. THE GOVERNING BOARD OF SENTARA HEALTHCARE
IS A COMMUNITY-BASED BOARD COMPRISED OF 16 VOTING MEMBERS, 12 OF WHICH
ARE CONSIDERED INDEPENDENT, AS DEFINED IN THE FORM 990 INSTRUCTIONS.

FORM 990, PART VI, LINE 14

DOCUMENT RETENTION POLICY:

THE ORGANIZATION HAD A WRITTEN POLICY FOR DOCUMENT RETENTION AND
DESTRUCTION WHICH WAS APPROVED BY MANAGEMENT.

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FORM 990, PART VI, LINE 16B

JOINT VENTURE POLICY:

THE SENTARA HEALTHCARE SYSTEM HAD A WRITTEN POLICY REQUIRING EVALUATION OF ITS PARTICIPATION IN JOINT VENTURE ARRANGEMENTS UNDER APPLICABLE FEDERAL TAX LAW. THIS POLICY WAS APPROVED BY MANAGEMENT. THE ORGANIZATION ALSO TOOK STEPS TO SAFEGUARD THE ORGANIZATION'S EXEMPT STATUS WITH RESPECT TO SUCH ARRANGEMENTS.

STATEMENT FILED PURSUANT TO TREASURY REGULATION SEC. 1.6038-2(J)(3):

THE TAXPAYER IS A MEMBER OF THE SENTARA HEALTHCARE ("SHC") CONTROLLED GROUP. SHC, EIN 52-1271901, OWNS BAY PRIMEX INSURANCE COMPANY, LTD., A CONTROLLED FOREIGN CORPORATION. SHC FURNISHES ALL INFORMATION REQUIRED OF THE TAXPAYER BY IRC SECTION 6038 AND THE REGULATIONS THEREUNDER WITH RESPECT TO BAY PRIMEX INSURANCE COMPANY, LTD. THEREFORE, PURSUANT TO TREASURY REGULATION SEC. 1.6038-2(J)(2), THE TAXPAYER IS EXCEPTED FROM PROVIDING SUCH INFORMATION. THE REQUIRED INFORMATION IS E-FILED WITH SHC'S FORM 990 RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX.

IN ADDITION, ONE MEMBER OF THE SHC CONTROLLED GROUP OWNS A NON-CONTROLLING INTEREST IN VIRGINIA SOLUTIONS SPC, LTD., A CONTROLLED FOREIGN CORPORATION. ALL INFORMATION REQUIRED OF THE TAXPAYER BY IRC SECTION 6038 AND THE REGULATIONS THEREUNDER WITH RESPECT TO VIRGINIA SOLUTIONS SPC, LTD. IS FURNISHED BY HALIFAX REGIONAL HOSPITAL, EIN 54-0648699. THEREFORE, PURSUANT TO TREASURY REGULATION SEC. 1.6038-2(J)(2), THE TAXPAYER IS EXCEPTED FROM PROVIDING SUCH INFORMATION. THE REQUIRED INFORMATION IS E-FILED WITH THE ORGANIZATION'S FORM 990 RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX.

Name of the organization POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Employer identification number
54-0853898

FORM 990-EXPLANATION OF AMENDED RETURN

THE ORGANIZATION IS AMENDING FORM 990, PART VII, SECTION

A, COLUMN (F), AND SCHEDULE J, PART II, COLUMNS (B) AND (C) TO

CORRECTLY REPORT ITEMS OF DEFERRED COMPENSATION WHICH WERE EITHER NOT

REPORTED IN THE ORIGINAL FILING OR WERE ORIGINALLY REPORTED IN THE

WRONG COLUMN OF SCHEDULE J.

