See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

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
Ochsner Clinic Foundation

Doing Business As
Ochsner Medical Center

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1514 Jefferson Highway

City or town, state or province, country, and ZIP or foreign postal code
New Orleans, LA 70121

D Employer identification number
72-0502505

E Telephone number
(504) 842-3400

G Gross receipts $ 5,747,169,570

F Name and address of principal officer
Warner L Thomas
1514 Jefferson Highway
New Orleans, LA 70121

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 ochsner org

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

L Year of formation 1944

M State of legal domicile LA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
Patient Care, Graduate Medical Education, & Medical Research

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	18
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	8
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	15,539
6	Total number of volunteers (estimate if necessary)	6	890
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	1,352,715
b	Net unrelated business taxable income from Form 990-T, line 34	7b	228,706

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	7,751,849	12,533,544
9	Program service revenue (Part VIII, line 2g)	4,773,939,494	5,501,685,541
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	35,407,059	28,147,523
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	12,510,234	7,831,582
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,829,608,636	5,550,198,190
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	58,710	118,035
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)	911,097,681	1,012,889,384
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶507,509		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	3,906,208,612	4,484,851,744
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	4,817,365,003	5,497,859,163
19	Revenue less expenses Subtract line 18 from line 12	12,243,633	52,339,027

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	1,520,412,322	1,710,614,387
21	Total liabilities (Part X, line 26)	951,420,627	1,030,671,665
22	Net assets or fund balances Subtract line 21 from line 20	568,991,695	679,942,722

Part II Signature Block

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

Sign Here

Signature of officer — Date: 2014-11-13

Bobby C Brannon EVP & Treasurer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Joyce Hellums				P00235386

Firm's name ▶ Ernst & Young US LLP — Firm's EIN ▶ 34-6565596

Firm's address ▶ 401 Congress Ave Suite 1800, Austin, TX 78701 — Phone no (512) 478-9881

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

We Serve, Heal, Lead, Educate and Innovate Ochsner will be a global medical and academic leader who will save and change lives We will shape the future of healthcare through our integrated health system, fueled by the passion and strength of our diversified team of physicians and employees

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 $ 5,169,676,466 including grants of $ 8,626) (Revenue $ 5,465,898,029)

Patient Care/Patient Medical Services Ochsner Clinic Foundation consists of four hospitals at six campuses and many clinical locations Served 53,637 inpatients resulting in 258,634 patient days Emergency Room visits totaled 231,032 The number of births totaled 5,058 Outpatient hospital visits totaled 687,375 Physician clinic visits total 1,450,957 377 patients received organ transplants

4b (Code) (Expenses $ 17,651,417 including grants of $ 40,602) (Revenue $ 13,222,551)

Professional Education Ochsner Clinic Foundation ("OCF") operates one of the nation's largest accredited non-university based graduate medical education programs In 2013, 258 residents and fellows were appointed to 23 medical and surgical programs sponsored by OCF Thirty-one (31) additional specialty programs assigned 317 unique residents and fellows (80 scheduled FTEs/mo on average) to OCF for training through combined programs or joint affiliations with the two local medical schools, LSU & Tulane All 54 programs are accredited by the Accreditation Council for Graduate Medical Education In 2009, Ochsner opened the Ochsner Clinical School in partnership with the University Queensland, Australia ("UQ"), providing expanded opportunity for medical students for U S citizens During the school year, 161 UQ students rotated through the University of Queensland, Ochsner Clinical School for their clinical clerkships Through a consortium relationship with Our Lady of Holy Cross College, 18 students in radiologic technology were appointed for clinical training Additionally, a total of 2123 unique medical, allied health, nursing and advanced practice clinician students participate in clinical education across the Ochsner System in 2013 475 unique medical students (non-UQ OCS) 511 unique allied health students, 997 unique nursing students, and 140 unique advanced practice clinician students In aggregate, across all clinical education endeavors, 99 schools and 101 programs were represented for a total of 3,045 student training encounters encompassing 5,126 student months of training across 17 Ochsner clinical sites

4c (Code) (Expenses $ 10,105,440 including grants of $) (Revenue $ 14,455,176)

Elmwood Fitness Center provides fitness services to patients and members of the public

(Code) (Expenses $ 9,226,620 including grants of $ 68,807) (Revenue $ 4,679,002)

Medical Research Currently, Ochsner Clinic Foundation operates five basic science research laboratories with over 400 active clinical trials in 27 clinical areas Approximately 3,000 patients participate in Ochsner Clinical research annually Every, clinical trial is overseen by the Ochsner Institutional Review Board, which provides oversight of the safety of the human subjects participating in clinical trials Ochsner established the Center for Health Research in 2006, the mission of which is to advance knowledge, improve clinical practice, and the health and well-being of the community From inception, over 2,000 patients have been involved in outcomes based research conducted by the Center The Clinical Trial Unit, located on the Baptist Hospital campus, was established in 2012 to provide the ability to carry out Phase I clinical studies From inception, over 100 patients have participated in research studies at the CTU

(Code) (Expenses $ 2,047,230 including grants of $ 0) (Revenue $ 3,430,783)

Rent-Physical plant Ochsner Clinic Foundation rents its physical plant to related 501(c)(3) organizations The majority of the rental is to Brent House Corporation, a wholly-owned subsidiary and exempt 501(c)(3) organization Brent House fully reimburses Ochsner for expenses related to the Hotel

4d Other program services (Describe in Schedule O)

(Expenses $ 11,273,850 including grants of $ 68,807) (Revenue $ 8,109,785)

4e **Total program service expenses** ▶ 5,208,707,173

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	Yes	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b	Yes	
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	Yes	
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	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	1,059		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	15,539			
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	Yes	
b	If "Yes," enter the name of the foreign country ▶ CJ, EI 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**	18		
	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**	8		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**		Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

Section C. Disclosure

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

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

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

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

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

▶Bobby C Brannon 1514 Jefferson Highway
New Orleans, LA 70121 (504) 842-3400

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** ▶										
c **Total from continuation sheets to Part VII, Section A** ▶										
d **Total (add lines 1b and 1c)** ▶								12,962,809	5,859,882	2,079,331

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 ▶ 23

			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
BROADMOOR CO LLC 2740 NORTH ARNOULT RD METAIRIE LA 70002	Construction	22,173,452
LOUISIANA STATE UNIVERSITY 433 BOLIVAR ST NEW ORLEANS LA 70112	Purchased Physician Services	11,078,580
WOODWARD DESIGN & BUILD LLC 1000 S JEFF DAVIS PKWY NEW ORLEANS LA 70125	Construction	4,752,733
TULANE UNIVERSITY 1430 TULANE AVE NEW ORLEANS LA 70112	Purchased Physician Services	2,966,238
OTIS ELEVATOR COMPANY 10 FARM SPRINGS RD FARMINGTON CT 06032	ELEVATOR CONTRACTOR	2,769,096

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 ▶ 117

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	13,783				
	b Membership dues					
	c Fundraising events	534,573				
	d Related organizations					
	e Government grants (contributions)	3,824,280				
	f All other contributions, gifts, grants, and similar amounts not included above	8,160,908				
	g Noncash contributions included in lines 1a-1f $	47,623				
	h **Total.** Add lines 1a-1f		12,533,544			
Program Service Revenue		Business Code				
	2a Patient Service Rev	621110	5,465,898,029	5,462,127,504	432,595	3,337,930
	b Elmwood Fitness Center	713940	14,455,176	14,455,176		
	c Education Revenue	611600	13,222,551	13,222,551		
	d Research Revenue	900099	4,679,002	4,679,002		
	e Rent-Physical Plant	531120	3,430,783			3,430,783
	f All other program service revenue					
	g **Total.** Add lines 2a–2f		5,501,685,541			
	3 Investment income (including dividends, interest, and other similar amounts)		7,426,147		2,210	7,423,937
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties		338,882			338,882
		(i) Real / (ii) Personal				
	6a Gross rents	4,743,943 /				
	b Less rental expenses	1,695,890 /				
	c Rental income or (loss)	3,048,053 /				
	d Net rental income or (loss)		3,048,053			3,048,053
		(i) Securities / (ii) Other				
	7a Gross amount from sales of assets other than inventory	203,251,537 / 6,766,206				
	b Less cost or other basis and sales expenses	188,084,387 / 1,211,980				
	c Gain or (loss)	15,167,150 / 5,554,226				
	d Net gain or (loss)		20,721,376			20,721,376
Other Revenue	8a Gross income from fundraising events (not including $ 534,573 of contributions reported on line 1c) See Part IV, line 18	a 358,920				
	b Less direct expenses	b 520,807				
	c Net income or (loss) from fundraising events		-161,887			-161,887
	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 10,064,850				
	b Less cost of goods sold	b 5,458,316				
	c Net income or (loss) from sales of inventory		4,606,534		917,910	3,688,624
	Miscellaneous Revenue	Business Code				
	11a					
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a–11d					
	12 **Total revenue.** See Instructions		5,550,198,190	5,494,484,233	1,352,715	41,827,698

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	109,409	109,409		
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	8,626	8,626		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	7,508,221	5,947,888	1,560,333	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	658,465	520,264	138,201	
7 Other salaries and wages	867,812,492	757,882,482	109,717,058	212,952
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	19,655,520	16,942,410	2,681,950	31,160
9 Other employee benefits	69,383,580	57,680,854	11,704,113	-1,387
10 Payroll taxes	47,871,106	41,196,600	6,660,577	13,929
11 Fees for services (non-employees)				
a Management	19,026,846	18,007,468	920,273	99,105
b Legal	2,268,818	64,188	2,204,630	
c Accounting				
d Lobbying	739,626		739,626	
e Professional fundraising services See Part IV, line 17				
f Investment management fees	836,179		836,179	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	86,830,489	48,377,529	38,431,824	21,136
12 Advertising and promotion	1,235,792	939,253	293,952	2,587
13 Office expenses	337,249,671	329,499,575	7,696,264	53,832
14 Information technology	6,638,281	1,582,502	5,054,818	961
15 Royalties . .				
16 Occupancy	73,623,294	53,386,178	20,224,984	12,132
17 Travel	1,098,940	712,316	380,057	6,567
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	3,091,339	2,284,787	806,552	
20 Interest	28,897,288	28,492,990	404,298	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	82,370,362	70,079,714	12,259,614	31,034
23 Insurance	27,031,656	23,750,239	3,281,417	
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 Discounts & Allowances	3,449,226,261	3,449,218,616	7,645	
b Outside Provider	123,952,226	123,952,226		
c Bad Debt Expense	87,999,321	84,225,507	3,773,814	
d Charity Care	48,024,242	48,024,242		
e All other expenses	104,711,113	45,821,310	58,866,302	23,501
25 **Total functional expenses.** Add lines 1 through 24e	5,497,859,163	5,208,707,173	288,644,481	507,509
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		48,054,996	1	25,913,855
	2	Savings and temporary cash investments		98,968,251	2	249,965,933
	3	Pledges and grants receivable, net		6,461,859	3	7,811,343
	4	Accounts receivable, net		216,105,099	4	178,349,507
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		1,005,818	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		222,772,571	7	231,626,742
	8	Inventories for sale or use		30,047,767	8	34,135,607
	9	Prepaid expenses and deferred charges		18,518,475	9	23,416,973
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 1,335,255,841			
	b	Less accumulated depreciation	10b 828,298,378	453,170,980	10c	506,957,463
	11	Investments—publicly traded securities		212,541,227	11	234,200,027
	12	Investments—other securities See Part IV, line 11		152,095,717	12	137,875,286
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets		54,510,334	14	54,510,334
	15	Other assets See Part IV, line 11		6,159,228	15	25,851,317
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,520,412,322	16	1,710,614,387
Liabilities	17	Accounts payable and accrued expenses		142,314,599	17	198,464,739
	18	Grants payable			18	
	19	Deferred revenue		11,391,936	19	13,593,231
	20	Tax-exempt bond liabilities		509,447,746	20	504,930,990
	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		77,281,925	23	160,104,729
	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		210,984,421	25	153,577,976
	26	**Total liabilities.** Add lines 17 through 25		951,420,627	26	1,030,671,665
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		513,103,648	27	614,939,145
	28	Temporarily restricted net assets		33,224,097	28	41,744,434
	29	Permanently restricted net assets		22,663,950	29	23,259,143
		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		568,991,695	33	679,942,722
	34	Total liabilities and net assets/fund balances		1,520,412,322	34	1,710,614,387

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	5,550,198,190
2	Total expenses (must equal Part IX, column (A), line 25)	2	5,497,859,163
3	Revenue less expenses Subtract line 2 from line 1	3	52,339,027
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	568,991,695
5	Net unrealized gains (losses) on investments	5	25,135,000
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	33,477,000
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	679,942,722

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	Yes	
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	Yes	

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Joseph R Dalovisio MD Board Member Sr Phys	48 00 2 00	X						359,897	0	45,785
F Ralph Dauterive MD Board Member Sr Phys	48 00 2 00	X						340,185	0	60,857
Angele Davis Community Director	2 00 3 00	X						0	0	0
William H Hines Community Director	2 00 3 00	X						0	0	0
Dennis Kay MD Board Member Sr Phys	48 00 2 00	X						642,887	0	65,575
Yvens G Laborde MD Board Member Sr Phys	47 00 3 00	X						318,973	0	29,131
R Parker LeCorgne Community Director	2 00 3 00	X						0	0	0
George Loss MD PhD Board Member Sr Phys	47 00 3 00	X						807,172	0	26,430
Suzanne T Mestayer Community Director	2 00 3 00	X						0	0	0
Richard Milani MD Board Member Sr Phys	47 00 3 00	X						545,436	0	69,700
Jefferson G Parker Community Director	2 00 3 00	X						0	0	0
Robert J Patrick Community Director	2 00 3 00	X						0	0	0
Dana Smetherman MD Board Member Sr Phys	47 00 3 00	X						535,555	0	29,635
Stephen Stumpf Community Director	2 00 3 00	X						0	0	0
Jose S Suquet Community Director	2 00 3 00	X						0	0	0
David E Taylor MD Board Member Sr Phys	48 00 2 00	X						345,865	0	28,259
Andrew B Wisdom Community Director	2 00 3 00	X						0	0	0
James E Maurin Board Chairman	2 00 3 00	X		X				0	0	0
Patrick J Quinlan MD CEO / Board Member	2 00 48 00	X		X				0	948,256	18,579
Warner L Thomas CEO / Board Member	2 00 48 00	X		X				0	942,814	23,817
Peter November Secretary	1 00 49 00			X				0	345,362	20,280
Bobby C Brannon EVP & Treasurer	44 00 6 00			X				465,535	0	19,227
Michael F Hulefeld EVP & COO	2 00 48 00			X				0	506,776	970,445
Scott J Posecai EVP & CFO	2 00 48 00			X				0	570,651	15,024
Joseph E Bisordi MD Exec VP Chief Medical Officer	1 00 49 00				X			0	1,075,195	103,911

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Polly Davenport CEO-North Shore Region	50 00 0 00				X			298,442	0	43,011
Steven B Deitelzweig MD Medical Director Regional Bus Dev	49 00 1 00				X			380,933	0	30,437
Mark French COO-OMC NO	50 00 0 00				X			229,123	0	25,567
Richard D Guthrie Jr MD Reg Med Dir - N O Reg	49 00 1 00				X			0	399,092	53,943
Robert Hart MD Reg Med Dir - B R Reg	49 00 1 00				X			331,881	0	34,135
Ernest E Martin Jr MD Reg Med Dir - N S Reg	49 00 1 00				X			325,034	0	71,454
J Eric McMillen CEO, Baton Rouge Region	50 00 0 00				X			241,518	0	15,823
Armin Schubert MD VPMA-OMC-Jeff Hwy	50 00 0 00				X			506,093	0	16,577
Beth Walker COO, OMC	50 00 0 00				X			209,222	0	12,865
Robert Wolterman CEO OMC-Jeff Hwy	1 00 49 00				X			0	365,660	45,572
Cuong Bui MD Physician	48 00 2 00					X		1,171,914	0	16,741
Deryk G Jones MD Section Head, Sports Medicine	50 00 0 00					X		826,134	0	24,633
Denis Mello MD Chief, Congenital Cardiac Surgery	50 00 0 00					X		2,188,508	0	20,283
Jose Mena MD Sr Physician	50 00 0 00					X		878,506	0	39,681
Matti Palo Jr MD Sr Physician	50 00 0 00					X		785,259	0	27,914
Scott Boudreaux Former Key Employee	0 00 50 00						X	0	284,102	21,317
Lisa S Colletti Former Key Employee	50 00 0 00						X	228,737	0	8,915
Nancy L Davis Former Key Employee	0 00 50 00						X	0	229,701	35,158
Patrick Shannon Former Key Employee	0 00 50 00						X	0	192,273	8,650

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

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
Ochsner Clinic Foundation

Employer identification number
72-0502505

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	

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

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
Ochsner Clinic Foundation	72-0502505

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)	739,626	
c Total lobbying expenditures (add lines 1a and 1b)	739,626	
d Other exempt purpose expenditures	5,207,967,547	
e Total exempt purpose expenditures (add lines 1c and 1d)	5,208,707,173	
f Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	
g Grassroots nontaxable amount (enter 25% of line 1f)	250,000	
h Subtract line 1g from line 1a If zero or less, enter -0-	0	
i Subtract line 1f from line 1c If zero or less, enter -0-	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	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures	696,090	642,630	698,827	739,626	2,777,173
d Grassroots nontaxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f Grassroots lobbying expenditures				1,500,000	1,500,000

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?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities?			
j	Total Add lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
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 IV Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

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
Ochsner Clinic Foundation

Employer identification number
72-0502505

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	b (c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	28,003,991	26,449,386	29,000,762	27,544,777	23,379,373
b	Contributions	594,194	112,431	113,975	281,209	1,367,746
c	Net investment earnings, gains, and losses	5,096,563	1,850,353	-1,274,665	2,639,534	3,724,506
d	Grants or scholarships					
e	Other expenditures for facilities and programs	1,789,943	408,178	1,390,686	1,464,758	926,848
f	Administrative expenses					
g	End of year balance	31,904,805	28,003,991	26,449,386	29,000,762	27,544,777

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

- a Board designated or quasi-endowment ▶ 4 260 %
- b Permanent endowment ▶ 72 900 %
- c Temporarily restricted endowment ▶ 22 840 %

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)	Yes	
(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	5,312,730	38,620,897		43,933,627
b Buildings	770,412	672,097,591	413,488,961	259,379,042
c Leasehold improvements		68,035,864	36,329,284	31,706,580
d Equipment		463,909,338	353,221,301	110,688,037
e Other		86,509,009	25,258,832	61,250,177
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				506,957,463

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 See Additional Data Table		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	137,875,286	

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
Pension Obligations	113,419,345
Investment in Brent House Hotel (Equity Basis)	7,857,150
Lease Liability	2,285,604
Liability Trust Fund	13,185,668
Worker's Compensation Liability	4,587,589
Contract Retentions	2,591,946
Split Interest Liability	569,345
Reserve for Recoupments	9,081,329
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	153,577,976

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

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
Part V, Line 4	In general, the Organization's Endowment Funds support the following initiatives Medical Research, Graduate Medical Education Program, Medical Lectureships, Fellowship Awards, Anti-Smoking Initiative, Pastoral Care, Alzheimers care, Nursing Education, and Advancement in Anesthesia
Part X, Line 2	OCF and its subsidiaries qualify as tax exempt organizations under Section 501(a) and are described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal and state income taxes Management annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition in the consolidated balance sheets

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

Form 990, Schedule D, Part VII - Investments Other Securities

(a) Description of security or cateory (including name of security)	**(b)**Book value	**(c)** Method of valuation Cost or end-of-year market value
(3)Other		
(A) Comgest Growth Emerging Market	9,386,257	F
(B) AETOS Distressed	499,659	F
(C) AETOS Prime	449,627	F
(D) City of London Global Emerging Markets	18,209,884	F
(E) Park Street Private Equity Fund VI	1,417,058	C
(F) Commonfund Capital International Partners V	800,538	C
(G) Commonfund Capital International Partners VI	1,182,426	C
(H) Commonfund Capital International Partners VII	755,557	C
(I) Commonfund Capital Natural Resources VI	749,926	C
(J) Commonfund Capital Natural Resources VII	3,218,687	C
(K) Commonfund Capital Natural Resources VIII	2,080,115	C
(L) Commonfund Capital Private Equity Partners VI	742,865	C
(M) Commonfund Capital Private Equity Partners VII	710,558	C
(N) Commonfund Capital Ventures Partners VII	454,125	C
(O) Commonfund Capital Ventures Partners VIII	1,513,583	C
(P) Commonfund Capital Ventures Partners IX	1,867,321	C
(Q) J O Hambro Global Select Fund	15,928,600	F
(R) Lexington Capital Partners VII (Offshore)	1,832,848	C
(S) Overstone Global Equity Fund	13,038,816	F
(T) Clifton Defense Equity Fund	25,180,898	F
(U) GMO Benchmark-Free Allocation Fund III	37,855,938	F

Form 990, Schedule D, Part X, - Other Liabilities

1 **(a)** Description of Liability	**(b)** Book Value
Pension Obligations	113,419,345
Investment in Brent House Hotel (Equity Basis)	7,857,150
Lease Liability	2,285,604
Liability Trust Fund	13,185,668
Worker's Compensation Liability	4,587,589
Contract Retentions	2,591,946
Split Interest Liability	569,345
Reserve for Recoupments	9,081,329

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

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

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) Central America and the Caribbean			Investments		2,782,000
(2) Europe			Investments		38,354,000
(3) Central America and the Caribbean			Grants to recipients located in the region		8,626
(4)					
(5)					
3a Sub-total	0	0			41,144,626
b Total from continuation sheets to Part I	0	0			0
c **Totals** (add lines 3a and 3b)	0	0			41,144,626

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Part II can be duplicated if additional space is needed.

