



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



Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**

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

2013Department of the Treasury
Internal Revenue Service

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

Information about Form 990 and its instructions is at www.irs.gov/form990.Open to Public
Inspection**A** For the 2013 calendar year, or tax year beginning , 2013, and ending , 20**B** Check if applicable:

- ☐ Address change
- ☒ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization **SCL HEALTH - FRONT RANGE, INC.**
FKA EXEMPLA, INC.

Doing Business As

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

2420 WEST 26TH AVE., SUITE 100D

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

DENVER, CO 80211**F** Name and address of principal officer **GRANT WICKLUND****8300 W 38TH AVE WHEAT RIDGE, CO 80033****D** Employer identification number**84-1103606****E** Telephone number**(303) 467-4430****G** Gross receipts \$ **681,900,699.****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.SCLHEALTHSYSTEM.ORG****K** Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other**L** Year of formation: **1905** **M** State of legal domicile: **CO****Part I** Summary

1 Briefly describe the organization's mission or most significant activities **WE REVEAL AND FOSTER GOD'S HEALING LOVE BY IMPROVING THE HEALTH OF THE PEOPLE AND COMMUNITIES WE SERVE, ESPECIALLY THOSE WHO ARE POOR AND VULNERABLE.**

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	11.
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	5.
5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	4,918.
6 Total number of volunteers (estimate if necessary)	6	600.
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	388,775.
b Net unrelated business taxable income from Form 990-T, line 34	7b	175,272.

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	950,284.	5,098,906.
9 Program service revenue (Part VIII, line 2g)	672,336,029.	665,450,720.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	13,737,537.	8,229,895.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,651,613.	-116,786.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	688,675,463.	678,662,735.
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	750,100.	858,812.
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)	301,121,289.	300,392,278.
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25)	0	0
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	352,538,252.	373,721,195.
18 Total expenses - Add lines 13-17 (must equal Part IX, column (A), line 25)	654,409,641.	674,972,285.
19 Revenue less expenses - Subtract line 18 from line 12	34,265,822.	3,690,450.

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	956,351,142.	884,253,129.
21 Total liabilities (Part X, line 26)	514,335,976.	415,035,614.
22 Net assets or fund balances. Subtract line 21 from line 20	442,015,166.	469,217,515.

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 *[Signature]* **Date** **11/10/14**

Type or print name and title **VP FINANCE**

Paid Preparer Use Only

Print/Type preparer's name **JENNIFER L RICHTER** **Preparer's signature** *[Signature]* **Date** **11/05/14** **Check** ☐ **if self-employed** **PTIN** **P00366526**

Firm's name **ERNST & YOUNG U.S. LLP** **Firm's EIN** **34-6565596**

Firm's address **190 CARONDELET PLAZA, SUITE 1300 CLAYTON, MO 63105** **Phone no** **314-290-1000**

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2013)JSA
3E1010 1 000

24660T 2256

V 13-7.5F

318

✓

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐ Yes ☒ No**1** Briefly describe the organization's mission

WE REVEAL AND FOSTER GOD'S HEALING LOVE BY IMPROVING THE HEALTH OF
THE PEOPLE AND COMMUNITIES WE SERVE, ESPECIALLY THOSE WHO ARE POOR
AND VULNERABLE.

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 \$ 463,214,369 including grants of \$ 858,812) (Revenue \$ 577,100,615)

PROVISION OF HOSPITAL BASED HEALTHCARE SERVICES, INCLUDING CHARITY
CARE AND UNREIMBURSED MEDICAID - SEE DESCRIPTION IN SCHEDULE O.

4b (Code) (Expenses \$ 66,891,752 including grants of \$) (Revenue \$ 51,273,569)

PHYSICIAN CLINICS - SEE DETAILED DESCRIPTIONS IN SCHEDULE O.

4c (Code) (Expenses \$ 17,990,525 including grants of \$) (Revenue \$ 20,907,832)

WEST PINES BEHAVIORAL HEALTH - SEE DETAILED DESCRIPTION IN
SCHEDULE O.

4d Other program services (Describe in Schedule O)

(Expenses \$ 12,708,869 including grants of \$) (Revenue \$ 19,642,905)

4e Total program service expenses ▶ 560,805,515.

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 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2 X	
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	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4 X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
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 X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a X	
b Did the organization report an amount for investments-other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	X
c Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d X	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	X
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 X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
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	X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b X	

Part IV Checklist of Required Schedules (continued)

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

Form 990 (2013)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck 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	594
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	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	4,918
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	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b	X
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	X
b	If "Yes," enter the name of the foreign country: <u>See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</u>		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
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	X
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	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
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	X
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 line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	11	
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	5	
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?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	X	
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6 Did the organization have members or stockholders?	X	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

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

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

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 Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ SCLH FRNT RGE C/O SHARON OWENS 2480 W 26TH AVE, STE 200B DENVER, CO 80211 303-813-5190

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII. ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) STEVE COBB, MD PRESIDENT EPN	50.00 0	X						0	396,380.	74,333.
(2) LYDIA JUMONVILLE TREASURER, SVP FINANCE & CFO	2.00 50.00	X		X				0	621,924.	100,635.
(3) BOB LADENBURGER EVP HOSP OPS & PRES/CEO EHC	25.00 25.00	X		X				0	1,957,445.	156,351.
(4) MIKE SLUBOWSKI CHAIR; SYSTEM PRESIDENT AND CE	2.00 50.00	X		X				0	1,343,585.	49,627.
(5) SISTER AMY WILLCOTT VICE CHAIR	2.00 0	X		X				0	0	0
(6) MARLA WILLIAMS DIRECTOR	2.00 0	X						0	0	0
(7) BRUCE R. SMITH, MD PHYSICIAN/DIRECTOR	50.00 0	X						287,519.	0	35,856.
(8) KEVIN B. MILLER, MD PHYSICIAN/DIRECTOR	50.00 0	X						774,063.	0	41,699.
(9) HELEN CREGGAR DIRECTOR	2.00 0	X						0	0	0
(10) LORI FOX DIRECTOR	2.00 0	X						0	0	0
(11) DAWN BOOKHARDT DIRECTOR	2.00 0	X						0	0	0
(12) J. GRANT WICKLUND CEO - ELMC	50.00 0			X				0	545,018.	142,267.
(13) DAVID HAMM CEO - EGSMC	50.00 0			X				0	519,531.	139,036.
(14) KAREN SCREMIN CFO - ELMC	50.00 0			X				0	251,330.	46,170.

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			
(15) JOHN HIGGINS CFO - EGSMC	50.00 0			X				0	230,283.	56,796.
(16) CHRISTINA JOHNSON VP CHIEF CLINICAL QUALITY OFFI	50.00 0				X			0	423,743.	55,281.
(17) ROBERT BILLERBECK CMO - EGSMC	50.00 0				X			0	348,365.	23,335.
(18) BETH FORSYTH COO - EGSMC	50.00 0				X			0	297,330.	60,785.
(19) MARGARET PRICE VP OPERATIONS - ELMC	50.00 0				X			0	292,059.	56,875.
(20) GERALDINE TOWNDROW VP-CHIEF NURSING OFFICER - ELM	50.00 0				X			0	270,973.	34,569.
(21) SUSAN KERSCHEN CNO - EGSMC	50.00 0				X			0	249,915.	54,354.
(22) ELISA WETHERBEE COO - EPN	50.00 0				X			0	245,104.	21,498.
(23) SANDRA CAVANAUGH VP COMMUNITY DEVELOPMENT - EGS	50.00 0				X			0	214,476.	40,900.
(24) SCOTT DAY VP HUMAN RESOURCES - ELMC	50.00 0				X			0	211,163.	40,463.
(25) AMY PACEY VP HUMAN RESOURCES - EGSMC	50.00 0				X			0	184,508.	34,978.
1b Sub-total								1,061,582.	5,635,213.	785,974.
c Total from continuation sheets to Part VII, Section A								3,607,039.	3,272,229.	640,111.
d Total (add lines 1b and 1c)								4,668,621.	8,907,442.	1,426,085.

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 **310**

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

	Yes	No
3	X	
4	X	
5		X

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual

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

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
ATTACHMENT 1		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **94**

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

[illegible]

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	310
---	---	-----

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ►		

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d	1,408,144			
	e	Government grants (contributions) . .	1e	3,690,762			
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		5,098,906			
Program Service Revenue				Business Code			
	2a	NET PATIENT REVENUE	621110	647,301,271	646,957,919	343,352	
	b	OTHER AFFILIATED RENT INC	531120	1,389,571	1,389,571		
	c	PHARMACY SALES	446110	606,377	606,377		
	d	ADMIN MISC INCOME	900099	67,900	22,477	45,423	
	e	ALL OTHER PROGRAM SERVICE REVENUE	900099	16,085,601	16,085,601		
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		665,450,720			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		7,940,030			7,940,030
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real (ii) Personal				
	6a	Gross rents	308,940				
	b	Less rental expenses	274,247				
	c	Rental income or (loss)	34,693				
	d	Net rental income or (loss)		34,693			34,693
	7a	Gross amount from sales of assets other than inventory		289,865			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)		289,865			
	d	Net gain or (loss)		289,865			289,865
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events		0			
	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		0			
	10a	Gross sales of inventory, less returns and allowances	a	2,729,968			
	b	Less cost of goods sold	b	2,963,717			
	c	Net income or (loss) from sales of inventory		-233,749	-233,749		
	Miscellaneous Revenue			Business Code			
11a	OTHER RENTAL REVENUE	900099	82,270	82,270			
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		82,270				
12	Total revenue. See instructions		678,662,735	664,910,466	388,775	8,264,588	

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.	316,893.	316,893.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22.	541,919.	541,919.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0			
4 Benefits paid to or for members.	0			
5 Compensation of current officers, directors, trustees, and key employees.	6,700,955.	5,711,184.	989,771.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0			
7 Other salaries and wages.	238,303,167.	203,104,359.	35,198,808.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	11,085,185.	9,447,837.	1,637,348.	
9 Other employee benefits.	28,751,442.	24,504,681.	4,246,761.	
10 Payroll taxes.	15,551,529.	13,254,475.	2,297,054.	
11 Fees for services (non-employees)	0			
a Management.	1,172,286.		1,172,286.	
b Legal.	0			
c Accounting.	10,316.		10,316.	
d Lobbying.	0			
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees.	0			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	33,979,286.	26,926,145.	7,053,141.	
12 Advertising and promotion.	1,244,456.		1,244,456.	
13 Office expenses.	8,681,726.	5,429,899.	3,251,827.	
14 Information technology.	344,903.	12,723.	332,180.	
15 Royalties.	0			
16 Occupancy.	17,559,420.	14,496,443.	3,062,977.	
17 Travel.	590,920.	272,950.	317,970.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19 Conferences, conventions, and meetings.	934,707.	676,321.	258,386.	
20 Interest.	14,327,774.		14,327,774.	
21 Payments to affiliates.	0			
22 Depreciation, depletion, and amortization.	45,181,073.	35,441,931.	9,739,142.	
23 Insurance.	3,730,120.	499,325.	3,230,795.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES	91,864,877.	91,708,799.	156,078.	
b SYSTEM OFFICE MANAGEMENT FEE	72,278,129.	47,938,469.	24,339,660.	
c BAD DEBT	27,150,630.	27,150,630.		
d EQUIP RENTAL & MAINTENANC	2,671,775.	2,586,353.	85,422.	
e All other expenses	51,998,797.	50,784,179.	1,214,618.	
25 Total functional expenses. Add lines 1 through 24e.	674,972,285.	560,805,515.	114,166,770.	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).	0			

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	37,123,179.	1	18,810,158.
	2 Savings and temporary cash investments	7.	2	0
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	77,582,388.	4	69,862,166.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	0	5	0
	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	0	6	0
	7 Notes and loans receivable, net	18,619,696.	7	105,969,912.
	8 Inventories for sale or use	11,170,590.	8	11,534,421.
	9 Prepaid expenses and deferred charges	4,885,023.	9	5,612,975.
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 1077567791.		
	b Less accumulated depreciation	10b 606,063,275.	10c	471,504,516.
	11 Investments - publicly traded securities	319,620,389.	11	2,132,741.
	12 Investments - other securities See Part IV, line 11	1,457,558.	12	1,680,977.
	13 Investments - program-related See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets See Part IV, line 11	2,947,749.	15	197,145,263.
16 Total assets. Add lines 1 through 15 (must equal line 34)	956,351,142.	16	884,253,129.	
Liabilities	17 Accounts payable and accrued expenses	76,973,827.	17	52,595,749.
	18 Grants payable	0	18	0
	19 Deferred revenue	943,340.	19	851,536.
	20 Tax-exempt bond liabilities	1,601,494.	20	1,601,494.
	21 Escrow or custodial account liability Complete Part IV of Schedule D	0	21	0
	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	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	19,594,147.	24	1,739,463.
	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	415,223,168.	25	358,247,372.
	26 Total liabilities. Add lines 17 through 25	514,335,976.	26	415,035,614.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	441,936,645.	27	469,139,519.
	28 Temporarily restricted net assets	78,521.	28	77,996.
	29 Permanently restricted net assets	0	29	0
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	442,015,166.	33	469,217,515.
	34 Total liabilities and net assets/fund balances.	956,351,142.	34	884,253,129.

Form 990 (2013)

Part XI Reconciliation of Net AssetsCheck 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	678,662,735.
2	Total expenses (must equal Part IX, column (A), line 25)	2	674,972,285.
3	Revenue less expenses Subtract line 2 from line 1	3	3,690,450.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	442,015,166.
5	Net unrealized gains (losses) on investments	5	4,599,500.
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	18,912,399.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	469,217,515.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

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

Form **990** (2013)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

OMB No 1545-0047

2013

Open to Public
Inspection

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

Name of the organization **SCL HEALTH - FRONT RANGE, INC.**
FKA EXEMPLA, INC.

Employer identification number
84-1103606

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

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

- 1 ☐ A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 ☐ A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 ☒ A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 ☐ A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 ☐ A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 ☐ An organization that normally receives (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 a ☐ Type I b ☐ Type II c ☐ Type III-Functionally integrated d ☐ Type III-Non-functionally integrated
 e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
 f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
 g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? ☐
 (ii) A family member of a person described in (i) above? ☐
 (iii) A 35% controlled entity of a person described in (i) or (ii) above? ☐
 h Provide the following information about the supported organization(s).

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

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

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

Schedule A (Form 990 or 990-EZ) 2013

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10%-facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

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).

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

2013

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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.**

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 organization **SCL HEALTH - FRONT RANGE, INC.**

Employer identification number

FKA EXEMPLA, INC.

84-1103606

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-
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

Schedule C (Form 990 or 990-EZ) 2013

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount Enter the amount from the following table in both columns														
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? <input type="checkbox"/> Yes <input type="checkbox"/> No														

4-Year Averaging Period Under Section 501(h)

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

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

Schedule C (Form 990 or 990-EZ) 2013

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

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		10,316.
j Total Add lines 1c through 1i			10,316.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
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.

SCHEDULE C, PART II-B, QUESTION 1I

LOBBYING EXPENDITURES

\$10,316 OF OTHER LOBBYING EXPENDITURES INCLUDES PORTIONS OF VARIOUS

MEMBERSHIP DUES THAT ARE DESIGNATED AS LOBBYING EXPENSE BY THOSE

ORGANIZATIONS IN WHICH SCL HEALTH - FRONT RANGE, INC. OR SCL HEALTH -

FRONT RANGE, INC. ENTITIES ARE MEMBERS.

Part IV Supplemental Information *(continued)*

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

▶ Attach to Form 990.

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

OMB No 1545-0047

2013

**Open to Public
Inspection**

Name of the organization **SCL HEALTH - FRONT RANGE, INC.**
FKA EXEMPLA, INC.

Employer identification number
84-1103606

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

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

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

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

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

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

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

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

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

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

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

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

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

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

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

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

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

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

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

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

Schedule D (Form 990) 2013

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

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

a ☐ Public exhibition

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

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

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

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

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

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

	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. ☐ Yes ☐ No

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	510.				
b Contributions	6,788,987.				
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	6,789,497.				

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

a Board designated or quasi-endowment ▶ _____ %

b Permanent endowment ▶ 100.0000 %

c Temporarily restricted endowment ▶ _____ %

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

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

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		X
3a(ii)	X	
3b	X	

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

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

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		25,698,042.		25,698,042.
b Buildings		587,990,481.	256,980,440.	331,010,041.
c Leasehold improvements		39,467,300.	26,311,117.	13,156,183.
d Equipment		411,981,978.	322,486,562.	89,495,416.
e Other		12,429,989.	285,155.	12,144,834.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)).				471,504,516.

Schedule D (Form 990) 2013

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
Total (Column (b) must equal Form 990, Part X, col (B) line 12) ►		

Part VIII Investments - Program Related.

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

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total (Column (b) must equal Form 990, Part X, col (B) line 13) ►		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) ACCRUED INTEREST RECEIVABLE SC	196,607,041.
(2) OTHER ASSETS	538,222.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total (Column (b) must equal Form 990, Part X, col (B) line 15) ►	197,145,263.

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO 3RD PARTY PAYORS	2,629,317.
(3) ACCRUED INTEREST PAYABLE	5,017,976.
(4) OTHER CURRENT LIABILITIES	35,276.
(5) MALPRACTICE LIABILITIES	15,912,722.
(6) OTHER LIABILITIES	2,478,083.
(7) PENSION LIABILITIES	15,623,549.
(8) NOTE PAYABLE TO ESJH	60,000,000.
(9) NOTE PAYABLE TO SCLHS	256,550,449.
Total (Column (b) must equal Form 990, Part X, col (B) line 25) ►	358,247,372.

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.

SEE PAGE 5

Part XIII Supplemental Information (continued)

FORM 990, SCHEDULE D, PART V, LINE 4

ENDOWMENT FUNDS

ENDOWMENT FUNDS WERE TO BE HELD IN A TRUST IN PERPETUITY AND WERE
PROFESSIONALLY MANAGED TO GENERATE A REASONABLE LEVEL OF INCOME TO MEET
THE CURRENT NEEDS OF THE PROJECTS SUPPORTED BY THE INVESTED FUNDS.
ACCOUNTS FOR ENDOWMENT FUNDS WERE INVESTED, ALLOWING INCOME AND PRINCIPLE
TO GROW OVER TIME. THE ENDOWMENT IS HELD BY EXEMPLA LUTHERAN MEDICAL
CENTER FOUNDATION.

SCHEDULE H
(Form 990)

Hospitals

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► Complete if the organization answered "Yes" to Form 990, Part IV, question 20.

► Attach to Form 990. ► See separate instructions.

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

Name of the organization **SCL HEALTH - FRONT RANGE, INC.**
FKA EXEMPLA, INC.

Employer identification number
84-1103606

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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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 <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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"?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	<input type="checkbox"/>	<input type="checkbox"/>
6a Did the organization prepare a community benefit report during the tax year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b If "Yes," did the organization make it available to the public?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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)			21,170,969.		21,170,969.	3.27
b Medicaid (from Worksheet 3, column a)			94,194,762.	66,153,025.	28,041,737.	4.33
c Costs of other means-tested government programs (from Worksheet 3, column b)			1,258,629.	1,368,142.	-109,513.	
d Total Financial Assistance and Means-Tested Government Programs			116,624,360.	67,521,167.	49,103,193.	7.58
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			630,689.		630,689.	.10
f Health professions education (from Worksheet 5)			1,624,945.		1,624,945.	.25
g Subsidized health services (from Worksheet 6)			32,685,992.	23,859,826.	8,826,166.	1.36
h Research (from Worksheet 7)			278,529.		278,529.	.04
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,214,439.		1,214,439.	.19
j Total Other Benefits			36,434,594.	23,859,826.	12,574,768.	1.94
k Total Add lines 7d and 7j.			153,058,954.	91,380,993.	61,677,961.	9.52

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						
3 Community support						
4 Environmental improvements			29,663.		29,663.	
5 Leadership development and training for community members						
6 Coalition building			4,830.		4,830.	
7 Community health improvement advocacy						
8 Workforce development			189.		189.	
9 Other						
10 Total			34,682.		34,682.	

