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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

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

OMB No 1545-0047

2013

Open to Public Inspection

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

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

C Name of organization
THE PRESBYTERIAN HOSPITAL

Doing Business As
NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER

Number and street (or P O box if mail is not delivered to street address) | Room/suite
2085 FRONTIS PLAZA BLVD

City or town, state or province, country, and ZIP or foreign postal code
WINSTON SALEM, NC 27103

D Employer identification number
56-0554230

E Telephone number
(336) 718-2803

G Gross receipts $ 816,992,719

F Name and address of principal officer
HARRY SMITH
2085 FRONTIS PLAZA BLVD
WINSTON SALEM, NC 27103

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW NOVANTHEALTH ORG

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

L Year of formation 1903

M State of legal domicile NC

Part I Summary

1 Briefly describe the organization's mission or most significant activities
SEE SCHEDULE O

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	12
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	7
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	5,624
6	Total number of volunteers (estimate if necessary)	**6**	690
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	452,973
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	3,971,798	3,695,512
9	Program service revenue (Part VIII, line 2g)	774,894,805	795,745,374
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	125,209	149,175
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	15,204,702	16,543,939
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	794,196,514	816,134,000
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	697,980	910,326
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	278,664,066	299,853,905
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	411,708,110	432,476,434
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	691,070,156	733,240,665
19	Revenue less expenses Subtract line 18 from line 12	103,126,358	82,893,335

Revenue

Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	767,271,832	852,444,161
21	Total liabilities (Part X, line 26)	39,452,078	46,507,175
22	Net assets or fund balances Subtract line 21 from line 20	727,819,754	805,936,986

Net Assets or Fund Balances

Part II Signature Block

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

Sign Here

****** | 2014-11-13
Signature of officer | Date

FRED HARGETT EVP & CFO
Type or print name and title

Paid Preparer Use Only

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

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

SEE SCHEDULE O

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 $ 590,803,786 including grants of $ 910,326) (Revenue $ 806,215,884)

THE PRESBYTERIAN HOSPITAL (PH), PRESBYTERIAN HOSPITAL HUNTERSVILLE (PHH), AND NOVANT MEDICAL GROUP EXIST TO PROMOTE THE HEALTH OF THE INHABITANTS OF THE CHARLOTTE-MECKLENBURG COUNTY AREA OF NC REGARDLESS OF THE PATIENT'S ABILITY TO PAY DURING 2013, PH HAD 622 LICENSED BEDS THERE WERE 155,394 PATIENT DAYS, WITH AN AVERAGE LENGTH OF STAY OF 5 DAYS, AND AN AVERAGE DAILY CENSUS OF 426 THERE WERE 29,736 DISCHARGES, 21,395 INPATIENT AND OUTPATIENT SURGERIES, 297,651 OUTPATIENT ENCOUNTERS AND 90,934 EMERGENCY DEPARTMENT VISITS (CONTINUED ON SCHEDULE O)

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** ▶ 590,803,786

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	0		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	5,624		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	12		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	7		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**		Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

Section C. Disclosure

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

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

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

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

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

▶ KAREN DAUGHERTY 2085 FRONTIS PLAZA BLVD
WINSTON SALEM, NC 27103 (336) 718-2803

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ALLY DEBORAH TRUSTEE	2 00	X						0	0	0
(2) FLETCHER SIDNEY TRUSTEE	2 00	X						0	14,627	0
(3) FOX ANTHONY VICE CHAIR	2 00	X		X				0	0	0
(4) GALLAGHER ARTHUR SEC	2 00	X		X				0	0	0
(5) GARNER STUART TRUSTEE	2 00	X						0	385,638	95,729
(6) JONES BRUCE TRUSTEE	2 00	X						0	0	0
(7) MYERS LEE TRUSTEE	2 00	X						0	0	0
(8) PALERMO JAMES CHAIR	2 00	X		X				0	0	0
(9) PHILLIPS GEORGE PATRICK TRUSTEE	2 00	X						0	0	0
(10) POSTON WILLIAM TREAS	2 00	X		X				0	0	0
(11) SMITH HARRY PRES PH/ COO CHARLOTTE/ TRUSTEE	60 00	X		X				530,185	0	192,358
(12) WILLIAMS DANIEL TRUSTEE	2 00	X						0	0	0
(13) STOKER SHELLI ASST SEC	2 00			X				0	227,208	42,676
(14) WALSH BETSY ASST SEC	2 00			X				0	314,744	74,416
(15) BLACKMON TANYA PRESIDENT NHPMC	60 00				X			406,023	0	81,858
(16) STEGER ELIZABETH VP NURSING	60 00				X			340,651	0	71,673
(17) VANCE AMY SVP & COO NHPMC	60 00				X			532,698	0	124,858

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) ZWENG THOMAS SVP & CHIEF MEDICAL OFFICER	60 00				X			721,220	0	159,312
(19) BAILEY JOHN CARDIOLOGIST	40 00					X		478,367	64,075	90,039
(20) IWAOKA ROBERT CARDIOLOGIST	40 00					X		445,047	64,582	74,917
(21) MCMILLAN EDWARD CARDIOLOGIST	40 00					X		441,819	63,652	85,316
(22) NIESS GARY CARDIOLOGIST	40 00					X		437,815	81,180	84,117
(23) SHARKEY KEVIN CARDIOLOGIST	40 00					X		429,283	64,415	69,614
(24) MCADAMS STEPHEN FMR VP & SR MED DIR	0 00						X	423,741	0	7,894
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								5,186,849	1,280,121	1,254,777

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 ▶ 212

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
RODGERS BUILDERS INC PO BOX 18446 CHARLOTTE NC 28218	CONTRACTORS	10,674,134
CROTHALL HEALTH CARE INC 955 CHESTERBROOK BLVD STE 300 WAYNE PA 19087	FACILITY SERVICES	9,297,648
LABORATORY CORPORATION OF AMERICA PO BOX 12140 BURLINGTON NC 27216	LAB SERVICES	8,127,481
MORRISON MANAGEMENT SPECIALISTS PO BOX 102289 ATLANTA GA 30368	FOOD SERVICES	7,872,320
JAMES R VANNOY & SONS CONSTRUCTION INC PO BOX 635 JEFFERSON NC 28640	CONTRACTORS	5,838,163

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 ▶ 64

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations . . .	1d	1,867,315			
	e	Government grants (contributions)	1e	1,600,000			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	228,197			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		3,695,512			
Program Service Revenue			Business Code				
	2a	NET PATIENT REVENUE	622110	794,247,543	794,247,543		
	b	SOUTHPARK SURGERY CTR NET PT REV	623110	1,497,831	1,497,831		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		795,745,374			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		128,616			128,616
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents	333,870				
	b	Less rental expenses	0				
	c	Rental income or (loss)	333,870				
	d	Net rental income or (loss) . . . . . ▶		333,870			333,870
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	879,278				
	b	Less cost or other basis and sales expenses	858,719				
	c	Gain or (loss)	20,559				
	d	Net gain or (loss) . . . . . ▶		20,559			20,559
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a	95,500				
	b	Less direct expenses . . . b	0				
	c	Net income or (loss) from fundraising events . . ▶		95,500			95,500
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a	MISCELLANEOUS	900099	7,663,579	7,526,615	136,964	
	b	CAFETERIA	722514	3,633,917			3,633,917
	c	PHARMACY	446110	2,973,631	2,943,895	29,736	
	d	All other revenue		1,843,442		286,273	1,557,169
	e	**Total.** Add lines 11a–11d . . . . . ▶		16,114,569			
	12	**Total revenue.** See Instructions . . . . . ▶		816,134,000	806,215,884	452,973	5,769,631

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	862,328	862,328		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	47,998	47,998		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	3,160,837		3,160,837	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	431,635		431,635	
7 Other salaries and wages	237,921,224	227,595,443	10,325,781	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	8,538,981	8,168,389	370,592	
9 Other employee benefits	32,816,493	31,392,257	1,424,236	
10 Payroll taxes	16,984,735	16,247,598	737,137	
11 Fees for services (non-employees)				
a Management				
b Legal	1,483		1,483	
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 Schedule O)	72,269,619	60,142,322	12,127,297	
12 Advertising and promotion	3,908,554	3,738,923	169,631	
13 Office expenses	3,592,785	3,436,858	155,927	
14 Information technology	5,799,064	5,547,385	251,679	
15 Royalties				
16 Occupancy	19,358,160	18,518,016	840,144	
17 Travel	434,166	415,323	18,843	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	206,771	197,797	8,974	
20 Interest	12,084,977	11,560,489	524,488	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	32,388,265	30,982,614	1,405,651	
23 Insurance	1,281,585	1,225,964	55,621	
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 CORPORATE ALLOCATION	109,508,201		109,508,201	
b ACCRUED UBIT	-395		-395	
c MEDICAL SUPPLIES	85,427,360	85,427,360		
d DRUGS	34,498,828	34,498,828		
e All other expenses	51,717,011	50,797,894	919,117	
25 **Total functional expenses.** Add lines 1 through 24e	733,240,665	590,803,786	142,436,879	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		3,419,149	1	1,319,933
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		89,517,152	4	103,169,257
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		13,133,877	7	10,833,886
	8	Inventories for sale or use		12,741,669	8	11,791,936
	9	Prepaid expenses and deferred charges		740,700	9	822,342
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 762,706,454			
	b	Less accumulated depreciation	10b 437,386,594	323,134,575	10c	325,319,860
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		1,477,348	12	1,621,499
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		323,107,362	15	397,565,448
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		767,271,832	16	852,444,161
Liabilities	17	Accounts payable and accrued expenses		32,476,467	17	42,056,570
	18	Grants payable			18	
	19	Deferred revenue		891,924	19	785,979
	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		6,083,687	25	3,664,626
	26	**Total liabilities.** Add lines 17 through 25		39,452,078	26	46,507,175
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		727,809,023	27	805,926,255
	28	Temporarily restricted net assets		10,731	28	10,731
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		727,819,754	33	805,936,986
	34	Total liabilities and net assets/fund balances		767,271,832	34	852,444,161

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	816,134,000
2	Total expenses (must equal Part IX, column (A), line 25)	2	733,240,665
3	Revenue less expenses Subtract line 2 from line 1	3	82,893,335
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	727,819,754
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	-4,776,103
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	805,936,986

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE PRESBYTERIAN HOSPITAL

Employer identification number
56-0554230

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test		
Return Reference	Explanation	

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
THE PRESBYTERIAN HOSPITAL	56-0554230

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

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

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

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		179,489
j	Total Add lines 1c through 1i			179,489
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carry over lobbying and political expenditures from the prior year?	3		

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

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1 Also, complete this part for any additional information

Return Reference	Explanation
PART II-B, LINE 1I, LOBBYING ACTIVITIES	DUES PAID TO CERTAIN ORGANIZATIONS WHICH INCLUDE A PORTION RELATED TO LOBBYING ACTIVITIES

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE PRESBYTERIAN HOSPITAL

Employer identification number
56-0554230

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	10,731	10,731	10,731	10,731	10,731
b	Contributions					
c	Net investment earnings, gains, and losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance	10,731	10,731	10,731	10,731	10,731

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

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

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

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		7,138,673		7,138,673
b Buildings		419,671,817	201,500,566	218,171,251
c Leasehold improvements		6,454,561	3,855,262	2,599,299
d Equipment		293,285,252	226,626,380	66,658,872
e Other		36,156,151	5,404,386	30,751,765
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				325,319,860

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

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

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

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

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

(a) Description	(b) Book value
(1) DUE FROM AFFILIATES	347,906,508
(2) INVESTMENT IN AFFILIATES	49,658,940
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	397,565,448

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

1 (a) Description of liability	(b) Book value
Federal income taxes	0
THIRD PARTY PAYMENT ADJUSTMENTS	3,657,253
LEASE PAYABLE	7,373
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	3,664,626

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

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
PART X, LINE 2	PART X, LINE 2 LIABILITY UNDER FIN 48 (ASC 740) FOOTNOTE THE AUDIT FOR NOVANT HEALTH AND ITS AFFILIATES IS PREPARED ON A CONSOLIDATED BASIS THE COMPANY WAS REQUIRED TO EVALUATE UNCERTAIN TAX POSITIONS THIS EVALUATION INCLUDES A QUANTIFICATION OF TAX RISK IN AREAS SUCH AS UNRELATED BUSINESS TAXABLE INCOME AND THE TAXATION OF OUR FOR-PROFIT SUBSIDIARIES THIS EVALUATION DID NOT HAVE A MATERIAL EFFECT ON THE COMPANY'S STATEMENT OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
PART V, LINE 4 - INTENDED USES FOR ENDOWMENT FUNDS	THE ENDOWMENT FUNDS INTENDED USE IS FOR EQUIPMENT AND PROGRAMS TO BETTER SERVE THE HOSPITAL'S PATIENTS

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

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

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE PRESBYTERIAN HOSPITAL

Employer identification number
56-0554230

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

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

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

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

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

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

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

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

		(a) Event #1 FUNDRAISERS (event type)	(b) Event #2 (event type)	(c) Other events (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	95,500			95,500
	2 Less Contributions				
	3 Gross income (line 1 minus line 2)	95,500			95,500
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses				
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				( )
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				95,500

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

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

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

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

b If "No," explain _____

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

b If "Yes," explain _____

11

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

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

13 Indicate the percentage of gaming activity operated in

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

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

Name ▶ .....

Address ▶ .....

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

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

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

Name ▶ .....

Address ▶ .....

16 Gaming manager information

Name ▶ .....

Gaming manager compensation ▶ $ .....

Description of services provided ▶ .....

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

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

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

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

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493318001334

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE PRESBYTERIAN HOSPITAL

Employer identification number
56-0554230

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year			
	☐ Applied uniformly to all hospital facilities ☑ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care	3a	Yes	
	☐ 100% ☐ 150% ☐ 200% ☑ Other 30000 0000000000 %			
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	3b		No
	☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other ____ %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4		No
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			33,208,772	0	33,208,772	4 730 %
b Medicaid (from Worksheet 3, column a)			98,408,930	103,525,179	0	0 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			9,312,915	6,003,475	3,309,440	0 470 %
d **Total** Financial Assistance and Means-Tested Government Programs			140,930,617	109,528,654	36,518,212	5 200 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			3,371,513	520,044	2,851,469	0 410 %
f Health professions education (from Worksheet 5)			2,417,770	0	2,417,770	0 340 %
g Subsidized health services (from Worksheet 6)			30,894,498	19,305,086	11,589,412	1 650 %
h Research (from Worksheet 7)			993,442	330,383	663,059	0 090 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			729,109	0	729,109	0 100 %
j **Total.** Other Benefits			38,406,332	20,155,513	18,250,819	2 590 %
k **Total.** Add lines 7d and 7j			179,336,949	129,684,167	54,769,031	7 790 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing			750	0	750	0 %
2	Economic development			36,920	0	36,920	0 010 %
3	Community support			49,850	0	49,850	0 010 %
4	Environmental improvements			25,000	0	25,000	0 %
5	Leadership development and training for community members			5,850	0	5,850	0 %
6	Coalition building			54,250	0	54,250	0 010 %
7	Community health improvement advocacy			1,100	0	1,100	0 %
8	Workforce development			751,322	0	751,322	0 100 %
9	Other			0	0	0	
10	**Total**			925,042	0	925,042	0 130 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	30,539,203		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	157,290,009
6	Enter Medicare allowable costs of care relating to payments on line 5	6	168,431,998
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-11,141,989
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9a	Yes		
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b		No	

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

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1	1 SOUTHPARK SURGERY CENTER LLC	HEALTHCARE	60 000 %		40 000 %
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year? 2

Name, address, primary website address, and state license number

	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
See Additional Data Table										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group NOVANT HEALTH PRESBYTERIAN MEDICAL CENTE

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

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

Part V Facility Information *(continued)*

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

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information *(continued)*

Section 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 NOVANT HEALTH HUNTERSVILLE MEDICAL CENTE

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	**1**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 13			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**		No
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☐ Hospital facility's website (list url)			
b	☑ Other website (list url) WWW NOVANTHEALTH ORG			
c	☐ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

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

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information *(continued)*

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

Form and Line Reference	Explanation
NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER	PART V, SECTION B, LINE 3 WHILE CONDUCTING THE CHNA, THE HOSPITAL FACILITY(IES) SOLICITED INPUT FROM, AND CONSULTED WITH, A VARIETY OF COMMUNITY REPRESENTATIVES INCLUDING, BUT NOT LIMITED TO, REPRESENTATIVES OF CITY AND COUNTY GOVERNMENT INCLUDING HEALTH DEPARTMENTS, COMMUNITY-BASED ORGANIZATIONS, FOUNDATIONS, CHURCHES, COLLEGES/UNIVERSITIES, COMMUNITY COALITIONS AND OTHER SOCIAL SERVICE AGENCIES THE SCOPE OF EXPERTISE WAS BROAD AND INCLUDED SUCH AREAS AS PUBLIC HEALTH, MINORITY POPULATIONS, HEALTH DISPARITIES, AND SOCIAL SERVICES THE ORGANIZATION IS A PART OF NOVANT HEALTH, AN INTEGRATED NOT-FOR-PROFIT HEALTH SYSTEM AS SUCH, NOVANT HEALTH INCLUDES MULTIPLE HOSPITAL FACILITIES AND HAS ENGAGED IN CHNAS FOR ALL OF THE COMMUNITIES BEING SERVED WHERE POSSIBLE, WE HAVE LEVERAGED THE RESOURCES OF THE ORGANIZATION TO BEST ADDRESS THOSE NEEDS THAT ARE HIGHEST IN PRIORITY AND CONSISTENT ACROSS COMMUNITIES
NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER	PART V, SECTION B, LINE 3 WHILE CONDUCTING THE CHNA, THE HOSPITAL FACILITY(IES) SOLICITED INPUT FROM, AND CONSULTED WITH, A VARIETY OF COMMUNITY REPRESENTATIVES INCLUDING, BUT NOT LIMITED TO, REPRESENTATIVES OF CITY AND COUNTY GOVERNMENT INCLUDING HEALTH DEPARTMENTS, COMMUNITY-BASED ORGANIZATIONS, FOUNDATIONS, CHURCHES, COLLEGES/UNIVERSITIES, COMMUNITY COALITIONS AND OTHER SOCIAL SERVICE AGENCIES THE SCOPE OF EXPERTISE WAS BROAD AND INCLUDED SUCH AREAS AS PUBLIC HEALTH, MINORITY POPULATIONS, HEALTH DISPARITIES, AND SOCIAL SERVICES THE ORGANIZATION IS A PART OF NOVANT HEALTH, AN INTEGRATED NOT-FOR-PROFIT HEALTH SYSTEM AS SUCH, NOVANT HEALTH INCLUDES MULTIPLE HOSPITAL FACILITIES AND HAS ENGAGED IN CHNAS FOR ALL OF THE COMMUNITIES BEING SERVED WHERE POSSIBLE, WE HAVE LEVERAGED THE RESOURCES OF THE ORGANIZATION TO BEST ADDRESS THOSE NEEDS THAT ARE HIGHEST IN PRIORITY AND CONSISTENT ACROSS COMMUNITIES
NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER	PART V, SECTION B, LINE 7 THE HOSPITAL FACILITY(IES) IS/ARE A PART OF NOVANT HEALTH, AN INTEGRATED NOT-FOR-PROFIT HEALTH SYSTEM AS SUCH, NOVANT HEALTH INCLUDES MULTIPLE HOSPITAL FACILITIES AND HAS ENGAGED IN CHNAS FOR ALL OF THE COMMUNITIES BEING SERVED THE FACILITY'S CHNA IDENTIFIED MULTIPLE NEEDS FOR THE COMMUNITY SERVED THE NEEDS IDENTIFIED WERE REVIEWED AND PRIORITIZED BY THE CHNA RESOURCE GROUP AND SUBSEQUENTLY BY THE ORGANIZATION'S BOARD AND THE NOVANT HEALTH EXECUTIVE TEAM THEY EVALUATED EACH DOCUMENTED NEED AND ITS INTERSECTION WITH THE ORGANIZATION'S VISION, COMMITMENTS, AND KEY STRENGTHS BEFORE FURTHER PRIORITIZING THE HEALTH NEEDS AND AGREEING UPON THE TOP HEALTH PRIORITIES TO BE ADDRESSED WHERE POSSIBLE, WE HAVE LEVERAGED THE SYSTEM'S STRENGTHS AND RESOURCES TO BEST ADDRESS THOSE NEEDS THAT ARE HIGHEST IN PRIORITY AND CONSISTENT ACROSS COMMUNITIES NOVANT HEALTH AND EACH OF ITS HOSPITAL FACILITIES ARE WORKING DILIGENTLY TO ADDRESS EACH OF THE IDENTIFIED AREAS OF NEED THROUGH RESOURCE ALLOCATION AND SUPPORT CERTAIN NEEDS THAT WERE IDENTIFIED BY THE CHNA HAVE NOT BEEN ADDRESSED IT WAS DETERMINED THAT THERE ARE OTHER RESOURCES IN THE COMMUNITY THAT CAN MORE APPROPRIATELY ADDRESS THESE NEEDS BASED ON SCOPE OF SERVICES AND SKILL SET FOR MORE DETAILED INFORMATION, REFER TO THE PUBLICLY AVAILABLE IMPLEMENTATION PLAN AVAILABLE ON THE WEBSITE, REFER TO LINE 5B FOR THE URL
NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER	PART V, SECTION B, LINE 7 THE HOSPITAL FACILITY(IES) IS/ARE A PART OF NOVANT HEALTH, AN INTEGRATED NOT-FOR-PROFIT HEALTH SYSTEM AS SUCH, NOVANT HEALTH INCLUDES MULTIPLE HOSPITAL FACILITIES AND HAS ENGAGED IN CHNAS FOR ALL OF THE COMMUNITIES BEING SERVED THE FACILITY'S CHNA IDENTIFIED MULTIPLE NEEDS FOR THE COMMUNITY SERVED THE NEEDS IDENTIFIED WERE REVIEWED AND PRIORITIZED BY THE CHNA RESOURCE GROUP AND SUBSEQUENTLY BY THE ORGANIZATION'S BOARD AND THE NOVANT HEALTH EXECUTIVE TEAM THEY EVALUATED EACH DOCUMENTED NEED AND ITS INTERSECTION WITH THE ORGANIZATION'S VISION, COMMITMENTS, AND KEY STRENGTHS BEFORE FURTHER PRIORITIZING THE HEALTH NEEDS AND AGREEING UPON THE TOP HEALTH PRIORITIES TO BE ADDRESSED WHERE POSSIBLE, WE HAVE LEVERAGED THE SYSTEM'S STRENGTHS AND RESOURCES TO BEST ADDRESS THOSE NEEDS THAT ARE HIGHEST IN PRIORITY AND CONSISTENT ACROSS COMMUNITIES NOVANT HEALTH AND EACH OF ITS HOSPITAL FACILITIES ARE WORKING DILIGENTLY TO ADDRESS EACH OF THE IDENTIFIED AREAS OF NEED THROUGH RESOURCE ALLOCATION AND SUPPORT CERTAIN NEEDS THAT WERE IDENTIFIED BY THE CHNA HAVE NOT BEEN ADDRESSED IT WAS DETERMINED THAT THERE ARE OTHER RESOURCES IN THE COMMUNITY THAT CAN MORE APPROPRIATELY ADDRESS THESE NEEDS BASED ON SCOPE OF SERVICES AND SKILL SET FOR MORE DETAILED INFORMATION, REFER TO THE PUBLICLY AVAILABLE IMPLEMENTATION PLAN AVAILABLE ON THE WEBSITE, REFER TO LINE 5B FOR THE URL
NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER	PART V, SECTION B, LINE 11 ALL UNINSURED PATIENTS RECEIVE A STANDARD DISCOUNT REGARDLESS OF THEIR ABILITY TO PAY THIS DISCOUNT MIRRORS OUR AVERAGE MANAGED CARE RATE PATIENTS BELOW 300% OF THE FEDERAL POVERTY GUIDELINES ARE DISCOUNTED AT 100%
NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER	PART V, SECTION B, LINE 11 ALL UNINSURED PATIENTS RECEIVE A STANDARD DISCOUNT REGARDLESS OF THEIR ABILITY TO PAY THIS DISCOUNT MIRRORS OUR AVERAGE MANAGED CARE RATE PATIENTS BELOW 300% OF THE FEDERAL POVERTY GUIDELINES ARE DISCOUNTED AT 100%

Part V Facility Information *(continued)*

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

How many non-hospital health care facilities did the organization operate during the tax year? **15**

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

Part VI Supplemental Information

Provide the following information

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

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

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

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

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

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

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

Form and Line Reference	Explanation
PART I, LINE 6A	THE ORGANIZATION IS A PART OF NOVANT HEALTH, AN INTEGRATED NOT-FOR-PROFIT HEALTH SYSTEM THE COMMUNITY BENEFIT REPORT IS PREPARED BY A RELATED ORGANIZATION NOVANT HEALTH, INC IS THE NOVANT HEALTH PARENT COMPANY AND PRODUCES A COMMUNITY BENEFIT REPORT REPRESENTING THE HEALTH SYSTEM AS A WHOLE THE REPORT CAN BE FOUND AT HTTP //WWW NOVANTHEALTH ORG/HOME/ABOUT-US/COMPANY-INFORMATION/FINANCIAL -PROFILE/COMMUNITY-BENEFIT-REPORT ASPX PLEASE NOTE THAT THE NUMERIC INFORMATION IN THIS REPORT IS NOT BASED UPON THE FORM 990, SCHEDULE H CRITERIA, BUT RATHER IT HAS BEEN PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HOSPITAL ASSOCIATION REPORTING GUIDELINES
PART I, LINE 7	COSTS REPORTED IN THE TABLE FOR CHARITY CARE AND CERTAIN OTHER COMMUNITY BENEFITS AMOUNTS ARE CALCULATED USING AN ENTITY SPECIFIC COST TO CHARGE RATIO BASED ON WORKSHEET 2 (CCR)

Form and Line Reference	Explanation
PART I, LN 7 COL(F)	THE AMOUNT OF BAD DEBT REMOVED FROM TOTAL EXPENSES (DENOMINATOR) WAS $30,539,203
PART II, COMMUNITY BUILDING ACTIVITIES	THE ORGANIZATION IS A PART OF NOVANT HEALTH, AN INTEGRATED NOT-FOR-PROFIT HEALTH SYSTEM NOVANT HEALTH'S COMMUNITY BUILDING ACTIVITIES IMPACTS THE HEALTH OF OUR COMMUNITY THROUGH PARTNERSHIPS WITH LOCAL AGENCIES DEDICATED TO IMPROVING THE LIVES OF ALL INDIVIDUALS OUTREACH INCLUDES PROVIDING SUPPORT FOR ORGANIZATIONS SUCH AS HABITAT FOR HUMANITY AND LOCAL CHAMBERS OF COMMERCE, ASSISTING WITH COMMUNITY/COUNTY COALITIONS, PROVIDING EDUCATIONAL SEMINARS AND TRAINING FOR COMMUNITY WORKFORCES, AND SUPPORTING COMMUNITY AGENCIES SUCH AS ROTARY, LIONS CLUBS AND MORE THROUGH EACH OF THESE PARTNER AGENCIES, NOVANT HEALTH ADDRESSES THE UNDERLYING ISSUES IMPACTING THE HEALTH OF OUR COMMUNITIES AND ENSURES THAT OUR COMMUNITIES GROW FOR YEARS TO COME