1 **(a)** Name of organization	**(b)** IRS code section and EIN (if applicable)	**(c)** Region	**(d)** Purpose of grant	**(e)** Amount of cash grant	**(f)** Manner of cash disbursement	**(g)** Amount of non-cash assistance	**(h)** Description of non-cash assistance	**(i)** Method of valuation (book, FMV, appraisal, other)
(1)								
(2)								
(3)								
(4)								

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶ _____

3 Enter total number of other organizations or entities . . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)	Educational Program Support	Central America & the Caribbean	200	2,180	Cash/Wire	5,746	Textbook/Supplies	FMV
(2)	Financial Support	Central America & the Caribbean	5	700	Cash			
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								
(17)								
(18)								

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*	☑ Yes	☐ No
2	Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*	☐ Yes	☑ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*	☑ Yes	☐ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*	☐ Yes	☑ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*	☐ Yes	☑ No

Part V Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

990 Schedule F, Supplemental Information

Return Reference	Explanation
Part I, Line 2	All international grants obtain an additional layer of approval from the Internal Audit an d Compliance department The Director of Internal Audit ensures compliance with donor rest rictions, reviews payment procedures and tracks the use of proceeds

990 Schedule F, Supplemental Information

Return Reference	Explanation
Part I, line 3	This section reflects the book value of foreign investments made in 2013 and prior years Investments and values are as follow Central America and the Caribbean AETOS Capital Distressed Investment Strategies Cayman Fund $595,000 AETOS Capital Long/Short Strategies Cayman Fund $174,000 AETOS Capital Multi-Strategy Arbitrage Cayman Fund $180,000 Lexington Capital Partners VII (Offshore), Cayman Islands $1,833,000 Europe Comgest Growth Emerging Markets, c/o RBC Dexia Investor Services, Ireland $9,386,000 J O Hambro Capital Management, c/o RBC Dexia Investor Services, Ireland $15,929,000 Overstone Fund PLC, c/o Northern Trust Int'l Fund Admin Services, Ireland $13,039,000

990 Schedule F, Supplemental Information

Return Reference	Explanation
Part III, Col (c)	The estimated number of recipients that received direct support from the educational program is 200+

990 Schedule F, Supplemental Information

Return Reference	Explanation
Part III, Column F	The method of accounting for part III is the accrual method The educational program suppo rt included staff salary, program supplies including an egg incubator, textbooks, and food

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

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
Ochsner Clinic Foundation

Employer identification number
72-0502505

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 Moonlights & Miracles (event type)	(b) Event #2 Ochsner Pediatric Run (event type)	(c) Other events 5 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	655,399	80,443	157,651	893,493
	2 Less Contributions	358,747	53,301	122,525	534,573
	3 Gross income (line 1 minus line 2)	296,652	27,142	35,126	358,920
Direct Expenses	4 Cash prizes				
	5 Noncash prizes			130	130
	6 Rent/facility costs	85,430	3,676	14,690	103,796
	7 Food and beverages	118,993	257	13,170	132,420
	8 Entertainment	21,200	250	25,946	47,396
	9 Other direct expenses	191,216	23,417	22,432	237,065
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(520,807)
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				-161,887

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: 93493317051804

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
Ochsner Clinic Foundation

Employer identification number
72-0502505

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 _____ %			
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	Yes	
	☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other 38000 0000000000 %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b		No
	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)			46,508,000		46,508,000	0 850 %
b Medicaid (from Worksheet 3, column a)						
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			46,508,000		46,508,000	0 850 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			49,531,598	168,623	49,362,975	0 900 %
f Health professions education (from Worksheet 5)			15,522,000		15,522,000	0 280 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)			5,967,552		5,967,552	0 110 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			271,782	123,997	147,785	0 %
j **Total.** Other Benefits			71,292,932	292,620	71,000,312	1 290 %
k **Total.** Add lines 7d and 7j			117,800,932	292,620	117,508,312	2 140 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development			74,947	906	74,041	0 %
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development			286,499	186,764	99,735	0 %
9 Other						
10 **Total**			361,446	187,670	173,776	

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		No
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	31,856,108		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	250,884,667	
6	Enter Medicare allowable costs of care relating to payments on line 5	6	248,383,676	
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	2,500,991	
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used			

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

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

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year?
6

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group Ochsner Medical Ctr-West Bank Campus

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**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) www.ochsner.org/assessment			
b	☐ Other website (list url)			
c	☐ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☑ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☑ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☑ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**	Yes	
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 Ochsner St Anne General Hospital

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 5

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

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☑ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☑ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information *(continued)*

Section 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 Ochsner Medical Center-Baton Rouge

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 3

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	**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**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) www.ochsner.org/assessment			
b	☐ Other website (list url)			
c	☐ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☑ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☑ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☑ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**	Yes	
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 Ochsner Medical Center-North Shore

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 4

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	**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**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) www.ochsner.org/assessment			
b	☐ Other website (list url)			
c	☐ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☑ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☑ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☑ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**	Yes	
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 Ochsner Main Campus and Elmwood Campus

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)

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

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 380 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☑ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☑ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☑ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**	Yes	
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
See Add'l Data	

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? **61**

	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 3c	A Payment Advisor Score (PAS) is taken into consideration during the presumptive financial assistance process, however if a patient requests financial assistance, the PAS is not considered The PAS is provided by a third party tool
Part I, Line 7	Explanation OCF provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Records of charges foregone for services and supplies furnished under the charity care policy are maintained to identify and monitor the level of charity care provided Because OCF does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue OCF estimates its costs of care provided under its charity care programs by applying a ratio of direct and indirect costs to charges to the gross foregone charges associated with providing care to charity patients OCFs gross charity care charges include only services provided to patients who are unable to pay and qualify under OCFs charity care policies The ratio of cost to charges is calculated based on OCFs total expenses divided by gross patient revenue

Form and Line Reference	Explanation
Part I, Ln 7 Col(f)	The Bad Debt expense included on Form 990, Part IX, Line 25, Column (A), but subtracted for purposes of calculating the percentage in this column is $ 31,856,108
Part I, Line 6a	The community benefit report prepared by Ochsner Clinic Foundation is representative of the entire health system, including Ochsner Clinic Foundation The amounts reported in Schedule H are those amounts that are either directly incurred by Ochsner Clinic Foundation or those that have been allocated to Ochsner Clinic Foundation as a reimbursement to another organization

Form and Line Reference	Explanation
Part II, Community Building Activities	Ochsner endeavors to promote the health of the communities it serves through community building activities Ochsner Community Hospitals promote economic growth in these areas by partnering and supporting organizations like Greater New Orleans Inc, Jefferson Economic Development Corporation, New Orleans Chamber Foundation, local neighborhood associations and child development programs like the Girl Scouts of America It also aims to engage and inspire high school students to pursue further education and careers in science and medicine through its STAR ("Science, Technology, Academics and Research") program, a free, five-week summer program that provides qualified high school students with a unique opportunity to work in a student healthcare laboratory setting and BEST! Science which offers science teachers the opportunity to bring students to Ochsner's iLab where they can perform experiments designed by our PhD scientists Ochsner provides programs to the communities we serve to increase their knowledge of healthy foods, through our CHOP (Cooking Healthy Options and Portions) afterschool cooking program at Jefferson parish schools and through our Eat Fit NOLA program which assists local restaurants to develop healthy menu items Through our partnership with Rouses Markets, Ochsner identifies healthy items in the stores and provides nutritionist tours for the community to learn how to shop healthy
Part III, Line 2	Bad debt expense at cost is calculated by applying the ratio of patient care cost to charges to the bad debt expense calculated using the above methodology

Form and Line Reference	Explanation
Part III, Line 4	The footnote in the organizations financial statement that describes bad debt expense is described in the section entitled Managed Care, beginning on page 47 of the attached Financial Statements
Part III, Line 8	Total revenue from Medicare has been taken from the E Series in the Medicare Cost Reports They do not include Medicare Advantage or payments related to Education or Research, in compliance with the instructions Worksheet D Part V Line 202 Column 5 was used for outpatient costs and Worksheet D-1 Part II Line 49, and Worksheet D-1 Part III Line 86, and Worksheet E Part A Line 55 was used for inpatient costs The cost reports for Ochsner Clinic Foundation (Provider No 19-0036) and Ochsner Bayou LLC (Provider No 19-1324) cover the period 1/1/2013 - 12/31/2013 The cost report for Ochsner Medical Center - Baton Rouge (Provider No 19-0202) covers the period 10/1/2012 - 9/30/2013 The cost report for Ochsner Medical Center - North Shore (Provider No 19-0204) covers the period 4/1/2013 - 3/31/2014

Form and Line Reference	Explanation
Part III, Line 9b	Upon granting approval for 100% assistance, all collection efforts for that account will cease, the account will not be turned over to a collection agency, and Ochsner will not impose extraordinary collection efforts such as wage garnishments or liens
Part VI, Line 2	Ochsner serves the needs of the various communities throughout Southeast Louisiana through its commitment to exemplary patient care, medical research and education Ochsner Clinic Foundation is part of Ochsner Health System, which comprises a total of eight hospitals (including three satellite locations) and approximately 55 health centers throughout Southeast Louisiana In order to identify the needs of the community, Ochsner reviews local and state publicly available data regarding the health status and issues in its region Ochsner works with community organizations that collect information on their areas of focus to identify trends and areas where Ochsner has expertise that can make an impact Ochsner collaborates with multiple community stakeholders to identify specific community needs in its regions Ochsner then reviews these needs and determines where it can best use its resources and expertise to affect those needs One of Ochsner's main focuses is to develop partnerships to address root causes of issues Examples of Ochsner's commitment to the community can be found in Part VI, Line 5 Ochsner participated with the Metropolitan Hospital Association to conduct a region-wide Community health needs assessment which included all not for profit hospitals in the region The applicable Community health needs assessments for each facility may be found in Part V, Section B as required

Form and Line Reference	Explanation
Part VI, Line 3	All uninsured patients are screened for Medicaid This process takes place at the time of service, inpatient admissions, and if the patient is not screened at the time, the patient is contacted at home to determine eligibility In 2013, Ochsner was able to obtain Medicaid coverage for approximately 14,000 patients If the patients do not qualify for Medicaid, then they will be evaluated under the financial assistance policy Internal customer service departments and external partners including collection agencies provide patients with financial assistance applications if patients express concerns about the inability to pay outstanding balances Ochsner also offers no interest payment plan options with payment terms ranging from six to 60 months
Part VI, Line 4	Ochsner Clinic Foundation is a multi-specialty healthcare delivery system consisting of seven hospitals (including three satellite locations) and approximately 55 health centers in Southeast Louisiana Ochsner Clinic Foundation is part of Ochsner Health System, southeast Louisiana's largest non-profit, academic, multi-specialty, healthcare delivery system with eight hospitals (including three satellite locations) and approximately 55 health centers Ochsner employs approximately 995 physicians in over 90 medical specialties and subspecialties Ochsner Clinic Foundation's patients vary in age, gender, and race due to the multi-specialty nature of the system As of 2013, Ochsner Clinic Foundation's service area includes 2 5 million of Louisiana's 4 6 million people At 18 7%, Louisiana has the second highest poverty level in the nation and about 37% of the population receives Medicaid or is uninsured Approximately 565,000 or 22 4% receive Medicaid and approximately 358,000 or 14 2% are uninsured The original Ochsner facility, Ochsner Medical Center, is located in Jefferson Parish, LA, approximately 1 mile from the western boundary of the city of New Orleans Ochsner Medical Center, a 550 bed hospital, includes acute and sub-acute facilities Ochsner Centers of Excellence include the Ochsner Cancer Institute, Ochsner Multi-Organ Transplant Center and Ochsner Heart and Vascular Institute Ochsner Hospital-Elmwood is a satellite of Ochsner Medical Center, providing inpatient rehabilitation services Ochsner Baptist Medical Center, which was leased from Ochsner Community Hospitals beginning in March 2013, is a 72-bed satellite of Ochsner Medical Center, providing general medical and surgical acute care, an all-new Womens Pavilion offering full scope services for women of all ages and their newborns, imaging, and laser vision services Ochsner Medical Center-West Bank Campus is a 166-bed satellite of Ochsner Medical Center, providing general medical and surgical acute care, emergency services and obstetrics, and is located on the West Bank of the Mississippi River within minutes of downtown New Orleans OMC West Bank is easily accessible to three major parishes Jefferson, Orleans and Plaquemines Ochsner Medical Center and its three satellite hospitals serve the New Orleans Metropolitan Standard Area, which includes eight parishes surrounding New Orleans The Metropolitan Standard Area population is approximately 1 2 million and about 39% of the population receives Medicaid or is uninsured The poverty rate in the New Orleans Metro area is 19 5%, 27% in New Orleans itself Approximately 316,000 or 25% receive Medicaid and approximately 175,000 or 14% are uninsured Ochsner Medical Center-Baton Rouge is a 145-bed hospital located in the city of Baton Rouge within East Baton Rouge parish East Baton Rouge parish has a population of about 815,000 people, of which about 103,000 were uninsured and about 156,000 received Medicaid Ochsner St Anne General Hospital is a 35-bed acute care hospital that serves Lafourche parish, where it is located, and the surrounding parishes The bayou region has a population of about 283,000 people, of which about 36,000 were uninsured and about 49,000 received Medicaid Ochsner Medical Center-North Shore is a 157-bed acute care facility located in Slidell, LA and serving the north shore of Lake Pontchartrain, north of New Orleans, LA The population of its service area is approximately 520,000 people of which about 66,000 were uninsured and about 100,000 received Medicaid

Form and Line Reference	Explanation
Part VI, Line 5	Having a diverse representation of the community in the governing boards is an important part of making sure all aspects of the community Ochsner serves are being touched by the mission and vision of the organization The by-laws of both Ochsner Clinic Foundation and Ochsner Health System call for 10 members of the total 19 board members to be community members The Chief Executive Officer serves on the Board by virtue of his or her office, however, a majority of Board members are prominent multi-disciplinary business and community leaders The remaining board members are senior physician employees of Ochsner Clinic Foundation elected by their peers in accordance with Ochsner Clinic Foundation by-laws Ochsner Clinic Foundation is an educational and research-oriented medical center, operating one of the nation's largest accredited non-university based graduate medical education programs, covering 44 different medical, surgical and specialty programs Ochsner partners with the Louisiana State University and Tulane University Medical Schools, in addition to a consortium relationship with Our Lady of Holy Cross College for allied health and nursing programs In 2009, Ochsner opened the Ochsner Clinical School through an international partnership with the University of Queensland, Australia which allows US citizens to complete the first two years of Medical School in Australia and the second two years of Medical School at Ochsner Ochsner's focus on research includes approximately 350 open clinical research trials in almost every specialty Ochsner operates ten basic science/transitional research laboratories and Ochsner scientists publish over 200 journal articles and book chapters each year Donations and grants do not cover all of the research related costs In addition to supplying the community's future healthcare providers and providing research to improve medical outcomes, Ochsner is also focused on improving the lifestyle of the patients it serves Research has proven that many chronic health problems, such as diabetes, obesity and hypertension, are primarily caused by lifestyle choices In order to reduce chronic disease in the community, Ochsner needs to change the choices and behaviors through exercise, nutrition and promotion of preventative health behaviors Ochsner has embarked on an ambitious project to transform the health and wellness of its community, using schools as the focal point Change the Kids, Change the Future(TM) is an overarching philosophy to alleviate the cause instead of the symptom The goal is to teach children how to make good lifestyle choices to affect meaningful, lasting change for the health and wellness of the community Ochsner currently provides two nurse practitioners at local high schools that staff fully functional clinics that see students through scheduled appointments and walk in visits They also work with the schools to help educate the students about healthy choices Ochsner also targets childhood obesity through a program at its fitness center, EFC On the Move - Driving to Fight Childhood Obesity, where children ages 9-13 learn about health and fitness in a non-competitive environment via Elmwood Fitness Center's Mobile Fitness Unit The mobile unit provides fitness classes and weight training equipment Licensed dieticians provide healthy nutrition information and the staff performs pre- and post- program measurements and exercise performance assessments In 2013, Ochsner implemented an after school cooking program (CHOP) for middle school students in Jefferson parish public schools Knowledge and behavioral improvement has been promising and the program will be expanded to other venues Ochsner is also an advocate for the health and wellness of adults Ochsner provided various free health screenings, such as glucose, blood pressure and total cholesterol, and health information to over 2,000 people at public health fairs Ochsners community outreach programs directly impacted over 46,500 individuals across our regions and reached over 96,000 people through our participation in community events Ochsner also educates people about the benefits of smart food and lifestyle choices, disease prevention and regular medical checkups throughChoose Healthy!, a partnership with Rouse's grocery stores In addition to the in-store activities, the community is able to access recipes and information on smart food choices, proper meal planning and disease-specific diet alternatives at www choose-healthy org Ochsner also helps people stop smoking with its Tobacco Control & Prevention Program by attending corporate wellness events and partnering with area schools to provide educational materials and support Ochsner implemented 2 smoking cessation clinics (Jefferson highway and Slidell) to provide free smoking cessation services to patients who are eligible for the Tobacco Trust program Ochsners nutritionists developed and implemented Eat Fit NOLA which offers a free service to local restaurants to offer healthy menu items, either by evaluating existing recipes or assisting in the development of new ones Over 30 restaurants have signed up to participate in the program Ochsner and four other health care providers formed five non-profit organizations to collaborate with the State of Louisiana and several units of local government in Louisiana to more fully fund the Medicaid program and ensure the availability of quality healthcare services for the low income and needy population Ochsner contributed over $48 million to the collaboratives in 2013
Part VI, Line 6	Ochsner Health System is the supporting organization to Ochsner Clinic Foundation and Ochsner Community Hospitals, all related 501(c)(3) corporations While each of the eight hospitals with the System promote the health within the separate geographical communities that they service, many overall community health initiatives are coordinated by Ochsner Health System, which is then reimbursed by the respective entities