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 Healthcare Financial Management Association Statement No 15?	1	X	
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		
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	155,269,647.
6 Enter Medicare allowable costs of care relating to payments on line 5	6	172,074,755.
7 Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-16,805,108.
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 <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	X	
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	X	

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 LUTHERAN ASC, LLC	OUTPATIENT SURGERY	52.32000		47.68000
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information**Section A. Hospital Facilities**

(list in order of size, from largest to smallest - see instructions)

How many hospital facilities did the organization operate during the tax year? 2

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

	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 EXEMPLA LUTHERAN MEDICAL CENTER 8300 W. 38TH AVE. WHEAT RIDGE CO 80211 WWW.EXEMPLALUTHERAN.ORG 010440	X	X					X			
2 EXEMPLA GOOD SAMARITAN MEDICAL CENTER 200 EXEMPLA CIRCLE LAFAYETTE CO 80026 WWW.EXEMPLAGOODSAMARITAN.ORG 011529	X	X					X			
3										
4										
5										
6										
7										
8										
9										
10										

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 EXEMPLA LUTHERAN MEDICAL CENTERIf reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1**Community Health Needs Assessment** (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)

- 1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 **1** X
- If "Yes," indicate what the CHNA report describes (check all that apply)

- a ☒ 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 Section C)

- 2 Indicate the tax year the hospital facility last conducted a CHNA. 20 1 2

- 3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted **3** X

- 4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C **4** X

- 5 Did the hospital facility make its CHNA report widely available to the public? **5** X
- If "Yes," indicate how the CHNA report was made widely available (check all that apply)

- a ☒ Hospital facility's website (list url) WWW.EXEMPLALUTHERAN.ORG
- b ☒ Other website (list url) WWW.EXEMPLAGOODSAMARITAN.ORG
- c ☒ Available upon request from the hospital facility
- d ☐ Other (describe in Section C)

- 6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)

- a ☒ 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 Section C)

- 7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs **7** X

- 8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? **8a** X

- b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? **8b**
- c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$

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 EXEMPLA GOOD SAMARITAN MEDICAL CENTERIf 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**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

	Yes	No
1	X	

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 Section C)

2 Indicate the tax year the hospital facility last conducted a CHNA 20 1 2

3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted

3	X	
---	---	--

4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C

4	X	
---	---	--

5 Did the hospital facility make its CHNA report widely available to the public?

5	X	
---	---	--

If "Yes," indicate how the CHNA report was made widely available (check all that apply)

- a ☒ Hospital facility's website (list url) WWW.EXEMPLAGOODSAMARITAN.ORG
- b ☒ Other website (list url) WWW.EXEMPLALUTHERAN.ORG
- c ☒ Available upon request from the hospital facility
- d ☐ Other (describe in Section C)

6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)

- a ☒ 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 Section C)

7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs

7		X
---	--	---

8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?

8a		X
----	--	---

b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?

8b		
----	--	--

c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$

Part V Facility Information (continued)**Financial Assistance Policy** EXEMPLA LUTHERAN MEDICAL CENTER

		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?	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>2</u> <u>0</u> <u>0</u> % If "No," explain in Section C the criteria the hospital facility used	X	
11	Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>4</u> <u>0</u> <u>0</u> % If "No," explain in Section C the criteria the hospital facility used	X	
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	X	
a	<input checked="" type="checkbox"/> Income level		
b	<input checked="" type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Section C)		
13	Explained the method for applying for financial assistance?	X	
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	X	
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input type="checkbox"/> The policy was attached to billing invoices		
c	<input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available on request		
g	<input type="checkbox"/> Other (describe in Section C)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged		X
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Part V Facility Information (continued)**Financial Assistance Policy** EXEMPLA GOOD SAMARITAN MEDICAL CENTER

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care?	10	X
If "Yes," indicate the FPG family income limit for eligibility for free care <u>2</u> <u>0</u> <u>0</u> %			
If "No," explain in Section C the criteria the hospital facility used			
11	Used FPG to determine eligibility for providing <i>discounted</i> care?	11	X
If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>4</u> <u>0</u> <u>0</u> %			
If "No," explain in Section C the criteria the hospital facility used			
12	Explained the basis for calculating amounts charged to patients?	12	X
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a	<input checked="" type="checkbox"/> Income level		
b	<input checked="" type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Section C)		
13	Explained the method for applying for financial assistance?	13	X
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input type="checkbox"/> The policy was attached to billing invoices		
c	<input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available on request		
g	<input type="checkbox"/> Other (describe in Section C)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	17	X
If "Yes," check all actions in which the hospital facility or a third party engaged			
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Schedule H (Form 990) 2013

Part V Facility Information (continued) EXEMPLA LUTHERAN MEDICAL CENTER

- 18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)
- a ☒ Notified individuals of the financial assistance policy on admission
- b ☒ Notified individuals of the financial assistance policy prior to discharge
- c ☒ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d ☒ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

- | | 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? | X | |
| If "No," indicate why | | |
| a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) | | |
| d <input type="checkbox"/> Other (describe in Section C) | | |

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

- | | | |
|---|--|---|
| 20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care | | |
| a <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input checked="" type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input type="checkbox"/> Other (describe in Section C) | | |
| 21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? | | X |
| If "Yes," explain in Section C | | |
| 22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? | | X |
| If "Yes," explain in Section C | | |

Part V Facility Information (continued) EXEMPLA GOOD SAMARITAN MEDICAL CENTER

- 18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)
- a ☒ Notified individuals of the financial assistance policy on admission
- b ☒ Notified individuals of the financial assistance policy prior to discharge
- c ☒ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d ☒ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

- | | 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? | X | |
| If "No," indicate why. | | |
| a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) | | |
| d <input type="checkbox"/> Other (describe in Section C) | | |

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

- | | | |
|---|--|---|
| 20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care | | |
| a <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input checked="" type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input type="checkbox"/> Other (describe in Section C) | | |
| 21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? | | X |
| If "Yes," explain in Section C | | |
| 22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? | | X |
| If "Yes," explain in Section C | | |

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.

PART V, SECTION B, LINE 3

COMMUNITY INPUT

THE CENTER FOR HEALTH ADMINISTRATION ("CHA") AT THE UNIVERSITY OF COLORADO DENVER WAS RETAINED TO CONDUCT DATA COLLECTION FOR THE 2012 COMMUNITY HEALTH NEEDS ASSESSMENTS ("CHNA") FOR THE SCL HEALTH - FRONT RANGE SYSTEM AND ITS MEMBER HOSPITAL FACILITIES PER INTERNAL REVENUE CODE REQUIREMENTS. CHA MET WITH REPRESENTATIVES OF THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT ("CDPHE") TO GAIN AN UNDERSTANDING OF AVAILABLE VITAL EVENT AND HEALTH SURVEY DATA IN COLORADO. CDPHE PUBLISHES DATA ON SELECTED HEALTH INDICATORS THAT INCLUDES COUNTY, REGIONAL AND STATE LEVEL DATA ON A VARIETY OF HEALTH, ENVIRONMENTAL AND SOCIAL TOPICS. THESE DATA ARE USED IN COLORADO'S HEALTH ASSESSMENT AND PLANNING SYSTEM ("CHAPS"). CHAPS IS A STANDARD PROCESS CREATED TO HELP LOCAL PUBLIC HEALTH AGENCIES MEET ASSESSMENT AND PLANNING REQUIREMENTS. ACCORDING TO CDPHE, THESE INDICATORS ARE USEFUL FOR ANYONE WHO NEEDS COLORADO HEALTH DATA FOR A COMMUNITY HEALTH ASSESSMENT OR FOR OTHER RESEARCH PURPOSES. CHAPS FOCUSES ON THE INDICATORS SELECTED SPECIFICALLY TO FACILITATE STANDARDIZED HEALTH ASSESSMENT ACROSS ALL JURISDICTIONS IN COLORADO. THE INDICATORS ARE ORGANIZED ACCORDING TO A HEALTH EQUITY MODEL WHICH TAKES INTO ACCOUNT A WIDE RANGE OF FACTORS THAT INFLUENCE HEALTH. BASED ON THE DATA, REPORTS WERE CREATED FOR EACH INDIVIDUAL SCL HEALTH - FRONT RANGE, INC. HOSPITAL FACILITY. HOSPITAL FACILITIES INCLUDED: EXEMPLA GOOD SAMARITAN MEDICAL CENTER, LAFAYETTE, CO, EXEMPLA LUTHERAN MEDICAL CENTER, WHEATRIDGE, CO, AND SAINT JOSEPH HOSPITAL, DENVER, CO.

PART V, SECTION B, LINE 4

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.

HOSPITAL FACILITIES INCLUDED IN THE CHNA

THE THREE HOSPITALS THAT WORKED TOGETHER IN THE COMPLETION OF THE COMMUNITY HEALTH NEEDS ASSESSMENT WERE ST. JOSEPH HOSPITAL, DENVER, CO, EXEMPLA GOOD SAMARITAN MEDICAL CENTER, LAFAYETTE, CO AND EXEMPLA LUTHERAN MEDICAL CENTER, WHEATRIDGE, CO.

PART V, SECTION B, LINE 7

SELECTION OF ADDRESSED NEEDS

EXEMPLA GOOD SAMARITAN MEDICAL CENTER ("EGSMC") VETTED THE RESULTS OF THE COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA") AND TOP HEALTH INDICATORS BY DETERMINING WHICH INDICATORS WERE BELOW THE COLORADO STATE AVERAGE FOR BOTH BOULDER AND BROOMFIELD COUNTIES. THE FOLLOWING INDICATORS WERE SELECTED:

1. ACCESS
2. CANCER
3. COMMUNICABLE DISEASES
4. MENTAL HEALTH
5. OBESITY, NUTRITION AND PHYSICAL ACTIVITY
6. ORAL HEALTH
7. OVERALL HEALTH STATUS
8. SEXUAL HEALTH AND HIV / AIDS

COMMUNITY PARTNERS BROUGHT TO THE TABLE FOR PLANNING INTERVENTIONS WERE CENTURA HEALTH SYSTEM, BOULDER COUNTY HEALTH DEPARTMENT, BROOMFIELD HEALTH & HUMAN SERVICES, MENTAL HEALTH PARTNERS, WEST PINES, EXEMPLA PHYSICIAN NETWORK, PHYSICIANS FROM ERGENTUS, AND NUMEROUS COMMUNITY ORGANIZATIONS. THE REMAINDER OF THE NEEDS IDENTIFIED IN THE CHNA ARE

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

IMPORTANT TO EGSMC BUT DUE TO LIMITED EXPERTISE AT THE HOSPITAL AND THE
AVAILABILITY OF COMMUNITY ORGANIZATIONS WHO ARE ALREADY ADDRESSING NEEDS,
EGSMC WILL COLLABORATE WITH COMMUNITY ORGANIZATIONS TO ENSURE ALL NEEDS
AND HEALTH INDICATORS ARE BEING ADDRESSED.

EXEMPLA LUTHERAN MEDICAL CENTER ("ELMC") VETTED THE RESULTS OF THE CHNA
AND TOP HEALTH INDICATORS AND SELECTED THE FOLLOWING INDICATORS TO BE
ADDRESSED:

1. OBESITY
2. NUTRITION AND
3. PHYSICAL ACTIVITY.

COMMUNITY PARTNERS BROUGHT TO THE TABLE FOR PLANNING INTERVENTIONS WERE
JEFFERSON COUNTY HEALTH DEPARTMENT, WEST PINES, WHEAT RIDGE (WR) 2020,
LIVEWELL WR, ENTERPRISE WR, WR BUSINESS ASSOCIATION, CITY OF WR, WEIGHT
WATCHERS, SODEXO, LIVELOCAL, JEFFERSON COUNTY PUBLIC SCHOOLS, AND
PRIDEMARK EMS. THE REMAINDER OF THE NEEDS IDENTIFIED IN THE CHNA ARE
IMPORTANT TO ELMC BUT DUE TO LIMITED EXPERTISE AT THE HOSPITAL AND THE
AVAILABILITY OF COMMUNITY ORGANIZATIONS WHO ARE ALREADY ADDRESSING NEEDS,
EGSMC WILL COLLABORATE WITH COMMUNITY ORGANIZATIONS TO ENSURE ALL NEEDS
AND HEALTH INDICATORS ARE BEING ADDRESSED.

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? 44

Name and address	Type of Facility (describe)
1 EXEMPLA STAPLETON OB-GYN 2807 ROSLYN ST DENVER CO 80238	PHYSICIAN CLINIC
2 EXEMPLA NEUROLOGY SERVICES OF DENVER 1960 OGDEN STREET, SUITE 120 DENVER CO 80218	PHYSICIAN CLINIC
3 EXEMPLA MOUNTAIN STATES UROGYNECOLOGY 1960 N OGDEN ST, SUITE 520 DENVER CO 80218	PHYSICIAN CLINIC
4 EXEMPLA DIABETES & ENDOCRINE SERVICES 3555 LUTHERAN PARKWAY, SUTIE 180 WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
5 EXEMPLA LUTHERAN HEMATOLOGY & ONCOLOGY 3550 LUTHERAN PARKWAY, SUTE 100-A WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
6 EXEMPLA UNION FAMILY MEDICINE 355 UNION BLVD., SUITE 200 LAKEWOOD CO 80228	PHYSICIAN CLINIC
7 EXEMPLA GREEN MT FAM & OCC MED & PHYS TH 12790-A WEST ALAMEDA PARKWAY LAKEWOOD CO 80228	PHYSICIAN CLINIC
8 EXEMPLA COLORADO LUTHERAN APARTMENTS 8001 W 71ST AVE ARVADA CO 80004	ASSISTED LIVING RESIDENCE
9 EXEMPLA LUTHERAN SOUTHWEST URGENT CARE 13402 WEST COAL MINE AVE, SUITE 110 LITTLETON CO 80127	PHYSICIAN CLINIC
10 EXEMPLA WELLMORE FAMILY PRACTICE 7777 WEST 38TH AVE, SUITE A-118 WHEAT RIDGE CO 80033	PHYSICIAN CLINIC

Schedule H (Form 990) 2013

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? _____

Name and address	Type of Facility (describe)
1 EXEMPLA WHEAT RIDGE OCC MED & PHYS THER 9830 I-70 FRONTAGE ROAD SOUTH WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
2 EXEMPLA BLUESTONE ADVANCED SURGICAL CARE 300 EXEMPLA CIRCLE, SUITE 360 LAFAYETTE CO 80026	PHYSICIAN CLINIC
3 EXEMPLA COLORADO PINNACLE ORTHO ASSOC 3455 LUTHERAN PARKWAY, SUITE 210 WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
4 EXEMPLA LARKRIDGE FAMILY & OCC MED & PT 16570 WASHINGTON STREET THORNTON CO 80023	PHYSICIAN CLINIC
5 EXEMPLA STAPLETON FAMILY & OCC MED 2803 ROSLYN STREET DENVER CO 80238	PHYSICIAN CLINIC
6 EXEMPLA SURGICAL SPECIALISTS 1960 OGDEN ST, SUITE 530 DENVER CO 80205	PHYSICIAN CLINIC
7 EXEMPLA LUTHERAN MATERNAL FETAL MEDICINE 3655 LUTHERAN PARKWAY, SUITE 408 WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
8 EXEMPLA PLASTIC RECONSTRUCT & AESTH SURG 3455 LUTHERAN PARKWAY, SUITE 220 WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
9 EXEMPLA INTERNAL MEDICINE OF LAFAYETTE 300 EXEMPLA CIRCLE, SUITE 300 LAFAYETTE CO 80026	PHYSICIAN CLINIC
10 EXEMPLA FRONT RANGE CARDIAC & THOR SURG 1960 OGDEN ST, SUITE 540 DENVER CO 80205	PHYSICIAN CLINIC

Schedule H (Form 990) 2013

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? _____

Name and address	Type of Facility (describe)
1 EXEMPLA FIRESTONE FAMILY MEDICINE 8350 WCR 13, SUITE 160 FIRESTONE CO 80504	PHYSICIAN CLINIC
2 EXEMPLA MT STATES UROGYNECOLOGY - WEST 3555 LUTHERAN PKWY, SUITE 406 WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
3 EXEMPLA FOOTHILLS NEUROLOGY ASSOCIATES 300 EXEMPLA CIRCLE, SUITE 300 LAFAYETTE CO 80026	PHYSICIAN CLINIC
4 EXEMPLA LUTHERAN NEUROLOGY 3550 LUTHERAN PARKWAY WEST, SUITE 200 WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
5 EXEMPLA OASIS FAMILY MEDICINE 360 S GARFIELD ST STE 500 DENVER CO 80209	PHYSICIAN CLINIC
6 EXEMPLA DIABETES EDUCATION CENTER 3555 LUTHERAN PKWY, SUITE 180 WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
7 EXEMPLA ESSENTIAL WOMENS CARE 1960 OGDEN ST, SUITE 230 DENVER CO 80218	PHYSICIAN CLINIC
8 ROCKY MOUNTAIN CV ASSOCIATES UNION 355 UNION BLVD, SUITE 200 LAKEWOOD CO 80228	PHYSICIAN CLINIC
9 ROCKY MOUNTAIN CV ASSOCIATES NORTH 8300 ALCOTT ST, SUITE 300 WESTMINSTER CO 80031	PHYSICIAN CLINIC
10 ROCKY MOUNTAIN CV ASSOCIATES GSMC 300 EXEMPLA CIRCLE, SUITE 310 LAFAYETTE CO 80026	PHYSICIAN CLINIC

Schedule H (Form 990) 2013

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? _____

Name and address	Type of Facility (describe)
1 ROCKY MOUNTAIN CV ASSOCIATES LMC 3655 LUTHERAN PKWY, SUITE 201 WHEAT RIDGE CO 80033	PHYSICIAN CLINIC
2 ROCKY MOUNTAIN CV ASSOCIATES ESJH 1960 OGDEN ST, SUITE 110 DENVER CO 80218	PHYSICIAN CLINIC
3 EXEMPLA COLORADO LUTHERAN HOME 7991 W 71ST AVE ARVADA CO 80004	NURSING HOME
4 EXEMPLA LUTHERAN HOSPICE AT COLLIER HOSP 3210 LUTHERAN PARKWAY WHEAT RIDGE CO 80033	HOSPICE
5 LUTHERAN CAMPUS ASC 3455 LUTHERAN PARKWAY WHEAT RIDGE CO 80033	AMBULATORY SURGERY CENTER
6 EXEMPLA THORNTON MEDICAL CENTER 1181 E 120TH AVE, UNIT A THORNTON CO 80233	CLINIC
7 EXEMPLA DENVER MEDICAL ASSOCIATES 1960 OGDEN ST, SUITE 120 DENVER CO 80218	CLINIC
8 EXEMPLA NORTHWEST MEDICAL CENTER 12169 SHERIDAN BLVD BROOMFIELD CO 80020	CLINIC
9 EXEMPLA FAMILY PRACTICE SPECIALISTS 3550 LUTHERAN PARKWAY, SUITE G20 WHEAT RIDGE CO 80033	CLINIC
10 EXEMPLA FAMILY & PEDIAT MED OF LAFAYETTE 2600 CAMPUS DRIVE, SUITE A LAFAYETTE CO 80026	CLINIC

Schedule H (Form 990) 2013

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? _____

Name and address	Type of Facility (describe)
1 DENVER NEUROLOGIC & SPINE ASSOCIATES 3455 LUTHERAN PARKWAY, SUITE 280 WHEAT RIDGE CO 80033	CLINIC
2 EXEMPLA SURGICAL FACILITY 1961 OGDEN ST, SUITE 530 DENVER CO 80218	CLINIC
3 EXEMPLA CLEAR CREEK 4704 HARLAN ST, SUITE 500 DENVER CO 80212	CLINIC
4 EXEMPLA DENVER SPORTS MEDICINE 1960 OGDEN ST, SUITE 30 DENVER CO 80218	CLINIC
5	
6	
7	
8	
9	
10	

Schedule H (Form 990) 2013

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

PART I, LINE 6

COMMUNITY BENEFIT REPORT - RELATED ORGANIZATION

COMMUNITY BENEFITS ARE INCLUDED IN A REPORT PREPARED BY SCL HEALTH
SYSTEM.

PART I, LINE 7: THE COST TO CHARGE RATIO USED TO REPORT AMOUNTS IN FORM
990, SCHEDULE H, PART I, LINE 7 WERE DERIVED FROM WORKSHEET 2, IN THE
SCHEDULE H, FORM 990 INSTRUCTIONS.

PART I, LINE 7, COLUMN (F): THE BAD DEBT EXPENSE INCLUDED ON FORM 990,
PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING
THE PERCENTAGE ON SCHEDULE H, PART I, LINE 7 COLUMN (F) IS \$27,150,630.

PART II: COMMUNITY BUILDING ACTIVITIES, THOSE THAT ENHANCE EXISTING
EFFORTS OR FILL GAPS OF COMMUNITY NEED, INCLUDE PROGRAMS THAT SUPPORT
THOSE IN THE COMMUNITY WHO ARE LIVING AT OR BELOW POVERTY. EXEMPLA GOOD
SAMARITAN MEDICAL CENTER ADMINISTRATIVE LEADERSHIP AND ITS EMPLOYEES
PERFORMED CIVIC ACTIVITIES IN WHICH THE HEALTH OF THE COMMUNITY WAS

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

ADVOCATED AS A PRIORITY BY THE HOSPITAL. IN 2013, GOOD SAMARITAN SUPPORTED A "GREEN SUSTAINABILITY" PROGRAM AND DIVERTED 491 TONS (33%) OF WASTE FROM GOING INTO THE LOCAL LANDFILL-WHICH IS NOT A STATE OR REGULATORY REQUIREMENT. THEY ALSO ACTIVELY PARTICIPATED IN THE BOULDER COUNTY WORKFORCE DEVELOPMENT BOARD.