Form and Line Reference	Explanation
PART III, LINE 2	THE ALLOWANCE FOR BAD DEBT IS DETERMINED BASED ON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS, BUSINESS AND ECONOMIC CONDITIONS, THE AGE OF THE ACCOUNTS, TRENDS IN FEDERAL AND STATE GOVERNMENTAL HEALTHCARE COVERAGE AND OTHER COLLECTION INDICATORS
PART III, LINE 4	BAD DEBT EXPENSE ONLY REPRESENTS ACCOUNTS FOR WHICH COLLECTION EFFORTS HAVE BEEN MADE BUT NO PAYMENTS HAVE BEEN RECEIVED DISCOUNTS ARE RECORDED AS EITHER CONTRACTUALS (FOR PATIENTS WHO DO NOT QUALIFY FOR CHARITY) OR AS CHARITY (FOR PATIENTS WHO DO QUALIFY FOR CHARITY) THE TEXT OF THE NOVANT HEALTH, INC CONSOLIDATED FINANCIAL STATEMENTS READS "THE ALLOWANCE FOR BAD DEBTS IS DETERMINED BASED ON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS, BUSINESS AND ECONOMIC CONDITIONS, THE AGE OF THE ACCOUNTS, TRENDS IN FEDERAL AND STATE GOVERNMENTAL HEALTHCARE COVERAGE AND OTHER COLLECTION INDICATORS "

Form and Line Reference	Explanation
PART III, LINE 8	THE METHODOLOGY USED TO DETERMINE THE MEDICARE ALLOWABLE COSTS REPORTED IN THE ORGANIZATION'S MEDICARE COST REPORT AS REFLECTED IN THE AMOUNT REPORTED IN PART III, LINE 6 IS DETERMINED BY FOLLOWING THE MEDICARE PRINCIPLES OF ALLOWABLE COSTS COST FOR THE OVERHEAD DEPARTMENTS ARE STEPPED DOWN TO THE REMAINING COST CENTERS BASED ON STATISTICS FOR EACH OVERHEAD COST CENTER ONCE THE STEP-DOWN PROCESS IS COMPLETE, A RATIO OF COST TO CHARGES IS DEVELOPED FOR EACH COST CENTER THE CCR IS THEN APPLIED TO THE MEDICARE REVENUE BY COST CENTER AND TOTALED IT SHOULD BE NOTED THAT THE MEDICARE COST REPORTS DO NOT ADDRESS ANY MANAGED CARE MEDICARE REVENUES, COSTS, OR RELATED SHORTFALL THE TOTAL REVENUES REPORTED AS RECEIVED FROM MEDICARE IN LINE 5 OF SECTION B ARE ONLY REPRESENTATIVE OF MEDICARE FEE FOR SERVICE PAYMENTS RECEIVED THE ALLOWABLE COSTS ON LINE 6 ARE SIGNIFICANTLY LOWER THAN THE ACTUAL EXPENDITURES AS SUCH, THE SHORTFALL IS UNDERESTIMATED EVERY HOSPITAL TREATS MEDICARE PATIENTS SOME HOSPITALS ARE LOCATED IN HIGH MEDICARE POPULATION AREAS, OTHERS PROVIDE SERVICES DISPROPORTIONATELY USED BY MEDICARE PATIENTS MEDICARE RATES AND NUMBERS OF MEDICARE PATIENTS ARE NOT NEGOTIATED AS REIMBURSEMENT RATES DECLINE RELATIVE TO COSTS OF CARE, HOSPITALS CONTINUE TO SERVE THE MEDICARE POPULATION WITHOUT THIS SERVICE THESE PATIENTS WOULD BECOME AN OBLIGATION ON THE GOVERNMENT ANY UNREIMBURSED COSTS OF THIS CARE ARE A COMMUNITY BENEFIT PROVIDED BY THE HOSPITAL TO THE COMMUNITY AND GOVERNMENT
PART III, LINE 9B	THE ORGANIZATION'S BILLING AND COLLECTIONS POLICY DOES EXPLAIN ACTIONS AGAINST PATIENTS WHO HAVE OUTSTANDING DELINQUENT AMOUNTS, BUT THE POLICY DOES NOT CONTAIN PROVISIONS FOR COLLECTION PRACTICES AGAINST PATIENTS WHO ARE ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY (FAP) BECAUSE FAP ELIGIBLE PATIENTS RECEIVE 100% FREE CARE AND THEREFORE DO NOT RECEIVE BILLS ONCE FAP ELIGIBILITY HAS BEEN ESTABLISHED

Form and Line Reference	Explanation
PART VI, LINE 2	PART VI, LINE 2 NEEDS ASSESSMENTTHE ORGANIZATION IS PART OF NOVANT HEALTH, AN INTEGRATED NOT-FOR-PROFIT HEALTH SYSTEM, WHICH HAS A COMMUNITY BENEFIT COMMITTEE THE COMMUNITY BENEFIT COMMITTEE IS RESPONSIBLE FOR ASSISTING THE HOSPITALS WITHIN THE SYSTEM PREPARE THEIR COMMUNITY HEALTH NEEDS ASSESSMENTS (CHNA) INCLUDING THE CHNAS REPORTED IN PART V, SECTION B THE COMMUNITY BENEFIT COMMITTEE IS MADE OF INDIVIDUALS REPRESENTING CORPORATE-WIDE DEPARTMENTS, SUCH AS COMMUNITY RELATIONS, LEGAL, TAX, INTERNAL AUDIT, MARKETING/COMMUNICATIONS, AS WELL AS INDIVIDUALS FROM VARIOUS DEPARTMENTS OF HOSPITAL OPERATIONS AND THE SYSTEM'S HOSPITAL FOUNDATIONS EACH HOSPITAL, WITH THE ASSISTANCE OF THE COMMUNITY BENEFIT COMMITTEE, IDENTIFIES ORGANIZATIONS AND RESOURCES WITHIN ITS COMMUNITY THAT CONTRIBUTE TO THE PROCESS THESE ORGANIZATIONS AND RESOURCES INCLUDE LOCAL HEALTH DEPARTMENTS, UNITED WAY, UNIVERSITIES, PUBLIC HEALTH DEPARTMENTS, ETC COMMUNITY HEALTH ASSESSMENTS PREPARED BY OTHER ORGANIZATIONS IN THE COMMUNITY ARE USED IN COMBINATION WITH INTERNAL HOSPITAL DATA AND INFORMATION COLLECTED FROM LOCAL AGENCIES TO PREPARE THE HOSPITAL'S CHNA IN ADDITION TO ADDRESSING NEEDS IDENTIFIED THROUGH THE CHNA, EACH HOSPITAL MAY RESPOND TO REQUESTS FOR SPECIFIC COMMUNITY BENEFIT ACTIVITIES OR PROGRAMS FROM PUBLIC AGENCIES OR COMMUNITY GROUPS
PART VI, LINE 3	PART VI, LINE 3 PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCETHE ORGANIZATION IS PART OF NOVANT HEALTH, AN INTEGRATED NOT-FOR-PROFIT HEALTH SYSTEM AS A NOT-FOR-PROFIT ORGANIZATION, NOVANT HEALTH IS COMMITTED TO PROVIDING OUTSTANDING HEALTHCARE TO ALL MEMBERS OF OUR COMMUNITIES, REGARDLESS OF THEIR ABILITY TO PAY OUR ACUTE CARE FACILITIES PROVIDE CARE IN 35 COUNTIES ACROSS FOUR STATES ADDITIONALLY, OUR PHYSICIANS AND ACUTE CARE FACILITIES OFFER CARE TO NATIONAL AND INTERNATIONAL MISSION PATIENTS OUR FINANCIAL COUNSELING TEAMS ARE CONSTANTLY WORKING WITH THE PATIENTS WITHIN OUR COMMUNITIES TO UNDERSTAND THEIR NEEDS AND ENSURE THAT OUR POLICIES AND PROCESSES ADDRESS THESE NEEDS WE ALSO MAINTAIN CONTRACTS WITH MEDICAID ELIGIBILITY VENDORS AND LOCAL DEPARTMENT OF SOCIAL SERVICES TEAMS TO HAVE EMBEDDED CASE WORKERS WITHIN OUR FACILITIES THESE TEAMS OFFER ADDITIONAL SUPPORT IN PROCESSING AND ASSESSING HOW WE SERVE THE FINANCIAL NEEDS OF OUR PATIENTS BASED ON THE ASSESSMENTS OF OUR COMMUNITIES, NOVANT HEALTH HAS DEVELOPED FINANCIAL ASSISTANCE POLICIES AND PROGRAMS THAT ADDRESS THE FINANCIAL NEEDS OR OUR PATIENTS WE PRIDE OURSELVES IN THE TRANSPARENCY OF OUR PROGRAMS AND THE EDUCATION WE OFFER OUR PATIENTS AROUND OUR FINANCIAL ASSISTANCE POLICIES OUR PROGRAMS ARE DOCUMENTED ON OUR WEBSITE, ALONG WITH CONTACT INFORMATION FOR OUR FINANCIAL COUNSELORS ADDITIONALLY, OUR PROGRAMS ARE DOCUMENTED ON PATIENT FLYERS THROUGHOUT THE NOVANT HEALTH AFFILIATED FACILITIES AND PHYSICIAN OFFICES OUR PATIENT ACCESS SPECIALISTS, FINANCIAL COUNSELORS AND BUSINESS OFFICE TEAMS WORK WITH ALL ELIGIBLE PATIENTS TO EDUCATE THEM ON THE VARIOUS OPTIONS AVAILABLE VIA OUR FINANCIAL ASSISTANCE PROGRAMS OR GOVERNMENT SPONSORED CARE THEY ALSO REFERENCE OUR FINANCIAL ASSISTANCE POLICY IN ALL CONVERSATIONS RELATED TO PATIENTS BILLS FINALLY, WE WORK WITH LOCAL AREA FREE HEALTH CLINICS AND OTHER CHARITABLE ORGANIZATIONS TO PROVIDE CONTINUATION OF CARE FOR THEIR PATIENTS IN ADDITION TO OUR FINANCIAL COUNSELING PROCESSES USED TO IDENTIFY CHARITY CARE PATIENTS, OUR COLLECTIONS PROCESSES WITHIN OUR BUSINESS OFFICES ALSO HELP IDENTIFY PATIENTS WHO ARE ALREADY ELIGIBLE FOR CHARITY OR WHO MAY BE ELIGIBLE BASED ON THEIR STATUS WITHIN THE FEDERAL POVERTY GUIDELINES ("FPG") WE UTILIZE PREVIOUSLY SUBMITTED PATIENT DOCUMENTATION AND CREDIT AGENCY REPORTED FPG FOR DETERMINATION SUPPORTING DOCUMENTS ARE VALID 6 MONTHS FROM THE DATE OF SUBMISSION OUR POLICIES ARE CONSIDERED FLUID AND ARE UPDATED FREQUENTLY BASED ON LOCAL AND NATIONAL MARKET STANDARDS AND NATIONAL ECONOMIC CONDITIONS ANY UPDATES TO OUR POLICIES REQUIRE MULTI-LEVEL LEADERSHIP APPROVAL AND ARE ULTIMATELY APPROVED BY THE NOVANT HEALTH EXECUTIVE TEAM

Form and Line Reference	Explanation
PART VI, LINE 4	PART VI, LINE 4 COMMUNITY INFORMATIONTHE PRESBYTERIAN HOSPITAL, INC FORM 990 INCLUDES THE OPERATIONS OF TWO HOSPITALS THE PRESBYTERIAN HOSPITAL DBA NOVANT HEALTH PRESBYTERIAN MEDICAL CENTERTHE ORGANIZATION DEFINES ITS COMMUNITY BY ITS PRIMARY SERVICE AREA, WHICH IS MECKLENBURG COUNTY, NORTH CAROLINA THERE ARE FOUR NONPROFIT HOSPITALS IN THE COMMUNITY, ONE OF WHICH IS THE ORGANIZATION AND ALL OF WHICH ARE PART OF NOVANT HEALTH THERE ARE ALSO FOUR GOVERNMENTAL HOSPITALS, WHICH ARE ALL PART OF THE SAME HEALTHCARE SYSTEM ACCORDING TO SG2 DATA, THE SPECIFIC POPULATION GROUPS (ETHNIC AND CULTURAL) ARE AS FOLLOWS WHITE NON-HISPANIC (497,772) 49 64%, BLACK NON-HISPANIC (299,853) 29 91%, HISPANIC (129,377) 12 90%, OTHERS (27,041) 2 70%, ASIAN AND PACIFIC ISLAND (48,656) 4 85%, FOR A TOTAL POPULATION OF 1,002,649 ACCORDING TO SG2 DATA, THE MEDIAN HOUSEHOLD INCOME LEVEL WAS $54,954 ACCORDING TO SG2 DATA, THE AGE BREAKDOWN IS AS FOLLOWS 0-17 YEARS (252,636) 25 20%, 18-64 YEARS (650,176) 64 85%, 65+ YEARS (99,837) 9 96% THE PRESBYTERIAN HOSPITAL DBA NOVANT HEALTH HUNTERSVILLE MEDICAL CENTERTHE ORGANIZATION DEFINES ITS COMMUNITY BY ITS PRIMARY SERVICE AREA, WHICH IS COMPRISED OF THE FOLLOWING FOUR ZIP CODES 28031 (CORNELIUS, NORTH CAROLINA), 28078 (HUNTERSVILLE, NORTH CAROLINA), 28216 (CHARLOTTE, NORTH CAROLINA) AND 28269 (CHARLOTTE, NORTH CAROLINA) THERE IS ONE NONPROFIT HOSPITAL IN THE COMMUNITY, WHICH IS THE ORGANIZATION THERE IS ALSO ONE GOVERNMENTAL HOSPITAL AND ONE FOR PROFIT HOSPITAL ACCORDING TO SG2 DATA, THE SPECIFIC POPULATION GROUPS (ETHNIC AND CULTURAL) ARE AS FOLLOWS WHITE NON-HISPANIC (108,418) 50 55%, BLACK NON-HISPANIC (73,204) 34 13%, HISPANIC (18,093) 8 44%, OTHERS (5,9449) 2 77%, ASIAN AND PACIFIC ISLAND (8,832) 4 11%, FOR A TOTAL POPULATION OF 214,482 ACCORDING TO SG2 DATA, THE MEDIAN HOUSEHOLD INCOME LEVEL WAS $62,677 ACCORDING TO SG2 DATA, THE AGE BREAKDOWN IS AS FOLLOWS 0-17 YEARS (57,894) 26 99%, 18-64 YEARS (137,816) 64 26%, 65+ YEARS (18,772) 8 75%
PART VI, LINE 5	PART VI, LINE 5 PROMOTION OF COMMUNITY HEALTHTHE ORGANIZATION FURTHERS ITS EXEMPT PURPOSES BY DOING THE FOLLOWING 1 ADOPTING A CHARITY CARE POLICY, WHICH PROVIDES FREE CARE TO INDIVIDUALS WHOSE INCOME IS AT OR BELOW 300% OF THE FEDERAL POVERTY LEVEL,2 REMAINING CERTIFIED BY THE U S DEPARTMENT OF HEALTH AND HUMAN SERVICES TO PROVIDE SERVICES TO ALL BENEFICIARIES OF MEDICARE, MEDICAID, AND OTHER GOVERNMENT PAYMENT PROGRAMS, AND PROVIDING SERVICES IN A NONDISCRIMINATORY MANNER TO SUCH BENEFICIARIES,3 OPERATING A FULL-TIME EMERGENCY ROOM WHICH IS OPEN TO AND ACCEPTS ALL PERSONS, REGARDLESS OF THEIR ABILITY TO PAY,4 MAINTAINING AN OPEN MEDICAL STAFF, SUBJECT TO EXCLUSIVE CONTRACTS FOR HOSPITAL-BASED SERVICES SUCH AS ANESTHESIOLOGY, RADIOLOGY, PATHOLOGY, HOSPITALIST, AND EMERGENCY DEPARTMENT SERVICES, TO THE EXTENT AN EXCLUSIVE CONTRACT FOR THOSE SERVICES IS REQUIRED TO OBTAIN PROPER STAFFING COVERAGE OR TO PERMIT A MORE EFFICIENT DELIVERY OF THOSE SERVICES WITHIN THE HOSPITAL FACILITY,5 MAINTAINING A GOVERNING BOARD CONSISTING PRIMARILY OF A BROAD CROSS-SECTION OF LEADERS IN THE COMMUNITY,6 ADOPTING AND APPLYING A CONFLICT OF INTEREST POLICY, WHICH APPLIES TO THE GOVERNING BOARD AND ORGANIZATION OFFICERS,7 PROVIDING HEALTH EDUCATION LECTURES AND WORKSHOPS, 8 PROVIDING HEALTH FAIRS, EDUCATION ON SPECIFIC DISEASES OR CONDITIONS, AND HEALTH PROMOTION AND WELLNESS PROGRAMS TO THE COMMUNITIES IT SERVES, 9 PROVIDING SUPPORT GROUPS AND SELF HELP PROGRAMS TO THE COMMUNITIES IT SERVES, 10 PROVIDING COMMUNITY-BASED CLINICAL SERVICES, INCLUDING WITHOUT LIMITATION, HEALTH SCREENINGS AND CLINICS FOR UNINSURED OR UNDERINSURED PERSONS TO THE COMMUNITIES IT SERVES, 11 PROVIDING HEALTHCARE SUPPORT SERVICES, INCLUDING WITHOUT LIMITATION, INFORMATION AND REFERRAL TO COMMUNITY SERVICES, CASE MANAGEMENT OF UNDERINSURED AND UNINSURED PERSONS, TELEPHONE INFORMATION SERVICES AND ASSISTANCE TO ENROLL IN PUBLIC PROGRAMS, SUCH AS STATE CHILDREN'S HEALTH INSURANCE PROGRAM (SCHIP) AND MEDICAID TO THE COMMUNITIES IT SERVES, 12 PROVIDING SUBSIDIZED HEALTH SERVICES AND CLINICAL PROGRAMS TO THE COMMUNITIES IT SERVES, 13 PROVIDING CASH AND IN-KIND CONTRIBUTIONS TO NONPROFIT COMMUNITY HEALTHCARE ORGANIZATIONS IN THE COMMUNITIES IT SERVES, AND14 GENERALLY PROMOTING THE HEALTH, WELLNESS, AND WELFARE OF THE COMMUNITIES IT SERVES BY PROVIDING QUALITY HEALTHCARE SERVICES AT REASONABLE COST FOR SPECIFIC EXAMPLES OF THIS ORGANIZATION'S COMMUNITY BENEFIT ACTIVITIES, WHICH FURTHER THE ORGANIZATION'S EXEMPT PURPOSES (AND THOSE OF ALL HOSPITALS AND HEALTHCARE FACILITIES IN THE SAME HEALTHCARE SYSTEM), PLEASE SEE THE NOVANT HEALTH COMMUNITY BENEFIT REPORT, LOCATED AT HTTP //WWW NOVANTHEALTH ORG/HOME/ABOUT-US/COMPANY-INFORMATION/FINANCIAL - PROFILE/COMMUNITY-BENEFIT-REPORT ASPX PLEASE NOTE THAT THE NUMERIC INFORMATION IN THIS REPORT IS NOT BASED UPON THE FORM 990, SCHEDULE H CRITERIA, BUT RATHER IT HAS BEEN PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HOSPITAL ASSOCIATION REPORTING GUIDELINES

Form and Line Reference	Explanation
PART VI, LINE 6	PART VI, LINE 6 AFFILIATED HEALTH CARE SYSTEMTHE ORGANIZATION IS AN INTEGRAL PART OF NOVANT HEALTH, A NOT-FOR-PROFIT INTEGRATED GROUP OF HOSPITALS, PHYSICIAN CLINICS, OUTPATIENT CENTERS AND OTHER HEALTHCARE SERVICE PROVIDERS NOVANT HEALTH IS RANKED AS ONE OF OUR NATION'S TOP 25 INTEGRATED HEALTHCARE SYSTEMS CARING FOR PATIENTS AND COMMUNITIES IN GEORGIA, NORTH CAROLINA, SOUTH CAROLINA, AND VIRGINIA EACH HOSPITAL PROVIDES SUBSTANTIAL COMMUNITY BENEFIT TO THE COMMUNITY IT SERVES, AS REPORTED INDIVIDUALLY ON EACH HOSPITAL'S FORM 990, SCHEDULE H THE COMMUNITY BENEFIT OF THE SYSTEM AS A WHOLE IS DOCUMENTED IN A SYSTEM-WIDE COMMUNITY BENEFIT REPORT, LOCATED AT HTTP //WWW NOVANTHEALTH ORG/HOME/ABOUT-US/COMPANY-INFORMATION/FINANCIAL -PROFILE/COMMUNITY-BENEFIT-REPORT ASPX PLEASE NOTE THAT THE NUMERIC INFORMATION IN THIS REPORT IS NOT BASED UPON THE FORM 990, SCHEDULE H CRITERIA, BUT RATHER IT HAS BEEN PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HOSPITAL ASSOCIATION REPORTING GUIDELINES THERE ARE SIGNIFICANT COMMUNITY BENEFIT ACTIVITIES WITHIN NOVANT HEALTH WHICH MAY NOT BE REPORTABLE ON A SCHEDULE H BECAUSE THEY ARE NOT CONDUCTED BY AN ENTITY WHICH OWNS OR OPERATES A HOSPITAL IN ADDITION TO HOSPITALS, NOVANT HEALTH INCLUDES A PHYSICIAN ORGANIZATION WITH PRACTICES IN GEORGIA, NORTH CAROLINA, SOUTH CAROLINA, AND VIRGINIA AND FIVE HOSPITAL FOUNDATIONS WHICH SUPPORT AND ENHANCE THE ACTIVITIES IN THOSE HOSPITALS' COMMUNITIES FURTHER, NOVANT HEALTH INCLUDES AMBULATORY SURGERY CENTERS, IMAGING CENTERS, REHABILITATION CENTERS, AND OTHER OUTPATIENT FACILITIES, ALL DEDICATED TO PROMOTING THE HEALTH OF THEIR RESPECTIVE COMMUNITIES
PART VI, LINE 7 STATE FILING OF COMMUNITY BENEFIT REPORT	NOVANT HEALTH, INC FILES A SYSTEM-WIDE COMMUNITY BENEFIT REPORT PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HOSPITAL ASSOCIATION REPORTING GUIDELINES WITH THE NORTH CAROLINA MEDICAL CARE COMMISSION AS PART OF THE DOCUMENTATION REQUIRED FOR THE ISSUANCE OF TAX EXEMPT BOND FINANCING

Additional Data

Software ID:
Software Version:
EIN: 56-0554230
Name: THE PRESBYTERIAN HOSPITAL

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

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

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

	Name and address	Type of Facility (describe)
1	NOVANT HEALTH BREAST CENTER 10030 GILEAD ROAD HUNTERSVILLE,NC 28078	IMAGING CENTER
2	NOVANT HEALTH CHARLOTTE OUTPATIENT SURGE 1800 E FOURTH STREET CHARLOTTE,NC 28204	IMAGING CENTER
3	NOVANT HEALTH HEART AND VASCULAR INSTITU 10030 GILEAD RD SUITE 201 HUNTERSVILLE,NC 28078	IMAGING CENTER
4	NOVANT HEALTH HEART AND VASCULAR INSTITU 125 BALDWIN AVENUE SUITE 200 CHARLOTTE,NC 28204	IMAGING CENTER
5	NOVANT HEALTH HEART AND VASCULAR INSTITU 1450 MATTHEWS TOWNSHIP PKWY STE 380 MATTHEWS,NC 28105	IMAGING CENTER
6	NOVANT HEALTH HEART AND VASCULAR INSTITU 1640 EAST ROOSEVELT BLVD MONROE,NC 28112	IMAGING CENTER
7	NOVANT HEALTH HEART AND VASCULAR INSTITU 1718 EAST 4TH ST SUITE 501 CHARLOTTE,NC 28204	IMAGING CENTER
8	NOVANT HEALTH HEART AND VASCULAR INSTITU 8310 UNIVERSITY EXECUTIVE PK STE 550 CHARLOTTE,NC 28204	IMAGING CENTER
9	NOVANT HEALTH IMAGING MONROE 2000 WELLNESS BLVD SUITE 110 MONROE,NC 28110	IMAGING CENTER
10	NOVANT HEALTH IMAGING MUSEUM 2900 RANDOLPH ROAD CHARLOTTE,NC 28211	IMAGING CENTER
11	NOVANT HEALTH IMAGING UNIVERSITY 8401 MEDICAL PLAZA DR SUITE 110 CHARLOTTE,NC 28262	IMAGING CENTER
12	NOVANT HEALTH MCKEE INTERNAL MEDICINE 3330 SISKEY PARKWAY MATTHEWS,NC 28105	IMAGING CENTER
13	NOVANT HEALTH MIDTOWN OUTPATIENT SURGERY 1918 RANDOLPH ROAD SUITE 740 CHARLOTTE,NC 28207	IMAGING CENTER
14	NOVANT HEALTH PRESBYTERIAN INTERNAL MEDI 1918 RANDOLPH ROAD SUITE 350 CHARLOTTE,NC 28207	IMAGING CENTER
15	NOVANT HEALTH SENIOR CARE 6324 FAIRVIEW ROAD SUITE 310 CHARLOTTE,NC 28210	IMAGING CENTER

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE PRESBYTERIAN HOSPITAL

Employer identification number
56-0554230

Part I General Information on Grants and Assistance

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

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

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 28

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

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) EDUCATIONAL SCHOLARSHIPS	14	47,998			

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

Return Reference	Explanation
PART I, LINE 2 - PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS	THE ORGANIZATION IS AN AFFILIATE IN AN INTEGRATED HEALTHCARE SYSTEM AND FOLLOWS A SYSTEM-WIDE CORPORATE POLICY WITH STANDARDIZED GUIDELINES THAT ARE TO BE USED IN REVIEWING THE ELIGIBILITY AND SELECTION OF GRANTEES RECEIVING CERTAIN EXEMPT PURPOSE FUNDS THE ORGANIZATION MAINTAINS DOCUMENTATION OF THE ELIGIBILITY AND SELECTION CRITERIA AND RECORDS OF THE AMOUNTS ARE MAINTAINED VIA THE GENERAL LEDGER FUNDS ARE GENERALLY NOT TRACKED AFTER BEING GRANTED, AS THE ORIGINAL ELIGIBILITY AND SELECTION CRITERIA HAVE ALREADY BEEN MET