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

54-0853898

Schedule R (Form 990)

Part II Continuation of 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 organization?	
						Yes	No
HALIFAX REGIONAL PROPERTIES, INC. - 54-1801463, 2204 WILBORN AVENUE, SOUTH BOSTON, VA 24592	HLTH/WELFARE	VIRGINIA	501(C)(3)	11A TYPE I	HALIFAX REGIONAL HOSPITAL		X
SENTARA HEALTHCARE - 52-1271901 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	HEALTH CARE	VIRGINIA	501(C)(3)	LN7 NORMALGO	N/A		X
SENTARA PRINCESS ANNE HOSPITAL - 52-1277419 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	HEALTH CARE	VIRGINIA	501(C)(3)	LN3 HOSPITAL	SENTARA HOSPITALS	X	
SENTARA HOSPITALS - 54-1547408 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	HEALTH CARE	VIRGINIA	501(C)(3)	LN3 HOSPITAL	SENTARA HEALTHCARE	X	
SENTARA MEDICAL GROUP - 54-1217184 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	HEALTH CARE	VIRGINIA	501(C)(3)	LN9 MORETHAN	SENTARA HEALTHCARE	X	
SENTARA ENTERPRISES - 54-1917649 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	HEALTH CARE	VIRGINIA	501(C)(3)	LN9 MORETHAN	SENTARA HEALTHCARE	X	
SENTARA LIFE CARE CORP - 54-1217183 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	HEALTH CARE	VIRGINIA	501(C)(3)	LN9 MORETHAN	SENTARA HEALTHCARE	X	
MPB, INC. - 54-1346393 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	HEALTH CARE	VIRGINIA	501(C)(3)	LN9 MORETHAN	SENTARA HEALTHCARE	X	
OPTIMA HEALTH PLAN - 54-1283337 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	TITLE HOLDING COMPANY	VIRGINIA	501(C)(2)		SENTARA ENTERPRISES	X	
SENTARA RMH MEDICAL CENTER - 54-0506331 2010 HEALTH CAMPUS DRIVE HARRISONBURG, VA 22801	HMO	VIRGINIA	501(C)(3)	11A - I	SENTARA HEALTHCARE	X	
VALLEY WELLNESS CENTER - 52-1309257 501 STONE SPRING ROAD HARRISONBURG, VA 22801	HEALTH CARE	VIRGINIA	501(C)(3)	LN3 HOSPITAL	SENTARA HEALTHCARE	X	
MJH FOUNDATION - 54-1401357 500 MARTHA JEFFERSON DRIVE CHARLOTTESVILLE, VA 22911	PREVENTATIVE HEALTH/REHAB INVEST/MGT SVCS FOR MARTHA JEFFERSON HOSPITAL	VIRGINIA	501(C)(3)	LN9 MORETHAN	ROCKINGHAM MEMORIAL HOSPITAL	X	

Part II Continuation of Identification of Related Tax-Exempt Organizations

[illegible]

POTOMAC HOSPITAL CORPORATION

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Schedule R (Form 990) 2013 OF PRINCE WILLIAM

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
MANAGEMENT SERVICES, LLC - 54-1365012, 814 GREENBRIER CIRCLE, CHESAPEAKE, VA 23320	HLTH MGT SV	VA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OBICI REAL ESTATE HOLDINGS, LLC - 26-1749881, 6015 POPLAR HALL DRIVE, NORFOLK, VA 23502	RE RENTAL	VA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PRINCESS ANNE AMB SURG MGT, LLC - 20-4920880, 1975 GLENN MITCHELL, STE 300, VA BEACH, VA 23456	HEALTH CARE	VA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
VA BEACH AMBULATORY SURGERY CENTER - 54-1448218, 1700 WILL O WISP DRIVE, VA BEACH, VA 23454	HEALTH CARE	VA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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
SOUTHSIDE HEALTH SERVICES, INC. - 54-1417772 2204 WILBORN AVENUE SOUTH BOSTON, VA 24592	HEALTH SERVICES	VA	N/A	C CORP	N/A	N/A	N/A		X
DOMINION HEALTH MEDICAL ASSOCIATES, LTD. - 54-1060357, 2204 WILBORN AVENUE, SOUTH BOSTON, VA 24592	PHYS PRACTICE	VA	N/A	C CORP	N/A	N/A	N/A		X
SENTARA HOLDINGS, INC. - 54-1555638 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	HOLDING COMPANY	VA	N/A	C CORP	N/A	N/A	N/A		X
SENTARA HEALTH PLANS, INC. - 52-2368125 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	TPA	VA	N/A	C CORP	N/A	N/A	N/A		X
OPTIMA HEALTH GROUP - 54-1473382 6015 POPLAR HALL DRIVE NORFOLK, VA 23502	HMO	VA	N/A	C CORP	N/A	N/A	N/A		X