PART III, LINE 1: THE ORGANIZATION REPORTS BAD DEBT IN ACCORDANCE TO HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION (HFMA) STATEMENT NO. 15 TO THE EXTENT THAT HFMA STATEMENT NO. 15 FOLLOWS THE GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) FOR THE REPORTING OF BAD DEBT.

PART III, LINE 2: THE ALLOWANCE FOR BAD DEBT IS BASED UPON THE ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN HEALTH CARE COVERAGE, AND OTHER COLLECTION INDICATORS.

THE BAD DEBT ALLOWANCE IS CALCULATED AS A PERCENTAGE OF PATIENT RECEIVABLES AFTER DEDUCTIONS FOR ESTIMATED PROVISIONS FOR CONTRACTUAL

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

ADJUSTMENTS (DISCOUNTS) ON SERVICES PROVIDED TO ENROLLEES OF MEDICARE,
MEDICAID, THIRD-PARTY PAYOR PROGRAMS, CHARITY CARE, UNINSURED DISCOUNTS,
AND OTHER ADMINISTRATIVE ADJUSTMENTS.

THE BAD DEBT EXPENSE REPORTED ON PART III, LINE 2 IS AT COST. THE COST TO
CHARGE RATIO USED TO CALCULATE BAD DEBT AT COST WAS DERIVED FROM
WORKSHEET 2, IN THE SCHEDULE H, FORM 990 INSTRUCTIONS.

PART III, LINE 4: THE ALLOWANCE FOR BAD DEBT IS BASED UPON THE ASSESSMENT
OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING BUSINESS AND
ECONOMIC CONDITIONS, TRENDS IN HEALTH CARE COVERAGE, AND OTHER COLLECTION
INDICATORS.

THE BAD DEBT ALLOWANCE IS CALCULATED AS A PERCENTAGE OF PATIENT
RECEIVABLES AFTER DEDUCTIONS FOR ESTIMATED PROVISIONS FOR CONTRACTUAL
ADJUSTMENTS (DISCOUNTS) ON SERVICES PROVIDED TO ENROLLEES OF MEDICARE,
MEDICAID, THIRD-PARTY PAYOR PROGRAMS, CHARITY CARE, UNINSURED DISCOUNTS,
AND OTHER ADMINISTRATIVE ADJUSTMENTS.

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

THE FOLLOWING IS THE TEXT OF THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBE THE BAD DEBT ALLOWANCE AND BAD DEBT EXPENSE:

THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING THE BUSINESS AND GENERAL ECONOMIC CONDITION IN ITS SERVICE AREA, TRENDS IN HEALTH CARE COVERAGE, AND OTHER COLLECTION INDICATORS. THROUGHOUT THE YEAR, MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON HISTORICAL COLLECTION EXPERIENCE BY PAYOR CATEGORY AND OTHER FACTORS. THE RESULTS OF THESE REVIEWS ARE THEN USED TO MAKE ANY MODIFICATIONS TO THE PROVISION FOR UNCOLLECTIBLE ACCOUNTS TO ESTABLISH AN APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS. THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS INCLUDES A RESERVE FOR BOTH UNINSURED PATIENTS AND BALANCE AFTER INSURANCE ACCOUNTS RECEIVABLE.

THE ORGANIZATION HAS A FINANCIAL ASSISTANCE PROGRAM THAT PROVIDES PATIENTS OPPORTUNITIES TO APPLY FOR FREE OR DISCOUNTED CARE OR TO BE

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

ENROLLED IN A GOVERNMENT SPONSORED MEDICAL CARE PROGRAM. THE PROCESS INCLUDES IDENTIFYING PATIENTS WITH A FINANCIAL CONCERN AND PROVIDING FINANCIAL COUNSELING AND ASSISTANCE IN APPLYING FOR THE ORGANIZATION'S CHARITY CARE AND OTHER FINANCIAL ASSISTANCE PROGRAMS.

CERTAIN PATIENT ACCOUNTS ARE WRITTEN OFF TO BAD DEBT BECAUSE THE ORGANIZATION DOES NOT HAVE SUFFICIENT INFORMATION TO DETERMINE IF THE PATIENT WOULD QUALIFY FOR FREE CARE OR FINANCIAL AID. THEREFORE, IT IS POSSIBLE THAT SOME BAD DEBT IS ACTUALLY CHARITY CARE. HOWEVER, IF A PATIENT ACCOUNT IS WRITTEN OFF TO BAD DEBT AND THE COLLECTION AGENCY LATER DETERMINES THAT THE PATIENT WOULD HAVE QUALIFIED FOR FREE CARE OR FINANCIAL AID, THEN THE BAD DEBT EXPENSE IS RECLASSIFIED TO CHARITY CARE.

PART III, LINE 8: THE ORGANIZATION BELIEVES THAT AT LEAST SOME PORTION OF THE COSTS WE INCUR IN EXCESS OF PAYMENTS RECEIVED FROM THE FEDERAL GOVERNMENT FOR PROVIDING MEDICAL SERVICES TO MEDICARE ENROLLEES AND BENEFICIARIES UNDER THE FEDERAL MEDICARE PROGRAM (SHORTFALL OR MEDICARE

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

SHORTFALL) CONSTITUTES A COMMUNITY BENEFIT. PROVIDING THESE SERVICES CLEARLY LESSENS THE BURDENS OF THE GOVERNMENT BY ALLEVIATING THE FEDERAL GOVERNMENT FROM HAVING TO DIRECTLY PROVIDE THESE MEDICAL SERVICES. AS DEMONSTRATED AND CALCULATED ON FORM 990, SCHEDULE H, PART III, LINES 5, 6 AND 7, OUR MEDICARE "ALLOWABLE COSTS" CLEARLY EXCEED THE PAYMENTS WE RECEIVE FOR PROVIDING THESE MEDICAL SERVICES UNDER THE MEDICARE PROGRAM. BY ABSORBING THE MEDICARE SHORTFALL COSTS WE ARE PROVIDING A COMMUNITY BENEFIT AS WELL AS EASING THE BURDEN OF THE FEDERAL GOVERNMENT HAVING TO COVER THESE COSTS.

TO ARRIVE AT THE FORM 990, SCHEDULE H, PART III, LINE 6 AMOUNT WE USED ACTUAL MEDICARE CHARGES FROM INTERNAL RECORDS AND APPLIED AN ESTIMATED COST TO CHARGE RATIO TO DETERMINE THE MEDICARE ALLOWABLE COSTS. THE ESTIMATED MEDICARE COST TO CHARGE RATIO IS THE PRIOR PERIOD MEDICARE COST REPORT COST TO CHARGE RATIO.

PART III, LINE 9B

AN INTEGRAL COMPONENT OF OUR MISSION IS TO BE GOOD FINANCIAL STEWARDS.

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

THIS REQUIRES US TO DETERMINE WHICH PATIENTS ARE IN NEED OF CHARITY CARE AND WHICH ARE ABLE TO CONTRIBUTE SOME PAYMENT FOR CARE RECEIVED. WE MAINTAIN A BALANCE THAT ENABLES US TO CONTINUE TO PROVIDE CHARITY CARE TO THOSE WHO NEED IT MOST, AND TO ENSURE THAT WE MANAGE OUR RESOURCES SO THAT WE CAN CONTINUE TO BE HERE WHEN PEOPLE NEED US MOST. THE ORGANIZATION NOTIFIES PATIENTS OF FINANCIAL ASSISTANCE POLICY UPON ADMISSION, DISCHARGE AND IN COMMUNICATION REGARDING PATIENT BILLS. PATIENTS ARE CONTACTED MULTIPLE TIMES ABOUT UNPAID BALANCES PRIOR TO INITIATING ANY COLLECTION ACTION. IF A PATIENT IS DETERMINED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE AT ANY TIME DURING THE COLLECTION PROCESS, THE ACCOUNT IS RECLASSIFIED AS FINANCIAL ASSISTANCE AND DEBT COLLECTION EFFORTS ARE CEASED.

PART VI, LINE 2

NEEDS ASSESSMENT

AS PART OF OUR CORE VALUE OF RESPONSE TO NEED, EXEMPLA GOOD SAMARITAN MEDICAL CENTER ("EGSMC") AND EXEMPLA LUTHERAN MEDICAL CENTER ("ELMC") TAKE STEPS TO DETERMINE WHERE THERE IS THE MOST NEED IN ORDER TO PROVIDE THE

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

GREATEST GOOD. BOTH EGSMC AND ELMC HAVE REGULARLY PARTICIPATED IN NEEDS ASSESSMENTS TO IDENTIFY THE ONGOING AND CHANGING NEEDS OF THE COMMUNITY. FOR 2012, THE PROCESS INCLUDED ONE OTHER EXEMPLA HOSPITAL: SAINT JOSEPH HOSPITAL, DENVER, CO ("SJH"). IN 2013, EACH HOSPITAL DEVELOPED A HOSPITAL IMPLEMENTATION PLAN TO ADDRESS TOP NEEDS, IDENTIFY PARTNERS, AND SET IN PLACE A PLAN OF ACTION TO IMPROVE THE HEALTH OF THEIR COMMUNITIES.

THE MOST RECENT SURVEY WAS CONDUCTED IN 2012, AND OTHER SURVEYS WILL BE CONDUCTED ON A REGULAR BASIS. THE FINAL COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA") FOR SJH WAS APPROVED BY THE SCL HEALTH - FRONT RANGE, INC. BOARD IN JUNE 2012. THE CHNA WAS MADE WIDELY AVAILABLE TO THE PUBLIC IN 2013 AFTER ALL COMMUNITY INPUT WAS OBTAINED. IT IS AVAILABLE ON THE SCL HEALTH - FRONT RANGE, INC. WEBSITE, MADE AVAILABLE TO THE PUBLIC UPON REQUEST, AND IS PROVIDED TO COMMUNITY ORGANIZATIONS WHO REQUEST FUNDING OR DONATIONS FROM THE HOSPITAL.

THE SCL HEALTH - FRONT RANGE, INC. CHNA MIRRORS APPLICABLE PARTS OF THE

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

CDPHE'S 2012 COLORADO'S 10 WINNABLE BATTLES WHICH IDENTIFIES KEY HEALTH ISSUES WHERE PROGRESS CAN BE MADE IN THE NEXT FIVE YEARS. THE HEALTH INDICATORS ARE AS FOLLOWS: OVERALL HEALTH STATUS; ACCESS; CANCER; DIABETES; HEART DISEASE AND CEREBROVASCULAR DISEASE; HIV/AIDS; COMMUNICABLE DISEASE; INJURY; MENTAL HEALTH; OBESITY, NUTRITION AND PHYSICAL ACTIVITY; ORAL HEALTH; SEXUAL HEALTH; SUBSTANCE ABUSE; AND TOBACCO. BY ALIGNING WITH THE CDPHE, THE SCL HEALTH - FRONT RANGE HOSPITALS JOIN FORCES WITH AN ALLY IN EFFORTS TO MAKE AN IMPACT ON IMPROVING THE HEALTH OF ITS HOSPITALS' COMMUNITIES. THROUGH THIS PROCESS, SCL HEALTH - FRONT RANGE ALSO MEETS STIPULATIONS SET BY THE AFFORDABLE CARE ACT THAT REQUIRE HOSPITALS TO COLLABORATE WITH THEIR PUBLIC HEALTH DEPARTMENTS TO IMPROVE THEIR COMMUNITIES' HEALTH.

IN SUPPORT OF THE CHNA, THE SCL HEALTH - FRONT RANGE, INC. HOSPITALS HAVE A DEFINED COMMUNITY SERVED BY THE HOSPITALS. THIS IS ACCOMPLISHED BY PARTNERING WITH LOCAL GOVERNMENT AND SOCIAL AGENCIES; COMBINING EFFORTS WITH OTHER LOCAL HOSPITALS AND HEALTH CARE ORGANIZATIONS; AND CONDUCTING SURVEYS AND ASSESSMENTS WITH THE ASSISTANCE OF OUTSIDE CONSULTANTS. WE

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

ALSO CONTINUOUSLY ASSESS THE NEEDS OF THE COMMUNITY THROUGH CLOSE WORKING
RELATIONSHIPS AND PARTNERSHIPS WITH SERVICE AGENCIES IN THE COMMUNITY,
AND BY EVALUATING STATE AND COUNTY HEALTH STATISTICS.

PART VI, LINE 3

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

THE ORGANIZATION NOTIFIES PATIENTS OF FINANCIAL ASSISTANCE POLICY UPON

ADMISSION, PRIOR TO DISCHARGE AND IN COMMUNICATION REGARDING PATIENT

BILLS. THE ORGANIZATION HAS A FINANCIAL ASSISTANCE PROGRAM THAT PROVIDES

PATIENTS OPPORTUNITIES TO APPLY FOR FREE OR DISCOUNTED CARE OR TO BE

ENROLLED IN A GOVERNMENT SPONSORED MEDICAL CARE PROGRAM. THE PROCESS

INCLUDES IDENTIFYING PATIENTS WITH A FINANCIAL CONCERN AND PROVIDING

FINANCIAL COUNSELING AND ASSISTANCE IN APPLYING FOR THE ORGANIZATION'S

CHARITY CARE AND OTHER FINANCIAL ASSISTANCE PROGRAMS.

PART VI, LINE 4

COMMUNITY INFORMATION

EXEMPLA GOOD SAMARITAN MEDICAL CENTER ("EGSMC") IS THE SCL HEALTH

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

SYSTEM'S ACUTE CARE FACILITY IN THE NORTH DENVER METROPOLITAN AREA. EGSMC IS LOCATED IN LAFAYETTE, COLORADO, AND PROVIDES HEALTHCARE SERVICES TO A WIDE ARRAY OF COMMUNITIES IN THE NORTH METROPOLITAN AREA.

THE PRIMARY SERVICE AREA, WHICH IS BASED ON THE GEOGRAPHIC AREA OF CONTIGUOUS ZIP CODES FROM WHICH THE HOSPITAL DRAWS APPROXIMATELY 75% OF ITS INPATIENT DISCHARGES, IS COMPRISED OF 23 STANDARD ZIP CODES LOCATED IN BROOMFIELD COUNTY (2 ZIP CODES), BOULDER COUNTY (5 ZIP CODES), ADAMS COUNTY (10 ZIP CODES), JEFFERSON COUNTY (4 ZIP CODES) AND WELD COUNTY (2 ZIP CODES). THE COMBINED PRIMARY AND SECONDARY SERVICE AREA, WHICH IS BASED ON THE GEOGRAPHIC AREA OF CONTIGUOUS ZIP CODES FROM WHICH THE HOSPITAL DRAWS APPROXIMATELY 90% OF ITS INPATIENT DISCHARGES, IS COMPRISED OF THE 23 ZIP CODES FROM THE PRIMARY SERVICE AREA AND 26 ZIP CODES IN THE SECONDARY SERVICE AREA LOCATED IN THE COUNTIES OF ADAMS, BOULDER, GILPIN, JEFFERSON, LARIMER AND WELD. EGSMC IS THE LEADING ACUTE CARE PROVIDER IN ITS PRIMARY SERVICE AREA AND TREATS ABOUT ONE IN FIVE INPATIENTS IN THAT AREA, HIGHEST AMONG HOSPITALS IN THE MARKET. THE CARE SITE'S HIGHEST CONCENTRATION OF PATIENTS ORIGINATE FROM THE CORRIDOR

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

ALONG US HIGHWAY 36 ACROSS TO INTERSTATE 70; COMPRISED OF THE COMMUNITIES
OF BROOMFIELD, LAFAYETTE, WESTMINSTER, WESTERN BRIGHTON AND THORNTON.

EGSMC SEES A SUBSTANTIAL AMOUNT OF PATIENTS ENROLLED WITH KAISER
PERMANENTE AND SERVES AS KAISER'S MAIN INPATIENT PROVIDER IN THE NORTHERN
PORTION OF THE DENVER METROPOLITAN AREA. THERE ARE SIX ACUTE CARE
FACILITIES LOCATED IN EGSMC'S PRIMARY SERVICE AREA, INCLUDING EGSMC, TWO
CENTURA HEALTH HOSPITALS (NOT-FOR-PROFIT) - AVISTA ADVENTIST HOSPITAL AND
SAINT ANTHONY NORTH HOSPITAL, ONE HEALTHONE HOSPITAL (FOR-PROFIT) - NORTH
SUBURBAN HOSPITAL, AND TWO UNAFFILIATED NOT-FOR-PROFIT FACILITIES -
PLATTE VALLEY MEDICAL CENTER AND LONGMONT UNITED HOSPITAL. EGSMC'S
SECONDARY SERVICE AREA INCLUDES FOUR OTHER ACUTE CARE FACILITIES, THREE
OF WHICH ARE AFFILIATED WITH LOCAL HEALTH SYSTEMS (EXEMPLA LUTHERAN
MEDICAL CENTER, MCKEE MEDICAL CENTER - BANNER HEALTH, AND MEDICAL CENTER
OF THE ROCKIES - UNIVERSITY HEALTH) AND ONE
INDEPENDENT HOSPITAL, BOULDER COMMUNITY HOSPITAL.

THE COMMUNITY SERVED BY EGSMC CONTAINS THE FOLLOWING DEMOGRAPHIC
INFORMATION.

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

POPULATION, RACE, ETHNICITY, AND GENDER

IN THE SCL HEALTH - FRONT RANGE, INC. PRIMARY SERVICE AREAS/EGSMC, TOTAL POPULATION IS 1,499,686, ACCORDING TO 2010 CENSUS DATA. BROOMFIELD ALSO HAS THE HIGHEST PERCENTAGE OF ALL YOUTH UNDER 18 YEARS OF AGE, 26.1%, AND BOULDER COUNTY HAS 21.3%. BOULDER COUNTY HAS 10% AND BROOMFIELD COUNTY 9.9% OF THEIR POPULATIONS AGED OVER 65. BOTH COUNTIES ARE PREDOMINANTLY WHITE WITH BOULDER AT 87.2% AND BROOMFIELD AT 86.1%, EXCEEDING THE STATE AVERAGE OF 81.3%. THE NEXT LARGEST RACIAL GROUP IS ASIAN WITH BROOMFIELD AT 6.1% AND BOULDER AT 4.1%, AGAIN BOTH EXCEEDING THE STATE AVERAGE. BOTH BOULDER & BROOMFIELD HAVE ONLY SMALL PERCENTAGES OF BLACK RESIDENTS AND ARE LOWER THAN THE STATE AVERAGE. PERSONS OF HISPANIC OR LATINO ORIGIN MAKE UP 13.3% OF BOULDER COUNTY AND 11.1% OF BROOMFIELD COUNTY. THIS IS UNDER THE STATE AVERAGE OF ABOUT 21%. BROOMFIELD COUNTY HAS SLIGHTLY MORE FEMALES THAN MALES (50.4% VS 49.6%) AND BOULDER COUNTY HAS MORE MALES THAN FEMALES (49.8% FEMALE VS. 50.2% MALE)

EDUCATION

BOTH BOULDER AND BROOMFIELD COUNTIES EXCEED THE STATE AVERAGE FOR HIGH

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

SCHOOL GRADUATES AND FOR THOSE WITH BACHELOR'S DEGREES OR HIGHER. BOULDER HAS THE HIGHEST EDUCATION LEVEL IN THE STATE WITH 56.6% OF THE POPULATION WITH DEGREES.

INCOME

BOULDER AND BROOMFIELD COUNTIES HAVE HIGHER MEDIAN INCOME THAN THE STATE AVERAGE. BROOMFIELD HAS THE HIGHEST MEDIAN INCOME IN THE STATE AT \$77,606. BOULDER MEETS THE STATE AVERAGE FOR PERSONS BELOW THE POVERTY LEVEL AND BROOMFIELD HAS ONLY 4.9% OF POPULATION AT POVERTY LEVEL. BOULDER AND BROOMFIELD COUNTIES ARE BOTH UNDER THE STATE UNEMPLOYMENT RATE ACCORDING TO 2010 NUMBERS. BROOMFIELD WAS LISTED AT 7.9% AND BOULDER AT 7.1%.