Additional Data

Software ID:
Software Version:
EIN: 56-0554230
Name: THE PRESBYTERIAN HOSPITAL

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LAKE NORMAN COMMUNITY HEALTH CLINIC 14223 HUNTERS ROAD HUNTERSVILLE,NC 28078	04-3723062	501(C)(3)	55,000				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
BRAIN TUMOR FUND FOR THE CAROLINAS PO BOX 5627 CHARLOTTE,NC 28299	20-8208247	501(C)(3)	80,000				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
WORLD AFFAIRS COUNCIL 9201 UNIVERSITY CITY BLVD CHARLOTTE,NC 28223	58-1606811	501(C)(3)	12,500				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CAROLINA RAPIDS SOCCER CLUB 11138 TREYNORTH DRIVE SUITE B CORNELIUS,NC 28031	61-1556757	501(C)(3)	13,000				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MEDASSIST OF MECKLENBURG 601 E 5TH ST SUITE 350 CHARLOTTE,NC 28202	56-2018957	501(C)(3)	15,000				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MARCH OF DIMES 1275 MAMARONECK AVE WHITE PLAINS,NY 10605	13-1846366	501(C)(3)	20,000				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LAKE NORMAN REGIONAL ECONOMIC DEVELOPMENT CORPORATION 10115 KINCEY AVE STE 148 HUNTERSVILLE,NC 28078	51-0463069	501(C)(3)	6,750				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MINT MUSEUM OF ART INC 2730 RANDOLPH RD CHARLOTTE,NC 28207	56-0670666	501(C)(3)	50,000				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CATAWBA RIVER DISTRICT PO BOX 680486 CHARLOTTE,NC 28216	27-0176418	501(C)(3)	25,000				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN CANCER SOCIETY INC 1901 BRUNSWICK AVE CHARLOTTE,NC 28207	13-1788491	501(C)(3)	25,000				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN HEART ASSOCIATION INC 7272 GREENVILLE AVENUE DALLAS,TX 75231	13-5613797	501(C)(3)	75,000				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
RONALD MCDONALD HOUSE 1613 E MOREHEAD ST CHARLOTTE,NC 28207	20-4671570	501(C)(3)	10,000				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MAKE-A-WISH FOUNDATION OF CENTRAL & WESTERN NORTH CAROLINA INC 1131 HARDING PLACE CHARLOTTE,NC 28204	56-1492432	501(C)(3)	5,750				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LUNGSTRONG INC 2 S HAMPTON RD AMESBURY,MA 01913	45-2702681	501(C)(3)	9,000				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ROTARY CLUB OF LAKE NORMAN HUNTERSVILLE INC 15801 NORTHSTONE DR HUNTERSVILLE,NC 28078	26-2902286	501(C)(3)	7,500				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
HEARTBRIGHT FOUNDATION INC 2923 S TRYON ST 200 CHARLOTTE,NC 28203	45-0496759	501(C)(3)	10,000				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
THE CHARLOTTE CHAMBER OF COMMERCE INC 129 WEST TRADE ST CHARLOTTE,NC 28232	56-0173610	501(C)(6)	30,170				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
DISCOVERY PLACE INC 301 N TRYON ST CHARLOTTE,NC 28202	56-0529944	501(C)(3)	35,000				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
COLON CANCER COALITION FOUNDATION 5666 LINCOLN DR SUITE 270 EDINA,MN 55436	30-0377727	501(C)(3)	9,000				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CHARLOTTE CENTER CITY PARTNERS 200 S TRYON STREET SUITE 1600 CHARLOTTE,NC 28202	56-1247787	501(C)(4)	13,500				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
THE SYMPHONY OF CHARLOTTE INC 226 OAK CREEK DR CHARLOTTE,NC 28270	56-1582352	501(C)(3)	47,508				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CHARLOTTE TOUCHDOWN CLUB 309 E MOREHEAD ST CHARLOTTE,NC 28202	56-1854461	501(C)(3)	11,850				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SUSAN G KOMEN BREAST CANCER FOUNDATION 2316 RANDOLPH ROAD CHARLOTTE,NC 28207	75-2854959	501(C)(3)	52,500				COMMUNITY HEALTH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CHARLOTTE REGIONAL PARTNERSHIP INC 550 S CALDWELL ST 760 CHARLOTTE,NC 28202	58-1457132	501(C)(3)	25,000				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CHARLOTTE SOCCER ACADEMY 901 SAM NEWELL ROAD SUITE E MATTHEWS,NC 28105	56-1887771	501(C)(3)	15,000				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ASSOCIATION OF NIGERIAN PHYSICIANS IN THE AMERICAS INC 5019 W 147TH ST LEAWOOD,KS 66224	33-0643166	501(C)(6)	7,500				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CHARLOTTE BALLET 701 N TRYON ST CHARLOTTE,NC 28202	58-1314711	501(C)(3)	15,000				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MECKLENBURG AQUATIC CLUB 9850 PROVIDENCE RD CHARLOTTE,NC 28277	59-1769720	501(C)(3)	17,500				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LEADERSHIP CHARLOTTE 1900 SELWYN AVE CHARLOTTE,NC 28207	56-1684782	501(C)(3)	5,850				COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
TOWN OF MATTHEWS 232 MATTHEWS STATION ST MATTHEWS,NC 28105	56-6001283	TOWN OF MATTHEWS	9,500	0			COMMUNITY OUTREACH

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
PRESBYTERIAN HOSPITAL FOUNDATION 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	58-1413074	501(C)(3)	50,025				COMMUNITY OUTREACH

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE PRESBYTERIAN HOSPITAL

Employer identification number
56-0554230

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 1A	FIRST-CLASS OR CHARTER TRAVEL FIRST-CLASS OR CHARTER TRAVEL IS NOT A COVERED TRAVEL EXPENSE FOR EXECUTIVES, THEY ARE LIMITED TO BUSINESS OR COACH CLASS FARES FOR COMMERCIAL FLIGHTS HOWEVER, CHARTER TRAVEL IS AVAILABLE TO CERTAIN EXECUTIVES, BOARD MEMBERS, AND APPROVED BUSINESS PERSONNEL IN LIMITED CIRCUMSTANCES DEEMED TO INVOLVE BUSINESS NECESSITY TRAVEL FOR COMPANIONS COMPANIONS ARE ALLOWED ON CERTAIN CHARTER FLIGHTS PAID FOR BY THE ORGANIZATION IN THAT CASE, THE VALUE OF THE COMPANION'S FLIGHT IS CALCULATED UNDER APPLICABLE TAX LAWS AND THAT AMOUNT IS INCLUDED IN THE EXECUTIVE'S TAXABLE INCOME AS PRESCRIBED BY THE APPLICABLE TAX LAWS TAX INDEMNIFICATION AND GROSS-UP PAYMENTS EXECUTIVES WHO PURCHASE SPLIT DOLLAR INSURANCE THROUGH THEIR DISCRETIONARY SPENDING ACCOUNT MAY HAVE THE ADDITIONAL INCOME TAX OWED ON THE PS-58 COSTS PAID BY THE ORGANIZATION EXECUTIVES WHO RECEIVE TAXABLE RELOCATION INCOME MAY HAVE THE ADDITIONAL INCOME TAX OWED ON THE INCOME PAID BY THE ORGANIZATION EXECUTIVES MAY RECEIVE AS SEVERANCE BENEFITS CASH PAYMENTS IN LIEU OF PREMIUMS PAID FOR COVERAGE OF CERTAIN GROUP BENEFITS THAT ENDED WITH THE EXECUTIVE'S TERMINATION THE ORGANIZATION MAY PAY THE ADDITIONAL TAX OWED ON ACCOUNT OF THESE PAYMENTS DISCRETIONARY SPENDING ACCOUNT CERTAIN EXECUTIVES RECEIVE A DISCRETIONARY SPENDING ACCOUNT THE DOLLAR AMOUNT IN THE ACCOUNT IS PRE-APPROVED BY THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE NOVANT HEALTH BOARD OF TRUSTEES THE ACCOUNT CAN BE USED ONLY FOR AN APPROVED LIST OF EXPENDITURES ALL OPTIONS OTHER THAN A DEFERRED, AT-RISK, COMPENSATION OPTION ARE CONSIDERED TAXABLE AND ARE INCLUDED IN THE EXECUTIVE'S TAXABLE INCOME AS PRESCRIBED BY THE APPLICABLE TAX LAWS HOUSING ALLOWANCE OR RESIDENCE FOR PERSONAL USE WE PROVIDE TEMPORARY HOUSING ALLOWANCES IN CERTAIN EXECUTIVE RECRUITMENT AND RELOCATION PACKAGES IN THE CASE THAT SUCH EXPENSE IS NOT REIMBURSABLE UNDER THE ACCOUNTABLE PLAN RULES, THE VALUE IS CALCULATED UNDER APPLICABLE TAX LAWS AND THAT AMOUNT IS INCLUDED IN THE EXECUTIVE'S INCOME AS PRESCRIBED BY THE APPLICABLE TAX LAWS HEALTH OR SOCIAL CLUB DUES OR INITIATION FEES IN CASES WHERE CORPORATE MEMBERSHIPS ARE NOT AVAILABLE, A MEMBERSHIP MAY BE OBTAINED IN AN EXECUTIVE'S NAME WITH A "BUSINESS USE ONLY" RESTRICTION
PART I, LINE 3	PART I, LINE 3 THE FILING ORGANIZATION IS AN AFFILIATE IN AN INTEGRATED HEALTHCARE SYSTEM AND IS SUPPORTED BY A PARENT ORGANIZATION THAT USES THE PROCESS DESCRIBED IN PART VI, LINE 15A OF THIS RETURN TO ESTABLISH THE COMPENSATION OF THE TOP MANAGEMENT OFFICIAL OF THE FILING ORGANIZATION THIS PROCESS ADHERES TO THE REQUIREMENTS SET FORTH TO SECURE THE REBUTTABLE PRESUMPTION OF REASONABLENESS AND INCLUDES A REVIEW AND APPROVAL BY INDEPENDENT AND DISINTERESTED MEMBERS OF A COMPENSATION COMMITTEE, CONSULTATION WITH INDEPENDENT COMPENSATION CONSULTANTS, THE UTILIZATION OF THIRD-PARTY COMPARABILITY DATA SUCH AS PUBLISHED COMPENSATION SURVEYS, AND CONTEMPORANEOUS SUBSTANTIATION OF THE DELIBERATION AND DECISION
PART I, LINES 4A-B	PART I, LINES 4A-C SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS SEVERANCE NONQUALIFIED EQUITY-BASED MCADAMS, STEPHEN 323,077 0 0
PART III - OTHER ADDITIONAL INFORMATION	DESCRIPTIONS OF SUPPLEMENTAL EXECUTIVE BENEFITS INCLUDED IN PART VII AND SCHEDULE J EXECUTIVE ANNUAL INCENTIVE PLAN AS PART OF THE REPORTED COMPENSATION AMOUNTS, THE REPORTING ORGANIZATION PROVIDES ANNUAL INCENTIVE COMPENSATION TO OFFICERS AND KEY EMPLOYEES UNDER AN EXECUTIVE ANNUAL INCENTIVE PLAN THE INCENTIVE PLAN IS DESIGNED TO OFFER OPPORTUNITIES FOR ADDITIONAL COMPENSATION, BUT ONLY TO THE EXTENT THAT ELIGIBLE EXECUTIVES HAVE PROVIDED EXTRAORDINARY SERVICES AND ACHIEVED EXTRAORDINARY RESULTS THAT MEET OR EXCEED PREDETERMINED GOALS IN THE AREAS OF QUALITY, PATIENT SATISFACTION, EMPLOYEE SATISFACTION AND FINANCIAL VITALITY THESE GOALS ARE ESTABLISHED AND APPROVED BY INDEPENDENT AND DISINTERESTED MEMBERS OF THE NOVANT HEALTH BOARD OF TRUSTEES (WHO COMPRISE THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD) THESE GOALS ARE WEIGHTED EQUALLY THE ADDITIONAL COMPENSATION CAN RANGE ANYWHERE FROM ZERO TO A MAXIMUM PERCENTAGE OF BASE SALARY THAT DIFFERS BY THE CLASS OF EXECUTIVE, THIS MAXIMUM PERCENTAGE RANGES FROM 30% TO 70% OF BASE SALARY IN ADDITION, THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD WHO OVERSEE THE INCENTIVE COMPENSATION PROGRAM APPLY TWO "CIRCUIT BREAKERS," WHICH ARE SUBSTANTIAL LEVELS OF ORGANIZATION-WIDE ACHIEVEMENT THAT MUST BE SATISFIED BEFORE ANY AWARDS ARE PAID TO ANY EXECUTIVE UNDER THE PROGRAM THE INCENTIVE COMPENSATION AWARDS HAVE BEEN INCLUDED IN THE COMPENSATION AMOUNTS REPORTED IN PART VII AND IN COLUMN (B)(II) OF SCHEDULE J THEY ARE REPORTED IN THE YEAR PAID THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD REVIEW, APPROVE, AND OVERSEE ALL ASPECTS AND ALL ELEMENTS OF EXECUTIVE COMPENSATION AND BENEFITS, INCLUDING THE AMOUNTS AWARDED UNDER THIS ANNUAL INCENTIVE PLAN LONG-TERM INCENTIVE PLAN THE REPORTING ORGANIZATION OFFERS A LONG-TERM INCENTIVE PLAN (THE "PLAN") TO CERTAIN KEY EXECUTIVES THE PLAN TIES A KEY EXECUTIVE'S COMPENSATION TO THE ORGANIZATION'S LONG-TERM STRATEGIC PERFORMANCE, PROVIDES A RETENTION INCENTIVE FOR KEY EXECUTIVES, AND ALLOWS THE ORGANIZATION TO COMPETE IN THE MARKETPLACE FOR TOP LEADERSHIP TALENT THE PLAN OPERATES ON THREE-YEAR PERFORMANCE CYCLES THAT BEGIN EACH YEAR LONG-TERM STRATEGIC GOALS (IN THE PRINCIPAL AREAS OF QUALITY OF PATIENT CARE AND LONG-TERM FINANCIAL STRENGTH) ARE ESTABLISHED AND APPROVED FOR EACH CYCLE, IN ADVANCE, BY INDEPENDENT AND DISINTERESTED MEMBERS OF THE NOVANT HEALTH BOARD OF TRUSTEES (WHO COMPRISE THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD) NOVANT HEALTH'S INTERNAL AUDIT DEPARTMENT REVIEWS THE METHODOLOGY AND PROCESS USED TO DETERMINE ACHIEVEMENT OF THE QUALITY METRICS AWARDS ARE PAYABLE FOR A PARTICULAR THREE-YEAR PERFORMANCE CYCLE ONLY IF THE REQUISITE LEVEL OF COMMUNITY BENEFIT AND CHARITY CARE, ALONG WITH THE REQUIRED LEVEL OF FINANCIAL PERFORMANCE TO DEMONSTRATE LONG-TERM FINANCIAL STRENGTH, HAVE BEEN MET FOR THAT RESPECTIVE THREE-YEAR PERFORMANCE PERIOD IF AN AWARD IS EARNED AT THE END OF A PERFORMANCE CYCLE, THEN THE INCENTIVE AWARD IS PAID OUT AND IS INCLUDED IN THE COMPENSATION AMOUNTS REPORTED IN PART VII AND IN COLUMN (B)(II) OF SCHEDULE J THEY ARE REPORTED IN THE YEAR PAID THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD REVIEWS, APPROVES, AND OVERSEES ALL ASPECTS AND ALL ELEMENTS OF EXECUTIVE COMPENSATION AND BENEFITS, INCLUDING THE AMOUNTS AWARDED UNDER THE PLAN PART I, LINE 4A - SEVERANCE PLAN ELIGIBLE EXECUTIVES MAY RECEIVE SEVERANCE PAY THAT IS BASED ON ANNUAL COMPENSATION FOR A SPECIFIED PERIOD OF TIME THE SEVERANCE PAY WOULD BE PAID ONLY IN THE EVENT OF CERTAIN TYPES OF EMPLOYMENT TERMINATION, AND IS FURTHER CONTINGENT ON THE SATISFACTION OF OTHER CONDITIONS SUCH AS COMPLIANCE WITH A NON-COMPETITION COVENANT ANY CURRENT YEAR PAYMENTS HAVE BEEN INCLUDED IN THE COMPENSATION AMOUNTS REPORTED IN PART VII AND IN COLUMN (B)(III) OF SCHEDULE J THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD REVIEWS, APPROVES, AND OVERSEES ALL ASPECTS AND ALL ELEMENTS OF EXECUTIVE COMPENSATION AND BENEFITS, INCLUDING THE AMOUNTS AWARDED UNDER THIS SEVERANCE PLAN PART I, LINE 4B - SUPPLEMENTAL NONQUALIFIED RETIREMENT PLANS IN 2012, THE INDEPENDENT AND DISINTERESTED MEMBERS OF THE NOVANT HEALTH BOARD OF TRUSTEES COMPENSATION AND LEADERSHIP COMMITTEE (THE "COMMITTEE") ENGAGED INTEGRATED HEALTHCARE STRATEGIES TO ASSESS THE MARKET AND DESIGN A NEW SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("NEW SERP") THAT WOULD BE MORE IN LINE WITH MARKET PRACTICE AND INDUSTRY TRENDS AND THAT WOULD BETTER ACCOMPLISH NOVANT HEALTH'S STRATEGIC EXECUTIVE RETENTION AND ATTRACTION GOALS, AND TO REPLACE THE EXISTING PLAN IN 2013, THE COMMITTEE APPROVED A NEW DEFINED CONTRIBUTION SERP, TO BE EFFECTIVE 1/1/2014, AND TERMINATED THE EXISTING DEFINED BENEFIT PLAN, WHICH HAS BEEN DESCRIBED IN DETAIL IN PRIOR NOVANT HEALTH FORM 990S AS 2013 WAS A TRANSITION YEAR, SERP BENEFITS PAID OUT AS A RESULT OF THE TERMINATION OF THE EXISTING DEFINED BENEFIT PLAN HAVE BEEN INCLUDED IN THE COMPENSATION AMOUNTS REPORTED IN PART VII AND IN COLUMN (B)(III) OF SCHEDULE J, AND DEFERRED COMPENSATION AMOUNTS THAT ACCRUED IN 2013 UNDER THE NEW SERP TO BE CONTRIBUTED TO PARTICIPANTS IN 2014 ARE REPORTED IN COLUMN (C) OF SCHEDULE J THE AMOUNTS REFLECTED IN COLUMN F AS PREVIOUSLY REPORTED REFLECT THE CUMULATIVE AMOUNTS RECORDED ON PRIOR 990S IN COLUMN C AS DEFERRED COMPENSATION THE AMOUNT IS THEN ADJUSTED FOR ANY PRIOR YEAR'S PAYMENTS THAT HAVE BEEN REPORTED PREVIOUSLY IN COLUMNS B(III) AND F THE AMOUNTS PREVIOUSLY REPORTED AS DEFERRED COMPENSATION IN COLUMN C WERE DETERMINED USING AN ACTUARIAL CALCULATION THAT IS BASED ON SEVERAL FACTORS INCLUDING CURRENT AND FUTURE SALARY EXPECTATIONS, EXPECTED FUTURE YEARS OF SERVICE, AND DISCOUNTED USING INTEREST RATES IN PLACE AT THE TIME OF CALCULATION THE AMOUNT REPORTED IN COLUMN B(III) FOR THE PLAN PAYOUT WILL NOT EXACTLY REFLECT THE CUMULATIVE ACCRUALS REPORTED IN COLUMN F BECAUSE OF THE VARIABILITY OF THE CALCULATION'S FACTORS OVER TIME IN ADDITION, DUE TO THE LUMP SUM NATURE OF THE FINAL PAYOUT, THE AMOUNTS REPORTED IN COLUMN C AS ACCRUED IN THE PRIOR YEAR WOULD NOT INCLUDE A PORTION OF THE AMOUNTS ACCELERATED INTO 2013 THE EXISTING DEFINED BENEFIT PLAN PARTICIPANTS' PAYMENTS VARIED BASED ON LENGTH OF SERVICE TO THE ORGANIZATION, WHICH RANGED FROM 8 TO 37 YEARS, AND VESTING STATUS AT THE TIME OF PLAN TERMINATION THE NEW SERP IS INTENDED TO SUPPORT RETENTION OF KEY EXECUTIVES, AND TO OFFER COMPETITIVE TOTAL COMPENSATION ELIGIBLE EXECUTIVES WILL BE NOMINATED BY THE CEO AND APPROVED BY THE COMMITTEE TO PARTICIPATE GENERALLY, ANNUAL CONTRIBUTIONS TO THE PLAN OR PAYMENTS TO PARTICIPANTS WILL BE BASED ON A PERCENTAGE OF THE PARTICIPANT'S BASE SALARY AS OF JANUARY 1ST OF THE PREVIOUS PLAN YEAR PRIOR TO MAKING THE CONTRIBUTIONS OR PAYMENTS, THE COMMITTEE WILL APPROVE THE AMOUNTS AS TO REASONABLENESS, WHEN COMBINED WITH ALL OTHER ANNUAL COMPENSATION A 3 YEAR CLASS-YEAR VESTING PERIOD WILL APPLY UP TO AGE 62, WHEN ALL MONEY WOULD BE VESTED AND PAID OUT TO THE PARTICIPANT OTHERWISE, VESTING WILL OCCUR ON JANUARY 1ST OF EACH YEAR FOR THE APPROPRIATE CLASS-YEAR VESTING PERIOD THE COMMITTEE REVIEWS, APPROVES, AND OVERSEES ALL ASPECTS AND ALL ELEMENTS OF EXECUTIVE COMPENSATION AND BENEFITS

Additional Data

Software ID:
Software Version:
EIN: 56-0554230
Name: THE PRESBYTERIAN HOSPITAL

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
GARNER STUART TRUSTEE	(I) (II)	0 354,130	0 10,463	0 21,045	0 62,804	0 32,925	0 481,367	0 7,500
SMITH HARRY PRES PH/ COO CHARLOTTE/ TRUSTEE	(I) (II)	488,117 0	25,000 0	17,068 0	117,498 0	74,860 0	722,543 0	0 0
STOKER SHELLI ASST SEC	(I) (II)	0 189,801	0 36,091	0 1,316	0 23,215	0 19,461	0 269,884	0 0
WALSH BETSY ASST SEC	(I) (II)	0 235,751	0 62,689	0 16,304	0 47,410	0 27,006	0 389,160	0 7,500
BLACKMON TANYA PRESIDENT NHPMC	(I) (II)	248,907 0	146,200 0	10,916 0	60,294 0	21,564 0	487,881 0	0 0
STEGER ELIZABETH VP NURSING	(I) (II)	238,121 0	96,960 0	5,570 0	44,348 0	27,326 0	412,325 0	0 0
VANCE AMY SVP & COO NHPMC	(I) (II)	305,580 0	206,118 0	21,000 0	103,220 0	21,638 0	657,556 0	7,500 0
ZWENG THOMAS SVP & CHIEF MEDICAL OFFICER	(I) (II)	397,080 0	289,776 0	34,364 0	124,050 0	35,262 0	880,532 0	7,500 0
BAILEY JOHN CARDIOLOGIST	(I) (II)	393,643 63,404	73,478 300	11,246 371	63,300 0	22,194 4,545	563,861 68,620	0 7,500
IWAOKA ROBERT CARDIOLOGIST	(I) (II)	403,598 63,773	29,008 113	12,441 696	62,300 0	10,995 1,621	518,342 66,203	0 7,500
MCMILLAN EDWARD CARDIOLOGIST	(I) (II)	399,799 63,410	31,366 0	10,654 242	56,808 0	24,577 3,931	523,204 67,583	0 7,500
NIESS GARY CARDIOLOGIST	(I) (II)	393,696 63,700	30,791 0	13,328 17,480	55,302 0	25,946 2,869	519,063 84,049	0 7,500
SHARKEY KEVIN CARDIOLOGIST	(I) (II)	383,494 64,173	34,829 0	10,960 242	57,800 0	10,308 1,506	497,391 65,921	0 7,500
MCADAMS STEPHEN FMR VP & SR MED DIR	(I) (II)	12,288 0	61,699 0	349,754 0	0 0	7,894 0	431,635 0	0 0

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493318001334

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization	Employer identification number
THE PRESBYTERIAN HOSPITAL	56-0554230

Return Reference	Explanation	
	FORM 990, PI, L1 ORGANIZATION'S MISSION OR MOST SIGNIFICANT ACTIVITIES	PRESBYTERIAN HOSPITAL DOING BUSINESS AS NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER AND NOVA NT HEALTH HUNTERSVILLE MEDICAL CENTER ARE INTEGRAL PARTS OF THE NOVANT HEALTH SYSTEM (COLL ECTIVELY KNOWN AS "NOVANT HEALTH"), A NOT-FOR-PROFIT INTEGRATED GROUP OF HOSPITALS, PHYSIC IAN CLINICS, OUTPATIENT CENTERS AND OTHER HEALTHCARE SERVICE PROVIDERS NOVANT HEALTH IS R ANKED AS ONE OF OUR NATION'S TOP 25 INTEGRATED HEALTHCARE SYSTEMS - CARING FOR PATIENTS AN D COMMUNITIES IN GEORGIA, NORTH CAROLINA, SOUTH CAROLINA AND VIRGINIA IN 2013, THE SYSTEM REPORTED $3 6 BILLION IN REVENUES NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER AND NOVANT H EALTH HUNTERSVILLE MEDICAL CENTER EXIST TO IMPROVE THE HEALTH OF THE COMMUNITIES THEY SERV E WITH A VISION OF PROVIDING A REMARKABLE PATIENT EXPERIENCE IN EVERY DIMENSION, EVERY TIM E. THEY ACCOMPLISH THAT MISSION BY PROVIDING HEALTHCARE SERVICES TO ALL WHO ENTRUST THEIR CARE TO THEM AND BY SUPPORTING THE GREATER CHARLOTTE, NC COMMUNITY THROUGH PARTNERSHIPS AN D OUTREACH THE HOSPITALS SUPPORT ORGANIZATIONS THAT PROVIDE HEALTH SERVICES, EDUCATION AN D ASSISTANCE TO THE UNINSURED AND THE OVERALL COMMUNITY IN ADDITION TO OUR QUALITY AND CO MPREHENSIVE CATEGORIES OF SERVICES, WE'RE VERY PROUD OF OUR PATIENT FINANCIAL ASSISTANCE P ROGRAM WE WORK WITH INDIVIDUALS TO HELP QUALIFY THEM FOR PUBLIC ASSISTANCE, ESTABLISH A R EASONABLE PAY MENT PLAN, DISCOUNT THEIR BILL OR PROVIDE THEM WITH FREE CHARITY CARE. COMMUN ITY OUTREACH NOVANT HEALTH COMMUNITY CARE CRUISER NOVANT HEALTH PRESBYTERIAN MEDICAL CENTE R IS PROUD OF THEIR OUTREACH EFFORTS, INCLUDING THE MANY SUPPORTED ENTIRELY BY DONATIONS S ECURED THROUGH NOVANT HEALTH FOUNDATION PRESBYTERIAN MEDICAL CENTER THE NOVANT HEALTH COM MUNITY CARE CRUISER PROVIDES FREE PREVENTIVE CARE TO UNINSURED AND DISADVANTAGED Y OUTH IN MECKLENBURG AND UNION COUNTIES OF NC THE 38-FOOT CRUISER TRAVELS TO AT-RISK NEIGHBORHOODS AND HAS TREATED MORE THAN 7,800 PATIENTS, SEEN ALMOST 4,500 CHILDREN AND PROVIDED MORE TH AN 11,300 IMMUNIZATIONS SINCE ITS LAUNCH IN NOVEMBER 2007 IN 2013, THE CRUISER CONTINUED PROVIDING SERVICES TO SUPPORT PROJECT LIFT, A PRIVATELY FINANCED PROGRAM THAT AIMS TO INCR EASE GRADUATION RATES AND CLOSE ACHIEVEMENT GAPS AT WEST CHARLOTTE NC HIGH SCHOOL AND ITS SEVEN FEEDER ELEMENTARY AND MIDDLE SCHOOLS HEALTH INSURANCE MARKETPLACE EDUCATIONAL EVENT - AS A TRUSTED RESOURCE FOR OUR COMMUNITIES, NOVANT HEALTH HOSTED AN INFORMATIONAL SESSIO N AT NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER ON THE NEW HEALTH INSURANCE MARKETPLACE. TH E NOVEMBER 2013 EVENT PROVIDED FINANCIAL COUNSELORS AND INSURANCE BROKERS TO HELP THE 80 P ARTICIPANTS HAVE THEIR QUESTIONS ANSWERED AND ENROLL IN PLANS "BEST FED BEGINNINGS"- NOVA NT HEALTH PRESBYTERIAN MEDICAL CENTER IS PARTICIPATING IN THE SECOND Y EAR OF A 22-MONTH BE ST FED BEGINNINGS INITIATIVE TO IMPROVE THE HEALTH OF MOMS AND BABIES THIS EFFORT AIMS TO HELP HOSPITALS IMPROVE MATERNAL CARE BY ENCOURAGING EXCLUSIVE BREASTFEEDING, LEADING TO M ANY HEALTH BENEFITS FOR MOM AND BABY LED BY THE NATIONAL INITIATIVE FOR CHILDREN'S QUALIT Y HEALTHCARE AND THE CENTERS FOR DISEASE CONTROL, IT IS DESIGNED TO HELP THE SELECTED HOSP ITALS ACHIEVE THE "BABY FRIENDLY HOSPITAL" DESIGNATION AS CLASSIFIED BY THE WORLD HEALTH O RGANIZATION AND UNICEF NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER ANTICIPATES A SITE VISIT EVALUATION WILL TAKE PLACE IN 2014 NOVANT HEALTH MOBILE MAMMOGRAPHY UNIT - THIS UNIT TRA VELS ACROSS THE REGION TO MAKE IT EASIER AND MORE CONVENIENT FOR WOMEN TO RECEIVE THIS IMP ORTANT SCREENING ADDITIONAL SCREENING SITES WERE ALSO ADDED IN 2013 AND NEARLY 2,500 WOME N RECEIVED SCREENING MAMMOGRAMS ON THE MOBILE UNIT THE UNIT WAS ORIGINALLY ACQUIRED IN 20 12 THROUGH FUNDRAISING FROM THE NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER FOUNDATION WALK WITH A DOC - NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER LAUNCHED THIS NATIONAL WALKING PRO GRAM IN THE FALL OF 2013 TO ENCOURAGE HEALTHY PHYSICAL ACTIVITY IN PEOPLE OF ALL AGES ONE SATURDAY A MONTH, A NOVANT HEALTH PHYSICIAN LEADS A FREE EDUCATIONAL TALK AND ONE-HOUR GR OUP WALK FOR INDIVIDUALS LOOKING TO IMPROVE THEIR HEALTH PARTICIPANTS HAVE THE OPPORTUNIT Y TO LEARN ABOUT VARIOUS HEALTH TOPICS AND THEY GET ONE-ON-ONE TIME WITH PHYSICIANS TO ASK THEIR HEALTH QUESTIONS IN A RELAXED SETTING THE PROGRAM IS LED BY DR CARLENE KINGSTON, STROKE MEDICAL DIRECTOR AT NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER CANCER SURVIVORSHIP EDUCATION - KNOWING THAT CANCER IMPACTS SURVIVORS PHYSICALLY, SPIRITUALLY, FINANCIALLY AND EMOTIONALLY, AND THAT ITS EFFECTS CAN BE FELT LONG AFTER TREATMENT ENDS, NOVANT HEALTH CA NCER CARE STARTED A SURVIVOR EDUCATION SERIES TO ADDRESS ISSUES SURVIVORS MAY FACE. TOPICS INCLUDE SY MPTOM MANAGEMENT, NUTRITION AND EXERCISE, FINANCIAL, LEGAL AND INSURANCE CONCER NS AND COPING STRATEGIES ALL CLASSES ARE FREE OF CHARGE AND ARE OFFERED AT OUR CANCER CEN TERS AT NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER AND NOVANT HEALTH HUNTERSVILLE MEDICAL C ENTER THE SOLOMON HOUSE - AFFILIATED WITH NOVANT