Form and Line Reference	Explanation
Part VI, Line 7	The Organization does not file a community benefit rteport with any State

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

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	Ochsner Medical Center-Main Campus 1514 Jefferson Highway New Orleans, LA 70121	Clinic
2	Ochsner Health Center-Baton Rouge Summa 9001 Summa Ave Baton Rouge, LA 70809	Clinic
3	Ochsner Health Center-Covington 1000 Ochsner Boulevard Covington, LA 70433	Clinic
4	Ochsner Health Center for Primary Care a 1401 Jefferson Hwy Rear Bldg New Orleans, LA 70121	Clinic
5	Ochsner Health Center-West Bank (Meadowc 120 Meadowcrest St Gretna, LA 70056	Clinic
6	Ochsner Health Center For Children-New O 1315 Jefferson Highway New Orleans, LA 70121	Clinic
7	Ochsner Health Center-Ochsner Baptist 2626-2820 Napoleon Ave New Orleans, LA 70115	Clinic
8	Ochsner Health Center-Metairie 2005 Veterans Blvd Metairie, LA 70002	Clinic
9	Ochsner Health Center-Slidell 2750 E Gause Blvd Slidell, LA 70461	Clinic
10	Ochsner Kenner Medical Office Building 180-200 West Esplanade Ave Kenner, LA 70065	Clinic
11	Ochsner Health Center-Baton Rouge 16777 17000 17050 Medical Center Dr Baton Rouge, LA 70816	Clinic
12	Ochsner Health Center-Slidell 103-105 Medical Center Dr1850 E Gause Slidell, LA 70461	Clinic
13	Ochsner Health Center-Lapalco 4225 Lapalco Blvd Marrero, LA 70072	Clinic
14	Ochsner Lieselotte Tansey Breast Center 1319 Jefferson Highway New Orleans, LA 70121	Clinic
15	Ochsner Health Center-Central 11424-2 Sullivan Rd Central, LA 70818	Clinic
16	Ochsner Health Center-Driftwood 2120 Driftwood Blvd Kenner, LA 70065	Clinic
17	Elmwood Fitness Center-Elmwood 1200 S Clearview Pkwy New Orleans, LA 70123	Clinic
18	Ochsner Health Center-Tangipahoa 41676 Veterans Ave Hammond, LA 70403	Clinic
19	Ochsner Health Center For Children-Metai 4901 Veterans Memorial Blvd Metairie, LA 70001	Clinic
20	Ochsner Physical Therapy-Metairie 850 Veterans Blvd Metairie, LA 70005	Clinic
21	Ochsner Health Center-Prairieville 16222 Airline Hwy Ste A Prairieville, LA 70769	Clinic
22	Ochsner St Anne Family Doctor Clinic-Ma 111 Acadia Dr Raceland, LA 70394	Clinic
23	Baptist McFarland Medical Office Bldg 4429 Clara Street New Orleans, LA 70115	Clinic
24	Ochsner Womens and Children's Health Cen 101 East Fairway Dr Suites 301 302 Covington, LA 70433	Clinic
25	Ochsner Health Center-Baton Rouge Jeffe 8150 Jefferson Hwy Baton Rouge, LA 70809	Clinic
26	Ochsner Health Center-Lakeview 101 West Robert E Lee Suite 201 New Orleans, LA 70124	Clinic
27	Ochsner Health Center-Elmwood 1201 1221 S Clearview Pkwy New Orleans, LA 70121	Clinic
28	Ochsner Research and Academics 1401 Jefferson Hwy Front Bldg New Orleans, LA 70121	Clinic
29	Ochsner St Anne General Women's Health 104 Acadia Park Dr Raceland, LA 70394	Clinic
30	Ochsner Health Center For Children-Slide 2370 E Gause Blvd Slidell, LA 70461	Clinic
31	Ochsner Health Center-Denham Springs 30819 LA Hwy 16 Denham Springs, LA 70726	Clinic
32	Ochsner Health Center-Belle Chasse 7772 Belle Chasse Hwy Belle Chasse, LA 70037	Clinic
33	Ochsner Outpatient Rehabilitation-Harvey 3820 Lapalco Blvd Harvey, LA 70058	Clinic
34	Ochsner Health Center-Algiers 3401 Behrman Place Algiers, LA 70114	Clinic
35	Ochsner Health Center-Gretna 441 Wall Blvd Gretna, LA 70056	Clinic
36	Ochsner Health Center-Sherwood 170 McGehee Baton Rouge, LA 70815	Clinic
37	Ochsner Heart and Vascular Health Center 16045 Doctors Blvd Hammond, LA 70403	Clinic
38	Ochsner Health Center-Abita Springs 22070 Highway 59 Suite C Abita Springs, LA 70420	Clinic
39	Ochsner Children's Health Center-Destreh 1970 Ormond Boulevard Destrehan, LA 70047	Clinic
40	Ochsner Health Center-Mandeville 2810 East Causeway Approach Mandeville, LA 70448	Clinic
41	Ochsner St Anne General Health Center-L 1015 Crescent Ave Lockport, LA 70374	Clinic
42	Ochsner Health Center-Luling 1057 Paul Maillard Rd Luling, LA 70070	Clinic
43	Elmwood Fitness Center-Metairie (at Heri 111 Veterans Blvd Metairie, LA 70005	Clinic
44	Ochsner Health Center-Eyecare Iberville 25420 LA Hwy 1 Plaquemine, LA 70764	Clinic
45	Ochsner St Anne General Behavioral Heal 4608 Hwy 1 Raceland, LA 70394	Clinic
46	Ochsner Health Center-Harding 7855 Howell Place Blvd Baton Rouge, LA 70807	Clinic
47	Elmwood Fitness Center-Downtown 701 Poydras Street Annex New Orleans, LA 70139	Clinic
48	Ochsner Health Center-Mid-City 411 N Carrollton Ave Ste 4 New Orleans, LA 70119	Clinic
49	Ochsner Health Center (River Parishes Of 502 Rue De Sante Ste 206 Laplace, LA 70068	Clinic
50	Kidsports-Elmwood Fitness Center 1200 S Clearview Pkwy New Orleans, LA 70123	Clinic
51	Ochsner Health Center-Slidell West 2104 Gause Blvd West Slidell, LA 70460	Clinic
52	Elmwood Gymnastics Academy Elmwood Fitne 700 Elmwood Park Blvd New Orleans, LA 70123	Clinic
53	Ochsner Health Center-Denham Springs Sou 139 Veterans Denham Springs, LA 70726	Clinic
54	Ochsner Health Center-Plaquemine 24730 Plaza Dr Plaquemine, LA 70764	Clinic
55	Elmwood Fitness Center-Kenner 200 West Esplanade Suite 112 Kenner, LA 70065	Clinic
56	Bayou Nephrology Houma 108 Picone Rd Houma, LA 70363	Clinic
57	Elmwood Fitness Center-Brent House 1512 Jefferson Hwy New Orleans, LA 70121	Clinic
58	Concentra Medical Office Building (Loss 4015 Jefferson Highway Jefferson, LA 70121	Clinic
59	Ochsner St Anne General Health Center-R 106 Cypress St Raceland, LA 70394	Clinic
60	Ochsner St Anne General Women's Health 195 West 134th St Cut Off, LA 70345	Clinic
61	Ochsner Specialty Health Center For Chil 107 Smart Pl Slidell, LA 70458	Clinic

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

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
Ochsner Clinic Foundation

Employer identification number
72-0502505

Part I General Information on Grants and Assistance

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

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

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Louisiana State University 433 Bolivar New Orleans, LA 70112	72-6087770	501(c)(3)	40,602	0			General Support for Diabetes Study
(2) Tulane University 1430 Tulane Ave TW34 New Orleans, LA 70112	72-0423889	501(c)(3)	15,776	0			General Support for Health Care Innovation Awards Grant
(3) LHC Group Inc 420 W Pinhook Ste A Lafayette, LA 70503	71-0918189		53,031	0			General Support for Healthcare Innovation Awards Grant

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

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

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

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

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

Return Reference	Explanation
Part I, Line 2	The organization maintains records to substantiate the amount of grants and assistance through a grant application process Grantees' ability to perform is vouched for and credit vouchers of performing persons at respective organizations are obtained Use of grant funds is monitored by the normal accounts payable process that the organization has in place All payments made to grantees are approved by appropriate persons associated with primary grant awards who are knowledgeable of work product on grants In addition to the approval process, the organization has a process in place to ensure that requested payments are in line with approved budgets submitted by subrecipients

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

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
Ochsner Clinic Foundation

Employer identification number
72-0502505

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**		
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**		
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**	Yes	
b	Any related organization?	**6b**	Yes	
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation
Part I, Lines 4a-b	Part I, Line 4a Joan K Mollohan received a severance payment in the amount of $116,223 68 from Ochsner Health System Part I, Line 4b Warner Thomas, President and Chief Executive Officer of Ochsner Health System, a related organization, President of Ochsner Clinic Foundation for the entire year, and Chief Executive Officer of Ochsner Clinic Foundation as of June 30, 2013, Patrick Quinlan, M D , Chief Executive Officer of Ochsner Clinic Foundation until June 30, 2013, Michael Hulefeld, Executive Vice President and Chief Operating Officer, Scott Posecai, Executive Vice President and Chief Financial Officer, and Bobby Brannon, Executive Vice President and Treasurer participate in a Supplemental Executive Retirement Plan (SERP) which is part of the terms and conditions of their employment contracts with Ochsner Health System and Ochsner Clinic Foundation and is based on a targeted replacement of a set percentage of their salary at age 65 The SERP is classified as a Supplemental Non-Qualified Retirement Plan This benefit is funded in a Trust Account with Capital One Bank The increase in actuarial value for Mr Hulefeld during 2013 was $943,325, which is included within Schedule J, Part II, Column C None of the other participants had increases in actuarial value or distributions Joseph Bisordi, M D , Executive Vice President and Chief Medical Officer, participates in a Non-Qualified supplemental plan which is part of the terms and conditions of his employment contract with Ochsner Health System The retirement calculation is a defined amount as a percent of base pay, calculated annually, and is earned in two vesting periods, one on March 31, 2013, age 63, and one following age 67 on September 18, 2016 This benefit is funded in a Trust Account with Capital One Bank Dr Bisordi received a distribution of $480,546 60 in 2013 The increase in actuarial value was $86,100 Polly Davenport, CEO-North Shore Region, Michelle Dodenhoff, SVP & Chief Dev Officer, David Gaines, CEO-Sys Retail & Mkt, Richard Guthrie, Jr , M D , Reg Med Dir N O Reg, Robert Hart, M D , Reg Med Dir B R Reg, Ernest E Martin, Jr , M D , Reg Med Dir N S Reg, Mark Muller, System VP-Strategy & Bus Dev, William W Pinsky, M D , EVP/Chief Academic Officer, and Robert Wolterman, CEO OMC-Jeff Hwy participate in a 457(f) non-qualified, unfunded, deferred compensation plan, which was adopted in 2013 The Plan allows for discretionary initial contributions, subject to a two-year vesting requirement, annual fixed contributions based on a percent of base pay and subject to a three-year vesting requirement, and annual discretionary contributions based on a percent of base pay or a flat-dollar amount and subject to a three-year vesting requirement None of the deferred amounts have vested in 2013
Part I, Line 6	Part I, Line 6 The Physician and Executive Compensation Committee of the Ochsner Health System Board of Directors reviews and approves all officer executive incentive plans, which include those for the Officers the President and CEO, COO, CFO, Treasurer, Regional Medical Directors, and Executive Vice Presidents All the incentive payouts are audited by the Board Internal Audit Committee For the 2012 incentive plan, which would have been paid in 2013, the organization did not meet annual financial targets, and therefore the compensation committee did not approve the payment of the Annual Incentive Plan The structure of the Annual Incentive Plan includes seven weighted components a System Financial Metric, which consists of Operating Margin, a Human Capital Metric consisting of turnover results, a Patient Satisfaction Metric, three Quality Metrics based on provision of all recommended care and mortality and complication indexes, and a Subjective metric based on their personal performance targets Annually, the officers of Ochsner Health System review and approve executive incentive plans for the executive and physician leadership group The plans are developed similar to the officer incentive plans with weighted components, including a subjective metric The subjective metric is assigned by the officer responsible for the executive or physician leader as their direct report and the CEO approves all bonuses for this group of management All bonus amounts are provided in Schedule J Part II in Column B(ii)
Part I, Line 7	Subjective components of incentive plan are described in description of Part I, Line 6 In addition, several non-fixed payments were made in 2013 The following were included in Schedule J Part II in Column B(ii) finalization of the 2012 Physician Compensation Plan, physician performance bonus, primary care new patient incentive plan, and retention bonus The following was included in Schedule J Part II in Column B(iii) loan forgiveness per private letter agreement

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

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				
Joseph R Dalovisio MD Board Member Sr Phys	(I) (II)	352,296 0	2,500 0	5,101 0	35,612 0	10,173 0	405,682 0	0 0
F Ralph Dauterive MD Board Member Sr Phys	(I) (II)	337,002 0	963 0	2,220 0	45,399 0	15,458 0	401,042 0	0 0
Dennis Kay MD Board Member Sr Phys	(I) (II)	639,799 0	0 0	3,088 0	51,791 0	13,785 0	708,463 0	0 0
Yvens G Laborde MD Board Member Sr Phys	(I) (II)	292,247 0	25,200 0	1,526 0	13,849 0	15,282 0	348,104 0	0 0
George Loss MD PhD Board Member Sr Phys	(I) (II)	763,887 0	40,750 0	2,535 0	9,569 0	16,861 0	833,602 0	0 0
Richard Milani MD Board Member Sr Phys	(I) (II)	511,982 0	22,500 0	10,954 0	52,918 0	16,782 0	615,136 0	0 0
Dana Smetherman MD Board Member Sr Phys	(I) (II)	535,555 0	0 0	0 0	13,318 0	16,317 0	565,190 0	0 0
David E Taylor MD Board Member Sr Phys	(I) (II)	345,865 0	0 0	0 0	11,342 0	16,917 0	374,124 0	0 0
Patrick J Quinlan MD CEO / Board Member	(I) (II)	0 912,700	0 0	0 35,556	0 6,800	0 11,779	0 966,835	0 0
Warner L Thomas CEO / Board Member	(I) (II)	0 912,688	0 0	0 30,126	0 6,800	0 17,017	0 966,631	0 0
Peter November Secretary	(I) (II)	0 341,784	0 0	0 3,578	0 0	0 20,280	0 365,642	0 0
Bobby C Brannon EVP & Treasurer	(I) (II)	425,843 0	0 0	39,692 0	6,800 0	12,427 0	484,762 0	0 0
Michael F Hulefeld EVP & COO	(I) (II)	0 475,071	0 0	0 31,705	0 950,125	0 20,320	0 1,477,221	0 0
Scott J Posecai EVP & CFO	(I) (II)	0 545,896	0 0	0 24,755	0 6,800	0 8,224	0 585,675	0 0
Joseph E Bisordi MD Exec VP Chief Medical Officer	(I) (II)	0 1,053,408	0 0	0 21,787	0 92,900	0 11,011	0 1,179,106	0 480,547
Polly Davenport CEO- North Shore Region	(I) (II)	294,447 0	0 0	3,995 0	31,800 0	11,211 0	341,453 0	0 0
Steven B Deitelzweig MD Medical Director Regional Bus Dev	(I) (II)	364,759 0	13,798 0	2,376 0	12,655 0	17,782 0	411,370 0	0 0
Mark French COO- OMC NO	(I) (II)	227,814 0	0 0	1,309 0	6,800 0	18,767 0	254,690 0	0 0
Richard D Guthrie Jr MD Reg Med Dir - N O Reg	(I) (II)	0 394,980	0 0	0 4,112	0 37,672	0 16,272	0 453,036	0 0
Robert Hart MD Reg Med Dir - B R Reg	(I) (II)	320,477 0	10,000 0	1,404 0	31,800 0	2,335 0	366,016 0	0 0

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				
Ernest E Martin Jr MD Reg Med Dir - N S Reg	(I) (II)	322,084 0	100 0	2,850 0	60,359 0	11,096 0	396,489 0	0 0
J Eric McMillen CEO, Baton Rouge Region	(I) (II)	239,351 0	0 0	2,167 0	5,978 0	9,845 0	257,341 0	0 0
Armin Schubert MD VPMA-OMC-Jeff Hwy	(I) (II)	497,602 0	0 0	8,491 0	6,800 0	9,777 0	522,670 0	0 0
Beth Walker COO, OMC	(I) (II)	198,166 0	10,000 0	1,056 0	6,325 0	6,540 0	222,087 0	0 0
Robert Wolterman CEO OMC-Jeff Hwy	(I) (II)	0 362,130	0 0	0 3,530	0 31,800	0 13,772	0 411,232	0 0
Cuong Bui MD Physician	(I) (II)	844,385 0	212,985 0	114,544 0	6,800 0	9,941 0	1,188,655 0	0 0
Deryk G Jones MD Section Head, Sports Medicine	(I) (II)	794,467 0	2,937 0	28,730 0	10,115 0	14,517 0	850,766 0	0 0
Denis Mello MD Chief, Congenital Cardiac Surgery	(I) (II)	987,765 0	0 0	1,200,743 0	6,800 0	13,483 0	2,208,791 0	0 0
Jose Mena MD Sr Physician	(I) (II)	579,452 0	60,928 0	238,126 0	22,664 0	17,017 0	918,187 0	0 0
Matti Palo Jr MD Sr Physician	(I) (II)	582,397 0	173,662 0	29,200 0	6,800 0	21,114 0	813,173 0	0 0
Scott Boudreaux Former Key Employee	(I) (II)	0 279,627	0 0	0 4,475	0 6,800	0 14,517	0 305,419	0 0
Lisa S Colletti Former Key Employee	(I) (II)	222,109 0	0 0	6,628 0	6,800 0	2,115 0	237,652 0	0 0
Nancy L Davis Former Key Employee	(I) (II)	0 226,059	0 0	0 3,642	0 29,127	0 6,031	0 264,859	0 0
Patrick Shannon Former Key Employee	(I) (II)	0 188,665	0 0	0 3,608	0 6,800	0 1,850	0 200,923	0 0