HEALTH STATUS

BROOMFIELD AND BOULDER COUNTIES ARE WELL BELOW THE STATE AVERAGE OF 12% OF PERSONS WHO SAY THEIR HEALTH IS POOR OR FAIR. BOULDER COUNTY HAS 8% AND BROOMFIELD COUNTY 7.3% OF THEIR POPULATIONS SELF-IDENTIFYING AS SUCH.

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

BOTH BROOMFIELD AND BOULDER COUNTIES ARE BELOW THE STATE AVERAGE OF SMOKERS IN THE POPULATION WITH BOULDER AT 12.8% AND BROOMFIELD AT 13.9%. BOTH BOULDER AND BROOMFIELD HAVE POPULATION OVERWEIGHT PERCENTAGES BELOW THE STATE AVERAGE. BOULDER'S OBESITY RATE IS BELOW THE STATE AVERAGE AT 13.1%, BUT BROOMFIELD AT 20.8% IS ABOVE THE STATE AVERAGE. BOULDER IS ABOVE THE STATE AVERAGE FOR HIGH RISK DRINKING AT LEAST ONCE IN THE PAST MONTH, WHILE BROOMFIELD IS BELOW STATE AVERAGE. BOTH COUNTIES ARE BELOW THE STATE AVERAGE FOR BINGE DRINKING AT LEAST ONCE IN THE PAST MONTH.

EXEMPLA LUTHERAN MEDICAL CENTER ("ELMC") IS SITUATED IN THE WESTERN PORTION OF THE DENVER METROPOLITAN AREA IN THE CITY OF WHEAT RIDGE, COLORADO. THE CARE SITES SERVICES MANY COMMUNITIES IN THE WESTERN METROPOLITAN AREA INCLUDING WHEAT RIDGE, ARVADA, GOLDEN, LAKEWOOD, WESTMINSTER AS WELL AS COMMUNITIES IN THE FOOTHILLS OF THE FRONT RANGE. ELMC'S PRIMARY SERVICE AREA CONSISTS OF 18 STANDARD ZIP CODES, MAINLY LOCATED IN JEFFERSON COUNTY (13 ZIP CODES), BUT ALSO REPRESENTED BY ZIP

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

CODES IN THE COUNTIES OF DENVER (3 ZIP CODES), ADAMS (1 ZIP CODE) AND GILPIN (1 ZIP CODE). THE SECONDARY SERVICE AREA INCLUDES 20 ZIP CODES AND EXTENDS THROUGH ADAMS COUNTY, BROOMFIELD COUNTY, CLEAR CREEK COUNTY, DENVER COUNTY AND JEFFERSON COUNTY. THE PRIMARY SERVICE AREA IS DEFINED AS THE GEOGRAPHIC AREA OF CONTIGUOUS ZIP CODES FROM WHICH THE HOSPITAL DRAWS APPROXIMATELY 75% OF ITS INPATIENT DISCHARGES AND THE COMBINED PRIMARY AND SECONDARY SERVICE AREA IS BASED ON APPROXIMATELY 90% OF DISCHARGES. ELMC'S MAIN CONCENTRATION OF CARE IS PROVIDED TO THE COMMUNITIES OF WHEATRIDGE, ARVADA AND GOLDEN. 50% OF THE CARE SITE'S DISCHARGES COME FROM EIGHT ZIP CODES WITHIN THOSE CITIES. ADDITIONALLY, ELMC SERVICES THE MOST PATIENTS WITHIN ITS PRIMARY SERVICE AREA WHEN COMPARED TO OTHER HOSPITALS FURNISHING CLOSE TO 30% OF THE INPATIENT CARE. UP UNTIL 2010, ELMC HAD BEEN THE SOLE PROVIDER OF ACUTE CARE SERVICES WITHIN ITS PRIMARY SERVICE AREA UNTIL SAINT ANTHONY HOSPITAL, A CENTURA HEALTH AFFILIATE, RE-LOCATED ITS FACILITY FROM WESTERN DENVER TO AN AREA IN LAKEWOOD CLOSER TO ELMC'S CAMPUS. CURRENTLY, ELMC, SAINT ANTHONY HOSPITAL AND ORTHO COLORADO HOSPITAL AT SAINT ANTHONY HOSPITAL, AN ORTHOPEDIC SPECIALTY HOSPITAL JOINTLY OWNED BY CENTURA HEALTH AND

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

LOCAL PHYSICIANS, ARE THE ACUTE CARE HOSPITALS LOCATED IN ELMC'S PRIMARY SERVICE AREA. THERE ARE THREE ACUTE CARE HOSPITALS LOCATED IN THE SECONDARY SERVICE AREA, SAINT ANTHONY NORTH HOSPITAL (AN AFFILIATE OF THE NOT-FOR-PROFIT CENTURA HEALTH ORGANIZATION), NORTH SUBURBAN MEDICAL CENTER (AN AFFILIATE OF THE FOR-PROFIT HEALTHONE SYSTEM) AND DENVER HEALTH (GOVERNMENT OWNED). THE COMMUNITY SERVED BY SCL HEALTH - FRONT RANGE, INC. IS A CONTINUUM OF MUNICIPALITIES AND SECTIONS OF MUNICIPALITIES WITHIN THE GREATER DENVER METRO AREA, EXTENDING FROM THE CENTRAL WEST METRO DENVER CITIES OF LAKEWOOD AND EVERGREEN TO LONGMONT, THE MOST NORTHWEST MUNICIPALITY IN THE METRO DENVER AREA (EXCLUDING THE CITY OF BOULDER PROPER). WHILE THERE ARE SOME MOUNTAIN AND RURAL AREAS OVER THIS COMMUNITY EXPANSE, MOST OF THE COMMUNITY SERVED IS SUBURBAN AND URBAN AREAS. THE POPULATION OF THE ENTIRE COMMUNITY SERVED IS 1,066,000 AS OF YEAR 2010. THIS AREA REPRESENTS A LITTLE LESS THAN 40% OF THE WHOLE DENVER METRO AREA. BESIDES THE SCL HEALTH - FRONT RANGE, INC. HOSPITALS, EXEMPLA LUTHERAN MEDICAL CENTER, WHEAT RIDGE, AND EXEMPLA GOOD SAMARITAN, LAFAYETTE, THERE ARE FIVE OTHER NOT-FOR-PROFIT HOSPITALS IN THE COMMUNITY:

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

- ST. ANTHONY NORTH HOSPITAL-CENTURA HEALTH, WESTMINSTER

- ST. ANTHONY WEST HOSPITAL-CENTURA HEALTH, LAKEWOOD

- AVISTA ADVENTIST HOSPITAL-CENTURA HEALTH, LOUISVILLE

- LONGMONT UNITED HOSPITAL, LONGMONT

- BOULDER COMMUNITY HOSPITAL, BOULDER

THERE IS ALSO ONE FOR-PROFIT HOSPITAL, NORTH SUBURBAN MEDICAL

CENTER-HEALTHONE, THORNTON.

THE COMMUNITY SERVED BY ELMC CONTAINS THE FOLLOWING DEMOGRAPHIC INFORMATION.

POPULATION, RACE, ETHNICITY, AND GENDER

IN THE SCL HEALTH - FRONT RANGE, INC. PRIMARY SERVICE AREAS/ELMC, TOTAL

POPULATION IS 534,543, ACCORDING TO 2010 CENSUS DATA. JEFFERSON COUNTY

ALSO HAS THE HIGHEST PERCENTAGE OF ALL YOUTH UNDER 18 YEARS OF AGE,

21.5%. JEFFERSON AND CLEAR CREEK COUNTIES HAVE THE HIGHEST PERCENTAGE OF

RESIDENTS OVER AGE 65 AND EXCEED THE STATE AVERAGE. JEFFERSON COUNTY HAS

12.6% AND CLEAR CREEK COUNTY 12.5% OF THEIR POPULATION AGES OVER 65.

JEFFERSON COUNTY IS PREDOMINANTLY WHITE, WHICH INCLUDES HISPANICS

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

SELF-IDENTIFYING, AT 88.4%, EXCEEDING THE STATE AVERAGE. THE NEXT LARGEST RACIAL GROUP IS ASIAN WITH JEFFERSON COUNTY AT 2.6%, ONLY A SMALL PERCENTAGE OF BLACK RESIDENTS AND ARE LOWER THAN THE STATE AVERAGE. PERSONS OF HISPANIC OR LATINO ORIGIN MAKE UP 14.3% OF JEFFERSON COUNTY. THIS IS BELOW THE STATE AVERAGE. JEFFERSON COUNTY HAS MORE FEMALES THAN MALES (50.4% VS 49.6%).

EDUCATION

JEFFERSON COUNTY EXCEEDS THE STATE AVERAGE FOR HIGH SCHOOL GRADUATES AND FOR THOSE WITH BACHELOR'S DEGREES OR HIGHER. THE COUNTIES LEVEL IN THE STATE IS 38.4% OF THE POPULATION WITH DEGREES.

INCOME

JEFFERSON COUNTY HAS A HIGHER MEDIAN INCOME THAN THE STATE AVERAGE WITH THEIR MEDIAN INCOME IN THE STATE AT \$66,059. JEFFERSON MEETS THE STATE AVERAGE FOR PERSONS BELOW THE POVERTY LEVEL WITH 8.1% OF POPULATION AT POVERTY LEVEL. JEFFERSON COUNTY HAVE UNEMPLOYMENT RATES THAT IS JUST UNDER THE STATE AVERAGE AT 8.5%.

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

HEALTH STATUS

JEFFERSON COUNTY IS BELOW THE STATE AVERAGE OF 12% OF PERSONS WHO SAY THEIR HEALTH IS POOR OR FAIR. JEFFERSON COUNTY HAS 10.3% OF THEIR POPULATION SELF-IDENTIFY AS SUCH. JEFFERSON COUNTY IS CLOSE TO THE STATE AVERAGE OF SMOKERS IN THE POPULATION WITH 17.7%. JEFFERSON COUNTY HAS POPULATION OVERWEIGHT PERCENTAGES BELOW THE STATE AVERAGE. JEFFERSON'S OBESITY RATE IS BELOW THE STATE AVERAGE AT 17.1%. JEFFERSON COUNTY IS ABOVE THE STATE AVERAGE FOR HIGH RISK DRINKING AT LEAST ONCE IN THE PAST MONTH, JEFFERSON COUNTY IS BELOW THE STATE AVERAGE FOR BINGE DRINKING AT LEAST ONCE IN THE PAST MONTH.

PART VI, LINE 5

PROMOTION OF COMMUNITY HEALTH

AS PART OF SCL HEALTH SYSTEM (SCLHS), WE PROMOTE THE SHARED MISSION THAT "WE REVEAL AND FOSTER GOD'S HEALING LOVE BY IMPROVING THE HEALTH OF THE PEOPLE AND COMMUNITIES WE SERVE, ESPECIALLY THOSE WHO ARE POOR OR VULNERABLE." WE ARE COMMITTED TO LIVING AND DEMONSTRATING OUR CORE VALUES

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

OF EXCELLENCE, CARING SPIRIT, INTEGRITY, STEWARDSHIP AND GOOD HUMOR.

SCLHS SUPPORTS ITS HOSPITALS BY PROVIDING GUIDANCE, OVERSIGHT, AND RESOURCES TO HELP THEM ACCOMPLISH INITIATIVES THAT IMPROVE HEALTH IN ALL OUR COMMUNITIES. THIS INCLUDES COORDINATING COMMUNITY BENEFIT PROCESSES, PROVIDING GUIDANCE WITH COMMUNITY NEEDS ASSESSMENTS, AND ESTABLISHING CONSISTENT FINANCIAL ASSISTANCE AND CHARITY CARE POLICIES AND PROCEDURES. OTHER WAYS SCLHS BENEFITS ITS HOSPITALS INCLUDE QUALITY IMPROVEMENT AND PERFORMANCE EXCELLENCE INITIATIVES; SYSTEM-WIDE INFORMATION TECHNOLOGY IMPLEMENTATION AND INFRASTRUCTURE; STRATEGIC AND OPERATIONS DIRECTION AND OVERSIGHT; SUPPLY CHAIN MANAGEMENT AND PURCHASING; BENEFITS ADMINISTRATION (INCLUDING A WELLNESS PROGRAM FREE TO EMPLOYEES THAT PROMOTES THEIR HEALTH AND WELL-BEING); RISK MANAGEMENT; DISASTER PLANNING AND CRISIS ASSISTANCE. BY SHARING THE WORK ACROSS OUR SYSTEM WE ARE ABLE TO LIGHTEN THE BURDEN FOR ALL IN ORDER TO FULFILL OUR MISSION OF IMPROVING HEALTH IN OUR COMMUNITIES.

SCLHS IMPROVES OVERALL HEALTH IN OUR COMMUNITIES BY PROVIDING INFRASTRUCTURE TO SUPPORT AND SUSTAIN THREE CLINICS FOR THE UNINSURED IN

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

KANSAS AND COLORADO. THE SCLHS CLINICS FOR THE UNINSURED ARE OFTEN THE ONLY SAFETY NET CLINIC IN THEIR COMMUNITY AND PROVIDE VALUABLE SERVICES FOR THOSE WHO ARE MOST VULNERABLE. EACH HOSPITAL IS SUPPORTED BY A FOUNDATION TO ACCESS AND OPTIMIZE LOCAL PHILANTHROPIC ORGANIZATIONS AND INDIVIDUALS. THESE FOUNDATIONS RAISE FUNDS THROUGH OUTREACH, SPECIAL EVENTS, AND BUILDING DONOR RELATIONS THROUGHOUT THEIR COMMUNITY TO SUPPORT THE NEEDS OF THE HOSPITAL. SCL HEALTH - FRONT RANGE, INC. EXTENDS IT'S CARE BEYOND THE HOSPITALS' WALLS IN ORDER TO IMPROVE THE HEALTH OF OUR COMMUNITY. OUR COMMUNITY ACTIVITIES DEMONSTRATE THIS COMMITMENT.

COLLECTIVELY WITH ITS 534 LICENSED BEDS AT ELMC AND EGSMC, SCL HEALTH - FRONT RANGE, INC. SERVED THE COMMUNITY BY PROVIDING COMPREHENSIVE MEDICAL SERVICES INCLUDING, BUT ARE NOT LIMITED TO, CARDIOLOGY, ONCOLOGY, ORTHOPEDIC, WOMEN AND FAMILY, EMERGENCY AND TRAUMA, NEONATAL INTENSIVE CARE, NEUROLOGY, NEUROSURGERY, OB/GYN, GENERAL SURGICAL AND MEDICAL, PRIMARY CARE, INTERNAL MEDICINE, BEHAVIORAL HEALTH, HOSPICE CARE AND INTEGRATIVE HEALTH SERVICES.

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

OUR COMMUNITY ACTIVITIES AT EXEMPLA LUTHERAN MEDICAL CENTER

("ELMC") INCLUDE A VARIETY OF CLASSES ON WEIGHT MANAGEMENT AND SUPPORT

GROUPS FOR CANCER PATIENTS. ELMC ALSO ROUTINELY OFFERS COMMUNITY HEALTH

AND SAFETY CLINICS, SKIN CANCER SCREENINGS, BREAST CANCER SURVIVORSHIP

PROGRAMS, CLASSES FOR PROSPECTIVE PARENTS AND DIABETES MANAGEMENT

CLASSES, TO NAME A FEW.

ELMC HAS A MULTITUDE OF PROGRAMS IN PLACE THROUGH ITS CANCER CENTER AND

NEUROVASCULAR CENTER AND THROUGH COMMUNITY OUTREACH. A VARIETY OF CLASSES

ARE OFFERED ON WEIGHT MANAGEMENT AND SUPPORT GROUPS FOR CANCER PATIENTS.

WE ALSO ROUTINELY OFFER COMMUNITY HEALTH AND SAFETY CLINICS, SKIN CANCER

SCREENINGS, BREAST CANCER SURVIVORSHIP PROGRAMS, CLASSES FOR PROSPECTIVE

PARENTS AND DIABETES MANAGEMENT CLASSES, TO NAME A FEW. SCL HEALTH -

FRONT RANGE, INC. ALSO RECOGNIZES THE ESSENTIAL NEED TO ENHANCE AND

IMPROVE MEDICAL OUTCOMES, QUALITY AND SERVICES. IN RESPONSE, A BEST IN

THE NATION STRATEGY AND PROGRAM WAS IMPLEMENTED. THE OBJECTIVES OF THE

PROGRAM ARE TO BE THE BEST IN THE NATION IN PREDEFINED QUALITY, SERVICE

AND COST INDICATORS. THE QUALITY INDICATORS ARE IN ALIGNMENT WITH MAJOR

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

PUBLICLY COMPARABLE DATABASES INCLUDING THE COLORADO HEALTH AND HOSPITAL
ASSOCIATION AND CENTERS FOR MEDICARE AND MEDICAID SERVICES.

EXEMPLA GOOD SAMARITAN MEDICAL CENTER ("EGSMC") HAS A HEALTH & HEALING
CENTER WHICH CONDUCTS HEART HEALTH SCREENINGS IN THE COMMUNITY INCLUDING
CHOLESTEROL TESTING AND BLOOD PRESSURE SCREENINGS SEVERAL TIMES
THROUGHOUT THE YEAR. EGSMC ALSO PROMOTES HEALTH AND WELLNESS FOR OUR
EMPLOYEES THROUGH PROGRAMS SUCH AS POUND POUNDERS TO PROMOTE WEIGHT LOSS.
WE ALSO PROVIDE PRESENTATIONS TO COMMUNITY GROUPS ON SUBJECTS SUCH AS
BALANCE, EXERCISE AND STRETCHING. WELLNESS QUEST CLASSES LED BY EGSMC
PHYSICIANS ARE HELD IN THE COMMUNITY FOR PREVENTIVE-CARE EDUCATION AND
INDIVIDUAL RESPONSIBILITY FOR HEALTH PROMOTION. WE HAVE PARTNERED WITH
SUCH ORGANIZATIONS AS THE LAFAYETTE SENIOR CENTER, THE LAFAYETTE
RECREATION CENTER AND OTHER COMMUNITY ORGANIZATIONS PROVIDING SERVICES TO
OUR COMMUNITY.

EGSMC ALSO PROVIDES HEALTH SCREENINGS FOR EMPLOYEES OF BOULDER
VALLEY SCHOOL DISTRICT AND SCREENINGS AT EVENTS SEVERAL TIMES THROUGHOUT

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

THE YEAR TO RESIDENTS OF BROOMFIELD, LAFAYETTE AND OTHERS IN THE SURROUNDING AREAS. WE ARE AN IMPORTANT PART OF OUR COMMUNITY AND SERVE IN MANY WAYS, FROM DELIVERING CORE HEALTH CARE TO PREVENTIVE CARE TO SUPPORT OF OTHER CIVIC GROUPS. IN 2013, SCL HEALTH FRONT RANGE PROVIDED COMMUNITY BENEFIT TO INCLUDE TRADITIONAL CHARITY CARE AND THE UNPAID COST OF MEDICAID. OUR BOARD OF DIRECTORS REPRESENTS MEDICAL AND BUSINESS PROFESSIONALS, AND ALL PROVIDE HOURS OF SERVICE IN SUPPORT OF OUR HOSPITAL. THEY ARE DEEPLY INVOLVED IN OUR NEEDS ASSESSMENT PROCESS, BUILDING PROGRAMS AND SERVICES, AND COMMUNITY OUTREACH TO ENSURE THAT PEOPLE KNOW ABOUT SERVICES AVAILABLE TO THEM THROUGH OUR HOSPITAL. WHEN SCL HEALTH - FRONT RANGE, INC. HAS EXCESS REVENUE OVER OPERATING EXPENSES, WE USE THOSE FUNDS TO OBTAIN CURRENT HEALTH CARE TECHNOLOGIES AND EQUIPMENT, IMPROVE PATIENT CARE, PROVIDE MEDICAL TRAINING EDUCATION AND RESEARCH, AND TO EXPAND ACCESS TO POINTS OF CARE. THESE INVESTMENTS ENSURE WE'LL BE HERE TO CARE FOR FUTURE GENERATIONS.

WE ALSO SUPPORT OUR EMPLOYEES IN VOLUNTEERING FOR COMMUNITY ORGANIZATIONS, INCLUDING SERVING ON COMMUNITY BOARDS, AND PROVIDE

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

OPPORTUNITIES FOR THEM TO SUPPORT CAUSES THROUGH HOSPITAL EVENTS SUCH AS CANCER, HEART DISEASE, AMERICAN HEART ASSOCIATION, RACE FOR THE CURE, AND MARCH OF DIMES. WE ARE GOOD CITIZENS AND PARTNER WITH OTHER ORGANIZATIONS AND AGENCIES TO SUPPORT A THRIVING COMMUNITY, SUCH AS THE JEFFERSON COUNTY AND BOULDER COUNTY HEALTH DEPARTMENT, LIVEWELL COLORADO, THE METRO COMMUNITY PROVIDER NETWORK, MENTAL HEALTH PARTNERS OF BOULDER, MEALS ON WHEELS (BROOMFIELD & BOULDER COUNTIES), BROOMFIELD HEALTH & HUMAN SERVICES AND OTHER AGENCIES IN A SIX-COUNTY AREA.