Return Reference	Explanation	
	FORM 990, PI, L1 ORGANIZATION'S MISSION OR MOST SIGNIFICANT ACTIVITIES	HEALTH HUNTERSVILLE MEDICAL CENTER, THE SOLOMON HOUSE PROVIDES FREE HEALTH EDUCATION AND R EFERRALS TO COMMUNITY RESOURCES FOR THOSE WHO MIGHT NOT HAVE FULL ACCESS TO HEALTHCARE IN THE LAKE NORMAN, NC AREA THE CRISIS SERVICES STAFF IS BILINGUAL IN ENGLISH AND SPANISH I N 2013 NEARLY 4,000 INDIVIDUALS FROM OVER 450 FAMILIES RECEIVED CRISIS CARE SERVICES (53% LATINO, 29% AFRICAN AMERICA, 15% CAUCASIAN, 1% OTHER) WE ALSO PROVIDED OVER 1,500 CONTACT HOURS IN PRENATAL, PARENTING, WEIGHT LOSS AND OTHER HEALTH EDUCATION CLASSES OVER 400 DIA BETIC PATIENTS WERE SERVED IN COLLABORATION WITH TWO LOCAL FREE CLINICS SENIOR SATURDAYS - NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER MET THE UNIQUE NEEDS OF OUR SENIOR CITIZEN POP ULATION THROUGH MONTHLY SEMINARS THESE TALKS COVERED TOPICS SPECIFICALLY DESIGNED TO ASSI ST SENIORS WITH MEDICAL ISSUES AS WELL AS RELEVANT WELLNESS INFORMATION FOR LIVING A HEALT HY LIFE IN 2013, TWELVE SENIOR SATURDAY EVENTS WERE ATTENDED BY 170 PEOPLE MONTHLY COMMU NITY EDUCATION - AS AN ACTIVE MEMBER IN OUR COMMUNITY, NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER HOSTS GENERAL HEALTH EDUCATION SESSIONS EACH MONTH THE TOPICS RANGE FROM RECOGNIZI NG DEPRESSION TO CARDIO-ONCOLOGY IN 2013, WE HOSTED EIGHT SESSIONS ATTENDED BY 280 PEOPLE HUNTERSVILLE FAMILY FITNESS AND AQUATIC CENTER - HUNTERSVILLE MEDICAL CENTER PARTNERED W ITH A LOCAL FITNESS CENTER, HUNTERSVILLE FAMILY FITNESS & AQUATICS, TO PROVIDE AN ONSITE N URSE WHO PROVIDES HEALTH EDUCATION AND SCREENINGS IN 2013, NEARLY 340 CLIENTS RECEIVED BL OOD PRESSURE SCREENINGS NEW TECHNOLOGY & SERVICES NOVANT HEALTH PRESBYTERIAN MEDICAL CENT ER AND NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER ARE CONTINUALLY ANALYZING OUR HEALTHCARE OFFERINGS TO DETERMINE WHAT NEW TECHNOLOGY AND SERVICES SHOULD BE PROVIDED FOR OUR PATIENT S IN 2013, NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER AND NOVANT HEALTH HUNTERSVILLE MEDIC AL CENTER INTRODUCED THE FOLLOWING NEW SERVICES BREAST TOMOSYNTHESIS - IN 2013, THE NOVAN T HEALTH BREAST CENTER IN CHARLOTTE INTRODUCED BREAST TOMOSYNTHESIS, ALSO CALLED 3-D MAMMO GRAPHY, A NEW SCREENING AND DIAGNOSTIC TOOL DESIGNED FOR EARLY BREAST CANCER DETECTION TO MOSYNTHESIS OFFERS BETTER VISUALIZATION FOR THE RADIOLOGIST, WHICH CAN RESULT IN FEWER CAL LBACKS AND LESS ANXIETY FOR PATIENTS NOVANT HEALTH CANCER RISK CLINIC - WITH A FOCUS ON L ONG-TERM HEALTH AND WELLNESS, NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER LAUNCHED A CANCER RISK CLINIC DESIGNED AS A DESTINATION FOR PATIENTS AT HIGH RISK TO DEVELOP CERTAIN CANCERS , LIKE BREAST, OVARIAN OR COLORECTAL PATIENTS ARE SEEN BY A PHYSICIAN, NURSE, GENETIC COU NSELOR AND WELLNESS SPECIALIST TO HAVE THEIR CASE REVIEWED AND AN INDIVIDUALIZED SCREENING AND WELLNESS PLAN RECOMMENDED ABSORBABLE CARDIAC STENTS - IN 2013, NOVANT HEALTH HEART & VASCULAR INSTITUTE AT NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER PARTICIPATED IN THE PHASE THREE ABSORB CLINICAL TRIAL THE TRIAL TESTS A NEW ABSORBABLE STENT THAT IS INSERTED IN A PATIENT'S SEVERELY BLOCKED CORONARY ARTERY TO HOLD IT OPEN, ALLOWING FOR NORMAL BLOOD FLO W TRADITIONAL STENTS ARE PERMANENT, BUT THIS NEW STENT IS ABSORBED BY THE BODY AFTER TWO YEARS, ALLOWING THE ARTERY TO RESUME ITS NATURAL FUNCTION THE STENT HOLDS PLAQUE AND DEBR IS AGAINST THE VESSEL WALL WHILE SIMULTANEOUSLY DELIVERING AN ANTI-SCARRING DRUG THAT PREV ENTS SCAR TISSUE FROM FORMING IN THE VESSEL AND OBSTRUCTING BLOOD FLOW THE DISEASED VESSE L WILL HAVE HEALED ITSELF BY THE TIME THE STENT DISSOLVES INTO WATER AND CARBON DIOXIDE, W HICH IS ABSORBED BY THE BODY

Return Reference	Explanation
FORM 990, PART III, LINE 1 MISSION, VISION, AND VALUES	MISSION NOVANT HEALTH EXISTS TO IMPROVE THE HEALTH OF COMMUNITIES, ONE PERSON AT A TIME. VISION WE, THE EMPLOYEES OF NOVANT HEALTH AND OUR PHYSICIAN PARTNERS, WILL DELIVER THE MOST REMARKABLE PATIENT EXPERIENCE, IN EVERY DIMENSION, EVERY TIME. VALUES COMPASSION WE TREAT OUR CUSTOMERS AND THEIR FAMILIES, STAFF AND OTHER HEALTHCARE PROVIDERS AS FAMILY MEMBERS BY SHOWING THEM KINDNESS, PATIENCE, EMPATHY AND RESPECT DIVERSITY WE RECOGNIZE THAT EVERY PERSON IS DIFFERENT, EACH SHAPED BY UNIQUE LIFE EXPERIENCES THIS ENABLES US TO BETTER UNDERSTAND ONE ANOTHER AND OUR CUSTOMERS PERSONAL EXCELLENCE. WE STRIVE TO GROW PERSONALLY AND PROFESSIONALLY, AND APPROACH EACH SERVICE OPPORTUNITY WITH A POSITIVE, FLEXIBLE ATTITUDE. HONESTY AND PERSONAL INTEGRITY GUIDE ALL THAT WE DO TEAMWORK THE NEEDS AND EXPECTATIONS OF ANY ONE CUSTOMER ARE GREATER THAN THAT WHICH ONE PERSON'S SERVICE EFFORTS CAN SATISFY WE SUPPORT EACH OTHER SO THAT TOGETHER AS A TEAM, WE CAN BE SUCCESSFUL IN THE EYE OF THE CUSTOMER AS A QUALITY SERVICE PROVIDER NOVANT HEALTH'S BRAND PROMISE. WE ARE MAKING YOUR HEALTHCARE EXPERIENCE REMARKABLE. WE WILL BRING YOU WORLD-CLASS TECHNOLOGY, CLINICIANS, AND CARE WHEN AND WHERE YOU NEED IT WE ARE REINVENTING THE HEALTHCARE EXPERIENCE TO BE SIMPLER, MORE CONVENIENT, AND MORE AFFORDABLE, SO THAT YOU CAN FOCUS ON GETTING BETTER AND STAYING HEALTHY

Return Reference	Explanation
FORM 990, PART I, LINE 6	THE NUMBER OF VOLUNTEERS REPORTED INCLUDES THOSE VOLUNTEERS SERVING AS BOARD MEMBERS

Return Reference	Explanation
FORM 990, PART I, LINE 1	COMMUNITY BENEFIT REPORT HTTP://WWW.NOVANTHEALTH.ORG/HOME/ABOUT-US/COMPANY-INFORMATION/FINANCIAL-PROFILE/COMMUNITY-BENEFIT-REPORT.ASPX THE COMMUNITY BENEFIT REPORT PREPARED BY NOVANT HEALTH IS A SYSTEM-WIDE REPORT THAT INCLUDES QUALITATIVE AND QUANTITATIVE INFORMATION. IN THIS REPORT, THE NOVANT HEALTH SYSTEM'S COMMUNITY BENEFIT WAS APPROXIMATELY $566,000,000, INCLUDING $129,000,000 IN CHARITY CARE, IN 2013. PLEASE NOTE THAT THE NUMERIC DATA IN THIS REPORT IS NOT BASED UPON THE FORM 990, SCHEDULE H CRITERIA, BUT RATHER IT HAS BEEN PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HOSPITAL ASSOCIATION REPORTING GUIDELINES. IT SHOULD NOT BE RELIED UPON AS THE ORGANIZATION'S FORM 990, SCHEDULE H COMMUNITY BENEFIT REPORT

Return Reference	Explanation	
	FORM 990, PART I, LINE 1	HEART ATTACK STEM CELL TREATMENT - NOVANT HEALTH HEART & VASCULAR INSTITUTE AT NOVANT HEAL TH PRESBYTERIAN MEDICAL CENTER PARTICIPATED IN THE NATIONWIDE PHASE TWO CLINICAL TRIALS CA LLED PRESERVE AMI IN 2013 THE TRIAL TESTS THE EFFECTS OF INFUSING A PATIENT'S OWN STEM CE LLS INTO HEART MUSCLE THAT WAS RECENTLY DAMAGED BY A HEART ATTACK ELIGIBLE PATIENTS UNDER GO A BONE MARROW HARVEST FROM AN ONCOLOGIST THE HARVESTED CELLS ARE THEN PURIFIED AND SPE CIFIC STEM CELLS ARE INFUSED BACK INTO THE PATIENT'S HEART VIA A CATHETER AFTER ONLY A FE W MINUTES, THE CELLS TAKE ROOT IN THE DAMAGED MUSCLE, GROWING NEW MICROSCOPIC BLOOD VESSEL S, WHICH WILL AIDE IN THE REPAIR OF THE DAMAGED MUSCLE NOVANT HEALTH SPORTS MEDICINE SERV ED AS THE OFFICIAL HEALTHCARE PROVIDER FOR A VARIETY OF COMMUNITY PARTNERS FROM SCHOOLS, T O CLUB SPORTS TEAMS TO PROFESSIONAL ATHLETES IN 2013 THEY PROVIDED ONSITE MEDICAL COVERAG E TO CARE FOR INJURIES AND ILLNESSES AS WELL AS HEALTH-RELATED INFORMATION AT OVER 3,500 G AMES, TOURNAMENTS AND EVENTS THROUGHOUT THE COMMUNITY ADDITIONALLY NOVANT HEALTH SPORTS M EDICINE BECAME AN OFFICIAL MAJOR LEAGUE BASEBALL CONCUSSION CENTER OF EXCELLENCE IN 2013 WELLNESS CENTER - NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER OPENED A WELLNESS CENTER IN TH E FALL OF 2013 THAT OFFERS CARDIAC, PULMONARY AND CANCER REHABILITATION, SO PATIENTS CAN R ECOVER CLOSER TO HOME UNDER MEDICAL DIRECTION OF A DOCTOR, SPECIALLY TRAINED STAFF DESIGN S MEDICALLY SUPERVISED EXERCISE AND NUTRITION COUNSELING PROGRAMS TO HELP HUNTERSVILLE PAT IENTS RECOVER SAFELY SO THEY CAN RETURN TO REGULAR ACTIVITIES AS SOON AS POSSIBLE ENT ROB OTIC-ASSISTED SURGERY - IN SEPTEMBER 2013, THE NOVANT HEALTH ROBOTICS CENTER AT NOVANT HEA LTH PRESBYTERIAN MEDICAL CENTER WAS THE FIRST IN THE CHARLOTTE REGION TO PERFORM ENT (EAR, NOSE AND THROAT) ROBOTIC-ASSISTED SURGERY PATIENTS WHO UNDERGO ROBOTIC SURGERY EXPERIENC E LESS PAIN, LESS RISK OF INFECTION, LESS SCARING AND A SHORTER HOSPITAL STAY THIS HIGH-T ECH, MULTI-SPECIALTY MINIMALLY INVASIVE SURGERY PROGRAM HAS THE SECOND-HIGHEST VOLUME IN T HE MID-ATLANTIC AND ALSO PERFORMS ROBOTIC PROCEDURES FOR GALLBLADDER REMOVAL, GYNECOLOGY, UROLOGY, LUNG AND GENERAL SURGERY NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER AND NOVANT HE ALTH HUNTERSVILLE MEDICAL CENTER WERE THE RECIPIENTS OF SEVERAL NATIONAL AWARDS IN 2013 # 1 HOSPITAL IN CHARLOTTE, NC - IN JULY 2013, U S NEWS & WORLD REPORT NAMED NOVANT HEALTH P RESBYTERIAN MEDICAL CENTER THE NO 1 HOSPITAL IN THE CHARLOTTE METRO AREA OF NC AND ONE OF THE BEST IN NORTH CAROLINA (#5 IN NC) IN ADDITION, NOVANT HEALTH PRESBYTERIAN MEDICAL CE NTER RANKED HIGH-PERFORMING IN NINE SPECIALTIES CANCER, DIABETES & ENDOCRINOLOGY, GASTROE NTEROLOGY & GASTROENTEROLOGY SURGERY, GERIATRICS, GYNECOLOGY, NEPHROLOGY & NEUROSURGERY, O RTHOPEDICS AND PULMONOLOGY 100 GREAT HOSPITALS IN AMERICA - BECKER'S HOSPITAL REVIEW NAME D NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER ONE OF THE "100 GREAT HOSPITALS IN AMERICA " T O DEVELOP THIS LIST, THE EDITORIAL TEAM ACCEPTED NOMINATIONS, CONDUCTED RESEARCH AND CONSI DERED OTHER REPUTABLE HOSPITAL RANKING SOURCES SUCH AS U S NEWS & WORLD REPORT, TRUVEN HE ALTH ANALYTICS' 100 TOP HOSPITALS, HEATHGRADES, MAGNET RECOGNITION BY THE AMERICAN NURSES CREDENTIALING CENTER, THE STUDER GROUP AND MALCOM BALRIDGE NATIONAL QUALITY AWARD RECIPIEN TS SILVER SAFETY AWARD - NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER, NOVANT HEALTH HUNTERS VILLE MEDICAL CENTER AND NOVANT HEALTH CHARLOTTE ORTHOPEDIC HOSPITAL RECEIVED THE SILVER S AFETY AWARD FROM THE NC DEPARTMENT OF LABOR FOR LIMITING ON-THE-JOB EMPLOYEE INJURIES CEN TER OF EXCELLENCE IN MINIMALLY INVASIVE GYNECOLOGY - IN 2013, NOVANT HEALTH PRESBYTERIAN M EDICAL CENTER HAS BEEN RECOGNIZED AS A CENTER OF EXCELLENCE IN MINIMALLY INVASIVE GYNECOLO GY (COEMIG) BY THE AAGL AND SURGICAL REVIEW CORPORATION THIS DESIGNATION RECOGNIZES A COM MITMENT TO ADOPTING NEW TECHNOLOGIES IN THE FIELD OF MINIMALLY INVASIVE GYNECOLOGY AND EDU CATING PATIENTS ABOUT THEIR MINIMALLY INVASIVE GYNECOLOGIC OPTIONS NOVANT HEALTH PRESBYTE RIAN MEDICAL CENTER IS ONE OF ONLY THREE COEMIG DESIGNATED HOSPITALS IN NORTH CAROLINA AH A STROKE SILVER PLUS AWARD - NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER (NHPMC) RECEIVED TH E STROKE SILVER PLUS ACHIEVEMENT AWARD FROM THE AMERICAN HEART ASSOCIATION FOR 2013 NHPMC DEMONSTRATED COMPLIANCE IN THE SEVEN "GET WITH THE GUIDELINES - STROKE ACHIEVEMENT MEASUR ES" IN AT LEAST 85 PERCENT OF ELIGIBLE PATIENTS AND AT LEAST 75 PERCENT COMPLIANCE WITH ST ROKE QUALITY MEASURES EMBEDDED WITHIN THE PATIENT MANAGEMENT TOOL - A WEB-BASED, INTERACTI VE SYSTEM - FOR AT LEAST 12 CONSECUTIVE MONTHS THE GET WITH THE GUIDELINES-STROKE PROGRAM AIMS TO IMPROVE STROKE CARE AND SAVE PATIENTS' LIVES BY PROMOTING CONSISTENT ADHERENCE TO THE LATEST SCIENTIFIC TREATMENT GUIDELINES DISEASE-SPECIFIC CARE CERTIFICATION - NOVANT HEALTH CHARLOTTE ORTHOPEDIC HOSPITAL COMPLETED THE DISEASE SPECIFIC CERTIFICATION INTRACYC LE WITH THE JOINT COMMISSION AND SUCCESSFULLY MAIN

Return Reference	Explanation	
	FORM 990, PART I, LINE 1	TAINED ITS FIVE DISEASE SPECIFIC CERTIFICATIONS, INCLUDING TOTAL HIP REPLACEMENT, TOTAL K NEE REPLACEMENT, HIP FRACTURE, SPINAL FUSION AND LAMINECTOMY HALLMARK AWARD FOR PEDIATRIC S - NOVANT HEALTH HEMBY CHILDREN'S HOSPITAL AND THE PEDIATRIC INTENSIVE CARE UNIT HAVE REC EIVED THE HALLMARK AWARD, GIVEN BY THE NORTH CAROLINA NURSES ASSOCIATION, FOR FOSTERING A HEALTHY AND POSITIVE WORK ENVIRONMENT FOR NURSES WHERE COMMUNICATION IS VALUED AND NURSES CAN CONTRIBUTE TO FACILITY GOVERNANCE A HEALTHY WORK ENVIRONMENT ALLOWS OUR NURSES TO DEL IVER EXCELLENT CARE TO OUR PEDIATRIC PATIENTS AND POSITIVELY IMPACT THEIR LIVES HEART FAI LURE READMISSION REDUCTION AWARD - IN 2013 NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER AND N OVANT HEALTH HUNTERSVILLE MEDICAL CENTER RECEIVED A VHA AWARD FOR DEMONSTRATING A 20 PERCE NT OR GREATER REDUCTION IN 30-DAY ALL-CAUSE HEART FAILURE READMISSION RATE OR NUMBER OF 30 -DAY ALL-CAUSE HEART-FAILURE READMISSIONS CHEST PAIN CYCLE IV ACCREDITATION - NOVANT HEAL TH PRESBYTERIAN MEDICAL CENTER AND NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER WERE AWARDED CYCLE IV CHEST PAIN ACCREDITATION THIS DISTINCTION IS BASED ON A LIST OF STRINGENT CRITER IA AIMED AT REDUCING TREATMENT TIME DURING THE EARLY STAGES OF A HEART ATTACK IT RECOGNIZ ES THE HIGH-QUALITY CARE PROVIDED IN IDENTIFYING, TRIAGING AND TREATING PATIENTS WITH CHES T PAIN HEART FAILURE GOLD PLUS QUALITY ACHIEVEMENT AWARD - NOVANT HEALTH PRESBYTERIAN MED ICAL CENTER AND NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER RECEIVED GET WITH THE GUIDELINES - HEART FAILURE GOLD PLUS QUALITY ACHIEVEMENT AWARD BY THE AMERICAN HEART ASSOCIATION THI S RECOGNITION SIGNIFIES THAT THE HOSPITALS REACHED AN EXCEPTIONAL GOAL OF TREATING HEART F AILURE PATIENTS ACCORDING TO THE GUIDELINES OF CARE RECOMMENDED BY THE AMERICAN HEART ASSO CIATION/AMERICAN COLLEGE OF CARDIOLOGY ELIMINATING VENTILATOR-ASSOCIATED PNEUMONIA RECOGN ITION - NOVANT HEALTH PRESBYTERIAN MEDICAL CENTER AND NOVANT HEALTH HUNTERSVILLE MEDICAL C ENTER RECEIVED NATIONAL RECOGNITION FOR ELIMINATING VENTILATOR-ASSOCIATED PNEUMONIA THIS RECOGNITION SIGNIFIES THAT THE HOSPITALS MAINTAINED MORE THAN 100 MONTHS WITHOUT A VENTILA TOR-ASSOCIATED PNEUMONIA (VAP) THESE HOSPITALS ARE AMONG JUST EIGHT HOSPITALS AND HEALTHC ARE FACILITIES NATIONWIDE TO RECEIVE A 2013 OUTSTANDING ACHIEVEMENT AND LEADERSHIP AWARD F OR ELIMINATING HEALTHCARE-ASSOCIATED INFECTIONS THE AWARD IS CO-SPONSORED BY THE HHS OFFI CE OF THE ASSISTANT SECRETARY FOR HEALTH AND THE CRITICAL CARE SOCIETIES COLLABORATIVE MR SA REDUCTION RECOGNITION - IN 2013, NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER RECEIVED A V HA AWARD FOR ACHIEVING A 50 PERCENT OR GREATER REDUCTION IN MRSA RATE IN CALENDAR YEAR 201 2 COMPARED TO 2011 ECONOMIC DEVELOPMENT AWARD - NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER RECEIVED LAKE NORMAN REGIONAL ECONOMIC DEVELOPMENT CORPORATION (LNREDC) AWARD FOR ECONOMI C DEVELOPMENT FOR ENSURING HUNTERSVILLE, NC AND THE REGION'S CITIZENS HAVE ACCESS TO STELL AR SPECIALTY HEALTH SERVICES IN THEIR OWN BACKYARD, INCLUDING MATERNITY, SURGERY, CARDIOVA SCULAR AND CANCER CARE TOP 100 HOSPITAL AWARD - NOVANT HEALTH HUNTERSVILLE MEDICAL CENTER WAS NAMED ONE OF TRUVEN HEALTH'S TOP 100 HOSPITALS FOR 2013 IN THE SMALL COMMUNITY HOSPIT AL CATEGORY THIS RECOGNITION IS DETERMINED BY ANALYZING PUBLICLY AVAILABLE CLAIMS DATA FR OM MEDICARE COST REPORTS, MEDICARE PROVIDER ANALYSIS AND REVIEW DATA, AND CORE MEASURES AN D PATIENT SATISFACTION DATA FROM THE CENTERS FOR MEDICARE AND MEDICAID SERVICES HOSPITAL C OMPARE WEBSITE

Return Reference	Explanation
FORM 990, PART III, LINE 4A PROGRAM SERVICE ACCOMPLISHMENTS	PHH HAD 75 LICENSED BEDS THERE WERE 22,163 PATIENT DAYS, WITH AN AVERAGE LENGTH OF STAY OF 4 DAYS AND AN AVERAGE DAILY CENSUS OF 61 THERE WERE 6,150 DISCHARGES, 4,739 INPATIENT AND OUTPATIENT SURGERIES, 54,988 OUTPATIENT ENCOUNTERS AND 33,123 EMERGENCY DEPARTMENT VISITS

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	FORM 990, PART VI, SECTION A, LINE 6 CLASSES OF MEMBERS OR STOCKHOLDERS THE CORPORATION IS A NONPROFIT CORPORATION WITH MEMBERS (OR A MEMBER)

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	FORM 990, PART VI, SECTION A, LINE 7A ELECTION OF MEMBERS AND THEIR RIGHTS THE BOARD MEMBERS OF THE GOVERNING BODY OF PRESBYTERIAN HOSPITAL ARE THE SAME AS THOSE OF THE NOVANT HEALTH SOUTHERN PIEDMONT REGION, LLC, A RELATED ENTITY

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	FORM 990, PART VI, SECTION A, LINE 7B DECISIONS SUBJECT TO APPROVAL OF MEMBERS THE BOARD OF NOVANT HEALTH, INC APPROVES CHANGES MADE TO THE PRESYTERIAN HOSPITAL BYLAWS