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	Louisiana Public Facilities Authority Series 2007A	72-0895871	546398VQ8	09-12-2007	371,062,406	RETIRE 2002 BONDS, FACILITY IMPROVEMENTS		X		X		X
B	Louisiana Public Facilities Authority Series 2011	72-0895871	546398L48	05-11-2011	148,728,038	FACILITIES ACQUISITION, CONSTRUCTION & RENOVATION		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	16,395,000			
2	Amount of bonds legally defeased				
3	Total proceeds of issue	372,254,297	148,746,238		
4	Gross proceeds in reserve funds	24,288,596	15,000,000		
5	Capitalized interest from proceeds	9,212,238	9,212,238		
6	Proceeds in refunding escrows	209,623,739			
7	Issuance costs from proceeds	4,054,068	2,365,800		
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds	7,436,402	7,436,402		
10	Capital expenditures from proceeds	48,449,703	114,713,598		
11	Other spent proceeds	453,969	18,200		
12	Other unspent proceeds				
13	Year of substantial completion	2010	2013		

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X		X				
15	Were the bonds issued as part of an advance refunding issue?	X			X				
16	Has the final allocation of proceeds been made?	X		X					
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?	X		X					
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X					
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X				
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		0 %		0 %				
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		0 %		0 %				
6	Total of lines 4 and 5		0 %		0 %				
7	Does the bond issue meet the private security or payment test?		X		X				
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X				
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?	X			X				

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
Schedule K, Part I, Line A	Form 8038 for CUSIP # 546398VQ8 was prepared for the issuance of Revenue Bonds (Ochsner Clinic Foundation Project) Series 2007A and Revenue Bonds (Ochsner Community Hospitals Project) Series 2007B The bonds had a total Issue Price of $453,076,501 10 $371,062,405 65 of the Issue Price was issued for the benefit of Ochsner Clinic Foundation (EIN# 72-0502505), and the remaining $82,014,095 45 was issued for the benefit of Ochsner Community Hospitals (EIN# 20-5297040)
Schedule K, Part II, Line 7	100% of line 7 relates to issuance cost
Schedule K, Part III, Line 3A	All contracts meet IRS safe harbor rules per 97-13
Schedule K, Part IV, Line 2c	Issuer Name Louisiana Public Facilities Authority Series 2007A Date the rebate computation was performed Completed 7/10/2012, for the period 9/12/2007 to 5/15/2012
Schedule K, Part II, Line 3	The amount includes $1,191,891 of investment income on Series 2007A Bonds and $18,200 of investment income on Series 2011 Bonds related to the Debt Service Reserve Fund and the Construction Fund

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
See Additional Data Table					

Part V Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(a) Name of interested person	**(b)** Relationship between interested person and the organization	**(c)** Amount of transaction	**(d)** Description of transaction	**(e)** Sharing of organization's revenues?	
				Yes	**No**
(1) Catholic Charities-PACE Program	Mr Hulefeld, a Key Employee, is a Director of Catholic Charities	985,466	PACE contracts with Ochsner to provide hospitalization and specialty care for its patients		No
(2) Tulane University	Independent Contractor	2,982,720	Mr Wisdom, a Director of OCF, is also a Board Member of Tulane University		No
(3) Jill Dalovisio Fitzpatrick	Daughter of Dr Dalovisio, a Sr Physician Board Member of OCF	78,022	Compensation as a Physician Assistant		No
(4) Erin Dauterive MD	Daughter of Dr Dauterive, a Sr Physician Board Member of OCF	214,089	Compensation as a Physician		No
(5) Richard D Guthrie III	Son of Dr Guthrie, a Key Employee of OCF	58,132	Compensation as a RN		No
(6) Elizabeth Guthrie Tucker	Daughter of Dr Guthrie, a Key Employee of OCF	40,266	Compensation as a RN		No
(7) Alexis Guthrie	Daughter-in-Law of Dr Guthrie, a Key Employee of OCF	19,515	Compensation as a RN		No
(8) Renee Reymond MD	Wife of Mr Hulefeld, a Key Employee of OCF	84,993	Compensation as a Physician		No
(9) Kay Belmont	Sister of Mr Posecai, an Officer of OCF	25,247	Compensation as an RN		No
(10) Nga Vu MD	Wife of Dr Quinlan, an Officer of OCF	138,201	Compensation as Chief Operating Officer of Ochsner Medical Center-West Bank hospital		No

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.
▶Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
Ochsner Clinic Foundation

Employer identification number
72-0502505

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art	X	4	8,355	Fair Market Value
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications	X		937	Fair Market Value
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	6	28,860	Fair Market Value
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (Miscellaneous)	X	4	4,971	Fair Market Value
26 Other ▶ (Miscellaneous)	X	3	4,500	Cost
27 Other ▶(_____)				
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . **29**

		Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	**30a**		No
b If "Yes," describe the arrangement in Part II			
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	**31**	Yes	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	**32a**	Yes	
b If "Yes," describe in Part II			
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II			

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

Return Reference	Explanation
Part I, Line 32b	If the organization receives a noncash contribution greater than $5,000, the donor or the organization will hire a third party to complete an appraisal

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

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
Ochsner Clinic Foundation

Employer identification number
72-0502505

Return Reference	Explanation
Form 990, Part I, Item C	DBA Ochsner Health Center DBA Ochsner St Anne General Hospital DBA Ochsner Medical Center - Baton Rouge DBA Elmwood Fitness Center (a Service of Ochsner) DBA Ochsner DBA Alton Ochsner Medical Foundation DBA Ochsner Outpatient Surgery Suite

Return Reference	Explanation
Form 990, Part VI	Part VI, Section A, Line 1b The Articles of Incorporation provide that no action of the Board may be resolved unless a majority of independent Directors present approve the matter Thus, even in situations where there is not an absolute majority of independent Directors in Office, those independent Directors in Office control Ochsner Health System's activities

Return Reference	Explanation
Form 990, Part VI	Part VI, Line 12a, and Line 13 Ochsner Clinic Foundation, as part of Ochsner Health System, is required to follow all policies and procedures adopted by Ochsner Health System including the written Conflict of Interest Policy and the written Whistleblower Protecttion Policy All affiliates are subject to the same System-Wide requirements

Return Reference	Explanation
Form 990, Part VI, Section A, line 2	Dr Quinlan and Mr Suquet have a business relationship

Return Reference	Explanation
Form 990, Part VI, Section A, line 6	Ochsner Clinic Foundation is a wholly-owned subsidiary of Ochsner Health System, a related 501(c)(3) organization Ochsner Health System is the sole member of Ochsner Clinic Foundation Ochsner Clinic Foundation has no capital stock and only one class of membership

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	The Community Directors shall be nominated exclusively by the nominating committee of the board of directors of the Member The nominating committee shall also nominate two of the eight Senior Physician directors of the Board The Senior Physician class has the right to nominate and elect six of the eight physician directors of the Board

Return Reference	Explanation
Form 990, Part VI, Section A, line 7b	The following actions require the majority approval of total members of the Senior Physician class, regardless of the number of Senior Physician class members actually voting 1) amendments to the Articles which affect the rights of Sr Physicians, 2) any change in the total numbers of Directors, Community Directors, or Sr Physician Directors, 3) the status of the CEO as a member of the Board, and 4) changes to the supermajority requirements, which call for approval by two-third of the entire Board for certain actions to be considered approved

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	One or more members of senior management review the return The return is also reviewed by Ernst & Young LLP, the company's tax advisors The Audit and Oversight Committee, which is comprised of independent directors, is then provided the return prior to the filing date and given the opportunity to review and discuss the return with management/staff The meeting to review the 2013 return was held on October 27, 2014 A copy of the return is then provided to each member of the Board of Directors electronically and comments are solicited from the entire Board

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	Officers, directors, trustees, and key employees are required to complete a conflict of interest disclosure form annually, within 30 days of becoming an employee, or if a current employee has a change in business circumstances not previously disclosed The Director of Internal Audit reviews disclosures and determines whether action is necessary or if the disclosure needs to be reviewed by the Conflict of Interest Steering Committee In addition, employees that do not fall within the scope of the Conflict of Interest Disclosure policy annually certify through the Annual Employee Evaluation process their compliance with the Conflict of Interest policy

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	All CEO and officer compensation and benefits arrangements, including salary and bonus incentive plans, are reviewed and approved by the Executive and Senior Physician Compensation Committee of the Board of Directors (Compensation Committee) of Ochsner Health System No substantive change to the compensation or benefits packages is made until Committee approval is granted in accordance with Intermediate Sanctions guidelines The Compensation Committee is without conflicts of interest and uses an independent external consultant Appropriate data is applied to determine the comparability of fair market value pay and all actions are appropriately documented In order to meet the requirements of the IRS Intermediate Sanctions regulations, the Compensation Committee identified the "disqualified individuals" that are in a position to exercise substantial influence over the company's operations These individuals are the members of the Executive Officers Committee (EOC), Regional Medical Directors, physician board members and Section Heads for key departments For disqualified individuals, the compensation review also includes the cost of benefits such as the company portion of medical and dental benefits, malpractice insurance, payments for 401K matching and pension payments A different review process is used for Physicians Annually, the Corporate Integrity department reviews the salary of each employed physician This review includes a comparison of physician salaries against national survey data for their specialty Three surveys are used for the review McGladrey & Pullen, the Medical Group Management Association (MGMA) and American Medical Group Association (AMGA) The Physician Compensation department provides salary data for each physician including base salary, stipends, on-call pay, etc If it is determined that a physician's compensation is higher than the survey data, the total work Relative Value Units (RVUs) are compared to the survey data This review is performed to ensure their pay is comparable to the work performed Comparable benefit survey data is obtained periodically from McGladrey & Pullen Compensation for other non-physician key employees is reviewed by senior executives who take market value research into consideration when determining compensation levels

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	Financial statements for Ochsner Clinic Foundation are made available to the public quarterly via www dacbond com All governing documents, conflict of interest policy, and financial statements are available upon written request to the Corporate Integrity Department

Return Reference	Explanation
Part VI, Section B, 16b	When the organization evaluates its participation in a joint venture, the transactions are handled carefully to ensure that the organization's tax-exempt status is intact with regard to the arrangement The operations of the joint venture are carefully reviewed by management and legal counsel, and the transaction is not entered into unless it is a reflection of the organization's tax-exempt purpose A clause is inserted into the joint venture agreement that the operations of the joint venture must be performed in a manner that will not jeopardize the organization's tax-exempt status

Return Reference	Explanation
Part VII, Section A, Line 1a	ADDITIONAL COMPENSATION EXPLANATION COMPENSATION OF DIRECTORS AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION The amount of time shown for those Directors listed as "Board Member Sr Phys" as "average hours per week devoted to position" on the Form 990 for Ochsner Clinic Foundation (EIN 72-0502505) consists primarily of their role as a Senior Physician of Ochsner Clinic Foundation Additional time spent on boards, committees and through fulfilling other responsibilities as a member of one or more Boards of the varied Ochsner organizations is shown as a nominal amount for Ochsner Health System and/or Ochsner Community Hospitals As a Senior Physician Director of an integrated health system, these individuals devote time to board activities of all 501(c)(3) members of the system to varying degrees including Ochsner Health System, Ochsner Clinic Foundation and Ochsner Community Hospitals Those directors listed as "Board Member Sr Phys" on the Form 990 for Ochsner Clinic Foundation (EIN 72-0502505) are compensated entirely due to their role as a Senior Physician of a member of the integrated health system The amount of time shown for those Directors listed as "Community Directors" for "average hours per week devoted to position" includes time spent on boards, on committees and through fulfilling other responsibilities as a member of the Board of varied Ochsner organizations As a Community Director of an integrated health system, each Community Director devotes time to all 501(c)(3) members of the system to varying degrees including Ochsner Health System, Ochsner Clinic Foundation and Ochsner Community Hospitals

Return Reference	Explanation
Part VII, Section A, Line 1a	ADDITIONAL COMPENSATION EXPLANATION COMPENSATION OF OFFICERS AND SYSTEM-LEVEL KEY EMPLOYEES AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION Compensation and average hours worked for Bobby Brannon, EVP, & Treasurer, include all compensation related to the Ochsner Health System, which includes Ochsner Health System (OHS, EIN 20-5296918), Ochsner Clinic Foundation (OCF, EIN 72-0502505) and Ochsner Community Hospitals (OCH, EIN 20-5297040), all related 501(c)(3) organizations Other members of the Ochsner network are charged a portion of these amounts The amount of time shown for each of the remaining officers as "average hours per week devoted to position" on this form of the organization that pays the officers directly consists primarily of role as an officer of the integrated health system Additional time spent on boards, committees and through fulfilling other responsibilities as an officer of the integrated health system is shown as a nominal amount on the forms of the related organizations, but in reality the time is more evenly distributed across all entities

Return Reference	Explanation
Part VII, Section A, Line 1a	ADDITIONAL COMPENSATION EXPLANATION KEY EMPLOYEES COMPENSATED BY RELATED ORGANIZATIONS Dr Joseph Bisordi, Dr Richard Guthrie and Mr Robert Wolterman are employed and compensated by Ochsner Health System, 20-5296918, 501(c)(3), a related organization Mr Robert Wolterman was compensated by Ochsner Community Hospitals, 20-5297040, 501 (c)(3), a related organization, at the beginning of the year, until he changed roles with the health system All, in their duties as leaders of the integrated health system, spend a substantial amount of their time on duties pertaining to Ochsner Clinic Foundation, and in all other respects meet the requirements of Key Employees of Ochsner Clinic Foundation The amount of time shown for each key employee as "average hours per week devoted to position" on this form of the organization that pays the key employees directly consists primarily of role as a key employee of the integrated health system Additional time spent on boards, committees and through fulfilling other responsibilities as a key employee of the Ochsner organizations is shown as a nominal amount on the forms of the related organizations, but in reality the time is more evenly distributed across all entities

Return Reference	Explanation
Form 990, Part XI, line 9	Government Grants included in Deferred Revenue -3,824,000 Net Assets released for Operations -2,905,000 Unrestricted Impairments Recovery 769,000 Additional Minimum Pension Liability 35,186,000 Change in Net Assets for Brent House 499,000 Change in Net Assets for OSPC 27,000 Restricted Investment Net Income 3,725,000

Return Reference	Explanation
Part XII, Line 2c	The process regarding the committee responsible for the audit, review, or compilation of the organization's financial statements and selection of an independent accountant has not changed from the prior year

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493317051804

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
Ochsner Clinic Foundation

Employer identification number
72-0502505

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
See Additional Data Table					

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
(1) Ochsner Health System 1514 Jefferson Highway New Orleans, LA 70121 20-5296918	Health Care support	LA	501(c)(3)	509(A)(3), Type II	N/A		No
(2) Ochsner Community Hospitals 1514 Jefferson Highway New Orleans, LA 70121 20-5297040	Patient Care	LA	501(c)(3)	170(b)(1)(A)(iii)	Ochsner Health System	Yes	
(3) Ochsner System Protection Company 1514 Jefferson Highway New Orleans, LA 70121 27-1170999	Captive Insurance	LA	501(c)(3)	509(A)(3), Type I	Ochsner Clinic Foundation	Yes	
(4) Brent House Corporation 1514 Jefferson Highway New Orleans, LA 70121 72-0872457	Rents hotel rooms to patients/guests of Ochsner facilities	LA	501(c)(3)	509(A)(3), Type II	Ochsner Clinic Foundation	Yes	
(5) OCF Medical Facilities Inc 1514 Jefferson Highway New Orleans, LA 70121 46-4381058	Real Estate Title-Holding Corporation	DE	501(c)(3)		Ochsner Clinic Foundation	Yes	

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

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

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

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

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

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

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

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

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

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

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

Part VII Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 72-0502505
Name: Ochsner Clinic Foundation

Form 990, Schedule R, Part I - Identification of Disregarded Entities

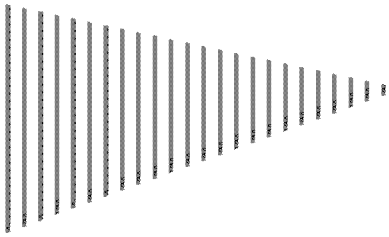
(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Total income	(e) End-of-year assets	(f) Direct Controlling Entity
(1) 1201 Dickory LLC 1514 Jefferson Highway New Orleans, LA 70121 72-0502505	Real Estate Title-Holding Company	LA	0	4,792,632	Ochsner Clinic Foundation
(1) Chabert Operational Management Company LLC 1514 Jefferson Highway New Orleans, LA 70121 46-2840691	Performs Hospital Management Services	LA	35,794,000	2,167,633	Ochsner Clinic Foundation
(2) Deuteron Realty 1514 Jefferson Highway New Orleans, LA 70121 72-1079347	Nominee Real Estate Corporation	LA	0	1,000	Ochsner Clinic Foundation
(3) East Baton Rouge Medical Center LLC 17000 Medical Center Dr Baton Rouge, LA 70816 20-1729674	Patient Care	DE	146,256,000	37,036,087	Ochsner Clinic Foundation
(4) Foundation Assets LLC 1514 Jefferson Highway New Orleans, LA 70121 77-0589660	Holding of donated interest in fractional share of ground lease-New Orleans	LA	280,255	855,104	Ochsner Clinic Foundation
(5) Gulf Coast Outpatient Centers -- Mandeville LLC 1514 Jefferson Highway New Orleans, LA 70121 20-8242348	Patient Care (Inactive Status)	LA	0	0	Gulf Coast Outpatient Centers LLC
(6) Gulf Coast Outpatient Centers -- Uptown LLC 1514 Jefferson Highway New Orleans, LA 70121 20-8242525	Patient Care (Inactive Status)	LA	0	0	Gulf Coast Outpatient Centers LLC
(7) Gulf Coast Outpatient Centers -- Westbank LLC 1514 Jefferson Highway New Orleans, LA 70121 20-8241691	Patient Care (Inactive Status)	LA	0	0	Gulf Coast Outpatient Centers LLC
(8) Gulf Coast Outpatient Centers LLC 1514 Jefferson Highway New Orleans, LA 70121 20-8241553	Holding of Gulf Coast Outpatient Centers companies (inactive status)	LA	0	0	Ochsner Urgent Care LLC
(9) Gulf Coast Physician Network LLC 6341 Lakeland East Dr Flowood, MS 39208 75-3009725	provides healthcare svcs to employees of MS coast casinos	LA	114,000	53,859	Ochsner Clinic Foundation
(10) Ochsner Accountable Care Network 1514 Jefferson Highway New Orleans, LA 70121 45-5446191	Accountable Care Organization	LA	0	0	Ochsner Clinic Foundation
(11) Ochsner Bayou LLC 4608 Highway 1 Raceland, LA 70394 20-4670876	Operation of Ochsner St Anne General Hospital	LA	31,984,000	16,685,775	Ochsner Clinic Foundation
(12) Ochsner Clinic LLC 1514 Jefferson Highway New Orleans, LA 70121 72-0276883	Physician Services	LA	604,030,000	77,171,206	Ochsner Clinic Foundation
(13) Ochsner Home Medical Equipment LLC 1514 Jefferson Highway New Orleans, LA 70121 72-0502505	Sales of Durable Medical Equipment to Patients	LA	6,431,000	4,181,944	Ochsner Clinic Foundation
(14) Ochsner Medical Center - Northshore LLC 1514 Jefferson Highway New Orleans, LA 70121 27-1770321	Patient Care	LA	89,568,000	19,491,186	Ochsner Clinic Foundation
(15) Ochsner Physician Partners LLC 1514 Jefferson Highway New Orleans, LA 70121 45-4962130	Operates a Clinically Integrated Network of Physicians and Hospitals	LA	331,000	340,531	Ochsner Clinic Foundation
(16) Ochsner Urgent Care LLC 1514 Jefferson Highway New Orleans, LA 70121 72-0502505	Holding of Gulf Coast Outpatient Centers	LA	0	0	Ochsner Clinic LLC
(17) OMCNS MOBS LLC 1514 Jefferson Highway New Orleans, LA 70121 72-0502505	Holding of Medical Office Buildings	LA	764,704	3,831,341	Ochsner Clinic Foundation