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SEE PART VII FOR CONTINUATIONS

Schedule R (Form 990) 2013

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

54-0853898

Schedule R (Form 990)

Part III Continuation of 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) Disproportion- ate 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	
AMER HEALTH EVAL CTR-WMSBG, LLC - 26-3761741, 739 THIMBLE SHOALS, STE 105, NEWPORT NEWS, VA 23606	HEALTH CARE	VA	N/A	N/A	N/A	N/A			N/A	N/A		N/A
CANCER CENTERS OF VA, LLC - 20-1338518, 5900 LAKE WRIGHT DRIVE, NORFOLK, VA 23502	HEALTH CARE	VA	N/A	N/A	N/A	N/A			N/A	N/A		N/A
HAMPTON ROADS LITHOTRIPSY, LLC - 20-0942600, 225 CLEARFIELD AVE, VIRGINIA BEACH, VA 23462	HEALTH CARE	VA	N/A	N/A	N/A	N/A			N/A	N/A		N/A
HEALTHCARE PERFORMANCE IMPROVEMENT, LLC - 20-4024074, 5041 CORPORATE WOODS DR, STE 180, VIRGINIA RADIOLOGY SERVICES OF HAMPTON	CONSULTING	VA	N/A	N/A	N/A	N/A			N/A	N/A		N/A
ROADS, L.C - 54-1774472, 814 GREENBRIER CIRCLE, STE L, CHESAPEAKE, VA 23320	HEALTH CARE	VA	N/A	N/A	N/A	N/A			N/A	N/A		N/A
SENTARA OBICI AMBULATORY SURGERY, LLC - 26-0144898, 2750 GODWIN BLVD, SUFFOLK, VA 23434	HEALTH CARE	VA	N/A	N/A	N/A	N/A			N/A	N/A		N/A
ST LUKES PROPERTIES LLC - 27-2774684, 6015 POPLAR HALL DRIVE, NORFOLK, VA 23502	MOB RENTAL	VA	N/A	N/A	N/A	N/A			N/A	N/A		N/A
POTOMAC INOVA HEALTHCARE ALLIANCE LLC - 54-1802733, 8110 GATEHOUSE RD, STE 400W, FALLS CHURCH, VA 22042	HEALTHCARE	VA	N/A	N/A	N/A	N/A			N/A	N/A		N/A
CAREPLEX WEST, LLC - 20-2738977, 18000 W. SARAH LANE, STE 250, BROOKFIELD, WI 53045	RENTAL RE	WI	N/A	N/A	N/A	N/A			N/A	N/A		N/A

POTOMAC HOSPITAL CORPORATION
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54-0853898

Schedule R (Form 990)