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	FORM 990, PART VI, SECTION B, LINE 11 ORGANIZATION'S PROCESS TO REVIEW FORM 990 THE BOARD HAS DELEGATED REVIEW OF THE FORM 990 TO NOVANT HEALTH'S AUDIT AND COMPLIANCE COMMITTEE, WHICH OVERSEES TAX MATTERS FOR NOVANT HEALTH THE AUDIT AND COMPLIANCE COMMITTEE IS THE REVIEW BODY FOR ALL OF THE FORM 990S FILED FOR ORGANIZATIONS WITHIN THE NOVANT HEALTH SYSTEM THE AUDIT AND COMPLIANCE COMMITTEE MEETS BEFORE THE FORM 990S ARE FILED WITH THE IRS AND AFTER ALL BOARD MEMBERS HAVE RECEIVED A COPY OF THE FORM 990 AND A SUMMARY OF ITS CONTENTS THE SENIOR DIRECTOR OF TAX AND LEGAL COUNSEL FOR NOVANT HEALTH ATTEND THE MEETING TO ANSWER ANY QUESTIONS AND ADDRESS ANY SIGNIFICANT DISCLOSURES WITHIN THE FORM 990

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	FORM 990, PART VI, SECTION B, LINE 12C MONITORING AND ENFORCEMENT OF COI THE ORGANIZATION'S TRUSTEE CONFLICT OF INTEREST POLICY APPLIES TO ALL TRUSTEES, PRINCIPAL OFFICERS OR MEMBERS OF A COMMITTEE WITH BOARD DELEGATED POWERS INCLUDING ANY APPLICABLE DISREGARDED ENTITIES ALL TRUSTEES ARE SENT AN ANNUAL DISCLOSURE FORM ANY POSITIVE ANSWERS ON THE TRUSTEE ANNUAL DISCLOSURE FORM ARE REVIEWED BY THE GENERAL COUNSEL IF THE RELATIONSHIP DISCLOSED IS DETERMINED NOT TO POSE A POTENTIAL CONFLICT OF INTEREST GENERALLY, THEN NO ACTION IS TAKEN WITH RESPECT TO PARTICULAR TRANSACTIONS THAT COME BEFORE THE BOARD, THE POTENTIAL CONFLICT OF INTEREST IS DISCLOSED BY THE BOARD MEMBER, GENERALLY IN ADVANCE OF THE MEETING AT WHICH A VOTE IS TO TAKE PLACE, AND LEGAL COUNSEL DISCUSSES THE POTENTIAL CONFLICT OF INTEREST WITH THE BOARD MEMBER THE BOARD MEMBER IS INSTRUCTED IN ACCORDANCE WITH THE TRUSTEE CONFLICT OF INTEREST POLICY IF A CONFLICT OF INTEREST IS FOUND TO EXIST, THEN THE BOARD MEMBER WITH THE CONFLICT REFRAINS FROM PARTICIPATION IN THE BOARD'S DELIBERATIONS AND VOTE ON THE TRANSACTION FORM 990, PART VI, SECTION B, LINE 13 WRITTEN WHISTLEBLOWER POLICY THE ORGANIZATION IS PART OF THE INTEGRATED HEALTHCARE SYSTEM OPERATED BY NOVANT HEALTH, INC (''NOVANT HEALTH''), THE PARENT ORGANIZATION NOVANT HEALTH'S BYLAWS AUTHORIZE IT TO ESTABLISH CERTAIN POLICIES FOR ALL OF ITS SUBSIDIARIES WITHIN THE SYSTEM ALL SUBSIDIARY ORGANIZATIONS FOLLOW ALL APPLICABLE NOVANT HEALTH CORPORATE POLICIES IN THEIR OPERATIONS NOVANT HEALTH HAS ESTABLISHED A WHISTLEBLOWER POLICY, WHICH ALL SUBSIDIARY ORGANIZATIONS IN THE SYSTEM FOLLOW THE INDIVIDUAL SUBSIDIARY ORGANIZATION'S BOARD OF TRUSTEES DO NOT SPECIFICALLY ADOPT OR APPROVE EACH OPERATING POLICY, AS THERE ARE HUNDREDS OF POLICIES THAT APPLY TO ALL SUBSIDIARY ORGANIZATIONS AND THEY CANNOT PRACTICABLY BE APPROVED BY ALL OF THE INDIVIDUAL BOARDS FORM 990, PART VI, SECTION B, LINE 14 WRITTEN DOCUMENT RETENTION AND DESTRUCTION POLICY THE ORGANIZATION IS PART OF THE INTEGRATED HEALTHCARE SYSTEM OPERATED BY NOVANT HEALTH, INC (''NOVANT HEALTH''), THE PARENT ORGANIZATION NOVANT HEALTH'S BYLAWS AUTHORIZE IT TO ESTABLISH CERTAIN POLICIES FOR ALL OF ITS SUBSIDIARIES WITHIN THE SYSTEM ALL SUBSIDIARY ORGANIZATIONS FOLLOW ALL APPLICABLE NOVANT HEALTH CORPORATE POLICIES IN THEIR OPERATIONS NOVANT HEALTH HAS ESTABLISHED A DOCUMENT RETENTION AND DESTRUCTION POLICY, WHICH ALL SUBSIDIARY ORGANIZATIONS IN THE SYSTEM FOLLOW THE INDIVIDUAL SUBSIDIARY ORGANIZATION'S BOARD OF TRUSTEES DO NOT SPECIFICALLY ADOPT OR APPROVE EACH OPERATING POLICY, AS THERE ARE HUNDREDS OF POLICIES THAT APPLY TO ALL SUBSIDIARY ORGANIZATIONS AND THEY CANNOT PRACTICABLY BE APPROVED BY ALL OF THE INDIVIDUAL BOARDS

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	FORM 990, PART VI, SECTION B, LINE 15A COMPENSATION PROCESS FOR TOP OFFICIAL INDEPENDENT AND DISINTERESTED MEMBERS OF THE NOVANT HEALTH BOARD OF TRUSTEES (WHO COMPRISE THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD) REVIEW, APPROVE, AND OVERSEE ALL ASPECTS OF COMPENSATION AND BENEFITS FOR NOVANT HEALTH'S CEO AND FOR CERTAIN LEADERS AND EXECUTIVES ("EXECUTIVES") SERVING NOVANT HEALTH AND ITS RELATED OR DISREGARDED ENTITIES THE COMMITTEE WORKS WITH AN INDEPENDENT COMPENSATION CONSULTANT, USES THIRD PARTY COMPARABILITY DATA FOR FUNCTIONALLY SIMILAR POSITIONS AT SIMILARLY SITUATED ORGANIZATIONS, AND MAKES SURE THAT TOTAL COMPENSATION AND BENEFITS FOR EACH EXECUTIVE IS REASONABLE FOR THAT EXECUTIVE'S POSITION THE COMMITTEE REVIEWS AND APPROVES EXECUTIVE COMPENSATION AND BENEFITS ANNUALLY, CONSISTENT WITH THE WRITTEN EXECUTIVE COMPENSATION PHILOSOPHY OF NOVANT HEALTH, AND IN A MANNER THAT QUALIFIES FOR THE REBUTTABLE PRESUMPTION OF REASONABLENESS, THEREBY ASSURING THAT TOTAL COMPENSATION AND BENEFITS PROVIDED TO EACH EXECUTIVE IS REASONABLE. FORM 990, PART VI, SECTION B, LINE 15B COMPENSATION PROCESS FOR OFFICERS INDEPENDENT AND DISINTERESTED MEMBERS OF THE NOVANT HEALTH BOARD OF TRUSTEES (WHO COMPRISE THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD) REVIEW, APPROVE, AND OVERSEE ALL ASPECTS OF COMPENSATION AND BENEFITS FOR CERTAIN LEADERS AND EXECUTIVES ("EXECUTIVES") SERVING NOVANT HEALTH AND ITS RELATED OR DISREGARDED ENTITIES THE COMMITTEE WORKS WITH AN INDEPENDENT COMPENSATION CONSULTANT, USES THIRD PARTY COMPARABILITY DATA FOR FUNCTIONALLY SIMILAR POSITIONS AT SIMILARLY SITUATED ORGANIZATIONS, AND MAKES SURE THAT TOTAL COMPENSATION AND BENEFITS FOR EACH EXECUTIVE IS REASONABLE FOR THAT EXECUTIVE'S POSITION THE COMMITTEE REVIEWS AND APPROVES EXECUTIVE COMPENSATION AND BENEFITS ANNUALLY, CONSISTENT WITH THE WRITTEN EXECUTIVE COMPENSATION PHILOSOPHY OF NOVANT HEALTH, AND IN A MANNER THAT QUALIFIES FOR THE REBUTTABLE PRESUMPTION OF REASONABLENESS, THEREBY ASSURING THAT TOTAL COMPENSATION AND BENEFITS PROVIDED TO EACH EXECUTIVE IS REASONABLE

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	FORM 990, PART VI, SECTION C, LINE 19 GOVERNING DOCUMENTS DISCLOSURE THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS CONTAINING ALL ORGANIZATIONS IN THE NOVANT HEALTH SYSTEM ARE POSTED TO THE NOVANT HEALTH WEBSITE. THE GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT AVAILABLE TO THE PUBLIC

Return Reference	Explanation
FORM 990, PART VII, SECTION A, COLUMN B RELATED ORGANIZATIONS	THE ORGANIZATION EMPLOYS CERTAIN EXECUTIVES WHOSE ROLES ARE SUCH THAT THEY PROVIDE SERVICES TO NOT ONLY THE ORGANIZATION, BUT ALSO TO SOME OR ALL OF THE OTHER TAX-EXEMPT ORGANIZATIONS WITHIN THE NOVANT HEALTHCARE SYSTEM FOR EXAMPLE, MANY OF THESE EXECUTIVES' ROLES FOCUS ON PARTICULAR SERVICE LINES WHICH CROSS THE VARIOUS GEOGRAPHIC MARKETS OUR ORGANIZATIONS SERVE, THUS THE SERVICES PROVIDED BY THESE EXECUTIVES MAY BENEFIT AND BE RECEIVED BY MULTIPLE ORGANIZATIONS WITHIN THE SYSTEM THE EXECUTIVES DO NOT ALLOCATE THEIR HOURS BETWEEN THE VARIOUS ORGANIZATIONS, BUT RATHER THEIR TIME SPENT ON SERVICES TO THE ORGANIZATION IS INCLUSIVE OF SERVICES TO ALL OF THE ORGANIZATIONS THEY SERVE WITHIN THE SYSTEM

Return Reference	Explanation
FORM 990, PART XI, LINE 9	AFFILIATE TRANSFERS -1,766,641 MALPRACTICE INSURANCE ADJUSTMENT -1,552,543 K-1 ADJUSTMENTS -1,498,445 CONTRIBUTION INCOME 41,530 ROUNDING -4

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
THE PRESBYTERIAN HOSPITAL

Employer identification number
56-0554230

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
See Additional Data Table							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) SOUTHPARK SURGERY CENTER LLC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 87-0714098	HEALTHCARE	NC	THE PRESBYTERIAN HOSPITAL	RELATED	1,498,445	4,438,829		No			No	60 000 %

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

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

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) SOUTH PARK SURGERY CENTER	L	2,996,366	COST
(2) SOUTH PARK SURGERY CENTER	S	1,596,223	CASH

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

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

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

Part VII Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 56-0554230
Name: THE PRESBYTERIAN HOSPITAL

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) AUXILIARY OF FORSYTH MEMORIAL HOSPITAL 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-0862112	HEALTHCARE	NC	501(C)(3)	LINE 9	FORSYTH MEMORIAL HOSPITAL INC		No
(1) BRUNSWICK NOVANT MEDICAL CENTER FOUNDATION 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 27-4616751	HEALTHCARE	NC	501(C)(3)	LINE 7	BRUNSWICK COMMUNITY HOSPITAL LLC		No
(2) CAROLINA MEDICORP ENTERPRISES INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 58-1466368	HEALTHCARE	NC	501(C)(3)	LINE 11B, II	NOVANT MEDICAL GROUP INC		No
(3) COMMUNITY GENERAL HEALTH PARTNERS INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-0636250	HEALTHCARE	NC	501(C)(3)	LINE 3	NOVANT HEALTH TRIAD REGION LLC		No
(4) COMMUNITY GENERAL HOSPITAL FOUNDATION INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1828629	HEALTHCARE	NC	501(C)(3)	LINE 7	COMMUNITY GENERAL HEALTH PARTNERS INC		No
(5) FORSYTH MEDICAL CENTER FOUNDATION 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-2120959	HEALTHCARE	NC	501(C)(3)	LINE 7	FORSYTH MEMORIAL HOSPITAL INC		No
(6) FORSYTH MEMORIAL HOSPITAL INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-0928089	HEALTHCARE	NC	501(C)(3)	LINE 3	NOVANT HEALTH TRIAD REGION LLC		No
(7) FOUNDATION HEALTH SYSTEMS CORP 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1373175	HEALTHCARE	NC	501(C)(3)	LINE 9	NOVANT HEALTH INC		No
(8) MEDICAL PARK HOSPITAL INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1340424	HEALTHCARE	NC	501(C)(3)	LINE 3	NOVANT HEALTH TRIAD REGION LLC		No
(9) NOVANT HEALTH INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1376950	HEALTHCARE	NC	501(C)(3)	LINE 11C, III-FI	N/A		No
(10) NOVANT MEDICAL GROUP INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 58-1728803	HEALTHCARE	NC	501(C)(3)	LINE 3	NMG SERVICES INC		No
(11) PERSONAL CARE SERVICES 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 54-1291284	HEALTHCARE	VA	501(C)(3)	LINE 9	PRINCE WILLIAM HEALTH SYSTEM		No
(12) PRESBYTERIAN HOSPITAL FOUNDATION 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 58-1413074	HEALTHCARE	NC	501(C)(3)	LINE 7	NOVANT HEALTH SOUTHERN PIEDMONT REGION LLC		No
(13) PRESBYTERIAN MEDICAL CARE CORPORATION 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1376368	HEALTHCARE	NC	501(C)(3)	LINE 3	NOVANT HEALTH SOUTHERN PIEDMONT REGION LLC		No
(14) PRINCE WILLIAM HEALTH SYSTEM 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 54-1278944	HEALTHCARE	VA	501(C)(3)	LINE 11C, III-FI	NOVANT HEALTH INC		No
(15) PWHS FOUNDATION 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 54-1307595	HEALTHCARE	VA	501(C)(3)	LINE 7	PRINCE WILLIAM HEALTH SYSTEM		No
(16) PRINCE WILLIAM HOSPITAL 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 54-0696355	HEALTHCARE	VA	501(C)(3)	LINE 3	PRINCE WILLIAM HEALTH SYSTEM		No
(17) ROWAN HEALTH SERVICES CORP 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1424814	HEALTHCARE	NC	501(C)(3)	LINE 11C, III-FI	NOVANT HEALTH INC		No
(18) NMG SERVICES INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-2098809	HEALTHCARE	NC	501(C)(3)	LINE 9	NOVANT HEALTH INC		No
(19) ROWAN REGIONAL MEDICAL CENTER AUXILIARY 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 23-7022472	HEALTHCARE	NC	501(C)(3)	LINE 9	ROWAN REGIONAL MEDICAL CENTER INC		No

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(21) ROWAN REGIONAL MEDICAL CENTER FOUNDATION INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1424818	HEALTHCARE	NC	501(C)(3)	LINE 7	ROWAN REGIONAL MEDICAL CENTER INC		No
(1) ROWAN REGIONAL MEDICAL CENTER INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-0547479	HEALTHCARE	NC	501(C)(3)	LINE 3	ROWAN HEALTH SERVICES CORP		No
(2) SELF INSURANCE FUND - NOVANT HEALTH INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 58-1867242	HEALTHCARE	NC	501(C)(3)	LINE 11C, III-FI	NOVANT HEALTH INC		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
COMMUNICARE INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1952950	RENTAL REAL ESTATE	NC	N/A	C					No
CHOICEHEALTH INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1896065	MANAGED CARE	NC	N/A	C					No
NOVANT HEALTH SHARED SERVICES INC (FKA ADEPT HEALTH INC) 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-2226937	ADMIN SVCS	NC	N/A	C					No
SALEM HEALTH SERVICES INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1342654	HEALTH RELATED	NC	N/A	C					No
SALEM DIAGNOSTICS INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1513621	HEALTH RELATED	NC	N/A	C					No
MEDQUEST ASSOCIATES INC 3480 PRESTON RIDGE RD STE 600 ALPHARETTA, GA 30005 22-3860764	DIAGNOSTIC IMAGING	DE	N/A	C					No
TRINOVA INSURANCE LTD 58 PAR LA VILLE ROAD PO BOX 1995 HAMILTON,BERMUDA HMHX BD 98-0615601	INSURANCE	BD	N/A	C					No
PRESBYTERIAN WOMEN'S CARE CORP 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-2217545	HEALTHCARE	NC	N/A	C					No
NOVANT HEALTH RISK RETENTION GROUP 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 20-3382230	INSURANCE	SC	N/A	C					No
ROWAN MEDICAL FACILITIES INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1424672	MEDICAL SUPPLIES	NC	N/A	C					No
ROWAN MEDICAL ALLIANCE INC 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 56-1992669	INSURANCE	NC	N/A	C					No
FISCAL CORP LTD 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 54-1282069	HEALTH RELATED	VA	N/A	C					No
PRINCE WILLIAM FAMILY HEALTHCARE 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 54-1748199	HEALTH RELATED	VA	N/A	C					No
PRINCE WILLIAM MEDICAL SUPPLY 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103 54-1307554	HEALTH RELATED	VA	N/A	C					No

Novant Health, Inc. and Affiliates

Consolidated Financial Statements
December 31, 2013 and 2012

Novant Health, Inc. and Affiliates
Index
December 31, 2013 and 2012

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Independent Auditor's Report

To the Board of Trustees of
Novant Health, Inc.

We have audited the accompanying consolidated financial statements of Novant Health, Inc. and Affiliates (the "Company"), which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

Opinion

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

PricewaterhouseCoopers LLP

March 28, 2014

PricewaterhouseCoopers LLP, 800 Green Valley Road, Suite 500, Greensboro, NC 27408
T: (336) 665-2700, F: (336) 665-2699, www.pwc.com/us

Novant Health, Inc. and Affiliates
Consolidated Balance Sheets
December 31, 2013 and 2012

(in thousands of dollars)	2013	2012
Assets		
Current assets		
Cash and cash equivalents	$ 249,182	$ 276,637
Accounts receivable, net of allowance for doubtful accounts of $190,802 in 2013 and $197,913 in 2012	408,375	390,180
Short-term investments	325,205	308,696
Current portion of assets limited as to use	41,646	23,851
Deferred tax asset	5,765	3,728
Receivable for settlement with third-party payors	9,649	12,599
Other current assets	141,509	141,527
Total current assets	1,181,331	1,157,218
Assets limited as to use	57,471	81,394
Long-term investments	1,680,766	1,192,288
Property and equipment, net	1,818,341	1,656,968
Intangible assets and goodwill, net	348,552	389,782
Investments in affiliates	158,278	162,145
Deferred tax asset	-	2,945
Other assets	83,875	51,114
Total assets	$ 5,328,614	$ 4,693,854
Liabilities and Net Assets		
Current liabilities		
Current portion of long-term debt	$ 157,490	$ 78,423
Short-term borrowings	84,965	124,071
Accounts payable	125,432	134,163
Accrued liabilities	351,422	333,305
Estimated third-party payor settlements	20,284	26,453
Total current liabilities	739,593	696,415
Long-term debt, net of current portion	1,771,028	1,472,993
Deferred tax liability	1,049	-
Derivative financial instruments	40,782	71,778
Employee benefits and other liabilities	217,769	289,545
Total liabilities	2,770,221	2,530,731
Commitments and contingencies		
Net assets		
Unrestricted - attributable to Novant	2,499,333	2,116,534
Unrestricted - noncontrolling interests	11,464	9,737
Total unrestricted net assets	2,510,797	2,126,271
Temporarily restricted	36,784	26,953
Permanently restricted	10,812	9,899
Total net assets	2,558,393	2,163,123
Total liabilities and net assets	$ 5,328,614	$ 4,693,854

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

Novant Health, Inc. and Affiliates
Consolidated Statements of Operations and Changes in Net Assets
Years Ended December 31, 2013 and 2012

(in thousands of dollars)	2013	2012
Operating revenues		
Patient service revenues (net of contractual allowances and discounts)	$ 3,609,945	$ 3,576,979
Provision for bad debts	(182,976)	(179,524)
Net patient service revenues less provision for bad debts	3,426,969	3,397,455
Premium revenue	3,959	5,452
Other revenue	161,767	152,366
Total operating revenues	3,592,695	3,555,273
Operating expenses		
Salaries and employee benefits	1,924,394	1,832,776
Supplies and other	1,270,710	1,250,379
Depreciation expense	166,587	181,870
Amortization expense	6,716	6,719
Impairment charge	36,321	18,388
Interest expense	78,161	80,413
Total operating expenses	3,482,889	3,370,545
Operating income	109,806	184,728
Non-operating income (expense)		
Investment income	166,958	108,838
Unrealized gain on non-hedged derivative financial instruments	305	207
Income tax expense	(2,529)	(8,967)
Other, net	(366)	(3,280)
Loss on extinguishment of debt	(1,207)	(7,936)
Excess of revenues over expenses	$ 272,967	$ 273,590

Continued on following page

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

Novant Health, Inc. and Affiliates
Consolidated Statements of Operations and Changes in Net Assets, continued
Years Ended December 31, 2013 and 2012

(in thousands of dollars)	2013	2012
Unrestricted net assets		
Excess of revenues over expenses	$ 272,967	$ 273,590
Change in funded status of defined benefit plans	86,127	11,039
Unrealized gain on derivative financial instruments	25,261	2,078
Other changes in unrestricted net assets	171	(1,968)
Increase in unrestricted net assets, before effects of discontinued operations	384,526	284,739
Discontinued operations		
Loss on discontinued operations	-	(2,840)
Gain on sale of discontinued operations	-	1,721
Increase in unrestricted net assets	384,526	283,620
Temporarily restricted net assets		
Contributions and investment income	16,659	6,768
Net assets released from restrictions for operations	(6,828)	(5,558)
Increase in temporarily restricted net assets	9,831	1,210
Permanently restricted net assets		
Contributions	913	1,003
Increase in permanently restricted net assets	913	1,003
Increase in total net assets	395,270	285,833
Net assets, beginning of year	2,163,123	1,877,290
Net assets, end of year	$ 2,558,393	$ 2,163,123

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

Novant Health, Inc. and Affiliates
Consolidated Statements of Cash Flows, continued
Years Ended December 31, 2013 and 2012

(in thousands of dollars)	2013	2012
Cash flows from operating activities		
Increase in net assets	$ 395,270	$ 285,833
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation, amortization, and accretion	175,885	192,748
Gain on sale of real estate	(4,736)	(4,693)
Gain on sale of business	-	(7,998)
Impairment charge	36,321	18,388
Loss on extinguishment of debt	1,207	7,936
Loss on sale of investment	296	3,167
Gain on sale of discontinued operations	-	(1,721)
Change in funded status of defined benefit plans	(86,127)	(11,039)
Share of earnings in affiliates, net of distributions	2,936	263
Net unrealized gains on assets limited as to use and investments	(113,972)	(74,952)
Change in fair value of interest rate swap	(30,996)	(32)
Provision for bad debts	182,976	179,524
Contributions restricted for capital and long-term investment	(11,600)	(2,411)
Changes in operating assets and liabilities		
Accounts receivable	(201,171)	(176,493)
Investments and assets limited as to use	(368,897)	(159,093)
Accounts payable and accrued liabilities	7,903	37,404
Deferred taxes, net	1,957	4,307
Other assets and liabilities, net	(29,737)	(47,829)
Net cash provided by (used in) operating activities	(42,485)	243,309
Cash flows from investing activities		
Capital expenditures	(350,484)	(242,799)
Proceeds from sale of affiliates	635	11,324
Proceeds from sale of property and equipment	5,904	2,882
Cash proceeds from (payments for) repurchase agreements, net	(4,859)	8,729
Net proceeds from the liquidation (purchase) of short-term investments	(3,210)	6,895
Net cash used in investing activities	(352,014)	(212,969)
Cash flows from financing activities		
Principal payments on long-term debt	(31,771)	(32,175)
Bond proceeds received from trustee	173,950	13,827
Proceeds from issuance of bonds, net of deferred issuance costs	247,920	-
Proceeds from sale of accounts receivable, net	31,241	4,821
Extinguishment of debt	(57,161)	(83,154)
Proceeds from contributions restricted for capital and long-term investment	2,786	1,983
Proceeds from line of credit and other financing	79	39,287
Net cash provided by (used in) financing activities	367,044	(55,411)
Net decrease in cash and cash equivalents	(27,455)	(25,071)
Cash and cash equivalents		
Beginning of year	276,637	301,708
End of year	$ 249,182	$ 276,637

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

Novant Health, Inc. and Affiliates
Consolidated Statements of Cash Flows, continued
Years Ended December 31, 2013 and 2012

(in thousands of dollars)

	2013	2012
Supplemental disclosure of cash flow information		
Interest paid, net of amounts capitalized	$ 83,702	$ 80,724
Income taxes paid	2,172	3,956
Supplemental disclosure of noncash financing and investing activities		
Additions to property and equipment financed through current liabilities	21,294	19,880

During 2013, the Company refunded the Novant Health Prince William Medical Center Series 2002 bonds and partially refunded the series 2003A bonds The following amounts were noncash investing and financing activities related to this transaction

Face value of Series 2013 A and B bonds	$ 298,765
Premium received on issuance of 2013 bonds	16,368
Debt service funds used	6,817
Bond proceeds deposited with trustee	(197,153)
Extinguishment of 2002 Hospital Revenue bonds	(64,570)
Extinguishment of Series 2003A bonds	(24,720)
Repayment of line of credit	(32,912)
Debt issuance costs	(2,595)
Proceeds from issuance of Series 2013 A and B bonds	$ -

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

(in thousands of dollars)

1. Reporting Entity

Novant Health, Inc ("Novant Health" or the "Company") is a nonprofit health care system with dual headquarters in Winston-Salem and Charlotte, North Carolina Novant Health consists of fourteen hospitals and a 1,141-physician medical group with over 340 clinic locations Other facilities and programs of Novant Health include outpatient surgery and diagnostic centers, a long-term care facility, charitable foundations, a risk retention group, rehabilitation programs and community health outreach programs Hospitals include Novant Health Presbyterian Medical Center, Novant Health Charlotte Orthopedic Hospital, Novant Health Huntersville Medical Center, Novant Health Gaffney Medical Center, Novant Health Matthews Medical Center, Novant Health Forsyth Medical Center, Novant Health Medical Park Hospital, Novant Health Kernersville Medical Center, Novant Health Clemmons Medical Center, Novant Health Thomasville Medical Center, Novant Health Rowan Medical Center, Novant Health Brunswick Medical Center, Novant Health Franklin Medical Center and Novant Health Prince William Medical Center Novant Health and its affiliates serve their communities with programs including health education, home health care, prenatal clinics, community clinics and immunization services

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America

Principles of Consolidation

The consolidated financial statements include the accounts of all affiliates controlled by Novant Health All significant intercompany transactions and balances have been eliminated Investments in affiliates in which the Company does not have control or has a 50% or less interest are accounted for by either the equity or cost method

Use of Estimates

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

Significant estimates include, but are not limited to, accounts receivable allowances, third-party payor settlements, goodwill and intangible asset valuation and subsequent recoverability, useful lives of intangible assets and property and equipment, medical and professional liability and other self-insurance accruals, and pension related assumptions

Fair Value of Financial Instruments

The fair value of financial instruments approximates the carrying amount reported in the consolidated balance sheets for cash and cash equivalents, investments other than alternatives, assets limited as to use, patient accounts receivable, accounts payable and interest rate swaps More information can be found in Note 8, Fair Value Measurements

(in thousands of dollars)

Cash and Cash Equivalents
Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding amounts limited as to use by board designation, donors or trustees