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Brent House Corporation	A	2,047,230	Intercompany Billings - Mkt Value
Ochsner Community Hospitals	D	95,150,100	Loan Balance
Ochsner Health System	J	1,321,109	Intercompany Billings - Mkt Value
Brent House Corporation	K	1,073,736	Intercompany Billings - Mkt Value
Ochsner Community Hospitals	K	11,185,010	Intercompany Billings - Mkt Value
Ochsner Community Hospitals	L	791,608	Intercompany Billings - Mkt Value
Ochsner Health System	L	324,678	Intercompany Billings - Mkt Value
Brent House Corporation	M	1,158,442	Intercompany Billings - Mkt Value
Ochsner Community Hospitals	M	8,140,824	Intercompany Billings - Mkt Value
Ochsner System Protection Company	M	4,614,285	Intercompany Billings - Mkt Value
Ochsner Health System	P	153,301,607	Intercompany Billings - Mkt Value
Brent House Corporation	Q	179,027	Intercompany Billings - Mkt Value
Ochsner Community Hospitals	Q	7,229,527	Intercompany Billings - Mkt Value
Ochsner Health System	Q	1,925,513	Intercompany Billings - Mkt Value
Ochsner Community Hospitals	L	40,047	Intercompany Billings - Mkt Value
Brent House Corporation	P	39,480	Intercompany Billings - Mkt Value
Ochsner Community Hospitals	P	9,328	Intercompany Billings - Mkt Value

CONSOLIDATED FINANCIAL STATEMENTS

Ochsner Clinic Foundation and Subsidiaries
Years Ended December 31, 2013 and 2012
With Report of Independent Auditors



Building a better
working world

Ochsner Clinic Foundation and Subsidiaries

Consolidated Financial Statements

Years Ended December 31, 2013 and 2012

Contents

Ernst & Young LLP
Building a better working world

Report of Independent Auditors

The Board of Directors
Ochsner Clinic Foundation and Subsidiaries

We have audited the accompanying consolidated financial statements of Ochsner Clinic Foundation and its subsidiaries, which comprise the consolidated balance sheet as of December 31, 2013, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Building a better working world

Opinion

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

Report of Other Auditors on December 31, 2012 Consolidated Financial Statements

The consolidated financial statements of Ochsner Clinic Foundation and its subsidiaries for the year ended December 31, 2012, were audited by other auditors who expressed an unmodified opinion on those statements on April 29, 2013

Ernst & Young LLP

May 1, 2014

Ochsner Clinic Foundation and Subsidiaries

Consolidated Balance Sheets
(In Thousands)

	December 31 2013	2012
Assets		
Current assets		
Cash and cash equivalents	$ 170,203	$ 43,646
Assets limited as to use required for current liabilities	3,759	3,794
Patient accounts receivable – net	187,271	168,520
Accounts receivable other	43,075	36,464
Inventories	34,136	30,033
Prepaid expenses and other current assets	18,035	14,546
Estimated third-party payor settlements	17,227	13,706
Total current assets	473,706	310,709
Assets limited as to use		
By Board for capital improvements, charity, research, and other	324,766	320,902
Under bond indenture agreements	55,153	97,914
Under self-insurance trust fund	7,392	9,840
Donor-restricted long-term investments	59,330	46,608
Total assets limited as to use	446,641	475,264
Less assets limited as to use required for current liabilities	3,759	3,794
Noncurrent assets limited as to use	442,882	471,470
Investments in unconsolidated affiliates, real estate, and other	6,808	7,210
Property – net	503,976	449,398
Goodwill	43,077	43,077
Intangible assets	11,433	11,433
Due from related parties	219,016	209,440
Other assets	17,687	13,316
Total	$ 1,718,585	$ 1,516,053

	December 31	
	2013	2012
Liabilities and net assets		
Current liabilities		
Accounts payable	$ 84,951	$ 47,185
Accrued salaries, wages, and benefits	99,351	85,376
Deferred revenue	16,180	13,886
Estimated third-party payor settlements	6,117	11,717
Reserves for losses and loss adjustment expenses	12,603	12,030
Bonds payable – current portion	5,475	4,785
Notes payable – current	52,969	52,969
Long-term debt – current portion	6,152	150
Other current liabilities	27,477	15,306
Total current liabilities	311,275	243,404
Pension and postretirement obligations	113,110	154,881
Bonds payable	499,456	504,663
Long-term debt	95,618	24,163
Other long-term liabilities	19,182	19,949
Total liabilities	1,038,641	947,060
Commitments and contingencies *(Notes 5 and 14)*		
Net assets		
Unrestricted	614,938	513,105
Temporarily restricted	41,745	33,224
Permanently restricted	23,261	22,664
Total net assets	679,944	568,993
Total liabilities and net assets	$ 1,718,585	$ 1,516,053

See accompanying notes.

Ochsner Clinic Foundation and Subsidiaries

Consolidated Statements of Operations
(In Thousands)

	Year Ended December 31	
	2013	**2012**
Unrestricted revenues		
Patient service revenue – net of contractual allowances and discounts	$ 1,636,535	$ 1,399,998
Provision for bad debts	(87,999)	(70,113)
Net patient service revenue, less provision for bad debts	1,548,536	1,329,885
Premium revenue	278,483	292,945
Other operating revenue	108,864	61,772
Net assets released from restrictions used for operations	2,905	3,183
Total unrestricted revenues	1,938,788	1,687,785
Expenses		
Salaries and wages	886,779	796,977
Benefits	134,718	120,660
Medical services to outside providers	123,952	143,762
Medical supplies and services	274,523	248,899
Other operating expenses	390,333	315,193
Depreciation and amortization	81,998	66,115
Interest	28,897	25,886
Total expenses	1,921,200	1,717,492
Operating income (loss)	17,588	(29,707)
Non-operating gains and losses – investment and other realized gains and losses – net	22,865	45,623
Non-operating gains and losses – unrealized gains on alternative investments – net	9,289	–
Excess of revenues over expenses	$ 49,742	$ 15,916

See accompanying notes.

Ochsner Clinic Foundation and Subsidiaries

Consolidated Statements of Changes in Net Assets
(In Thousands)

	Year Ended December 31	
	2013	**2012**
Unrestricted net assets		
Excess of revenues over expenses	$ 49,742	$ 15,916
Change in net unrealized gains (losses), excluding alternative investments	15,846	(7,648)
Net assets released from restrictions used for capital acquisitions	1,059	494
Pension related changes other than net periodic pension costs	35,186	(24,025)
Increase (decrease) in unrestricted net assets	101,833	(15,263)
Temporarily restricted net assets		
Contributions, including transfers from affiliates	8,760	4,695
Investment income	3,725	1,955
Net assets released from restrictions		
Operations	(2,905)	(3,183)
Capital acquisitions	(1,059)	(494)
Increase in temporarily restricted net assets	8,521	2,973
Permanently restricted net assets		
Contributions	597	112
Increase in permanently restricted net assets	597	112
Increase (decrease) in net assets	110,951	(12,178)
Net assets – beginning of year	568,993	581,171
Net assets – end of year	$ 679,944	$ 568,993

See accompanying notes.

Ochsner Clinic Foundation and Subsidiaries

Consolidated Statements of Cash Flows
(In Thousands)

	Year Ended December 31 2013	2012
Operating activities		
Increase (decrease) in net assets	$ 110,951	$ (12,178)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities		
Pension related changes other than net periodic pension costs	(35,186)	24,025
Depreciation and amortization	81,998	65,902
Provision for bad debts	87,999	70,113
Amortization of deferred financing costs and debt discounts	1,012	1,646
Contributions restricted for long-term investments	(597)	(112)
(Loss) income from equity-method investment, net of cash received	403	73
Net realized and unrealized gains on investments, net of cash received	(51,556)	(30,744)
(Gain) loss on disposal of property, plant, and equipment, net	(13)	194
(Gain) on insurance proceeds	(5,406)	–
Changes in operating assets and liabilities, net of acquisitions		
Patient accounts receivable	(107,856)	(94,882)
Other current and noncurrent assets	(18,393)	(5,453)
Due from related parties	(29,005)	(60,882)
Accounts payable	29,479	(9,595)
Accrued expenses and other liabilities	15,095	398
Net cash provided by (used in) operating activities	78,925	(51,495)
Investing activities		
Purchases of assets whose use is limited and other investments	(17,390)	(12,069)
Sales and maturities of assets whose use is limited and other investments	97,569	62,180
Capital expenditures	(85,096)	(63,322)
Proceeds received from asset disposal	267	174
Proceeds from insurance	6,604	–
Net cash provided by (used in) investing activities	1,954	(13,037)
Financing activities		
Repayments of bonds payable and long-term debt	(21,166)	(4,695)
Proceeds from long-term borrowings	90,750	58
Repayments of note receivable from Ochsner Community Hospitals	–	86
Payments to Ochsner Community Hospitals for repayment of long-term debt	(21,844)	–
Payments on capital lease obligations	(726)	–
Proceeds from contributions restricted for long-term investments	597	112
Payments of bond issue costs	(1,933)	–
Net cash provided by (used in) financing activities	45,678	(4,439)
Net increase (decrease) in cash and cash equivalents	126,557	(68,971)
Cash and cash equivalents – beginning of year	43,646	112,617
Cash and cash equivalents – end of year	$ 170,203	$ 43,646
Supplemental disclosure		
Cash paid for interest (net of amounts capitalized)	$ 27,915	$ 25,005
Supplemental noncash investing and financing activities		
Property purchases included in accounts payable	$ 9,904	$ 2,245
Property purchases financed by long-term debt	$ 2,645	$ –

In 2013, OCF received assets and liabilities transferred from OCH and recorded a corresponding noncash decrease in due from related parties of approximately $13,985,000

In 2012, OCF entered into long-term debt and capital leases for the purchase of $778,000 and $6,000,000 of property, respectively (Note 5)

See accompanying notes

1. Summary of Significant Accounting Policies

Organization

Ochsner Clinic Foundation and Subsidiaries (OCF), located in New Orleans, Louisiana, is a not-for-profit institution that, either directly or through its fully owned affiliates, owns and operates an acute care hospital known as Ochsner Medical Center (OMC), an 11-story clinic building, a 143-room hotel, and related medical facilities located on a main campus in Jefferson Parish at the western end of New Orleans (the Main Campus) It operates Ochsner Medical Center Westbank, and Ochsner Baptist Medical Center, as remote campuses of Ochsner Medical Center It also owns and operates health centers throughout southeast Louisiana, owns a hospital in Baton Rouge that operates as Ochsner Medical Center Baton Rouge, owns a hospital in Slidell, Louisiana that operates as Ochsner Medical Center – Northshore, operates a hospital in Raceland, Louisiana known as Ochsner St Anne General Hospital, manages a hospital in Houma, Louisiana known as Leonard J Chabert Medical Center beginning in June 2013, and several fitness centers that operate as Elmwood Fitness Center

On March 13, 2013, Ochsner Community Hospitals (OCH) executed a bill of sale, assignment and assumption agreement with OCF to transfer the operations of the Baptist facility to OCF The transaction consisted of the transfer of Baptist's movable equipment and certain current assets and liabilities to OCF OCH transferred assets and liabilities totaling $13,985,000 to OCH via intercompany noncash transactions Coincident therewith, a 10-year lease was executed to lease the Baptist facility building to OCF, and, subsequent thereto, the facility is being operated and licensed as a remote satellite campus of OCF (see Note 14)

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U S GAAP) The consolidated financial statements include the accounts of OCF and its wholly owned subsidiaries All intercompany accounts and transactions have been eliminated upon consolidation The assets of any member of the consolidated group may not be available to meet the obligations of other members in the group, except as disclosed in Notes 7, 8, and 9

Use of Estimates

The preparation of financial statements in conformity with U S GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements

1. Summary of Significant Accounting Policies (continued)

Estimates also affect the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

Cash and Cash Equivalents

Cash and cash equivalents include investments with a maturity of three months or less when purchased, excluding amounts whose use is limited by board designation, under bond indenture agreements or under self-insurance agreements

Inventories

Inventories are stated at the lower of first-in, first-out cost or market

Pledges Receivable

Unconditional promises to give are recognized as revenues at their fair values in the period received Pledges receivable are recorded net of necessary discounts and allowances The current portion of pledges receivable is recorded in accounts receivable other, and the noncurrent portion is recorded in other assets in the consolidated balance sheets

Pledges receivable as of December 31, 2013 and 2012, are expected to be realized as follows (in thousands)

	2013	2012
In one year or less	$ 1,798	$ 1,072
Between one and five years	3,292	2,341
Greater than five years	602	1,125
	5,692	4,538
Less discount (ranging from 0 13%–4 50% at December 31, 2013 and 2012) and allowance for uncollectible pledges	(424)	(464)
Pledges receivable – net	$ 5,268	$ 4,074

1. Summary of Significant Accounting Policies (continued)

Investments

Investments held by OCF are included in assets limited as to use in the consolidated balance sheets Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets Investments also include investments in private equity funds, hedge funds, real estate funds, offshore fund vehicles, funds of funds, and common/collective trust funds structured as limited liability corporations or partnerships or trusts These investments are termed alternative investments in the notes to the consolidated financial statements and are accounted for under the equity method, which approximates fair value Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of revenues over expenses in unrestricted net assets (performance indicator) unless the income or loss is restricted by donor or law Unrealized gains and losses on investments, other than alternative investments, are excluded from the excess of revenues over expenses If management believes a decline in the value of a particular investment is temporary, the decline is included in unrealized losses on the consolidated statements of operations If the decline is evaluated as being "other than temporary," the carrying value of the investment is written-down and a realized loss is recorded in non-operating gains and losses in the consolidated statements of operations OCF recorded impairment charges on investment securities of approximately $100,000 and $68,000 for the years ended December 31, 2013 and 2012, respectively

Assets Limited as to Use

Assets limited as to use primarily include assets held by trustees under indenture agreements, investments restricted by donors, and designated assets set aside by the Board of Trustees (the Board) primarily for future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes Amounts required to meet current liabilities of OCF have been classified in the consolidated balance sheets as current assets

1. Summary of Significant Accounting Policies (continued)

Property – Net

Property improvements and additions are recorded at cost and capitalized and depreciated on the straight-line basis over the following estimated useful lives of the assets, as follows

	Years
Land improvements	5–25
Buildings and building improvements	10–40
Leasehold improvements	12–20
Equipment, furniture, and fixtures	2–20

Impairment of Long-Lived Assets

OCF evaluates the carrying value of long-lived assets to be held and used when events and circumstances warrant such a review The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset Fair market value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved Losses on long-lived assets to be disposed of are determined in a similar manner, except that fair market values are reduced for the cost to dispose There were no impairment charges for the years ended December 31, 2013 and 2012

Capitalization of Interest

OCF capitalizes interest expense on qualifying construction-in-progress expenditures based on an imputed interest rate estimating the OCF's average cost of borrowed funds for the project Such capitalized interest becomes part of the cost of the related asset and is depreciated over its estimated useful life Capitalized interest costs totaled approximately $1,596,000 and $5,275,000 for the years ended December 31, 2013 and 2012, respectively

1. Summary of Significant Accounting Policies (continued)

Goodwill and Intangible Assets

Goodwill and intangible assets, consisting primarily of trade name and employment contracts, were recorded as a result of Alton Ochsner Medical Foundation's (Foundation's) merger with Ochsner Clinic LLC (Clinic) in 2001, which resulted in creation of OCF Goodwill represents the excess of the fair value of the consideration conveyed in the acquisition over the fair value of net assets acquired Goodwill and indefinite-lived intangible assets arising from business combinations are not amortized, but rather are tested for impairment at least annually at the reporting unit level Impairment is the condition that exists when the carrying amount of goodwill or intangible assets exceeds its implied fair value Additional impairment assessments may be performed on an interim basis if OCF encounters events or changes in circumstances that would indicate that it is more likely than not that the carrying value of goodwill or intangible assets has been impaired OCF has selected October 31 as its annual testing date OCF has determined that its reporting unit is the consolidated entity The first step in the impairment process is to determine the fair value of the reporting unit and then compare it to the carrying value, including goodwill If the fair value exceeds the carrying value, no further action is required and no impairment loss is recognized There were no impairment charges for the years ended December 31, 2013 and 2012

Deferred Revenue

OCF engages in research activities funded by contracts from U S government agencies and other private sources Revenue related to grants and contracts is recognized as the related costs are incurred Amounts received from grant and contract sponsors for which OCF has not yet fulfilled its obligations are recognized in future periods once the obligations have been satisfied

Deferred Financing Costs

In connection with the issuance of bonds and long-term debt, certain financing costs were capitalized and are being amortized over the respective lives of the bonds and debt These costs, net of accumulated amortization, are approximately $8,037,000 and $6,314,000, at December 31, 2013 and 2012, respectively, and are included in other assets in the consolidated balance sheets

1. Summary of Significant Accounting Policies (continued)

Estimated Workers' Compensation, Professional Liability, and Employee Health Claims

OCF is self-insured for workers' compensation, professional liability, and employee health claims The provisions for estimated workers' compensation, professional liability, and employee health claims include estimates for the ultimate costs for both reported claims and claims incurred but not reported in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 450, *Contingencies* These estimates incorporate OCF's past experience, as well as other considerations, including the nature of claims, industry data, relevant trends, and the use of actuarial information

Accounting for Pension and Other Postretirement Plans

OCF recognizes the overfunded or underfunded status of its pension and other postretirement plans as an asset or liability in its consolidated balance sheets Changes in the funded status of the pension and other postretirement plans are reported as a change in unrestricted net assets presented below the excess of revenues over expenses financial statement line item in the consolidated statements of operations in the year in which the changes occur

Reinsurance

Ochsner System Protection Company (OSPC) relies on reinsurance to limit its retained property insurance risk In entering into reinsurance agreements, management considers a variety of factors, including the creditworthiness of reinsurers In preparing its financial statements, management makes estimates of amounts receivable from reinsurers, which includes consideration of amounts, if any, estimated to be uncollectible by management based on an assessment of factors, including an assessment of the creditworthiness of the reinsurers OSPC cedes 100% of the underlying risk, and as a result, OSPC retains no insurance risk However, OSPC is not relieved of its primary obligation and is subject to credit risk of its reinsurers Included in accounts receivable other in the consolidated balance sheets is reinsurance receivable on unpaid losses which includes estimated amounts of unpaid losses and loss adjustment expenses which are expected to be recoverable from reinsurers pursuant to reinsurance agreements Such amounts have been estimated using actuarial assumptions consistent with those used in establishing the related liability for losses and loss adjustment expenses As of December 31, 2013 and 2012, reinsurance receivables totaled approximately $12,603,000 and $10,030,000, respectively