PART VI, LINE 6

AFFILIATED HEALTH CARE SYSTEM

SCL HEALTH - FRONT RANGE, INC. IS A CONTROLLED ENTITY OF THE SISTERS OF CHARITY OF LEAVENWORTH HEALTH SYSTEM, INC. (SCLHS). SCLHS AND ITS AFFILIATED ENTITIES HAVE A COMMON CALLING AND MISSION "TO REVEAL GOD'S HEALING LOVE BY IMPROVING THE HEALTH OF INDIVIDUALS AND COMMUNITIES IT SERVES, ESPECIALLY THOSE WHO ARE 'POOR AND VULNERABLE.'" WE STRIVE TO PROVIDE HIGH-QUALITY, COMPASSIONATE AND AFFORDABLE HEALTHCARE IN EACH OF OUR HOSPITAL SITES AND THEIR RESPECTIVE COMMUNITY, AS WELL AS IN A

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

VARIETY OF OUTPATIENT SETTINGS AND IN THE HOME.

SCL HEALTH - FRONT RANGE, INC. PROMOTES THE HEALTH OF THE COMMUNITY BY DELIVERING DIRECT HIGH QUALITY HEALTHCARE SERVICES THAT ARE RESPONSIVE TO THE NEEDS OF ITS PATIENTS AND THEIR FAMILIES. THIS INCLUDES COORDINATING COMMUNITY BENEFIT PROCESSES, PROVIDING GUIDANCE WITH COMMUNITY NEEDS ASSESSMENTS, AND ESTABLISHING CONSISTENT FINANCIAL ASSISTANCE AND CHARITY CARE POLICIES AND PROCEDURES.

ADDITIONALLY, SCLHS BENEFITS AFFILIATES THROUGH QUALITY IMPROVEMENT AND PERFORMANCE EXCELLENCE INITIATIVES; SYSTEM-WIDE INFORMATION TECHNOLOGY IMPLEMENTATION AND INFRASTRUCTURE; STRATEGIC AND OPERATIONS DIRECTION AND OVERSIGHT; SUPPLY CHAIN MANAGEMENT AND PURCHASING; FINANCE ADMINISTRATION AND REVENUE CYCLE SUPPORT, BENEFITS ADMINISTRATION, RISK MANAGEMENT; DISASTER PLANNING AND CRISIS ASSISTANCE, CENTRAL CASH MANAGEMENT AND INVESTMENT, INTERNAL AUDIT, LEGAL SERVICES, AND MISSION INTEGRATION.

BEING PART OF SCLHS AFFORDS SCL HEALTH - FRONT RANGE, INC. INSTITUTIONAL

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

KNOWLEDGE FROM THE SYSTEM LEVEL AND THE ABILITY TO SHARE AND LEVERAGE

RESOURCES ACROSS THE SYSTEM TO PROMOTE BEST PRACTICE.

PART VI, LINE 7

STATE FILING OF COMMUNITY BENEFIT REPORT

THE SISTERS OF CHARITY OF LEAVENWORTH HEALTH SYSTEM FILES A COMMUNITY
BENEFIT REPORT IN TWO STATES: CALIFORNIA AND MONTANA.

**SCHEDULE I
(Form 990)**

**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.

Department of the Treasury
Internal Revenue Service

Name of the organization

SCL HEALTH - FRONT RANGE, INC.

FKA EXEMPLA, INC.

Employer identification number

84-1103606

OMB No 1545-0047

2013

**Open to Public
Inspection**

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.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) YOUNG AMERICAN CENTER 3550 E FIRST AVE DENVER, CO 80206	84-1564926	501(C)(3)	10,000				SPONSOR MEDICAL SHOP
(2) METRO COMMUNITY PROVIDER NETWORK 3701 S BROADWAY ENGLEWOOD, CO 80113	74-2477108	501(C)(3)	50,000				SUPPORT FOR ESTES
(3) MOUNT SAINT VINCENT HOME 4159 LOWELL BLVD DENVER, CO 80211	84-0405260	501(C)(3)	18,580				STREET CLINIC
(4) SISTER CARMEN COMMUNITY CENTER 655 ASPEN RIDGE DRIVE LAFAYETTE, CO 80026	84-0820308	501(C)(3)	20,000				DONATION TO PROGRAM SERVICES
(5) MEALS ON WHEELS 909 ARAPAHOE AVE, STE 121 BOULDER, CO 80302	84-0594180	501(C)(3)	15,000				TO SUPPORT ACCESS TO HEALTH CARE
(6) CLINICA COMPENSINA 1345 PLAZA CT, NORTH 1A LAFAYETTE, CO 80026	84-0743432	501(C)(3)	25,000				TO PROVIDE NUTRITIOUS MEALS
(7) COLFAX MARATHON PARTNERSHIP 1490 LAFAYETTE, #206 DENVER, CO 80218	87-0737183	501(C)(3)	20,000				TO SUPPORT ACCESS TO HEALTH CARE
(8) VIA MOBILITY SERVICES 2855 N 63RD STREET BOULDER, CO 80301	84-0777296	501(C)(3)	20,000				EVENT SPONSORSHIP
(9) DEVEREUX CLEO WALLACE 8405 CHURCH RANCH BLVD WESTMINSTER, CO 80020	84-0406820	501(C)(3)	10,000				SUPPORT TRANSPORTATION PROGRAM SERVICES
(10) BAL SWAN CHILDRENS CENTER 1145 E 13TH AVE BROOMFIELD, CO 80020	84-0535171	501(C)(3)	10,000				TO SUPPORT ACCESS TO EMOTIONAL WELL-BEING
(11) DENTAL AID, INC. 877 S BOULDER RD LOUISVILLE, CO 80027	84-0717588	501(C)(3)	8,743				SUPPT PRESCHOOL FOR CHLDREN W/SPEC NEEDS
(12) MENDING FACES 422 HUMBOLDT STREET DENVER, CO 80218	27-2151804	501(C)(3)	7,500				CHARITABLE DONATION TO PROGRAM SERVICES

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

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

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

Schedule I (Form 990) (2013)

JSA

3E1288 1 000

24660T 2256

V 13-7.5F

SCHEDULE I
(Form 990)

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.

Department of the Treasury
Internal Revenue Service

Name of the organization

SCL HEALTH - FRONT RANGE, INC.

FKA EXEMPLA, INC.

Employer identification number

84-1103606

OMB No 1545-0047

2013

Open to Public
Inspection

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.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) UPLIFT INTERNATIONAL PO BOX 27696 SEATTLE, WA 98165	74-2830802	501(C)(3)	7,500				SUPPORT FOR MISSION TRIP TO PHILIPPINES
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 13.
- 3 Enter total number of other organizations listed in the line 1 table 13.

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

Schedule I (Form 990) (2013)

JSA

3E1288 1 000
24660T 2256

V 13-7.5F

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

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1	FREE PRESCRIPTION DRUGS FOR INDIGENT PATIENTS			541,919	BOOK	PRESCRIPTION DRUGS
2						
3						
4						
5						
6						
7						

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

PART I, LINE 2

THE ORGANIZATION KEEPS RECORDS TO SUPPORT THE AMOUNTS PROVIDED OR REASONS

FOR SUCH SUPPORT. SUPPORT IS NOT CONSIDERED GRANTS, BUT RATHER

MISCELLANEOUS DONATIONS AND SPONSORSHIPS. ELIGIBILITY FOR FUNDING IS

DETERMINED ON AN INDIVIDUAL BASIS, CONSIDERING THE USE OF THE FUNDS AND

HOW THE USE RELATES TO EXEMPLA'S MISSION.

**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 **SCL HEALTH - FRONT RANGE, INC.**

FKA EXEMPLA, INC.

Employer identification number

84-1103606

Part I Questions Regarding Compensation

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

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

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

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

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

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

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

- a** Receive a severance payment or change-of-control payment? **4a**
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c**
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

- a** The organization? **5a**
- b** Any related organization? **5b**
- 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**
- b** Any related organization? **6b**
- If "Yes" to line 6a or 6b, describe in Part III.

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

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

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

	Yes	No
1b		
2		
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X
9		

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

Schedule J (Form 990) 2013

Schedule J (Form 990) 2013

Page 2

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 STEVE COBB, MD PRESIDENT EPN	(i) 324,798.	(ii) 66,967.	(iii) 4,615.	51,349.	22,984.	470,713.	0
LYDIA JUMONVILLE TREASURER, SVP FINANCE & CFO	(i) 524,798.	(ii) 83,282.	(iii) 13,844.	79,573.	21,062.	722,559.	0
BOB LADENBURGER EVP HOSP OPS & PRES/CEO EHC	(i) 698,525.	(ii) 583,719.	(iii) 675,201.	139,611.	16,740.	2,113,796.	656,519.
MIKE SLUBOWSKI CHAIR, SYSTEM PRESIDENT AND CE	(i) 1,024,269.	(ii) 194,400.	(iii) 124,916.	31,443.	18,184.	1,393,212.	106,099.
BRUCE R. SMITH, MD PHYSICIAN/DIRECTOR	(i) 248,910.	(ii) 37,811.	(iii) 798.	17,878.	17,978.	323,375.	0
KEVIN B. MILLER, MD PHYSICIAN/DIRECTOR	(i) 484,744.	(ii) 283,188.	(iii) 6,131.	18,210.	23,489.	815,762.	0
J. GRANT WICKLUND CEO - ELMC	(i) 408,080.	(ii) 113,129.	(iii) 23,809.	113,040.	29,227.	687,285.	0
DAVID HAMM CEO - EGSMC	(i) 397,122.	(ii) 102,584.	(iii) 19,825.	120,054.	18,982.	658,567.	0
KAREN SCREMIN CEO - ELMC	(i) 203,924.	(ii) 46,346.	(iii) 1,060.	37,100.	9,070.	297,500.	0
JOHN HIGGINS CEO - EGSMC	(i) 185,917.	(ii) 41,589.	(iii) 2,777.	33,760.	23,036.	287,079.	0
CHRISTINA JOHNSON VP CHIEF CLINICAL QUALITY OFFI	(i) 343,512.	(ii) 77,817.	(iii) 2,414.	53,175.	2,106.	479,024.	0
ROBERT BILLERBECK CNO - EGSMC	(i) 240,932.	(ii) 69,368.	(iii) 38,065.	10,282.	13,053.	371,700.	31,270.
BETH FORSYTH COO - EGSMC	(i) 241,058.	(ii) 50,949.	(iii) 5,323.	42,933.	17,852.	358,115.	0
MARGARET PRICE VP OPERATIONS - ELMC	(i) 234,849.	(ii) 53,307.	(iii) 3,903.	41,823.	15,052.	348,934.	0
GERALDINE TOWNDROW VP-CHIEF NURSING OFFICER - ELM	(i) 205,613.	(ii) 30,000.	(iii) 35,360.	26,829.	7,740.	305,542.	0
SUSAN KERSCHEN CNO - EGSMC	(i) 202,720.	(ii) 43,614.	(iii) 3,581.	37,115.	17,239.	304,269.	0

Schedule J (Form 990) 2013

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
ELISA WETHERBEE 1 COO - EPN	(i) 128,630.	(ii) 62,237.	(iii) 54,237.	6,041.	15,457.	266,602.	0
SANDRA CAVANAUGH 2 VP COMMUNITY DEVELOPMENT - EGS	(i) 173,035.	(ii) 37,369.	(iii) 4,072.	31,250.	9,650.	255,376.	0
SCOTT DAY 3 VP HUMAN RESOURCES - ELMC	(i) 169,310.	(ii) 37,500.	(iii) 4,353.	28,456.	12,007.	251,626.	0
AMY PACEY 4 VP HUMAN RESOURCES - EGSMC	(i) 154,112.	(ii) 29,692.	(iii) 704.	27,539.	7,439.	219,486.	0
RODERICK LAMOND, MD 5 PHYSICIAN	(i) 517,779.	(ii) 248,641.	(iii) 8,280.	18,210.	12,607.	805,517.	0
MARK WATTS, MD 6 PHYSICIAN	(i) 710,555.	(ii) 13,000.	(iii) 2,466.	18,210.	8,236.	752,467.	0
JASON SHOENOS, MD 7 PHYSICIAN	(i) 508,571.	(ii) 190,592.	(iii) 25,107.	18,093.	18,049.	760,412.	0
WILLIAM ANDERSON, MD 8 PHYSICIAN	(i) 716,832.	(ii) 3,387.	(iii) 3,387.	5,322.	19,455.	744,996.	0
MARK AMMONS, MD 9 PHYSICIAN	(i) 543,294.	(ii) 77,742.	(iii) 40,793.	7,500.	18,492.	687,821.	0
TODD CONKLIN 10 VP-CFO HOSPITAL OPERATIONS	(i) 235,434.	(ii) 63,308.	(iii) 5,568.	6,780.	9,323.	320,413.	0
11							
12							
13							
14							
15							
16							

Schedule J (Form 990) 2013

Part III Supplemental Information

Complete this part to 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.

SCHEDULE J, PART I QUESTION 4B

PAYMENTS FROM SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN -

OTHER REPORTABLE COMPENSATION SHOWN IN SCHEDULE J PART II COLUMN (B)

(III) CONTAINS AN ANNUAL REPORTING ADJUSTMENT FOR CERTAIN EMPLOYEES WHO PARTICIPATE IN THE SUPPLEMENTAL NONQUALIFIED RETIREMENT PLANS. SCLHS PROVIDES NONQUALIFIED RETIREMENT PLANS FOR EXECUTIVES TO COMPENSATE FOR REGULATORY IMPOSED LIMITATIONS IN QUALIFIED RETIREMENT PLANS AND TO PROVIDE A BENEFIT CONSISTENT WITH OTHER NOT FOR PROFIT HEALTH SYSTEMS. THESE PLANS ENABLE THE EXECUTIVE TO EARN BENEFITS DURING EACH YEAR THAT THEY PARTICIPATE.

ON ADVICE OF COUNSEL, SCLHS HAS DETERMINED THAT THESE BENEFITS SHOULD BE SUBJECT TO TAXATION AS THEY ARE EARNED AND VESTED RATHER THAN WHEN THEY ARE RECEIVED. AS A RESULT, THE TOTAL NONQUALIFIED RETIREMENT PLAN BENEFITS, WHICH WERE ACCRUED AND VESTED IN THE CURRENT YEAR, ARE NOW CONSIDERED TAXABLE AND THUS WERE TAXED TO THE PARTICIPANTS. AN AMOUNT EQUAL TO THE PARTICIPANT'S EXPECTED INCOME TAX LIABILITY WAS WITHDRAWN FROM THE PARTICIPANT'S ACCOUNT AND REMITTED TO THE IRS AS WITHHOLDING ON THE TAXABLE BENEFIT. THE AMOUNTS WITHDRAWN FROM THE PLAN FOR TAXES IN

Part III Supplemental Information

Complete this part to 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.

2013 WERE:

MICHAEL SLUBOWSKI \$33,930

IN ADDITION, VESTED AMOUNTS ARE PAYABLE UPON END OF EMPLOYMENT. THE VESTED AMOUNTS WITHDRAWN INCLUDE AMOUNTS PREVIOUSLY TAXED TO THE RECIPIENT AND AMOUNTS TAXABLE TO THE RECIPIENT IN THE CURRENT YEAR. THE TAXABLE AMOUNTS ARE INCLUDED ON THE RECIPIENT'S W-2. THE AMOUNTS WITHDRAWN FROM THE PLAN IN 2013 WERE:

ROBERT BILLERBECK \$32,246

SCHEDULE J, PART I, QUESTION 7

OTHER NON-FIXED PAYMENTS

SCLHS HAS MANAGEMENT INCENTIVE PLANS WHICH ARE BASED ON A COMBINATION OF MEASURES. MANAGEMENT AND SENIOR LEADERSHIP ARE ELIGIBLE FOR THE INCENTIVE COMPENSATION. PERFORMANCE CATEGORIES ARE MADE UP OF A COMBINATION OF CLINICAL QUALITY MEASURES AND OPERATING INCOME. THE OPERATING INCOME CATEGORY IS GENERALLY RELATED TO THE NET EARNINGS OF THE CARE SITE IN WHICH THE INDIVIDUAL WORKS, OR IN THE CASE OF SCLHS SENIOR MANAGEMENT, THE NET EARNINGS OF SCLHS.

Part III Supplemental Information

Complete this part to 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

SCHEDULE J

ADDITIONAL OFFICER AND BOARD DISCLOSURES

THE SISTERS OF CHARITY OF LEAVENWORTH HEALTH SYSTEM, INC. (SCLHS) CONSISTS OF ELEVEN HOSPITALS AND FOUR CLINICS (AFFILIATES) IN FOUR STATES. SCLHS AND ITS AFFILIATES ADHERE TO GOVERNANCE EXCELLENCE STANDARDS INCLUDING TRANSPARENCY AND ACCOUNTABILITY.

IN KEEPING WITH SCLHS' CORE VALUE OF STEWARDSHIP, NO BOARD MEMBER SERVING ON SCLHS' BOARD OF DIRECTORS (BOARD) IS COMPENSATED FOR THAT SERVICE.

SCLHS' BOARD COMPENSATION COMMITTEE (COMMITTEE) HAS RETAINED THE SERVICES OF AN INDEPENDENT COMPENSATION ADVISOR. THE COMPENSATION ADVISOR IS RESPONSIBLE FOR ADVISING THE COMMITTEE ON ALL MATTERS RELATING TO EXECUTIVE COMPENSATION INCLUDING SUPPORTING THE COMMITTEE'S EFFORTS TO ENSURE THAT THE LEVEL OF COMPENSATION PROVIDED OFFICERS IS CONSISTENT WITH MARKET VALUE AND THE PAY PHILOSOPHY SET BY THE BOARD. THE PAY PHILOSOPHY SET BY THE BOARD IS TO PAY AT THE MIDDLE OF THE MARKET FOR EXECUTIVES OF SIMILAR SIZED ORGANIZATIONS OVERALL. SCLHS' EXECUTIVE COMPENSATION IS COMPARABLE TO THAT PROVIDED BY SIMILAR NOT-FOR-PROFIT HEALTHCARE SYSTEMS AND HOSPITALS. THE SISTERS WHO SERVE AS OFFICERS AND/OR BOARD MEMBERS OF THIS HEALTH SYSTEM ARE MEMBERS OF THE SISTERS OF

Part III Supplemental Information

Complete this part to 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.

CHARITY OF LEAVENWORTH (A RELIGIOUS ORDER OF WOMEN). AS MEMBERS OF THIS ORDER, THEY HAVE TAKEN VOWS OF POVERTY AND RECEIVE NO COMPENSATION, EXPENSE ACCOUNT ALLOWANCE, OR CONTRIBUTIONS TO BENEFIT PLANS FOR THEIR SERVICES TO THE HEALTH SYSTEM. HOWEVER, PAYMENT IS MADE DIRECTLY TO THE SISTERS OF CHARITY OF LEAVENWORTH FOR THE SERVICES OF THOSE WHO PERFORM PROFESSIONAL, ADMINISTRATIVE, AND OTHER SUCH SERVICES.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.**

OMB No 1545-0047

2013

**Open to Public
Inspection**

Name of the organization **SCL HEALTH - FRONT RANGE, INC.**
FKA EXEMPLA, INC.

Employer identification number
84-1103606

FORM 990, PART III, LINES 4A - 4D

DESCRIPTION OF PROGRAM SERVICE ACHIEVEMENTS

SCL HEALTH - FRONT RANGE, INC. OPERATES EXEMPLA LUTHERAN MEDICAN CENTER (ELMC), SERVING PRIMARILY WESTERN AND SOUTHERN SUBURBAN AREAS OF METRO DENVER, EXEMPLA GOOD SAMARITAN MEDICAL CENTER (EGSMC), SERVING PRIMARILY BOULDER AND NORTHWEST COUNTIES OF METRO DENVER, AND OTHER AFFILIATED MEDICAL OPERATIONS. THE SYSTEM'S COLLECTIVE PROGRAM SERVICES ACCOMPLISHMENTS INCLUDE BUT ARE NOT LIMITED TO THE FOLLOWING: MEDICAL SERVICES ARE PROVIDED TO ALL WHO SEEK SERVICE REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE, OR ABILITY TO PAY. ALTHOUGH REIMBURSEMENT FOR SERVICES IS CRITICAL FOR THE OPERATION AND STABILITY OF EXEMPLA, IT IS RECOGNIZED THAT NOT ALL INDIVIDUALS POSSESS THE ABILITY TO PURCHASE ESSENTIAL MEDICAL SERVICES. THEREFORE, IN KEEPING WITH SCL HEALTH - FRONT RANGE INC.'S COMMITMENT TO SERVE ALL MEMBERS OF ITS COMMUNITY, FREE CARE AND/OR SUBSIDIZED CARE WILL BE CONSIDERED AND PROVIDED WHERE THE NEED AND/OR AN INDIVIDUAL'S INABILITY TO PAY EXIST.