Accounts Receivable
Accounts receivable consist primarily of amounts owed by various governmental agencies, insurance companies and patients Novant Health manages these receivables by regularly reviewing the accounts and contracts and by providing appropriate allowances for uncollectible amounts In evaluating the collectability of accounts receivable from third party payors, the Company analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for anticipated uncollectible deductibles and copayments on accounts for which the third party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely) In evaluating the collectability of accounts receivable from patients (including both patients without insurance and patients with deductible and copayment balances due for which third party coverage exists), Novant Health considers several factors, including historical collection results, the age of the accounts, changes in collection patterns and general industry conditions Novant Health records a provision for bad debts in the period of service based on the analysis and consideration of these factors Once collection efforts are complete, any difference between the amount charged and the amount collected is written off against the allowance for doubtful accounts

Other Current Assets
Other current assets include inventories (which primarily consist of hospital and medical supplies and pharmaceuticals), prepaid expenses and other receivables Inventory costs are determined using the average cost method and are stated at the lower of cost or market value

Investments
Investments are classified as trading securities Accordingly, unrealized gains and losses on investments are included in excess of revenues over expenses, unless the income or loss is restricted by donor or law Long-term investments are classified as noncurrent assets as the Company does not expect to use these funds to meet its current liabilities

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the accompanying consolidated balance sheets The Company also invests in alternative investments through limited partnerships and limited liability corporations ("LLCs") These investments are recorded using the equity method of accounting (which approximates fair value) with the related earnings reported as investment income in the accompanying consolidated financial statements The values provided by the respective partnership or LLC are based on market value or other estimates that require varying degrees of judgment Because these investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a market for such investments existed Such differences could be material The Company believes the carrying amount of these investments is a reasonable estimate of fair value

(in thousands of dollars)

Investments are exposed to various risks, such as interest rate, market and credit risks Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the investment balances included in the financial statements

Assets Limited as to Use
Assets limited as to use primarily include assets held by trustees under indenture agreements and assets designated for specific purposes by the Board of Trustees

Derivatives
The Company selectively enters into interest rate protection agreements to mitigate changes in interest rates on variable rate borrowings The notional amounts of such agreements are used to measure the interest to be paid or received and do not represent the amount of exposure to loss None of these agreements are used for speculative or trading purposes

Derivatives are recognized on the balance sheet at fair value The accounting for changes in the fair value of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and further, on the type of hedging relationship The Company formally documents the hedging relationships at inception of the contract for derivative transactions, including identifying the hedge instruments and hedged items, as well as the risk management objectives and strategies for entering into the hedge transaction At inception and on a quarterly basis thereafter, the Company assesses the effectiveness of derivatives used to hedge transactions If a cash flow hedge is deemed effective, the change in fair value is recorded as an other change in unrestricted net assets If after assessment it is determined that a portion of the derivative is ineffective, then that portion of the derivative's change in fair value will be immediately recognized in excess of revenues over expenses The change in fair value of all derivatives that do not qualify for hedge accounting is also recognized in excess of revenues over expenses

Property and Equipment
Property and equipment are recorded at cost, if purchased, or at fair value at the date of donation, if donated Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets Leasehold improvements are amortized over the life of the lease or the useful life of the asset, whichever is shorter

Following is a summary of the estimated useful lives used in computing depreciation

Buildings	30–40 years
Machinery and equipment	3–15 years
Software	3–10 years
Furniture and fixtures	7–14 years

Certain facilities and equipment held under capital leases are classified as property and equipment and amortized on the straight-line method over the period of the lease term or the estimated useful life of the asset, whichever is shorter The related obligations are recorded as liabilities Amortization of equipment under capital lease is included in depreciation expense

(in thousands of dollars)

The Company also capitalizes the cost of software developed for internal use

Maintenance and repairs of property and equipment are expensed in the period incurred Replacements or improvements that increase the estimated useful life of an asset are capitalized Assets that are sold, retired or otherwise disposed of are removed from the respective asset cost and accumulated depreciation accounts and any gain or loss is included in the results of operations

Operating leases are accounted for in accordance with generally accepted accounting principles ("GAAP"), which requires the recognition of fixed rental payments, including rent escalations, on a straight-line basis over the term of the lease

Under the terms of the 1984 deed in which the Forsyth County Board of County Commissioners conveyed the assets of Forsyth Memorial Hospital (the "Hospital") to Novant Health, Novant Health is required to operate the Hospital as a community general hospital open to the general public, and if Novant Health is dissolved, a successor nonprofit corporation approved by the Forsyth County Board of County Commissioners must carry out the terms and conditions of this conveyance If these terms are not met, all ownership rights to the Hospital shall revert to the County, including the buildings and land together with the personal property and equipment associated with the Hospital with a net book value of approximately $271,929 at December 31, 2013

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

Goodwill and Other Intangible Assets
Goodwill represents the excess of the purchase price over the fair value of the net assets of acquired companies Intangible assets generally represent the acquisition date fair value of certain rights or relationships obtained in such business acquisitions

The Company considers certificates of need, which are required by certain states prior to the acquisition of high cost capital items, to be indefinite-lived intangible assets The Company also has intangible assets with identifiable useful lives related to business acquisitions These assets include business relationships and corporate trade names In accordance with GAAP, the Company amortizes the cost of these intangible assets with identifiable useful lives down to their estimated residual value

Following is a summary of the estimated useful lives used in computing amortization

Business relationships	26 years
Corporate trade name	29 years

(in thousands of dollars)

On an annual basis, Novant Health tests goodwill and indefinite-lived assets for impairment. In 2012, Novant Health elected to early adopt ASU 2012-2, *Testing Indefinite-Lived Intangible Assets for Impairment.* This guidance provides the option to perform a qualitative assessment of whether it is more likely than not that the indefinite-lived asset is impaired. If it is more likely than not that the indefinite-lived asset is impaired, additional testing for impairment is required. GAAP prescribes that impairment for indefinite-lived intangibles is evaluated by comparing the fair value of the asset with its carrying amount. If the carrying amount exceeds the fair value, an impairment loss is recognized as the amount of that excess.

Impairment tests are performed at the reporting unit level for units that have goodwill. GAAP provides the option to perform a qualitative assessment of whether it is more likely than not that the fair value of the reporting unit exceeds the carrying value of the reporting unit. If it is more likely than not that the fair value of the reporting unit exceeds the carrying value of the reporting unit, additional impairment testing is not required. If it is more likely than not that the carrying value of the reporting unit exceeds the fair value of the reporting unit, additional testing for impairment is required. GAAP prescribes a two-step process for testing for goodwill impairments after applying the qualitative assessment. The first step is to determine if the carrying value of the reporting unit with goodwill is less than the related fair value of the reporting unit. The fair value of the reporting unit is determined through use of discounted cash flow methods and/or market based multiples of earnings and sales methods. If the carrying value of the reporting unit is less than the fair value of the reporting unit, the goodwill is not considered impaired. If the carrying value is greater than the fair value, the potential for impairment of goodwill exists. The goodwill impairment is determined by allocating the current fair value of the reporting unit among the assets and liabilities based on a purchase price allocation methodology as if the reporting unit was being acquired in a business combination. The fair value of the goodwill is implied from this allocation and compared to the carrying value with an impairment loss recognized if the carrying value is greater than the implied fair value.

Investments in Affiliates
Investments in entities which Novant Health does not control, but in which it has a substantial ownership interest and can exercise significant influence, are accounted for using the equity method. Investments in entities of 20% or less and where there are no qualitative indicators of significant influence are accounted for using the cost method.

Temporarily and Permanently Restricted Net Assets
Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. The earnings on permanently restricted net assets are available for use as specified by the donors. The Company's temporarily restricted and permanently restricted net assets are predominantly held by related foundations for various hospital service costs and community health programs.

(in thousands of dollars)

Contributions Received
Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received or the condition is met The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is met, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of operations as net assets released from restrictions, which is included in other operating revenue Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements

Statement of Operations
All activities of Novant Health deemed by management to be ongoing, major and central to the provision of healthcare services are reported as operating revenue and expenses Other activities are deemed to be non-operating and include investment income, change in fair value of non-hedged derivative financial instruments, income tax expense and loss on extinguishment of debt

Novant Health receives supplemental Medicaid payments from the state of North Carolina through a federally approved disproportionate share program ("Medicaid DSH") During 2012, the federal government approved an amendment to the Medicaid DSH plan This amendment, referred to as the Medicaid Gap Assessment Program ("GAP"), provides a new funding model whereby hospitals are assessed an amount based on a percentage of their costs and are then paid supplemental amounts in an effort to reduce Medicaid losses The amendment was retroactive to January 1, 2011 Novant Health records GAP payments received as net patient service revenue and GAP assessments paid as other operating expense on the consolidated statements of operations These supplemental payments are recognized in income when earned, if reasonably estimable and deemed collectible There can be no assurance that this program will not be discontinued or materially modified During 2013, Novant Health received $121,124 and paid $51,600 for the GAP program During 2012, Novant Health received and paid the following amounts for the GAP program, all of which were recognized as either reductions in contractual expense or increases in other operating expenses in 2012

	Received (Paid) in 2012		
	Related to 2012	Related to 2011	Total
Payments received	$ 83,236	$ 94,181	$ 177,417
Assessments paid	(36,366)	(44,140)	(80,506)
Net amounts received	$ 46,870	$ 50,041	$ 96,911

The statements of operations include excess of revenues over expenses Changes in unrestricted net assets which are excluded from excess of revenues over expenses include changes in funded status of defined benefit plans, unrealized gains on derivative financial instruments that apply hedge accounting and the effects of discontinued operations

(in thousands of dollars)

Income Taxes
Novant Health is classified as a nonprofit organization pursuant to Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes on revenue earned from its tax-exempt purposes Novant Health also operates various for-profit subsidiaries which operate in service lines that are complimentary to the Company's tax-exempt purpose Income from activities that are determined by IRS regulations to be unrelated to the tax-exempt purposes as well as income from activities of for-profit subsidiaries of the Company are subject to federal and state taxation

The Company provides for income taxes using the asset and liability method This approach recognizes the amount of federal, state and local taxes payable or refundable for the current year, as well as deferred tax assets and liabilities for the future tax consequences of events recognized in the consolidated financial statements and income tax returns Deferred income tax assets and liabilities are adjusted to recognize the effects of changes in tax laws or enacted tax rates

A valuation allowance is required when it is more likely than not that some portion of the deferred tax assets will not be realized Realization is dependent on generating sufficient future taxable income

Other Assets
Other assets consist of notes and pledges receivable, deferred financing costs, insurance receivables and the cash surrender value of insurance policies Deferred financing costs are amortized using the effective interest method over the life of the related debt agreements and instruments

Compensated Absences
The Company's employees earn vacation days at varying rates depending on years of service Vacation time accumulates up to certain limits, at which time no additional vacation hours can be earned Provided this hourly limit is not met, employees can continue to accumulate vacation hours and time can be carried over to future years Accrued vacation time is included in accrued liabilities on the Company's consolidated balance sheets

Self-Insurance Reserves
The Company is self-insured for certain employee health benefit options, workers' compensation and malpractice These costs are accounted for on an accrual basis to include estimates of future payments for claims incurred

Reclassifications
Certain balances in prior fiscal years have been reclassified to conform to the presentation adopted in the current fiscal year

(in thousands of dollars)

3. Organizational Changes

Discontinued Operations

During 2010, the Company made the decision to close or sell certain of its MedQuest outpatient imaging locations to unrelated third parties This decision was the result of management's efforts to more closely align the geographic locations of MedQuest facilities with the Company's long-term business plans During 2012, four MedQuest locations were divested In addition to these divestitures, the Company sold the operations of one of its long-term care facilities in 2012 At December 31, 2013 and 2012 there are no locations remaining in discontinued operations In accordance with GAAP, the operating results related to these locations have been reported as discontinued operations in the consolidated statements of operations and changes in net assets The amounts of revenue and operating income that have been reported in discontinued operations are as follows

	2013	2012
Net operating revenue	$ -	$ 10,456
Operating loss	-	(1,119)

4. Net Patient Service Revenue

Net patient service revenue is presented net of provisions for contractual adjustments and other allowances Novant Health has agreements with third-party payors that provide for payments at amounts different from its established rates Retroactive adjustments are accrued on an estimated basis in the period the related service is rendered and adjusted in future periods as final settlements are determined For uninsured patients that do not qualify for charity care, Novant Health recognizes revenue on the basis of its standard rates for services provided, less discounts for uninsured patients as provided by the Company's financial assistance policies Based on historical experience, many of the Company's uninsured patients will be unable or unwilling to pay for the services provided As a result, Novant Health records a significant provision for bad debts related to uninsured patients in the period the services are provided Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payor sources, is as follows

	2013	2012
Third-Party payors	$ 3,532,529	$ 3,520,600
Self Pay	77,416	56,379
Total	$ 3,609,945	$ 3,576,979

(in thousands of dollars)

A summary of the payment arrangements with major third-party payors follows

Medicare and Medicaid
Inpatient acute care services rendered to program beneficiaries are paid at prospectively determined rates per diagnosis These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors Inpatient non-acute services, certain outpatient services, and defined capital and medical education costs related to beneficiaries are paid based on a cost reimbursement methodology Outpatient services are paid at a prospectively determined rate Novant Health is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by Novant Health and audits thereof by the fiscal intermediary The Company's cost reports have been audited and settled by the Medicare intermediary through 2009 for all facilities Medicaid cost reports are finalized through 2010 for Novant Health Prince William Medical Center, Novant Health Gaffney Medical Center and Novant Health Franklin Medical Center, and through 2009 for all other facilities In addition, 2011 cost reports have been settled for all facilities The Novant Health Prince William Medical Center Medicaid cost report is also settled for 2012

Revenue from the Medicare and Medicaid programs accounted for approximately 33 5% and 6 5%, respectively, of Novant's net patient service revenue for the year ended 2013, and 33 2% and 7 1%, respectively for the year ended 2012 Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation As a result, there is at least a possibility that recorded estimates will change by a material amount in the near term

In July 2010, the Department of Health and Human Services published final regulations implementing the health information technology provisions of the American Recovery and Reinvestment Act The regulation defines the "meaningful use" of Electronic Health Records ("EHR") and established the requirements for the Medicare and Medicaid EHR payment incentive programs These programs allow Medicare and Medicaid incentive payments to be paid to eligible hospitals, physicians, and certain other health professionals that implement and achieve meaningful use of certified EHR technology The implementation period for these new Medicare and Medicaid incentive payments started in federal fiscal year 2011 and can end as late as 2016 for Medicare and 2021 for the state Medicaid programs Novant Health recognizes income related to Medicare and Medicaid incentive payments using a gain contingency model that is based upon when our eligible providers and hospitals have demonstrated meaningful use of certified EHR technology for the applicable period, and, if applicable, the cost report information for the full cost report year that will determine the final calculation of the incentive payment is available During 2013 and 2012, Novant Health recognized $9,800 and $7,123, respectively, of revenue related to EHR funds These amounts are included in other revenue in the accompanying consolidated statements of operations This amount represents amounts that were received and/or amounts for which Novant Health has successfully met meaningful use criteria Included in the Company's consolidated balance sheets at December 31, 2013 and 2012 are receivables related to EHR funds of $8,075 and $5,500, respectively

(in thousands of dollars)

Other Payors
Novant Health also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations The basis for payment to Novant Health under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates

Payments for services covered by these programs and certain other third-party payor contracts are generally less than billed charges Provisions for contractual adjustments including Medicare, Medicaid, and managed care total approximately $4,756,444 (or 54%) and $4,369,454 (or 53%) of 2013 and 2012 gross patient service revenue, respectively

The allowance for doubtful accounts is determined based on management's assessment of historical and expected net collections, business and economic conditions, the age of the accounts, trends in federal and state governmental health care coverage and other collection indicators The Company's self pay write-offs were $583,854 in 2013 compared to $548,934 in 2012 The increase is the result of increases in self pay revenue as well as negative trends experienced in the collection of amounts from self pay patients during 2013 Novant Health has not changed its charity care or uninsured discount policies during 2012 or 2013 Novant Health does not maintain a material allowance for doubtful accounts from third party payors, nor did it have significant write-offs from third party payors

Novant Health has a program of factoring certain patient receivables with recourse to a third party Novant Health is obligated to repurchase factored receivables upon occurrence of certain conditions of the program Accordingly, Novant Health accounts for the factoring as a secured borrowing The factored receivables are recorded at their estimated net realizable value and are shown as other assets in the consolidated balance sheets An offsetting liability, representing Novant Health's potential recourse for these receivables, is part of employee benefits and other liabilities in the consolidated balance sheets As of December 31, 2013, the factored notes and the related liabilities were $17,127 and $24,809, respectively As of December 31, 2012, the factored notes and the related liabilities were $880 and $4,821, respectively

(in thousands of dollars)

5. Charity Care and Community Benefit

In accordance with Novant Health's mission to improve the health of its communities one person at a time, Novant Health facilities accept patients regardless of their ability to pay At acute facilities, uninsured patients qualify for a full write-off of their bills if their household income is at or below 300% of the federal poverty level Novant Health also offers a catastrophic discount for patients with an account balance greater than $5, flexible payment plans, and discounts for uninsured patients who do not qualify for the charity care program In addition to these programs for hospitals, Novant Health physician groups and outpatient centers also have charity care programs to assist patients in need The Company's approximate cost of providing care to indigent patients was $129,229 and $123,475 for the years ended December 31, 2013 and 2012, respectively Novant Health estimates the costs of providing traditional charity care using each facility's estimated ratio of costs to charges Funds received from gifts or grants to subsidize charity services provided were $1,384 and $700 for the years ended December 31, 2013 and 2012, respectively

In addition to providing charity care to uninsured patients, Novant Health also provides services to beneficiaries of public programs and various other community health services intended to improve the health of the communities in which the Company operates Novant Health uses the following four categories to identify the resources utilized for the care of persons who are underserved and for providing community benefit programs to the needy

- Traditional charity care includes the cost of services provided to persons who cannot afford health care because of inadequate resources and who are uninsured

- Unpaid cost of Medicare represents the unpaid cost of services provided to persons through the government program for individuals age 65 and older as well as those that qualify for federal disability benefits

- Unpaid cost of Medicaid represents the unpaid cost of services provided to persons covered by the government program for medically indigent patients

- Community benefit programs consists of the unreimbursed costs of certain programs and services for the general community, mainly for indigent patients but also for people with chronic health risks Examples of these programs include health promotion and education, free clinics and screenings, and other community services

The amount of unpaid cost of Medicare, Medicaid, and other community benefit programs is reported on page 48 in the accompanying other financial information

(in thousands of dollars)

6. Other Current Assets

Other current assets consist of the following at December 31

	2013	2012
Inventory	$ 64,327	$ 57,763
Prepaids	35,994	31,812
Other receivables	41,188	51,952
	$ 141,509	$ 141,527

7. Assets Limited as to Use and Investments

Short-Term Investments

Novant Health holds certain investments that are short-term in nature and have maturity dates ranging from three to twelve months Short-term investments consist of the following at December 31

	2013	2012
Certificates of deposit	$ 5,209	$ 2,200
Fixed income securities	319,996	306,496
	$ 325,205	$ 308,696

Assets Limited as to Use

The designation of assets limited as to use is as follows

	2013		2012	
	Current Portion	Long-Term Portion	Current Portion	Long-Term Portion
Under indenture agreement held by trustee	$ 28,250	$ -	$ 9,397	$ 7,275
Under general and professional liability funding arrangement held by trustee	13,202	39,918	7,631	46,193
Designated by board to service benefit plans	194	7,504	6,823	17,277
Restricted by bank agreements	-	10,049	-	10,649
	$ 41,646	$ 57,471	$ 23,851	$ 81,394

Assets limited as to use are invested primarily in cash and cash equivalents and corporate, U S government and U S agency debt obligations

(in thousands of dollars)

Long-Term Investments

Investments are reported at either fair value or on the equity or cost methods of accounting The composition of long-term investments is as follows

	December 31, 2013			
	At Fair Value	On Equity Method	On Cost Method	Total
Cash and cash equivalents	$ 55,346	$ -	$ -	$ 55,346
U S equities	415,821	19,095	-	434,916
International equities	293,686	53,661	-	347,347
Fixed income securities	116,364	41,183	-	157,547
Hedge funds	-	488,009	-	488,009
Emerging markets	112,242	17,865	-	130,107
Real estate and other	6,340	61,154	-	67,494
	$ 999,799	$ 680,967	$ -	$ 1,680,766

	December 31, 2012			
	At Fair Value	On Equity Method	On Cost Method	Total
Cash and cash equivalents	$ 24,262	$ -	$ -	$ 24,262
U S equities	291,824	12,677	-	304,501
International equities	176,836	35,679	-	212,515
Fixed income securities	110,470	24,049	-	134,519
Hedge funds	-	375,716	-	375,716
Emerging markets	90,156	10,000	-	100,156
Real estate and other	-	40,513	106	40,619
	$ 693,548	$ 498,634	$ 106	$ 1,192,288

The Company's investments in hedge funds include limited partnerships, limited liability corporations, and off-shore investment funds The underlying investments of the limited partnerships and limited liability corporations include, among others, futures and forward contracts, options, and securities sold not yet purchased, intended to hedge against changes in the market value of investments These financial instruments may result in loss due to changes in the market (market risk) Alternative investments are less liquid than the Company's other investments

(in thousands of dollars)

The Company's investments in hedge funds represent 29 0% of total long-term investments held at December 31, 2013 These instruments may contain elements of both credit and market risk Such risks include, but are not limited to, limited liquidity, absence of oversight, dependence upon key individuals, emphasis on speculative investments (both derivatives and nonmarketable investments), and nondisclosure of portfolio composition Novant Health is obligated under certain investment agreements to periodically advance additional funding up to specified levels As of December 31, 2013 and 2012, Novant Health had future commitments of $49,655 and $56,422, respectively, for which capital calls had not been exercised

Investment income for assets limited as to use and investments is comprised of the following for the years ended December 31, 2013 and 2012

	2013	2012
Income		
Interest and dividend income	$ 26,741	$ 27,651
Net realized gains	26,245	6,235
Net unrealized gains	113,972	74,952
	$ 166,958	$ 108,838

8. Fair Value Measurements

Novant Health categorizes, for disclosure purposes, assets and liabilities measured at fair value in the financial statements based upon whether the inputs used to determine their fair values are observable or unobservable Observable inputs are inputs which are based on market data obtained from sources independent of the reporting entity Unobservable inputs are inputs that reflect the reporting entity's own assumptions about pricing the asset or liability, based on the best information available in the circumstances

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy In such cases, an asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement of the asset or liability The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability

Novant Health follows the three-level fair value hierarchy to categorize these assets and liabilities recognized at fair value at each reporting period, which prioritizes the inputs used to measure such fair values Level inputs are defined as follows

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities on the reporting date Investments classified in this level generally include exchange traded equity securities, futures, pooled short-term investment funds, options and exchange traded mutual funds

(in thousands of dollars)

Level 2 Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability Investments classified in this level generally include fixed income securities, including fixed income government obligations, asset-backed securities, certificates of deposit, derivatives, as well as certain U S and international equities which are not traded on an active exchange

Level 3 Inputs that are unobservable for the asset or liability Investments classified in this level generally include investments in preferred stock

Assets and liabilities classified as Level 1 are valued using unadjusted quoted market prices for identical assets or liabilities in active markets Novant Health uses techniques consistent with the market approach and income approach for measuring fair value of its Level 2 and Level 3 assets and liabilities The market approach is a valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities The income approach generally converts future amounts (cash flows or earnings) to a single present value amount (discounted)

As of December 31, 2013 and 2012, the Level 2 and Level 3 assets and liabilities listed in the fair value hierarchy tables below utilize the following valuation techniques and inputs

Certificates of deposit
The fair value of certificates of deposit is based on cost plus accrued interest Significant observable inputs include security cost, maturity, and relevant short-term interest rates

Fixed income and debt securities
The fair value of investments in fixed income and debt securities is primarily determined using techniques that are consistent with the market approach Significant observable inputs include benchmark yields, reported trades, observable broker/dealer quotes, issuer spreads, and security specific characteristics, such as early redemption options

U.S. equity securities
The fair value of investments in U S equity securities is primarily determined using either quoted prices in active markets or the calculated net asset value The values for underlying investments are fair value estimates determined by external fund managers based on operating results, balance sheet stability, growth, and other business and market sector fundamentals The investments in Level 2 may be redeemed or liquidated on a daily basis with no notice with the exception of $351,658 at December 31, 2013 These investments have been reported at net asset value by each fund as a practical expedient to estimate their fair value Novant Health has the ability to redeem its interests at or near the financial statement date Novant Health defines near term as within 90 days of the financial statement date

(in thousands of dollars)

Derivatives
The fair value of derivative contracts is primarily determined using techniques consistent with the market approach Significant observable inputs to valuation models include interest rates, credit spreads, volatilities and maturity

During 2013 and 2012, there were no transfers between Level 1 and 2

The following table summarizes fair value measurements, by level, at December 31, 2013 for all financial assets and liabilities measured at fair value on a recurring basis in the financial statements

	Fair Value Measurements at Reporting Date Using			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets				
Short-term investments				
Certificates of deposit	$ -	$ 5,209	$ -	$ 5,209
Fixed income securities	-	319,996	-	319,996
Total short-term investments	-	325,205	-	325,205
Assets limited as to use				
Cash and cash equivalents	13,863	-	-	13,863
U S equities	5,766	-	-	5,766
International equities	93	-	-	93
Fixed income securities	874	78,521	-	79,395
Total assets limited as to use	20,596	78,521	-	99,117
Long-term investments				
Cash and cash equivalents	55,346	-	-	55,346
U S equities	354,913	60,908	-	415,821
International equities	120,274	173,412	-	293,686
Fixed income securities	16,266	100,098	-	116,364
Emerging markets	22,314	89,928	-	112,242
Real estate and other	6,340	-	-	6,340
Total long-term investments	575,453	424,346	-	999,799
Total assets at fair value	$ 596,049	$ 828,072	$ -	$ 1,424,121
Liabilities				
Derivative financial instruments	-	40,782	-	40,782
Employee benefits liabilities	5,995	-	-	5,995
Total liabilities at fair value	$ 5,995	$ 40,782	$ -	$ 46,777

(in thousands of dollars)

The following table summarizes fair value measurements, by level, at December 31, 2012 for all financial assets and liabilities measured at fair value on a recurring basis in the financial statements

	Fair Value Measurements at Reporting Date Using			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets				
Short-term investments				
Certificates of deposit	$ -	$ 2,200	$ -	$ 2,200
Fixed income securities	-	306,496	-	306,496
Total short-term investments	-	308,696	-	308,696
Assets limited as to use				
Cash and cash equivalents	16,056	-	-	16,056
U S equities	21,097	-	-	21,097
Fixed income securities	-	68,092	-	68,092
Total assets limited as to use	37,153	68,092	-	105,245
Long-term investments				
Cash and cash equivalents	24,262	-	-	24,262
U S equities	233,518	54,306	4,000	291,824
International equities	70,468	106,368	-	176,836
Fixed income securities	8,542	101,928	-	110,470
Emerging markets	19,356	70,800	-	90,156
Total long-term investments	356,146	333,402	4,000	693,548
Total assets at fair value	$ 393,299	$ 710,190	$ 4,000	$ 1,107,489
Liabilities				
Derivative financial instruments	-	71,778	-	71,778
Employee benefits liabilities	5,471	-	-	5,471
Total liabilities at fair value	$ 5,471	$ 71,778	$ -	$ 77,249

(in thousands of dollars)

For the years ended December 31, 2013 and 2012, the changes in the fair value of the assets measured using significant unobservable inputs (Level 3) were comprised of the following