1. Summary of Significant Accounting Policies (continued)

Property Insurance Liabilities

OSPC's liability for losses and loss-adjustment expenses include an amount determined on an undiscounted basis from loss reports and individual cases and an amount, based on past experience, for losses incurred but not reported Such liabilities are necessarily based on estimates and, while management believes that the amount is adequate, the ultimate liability may be in excess of or less than the amounts provided The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in earnings currently The reserve for losses and loss-adjustment expenses, reported net of receivables for salvage and subrogation, totaled approximately $12,603,000 and $12,030,000 at December 31, 2013 and 2012, respectively

Liabilities are recognized for known claims (including the cost of related litigation) when sufficient information has been developed to indicate the involvement of a specific insurance policy, and management can reasonably estimate its liability In addition, liabilities have been established to cover additional exposures on both known and unasserted claims Estimates of the liabilities are reviewed and updated continually Developed case law and adequate claim history do not exist for such claims, especially because significant uncertainty exists about the outcome of coverage litigation and whether past claim experience will be representative of future claim experience

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by OCF has been limited by donors to a specific time period or purpose Permanently restricted net assets have been restricted by donors to be maintained by OCF in perpetuity

Consolidated Statement of Operations

For purposes of presentation, all revenues and expenses are reported as operating, except for investment income and other gains and losses – net, which is reported as nonoperating

1. Summary of Significant Accounting Policies (continued)

Net Patient Service Revenue

Net patient service revenue is recognized as services are performed and is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Amounts OCF receives for treatment of patients covered by governmental programs such as Medicare and Medicaid and other third-party payors such as health maintenance organizations, preferred provider organizations, and other private insurers are generally less than the OCF's established billing rates Additionally, to provide for accounts receivable that could become uncollectible in the future, OCF establishes an allowance for doubtful accounts to reduce the carrying value of such receivables to their estimated net realizable value Third party liability accounts are pursued until all payment and adjustments are posted to the patient account For those accounts with a patient balance after third-party liability is finalized or accounts for uninsured patients, the patient receives statements and collection letters Patients that express an inability to pay are reviewed for potential sources of financial assistance, including our charity care policy If the patient is deemed unwilling to pay, the account is written-off as bad debt and transferred to an outside collection agency for additional collection effort Accordingly, the revenues and accounts receivable reported in OCF's consolidated financial statements are recorded at the net amount expected to be received Retroactively calculated contractual adjustments arising under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and are adjusted as final settlements are determined

Charity Care

OCF provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Records of charges foregone for services and supplies furnished under the charity care policy are maintained to identify and monitor the level of charity care provided Because OCF does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue OCF estimates its costs of care provided under its charity care programs by applying a ratio of direct and indirect costs to charges to the gross foregone charges associated with providing care to charity patients OCF's gross charity care charges include only services provided to patients who are unable to pay and qualify under OCF's charity care policies The ratio of cost to charges is calculated based on OCF's total expenses divided by gross patient revenue During the years ended December 31, 2013 and 2012, the estimated costs incurred by OCF to provide care to patients who met certain criteria under

1. Summary of Significant Accounting Policies (continued)

its charity care policy were approximately $46,508,000 and $40,420,000 in 2013 and 2012, respectively

Community Benefit

Since December 2010, Ochsner and four other health care providers have formed collaborations with the State and several units of local government in Louisiana (Jefferson Parish Hospital Service District No 1, Jefferson Parish Hospital Service District No 2, Natchitoches Hospital District No 1, Jefferson Parish Human Services Authority, *Terrebonne Parish Hospital* Service *District* #1, Southern Regional Medical Corporation, Hospital Service District No 3 of the Parish of Allen, The Parish Hospital Service District for the Parish of Orleans – District A, and Savoy Medical Center) to more fully fund the Medicaid program (the Program) by forming ten non-profit organizations with the purpose to create a vehicle to provide services to low income and needy patients Expenditures recorded by OCF to fund the Program for the years ended December 31, 2013 and 2012, were approximately $48,755,000 and $20,445,000, respectively, and are included in other operating expenses in the consolidated statements of operations

Provision and Allowance for Doubtful Accounts

Effective January 1, 2011, OCF adopted the provisions of Accounting Standards Update (ASU) No 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* ASU 2011-07 requires the presentation of revenues net of the provision for doubtful accounts

To provide for accounts receivable that could become uncollectible in the future, OCF establishes an allowance for doubtful accounts to reduce the carrying value of such receivables to their estimated net realizable value The primary uncertainty lies with uninsured patient receivables and deductibles, co-payments, or other amounts due from individual patients Payment pressure from managed care/indemnity payors also affects OCF's provision for doubtful accounts Although OCF typically experiences ongoing managed care payment delays and disputes, OCF continues to work with these payors to obtain adequate and timely reimbursement for services provided There are various factors that can impact collection trends, such as changes in the economy, which in turn have an impact on unemployment rates and the number of uninsured and underinsured patients, the volume of patients through OCF's

1. Summary of Significant Accounting Policies (continued)

emergency departments, the increased burden of co-payments and deductibles to be made by patients with insurance, and business practices related to collection efforts These factors continuously change and can have an impact on collection trends and the estimation process

OCF has an established process to determine the adequacy of the allowance for doubtful accounts that relies on a number of analytical tools and benchmarks to arrive at a reasonable allowance No single statistic or measurement determines the adequacy of the allowance for doubtful accounts Some of the analytical tools that OCF utilizes include, but are not limited to, historical cash collection experience, revenue trends by payor classification, and revenue days in accounts receivable Accounts receivable are written-off after collection efforts have been followed in accordance with OCF's policies

The allowance for doubtful accounts due from patients was 9 4% and 7 2% of the accounts receivable balance at December 31, 2013 and 2012, respectively The allowance for doubtful accounts due from managed care/indemnity payors was 10 1% and 12 4% of the accounts receivable balance at December 31, 2013 and 2012, respectively

A summary of activity in the allowance for doubtful accounts is as follows (in thousands)

	Balance at Beginning of Year	Provision for Doubtful Accounts	Transfer from OCH	Accounts Written-Off, Net of Recoveries	Balance at End of Year
Year ended December 31, 2012	$ 67,047	$ 70,113	$ –	$ (75,891)	$ 61,269
Year ended December 31, 2013	$ 61,269	$ 87,999	$ 1,712	$ (89,433)	$ 61,547

HIT Incentive Payments and Other Benefits

Beginning in 2012, OCF achieved compliance with certain of the health information technology (HIT) requirements under the American Recovery and Reinvestment Act of 2009 (ARRA) As a result, OCF recognized approximately $14,400,000 and $7,210,000 in other operating revenue in the consolidated statements of operations for 2013 and 2012, respectively, for electronic health

1. Summary of Significant Accounting Policies (continued)

record (EHR) incentives related to Medicaid and Medicare ARRA HIT These incentives partially offset the operating expenses OCF has incurred and continues to incur from its investment in HIT systems At December 31, 2013 and 2012, OCF has approximately $1,765,000 and $4,310,000, respectively, included in accounts receivable other in the consolidating balance sheet related to these incentives OCF accounts for EHR incentive payments under the grant accounting model as grants related to income Medicare and Medicaid EHR incentive payments are recognized as revenue after OCF has determined it is reasonably assured to comply with the meaningful use criteria over the entire applicable compliance period OCF' compliance with the meaningful use criteria is subject to audit by the federal government

Excess of Revenues over Expenses

The consolidated statements of operations include excess of revenues over expenses Changes in unrestricted net assets, which are excluded from excess of revenues over expenses, consistent with industry practice, include unrealized losses on other-than-trading investments, contributions used to acquire property and equipment, and pension related changes other than net periodic pension costs

Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as net assets released from restrictions Contributions for which restrictions are met in the same period in which the unconditional promise to give is received are recorded as unrestricted revenue

1. Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments Other Than Investments

The following methods and assumptions were used by OCF in estimating the fair value of its financial instruments

Current Assets and Liabilities

OCF considers the carrying amounts of financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair values

Bonds Payable

The fair values of OCF's revenue bonds are based on currently traded values of similar financial instruments as disclosed in Note 8

Notes Payable and Long-Term Debt

OCF considers the carrying value of its notes payable and long-term debt to approximate fair value at December 31, 2013, due to the variable nature of the interest rate or based on a comparison of its fixed rates to current market rates

Income Taxes

OCF and its subsidiaries qualify as tax exempt organizations under Section 501(a) and are described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal and state income taxes Management annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition in the consolidated balance sheets

Concentration of Credit Risk

OCF grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements

1. Summary of Significant Accounting Policies (continued)

Risks and Uncertainties

OCF's business could be impacted by continuing price pressure on new and renewal business, OCF's ability to effectively control health care costs, additional competitors entering OCF's markets, and federal and state legislation in the area of health care reform Changes in these areas could adversely impact OCF's operations in the future

The Patient Protection and Affordable Care Act (ACA), signed into law on March 23, 2010, has created significant changes and will continue to create significant changes for health insurance markets for the next several years Specifically, many of the near-term changes were effective for certain groups and individuals on their first renewal on or after September 23, 2010, including a prohibition on lifetime limits, certain annual limits, member cost-sharing on specified preventive benefits, pre-existing condition exclusions for children, increased restrictions on rescinding coverage and extension of coverage of dependents to the age of 26 Most of the provisions of ACA with more significant effects on the health insurance marketplace, both state and federal, went into effect on January 1, 2014, including a requirement that insurers guarantee the issuance of coverage to all individuals regardless of health status, strict rules on how health insurance is rated, the assessment of new taxes and fees (including annual fees on health insurance companies), the creation of new insurance exchanges for individuals and small groups, the availability of premium subsidies for certain individual products, and substantial expansions in eligibility for Medicaid

Despite significant preparation for the advent of the new federal and state health insurance exchanges, there have been many technical difficulties in the implementation of the exchanges, which entail uncertainties associated with mix and volume of business In addition, there have been other material changes and delays in the implementation of ACA that could have a material adverse effect on OHS' results of operations, financial position, and cash flows These include

- Delay in the effective date of the employer mandate from 2014 to 2015,
- Extension of the 2013 open enrollment period to December 23, 2013 for a January 1, 2014 effective date,
- Delay of the commencement of the 2014 open enrollment period from October 15 to November 15 through January 15, 2015, and
- Other yet to be announced changes and delays

1. Summary of Significant Accounting Policies (continued)

OCF is unable to predict the full impact of the ACA on its future revenues and operations at this time due to the law's complexity, the limited amount of implementing regulations and interpretive guidance, uncertainty regarding the ultimate number of uninsured patients who will obtain insurance coverage, uncertainty regarding future negotiations with payers, and gradual or potentially delayed implementation However, OCF expects that several provisions of the ACA could have a material effect on its business Any reductions to its reimbursement under the Medicare and Medicaid programs by the ACA could adversely affect its business and results of operations to the extent such reductions are not offset by increased revenues from providing care to previously uninsured individuals

Reclassification

Certain prior year amounts have been reclassified to conform to the 2013 presentation These reclassifications related to the presentation of certain amounts within the balance sheet or statement of operations and had no impact on total assets, liabilities, or changes in net assets

2. Investments and ASC 820-10, *Fair Value Measurements and Disclosures*

ASC 820 establishes a common definition for fair value to be applied to U S GAAP requiring use of fair value, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements ASC 820 establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values ASC 820 requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories

Level 1 – Unadjusted quoted market prices in active markets for identical assets or liabilities

Level 2 – Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices are observable for the asset or liability

Level 3 – Unobservable inputs for the asset or liability

OCF endeavors to utilize the best available information in measuring fair value Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement Transfers into and transfers out of the hierarchy levels are recognized as if they had taken place at the end of the reporting period There were no transfers between Level 1 and Level 2 during the years ended December 31, 2013 and 2012

2. Investments and ASC 820-10, *Fair Value Measurements and Disclosures* (continued)

Assets and Liabilities Measured at Fair Value

Recurring Fair Value Measurements

The fair value of assets measured at estimated fair value on a recurring basis is estimated as described in the preceding section These estimated fair values and their corresponding fair value hierarchy in accordance with ASC 820 are summarized as follows (in thousands)

	December 31, 2013 Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
Money market funds[a]	$ 75,760	$ –	$ –	$ 75,760
Fixed income investments[a]	54,746	–	–	54,746
Marketable equity securities[a]	193,433	–	–	193,433
Absolute return[a]	8,328	–	–	8,328
Natural resources and other[a]	22,870	–	–	22,870
Total	$ 355,137	$ –	$ –	$ 355,137

	December 31, 2012 Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
Money market funds[a]	$ 108,987	$ –	$ –	$ 108,987
Fixed income investments[a]	47,222	–	–	47,222
Marketable equity securities[a]	146,945	–	–	146,945
Natural resources and other[a]	18,186	–	–	146,945
Total	$ 321,340	$ –	$ –	$ 321,340

2. Investments and ASC 820-10, *Fair Value Measurements and Disclosures* (continued)

Alternative investments and other investments of approximately $92,232,000 and $155,048,000 at December 31, 2013 and 2012, respectively, are not included in these tables since they are accounted for using the equity method of accounting and not measured at fair value Real estate investments of $6,079,000 at December 31, 2013 and 2012, are not included in these tables since they are accounted for at cost

[a] Valuation of these securities classified as Level 1 is based on unadjusted quoted prices in active markets that are readily and regularly available Investments classified as Level 1 include mutual funds that are publicly traded Valuation of these funds is based on unadjusted quoted prices in active markets that are readily and regularly available

Investment income and other gains and losses are classified as nonoperating and are comprised of interest and dividend income of approximately $6,928,000 and $6,048,000 (net of expenses of approximately $944,000 and $930,000 for the years ended December 31, 2013 and 2012, respectively), unrealized gains on alternative investments of approximately $9,289,000 and $0, and realized net gains and losses on sales of securities of approximately $15,937,000 and $39,575,000 for the years ended December 31, 2013 and 2012, respectively Unrealized gains (losses) on investments recorded at fair value are included in other changes in unrestricted net assets

Alternative Investments

Alternative investments include private equity funds, hedge funds, real estate funds, offshore fund vehicles, funds of funds, and common/collective trust funds structured as limited liability corporations or partnerships or trusts These funds invest in certain types of financial instruments, including, 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, which involve varying degrees of off-balance-sheet risk, may result in loss due to changes in the market (market risk)

Investment Impairment

The investment securities on which the impairment charge was recorded were primarily equity securities, which are carried at fair value, with changes in unrealized gains and losses generally being recorded as adjustments below the performance indicator The fair value of investments is based on quoted market prices Upon management's review and evaluation of the individual

2. Investments and ASC 820-10, *Fair Value Measurements and Disclosures* (continued)

investment securities, management deemed the market decline for certain investment securities to be "other-than-temporary " The related adjustment to fair value for these investment securities was recognized as realized losses as a part of the performance indicator

Investment in Equity Investees

OCF's investment in an unconsolidated affiliate represents its 25% ownership interest in Southeast Louisiana Homecare LLC, and totals approximately $2,305,000 and $2,701,000 at December 31, 2013 and 2012, respectively Equity in (loss) income of this investee totaled approximately $(262,000) and $392,000 for the years ended December 31, 2013 and 2012, respectively, and is included in other operating revenue in the consolidated statements of operations

3. Patient Accounts Receivable

At December 31, 2013 and 2012, OCF's patient accounts receivable balances were due from the following sources (in thousands)

	2013	2012
Managed care/indemnity	$ 158,679	$ 127,482
Government agencies	70,508	71,301
Patients	19,631	31,006
Total	248,818	229,789
Less allowance for doubtful accounts	(61,547)	(61,269)
Patient accounts receivable – net	$ 187,271	$ 168,520

4. Related-Party Transactions

Due from OHS and OCH

OCF pays fees to OHS for administrative support and oversight Fees incurred totaled approximately $153,366,000 and $124,279,000 for the years ended December 31, 2013 and 2012, respectively, and are included in salaries and wages, benefits, depreciation and amortization,

4. Related-Party Transactions (continued)

medical supplies and services, and other operating expenses in the consolidated statements of operations OCF also advanced interest free funds for operations to OHS and OCH Such amounts relate to payment for payroll, rent, and invoices made by OCF on behalf of OHS and OCH and are included in due from related parties in the consolidated balance sheets At December 31, 2013 and 2012, amounts due from OHS total approximately $162,799,000 and $155,032,000, respectively, and amounts due from OCH total approximately $56,217,000 and $54,408,000, respectively, and are included in due from related parties in the consolidated balance sheets

Financial Support Arrangement with OCH

Since commencing operations in 2006, OCH's operations and capital expenditures have been primarily funded through the issuance of long-term notes payable and bonds payable of approximately $22,000,000 and $74,745,000, respectively, at December 31, 2013, and approximately $43,844,000 and $75,595,000, respectively, at December 31, 2012, to third parties guaranteed by OCF OCH generated net operating income of approximately $12,091,000 for the year ended December 31, 2013, and incurred a net operating loss of approximately $5,274,000 for the year ended December 31, 2012, and has liabilities that exceed assets by approximately $96,192,000 and $108,052,000 at December 31, 2013 and 2012, respectively OCF has committed to continue to provide or maintain financial support of OCH through the continuation of financing to enable OCH to meet and discharge its liabilities in the normal course of business for the next 12 months through January 1, 2015, as well as committed not to demand repayment of the note payable due on demand during this time

Insurance Coverage

Beginning May 31, 2010, OCF participates in a captive insurance program with OSPC, which provides for certain of its property coverages accessed via the reinsurance market

Premiums paid by OCF to OSPC totaled approximately $4,829,000 and $4,455,000 for the years ended December 31, 2013 and 2012, respectively

5. Property – Net

OCF's investment in property at December 31, 2013 and 2012, is as follows (in thousands)

	2013	2012
Land and improvements	$ 70,673	$ 70,100
Buildings and leasehold improvements	502,324	480,969
Equipment, furniture, and fixtures	700,747	631,837
Building and building improvements held for lease	5,899	3,182
Construction in progress	54,521	29,028
Total property – at cost	1,334,164	1,215,116
Less accumulated depreciation	(830,188)	(765,718)
Property – net	$ 503,976	$ 449,398

Depreciation and amortization expense totaled approximately $81,998,000 and $66,115,000 for the years ended December 31, 2013 and 2012, respectively

At December 31, 2013 and 2012, OCF has purchase commitments totaling approximately $9,347,000 and $19,978,000, respectively, toward additional capital expenditures

6. Goodwill and Indefinite-Lived Intangible Assets

On August 31, 2001, the Foundation and the Clinic effected a merger transaction, resulting in the net assets of the Clinic being acquired by Alton Ochsner Medical Foundation

The cost to acquire the Clinic was allocated to the assets acquired and liabilities assumed according to their estimated fair values In addition, the carrying values of certain other assets and liabilities of the Clinic were changed to reflect management's estimate of fair value under purchase accounting

6. Goodwill and Indefinite-Lived Intangible Assets (continued)

Amounts recorded as goodwill and indefinite-lived intangible assets as of December 31, 2013 and 2012, are as follows (in thousands)