Part III Continuation of 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) Disproportion- ate 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			
PORT WARWICK II, LLC - 20-2739075, 18000 WEST SARAH LANE, STE 250, BROOKFIELD, WI 53045	RENTAL RE	WI	N/A	N/A	N/A	N/A			N/A	N/A	N/A
OPACC I, LLC - 39-2021431 18000 WEST SARAH LANE, STE 250 BROOKFIELD, WI 53045	RENTAL RE	WI	N/A	N/A	N/A	N/A			N/A	N/A	N/A
ORTHOPAEDIC HOSPITAL MANAGEMENT LLC - 27-4185117, 3000 COLISEUM DRIVE, HAMPTON, VA 23666	MGT SVCS	VA	N/A	N/A	N/A	N/A			N/A	N/A	N/A
CAREPLEX ORTHOPAEDIC ASC, LLC - 27-18667311, 3000 COLISEUM DRIVE, HAMPTON, VA 23666	HEALTH CARE	VA	N/A	N/A	N/A	N/A			N/A	N/A	N/A
PORT WARWICK III, LLC - 61-1499371, 18000 WEST SARAH LANE, STE 250, BROOKFIELD, WI 53045	RENTAL RE	WI	N/A	N/A	N/A	N/A			N/A	N/A	N/A
VALIANCE HEALTH, LLC - 54-1866081, 3190 PEOPLE'S DRIVE, HARRISONBURG, VA 22801	HEALTH CARE	VA	N/A	N/A	N/A	N/A			N/A	N/A	N/A
PHYSICAL THERAPY @ ACAC, LLC - 26-0080717, 501 ALBEMARLE SQUARE, CHARLOTTEVILLE, VA 22901	HEALTH CARE	VA	N/A	N/A	N/A	N/A			N/A	N/A	N/A
NORTHERN VIRGINIA HOME CARE, LLC - 45-3940053, 601 SOUTH CARLIN SPRINGS RD, ARLINGTON, VA 22204	HOME CARE	VA	N/A	N/A	N/A	N/A			N/A	N/A	N/A
MNS SUPPLY CHAIN NETWORK, LLC - 45-4235238, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	GPO	DE	N/A	N/A	N/A	N/A			N/A	N/A	N/A

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

[illegible]

Part IV

Continuation of Identification of Related Organizations Taxable as a Corporation or Trust

[illegible]

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

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

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

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		
b Gift, grant, or capital contribution to related organization(s)	X	
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)	X	
e Loans or loan guarantees by related organization(s)	X	
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)		X
p Reimbursement paid to related organization(s) for expenses		X
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) SENTARA HOSPITALS	B	43,971,647.	CORP BOOKS/REC
(2) SENTARA HOSPITALS	M	5,282,119.	CORP BOOKS/REC
(3) SENTARA HOSPITALS	N	13,541,541.	CORP BOOKS/REC
(4) SENTARA HOSPITALS	O	591,934.	CORP BOOKS/REC
(5) SENTARA MEDICAL GROUP	C	3,736,657.	
(6) SENTARA MEDICAL GROUP	M	4,047,457.	CORP BOOKS/REC

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule R (Form 990)

54-0853898

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7) SENTARA ENTERPRISES	C	1,079,792.	CORP BOOKS/REC
(8) SENTARA ENTERPRISES	M	1,079,524.	CORP BOOKS/REC
(9) POTOMAC VENTURES CORP	A	32,903.	CORP BOOKS/REC
(10) POTOMAC VENTURES CORP	O	212,061.	CORP BOOKS/REC
(11) OPTIMA HEALTH PLAN	L	283,219.	CORP BOOKS/REC
(12) SENTARA HEALTH PLANS	L	535,874.	CORP BOOKS/REC
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

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

[illegible]

POTOMAC HOSPITAL CORPORATION
OF PRINCE WILLIAM

Schedule R (Form 990) 2013

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Part VII Supplemental Information

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

PART III, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS PARTNERSHIP:

NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:

HEALTHCARE PERFORMANCE IMPROVEMENT, LLC

EIN: 20-4024074

5041 CORPORATE WOODS DR, STE 180

VIRGINIA BEACH, VA 23462

PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:

NAME OF RELATED ORGANIZATION:

DOMINION HEALTH MEDICAL ASSOCIATES, LTD.

DIRECT CONTROLLING ENTITY: HALIFAX REGIONAL PROFESSIONAL SERVICES, LLC