	U.S. Equities
Balance at December 31, 2011	$ 10,000
Sale of assets	(6,000)
Balance at December 31, 2012	4,000
Sale of assets	(4,000)
Balance at December 31, 2013	$ -

As a result of its annual impairment testing for 2013, the Company recorded impairment charges of $36,321 to reduce the carrying value of certificates of need from their carrying value of $64,513 to their estimated fair value of $61,090, to reduce the carrying value of goodwill from its carrying value of $25,236 to its implied and estimated fair value of $13,730 and to write off goodwill with a carrying value of $21,392 As a result of its annual impairment testing for 2012, Novant recorded impairment charges of $18,388 to reduce the carrying value of certificates of need from their carrying value of $59,048 to their estimated fair value of $40,660 These impairment charges are included in the consolidated statements of operations The fair value measurements used in determining the fair value of the Company's certificates of need and goodwill were all deemed to be Level 3

9. Property and Equipment

Property and equipment consists of the following at December 31

	2013	2012
Land and land improvements	$ 236,277	$ 236,167
Leasehold improvements	145,221	141,001
Buildings and building improvements	1,620,960	1,561,591
Buildings under capital lease obligations	30,675	27,220
Equipment	1,533,679	1,512,481
Equipment under capital lease obligations	8,247	7,599
Software	315,240	223,163
Construction in progress	253,805	137,984
	4,144,104	3,847,206
Less Accumulated depreciation	(2,325,763)	(2,190,238)
	$ 1,818,341	$ 1,656,968

(in thousands of dollars)

At December 31, 2013 and 2012, land and buildings with a net book value of $27,424 and $21,716 respectively, were leased to various unrelated health care organizations, with terms ranging from six months to five years Depreciation expense and capital lease related amortization expense for the years ended December 31, 2013 and 2012 amounted to $166,587 and $181,870, respectively Accumulated amortization for buildings and equipment under capital lease obligations was $21,777 and $18,952 at December 31, 2013 and 2012, respectively Construction contracts of approximately $357,619 exist for the construction of new hospitals, expansion of existing hospitals and facility renovations At December 31, 2013, the remaining commitment on these contracts was $72,876

On June 27, 2009, Novant sold a portfolio of 22 medical office buildings to a third party real estate investor The combined selling price of the buildings was $122,280 Novant is leasing space in each of the buildings from the buyer The transaction was recorded as a sale-leaseback and resulted in a total gain of $59,889 Novant recognized gains from this transaction of $3,997 and $4,002 in 2013 and 2012, respectively The remaining deferred gain of $41,970 will be recognized over the average life of Novant's lease agreements with the buyer

10. Intangible Assets and Goodwill

Intangible assets consist of the following at December 31

	Gross Intangible	Accumulated Amortization	Net Intangible
Balance at December 31, 2012			
Unamortized intangible assets			
Certificates of need	$ 69,781	$ -	$ 69,781
Total unamortized intangible assets	69,781	-	69,781
Amortized intangible assets			
Business relationships	90,930	(18,404)	72,526
Corporate trade name and other intangibles	39,500	(8,356)	31,144
Total amortized intangible assets	130,430	(26,760)	103,670
Total intangible assets	$ 200,211	$ (26,760)	$ 173,451
Balance at December 31, 2013			
Unamortized intangible assets			
Certificates of need	$ 66,426	$ -	$ 66,426
Total unamortized intangible assets	66,426	-	66,426
Amortized intangible assets			
Business relationships	90,997	(22,372)	68,625
Corporate trade name and other intangibles	39,823	(9,755)	30,068
Total amortized intangible assets	130,820	(32,127)	98,693
Total intangible assets	$ 197,246	$ (32,127)	$ 165,119

(in thousands of dollars)

Amortization expense related to intangible assets was $5,462 and $5,456 for the years ended December 31, 2013 and 2012, respectively Estimated annual amortization expense for intangible assets for the years 2014 through 2018 is approximately $5,549, $5,540, $5,528, $5,519 and $5,507, respectively

The following table summarizes the changes in the carrying amount of goodwill for the years ended December 31

	2013	2012
As of January 1		
Goodwill, net of accumulated amortization	$ 294,169	$ 294,359
Accumulated impairment losses	(77,838)	(77,838)
	216,331	216,521
Goodwill acquired, net of purchase price adjustments and other	-	(190)
Impairment	(32,898)	-
	183,433	216,331
As of the end of the period		
Goodwill, net of accumulated amortization	294,169	294,169
Accumulated impairment losses	(110,736)	(77,838)
	$ 183,433	$ 216,331

As a result of its annual impairment testing for 2013 and 2012, Novant Health recorded impairment charges of $3,423 and $18,388, respectively, to reduce the carrying value of certificates of need to their estimated fair value The impairment charges were partial write offs of the certificates of need

As a result of its annual impairment testing in 2013, Novant Health also recorded impairment charges of $32,898 to reduce the carrying value of goodwill to its implied and estimated fair value for certain reporting units Impairment charges of $21,392 represent a full write off of the remaining goodwill for certain reporting units and impairment charges of $11,506 represent a partial write off of the goodwill for a reporting unit

These impairment charges were the result of lower than expected operating results at certain Novant Health reporting units Our impairment tests presume stable or improving results at certain Novant Health reporting units which are based on the implementation of programs and initiatives that are designed to achieve projected results If these projections are not met, or in the future negative trends occur which would impact our future outlook, further impairments of goodwill and other intangible assets may occur Future restructuring of our markets that could potentially change our reporting units could also result in future impairments of goodwill

(in thousands of dollars)

11. Investments in Affiliates

Novant Health has noncontrolling interests in ten healthcare related entities The Company's ownership interests in the entities range from 20% to 51% These investments are accounted for using either the cost or equity method

A summary of investments, ownership percentages, investment amounts and the Company's share of earnings for the years ended December 31 is as follows

Investee	% Ownership		Investment Balance at December 31,		Share of Earnings of Investee	
	2013	2012	2013	2012	2013	2012
Hospital Partnership	30%	30%	$124,685	$ 128,104	$ 7,056	$ 8,928
Advanced Services	24%	25%	17,221	17,313	2,071	2,936
Providence Plaza LLC	30%	30%	4,911	4,945	146	135
Rowan Hospice & Palliative Care LLC	50%	50%	2,305	2,781	(476)	229
Cancer Center	50%	50%	2,988	1,931	1,557	1,966
Other	Various	Various	6,168	7,071	205	152
			$ 158,278	$ 162,145	$ 10,559	$ 14,346

On December 29, 2012, Novant Health exercised its option to put its investment in Laboratory Group Holdings LLC in exchange for notes receivable of $8,000 The loss on the sale of this investment was recorded as other non-operating expense in the consolidated statement of operations

Effective January 1, 2014, the Cancer Center redeemed the membership interest of the other partner in exchange for cash and a note payable, making the Novant Health affiliate the sole member of the LLC

The following table presents summarized financial information related to investments in the above noncontrolled entities as of December 31

	2013	2012
Assets	$ 333,090	$ 331,303
Liabilities	229,243	161,514
Equity	103,847	169,789
Total revenue	309,827	330,563
Total expenses	275,776	284,174
Net income	34,051	46,389
Novant Health's share of net income	10,559	14,346

(in thousands of dollars)

12. Other Assets

Other assets consist of the following at December 31

	2013	2012
Notes receivable and other	$ 36,141	$ 19,462
Deferred financing costs, net of amortization	12,166	9,311
Cash surrender value of insurance policies	16,094	13,351
Reinsurance receivables	9,343	7,631
Pledges receivable	10,131	1,359
	$ 83,875	$ 51,114

Deferred financing costs are amortized using the effective interest method over the life of the related debt agreements and instruments

13. Accrued Liabilities

Accrued liabilities consist of the following at December 31

	2013	2012
Accrued compensation	$ 196,780	$ 166,700
Pension liability	14,269	19,009
Postretirement benefit liability	1,022	1,079
Payroll taxes and withholdings	16,779	17,549
Interest	12,235	9,972
Other accrued liabilities	71,173	82,229
Self-insurance		
Employee medical claims liability	20,511	18,688
Malpractice and workers' compensation liability	18,653	18,079
	$ 351,422	$ 333,305

(in thousands of dollars)

14. Long-Term Debt

Following is a summary of long-term debt at December 31

	2013	2012
Tax-exempt revenue bonds	$ 1,103,510	$ 903,305
Hospital revenue bonds	-	73,260
Taxable revenue bonds	700,000	450,000
Taxable variable rate demand bonds	65,800	69,800
Total bonds	1,869,310	1,496,365
Capital lease obligations and other notes payable	39,880	48,978
	1,909,190	1,545,343
Unamortized premium or discount, net	19,328	6,073
	1,928,518	1,551,416
Less Current maturities	(157,490)	(78,423)
	$ 1,771,028	$ 1,472,993

(in thousands of dollars)

Tax-Exempt Revenue Bonds

Novant Health has tax-exempt financing agreements through conduit issuers These bonds are comprised of the following at December 31, 2013 and 2012

	2013	2012
Series 2013 A and B Current Interest Term Bonds and Serial Bonds, bearing interest at rates ranging from 3 0% to 5 0% payable semi-annually and maturing through 2046, principal payments begin in 2014	$ 298,765	$ -
Series 2010 A Current Interest Term Bonds and Serial Bonds, bearing interest at rates ranging from 4 0% to 5 0% payable semi-annually and maturing through 2043, principal payments begin in 2023	264,165	264,165
Series 2008 A, B and C Variable Rate Demand Bonds, bearing interest at variable rates payable monthly and maturing through 2028, principal payments began in 2009	155,580	165,175
Series 2006 Current Interest Term Bonds, bearing interest at rates ranging from 4 5% to 5 0% payable semi-annually and maturing through 2039, principal payments begin in 2023	250,000	250,000
Series 2004 A and B Variable Rate Demand Bonds, bearing interest at variable rates payable monthly and maturing through 2034, principal payments begin in 2025	135,000	135,000
Series 2003 A Current Interest Serial Bonds, bearing interest at rates ranging from 2 0% to 5 0% payable semi-annually and maturing through 2020	-	88,965
	$ 1,103,510	$ 903,305

In conjunction with the issuance of the 2003 bonds, Novant Health entered into a new Master Trust Indenture (the "Agreement") The Agreement authorizes the creation of a Combined Group, which consists of the members of the Obligated Group and the Restricted Affiliates Novant Health and two of its affiliates that operate tertiary care hospitals, Novant Health Forsyth Medical Center and Novant Health Presbyterian Medical Center, are the members of the Obligated Group The members of the Obligated Group are jointly and severally liable for the payment of all obligations under the Agreement The Company's Restricted Affiliates, which include certain other subsidiaries of the Company, are not directly obligated to pay obligations under the Agreement, but the members of the Obligated Group have covenanted in the Agreement to cause the Restricted Affiliates to provide funds to the members of the Obligated Group to pay obligations under the Agreement All bonds issued by Novant Health subsequent to the issuance of the 2003 bonds are also collateralized by the Obligated Group

The bond agreements provide for early redemption periods of the bonds prior to mandatory redemption, subject to a premium, generally ranging from 0 0% to 2 0%, as defined in the agreements In accordance with the bond indenture agreements, the bonds are general, unsecured obligations of Novant Health The bond indentures require Novant Health to cause the Restricted Affiliates to comply with certain covenants, including the maintenance of a minimum debt service coverage ratio and a minimum number of days cash on hand As of December 31, 2013, Novant Health is in compliance with these bond covenants

(in thousands of dollars)

The Series 2004 A and B Variable Rate Demand Bonds are collateralized by a standby purchase agreement ("SBPA") issued by JP Morgan Chase Bank National Association The SBPA expires January 31, 2016 If the SBPA should be used to fund tenders due to a failed remarketing, repayment in quarterly installments over three years are required As a result, the Company has classified $33,750 of the 2004 bonds as current at December 31, 2013 and 2012

In March 2011, the documents related to the Series 2008 A, B and C Variable Rate Demand Bonds were amended to allow the conversion of the bonds to bank direct purchase index floating rate bonds In March 2014, the Series 2008 A, B, and C Variable Rate Demand Bonds were refinanced Subsequent to the refinancing, the direct purchase agreement related to the Series 2008 A Variable Rate Demand Bonds has a term of three years and will expire in March 2017 Subsequent to the refinancing, the direct purchase agreement related to the Series 2008 B and 2008 C Variable Rate Demand Bonds has a term of five years and will expire in March 2021

In December 2012, the Series 1996 Current Interest Term Bonds and the Series 1996 Capital Appreciation Serial Bonds were redeemed with proceeds from the Senior Revolving Credit Facility

On May 7, 2013, Novant Health issued $152,400 of Series 2013A bonds through the North Carolina Medical Care Commission and $146,365 of Series 2013B bonds through the Industrial Development Authority of the County of Prince William The Series 2013 bonds bear interest at fixed rates ranging from 3 0% to 5 0% Proceeds of the bonds were used to refund a portion of the Series 2003A bonds, repay the outstanding balance on the Senior Revolving Credit Facility and refund the Novant Health Prince William Medical Center Series 2002 Hospital Revenue Bonds The remaining proceeds are being used to finance and reimburse Novant Health for expenditures primarily related to the construction of the following a 60-bed community hospital in Haymarket, Virginia, the vertical expansion of Novant Health Huntersville Medical Center, the vertical expansion of Novant Health Matthews Medical Center, the construction of Novant Health Clemmons Medical Center, and the G-wing renovation at Novant Health Presbyterian Medical Center

Mortgage Revenue Bonds
On August 18, 2004, Novant Health Rowan Medical Center issued $87,125 of fixed rate Federal Housing Administration insured mortgage revenue bonds, bearing interest at rates ranging from 3 00% to 5 25% On July 18, 2012, these bonds were defeased using cash flow from operations At December 31, 2013, the defeased bonds had an outstanding balance of $73,240

(in thousands of dollars)

Hospital Revenue Bonds
Novant Health Prince William Medical Center had promissory notes to the Industrial Development Authority of the City of Manassas, Virginia and the Industrial Development Authority of the County of Prince William, Virginia, under which hospital revenue bonds were issued On May 6, 2013, the Series 1993 Hospital Revenue Refunding Bonds were redeemed with operating cash On May 7, 2013, the Series 2002 Hospital Revenue Bonds were refunded with proceeds of the Novant Health Series 2013B bonds

	2012
Series 2002 Hospital Revenue Bonds, term bonds which are due in 2023 and 2033, bearing interest at rates of 5 1% and 5 3%	$ 65,655
Series 1993 Hospital Revenue Refunding Bonds, due in 2019, bearing interest at 5 3%	7,605
	$ 73,260

Taxable Revenue Bonds
On September 23, 2009, Novant Health issued $350,000 of taxable fixed rate bonds (the "2009A Bonds") $250,000 of these bonds bear interest at a rate of 5 85% and mature in 2019 The remaining $100,000 of these bonds bear interest at a rate of 4 65% and mature in 2014 Proceeds of the 2009A Bonds were used to refinance a portion of the Company's revolving credit facility in January 2010

On November 12, 2009, Novant Health issued $100,000 of taxable fixed rate bonds (the "2009B Bonds") The 2009B Bonds bear interest at a rate of 5 35% and mature in 2016 Proceeds of the 2009B Bonds were used to refinance the remaining portion of the Company's revolving credit facility in January 2010

On April 23, 2013, Novant Health issued $250,000 of taxable fixed rate bonds (the "2013C Bonds") The 2013C bonds bear interest at a rate of 4 37% and mature in 2043 Proceeds of the 2013C Bonds were used for eligible purposes, including the refinancing of long-term debt

The taxable revenue bonds are subject to the same covenant requirements that are included in the bond agreements for the tax-exempt revenue bonds

Taxable Variable Rate Demand Bonds
In 1997, Novant Health issued Taxable Variable Rate Demand Bonds, totaling $87,800, collateralized by an irrevocable letter of credit issued by Wachovia Bank of North Carolina, N A The irrevocable letter of credit is collateralized by the bonds, all income, earnings, profits, interest, premium or other payments on the bonds, and all proceeds arising from the sale, exchange or collection of the bonds Interest on the bonds is payable on a quarterly basis Mandatory sinking fund requirements began in 2001 and will continue until their final maturity of June 1, 2022 At December 31, 2013 and 2012, the rate of interest on the variable bonds was 0 17% and 0 21%, respectively The irrevocable letter of credit is currently available through March 1, 2016

(in thousands of dollars)

Other Long-Term Debt
Other long-term debt consists of various loans and notes on buildings and capital leases, bearing interest at rates ranging from 1 16% to 12 15%

Scheduled maturities of all long-term debt are as follows

Years Ending December 31	
2014	$ 123,739
2015	30,459
2016	138,638
2017	26,917
2018	27,416
Thereafter	1,562,021
	$ 1,909,190

Novant capitalized $2,499 and $1,237 of interest in 2013 and 2012, respectively

The fair values of Novant's bonds are based on a pricing model At December 31, 2013 and 2012, Novant's bonds had an approximate fair value of $1,832,191 and $1,588,218, respectively, as determined on a Level 2 measurement basis

Short-Term Borrowings
On June 18, 2010, Novant Health entered into a $150,000 Senior Revolving Credit Facility The line of credit bears interest at variable rates and has a three year term In December 2012, proceeds from the Senior Revolving Credit Facility were used to redeem the Series 1996 Current Interest Term Bonds and the Series 1996 Capital Appreciation Serial Bonds The amount outstanding under the Senior Revolving Credit Facility at December 31, 2012 was $34,246, bearing interest at 1 36% Proceeds from the Series 2013A bonds were used to pay off the outstanding balance and the facility expired in June 2013

On June 13, 2013, Novant Health entered into a $200,000 Senior Revolving Credit Facility The line of credit bears interest at variable rates and has a five year term At December 31, 2013, there were no amounts outstanding

The Company entered into reverse repurchase agreements in February 2009 The reverse repurchase agreements involve the short term sale of U S Treasury and Agency securities with maturities ranging between May 2014 and February 2022 at interest rates ranging from 0 25% to 3 75% At December 31, 2013 and 2012 the fair value amounts outstanding were $86,138 and $91,853, respectively, which approximates carrying value The amount outstanding under the reverse repurchase agreements at December 31, 2013 and 2012 was $84,965 and $89,825, respectively Interest rates on the outstanding balances at December 31, 2013 ranged from 0 15% to 0 25% The agreements generally mature between one and four weeks

(in thousands of dollars)

Interest Rate Swaps

As of August 18, 2008, concurrent with the 2008 bond issuance, Novant Health entered into two interest rate swap agreements to hedge the variable interest rates of the 2008 bonds The swaps are based on an aggregate notional amount of $155,580 Novant Health receives a variable rate which is tied to 68% of LIBOR, and pays a fixed rate of 3 679% and 3 621% for the $115,300 and $40,280 notional amounts, respectively In July 2006, Novant Health entered into a floating-to-fixed swap agreement with a notional amount of $135,000 and a term of 28 years to hedge the floating rate 2004 bonds Novant Health receives a variable rate which is tied to 64 8% of LIBOR plus 12 basis points and pays a fixed interest rate of 3 8% The swaps have been designated as cash flow hedges and are carried on the balance sheet at fair value These swaps qualify for hedge accounting and were assessed for effectiveness at the time the contracts were entered into and are assessed for effectiveness on an ongoing basis at each quarter end using the hypothetical derivative method Unrealized gains and losses related to the effective portion of the swaps are recognized as a change in unrestricted net assets and gains or losses related to ineffective portions are recognized in excess of revenues over expenses as interest expense As of December 31, 2013 and 2012, Novant Health's swaps are recorded as long-term liabilities in the consolidated balance sheets

In August 2005, Novant Health Prince William Medical Center entered into an interest rate swap agreement in order to hedge its exposure to changes in interest rates The interest rate swap matures on September 1, 2015, and has a notional amount of $7,043 The exchanges of cash flows with the counter party (a commercial bank) began on September 8, 2005 Pursuant to the swap agreement, Novant Health Prince William Medical Center pays the counter party a fixed interest rate of approximately 5 6% and receives interest at a variable rate equal to LIBOR plus one percent, calculated on the notional amount The interest rate swap does not qualify for hedge accounting and therefore changes in the fair value of the interest rate swap are recorded in excess of revenues over expenses

The following table summarizes the fair value as presented in the consolidated balance sheets as derivative financial instruments for the Company's interest rate swaps as of December 31

	2013	2012
Interest rate swaps designated as hedging instruments	$ 40,275	$ 70,966
Interest rate swaps not designated as hedging instruments	507	812
Total derivative financial liabilities	$ 40,782	$ 71,778

(in thousands of dollars)

The following table summarizes the effect of the interest rate swaps on the consolidated statements of operations and changes in net assets for the years ended December 31, 2013 and 2012

	Amount of Gain Recognized in Change in Unrestricted Net Assets		Amount of Gain (Loss) Recognized in Excess of Revenues Over Expenses	
Statement of Operations Location	**2013**	**2012**	**2013**	**2012**
Derivatives desginated as hedging instruments				
Change in fair value of hedging interest rate swaps	$ 25,261	$ 2,078	$ -	$ -
Hedge ineffectiveness	-	-	5,430	(2,253)
Derivatives not designated as hedging instruments				
Change in fair value of non-hedging interest rate swaps	-	-	305	207
	$ 25,261	$ 2,078	$ 5,735	$ (2,046)

15. Employee Benefits and Other Liabilities

Employee benefits and other liabilities consist of the following at December 31

	2013	2012
Pension liability, net of current portion	$ 29,170	$ 115,036
Postretirement benefit liability, net of current portion	19,422	23,039
Self-insurance malpractice and workers compensation, net of current portion	53,863	49,993
Employee benefits and other	32,626	12,352
Deferred gains	82,688	89,125
	$ 217,769	$ 289,545

(in thousands of dollars)

16. Income Taxes

The provision for federal and state income taxes is as follows

	2013	2012
Current tax expense (benefit)		
Federal	$ 50	$ 4,695
State	522	(35)
	572	4,660
Deferred tax expense (benefit)		
Federal	2,176	4,128
State	(219)	179
	1,957	4,307
	$ 2,529	$ 8,967

The components of deferred taxes are as follows

	2013	2012
Deferred tax assets		
Loss carryforwards	$ 56,290	$ 55,474
Deferred charge for intercompany transfer	14,643	15,974
Accounts receivable	5,568	2,511
Other long-term liabilities	566	510
Other	1,313	1,272
Total deferred tax assets	78,380	75,741
Deferred tax liabilities		
Property and equipment	(2,376)	(2,176)
Intangible assets	(21,783)	(22,938)
Other assets	(19)	(18)
Total deferred tax liabilities	(24,178)	(25,132)
Valuation allowance	(49,486)	(43,936)
Net deferred tax asset	$ 4,716	$ 6,673

(in thousands of dollars)

GAAP requires that deferred tax assets be reduced by a valuation allowance if it is more likely than not that some portion or all of a deferred tax asset will not be realized The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences are deductible In making this determination, management considers all available positive and negative evidence affecting specific deferred tax assets, including the Company's past and anticipated future performance, reversal of deferred tax liabilities, length of carryback and carryforward periods and implementation of tax planning strategies

Objective positive evidence is necessary to support a conclusion that a valuation allowance is not needed for all or a portion of deferred tax assets when significant negative evidence exists

Cumulative losses in recent years are the most compelling form of negative evidence considered by management in this determination For the year ended December 31, 2013, management has determined that based on all available evidence, a valuation allowance of $49,486 is appropriate

As of December 31, 2013, the Company had approximately $134,425 of federal and $91,915 of state loss carryforwards available to reduce taxable income The loss carryforwards expire through 2033

Income tax expense reported in the consolidated statements of operations is shown below

	2013	2012
Federal taxes	$ 2,226	$ 8,823
State income taxes	303	144
Income tax expense	$ 2,529	$ 8,967

The Company is required to evaluate uncertain tax positions This evaluation includes a quantification of tax risk in areas such as unrelated business taxable income and the taxation of our for-profit subsidiaries This evaluation did not have a material effect on the Company's statements of operations for the years ended December 31, 2013 and 2012

(in thousands of dollars)

17. Employee Benefit Plans and Other Postretirement Benefit Plans

Certain Novant Health affiliates participate in the Pension Restoration Plan of Novant Health, Inc (the "Novant Plan"), a noncontributory defined benefit pension plan covering substantially all the affiliates' employees of record as of December 1998 Participation is limited to vested employees as of December 31, 1998 Effective January 1, 2008, and July 1, 2009, the Company assumed two noncontributory defined benefit plans, the Pension Plan for the Employees of Rowan Regional Medical Center (the "Rowan Plan") and the Prince William Hospital Corporation Cash Balance Pension Plan (the "Prince William Plan"), respectively Participation in the Rowan Plan was closed to new entrants and the accrued benefits were frozen as of December 31, 2003 Participation in the Prince William Plan was closed to new entrants and the accrued benefits were frozen as of April 1, 2010 The assets of the plans are primarily invested in common trust funds, common stocks, bonds, notes and U S government securities

Certain Novant Health affiliates have supplemental retirement income plans covering highly compensated employees These are nonqualified plans which are not subject to ERISA funding requirements As such, Novant Health intends only to fund the plans in amounts equivalent to the plans' annual benefit payments During 2013 the Company terminated one of its plans covering certain highly compensated employees and, as a result, recorded expense of $5,858 Also during the year the Company implemented a new supplemental retirement income plan that covers certain highly compensated employees This plan acts as a defined contribution plan and annual funding requirements are determined under provisions of the plan

Novant Health also provides fixed dollar amounts for health care and life insurance benefits to certain retired employees Covered employees may become eligible for these benefits if they meet minimum age and service requirements, and if they are eligible for retirement benefits Novant Health has the right to modify or terminate these benefits

Information regarding benefit obligations, plan assets, funded status, expected cash flows and net periodic benefit cost follows within this footnote

(in thousands of dollars)

	Defined Benefit Plans		Postretirement Healthcare Benefit Plans	
	2013	2012	2013	2012
Change in benefit obligations				
Projected benefit obligation at beginning of year	$ 401,666	$ 380,119	$ 24,118	$ 22,915
Service cost	2,568	3,453	193	201
Interest cost	13,789	15,460	798	905
Actuarial loss (gain)	(2,812)	1,071	(3,594)	849
Assumption change	(36,168)	19,564	-	-
Plan amendments	(17,918)	-	-	-
Settlements	(32,515)	-	-	-
Benefits paid	(15,611)	(18,001)	(1,222)	(932)
Employee contributions	-	-	151	180
Projected benefit obligation at end of year	$ 312,999	$ 401,666	$ 20,444	$ 24,118

The assumption changes above are primarily a result of changes in the discount rate in 2013 and 2012 The plan amendment changes above are primarily the acceleration of the amortization of actuarial losses in unrestricted net assets due to the termination of a supplemental retirement income plan The settlement charges above are payments made to employees as the result of termination of a supplemental retirement income plan and also lump sum benefit payouts from the Prince William Plan

Weighted-Average Assumptions Used to Determine End of Year Benefit Obligations	Defined Benefit Plans		Postretirement Healthcare Benefit Plans	
	2013	2012	2013	2012
Discount rate	2 35 - 4 75%	2 45 - 3 82 %	0 60 - 4 60%	1 25 - 3 70%
Rate of compensation increase[1]	5 00%	5 00%	N/A	N/A
Health care cost trend on covered charges	N/A	N/A	8 0% in 2013, grading to 5 0% in 2020	8 5% in 2013, grading to 5 0% in 2020

(1) The compensation increase does not apply to the Rowan Plan or the Prince William Plan as benefits under these plans were frozen at December 31, 2013 and 2012

Assumed health care cost trend rates may have a significant effect on the amounts reported for the health care plans A one-percentage-point change in assumed health care cost trend rates would not have a significant effect on the amounts reported as of December 31, 2013