IN ADDITION, SCL HEALTH - FRONT RANGE, INC. RECOGNIZES THE ESSENTIAL NEED TO BE EXCEPTIONAL STEWARDS OF MEDICARE, MEDICAID AND COMMUNITY/PRIVATE FUNDING DOLLARS. FOR 2013, SCL HEALTH - FRONT RANGE, INC. PROVIDED BENEFIT TO THE COMMUNITY AT A COST OF \$61,712,642, INCLUDING CHARITY CARE, UNREIMBURSED MEDICAID, OTHER SUBSIDIZED HEALTH SERVICES AND EDUCATION. SCL HEALTH - FRONT RANGE ALSO RECOGNIZES THE ESSENTIAL NEED TO ENHANCE AND IMPROVE MEDICAL OUTCOMES, QUALITY AND SERVICES. IN RESPONSE,

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

A BEST IN THE NATION STRATEGY AND PROGRAM WAS IMPLEMENTED. THE OBJECTIVES OF THE PROGRAM ARE TO BE THE BEST IN THE NATION IN PREDEFINED QUALITY, SERVICE AND COST INDICATORS. THE QUALITY INDICATORS ARE IN ALIGNMENT WITH MAJOR PUBLICLY COMPARABLE DATABASES, INCLUDING THE COLORADO HEALTH AND HOSPITAL ASSOCIATION AND CENTERS FOR MEDICARE AND MEDICAID SERVICES. COLLECTIVELY WITH ITS 572 LICENSED BEDS AT ELMC AND EGSMC, SCL HEALTH - FRONT RANGE, INC. SERVED THE COMMUNITY WITH 24,343 INPATIENT ADMISSIONS, 109,201 EMERGENCY ROOM (ER) VISITS AND 367,561 EXEMPLA PHYSICIAN NETWORK (OUTPATIENT CLINICS) ENCOUNTERS. COMPREHENSIVE MEDICAL SERVICES INCLUDE, BUT ARE NOT LIMITED TO, CARDIOLOGY, ONCOLOGY, ORTHOPEDIC, WOMEN AND FAMILY, PEDIATRICS, EMERGENCY AND TRAUMA, NEONATAL INTENSIVE CARE, NEUROLOGY, NEUROSURGERY, OB/GYN, GENERAL SURGICAL AND MEDICAL, PRIMARY CARE, INTERNAL MEDICINE, BEHAVIORAL HEALTH, HOSPICE CARE AND INTEGRATIVE HEALTH SERVICES. A STRONG COMMITMENT TO THE HEALTH OF THE COMMUNITY IS FURTHER EXEMPLIFIED, BUT NOT LIMITED TO, THE FOLLOWING PROGRAMS:

-EXEMPLA LUTHERAN MEDICAL CENTER: WITH ITS 338 LICENSED BEDS, ELMC SERVED THE COMMUNITY WITH 12,145 INPATIENT ADMISSIONS AND 70,110 EMERGENCY ROOM VISITS.

SERVICES AND PROGRAMS

-THE CANCER CENTER AT ELMC INCLUDES ALL STAGES OF CARE INCLUDING INITIAL DIAGNOSIS; GIVING, MONITORING, AND MANAGING MEDICATIONS; PATIENTS AND FAMILY. THE CENTER INCLUDES STATE-OF-THE-ART-RADIATION ONCOLOGY CENTER, INFUSION CENTER, ONCOLOGY UNIT, CLINICAL TRIALS, NUTRITION COUNSELING, SOCIAL WORK SERVICES, SITE SPECIFIC CARE TEAM, EDUCATION AND SUPPORT

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

SERVICES.

-AT THE HEART AND NEUROVASCULAR CENTER, PATIENTS ARE TREATED BY AN INTERDISCIPLINARY TEAM FOR CARDIAC AND NEUROLOGICAL CARE. PATIENTS DO NOT NEED TO BE TRANSFERRED TO ANOTHER FACILITY. THE CENTER FEATURES ADVANCED IMAGING EQUIPMENT AND NEUROLOGICAL SUITES TO SPEED PATIENTS' CARE.

-THE BREAST CARE CENTER ACCREDITED BY THE AMERICAN COLLEGE OF RADIOLOGY AND THE NATIONAL ACCREDITATION BREAST CARE CENTER, PROVIDES A FULL RANGE OF HIGH-TECH SERVICES IN ITS SCREENING AND DIAGNOSTIC SUITES INCLUDING DIGITAL MAMMOGRAPHY SCREENINGS AND DIAGNOSTIC SUITES INCLUDING DIGITAL MAMMOGRAPHY SCREENINGS AND DIAGNOSTIC SERVICES ULTRASOUND, STEREOTACTIC BIOPSIES, MEDICAL CONSULTATION, EDUCATION, AS WELL AS AN ALTERNATIVE HEALTH CENTER AND EMOTIONAL SUPPORT.

-THE WOMEN AND FAMILY CENTER INCLUDES A LEVEL III NEONATAL INTENSIVE CARE UNIT AND COMPREHENSIVE PRENATAL AND PARENTING EDUCATION. THE ANTEPARTUM FAMILY UNIT HELPS PREGNANT WOMEN WHO NEED SPECIALIZED CARE FOR THEMSELVES AND/OR THEIR UNBORN BABIES. SUPPORT FOR THE NEW UNIT HELPS US REACH OUR GOAL TO HELP WOMEN HAVE HEALTHY PREGNANCIES, BIRTHS AND BABIES. THE DIAGNOSTIC IMAGING CENTER IS ONE OF DENVER'S MOST ADVANCED IMAGING CENTER FEATURING COMPREHENSIVE STATE-OF-THE-ART DIAGNOSTIC IMAGING SERVICES FIVE BASIC MODALITIES: 40 SLICE CT SCANNER; 3.0 TELS MRI SYSTEM; 3D MAMMO EQUIPMENT ULTRASOUND ROOMS WITH ADJOINED CHANGING ROOMS AND RESTROOMS; AND DIAGNOSTIC TECHNOLOGY IN ALL-DIGITAL ENVIRONMENT.

-THE HUMAN MOTION INSTITUTE (HMI) OFFERS STATE-OF-THE-ART MUSCULOSKELETAL CARE. HMI COMBINES THE MOST ADVANCED MEDICAL TECHNOLOGY WITH A DEDICATED TEAM OF PHYSICIANS AND MEDICAL PROFESSIONALS. THE FOCUS IS ON PREVENTION,

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

ASSESSMENT, TREATMENT AND REHABILITATION OF MUSCULOSKELETAL INJURIES.

-BUSY 52 BED LEVEL 3 EMERGENCY DEPARTMENT PROVIDING CARE FOR ALL
DIFFERENT TYPES OF PATIENTS RANGING FROM NEWBORN THROUGH GERIATRICS. THE
EMERGENCY DEPARTMENT PROVIDES MORE THAN 70,000 VISITS PER YEAR BETWEEN
OUR MAIN ED AND OUR SENIOR EMERGENCY DEPARTMENT. QUALIFIED PHYSICIANS,
RN'S, AND TECHS ARE AVAILABLE 24 HRS/DAY, 7 DAYS A WEEK TO ATTEND TO ALL
DIFFERENT TYPES OF EMERGENCIES. WE DELIVER CARE FOR ALL LEVELS THAT RANGE
FROM SPRAINS AND STRAINS TO THE LIFE THREATENING EMERGENCIES SUCH AS
TRAUMA, CARDIAC, AND STROKES.

-COLLIER HOSPICE CENTER PROVIDES COMPASSIONATE, COMPREHENSIVE,
INTERDISCIPLINARY END-OF-LIFE CARE FOR TERMINALLY ILL PATIENTS AND
SUPPORT FOR THEIR FAMILIES. PATIENTS ARE SERVED IN THEIR HOMES, IN
NURSING HOMES AND IN THE HOSPICE INPATIENT UNIT LOCATED ON ELMC'S CAMPUS.
FREE COMMUNITY SERVICES: VOLUNTEER-BASED PRE-HOSPICE SUPPORT, GRIEF
SUPPORT GROUPS, GRIEF EDUCATION WORKSHOPS, CAREGIVER SUPPORT GROUPS AND
GRIEF SUPPORT FOR YOUNG PEOPLE.

-COLORADO LUTHERAN HOME (CLH) PROVIDES INDEPENDENT AND ASSISTED-LIVING
ACCOMMODATIONS FOR OLDER ADULTS AND IS RECOGNIZED AS AN EDEN ALTERNATIVE
FACILITY. IT IS AN ELDER-CENTERED COMMUNITY THAT IMBUES DAILY LIFE WITH
VARIETY AND SPONTANEITY. CLH IS A SKILLED NURSING FACILITY THAT INCLUDES
A SECURED ALZHEIMER'S UNITS FOR PATIENTS NEEDING 24/7 CARE.

-WEST PINES IS A BEHAVIORAL HEALTH FACILITY THAT PROVIDES INPATIENT AND
OUTPATIENT PSYCHIATRIC AND ADDICTION SERVICES TO ADULTS. THE WEST PINES
RECOVERY CENTER OFFERS AN INNOVATIVE TWO-WEEK ADDICTION RECOVERY PROGRAM

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

TO CLIENTS AND THEIR FAMILIES WHO STRUGGLE WITH ADDICTION, OR ADDICTION PLUS MENTAL ILLNESS. AFTER THE TWO-WEEK STAY, CLIENTS RECEIVE INTENSIVE OUTPATIENT ASSISTANCE AND OPTIONAL MEDICATION MANAGEMENT. THE PROGRAM PROVIDES SHORTER STAYS AND LOWER COSTS. THE SENIOR BEHAVIORAL HEALTH IS A 20 BED UNIT LOCATED AT ELMC TO TREAT SENIORS WITH PSYCHIATRIC ILLNESSES.

-BRIDGES INTEGRATIVE HEALTH AND WELLNESS OFFERS INTEGRATIVE CARE (ACUPUNCTURE, MASSAGE, HEALING TOUCH, PULMONARY REHABILITATION, PHYSICAL THERAPY AND CARDIAC REHABILITATION).

-THE EXEMPLA LUTHERAN MEDICAL CENTER FOUNDATION WAS ESTABLISHED IN 2007, IN RESPONSE TO DONOR DEMAND FOR A FOUNDATION EXCLUSIVELY DEDICATED TO THE CURRENT AND FUTURE NEEDS OF ELMC. AT ITS CORE, THE FOUNDATION HAS A COMMITMENT AND DEDICATION TO PROVIDING FOR THE EVOLVING HEALTH CARE NEEDS OF OUR COMMUNITY, WHETHER THAT IS UPDATING FACILITIES, ADDING NEW TECHNOLOGIES, OR DEVELOPING INNOVATIVE NEW PARTNERSHIPS AND SERVICES.

-ESTES STREET COMMUNITY CLINIC IS A PARTNERSHIP BETWEEN ELMC, THE JEFFCO ACTION CENTER AND METRO COMMUNITY PROVIDER NETWORK. THE CLINIC SERVES HOMELESS AND LOW-INCOME CHILDREN AND ADULTS WITHOUT INSURANCE. IT PROVIDES ACUTE AND PREVENTIVE CARE, IMMUNIZATIONS AND WELL-CHILD AND WELL-WOMEN CHECKUPS.

-ELMC PROVIDES COMPREHENSIVE EDUCATION PROGRAMS WITH OPPORTUNITIES FOR ALL AGES. THROUGH EDUCATION, RELIABLE HEALTH INFORMATION AND SUPPORT, THE PROGRAM PARTNERS WITH DOCTORS AND OTHER HEALTH CARE EXPERTS TO IMPROVE COMMUNITY HEALTH.

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

-EXEMPLA GOOD SAMARITAN MEDICAL CENTER: WITH ITS 234 LICENSED BEDS, EGSMC SERVED THE COMMUNITY WITH 12,198 INPATIENT ADMISSIONS AND 39,091 EMERGENCY ROOM VISITS. CARDIAC AND VASCULAR SERVICES INCLUDES THE CARDIAC CALCIUM SCORE FOR DETECTING HEART DISEASE RISK.

-EMERGENCY AND TRAUMA SERVICES INCLUDES A LEVEL III TRAUMA CENTER, INCLUDING STROKE AND TELEMEDICINE.

-BONE AND JOINT INSTITUTE INCLUDES A COMPREHENSIVE TREATMENT OF ALL JOINT INJURIES AND REPLACEMENT. FULL SERVICE PHYSICAL THERAPY IS ALSO AVAILABLE.

-NEUROSCIENCES: IN 2009, GOOD SAMARITAN MEDICAL CENTER ADDED TWO BREAKTHROUGH NEUROSCIENCE TECHNOLOGIES - THE INFRARED 800TM AND THE OPMI PENTERO - FOR TREATMENT OF STROKES, ANEURYSMS, BRAIN TUMORS AND OTHER CONDITIONS. IN 2010, THE HOSPITAL EMPLOYED A STROKE FELLOWSHIP-TRAINED PHYSICIAN AND HAS CREATED A STROKE CENTER.

-OTOLARYNGOLOGY INCLUDES BALLOON SINUPLASTY.

-WOMEN AND FAMILY CENTER INCLUDES A LEVEL II NEONATAL INTENSIVE CARE AND COMPREHENSIVE PRENATAL AND PARENTING EDUCATION. SUPPORT FOR THE UNIT HELPS US REACH OUR GOAL TO HELP WOMEN HAVE HEALTHY PREGNANCIES, BIRTHS AND BABIES. EGSMC ALSO IS THE FIRST HOSPITAL TO RECEIVE THE BABY-FRIENDLY DESIGNATION IN COLORADO. INPATIENT AND OUTPATIENT SURGICAL SERVICES INCLUDES A BONE & JOINT INSTITUTE.

-NEUROSURGERY, INCLUDING O-ARM TECHNOLOGY FOR COMPLEX NEUROSURGICAL CASES AND THE OPMI PENTERO MICROSCOPE, A STATE OF THE ART IMPROVEMENT IN INTRA-OPERATIVE VISUALIZATION FOR BRAIN TUMORS AND ANEURYSMS, THE ONLY

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

ONE OF ITS KIND IN THE REGION. EGSMC ALSO BEGAN A DEEP BRAIN STIMULATION SERVICE FOR TREATMENT OF SEVERE MOVEMENT DISORDER LIKE ADVANCED PARKINSON'S DISEASE.

-INTERVENTIONAL AND DIAGNOSTIC RADIOLOGY INCLUDING A 64-SLICE CT SCANNER.

OTHER SERVICES INCLUDE MRI, ULTRASOUND AND DIAGNOSTIC IMAGING.

-EGSMC'S HEALTH & HEALING CENTER OFFERS INPATIENT AND OUTPATIENT INTEGRATIVE CARE (ACUPUNCTURE, MASSAGE, HEALING TOUCH, PULMONARY REHABILITATION, PHYSICAL THERAPY AND CARDIAC REHABILITATION).

-THE EXEMPLA GOOD SAMARITAN MEDICAL CENTER FOUNDATION WAS ESTABLISHED IN 2005 TO FUND THE CURRENT AND FUTURE NEEDS OF EGSMC. AT ITS CORE, THE FOUNDATION HAS A COMMITMENT AND DEDICATION TO PROVIDING FOR THE EVOLVING HEALTH CARE NEEDS OF OUR COMMUNITY, WHETHER IT IS UPDATING FACILITIES, ADDING NEW TECHNOLOGIES, OR DEVELOPING INNOVATIVE NEW PARTNERSHIPS AND SERVICES.

-EGSMC PROVIDES WELLNESS QUEST, A COMPREHENSIVE EDUCATION PROGRAM WITH OPPORTUNITIES FOR ALL AGES. THROUGH EDUCATION, RELIABLE HEALTH INFORMATION AND SUPPORT, THE PROGRAM PARTNERS WITH DOCTORS, OTHER HEALTH CARE EXPERTS AND SCHOOLS TO IMPROVE COMMUNITY HEALTH.

-EGSMC WORKS CLOSELY WITH CLINICA CAMPESENA, A LAFAYETTE-BASED, FEDERALLY-QUALIFIED CLINIC FOR INDIGENT AND LOW INCOME INDIVIDUALS IN BOULDER COUNTY, PROVIDING ASSISTANCE TO FAMILIES IN NEED.

-EGSMC PARTICIPATES IN THE CRAYONS TO CALCULATORS PROGRAM ANNUALLY TO ASSIST FAMILIES IN NEED WITH NECESSARY SCHOOL SUPPLIES, INCLUDING BACKPACKS.

-EGSMC'S BABY'S FIRST RIDE PROGRAM IS A SERVICE OFFERED TO ALL FAMILIES

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

DELIVERING AT OUR HOSPITAL. PARENTS ARE TAUGHT THE PROPER WAY TO INSTALL
AND USE A CAR SEAT TO ENSURE THEIR BABY'S FIRST RIDE IS A SAFE ONE.

-THE EGSMC FOUNDATION STRIVES TO BE THE OPEN DOOR FOR THOSE IN OUR
COMMUNITY WHO ARE AS PASSIONATELY COMMITTED TO THE EXEMPLA GOOD SAMARITAN
MEDICAL CENTER'S VISION AS WE ARE. THROUGH THE FOUNDATION, DONORS WILL BE
ABLE TO HELP EXEMPLA GOOD SAMARITAN MEDICAL CENTER REMAIN A UNIQUE
HEALING ENVIRONMENT IN THIS COMMUNITY, USE THE MOST ADVANCED MEDICAL
TECHNOLOGY, USE THE BEST PRACTICES IN CLINICAL CARE ANYWHERE, AND BE A
GOOD SAMARITAN TO THOSE WHO NEED US MOST.

EXEMPLA PHYSICIAN NETWORK 2013 VOLUME - 367,561 CLINIC VISITS

-19 PRIMARY CARE/OCCUPATIONAL MEDICINE/PHYSICAL AND OCCUPATIONAL THERAPY
CLINICS

-26 SPECIALTY CLINICS INCLUDE CARDIOLOGY, CARDIO-THORACIC SURGERY,
ORTHOPEDIC SURGERY, NEUROSURGERY, NEUROLOGY, ENDOCRINOLOGY, OB-GYN,
UROGYNECOLOGY, SPORTS MEDICINE, AND GENERAL SURGERY

-1 URGENT CARE CLINIC

FORM 990, PART IV, LINE 24

BOND ISSUANCES

DURING 2010, ALL TAX-EXEMPT BONDS, WITH THE EXCEPTION OF BONDS ISSUED
PRIOR TO DECEMBER 31, 2002, WERE TRANSFERRED TO SISTERS OF CHARITY OF
LEAVENWORTH HEALTH SYSTEM'S (SCLHS) MASTER TRUST INDENTURE. FURTHER, ALL
EXISTING FIXED RATE DEBT OF SCL HEALTH - FRONT RANGE, INC. WAS REFINANCED
UNDER THE SCLHS MASTER TRUST INDENTURE DURING 2010. AS SCL HEALTH -

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

FRONT RANGE, INC. HAS NO OUTSTANDING TAX-EXEMPT BONDS ISSUED AFTER
DECEMBER 31, 2002, SCL HEALTH - FRONT RANGE, INC. IS NOT REQUIRED TO
COMPLETE SCHEDULE K. ALL DISCLOSURES FOR THE BONDS THAT ARE WITHIN
SCLHS'S MASTER TRUST INDENTURE ARE INCLUDED IN THE SCLHS FORM 990.

FORM 990, PART VI, QUESTION 1A

DELEGATION OF BOARD AUTHORITY TO AN EXECUTIVE COMMITTEE
PURSUANT TO THE BYLAWS, THE EXECUTIVE COMMITTEE OF THE ORGANIZATION HAS
THE POWER TO TRANSACT ALL REGULAR BUSINESS OF THE ORGANIZATION DURING THE
INTERIM BETWEEN MEETINGS OF THE BOARD, PROVIDED THAT ANY ACTION TAKEN BY
THE EXECUTIVE COMMITTEE DOES NOT CONFLICT WITH THE ARTICLES OF
INCORPORATION, THE BYLAWS OR THE POLICIES OR EXPRESSED WISHES OF THE
BOARD.