	2013	2012
Goodwill – net	$ 43,077	$ 43,077
Intangible assets – trade name	$ 11,433	$ 11,433

7. Notes Payable

OCF has a loan agreement with a bank which provides a credit line with maximum borrowings of $53,000,000 The line of credit currently expires on June 22, 2014 Borrowings under the arrangement are unsecured, however OCF must meet certain financial covenants Management believes OCF was in compliance with these covenants at December 31, 2013 and 2012 At December 31, 2013 and 2012, OCF had borrowings outstanding under this arrangement of $52,969,000 The interest rate on outstanding borrowings is based on LIBOR and, consequently, fluctuates from month to month The rate on outstanding indebtedness under this arrangement was 1 67% and 1 71% at December 31, 2013 and 2012, respectively All amounts are classified as current at December 31, 2013 and 2012

8. Bonds Payable

At December 31, 2013 and 2012, bonds payable consisted of the following tax-exempt revenue bonds issued by the Louisiana Public Facilities Authority (LPFA) on behalf of OCF (in thousands)

	2013	2012
Series 2007-A issued September 2007, due serially 2009–2047, annual interest rates ranging from 5 00% to 5 50%	$ 363,635	$ 368,420
Series 2011 issued May 2011, due serially 2017-2023, then on term in 2031, 2037, and 2041, at annual interest rates ranging from 4 00% to 6 75%	150,000	150,000
Less unamortized net bond discount	(8,704)	(8,972)
Total bonds	504,931	509,448
Less current portion	5,475	4,785
Noncurrent portion of bonds payable	$ 499,456	$ 504,663

The Series 2007-A and Series 2011 bonds are general obligations of OCF, and all present and future accounts receivable are pledged to repayment of the bonds

Also, under the terms of the bond indentures, OCF is required to make certain deposits of principal and interest with a trustee Such deposits are included with assets limited as to use in the consolidated financial statements The bond indentures also place limits on the incurrence of additional borrowings and requires that OCF satisfy certain measures of financial performance as long as the bonds are outstanding Management is not aware of any noncompliance with these requirements

8. Bonds Payable (continued)

At December 31, 2013, scheduled repayments of principal and sinking fund installments to retire the bonds payable are as follows (in thousands)

Years ending December 31	
2014	$ 5,475
2015	5,880
2016	6,260
2017	7,955
2018	8,215
Thereafter	479,850
	$ 513,635

The estimated fair value of OCF's Series 2007-A and Series 2011 bonds as of December 31, 2013 and 2012, is approximately $526,516,000 and $575,188,000, respectively This fair value is based on quoted market prices for similarly rated healthcare revenue bond issues, a Level 2 input

9. Long-Term Debt

A summary of long-term debt at December 31, 2013 and 2012, is as follows (in thousands)

	2013	2012
Working capital note, due May 2016, including accrued interest at rates varying from 0 76% to 1 54% during 2013 with a rate of 1 07% as of December 31, 2013	$ 8,293	$ 8,204
Loans on land and building, originally due April 2015 but prepaid as of December 31, 2013	–	15,640
Note Payable 4 61% Senior Secured Note, entered into March 2013, due March 2033	6,837	–
Note Payable 5 26% Senior Secured Note, entered into December 2013, due December 2028	63,000	–
Promissory Note entered into December 2013, due December 2020 with interest at 2 0% plus 30-day LIBOR	20,750	–
Equipment loans, due varying dates in 2016 and 2017	2,957	808
Total long-term debt	101,837	24,652
Less unamortized discount	67	339
Less current portion	6,152	150
Noncurrent portion of long-term debt	$ 95,618	$ 24,163

St. Anne

On May 1, 2006, OCF entered into lease and management services agreements with Lafourche Parish Hospital Service District No 2 (Lafourche), who owns and operates St Anne General Hospital and related facilities (St Anne) of Raceland, Louisiana Under the agreements, OCF leases the St Anne buildings and facilities, purchased working capital and certain equipment of St Anne's and operates the hospital for a specified period of time (see further discussion at Note 14) As part of the agreement, OCF entered into an unsecured note payable with Lafourche for the purchase of its working capital and equipment for $7,100,000 On December 31, 2010, OCF and Lafourche executed an amendment in which the principal and all accrued and unpaid interest of $8,029,000 became the new principal amount of the note and the note was extended

9. Long-Term Debt (continued)

for five years to a maturity date of May 1, 2016 The interest rate on the working capital note, based on the 5-Year Yield Tax Exempt Insured Revenue Bond Rate published by Bloomberg, was 1 07% and 0 61% at December 31, 2013 and 2012, respectively All amounts are classified as noncurrent at December 31, 2013 and 2012, and are included in long-term debt on the consolidated balance sheets

March 2013 Note Payable

Pursuant to OCF's purchase of two Medical Office Buildings on November 15, 2012, OCF entered into a loan in the principal amount of $7 million on March 12, 2013 The loan is secured by first mortgage liens on medical office building properties at 1850 East Gause Boulevard (Northshore Medical Office Building 1) and 105 Medical Center Drive (Northshore Medical Office Building 2), both in Slidell, Louisiana, and both in close proximity to Ochsner Medical Center – Northshore The loan is in the form of a Senior Secured Note bearing interest at the fixed annual rate of 4 61% Principal and interest payments are due monthly based upon a 20-year (240-month) amortization period and actual/360 day interest period

December 2013 Note Payable

OCF entered into a loan in the principal amount of $63 million on December 30, 2013 The loan is secured by first mortgage liens on OCF facilities at 2005 Veterans Memorial Boulevard, Metairie, Louisiana, and 1950 Gause Boulevard, Slidell, Louisiana The loan is in the form of a Senior Secured Note bearing interest at the fixed annual rate of 5 26% Principal and interest payments are due monthly based upon a 15-year (180-month) amortization period and actual/360-day interest period

December 2013 Promissory Note

OCF entered into an unsecured loan with a financial institution (the Loan) in the principal amount of $20 75 million on December 31, 2013 The Loan is in the form of a promissory note bearing stated interest of 30-day LIBOR plus 2 00% Principal and interest payments are due monthly based upon a 15-year (180-month) fixed principal payment amortization period, with the balance of the outstanding principal due on a 7-year maturity date of December 30, 2020, and actual/360-day interest period As part of a program to manage interest rate risk, OHS entered into an interest rate swap agreement entered into on December 19, 2013, effective as of December 30, 2013, OCF pays 1 97% fixed interest rate on the outstanding notional amount

9. Long-Term Debt (continued)

based on the outstanding principal balance of the loan to the counter-party and receives the floating amount of the 30-day LIBOR rate as of the date of rate-set The effect of the swap agreement is to fix OCF's interest rate on the loan at 3 97%

At December 31, 2013, scheduled repayments of long-term debt are as follows (in thousands)

Years ending December 13	
2014	$ 6,152
2015	5,870
2016	14,330
2017	6,230
2018	5,840
Thereafter	63,415
	$ 101,837

10. Employee Benefit Plans

Defined Benefit Pension Plan

Certain employees of OCF and its subsidiaries are covered under a defined benefit pension plan (the Defined Benefit Plan) The Defined Benefit Plan is noncontributory and provides benefits that are based on the participants' credited service and average compensation during the last five years of covered employment As of December 31, 2006, benefit accruals ceased for all plan participants under age 40 and those over age 40 who elected to freeze their retirement plan benefits OCF made an additional change to the Defined Benefit Plan, and as of December 31, 2009, benefit accruals cease for all plan participants under age 55 with less than 10 years of service (rounded to the nearest 6 months) Physician/executive participants are frozen as of December 31, 2009, regardless of age and service Participants who are not frozen as of December 31, 2009, can accrue benefits until the earlier of age 65 or December 31, 2014 No new participants are allowed to enter the Defined Benefit Plan Contributions are intended to provide not only for benefits attributed to service to date but also for those expected to be earned in the future OCF makes contributions to its qualified plan that satisfies the minimum funding requirements under the Employee Retirement Income Security Act of 1974 These contributions are intended to provide not only for benefits attributed to services rendered to date but also those expected to be earned in the future

10. Employee Benefit Plans (continued)

The following table sets forth the changes in benefit obligations, changes in plan assets, and components of net periodic benefit cost (in thousands)

	2013	2012
Change in benefit obligation		
Benefit obligation – beginning of year	$ 504,635	$ 455,361
Service cost	1,348	1,661
Interest cost	20,923	21,566
Actuarial loss (gain)	(23,791)	45,197
Benefits paid	(19,040)	(19,150)
Benefit obligation – end of year	$ 484,075	$ 504,635
Change in plan assets		
Fair value of plan assets – beginning of year	$ 362,547	$ 321,242
Actual return on plan assets	35,185	44,836
Employer contributions	6,255	15,619
Benefits paid	(19,040)	(19,150)
Fair value of plan assets – end of year	384,947	362,547
Funded status	$ (99,128)	$ (142,088)

10. Employee Benefit Plans (continued)

	2013	2012
Amounts recognized in the consolidated balance sheets consist of		
Pension and postretirement obligations – current portion	$ –	$ –
Pension and postretirement obligations – noncurrent portion	(99,128)	(142,088)
Unrestricted net assets	N/A	N/A
Amounts recognized in unrestricted net assets		
Net actuarial loss	155,958	190,864
Prior service credit	(20)	(83)
Total amounts recognized	$ 155,938	$ 190,781
Other changes in plan assets and benefit obligations recognized in unrestricted net assets		
Net (gain) loss	$ (29,603)	$ 27,782
Recognized loss	(5,303)	(4,140)
Recognized prior service credit	63	63
Total amounts recognized	$ (34,843)	$ 23,705

Weighted-average assumptions used to determine projected benefit obligations at December 31, 2013 and 2012, were as follows

	2013	2012
Weighted-average discount rate	4 83%	4 16%
Rate of compensation increase	Graded	Graded

10. Employee Benefit Plans (continued)

Net periodic pension cost for the years ended December 31, 2013 and 2012, includes the following components (in thousands)

	2013	2012
Service cost	$ 1,348	$ 1,661
Interest cost	20,923	21,566
Expected return on plan assets	(29,373)	(27,422)
Amortization of net loss	5,303	4,140
Recognized prior service credit	(63)	(63)
Net periodic pension benefit	$ (1,862)	$ (118)

Weighted-average assumptions used to determine net periodic pension cost for the years ended December 31, 2013 and 2012, were as follows

	2013	2012
Weighted-average discount rate	4 16%	4 85%
Expected return on plan assets	8 3	8 5
Rate of compensation increase	Graded	Graded

10. Employee Benefit Plans (continued)

The fair values of the Defined Benefit Plan assets at December 31, 2013 and 2012, are as follows (in thousands)

	December 31, 2013 Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
Money market funds[a]	$ 19,073	$ –	$ –	$ 19,073
Fixed income investments[a][b][c]	50,817	12,090	10,074	72,981
Marketable equity securities[a][b][c]	77,500	39,917	35,549	152,966
Absolute return[b][c]	–	10,107	85,111	95,218
Private equity/venture capital[c]	–	–	18,389	18,389
Natural resources[a][c]	19,231	–	7,089	26,320
Total	$ 166,621	$ 62,114	$ 156,212	$ 384,947

	December 31, 2012 Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value
Money market funds[a]	$ 41,966	$ –	$ –	$ 41,966
Fixed income investments[a][b]	118,630	21,427	–	140,057
Marketable equity securities[a][b][c]	55,887	47,174	25,629	128,690
Absolute return[c]	–	–	6,843	6,843
Private equity/venture capital[c]	–	–	13,515	13,515
Natural resources)[a][b][c]	12,025	12,714	6,737	31,476
Total	$ 228,508	$ 81,315	$ 52,724	$ 362,547

[a] Valuation of these securities classified as Level 1 is based on unadjusted quoted prices in active markets that are readily and regularly available

10. Employee Benefit Plans (continued)

(b) Represents funds invested in common/collective trust funds or other alternative investments Investments classified as Level 1 represent a fund that is publicly traded Valuation of this fund is based on unadjusted quoted prices in active markets that are readily and regularly available Level 2 classification represents investments in common/collective trust funds or other alternative investment funds and are classified based on the nature of the underlying investments of the fund The estimated fair value is based upon reported Net Asset Value (NAV) provided by fund managers and this value represents the amount at which transfers into and out of the fund are affected This fund provides reasonable levels of price transparency and can be corroborated through observable market data

(c) In general, investments classified within Level 3 are alternative investments and use many of the same valuation techniques and inputs as described above, including reported NAV However, if key inputs are unobservable, or if the investments are less liquid and there is very limited trading activity, the investments are generally classified as Level 3 The use of independent non-binding broker quotations to value investments generally indicates there is a lack of liquidity or the general lack of transparency in the process to develop the valuation estimates generally causing these investments to be classified in Level 3 This category includes funds that are invested in hedge fund and private equity investments that provide little or no price transparency due to the infrequency with which the underlying assets trade and generally require additional time to liquidate in an orderly manner Accordingly, the values of these alternative asset classes are based on inputs that cannot be readily derived from or corroborated by observable market data and are based on investments balances provided by fund managers and adjusted for contributions and distributions in the event such balances pertain to an interim date The investment return for the period in question is benchmarked against investment vehicles which management determines reasonably approximates the composition/nature of selected Level 3 investment

10. Employee Benefit Plans (continued)

A rollforward of the fair value measurements for all assets measured at estimated fair value on a recurring basis using significant unobservable (Level 3) inputs for the year ended December 31, 2013, is as follows (in thousands)

	January 1, 2013	Gains	Purchases	Sales	December 31, 2013
Fixed income	$ –	$ 74	$ 10,000	$ –	$ 10,074
Equity securities	25,629	9,920	–	–	35,549
Absolute return	6,843	5,308	80,000	(7,040)	85,111
Private equity/venture capital	13,515	6,539	790	(2,455)	18,389
Natural resources	6,737	531	522	(701)	7,089
Total	$ 52,724	$ 22,372	$ 91,312	$ (10,196)	$ 156,212

The Defined Benefit Plan asset allocation as of the measurement date (December 31, 2013 and 2012) and the target asset allocation, presented as a percentage of total plan assets, were as follows

	2013	2013 Target Allocation	2012
Debt securities	19%	20%	38%
Equity securities	39	40	35
Private equity/venture capital	5	2	4
Hedge funds	25	30	2
Natural resources/REITs	7	8	9
Other	5	–	12

Asset allocations and investment performance are formally reviewed at regularly scheduled meetings several times during the year by the Investment Committee of OCF OCF utilizes an investment consultant and multiple managers for different asset classes The Investment Committee takes into account liquidity needs of the plan to pay benefits in the short-term and the anticipated long-term obligations of the Defined Benefit Plan

10. Employee Benefit Plans (continued)

The primary financial objectives of the Defined Benefit Pension Plan are to (1) provide a stream of relatively predictable, stable, and constant earnings in support of the Defined Benefit Pension Plan's annual benefit obligations, and (2) preserve and enhance the real (inflation-adjusted) value of the assets of the Defined Benefit Pension Plan The long-term investment objectives of the Defined Benefit Pension Plan are to (1) attain the average annual total return assumed in the Defined Benefit Pension Plan's most recent actuarial assumptions (net of investment management fees) over rolling five-year periods, (2) outperform the Defined Benefit Pension Plan's custom benchmark, and (3) outperform the median return of a pool of retirement funds to be identified in conjunction with OCF's investment consultant

The asset allocation is designed to provide a diversified mix of asset classes, including U S and foreign equity securities, fixed income securities, real estate investment trusts, natural resources, cash, and funds to hedge against deflation and inflation Risk management practices include various criteria for each asset class, including measurement against several benchmarks, achievement of a positive risk adjusted return, and investment guidelines for each class of assets which enumerate types of investment allowed in each category

The OCF Retirement Plan Statement of Investment Policies and Objectives provides for a range of minimum and maximum investments in each asset class to allow flexibility in achieving expected long-term rate of return Historical return patterns and correlations, consensus return forecast and other relevant financial factors are analyzed to check for reasonableness and appropriateness of the asset allocation to assure that the probability of meeting actuarial assumptions is reasonable OCF Treasury staff oversees the day-to-day activities involving assets of the Defined Benefit Plan and the implementation of any changes adopted by the Investment Committee

OCF currently expects to make a contribution to the Defined Benefit Plan of approximately $22,000,000 in 2014

For 2013 and 2012, OCF's Defined Benefit Plan had accumulated benefit obligations of approximately $483,219,000 and $502,820,000, respectively

The estimated net (gain) loss and prior service cost for the Defined Benefit Plan that will be amortized from accumulated unrestricted net assets into net periodic benefit cost over the next fiscal year is approximately $3,823,000 and $20,000, respectively

10. Employee Benefit Plans (continued)

Future benefit payments expected to be paid in each of the next five fiscal years and in the aggregate for the following five years as of December 31, 2013, are as follows (in thousands)

Years ending December 31	
2014	$ 24,627
2015	25,793
2016	27,157
2017	28,140
2018	29,251
2019–2023	159,142
	$ 294,110

Defined Contribution Plans

All employees of OCF meeting eligibility requirements may participate in the Ochsner Clinic Foundation 401(k) Plan (the Plan) OCF may annually elect to make a retirement contribution on behalf of eligible employees in an amount up to 2% of the participant's annual eligible compensation In addition, OCF may annually elect to make a match for eligible employees of 50% of the first 4% the employees contribute into their 401(k) At December 31, 2013 and 2012, OCF has accrued approximately $18,170,000 and $17,942,000 for matching contributions to the Plan for the 2013 and 2012 fiscal years, respectively

Certain OCF employees are also covered under a 457(f) plan The 457(f) plan was created to replace 100% of the benefit target for employees under age 65 as of December 31, 2009, whose benefits in the Defined Benefit Plan were frozen The participant pays taxes at vesting, and payout occurs at the later of age 65 or retirement Participants of the 457(f) plan also participate in the 401(k) contributions OCF's consolidated balance sheets reflect a liability of approximately $10,341,000 and $8,666,000 for the 457(f) plan at December 31, 2013 and 2012, respectively

Other Postretirement Benefits

OCF also provides certain health care and life insurance benefits for retired employees OCF funds these benefits on a pay-as-you-go basis

10. Employee Benefit Plans (continued)

The obligations under the postretirement plan are $1,968,000 and $2,349,000 at December 31, 2013 and 2012, respectively

11. Endowment Funds and Temporarily and Permanently Restricted Net Assets

OCF has 650 temporarily restricted funds and 61 permanently restricted funds established for a variety of purposes These funds are classified and reported based on the existence or absence of donor-imposed restrictions Restricted net assets include funds dedicated to Medical Education, Nursing Education, Pastoral Care, Biomedical Research, Cancer Research, Cardiology Research, Transplant Research and Alzheimer's Research

ASC 958-208, *Not-for-Profit Entities: Presentation of Financial Statements*, provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), which the state of Louisiana enacted on July 1, 2010 UPMIFA requires OCF to classify the portion of each donor-restricted endowment fund that is not classified as permanently restricted net assets as temporarily restricted net assets (time restricted) until appropriated for expenditure Temporarily restricted net assets available for appropriations at December 31, 2013 and 2012, total approximately $3,338,000 and $2,033,000, respectively Management retroactively adopted UPMIFA as of January 1, 2009