(in thousands of dollars)

Plan Assets

	Defined Benefit Plans		Postretirement Healthcare Benefit Plans	
	2013	2012	2013	2012
Change in plan assets				
Fair value of plan assets at beginning of year	$ 267,621	$ 231,747	$ -	$ -
Actual return on plan assets	20,655	35,640	-	-
Employer contribution	30,151	18,752	1,071	752
Employee contributions	-	-	151	180
Settlements	(32,515)	-	-	-
Benefits paid	(15,611)	(18,001)	(1,222)	(932)
Plan expenses	(741)	(517)	-	-
Fair value of plan assets at end of year	$ 269,560	$ 267,621	$ -	$ -

The Company's primary investment objective for the defined benefit plans ("the Plans") is to invest plan assets in a manner that maximizes the probability of meeting the plans' liabilities when due The Plans hold equity mutual funds that are diversified by geography, capitalization, style and investment manager The Plans also hold fixed income mutual funds that are diversified by issuer and maturity In addition, the Plans may hold Treasury Inflation-Protected Securities, alternative asset, real estate and commodity mutual funds The investment guidelines, asset allocation, and investment performance are reviewed by the Novant Health Administrative Committee

Subsequent to year-end the Company contributed $44,853 to its three defined benefit plans, reallocated its investment asset categories and essentially fully funded the plans Going forward the primary investment objective is to invest the plan assets so that they will generate sufficient cash flows needed to fund future payments as they come due

Novant Health's pension plan asset allocation at December 31, 2013 and 2012 and target allocation for 2013 by asset category are as follows

	Target Range	Percentage of Plan Assets at December 31, 2013	Percentage of Plan Assets at December 31, 2012
Asset Category			
Debt securities	25–70%	50 0%	46 0%
Equity securities	25–70%	43 0%	44 0%
Alternative asset funds	0–15%	4 0%	7 0%
Real estate and other	0–10%	3 0%	3 0%
		100 0%	100 0%

(in thousands of dollars)

The fair values of the Company's plan assets at December 31, 2013, by asset category are as follows

	Fair Value Measurements at Reporting Date Using			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Equity securities				
U S equity	$ -	$ 45,838	$ -	$ 45,838
Developed non-U S equity	-	39,480	-	39,480
Emerging markets equity	-	30,427	-	30,427
Fixed income securities				
U S fixed income	-	133,762	-	133,762
Alternative asset funds	-	11,983	-	11,983
Real estate and other	-	8,070	-	8,070
Total fair value of the Company's plan assets	$ -	$ 269,560	$ -	$ 269,560

The fair values of the Company's plan assets at December 31, 2012, by asset category are as follows

	Fair Value Measurements at Reporting Date Using			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Equity securities				
U S equity	$ -	$ 51,016	$ -	$ 51,016
Developed non-U S equity	-	37,666	-	37,666
Emerging markets equity	-	30,225	-	30,225
Fixed income securities				
U S fixed income	-	122,349	-	122,349
Alternative asset funds	-	19,825	-	19,825
Real estate and other	-	6,540	-	6,540
Total fair value of the Company's plan assets	$ -	$ 267,621	$ -	$ 267,621

(in thousands of dollars)

Funded Status

The funded status of the plans recognized in the balance sheet and the amounts recognized in unrestricted net assets follows

	Defined Benefit Plans		Postretirement Healthcare Benefit Plans	
	2013	2012	2013	2012
End of Year				
Fair value of plan assets at end of year	$ 269,560	$ 267,621	$ -	$ -
Benefit obligation at end of year	312,999	401,666	20,444	24,118
Funded status	$ (43,439)	$ (134,045)	$ (20,444)	$ (24,118)
Amount recognized in the balance sheets				
Prepaid benefit cost at measurement date	$ 23,650	$ 33,450	$ -	$ -
Accrued benefit cost	(3,154)	(20,976)	(20,444)	(24,118)
Change in unrestricted net assets	(63,935)	(146,519)	-	-
Net liability recognized	$ (43,439)	$ (134,045)	$ (20,444)	$ (24,118)
Amounts recognized in unrestricted net assets				
Prior service cost	$ 3,022	$ 6,503	$ -	$ -
Net actuarial loss (gain)	60,913	140,016	(589)	2,954
	$ 63,935	$ 146,519	$ (589)	$ 2,954
Other changes in plan assets and benefit obligations				
Net loss (gain)	$ (54,551)	$ (11,068)	$ (3,594)	$ 849
Prior service credit	(1,758)	(15)	-	-
Amortization of net loss (gain)	(1,243)	(2,093)	51	89
Amortization of prior service cost (credit)	(1,725)	1,339	-	(140)
Settlement credit	(4,396)	-	-	-
Curtailment credit	(18,911)	-	-	-
Total recognized in unrestricted net assets	$ (82,584)	$ (11,837)	$ (3,543)	$ 798

At the end of 2013 and 2012, the projected benefit obligation, accumulated benefit obligation and fair value of plan assets for pension plans with an accumulated benefit obligation in excess of plan assets were as follows

Accumulated Benefit Obligation in Excess of Plan Assets	2013	2012
Projected benefit obligation	$ 312,999	$ 401,666
Accumulated benefit obligation	300,467	367,739
Fair value of plan assets	269,560	267,621

(in thousands of dollars)

Cash Flows

The Company made contributions to its defined benefit pension plans of $44,853 in January 2014 The Company expects to make contributions to the supplemental retirement income plans of approximately $2,424 for the 2014 fiscal year

The following assumed benefit payments, which reflect expected future service, as appropriate, and were used in the calculation of projected benefit obligations, are estimated to be paid as follows

	Employee Benefit Plans	Postretirement Healthcare Benefit Plans
Expected Benefit Payments		
2014	$ 14,252	$ 1,014
2015	14,763	1,064
2016	15,030	1,110
2017	15,881	1,150
2018	16,573	1,195
2019–2023	92,617	6,534

Net periodic benefit cost	Defined Benefit Plans		Postretirement Healthcare Benefit Plans	
	2013	**2012**	**2013**	**2012**
Service cost	$ 2,568	$ 3,453	$ 193	$ 201
Interest cost	13,789	15,460	798	905
Estimated return on plan assets	(16,029)	(14,716)	-	-
Amortization of prior service cost (credit)	732	(1,339)	-	-
Recognized net actuarial loss (gain)	11,708	13,651	(51)	51
Settlements	6,610	-	-	-
Recognized curtailment loss (gain)	2,751	(245)	-	-
Net periodic benefit cost	$ 22,129	$ 16,264	$ 940	$ 1,157
Total recognized in net periodic benefit cost and unrestricted net assets	$ (60,455)	$ 4,427	$ (2,603)	$ 1,955

(in thousands of dollars)

Amounts expected to be amortized from unrestricted net assets into net periodic benefit cost during the year ending December 31, 2014 are as follows

	Defined Benefit Plans	Postretirement Healthcare Benefit Plans
Actuarial net loss (gain)	$ 4,435	$ (78)
Prior service cost	497	-

The weighted-average assumptions used to determine net periodic benefit cost were as follows

	Defined Benefit Plans		Postretirement Healthcare Benefit Plans	
	2013	2012	2013	2012
Discount rate	2 45 - 3 82%	3 65 - 4 30%	1 25 - 3 70%	2 20 - 4 15%
Expected return on plan assets	6 00 - 7 00%	6 00 - 7 00%	N/A	N/A
Rate of compensation increase[1]	5 00%	5 00%	N/A	N/A
Health care cost trend on covered charges	N/A	N/A	8 5% in 2013, grading to 5 0% in 2020	9 0% in 2012, grading to 5 0% in 2020

(1) The compensation increase does not apply to the Rowan Plan or the Prince William Plan as benefits under these plans were frozen at December 31, 2013 and 2012

Assumed health care cost trend rates may have a significant effect on the amounts reported for the health care plans A one-percentage-point change in assumed health care cost trend rates would not have a significant effect on the amounts reported as of December 31, 2013

In addition to these plans, Novant Health sponsors a number of defined contribution plans Contributions are determined under various formulas Costs related to such plans amounted to $54,912 and $54,895 in 2013 and 2012, respectively

Certain Novant Health affiliates participate in cafeteria plans which provide certain benefits, including basic medical and dental coverage, long-term disability benefits, reimbursement of supplemental dependent care expenses and group life insurance benefits The affiliates contribute predetermined amounts for each full-time and part-time employee, which is allocated to the various benefit options in accordance with the participant's election Affiliate contributions to these plans were approximately $183,274 in 2013 and $166,476 in 2012

Novant Health is self-insured for medical coverage exposures up to certain limits for all Novant Health employees The Company has recorded an estimate of the liability for claims incurred but not reported as of December 31, 2013 and 2012

(in thousands of dollars)

18. Noncontrolling Interests

The following table reconciles the carrying amounts of the Company's controlling interest and the noncontrolling interests for unrestricted net assets

	Total	Controlling Interest	Noncontrolling Interests
Balance at January 1, 2012	$ 1,842,651	$ 1,831,679	$ 10,972
Excess of revenues over expenses	273,590	272,428	1,162
Loss on discontinued operations	(2,840)	(2,840)	-
Gain on sale of discontinued operations	1,721	1,721	-
Change in funded status of defined benefit plans	11,039	11,039	-
Unrealized gain on derivative financial instruments	2,078	2,078	-
Other changes in unrestricted net assets	(1,968)	429	(2,397)
Balance at December 31, 2012	2,126,271	2,116,534	9,737
Excess of revenues over expenses	272,967	270,915	2,052
Change in funded status of defined benefit plans	86,127	86,127	-
Unrealized gain on derivative financial instruments	25,261	25,261	-
Other changes in unrestricted net assets	171	496	(325)
Balance at December 31, 2013	$ 2,510,797	$ 2,499,333	$ 11,464

19. Professional and General Liability Insurance Coverage

Novant Health is self-insured for professional and general liability exposures up to certain limits The Company has umbrella policies in place above those limits The provision for estimated medical malpractice claims includes estimates of the ultimate costs for reported claims and claims incurred but not reported Novant Health also participates in a self-insured program for workers' compensation and is self-insured for certain health benefits options A portion of these self-insured professional liabilities is funded through a revocable trust fund operated by Novant Health Liabilities for self-insured professional and general liability risks, for both asserted and unasserted claims were discounted, assuming a 3% rate for both malpractice and workers' compensation for December 31, 2013 and 2012, based on historical loss payment patterns This resulted in a present value of $72,516 and $68,072 at December 31, 2013 and 2012, respectively, and represented a discount of $5,943 and $5,945 in 2013 and 2012, respectively

(in thousands of dollars)

20. Commitments and Contingencies

The Company and its affiliates are presently involved in various personal injury, regulatory investigations, tort actions and other claims and assessments arising out of the normal course of business Management believes that Novant Health has adequate legal defenses, self-insurance reserves and/or insurance coverage for these asserted claims, as well as any unasserted claims and does not believe these claims will have a material effect on the Company's operations or financial position The health care industry is subject to numerous laws and regulations of federal, state and local governments These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse In recent years, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed

21. Operating Leases

Certain operating properties and equipment are leased under noncancelable operating leases Total rental expense under operating leases was $86,781 and $93,197 in 2013 and 2012, respectively Future minimum rentals under noncancelable operating leases with terms of more than one year are as follows

Years Ending December 31		
2014	$	81,178
2015		72,865
2016		63,607
2017		53,693
2018		41,837
Thereafter		117,570
	$	430,750

Novant Health leases six plots of land to a third party under long-term ground lease agreements Total rental income under these lease agreements was $1,124 and $1,094 in 2013 and 2012, respectively The future rental income related to the ground leases are as follows

Years Ending December 31		
2014	$	1,144
2015		1,165
2016		1,186
2017		1,207
2018		1,241
Thereafter		90,428
	$	96,371

(in thousands of dollars)

22. Concentrations of Credit Risk

Novant Health provides services primarily to the residents of various counties within North Carolina, South Carolina and Virginia without collateral or other proof of ability to pay Most patients are local residents who are insured partially or fully under third-party payor arrangements

The mix of receivables from patients and third-party payors at December 31 is as follows

	2013	2012
Medicare	31 7%	27 5%
Medicaid	13 1%	9 4%
Other third-party payors	43 7%	54 8%
Patients	11 5%	8 3%
	100 0%	100 0%

Novant Health places the majority of its cash and investments with corporate and financial institutions Novant Health maintains cash balances in excess of FDIC insured limits, however, the Company has not experienced any losses on such deposits

23. Functional Expenses

Novant Health provides general health care services to residents within its geographic region Expenses relating to providing these services at December 31 are as follows

	2013	2012
Health care services	$ 2,511,470	$ 2,424,151
General and administrative	971,419	946,394
	$ 3,482,889	$ 3,370,545

24. Subsequent Events

The Company evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through March 28, 2014, the day the financial statements were issued

On March 24, 2014, the Company exercised its option under the provisions of the Limited Liability Company Agreement of Carolinas Holdings, LLC This option allows the Company to exchange its right to 30% of the earnings of the Hospital Partnership for the greater of the fair market value or $150,000 Fair market value will be determined based on the provisions of the agreement

25. Recent Accounting Pronouncements

In April 2013, the FASB issued ASU 2013-6, *Not-for-Profit Entities: Services Received from Personnel of an Affiliate* This guidance requires that a not-for-profit entity recognize all personnel

services for which the affiliate does not seek compensation that directly benefit the recipient not-for-profit and that such services should be measured at cost unless the cost significantly differs from the value received This guidance is effective for Novant Health on January 1, 2015 and requires modified retrospective approach The adoption of this guidance is not expected to have an impact on Novant Health's financial statements

In July 2013, the FASB issued ASU 2013-10, *Derivatives and Hedging (Topic 815): Inclusion of the Fed Funds Effective Swap Rate (or Overnight Index Swap Rate) as a Benchmark Interest Rate for Hedge Accounting Purposes* This guidance allows entities to use the Fed Funds Effective Swap Rate, in addition to U S Treasury Rates and LIBOR as a benchmark interest rate in accounting for fair value and cash flow hedges and eliminates the provision that prohibits the use of different benchmark rates for similar hedges except in rare and justifiable circumstances This guidance is effective prospectively for qualifying new hedging relationships entered into on or after July 17, 2013 and for hedging relationships redesignated on or after that date The adoption of this guidance had no impact on Novant Health's consolidated statements of financial position and results of operations

In July 2013, the FASB issued ASU 2013-11, *Income Taxes: Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss or a Tax Credit Carryforward Exists* This guidance clarifies the presentation of unrecognized tax benefits in the financial statements This guidance is effective for Novant Health beginning January 1, 2014 The adoption of this guidance is not expected to have a significant impact on Novant Health's consolidated statements of financial position

In May 2011, the FASB issued ASU 2011-4, *Fair Value Measurement (Topic 820),* which amends the fair value disclosure requirements regarding transfers between Level 1 and Level 2 of the fair value hierarchy and also the categorization by level of the fair value hierarchy for items that are not measured at fair value in the financial statements but for which the fair value is required to be disclosed ASU 2011-4 also requires additional disclosures for Level 3 measurements including a description of the valuation process, sensitivity, and quantitative disclosures of unobservable inputs This guidance was effective for Novant Health beginning January 1, 2012

In July 2011, the FASB issued ASU 2011-7, *Health Care Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, which requires certain health care entities to present the provision for bad debts related to patient service revenues as a deduction from revenue, net of contractual allowances and discounts, versus as an expense in the statement of operations In addition, it also requires enhanced disclosures regarding revenue recognition policies and the assessment of bad debt This guidance was effective for Novant Health beginning January 1, 2012 and was retrospectively applied

In July 2012, the FASB issued ASU 2012-2, *Testing Indefinite-Lived Intangible Assets for Impairment* This guidance provides the option to perform a qualitative assessment of whether it is more likely than not that the indefinite-lived asset is impaired ASU 2012-2 is effective for fiscal years beginning after September 15, 2012 Novant Health elected to early adopt this standard effective in 2012 The adoption of this guidance had no impact on Novant Health's consolidated statements of financial position and results of operations

Other Financial Information

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Report of Independent Auditors on Supplementary Information

To the Board of Trustees of
Novant Health, Inc.

We have audited the consolidated financial statements of Novant Health, Inc. and Affiliates as of December 31, 2013 and 2012 and for the years then ended and our report thereon appears at the beginning of this document. That audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Cost of Community Benefit Programs is presented for purposes of additional analysis and is not a required part of the financial statements. The information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

PricewaterhouseCoopers LLP

March 28, 2014

PricewaterhouseCoopers LLP, 800 Green Valley Road, Suite 500, Greensboro, NC 27408
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Novant Health, Inc. and Affiliates
Schedule of Cost of Community Benefit Programs
December 31, 2013 and 2012

The net cost, excluding the provision of bad debts, of providing care to indigent patients and community benefit programs is as follows

(in thousands of dollars)	2013	2012
Traditional charity care	$ 129,229	$ 123,475
Unpaid cost of Medicare	294,325	256,903
Unpaid cost of Medicaid	63,952	111,141
Community benefit programs	78,594	54,587
	$ 566,100	$ 546,106

As discussed in Note 2 in the accompanying financial statements, Novant received supplemental Medicaid payments during 2012 related to both 2011 and 2012 The community benefit amounts for 2012 include only the supplemental payments related to 2012 The community benefit amounts for 2013 include the supplemental payments related to 2013

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Report of Independent Auditors
on Accompanying Combining Information

To the Board of Trustees of
Novant Health, Inc.

We have audited the consolidated financial statements of Novant Health, Inc. and Affiliates as of December 31, 2013 and for the year then ended and our report thereon appears at the beginning of this document. That audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The combining information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The combining information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The combining information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations and changes in net assets of the individual companies and is not a required part of the consolidated financial statements. Accordingly, we do not express an opinion on the financial position and results of operations and changes in net assets of the individual companies.

PricewaterhouseCoopers LLP

March 28, 2014

PricewaterhouseCoopers LLP, 800 Green Valley Road, Suite 500, Greensboro, NC 27408
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Novant Health, Inc. and Affiliates
Combining Balance Sheet
December 31, 2013

(in thousands of dollars)	Combined Group	Unrestricted Affiliates	Eliminations	Total
Assets				
Current assets				
Cash and cash equivalents	$ 207,794	$ 41,388	$ -	$ 249,182
Accounts receivable, net of allowance for doubtful accounts	350,720	57,655	-	408,375
Short-term investments	325,098	107	-	325,205
Current portion of assets limited as to use	28,444	13,202	-	41,646
Deferred tax asset	-	5,765	-	5,765
Receivable for settlement with third-party payors	8,116	1,533	-	9,649
Other current assets	124,820	16,689	-	141,509
Total current assets	1,044,992	136,339	-	1,181,331
Assets limited as to use	17,553	39,918	-	57,471
Long-term investments	1,529,900	150,866	-	1,680,766
Property and equipment, net	1,530,650	287,691	-	1,818,341
Intangible assets and goodwill, net	61,165	287,387	-	348,552
Investments in affiliates	389,475	6,392	(237,589)	158,278
Other assets	70,352	16,038	(2,515)	83,875
Total assets	$4,644,087	$ 924,631	$ (240,104)	$ 5,328,614
Liabilities and Net Assets				
Current liabilities				
Current portion of long-term debt	$ 154,931	$ 2,559	$ -	$ 157,490
Short-term borrowings	84,965	-	-	84,965
Accounts payable	119,456	5,976	-	125,432
Accrued liabilities	295,732	58,205	(2,515)	351,422
Estimated third-party payor settlements	17,114	3,170	-	20,284
Due to (from) related organizations	(525,554)	525,554	-	-
Total current liabilities	146,644	595,464	(2,515)	739,593
Long-term debt, net of current portion	1,737,416	33,612	-	1,771,028
Deferred tax liability	-	1,049	-	1,049
Derivative financial instruments	40,275	507	-	40,782
Employee benefits and other liabilities	165,883	51,886	-	217,769
Total liabilities	2,090,218	682,518	(2,515)	2,770,221
Net assets				
Unrestricted-attributable to Novant	2,551,680	191,412	(243,759)	2,499,333
Unrestricted- noncontrolling interests	-	5,294	6,170	11,464
Total unrestricted net assets	2,551,680	196,706	(237,589)	2,510,797
Temporarily restricted	2,189	34,595	-	36,784
Permanently restricted	-	10,812	-	10,812
Total net assets	2,553,869	242,113	(237,589)	2,558,393
Total liabilities and net assets	$4,644,087	$ 924,631	$ (240,104)	$ 5,328,614

See accompanying note to combining supplemental schedules

Novant Health, Inc.
Combining Statement of Operations
Year Ended December 31, 2013

(in thousands of dollars)	Combined Group	Unrestricted Affiliates	Eliminations	Total
Operating revenues				
Net patient service revenue	$3,106,332	$ 503,613	$ -	$ 3,609,945
Provision for bad debts	(143,125)	(39,851)	-	(182,976)
Net patient service revenues less provision for bad debts	2,963,207	463,762	-	3,426,969
Premium revenue	-	3,959	-	3,959
Other revenue	149,364	26,774	(14,371)	161,767
Total operating revenues	3,112,571	494,495	(14,371)	3,592,695
Operating expenses				
Salaries and employee benefits	1,705,373	220,108	(1,087)	1,924,394
Supplies and other	1,044,872	238,341	(12,503)	1,270,710
Depreciation expense	132,874	33,713	-	166,587
Amortization expense	1,118	5,598	-	6,716
Impairment charge	-	36,321	-	36,321
Interest expense	49,307	28,854	-	78,161
Total operating expenses	2,933,544	562,935	(13,590)	3,482,889
Operating income (loss)	179,027	(68,440)	(781)	109,806
Non-operating income (expense)				
Investment income	151,575	14,604	779	166,958
Unrealized gains on non-hedged derivative financial instruments	-	305	-	305
Income tax benefit (expense)	706	(3,235)	-	(2,529)
Other, net	(312)	(54)	-	(366)
Loss on extinguishment of debt	(1,207)	-	-	(1,207)
Excess (deficit) of revenues over expenses	$ 329,789	$ (56,820)	$ (2)	$ 272,967

See accompanying note to combining supplemental schedules

Novant Health, Inc.
Combined Group Combining Balance Sheet
December 31, 2013

(in thousands of dollars)	Obligated Group	Restricted Affiliates	Eliminations	Combined Group Total
Assets				
Current assets				
Cash and cash equivalents	$ 178,499	$ 29,295	$ -	$ 207,794
Accounts receivable, net of allowance for doubtful accounts	216,647	134,073	-	350,720
Short-term investments	278,926	46,172	-	325,098
Current portion of assets limited as to use	28,444	-	-	28,444
Receivable for settlement with third-party payors	7,192	924	-	8,116
Other current assets	96,526	28,294	-	124,820
Total current assets	806,234	238,758	-	1,044,992
Assets limited as to use	16,791	762	-	17,553
Long-term investments	1,400,575	129,325	-	1,529,900
Property and equipment, net	1,063,428	467,222	-	1,530,650
Intangible assets and goodwill, net	31,015	30,150	-	61,165
Investments in affiliates	442,366	2,994	(55,885)	389,475
Other assets	190,565	(120,213)	-	70,352
Total assets	$ 3,950,974	$ 748,998	$ (55,885)	$ 4,644,087
Liabilities and Net Assets				
Current liabilities				
Current portion of long-term debt	$ 154,769	$ 162	$ -	$ 154,931
Short-term borrowings	84,965	-	-	84,965
Accounts payable	110,335	9,121	-	119,456
Accrued liabilities	228,450	67,282	-	295,732
Estimated third-party payor settlements	12,931	4,183	-	17,114
Due to (from) related organizations	(544,518)	18,964	-	(525,554)
Total current liabilities	46,932	99,712	-	146,644
Long-term debt, net of current portion	1,737,348	68	-	1,737,416
Derivative financial instruments	40,275	-	-	40,275
Employee benefits and other liabilities	151,070	14,813	-	165,883
Total liabilities	1,975,625	114,593	-	2,090,218
Net assets				
Unrestricted	1,975,338	632,227	(55,885)	2,551,680
Temporarily restricted	11	2,178	-	2,189
Total net assets	1,975,349	634,405	(55,885)	2,553,869
Total liabilities and net assets	$ 3,950,974	$ 748,998	$ (55,885)	$ 4,644,087

See accompanying note to combining supplemental schedules

Novant Health, Inc.
Combined Group Combining Statement of Operations
Year Ended December 31, 2013

(in thousands of dollars)	Obligated Group	Restricted Affiliates	Eliminations	Combined Group Total
Operating revenues				
Net patient service revenue	$ 1,836,124	$1,270,208	$ -	$ 3,106,332
Provision for bad debts	(66,442)	(76,683)	-	(143,125)
Net patient service revenues less provision for bad debts	1,769,682	1,193,525	-	2,963,207
Other revenue	123,555	27,666	(1,857)	149,364
Total operating revenues	1,893,237	1,221,191	(1,857)	3,112,571
Operating expenses				
Salaries and employee benefits	981,432	723,941	-	1,705,373
Supplies and other	666,707	380,021	(1,857)	1,044,871
Depreciation expense	85,564	47,310	-	132,874
Amortization expense	896	222	-	1,118
Interest expense	34,033	15,274	-	49,307
Total operating expenses	1,768,632	1,166,768	(1,857)	2,933,543
Operating income	124,605	54,423	-	179,028
Non-operating income (expense)				
Investment income	136,000	15,575	-	151,575
Income tax benefit (expense)	708	(2)	-	706
Gain (loss) on extinguishment of debt	1,262	(2,469)	-	(1,207)
Other, net	(312)	-	-	(312)
Excess of revenues over expenses	$ 262,263	$ 67,527	$ -	$ 329,790

See accompanying note to combining supplemental schedules

Novant Health, Inc.
Note to Combining Supplemental Schedules
December 31, 2013

The Master Indenture authorizes the creation of a Combined Group, which consists of the Members of the Obligated Group and Restricted Affiliates designated as such by a Member of the Obligated Group with Novant Health's consent Novant Health and its two affiliates that operate tertiary care hospitals, Forsyth Memorial Hospital, Inc d/b/a Novant Health Forsyth Medical Center and The Presbyterian Hospital d/b/a Novant Health Presbyterian Medical Center, both of which are North Carolina nonprofit corporations, are the Members of the Obligated Group The Members of the Obligated Group are jointly and severally liable for the payment of all Master Obligations issued under the Master Indenture

Novant Health has designated twelve of its affiliates as Restricted Affiliates Seven of these Restricted Affiliates, Medical Park Hospital, Inc d/b/a Novant Health Medical Park Hospital, Community General Health Partners, Inc d/b/a Novant Health Thomasville Medical Center, Presbyterian Medical Care Corp d/b/a Novant Health Matthews Medical Center, Brunswick Community Hospital d/b/a Novant Health Brunswick Medical Center, Presbyterian Orthopaedic Hospital, LLC d/b/a Novant Health Charlotte Orthopaedic Hospital, Prince William Hospital Corporation d/b/a Novant Health Prince William Medical Center, and Prince William Hospital System, operate, or maintain a significant investment in, hospitals The other five Restricted Affiliates, Carolina Medicorp Enterprises, Inc , Forsyth Medical Group, LLC, Foundation Health Systems Corp , Novant Medical Group, Inc f/k/a Presbyterian Regional Healthcare Corp and Salem Health Services, Inc , provide, or invest in subsidiaries or joint ventures which provide, health care and ancillary services Restricted Affiliates are not directly obligated to pay Master Obligations, but the Members of the Obligated Group have covenanted in the Master Indenture to cause the Restricted Affiliates to provide funds to the Members of the Obligated Group to pay Master Obligations All of the Members of the Combined Group, except Salem Health Services, Inc , are exempt from federal and North Carolina income taxation