THE EXECUTIVE COMMITTEE SHALL REPORT ALL MATTERS ACTED UPON TO THE BOARD
AT THE BOARD'S NEXT MEETING. THE EXECUTIVE COMMITTEE CONSISTS OF AT
LEAST THREE MEMBERS, ALL OF WHOM SHALL BE MEMBERS OF THE BOARD OF
DIRECTORS, AND INCLUDE THE CHAIRPERSON OF THE BOARD, THE PRESIDENT/CEO
AND OTHERS AS DESIGNATED BY THE CHAIRPERSON.

FORM 990, PART VI, LINE 4

SIGNIFICANT CHANGE TO ORGANIZING DOCUMENTS

IN DECEMBER 2013, THE ORGANIZATION CHANGED ITS NAME FROM EXEMPLA, INC. TO
SCL HEALTH - FRONT RANGE, INC.

FORM 990, PART VI, LINE 6

MEMBERS OR STOCKHOLDERS

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

SISTERS OF CHARITY OF LEAVENWORTH HEALTH SYSTEM (SCLHS) IS THE SOLE
MEMBER OF SCL HEALTH - FRONT RANGE, INC.

FORM 990, PART VI, LINE 7A

POWER TO ELECT OR APPOINT MEMBERS

SISTERS OF CHARITY OF LEAVENWORTH HEALTH SYSTEM (SCLHS) APPOINTS THE
DIRECTORS.

FORM 990, PART VI, LINE 7B

DECISIONS RESERVED TO MEMBERS OR STOCKHOLDERS

SISTERS OF CHARITY OF LEAVENWORTH HEALTH SYSTEM (SCLHS) HAS CERTAIN
RESERVE POWERS TO APPROVE CHANGES TO THE BYLAWS REGARDING APPOINTMENT OF
BOARD MEMBERS. SCLHS ALSO HAS EXTENSIVE RESERVE POWERS OVER ANY CHANGE
IN MISSION, CHANGES TO THE ARTICLES OF INCORPORATION OR BYLAWS,
ACQUISITION OF ASSETS, INCURRENCE OF DEBT, MERGER OR DISSOLUTION,
APPROVAL OF STRATEGIC PLANS AND BUDGETS, AND APPOINTMENT OF AUDITORS.

FORM 990, PART VI, LINE 11B

PROCESS USED TO REVIEW THE FORM 990

ALL 990 REPORTING WAS REVIEWED INTERNALLY WITH SENIOR MANAGEMENT. THE
FORM 990 WAS ALSO REVIEWED BY AN OUTSIDE ACCOUNTING FIRM. ALL QUESTIONS
AND CHANGES PROPOSED WERE ADDRESSED PRIOR TO FILING FORM 990. A DRAFT 990
WAS PROVIDED TO THE MEMBERS OF THE FINANCE COMMITTEE AND OF THE BOARD FOR
REVIEW. A COMPLETE COPY OF THE FINAL FORM 990 WAS THEN PROVIDED
ELECTRONICALLY TO EACH VOTING MEMBER OF THE SCL HEALTH - FRONT RANGE
BOARD OF DIRECTORS PRIOR TO ITS SUBMISSION TO THE INTERNAL REVENUE

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

SERVICE.

FORM 990, PART VI, LINE 12C

MONITORING & ENFORCEMENT OF COMPLIANCE WITH CONFLICT OF INTEREST POLICY

THE ORGANIZATION REGULARLY AND CONSISTENTLY MONITORS AND ENFORCES ITS CONFLICT OF INTEREST POLICY BY PROVIDING EDUCATION AND TRAINING FOR EACH OF ITS EMPLOYEES, STAFF, OFFICERS AND DIRECTORS, AS WELL AS HAVING EACH OF THESE INDIVIDUALS COMPLETE A CONFLICT OF INTEREST STATEMENT ON AN ANNUAL BASIS TO DISCLOSE ANY POTENTIAL CONFLICT ISSUES. THESE STATEMENTS ARE CAREFULLY REVIEWED BY THE LEGAL DEPARTMENT. WHEN A CONFLICT IS IDENTIFIED, THE LEGAL DEPARTMENT COMPILES ALL REPORTED CONFLICTS, AND EVALUATES THE DISCLOSURES FOR ACTUAL CONFLICTS. A REPORT IS PROVIDED TO ORGANIZATION'S PRESIDENT/CEO REGARDING EMPLOYEES AND OFFICERS, AND TO THE CHAIR OF THE BOARD AND CHAIR OF THE GOVERNANCE COMMITTEE REGARDING BOARD MEMBERS. THOSE WITH IDENTIFIED CONFLICTS OF INTEREST MUST RECUSE THEMSELVES FROM ANY MEETING DURING THE DISCUSSION AND VOTE THEREOF.

FORM 990, PART VI, LINE 15

PROCESS FOR DETERMINING COMPENSATION

COMPENSATION FOR THE CEO IS PAID BY SISTERS OF CHARITY OF LEAVENWORTH HEALTH SYSTEM, A RELATED NON-PROFIT ORGANIZATION. COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES IS PAID BY EITHER SCL HEALTH - FRONT RANGE, INC. OR SISTERS OF CHARITY OF LEAVENWORTH HEALTH SYSTEM. WHEN REVIEWING AND SETTING COMPENSATION FOR 'DISQUALIFIED PERSONS', SCL HEALTH - FRONT RANGE INC.'S PROCESS INCLUDES: THE COMPENSATION COMMITTEE OF THE BOARD IS CHARGED WITH THE RESPONSIBILITY FOR SETTING THE OVERALL COMPENSATION

Name of the organization	SCL HEALTH - FRONT RANGE, INC.	Employer identification number
FKA EXEMPLA, INC.		84-1103606

PHILOSOPHY AND FOR EVALUATING THE TOTAL COMPENSATION PROGRAMS FOR DISQUALIFIED PERSONS. THE BOARD MEMBERS ARE INDEPENDENT MEMBERS AND IN THESE DISCUSSIONS THE CEO RECUSES HIMSELF FROM THE DISCUSSIONS AROUND HIS OWN COMPENSATION. THE COMMITTEE OBTAINS VALID, COMPARABLE MARKET DATA (FROM INDEPENDENTLY PUBLISHED SOURCES) FOR COMPARABLE POSITIONS AND FROM FORM 990 FILINGS. THIS COMMITTEE ENGAGES THE SERVICES OF AN INDEPENDENT EXPERT IN EXECUTIVE COMPENSATION TO REVIEW THE MARKET DATA AND PROVIDE AN OPINION AS TO THE REASONABLENESS OF THE TOTAL COMPENSATION PROGRAM. THE INDEPENDENT FIRM VALIDATES THE PROCESS USED BY MANAGEMENT FOR IDENTIFYING 'DISQUALIFIED PERSONS' AND THEN CONDUCTS A COMPARABILITY STUDY/ANALYSIS OF PAY AT SIMILAR TYPES AND SIZES OF ORGANIZATIONS AND REVIEWS BASE SALARY, INCENTIVE (OR OVER-BASE PROGRAMS), BENEFITS, RETIREMENT PLANS AND PERQUISITES. THE INDEPENDENT FIRM REVIEWS THE FINDINGS WITH THE BOARD COMMITTEE AND MINUTES ARE PREPARED AND SHARED WITH ALL THE VOTING BOARD MEMBERS EACH YEAR THAT DOCUMENT THE DISCUSSION AND ANY ACTIONS THAT MAY HAVE BEEN TAKEN. A COPY OF A FORMAL OPINION LETTER PREPARED BY THE INDEPENDENT FIRM FOLLOWING THE DISCUSSION WITH THE COMPENSATION COMMITTEE IS PROVIDED TO THE BOARD CHAIR AND SHARED WITH THE FULL BOARD. THIS PROCESS IS UNDERTAKEN EACH YEAR. SCLHS EMPLOYS THE EXECUTIVE TEAM AT EACH OF ITS HOSPITAL AFFILIATES, INCLUDING SCL HEALTH - FRONT RANGE. AS PART OF ITS ANNUAL REVIEW PROCESS, SCLHS USES THE FOLLOWING IN ESTABLISHING THE COMPENSATION OF THOSE IN THESE POSITIONS:

- 1) COMPENSATION COMMITTEE
- 2) INDEPENDENT COMPENSATION CONSULTANT
- 3) WRITTEN EMPLOYMENT CONTRACTS

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

4) COMPENSATION SURVEYS AND STUDIES

5) APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE.

THE ABOVE SUPPORT THE COMPENSATION COMMITTEE'S EFFORTS TO ENSURE THAT THE LEVEL OF COMPENSATION PROVIDED TO ITS EXECUTIVES (OFFICERS, KEY EMPLOYEES, ETC.) IS CONSISTENT WITH MARKET VALUE AND THE PAY PHILOSOPHY SET BY THE BOARD. THE PAY PHILOSOPHY SET BY THE BOARD IS TO PAY AT THE MIDDLE OF THE MARKET FOR EXECUTIVES OF SIMILAR SIZED ORGANIZATIONS OVERALL. SCLHS' EXECUTIVE COMPENSATION IS COMPARABLE TO THAT PROVIDED IN SIMILAR, NOT-FOR-PROFIT HEALTHCARE SYSTEMS AND HOSPITALS.

FORM 990, PART VI, LINE 19

PROCESS FOR MAKING DOCUMENTS AVAILABLE TO THE PUBLIC
GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, FINANCIAL STATEMENTS,
AND RELATED DOCUMENTS ARE PROVIDED UPON REQUEST AS DEEMED APPROPRIATE.

FORM 990, PART VII, SECTION B, QUESTION 2 AND PART V, LINES 1A-1B

INDEPENDENT CONTRACTORS

SCL HEALTH - FRONT RANGE, INC., AS THE PARENT COMPANY/MANAGER OF OTHER ENTITIES, INCLUDING ST JOSEPH HOSPITAL, MAKES ALL VENDOR PAYMENTS FOR THOSE ENTITIES. THE DOLLAR AMOUNTS AND TOTAL NUMBER OF PAYMENTS TO INDEPENDENT CONTRACTORS REFLECTED IN THIS RETURN ARE THE COMBINED PAYMENTS FOR EXPENDITURES OF ALL SUCH ENTITIES.

FORM 990, PART XI, LINE 9

OTHER CHANGES IN NET ASSETS

CHANGE IN FUNDED STATUS OF PENSION (9,853,999)

Name of the organization SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.

Employer identification number
84-1103606

FUND BALANCE TRANSFER FROM AFFILIATE (9,058,400)

TOTAL (18,912,399)

ATTACHMENT 1

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
MIDTOWN INPATIENT MEDICINE, LLC 1721 E 19TH AVE, UNIT 366 DENVER, CO 80218	PROFESSIONAL SERVICE	5,345,354.
H&L DAVIS A JOINT VENTURE LLC 1755 BLAKE ST, STE 400 DENVER, CO 80202	CONSTRUCTION DESIGN	5,091,315.
CO PATHOLOGY CONSULTANTS PC PO BOX 840274 DALLAS, TX 75284-0274	PROFESSIONAL SERVICE	4,308,333.
WESTERN PARKING MANGEMENT 682 S NILE WAY AURORA, CO 80012	VALET SERVICES	3,658,785.
TEAM LINX LLP 9900 E 51ST AVE DENER, CO 80238	COMMUNICATION SVCS	2,849,969.

**SCHEDULE R
(Form 990)**Department of the Treasury
Internal Revenue Service

Name of the organization

FKA EXEMPLA, INC.

SCL HEALTH - FRONT RANGE, INC.

Employer identification number

84-1103606

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

2013Open to Public
Inspection**Part I Identification of Disregarded Entities** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) SCL HEALTH MEDICAL GROUP - DENVER LLC 46-3778226 8300 W 38TH AVE WHEAT RIDGE, CO 80033	PHYSICIAN SER	CO	49,330,950.	117024289.	SCLHEALTH-FR
(2) GOOD SAMARIATAN MEDICAL CENTER, LLC 43-1982139 200 EXEMPLA CIRCLE LAFAYETTE, CO 80026	HOSPITAL SERV	CO	260797992.	410375629.	SCLHEALTH-FR
(3) SCL HEALTH PARTNERS, LLC 02-0749530 8300 W 38TH AVE WHEAT RIDGE, CO 80033	HEALTHCARE SE	CO	1,235,656.	1,750,324.	SCLHEALTH-FR
(4) LUTHERAN HEALTH PARTNERS, LLC 84-1103606 8300 W 38TH AVE WHEAT RIDGE, CO 80033	HEALTHCARE SE	CO	0	-963,145.	SCLHLTH PART
(5) -----					
(6) -----					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
						Yes No
(1) SISTERS OF CHARITY OF LEAVENWORTH HEALTH 23-7379161 2420 W 26TH AVE, SUITE 100D DENVER, CO 80211	SUPPORT MMBRS	KS	501 (C) (3)	11B-TYPE II	N/A	X
(2) CARITAS CLINICS, INC 48-1009910 818 NORTH 7TH STREET LEAVENWORTH, KS 66048	CLINIC SVCS	KS	501 (C) (3)	3	SCLHS	X
(3) MARIAN CLINIC, INC 48-1046905 1001 SW GARFIELD TOPEKA, KS 66604	CLINIC SVCS	KS	501 (C) (3)	3	SCLHS	X
(4) MARILAC CLINIC, INC 84-1085822 2333 N 6TH STREET GRAND JUNCTION, CO 81501	CLINIC SVCS	CO	501 (C) (3)	3	SCLHS	X
(5) PROVIDENCE MEDICAL CENTER, INC 48-0784446 8929 PARALLEL PARKWAY KANSAS CITY, KS 66112	HEALTHCARE	KS	501 (C) (3)	3	SCLHS	X
(6) ST JOHN HOSPITAL, INC. 48-0543768 3500 SOUTH FOURTH STREET LEAVENWORTH, KS 66048	HEALTHCARE	KS	501 (C) (3)	3	PMC	X
(7) PROVIDENCE/ST JOHN FOUNDATION, INC 48-0925688 8929 PARALLEL PARKWAY KANSAS CITY, KS 66112-1689	SUPPORT 501C3	KS	501 (C) (3)	7	PMC	X

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

Schedule R (Form 990) 2013

SCHEDULE R
(Form 990)Department of the Treasury
Internal Revenue Service

Name of the organization

SCL HEALTH - FRONT RANGE, INC.
FKA EXEMPLA, INC.**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

2013Open to Public
Inspection

Employer identification number

84-1103606

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

	(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)						
(2)						
(3)						
(4)						
(5)						
(6)						

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
							Yes No
(1)	ST FRANCIS HEALTH CENTER, INC. 1700 SW 7TH STREET TOPEKA, KS 66606 48-0547719	HEALTHCARE	KS	501 (C) (3)	3	SCLHS	X
(2)	ST FRANCIS HEALTH CENTER FOUNDATION 1700 SW 7TH STREET TOPEKA, KS 66606 48-1092520	SUPPORT 501C3	KS	501 (C) (3)	11A-TYPE I	SFHC	X
(3)	ST MARYS HOSPITAL & MEDICAL CENTER, INC 2635 N 7TH STREET GRAND JUNCTION, CO 81502 84-0425720	HEALTHCARE	CO	501 (C) (3)	3	SCLHS	X
(4)	ST MARYS HOSPITAL DEVELOPMENT FOUNDATION 2635 N 7TH STREET GRAND JUNCTION, CO 81502 23-7001007	SUPPORT 501C3	CO	501 (C) (3)	11A-TYPE I	SMHMC	X
(5)	HOLY ROSARY HEALTHCARE 2600 WILSON MILES CITY, MT 59301 81-0231792	HEALTHCARE	MT	501 (C) (3)	3	SCLHS	X
(6)	HOLY ROSARY HEALTHCARE FOUNDATION, INC 2600 WILSON MILES CITY, MT 59301 20-2270238	SUPPORT 501C3	MT	501 (C) (3)	11A-TYPE I	HRHC	X
(7)	ST VINCENT HEALTHCARE 1233 NORTH 30TH BILLINGS, MT 59101 81-0232124	HEALTHCARE	MT	501 (C) (3)	3	SCLHS	X

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

Schedule R (Form 990) 2013

**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

2013Open to Public
Inspection

Name of the organization

SCL HEALTH - FRONT RANGE, INC.

Employer identification number

84-1103606

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

	(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)						
(2)						
(3)						
(4)						
(5)						
(6)						

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
							Yes No
(1)	ST VINCENT HEALTHCARE FOUNDATION PO BOX 35200 BILLINGS, MT 59107-5200	SUPPORT 501C3	MT	501 (C) (3)	7	SVHC	X
(2)	ST JAMES HEALTHCARE 400 SOUTH CLARK STREET BUTTE, MT 59701-2328	HEALTHCARE	MT	501 (C) (3)	3	SCLHS	X
(3)	ST JAMES HEALTHCARE FOUNDATION 400 SOUTH CLARK STREET BUTTE, MT 59701	SUPPORT 501C3	MT	501 (C) (3)	11A-TYPE I	SJHC	X
(4)	SAINT JOHN'S HEALTH CENTER 2121 SANTA MONICA BLVD SANTA MONICA, CA 90404-209	HEALTHCARE	CA	501 (C) (3)	3	SCLHS	X
(5)	JOHN WAYNE CANCER INSTITUTE 2000 SANTA MONICA BLVD SANTA MONICA, CA 90404	CANCER R&D	CA	501 (C) (3)	4	SJHC	X
(6)	SAINT JOHN'S HOSPITAL & HLTH CENTER FNDT 2121 SANTA MONICA BLVD SANTA MONICA, CA 90404-209	SUPPORT 501C3	CA	501 (C) (3)	7	SJHC	X
(7)	EXEMPLA LUTHERAN MEDICAL CENTER FOUNDATI 2480 W 26TH AVE, SUITE 360B DENVER, CO 80211	SUPPORT 501C3	CO	501 (C) (3)	7	SCLHEALTH-FR	X

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

Schedule R (Form 990) 2013

SCHEDULE R
(Form 990)**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.

Department of the Treasury
Internal Revenue Service

OMB No. 1545-0047

2013Open to Public
Inspection

Name of the organization

SCL HEALTH - FRONT RANGE, INC.