UPMIFA also requires that OCF preserve the historic dollar value of the donor-restricted endowed funds Therefore, permanently restricted net assets contain the aggregate fair market value of (1) an endowment fund at the time it became an endowment fund, (2) each subsequent donation to the fund at the time it is made, and (3) each accumulation made pursuant to a direction in the applicable gift instrument at the time the accumulation is added to the fund

Restricted Net Assets as of December 31, 2013, by Purpose

	Temporarily Restricted	Permanently Restricted	Total
Research	$ 9,660	$ 16,526	$ 26,186
Education	4,952	3,258	8,210
Other	27,133	3,477	30,610
Total	$ 41,745	$ 23,261	$ 65,006

11. Endowment Funds and Temporarily and Permanently Restricted Net Assets (continued)

Restricted Net Assets as of December 31, 2012, by Purpose

	Temporarily Restricted	Permanently Restricted	Total
Research	$ 6,313	$ 16,513	$ 22,826
Education	3,880	2,739	6,619
Other	23,031	3,412	26,443
Total	$ 33,224	$ 22,664	$ 55,888

Endowment Net Asset Composition by Type of Fund as of December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted funds	$ –	$ 5,885	$ 23,261	$ 29,146
Board-designated funds	1,360	–	–	1,360
Total	$ 1,360	$ 5,885	$ 23,261	$ 30,506

Endowment Net Asset Composition by Type of Fund as of December 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted funds	$ –	$ 2,839	$ 22,664	$ 25,503
Board-designated funds	2,500	–	–	2,500
Total	$ 2,500	$ 2,839	$ 22,664	$ 28,003

11. Endowment Funds and Temporarily and Permanently Restricted Net Assets (continued)

Changes in Endowment Net Assets for the Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning balance	$ 2,500	$ 2,839	$ 22,664	$ 28,003
Investment gain	449	3,247	–	3,696
Contributions	–	–	597	597
Appropriations for expenditures	(1,589)	(201)	–	(1,790)
Ending balance	$ 1,360	$ 5,885	$ 23,261	$ 30,506

Changes in Endowment Net Assets for the Year Ended December 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning balance	$ 2,283	$ 1,614	$ 22,552	$ 26,449
Investment gain	264	1,586	–	1,850
Contributions	–	–	112	112
Appropriations for expenditures	(47)	(361)	–	(408)
Ending balance	$ 2,500	$ 2,839	$ 22,664	$ 28,003

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or current law requires OCF to retain as a fund of perpetual duration In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported in unrestricted net assets Such deficiencies totaled approximately $0 and $94,000 as of December 31, 2013 and 2012, respectively Any such deficiencies resulted from unfavorable market fluctuations

11. Endowment Funds and Temporarily and Permanently Restricted Net Assets (continued)

Return Objectives and Risk Parameters

OCF has investment and spending practices for endowment assets that intend to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets Endowment assets include those assets of donor-restricted funds that OCF must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds The policy allows the endowment assets to be invested in a manner that is intended to produce results that exceed the price and yield results of the allocation index while assuming a moderate level of investment risk OCF expects its endowment funds to provide a rate of return that preserves the gift and generates earnings to achieve the endowment purpose

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, OCF relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and interest and dividend income OCF uses a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints to preserve capital

Spending Policy and How the Investment Objectives Relate to Spending Policy

It is OCF's objective to establish a payout rate from endowment accounts that provides a stable, predictable level of spending for the endowed purposes that will increase with the rate of inflation, and to continue to invest in accordance with policy goals of providing for a rate of growth in the endowment earnings that meets or exceeds the rate of inflation The annual spending appropriation will be subject to a minimum rate of 4% and a maximum rate of 7% of each endowment funds' current market value Temporarily restricted net assets, along with other donor-restricted funds, include the spending appropriation and investment income of the endowments and are pending appropriation for expenditure consistent with the specific purpose of the fund

12. Net Patient Service Revenue

Net patient service revenue is recognized when services are provided OCF has agreements with third-party payors that provide for payments to OCF at amounts different from its established rates Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered

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

Medicare and Medicaid

Inpatient acute care services and defined capital costs related to Medicare program beneficiaries are paid at prospectively determined rates per discharge These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors Medicare inpatient rehabilitation services are also paid at prospectively determined rates per discharge, based on a patient classification system Psychiatric services rendered to Medicare beneficiaries are reimbursed on a prospectively determined rate per day Outpatient services to Medicare beneficiaries are paid on a prospectively determined amount per procedure Medicare skilled nursing care is paid on a prospectively determined amount per diem based on a patient classification system The Medicare program's share of indirect medical education costs is reimbursed based on a stipulated formula The Medicare program's share of direct medical education costs is reimbursed based on a prospectively determined amount per resident Inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined per diem rates Outpatient services rendered to Medicaid program beneficiaries are reimbursed on a cost basis subject to certain limits

OCF records retroactive Medicare and Medicaid settlements based upon estimates of amounts that are ultimately determined through annual cost reports filed with and audited by the fiscal intermediary The difference between estimated and audited settlements is recorded as an adjustment to net patient service revenue in the year a determination is made The favorable resolution of reimbursement issues under appeal by OCF is reported as an increase in net patient service revenue in the year the issue is resolved

As a result of retroactive settlements of certain prior year cost reports, OCF recorded changes in estimates during the year ended December 31, 2013 and 2012 As a result of changes in prior year estimates, operating revenues increased approximately $6,477,000 and $1,508,000 in 2013 and 2012, respectively

12. Net Patient Service Revenue (continued)

Medicaid Supplemental Payment Program

Since December 2010, Ochsner and four other health care providers formed collaborations with the State and several units of local government in Louisiana (Jefferson Parish Hospital Service District No 1, Jefferson Parish Hospital Service District No 2, Natchitoches Hospital District No 1, Jefferson Parish Human Services Authority, *Terrebonne Parish Hospital* Service *District* #1, Southern Regional Medical Corporation, Hospital Service District No 3 of the Parish of Allen, The Parish Hospital Service District for the Parish of Orleans – District A and *Savoy Medical Center*) to more fully fund the Medicaid program (the Program) by forming ten non-profit organizations (Louisiana Clinical Services, Inc (LCS), Southern Louisiana Clinical Services, Inc (SLCS), Eastern Louisiana Clinical Services, Inc (ELCS), Natchitoches Clinical Services, Inc (NCS), Jefferson Clinical Services, Inc (JCS), Metairie Physician Services, Inc (MPS), Allen Clinical Services, Inc (ACS), Savoy Clinical Services, Inc (SCS), Louisiana Family Services, Inc (LFS), and Satyr Clinical Services, Inc (SCS)) with the purpose to create a vehicle to provide services to low income and needy patients in the providers' communities

These collaborations enable the governmental entities to increase support for the Uncompensated Care Cost (UCC) program and for other Medicaid supplemental payments up to the state's federal Medicaid Upper Payment Limits (UPL) Each State's UCC and UPL methodology must comply with its State plan and be approved by the Centers for Medicare & Medicaid Services (CMS) Federal matching funds are not available for Medicaid payments that exceed UPLs or UCC entitlement In 2013 and 2012, OCF recognized $77,702,000 and $17,425,000, respectively, in net patient service revenue related to the Program and recorded deferred revenue of approximately $6,722,000 and $4,597,000 at December 31, 2013 and 2012, respectively Such amounts are included in other current liabilities in the consolidated balance sheets

Humana Inc.

OCF entered into a provider contract with Humana Inc to provide services for its commercial and senior members on a fee-for-service basis for physician services and at prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates for hospital services Also, OCF provided services to approximately 30,000 senior members under a capitation contract for both physician and hospital services Premium revenue from Humana Inc under the capitation contract approximated $278,483,000 and $292,945,000 in 2013 and 2012, respectively, and is included in premium revenue in the consolidated statements of operations Expenses for medical services to outside providers under the capitation contract approximated $123,952,000 and $143,762,000 in 2013 and 2012,

12. Net Patient Service Revenue (continued)

respectively, and are included in medical services to outside providers in the consolidated statements of operations Net revenue from Humana Inc on a fee-for-service basis approximated $124,884,000 and $102,913,000 in 2013 and 2012, respectively, and is included in net patient service revenue in the consolidated statements of operations

Managed Care

OCF has also entered into contractual arrangements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations Inpatient and outpatient services rendered to managed care subscribers are reimbursed at prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates

OCF recognizes net patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered For uninsured patients that are not eligible for charity care, OCF recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy) Based on historical experience, a significant portion of OCF's uninsured and underinsured patients will be incapable or reluctant to pay for the services provided Therefore, OCF records a significant provision for bad debts in the period the services are provided related to patient receivables and deductibles, copayments, or other amounts due from individual patients that have been deemed unwilling to pay

The table below shows the sources of patient service revenue (net of contractual allowances and discounts), before provision for bad debts (in thousands)

	2013	2012
Government agencies	$ 568,350	$ 459,492
Patients	72,398	77,467
Managed care/indemnity	995,787	863,039
Patient service revenue, net of contractual allowances and discounts	$ 1,636,535	$ 1,399,998

13. Functional Expenses

OCF provides general health care services primarily to residents within its geographic location Expenses related to providing these services for the years ended December 31, 2013 and 2012, are as follows (in thousands)

	2013	2012
Health care services	$ 1,328,655	$ 1,243,783
General and administrative	526,881	411,976
Medical education	39,117	36,692
Research	10,745	9,779
Fitness center	12,567	12,169
Hotel	3,235	3,093
	$ 1,921,200	$ 1,717,492

14. Commitments and Contingencies

Professional and General Liability Insurance

Professional and general liability claims have been asserted against OCF by various claimants The claims are in various stages of processing and some may ultimately be brought to trial Incidents occurring through December 31, 2013, may result in the assertion of additional claims OCF participates in a risk management program to provide for professional and general liability coverage

Under this program, OCF carries professional and general liability insurance coverage for up to $65 million each of annual aggregate claims subject to certain deductible provisions OCF is self-insured with respect to the first $3,000,000 of each claim for professional liability with an aggregate exposure of $6,000,000 General liability claims are subject to a retention of $1,000,000 per claim and $2,000,000 aggregate For Ochsner Medical Center – West Bank, Ochsner Baptist, and Ochsner Medical Center – Northshore, the retention for professional liability claims are reduced to $1,000,000 per claim and $4,000,000 aggregate Ochsner Medical Center – Baton Rouge and L J Chabert have separate policies that do not include retention

14. Commitments and Contingencies (continued)

Professional liability claims are limited by Louisiana statute to $500,000 per occurrence, the first $100,000 of which is payable by the health care provider and the remainder of which is payable by the Patient's Compensation Fund (the Fund) for participants in the Fund The Fund was established by the Medical Malpractice Act, which was enacted in 1975 by the State of Louisiana The Act established the Fund and limited recovery in medical malpractice cases to $500,000 The limitation on recovery has been challenged and, to date, successfully defended in the courts Expenditures recorded by OCF for participation in the Fund for the years ended December 31, 2013 and 2012, were approximately $18,633,000 and $18,238,000, respectively

OCF has established a trust fund held by a financial institution Disbursements are made from the trust fund for self-insured professional and general liability claims, claims administration costs, and legal fees The amount to be contributed to the trust fund is determined annually by an independent actuary The trust fund assets totaled approximately $7,392,000 and $9,840,000 at December 31, 2013 and 2012, respectively The estimated liability recorded by OCF for claims, based on the actuarial report, is approximately $13,681,000, with estimated recoveries of $2,003,000 at December 31, 2013 and $13,463,000, with estimated recoveries of $48,000, at December 31, 2012 The estimated liability for OCF was discounted at a range of 2 5%–4 0% at both December 31, 2013 and 2012 If the risk management program is terminated, the trust fund balance, if any, reverts to OCF after satisfaction of outstanding claims Any proceeds from such a reversion would be used to reduce future costs for liability coverage

Estimated Workers' Compensation and Employee Health Claims

OCF is self-insured for workers' compensation and employee health claims The estimated liability for workers' compensation and employee health claims totaled approximately $14,238,000 and $10,582,000 at December 31, 2013 and 2012, respectively

14. Commitments and Contingencies (continued)

Lease Commitments

OCF leases certain software equipment under capital leases Capital lease assets are included in equipment, furniture, and fixtures in the consolidated balance sheets as of December 31, 2013 and 2012, and are as follows (in thousands)

	2013	2012
Software equipment	$ 5,968	$ 5,968
Accumulated amortization	(1,716)	(522)
Net carrying value of capital lease assets	$ 4,252	$ 5,446

Amortization expense applicable to the capital lease asset is included in depreciation and amortization in the 2013 consolidated statement of operations The capital lease obligations are included in other current and noncurrent liabilities in the consolidated balance sheets

Additionally, OCF leases assets under various rental agreements OCF leases have varying terms, which may include renewal or purchase options and escalation clauses that are factored into determining minimum lease payments The following schedule summarizes OCF's future annual minimum rental commitments on outstanding leases as of December 31, 2013 (in thousands)

	Lease Obligations	
	Capital	Operating
2014	$ 1,366	$ 23,958
2015	1366	17,940
2016	1,366	14,933
2017	1,366	9,524
2018	463	5,259
Thereafter	–	27,420
Total minimum lease payments	5,927	$ 99,034
Amounts representing interest	563	
Present value of minimum lease payments	5,364	
Less current maturities	1,144	
Capital lease obligations – noncurrent	$ 4,220	

14. Commitments and Contingencies (continued)

Rent expense, which relates primarily to cancelable or short-term operating leases for equipment and buildings, was approximately $34,088,000 and $38,496,000, respectively, for the years ended December 31, 2013 and 2012

Transfer of Westbank to OCF

On September 14, 2008, OCH executed a bill of sale, assignment and assumption agreement with OCF to transfer the operations of the Westbank facility to OCF Coincident therewith, a ten-year lease was executed to lease the Westbank facility building to OCF, and, subsequent thereto, the facility is being operated and licensed as a remote satellite campus of OCF Amounts incurred related to this lease agreement were $3,229,000 for each of the years ended December 31, 2013 and 2012, and are included in other operating expenses in the consolidated statements of operations OCF's future annual minimum rental commitments related to this lease as of December 31, 2013, are as follows (in thousands)

Years ending December 31	
2014	$ 3,275
2015	3,340
2016	3,407
2017	3,475
2018	2,496
Thereafter	–
Total	$ 15,993

Transfer of Baptist to OCF

On March 10, 2013, OCH executed a bill of sale, assignment and assumption agreement with OCF to transfer the operations of the Baptist facility to OCF Coincident therewith, a ten-year lease was executed to lease the Baptist facility building to OCF, and, subsequent thereto, the facility is being operated and licensed as a remote satellite campus of OCF The amount incurred related to this lease agreement was $6,954,000 for the year ended December 31, 2013, and is included in other operating expenses in the consolidated statements of operations OCF's future

14. Commitments and Contingencies (continued)

annual minimum rental commitments related to this lease as of December 31, 2013, are as follows (in thousands)

Years ending December 31	
2014	$ 7,976
2015	8,136
2016	8,298
2017	8,464
2018	8,633
Thereafter	38,086
Total	$ 79,593

Operating Leases – Lessor

OCF leases office space to other businesses Lease terms generally range from one to four years, with options of renewal for additional periods All such property leases provide for minimum annual rentals and all rental revenue has been recorded on a straight-line basis Following is a schedule by years of future minimum rental payments under operating leases as of December 31, 2012 (in thousands)

Years ending December 31	
2014	$ 1,195
2015	1,010
2016	518
2017	377
2018	361
Thereafter	1,535
Total minimum lease payments to be received	$ 4,996

OCH Debt Guaranty

OCF has provided a Joint and Several Guarantee Agreement (Guarantee Agreement) for OCH's $83,910,000 LPFA bonds issued in 2007 and OCH's notes payable of $22,000,000 issued in 2008 The Guaranty Agreement provided by OCF is secured by a mortgage and security interest in certain of OCH's assets as well as a pledge of revenues Under this Guarantee Agreement,

14. Commitments and Contingencies (continued)

OCF will be obligated to pay the guaranteed bonds and notes payable should OCH fail to pay The maximum aggregate exposure OCF has on its Guarantee Agreement for OCH's debt as of December 31, 2013, is $97,273,000, the amount of the outstanding debt, plus any accrued and unpaid interest OCH is obligated to reimburse OCF for any amount OCF has to pay under the Guarantee Agreement

Contingencies

The health care industry as a whole is subject to numerous laws and regulations of federal, state, and local governments Compliance with these laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at the time Such compliance with laws and regulations in the health care industry has come under increased government scrutiny OCF and its subsidiaries are parties to various legal proceedings and potential claims arising in the ordinary course of its business Management of OCF believes the reserves it has established for these issues are adequate and does not believe, based on current facts and circumstances and after review with counsel, that these matters will have a material adverse effect on OCF's consolidated statements of financial position or results of operations

In September 2009, OCF indefinitely suspended operations at its in vitro fertilization (IVF) center due to the mislabeling of frozen embryos There are 50 patients who have either filed a lawsuit or a claim before the Fund alleging mishandling in the labeling and storage of embryos between 2004 and 2009 The Fund has taken the position that this liability is not covered by the Fund However, these cases are covered by Ochsner's professional liability coverage

The plaintiffs requested class certification for four classes of plaintiffs (1) all patients who ever underwent IVF at Ochsner, (2) all patients who had FDA issues with respect to donor eggs, (3) all patients who had frozen embryos at Ochsner Fertility Center when it closed, and (4) all patients with certain types of errors in documentation The lower court granted two classes and refused to grant two other classes The Louisiana 5th Circuit Court of Appeals decided there should be no class actions, and counsel for plaintiffs did not appeal that ruling Since class certification for all four proposed class actions has been denied, we have settled in mediation all but seven of the claims Currently it appears that OCF has reached the $6 million self-insured retention for the 2008 – 2009 policy period and OCF has so notified the carrier (both the claims and underwriting departments) by submitting its loss run report and supporting documentation to tender its defense and ongoing indemnity payments

14. Commitments and Contingencies (continued)

The Tax Relief and Health Care Act of 2006 authorized a permanent program involving the use of third-party recovery audit contractors (RACs) to identify Medicare overpayments and underpayments made to providers RACs are compensated based on the amount of both overpayments and underpayments they identify by reviewing claims submitted to Medicare for correct coding and medical necessity Payment recoveries resulting from RAC reviews are appealable through administrative and judicial processes Payment recoveries and denials resulting from RAC reviews can be appealed through administrative and judicial processes, and management intends to pursue the reversal of adverse determinations where appropriate In addition to overpayments that are not reversed on appeal, OCF will incur additional costs to respond to requests for records and to pursue the reversal of payment denials OCF expects the RACs will continue to seek CMS approval to review additional issues

During 2010, OCF was selected for review by RAC auditors, which is ongoing as of December 31, 2013 Management of OCF believes that the reserves it has established based on preliminary results, included in estimated third-party payor settlements – net liabilities in the consolidated balance sheets, are adequate but cannot predict with certainty the impact of the Medicare and Medicaid RAC program on its future consolidated results of operations or cash flows

15. Subsequent Events

OCF has evaluated subsequent events through May 1, 2014, the date the accompanying consolidated financial statements were available for issuance

EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over We develop outstanding leaders who team to deliver on our promises to all of our stakeholders In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients For more information about our organization, please visit ey com

ey.com