Employer identification number

84-1103606

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

	(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)	-----	-----	-----	-----	-----	-----
(2)	-----	-----	-----	-----	-----	-----
(3)	-----	-----	-----	-----	-----	-----
(4)	-----	-----	-----	-----	-----	-----
(5)	-----	-----	-----	-----	-----	-----
(6)	-----	-----	-----	-----	-----	-----

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
							Yes No
(1)	EXEMPLA GOOD SAMARITAN MEDICAL CTR FNDTN 200 EXEMPLA CIRCLE LAFAYETTE, CO 80026 84-1649162	SUPPORT 501C3	CO	501 (C) (3)	7	SCLHEALTH-FR	X
(2)	LUTH MED CNTR PROGEN LIAB SELF-INS TRS 2480 W 26TH AVE, SUITE 360B DENVER, CO 80211 74-2571584	INSURANCE	CO	501 (C) (3)	11A-TYPE I	SCLHEALTH-FR	X
(3)	SAINT JOSEPH HOSPITAL 1835 FRANKLIN STREET DENVER, CO 80218 84-0417134	HEALTHCARE	CO	501 (C) (3)	3	SCLHS	X
(4)	SAINT JOSEPH HOSPITAL FOUNDATION 1835 FRANKLIN STREET DENVER, CO 80218 84-0735096	SUPPORT 501C3	CO	501 (C) (3)	11A-TYPE I	SJH	X
(5)	MOUNT ST VINCENT HOME, INC 4159 LOWELL BOULEVARD DENVER, CO 80211 84-0405260	RESIDENT CARE	CO	501 (C) (3)	11A-TYPE I	SCLHS	X
(6)	BETHANY COMMUNITY PLAZA, INC 15 NORTH 12TH STREET KANSAS CITY, KS 66102 48-1207407	INACTIVE	KS	501 (C) (3)	3	PMC	X
(7)	-----	-----	-----	-----	-----	-----	-----

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

Schedule R (Form 990) 2013

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
							Yes	No			
(1) PAVILION IMAGING, LLC 03-0516198 GRAND JUNCTION, CO 81501	RADIOLOGY	CO	N/A	N/A							
(2) HEALTHCARE MGMT 84-1238904 GRAND JUNCTION, CO 81502	MGMT SVCS	CO	N/A	N/A							
(3) SAN JUAN CANCER CEN 20-2856331 MONTROSE, CO 81401	OP CANCER	CO	N/A	N/A							
(4) LUTHERAN CAMPUS ASC 02-0749532 WHEATRIDGE, CO 80033	OP SURGERY	CO	SCL HEALTH - FR RELATED	907,977	2,699,772	X				X	52.3200
(5) DENVER W ENDO CTR 46-0788218 LOUISVILLE, CO 80027	OP ENDOSCOPY	CO	SCL HEALTH - FR RELATED	-291,274	568,462	X				X	51.0000
(6) COLORADO SURGICAL V 20-8038915 CHICAGO, IL 60606	OP SURGERY	CO	N/A	N/A							
(7) COLORADO SURGICAL H 20-8038977 CHICAGO, IL 60606	OP SURGERY	CO	N/A	N/A							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percen- tage ownership	(i) Section 512(b)(13) controlled entity?
(1) CARITAS INC AND SUBSIDIARIES 48-0941069 2420 W 26TH AVE, SUITE 100D DENVER, CO 80211	HEALTHCARE	KS	N/A	C CORP				X
(2) LEAVEN INSURANCE COMPANY, LTD 98-0370522 23 LIME TREE BAY AVENUE, WEST BAY R KY1- GRAND CAYMAN, GR	INSURANCE	CJ	N/A	C CORP				X
(3) -----								
(4) -----								
(5) -----								
(6) -----								
(7) -----								

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) MED-VAPE, LLC 81-0491356 BILLINGS, MT 59103	RENTAL REAL EST	MT	N/A	N/A								
(2) YELLOWSTONE SURG CTR 72-151946 BILLINGS, MT 59101	OP SURGERY	MT	N/A	N/A								
(3) ATHLETIC MED&PERFORM 27-227064 BILLINGS, MT 59101	PHYS THERAPY	MT	N/A	N/A								
(4) TWENTIETH ST GEN PTNSHP 95-397 PASADENA, CA 91101	RENTAL REAL EST	CA	N/A	N/A								
(5) ST JOHNS MED PLZ 95-3983096 PASADENA, CA 91101	RENTAL REAL EST	CA	N/A	N/A								
(6) ALL CARE HH SOLU 46-2418729 DENVER, CO 80247	HOME CARE	DE	N/A	N/A								
(7) -----												

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) Percen- tage ownership	(i) Section 512(b)(13) controlled entity?
(1) -----								Yes No
(2) -----								
(3) -----								
(4) -----								
(5) -----								
(6) -----								
(7) -----								

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

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

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

	Yes	No
a Receipt of (i) interest (iii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X
b Gift, grant, or capital contribution to related organization(s)	1b	X
c Gift, grant, or capital contribution from related organization(s)	1c	X
d Loans or loan guarantees to or for related organization(s)	1d	X
e Loans or loan guarantees by related organization(s)	1e	X
f Dividends from related organization(s)	1f	
g Sale of assets to related organization(s)	1g	X
h Purchase of assets from related organization(s)	1h	X
i Exchange of assets with related organization(s)	1i	X
j Lease of facilities, equipment, or other assets to related organization(s)	1j	X
k Lease of facilities, equipment, or other assets from related organization(s)	1k	X
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X
o Sharing of paid employees with related organization(s)	1o	X
p Reimbursement paid to related organization(s) for expenses	1p	X
q Reimbursement paid by related organization(s) for expenses	1q	X
r Other transfer of cash or property to related organization(s)	1r	X
s Other transfer of cash or property from related organization(s)	1s	X

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) GOOD SAMARITAN MEDICAL FOUNDATION	O	236,289.	ACCRUAL
(2) GOOD SAMARITAN MEDICAL FOUNDATION	P	373,673.	ACCRUAL
(3) GOOD SAMARITAN MEDICAL FOUNDATION	C	142,178.	ACCRUAL
(4) SAINT JOSEPH HOSPITAL	Q	156,125,246.	ACCRUAL
(5) SAINT JOSEPH HOSPITAL	D	152,424,794.	ACCRUAL
(6) LUTHERAN MEDICAL CENTER FOUNDATION	C	1,265,967.	ACCRUAL

Schedule R (Form 990) 2013

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

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

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

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	
b Gift, grant, or capital contribution to related organization(s)	1b	
c Gift, grant, or capital contribution from related organization(s)	1c	
d Loans or loan guarantees to or for related organization(s)	1d	
e Loans or loan guarantees by related organization(s)	1e	
f Dividends from related organization(s)	1f	
g Sale of assets to related organization(s)	1g	
h Purchase of assets from related organization(s)	1h	
i Exchange of assets with related organization(s)	1i	
j Lease of facilities, equipment, or other assets to related organization(s)	1j	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	
o Sharing of paid employees with related organization(s)	1o	
p Reimbursement paid to related organization(s) for expenses	1p	
q Reimbursement paid by related organization(s) for expenses	1q	
r Other transfer of cash or property to related organization(s)	1r	
s Other transfer of cash or property from related organization(s)	1s	

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

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	SAINT JOSEPH HOSPITAL	O	182,028,929.	ACCRUAL
(2)	SAINT JOSEPH HOSPITAL	L	47,533,435.	ACCRUAL
(3)	LUTHERAN MEDICAL CENTER FOUNDATION	O	241,997.	ACCRUAL
(4)				
(5)				
(6)				

Schedule R (Form 990) 2013

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 section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) -----													
(2) -----													
(3) -----													
(4) -----													
(5) -----													
(6) -----													
(7) -----													
(8) -----													
(9) -----													
(10) -----													
(11) -----													
(12) -----													
(13) -----													
(14) -----													
(15) -----													
(16) -----													

Part VII Supplemental Information

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

SCHEDULE R, PART V, LINE 2, COLUMN D

METHOD TO DETERMINE VALUE OF SCHEDULE R TRANSACTION

THE ORGANIZATION USED THE AMOUNT RECOGNIZED ON THE BOOKS AND RECORDS OF

THE ORGANIZATION OF CASH RECEIVED OR PROVIDED, ADJUSTED TO THE ACCRUAL

BASIS AS VALUE.



Colorado Secretary of State
Date and Time: 12/05/2013 05:07 PM
ID Number: 19881007604
Document number: 20131701826
Amount Paid: \$25.00

Document must be filed electronically.
Paper documents are not accepted.
Fees & forms are subject to change.
For more information or to print copies
of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Amended and Restated Articles of Incorporation

filed pursuant to §7-90-301, et seq. and §7-130-106 and §7-90-304.5 of the Colorado Revised Statutes (C.R.S.)

ID number: 19881007604

1. Entity name: EXEMPLA, INC.
(If changing the name of the corporation, indicate name before the name change)

2. New Entity name:
(if applicable) SCL Health - Front Range, Inc.

3. Use of Restricted Words *(if any of these terms are contained in an entity name, true name of an entity, trade name or trademark stated in this document, mark the applicable box)*

<input type="checkbox"/> "bank" or "trust" or any derivative thereof
<input type="checkbox"/> "credit union" <input type="checkbox"/> "savings and loan"
<input type="checkbox"/> "insurance", "casualty", "mutual", or "surety"

4. If the corporation's period of duration as amended is less than perpetual, state the date on which the period of duration expires: _____
(mm/dd/yyyy)

or

If the corporation's period of duration as amended is perpetual, mark this box: ☒

5. The amended and restated constituent filed document is attached.

6. The amendment to the articles of incorporation was in the manner indicated below:
(make the applicable selection)

- ☐ The amendment and restatement was adopted by the board of directors or incorporators without member action and member action was not required.
- ☒ The amendment and restatement was adopted by the members AND the number of votes cast for the amendment by each voting group entitled to vote separately on the amendment was sufficient for approval by that voting group.

(If the amended and restated articles of incorporation include amendments adopted on a different date or in a different manner, mark this box ☐ and include an attachment stating the date and manner of adoption)

7. (Optional) Delayed effective date: _____
(mm/dd/yyyy)

Notice:

Causing this document to be delivered to the secretary of state for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic

statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the secretary of state, whether or not such individual is named in the document as one who has caused it to be delivered.

8. Name(s) and address(es) of the individual(s) causing the document to be delivered for filing:

Carroll	Terrance	David	
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
Suite 100-D			
<small>(Street name and number or Post Office Box number)</small>			
2420 W. 26th Avenue			
Denver	CO	80211	
<small>(City)</small>	<small>(State)</small>	<small>(Postal/Zip Code)</small>	
	United States		
<small>(Province – if applicable)</small>	<small>(Country – if not US)</small>		

(The document need not state the true name and address of more than one individual. However, if you wish to state the name and address of any additional individuals causing the document to be delivered for filing, mark this box ☐ and include an attachment stating the name and address of such individuals.)

Disclaimer:

This form, and any related instructions, are not intended to provide legal, business or tax advice, and are offered as a public service without representation or warranty. While this form is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form. Questions should be addressed to the user's attorney.

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
EXEMPLA, INC.

Pursuant to the provisions of the Colorado Nonprofit Corporation Act, the undersigned corporation, which was originally incorporated under the name Lutheran Hospital by Articles of Incorporation filed on February 24, 1988, which were amended by Articles of Merger on September 23, 1997; further amended and restated on October 1, 1997; and which were last amended and restated on October 1, 2012 and which is organized and existing under the laws of Colorado, adopts and certifies that the following Amended and Restated Articles of Incorporation (i) correctly set forth the provisions of the Articles of Incorporation of SCL Health – Front Range, Inc., as amended; (ii) have been duly adopted as required by law; (iii) supersede the original Articles of Incorporation and all amendments thereto; and (iv) change the name of the corporation from Exempla, Inc. to SCL Health – Front Range, Inc. These Amended and Restated Articles of Incorporation were adopted by the Member of the corporation pursuant to C.R.S. § 7-130-103. The voting requirements of C.R.S. §§ 7-125-205 and 206 have been followed.

ARTICLE I

Name. The name of the corporation is SCL Health – Front Range, Inc. (the “Corporation”).

ARTICLE II

Duration. The Corporation shall have a perpetual existence.

ARTICLE III

Purposes and Powers.

(a) **General Purposes.** The general purposes of the Corporation are to engage in and conduct charitable, educational and scientific activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law) (the “Code”).

(b) **Specific Purposes.** The Corporation shall carry out the charitable purposes of Sisters of Charity of Leavenworth Health System, Inc., a Kansas nonprofit corporation, or its successor (“SCLHS”) and the system of controlled charitable corporations which SCLHS has created or otherwise affiliated with by providing a faith-based ideal of service, which demands a respect for the dignity of all persons, compassionate care and sensitivity to human suffering, and an abiding interest in care of the whole patient, including his/her higher spiritual and physical welfare. In carrying out its charitable purposes, the Corporation shall manage, operate, maintain, develop and promote institutions, activities and programs to promote the delivery of quality health services, educational programs, research activities, and any other activities designed to promote the general health, rehabilitation and social needs of individuals in need which, in the opinion of the Board of Directors of the Corporation (the “Board”) and of SCLHS, are appropriate in carrying out the charitable purposes of the Corporation, SCLHS, and its controlled charitable corporations.

(c) **Limitations.** The following limitations apply to the Corporation in carrying out its

charitable purposes:

(1) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any private individual, including but not limited to its directors, officers, employees, independent contractors, or other persons;

(2) No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene (including the publishing or distribution of statements) in any political campaign on behalf of (or in opposition to) any candidate for public office, except to the extent that organizations described in Section 501(c)(3) of the Code are permitted to do so under the Code without losing their tax-exempt status; and

(3) Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any activities not permitted to be carried on (i) by a corporation exempt from federal income tax as an organization described in Section 501(c)(3) of the Code; (ii) by a corporation, contributions to which qualify as charitable contributions under Section 170(c)(2) of the Code; or (iii) by a public charity described in Section 509(a)(1), (2) or (3) of the Code.

(d) Powers. In furtherance of the foregoing purposes and objects, and subject to the restrictions set forth therein, the corporation shall have and may exercise all of the powers now or hereafter conferred upon nonprofit corporations organized under the laws of Colorado and may do everything necessary or convenient for the accomplishment of any of the corporate purposes.

ARTICLE IV

Dissolution. In the event of the dissolution of the Corporation, the Board shall:

(a) First, pay or make provision for the payment of all of the liabilities and obligations of the Corporation, including the transfer of those assets or an interest in those assets of the corporation to be transferred in accordance with binding agreements of the Corporation;

(b) Second, any assets of the Corporation not disposed of under (a) above shall be distributed to SCLHS, if then in existence and if qualified under Section 501(c)(3) of the Code; and otherwise to such other organization or organizations as the Board may choose which are organized and operated exclusively for religious, charitable, educational or scientific purposes; which at the time qualify as exempt organizations under Section 501(c)(3) of the Code; and which the Board determines most closely reflect the exempt purposes and identity of SCLHS, as applicable; and

(c) Last, any assets of the Corporation not disposed of under sections (a) and (b) above shall be disposed of by the state district court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations which at the time qualify as exempt organizations under Section 501(c)(3) of the Code, as said district court, in its discretion, shall deem best able to accomplish the charitable, scientific, religious or educational purposes of the Corporation as described in these Articles of Incorporation.

ARTICLE V

Registered Office and Agent. The street address of the registered office of the Corporation is 36 South 18th Avenue, Suite D, Brighton, CO 80601. The name of the registered agent of the Corporation at such address is Incorp Services, Inc.

ARTICLE VI

Members.

(a) The sole member ("Member") of the Corporation is SCLHS or, if SCLHS is no longer in existence, any successor entity to SCLHS.

(b) Notwithstanding any other provision of these Articles or in the Articles of Incorporation of a Controlled Entity (defined below), the following matters with respect to the Corporation and all entities in which the Corporation holds a greater than fifty percent (50%) voting or economic interest, directly or indirectly (hereinafter "Controlled Entity" or "Controlled Entities"), are reserved solely to the Member, acting through its Board of Directors (the "Member Board"), or through a delegation of authority to another committee or council that reports to the Member Board, and may be initiated and undertaken by the Member, and do not require the approval of the Board to be effective.

(1) To have such specific rights set forth in the document entitled "Governance Authority and Responsibility Matrix for the Member (the "Governance Matrix"), as may be amended from time to time by the Member.

(2) To approve the appointment of the president/chief executive officer recommended by the Board, to remove the president/chief executive officer, and to appoint and remove other officers of the Corporation and the equivalent positions of all Controlled Entities.

(3) To have full oversight and approval authority over the Corporation's executive compensation and benefits paid to any director, trustee, officer, employee or other person determined to be a "disqualified person" within the meaning of Section 4958(f)(1) of the Code following procedures sufficient to establish the rebuttable presumption under Treasury Regulation § 53.4958-6(c) that such compensation and benefits is not an excess benefit transaction.

(4) To have full oversight and authority over the Corporation's physician compensation and employed physician benefits to ensure that the compensation reflects fair market value, conforms to the requirements of the Stark Law and Anti-Kickback regulations, and, for those physicians who are disqualified persons within in the meaning of Section 4958(f)(1) of the Code, to approve the compensation and benefits according to procedures sufficient to establish a rebuttable presumption under Treasury Regulation § 53.4958 that such compensation and benefits are not excess benefit transactions.

(5) To require that all operations of the Corporation and all Controlled Entities be conducted in compliance with all applicable requirements of the Catholic Church, including the Ethical and Religious Directives of the U.S. Conference of Bishops.

(6) To change the mission and philosophy of the Corporation or any Controlled Entity.

(7) To adopt, amend, or repeal the Articles of Incorporation or bylaws of the Corporation, or the Articles of Incorporation, bylaws or any comparable governing instruments of any other Controlled Entity (including any such adoption, amendment, or repeal which eliminates any class of the Member or which otherwise changes, reduces, eliminates or otherwise affects the rights of the Member).

(8) To appoint the members of the Board, or comparable governing body, of the Corporation and all Controlled Entities.

(9) To remove, with or without cause, any member of the Board or comparable governing body, of the Corporation and all Controlled Entities.

(10) In accordance with these Articles of Incorporation and the Governance Matrix, to establish parameters for the Corporation or any Controlled Entity to: (A) acquire assets (including through any lease or other arrangement); (B) incur indebtedness; or (C) lease, sell, transfer, assume, encumber or make any other disposition of assets.

(11) In accordance with these Articles of Incorporation and the Governance Matrix, to have the authority to approve for the Corporation or any Controlled Entity the: (A) acquisition of assets (including through any lease or other arrangement); (B) incurrence of indebtedness; or (C) the lease, sale, transfer, assumption, encumbrance or any other disposition of assets.

(12) To cause the merger, dissolution, conversion into another form of entity, or any other corporate restructuring, of the Corporation or any Controlled Entity.

(13) To approve the annual strategic plans, and operating and capital budgets and deviations thereto, of the Corporation and all Controlled Entities recommended by the Board.

(14) To appoint the auditors for the Corporation and for all Controlled Entities.

(15) To cause the issuance of a membership in the Corporation to, or the redemption of a membership in the Corporation from, any person or entity.

ARTICLE VII

Board of Directors. The control and management of the affairs of the Corporation and of the disposition of its funds and property shall be vested in the Board, except as otherwise provided in these Articles of Incorporation, in the bylaws of the Corporation, or under the laws of the State of Colorado. The directors need not be Members or residents of the State of Colorado. The number of directors, their qualifications and term of office and the manner of their selection and election shall be determined according to the Corporation's bylaws from time to time in force.

ARTICLE VIII

Amendments to Articles of Incorporation. The provisions of these Articles of Incorporation may only be amended by the Member.

ARTICLE IX

Organization. This Corporation is organized under the provisions of the Colorado Nonprofit Corporation Act.

ARTICLE X

Elimination of Director Liability. No director of the Corporation shall be liable to the Corporation for monetary damages for an act or omission in the director's capacity as a director, to the fullest extent allowed by law.

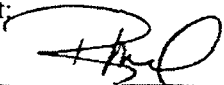
ARTICLE XI

Indemnification. The officers, directors, agents and employees of the Corporation, the former officers, directors, agents and employees of the Corporation and the legal representatives of any such persons shall be indemnified by the Corporation, in accordance with procedures established in the bylaws of the Corporation from time to time in effect, to the fullest extent permitted by Colorado law as it exists or as it is amended in the future (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), including circumstances in which indemnification is otherwise discretionary under Colorado law.

Dated and effective the 4th day of December, 2013.

Sisters of Charity of Leavenworth Health System, Inc.
Sole Member

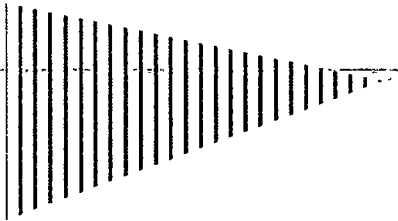
By: Michael A. Slubowski
Michael A. Slubowski, President

Attest: 
Rosland F. McLeod, Secretary

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTAL FINANCIAL INFORMATION

Sisters of Charity of Leavenworth Health System, Inc.
Years Ended December 31, 2013 and 2012
With Reports of Independent Auditors

Ernst & Young LLP



Building a better
working world

Sisters of Charity of Leavenworth Health System, Inc.

Consolidated Financial Statements
and Supplemental Financial Information

Years Ended December 31, 2013 and 2012

Contents

Report of Independent Auditors	1
Consolidated Financial Statements	
Consolidated Balance Sheets	2
Consolidated Statements of Operations	4
Consolidated Statements of Changes in Net Assets	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7
Supplemental Financial Information	
Report of Independent Auditors on Supplemental Financial Information	38
Financial and Operating Information	39
Sources of Patient Revenue	40
Capitalization Ratio	41
Debt Service Coverage Requirements	42
Financial Performance	43
Utilization (Unaudited)	44



Ernst & Young LLP
Suite 3300
370 17th Street
Denver, CO 80202
Tel +1 720 931 4000
Fax +1 720 931 4444
ey.com

Report of Independent Auditors

The Board of Directors
Sisters of Charity of Leavenworth
Health System, Inc.

We have audited the accompanying consolidated financial statements of Sisters of Charity of Leavenworth Health System, Inc., which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements based on our audits. We conducted our audits 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 financial statements are free of 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Sisters of Charity of Leavenworth Health System, Inc. at December 31, 2013 and 2012, and the consolidated results of its operations, and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

May 6, 2014

Sisters of Charity of Leavenworth Health System, Inc.

Consolidated Balance Sheets

	December 31	
	2013	2012
	(In Millions)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 81.7	\$ 29.6
Current portion of investments	217.4	97.0
Accounts receivable:		
Patient (less allowance for uncollectible accounts of \$151.6 million and \$147.0 million at December 31, 2013 and 2012, respectively)	306.8	367.9
Pledges receivable, net and other	36.4	26.2
Inventory	40.0	40.3
Prepays and other assets	36.7	37.7
Assets held for sale	207.8	282.6
Total current assets	926.8	881.3
Investments:		
Investments, net of current portion	1,469.7	1,637.9
Assets limited as to use:		
Restricted funds – self-insured risks	80.1	77.7
Trustee-held funds	29.1	69.4
	109.2	147.1
Land, buildings, and equipment, net	1,744.5	1,532.2
Other assets:		
Investments in joint ventures	23.7	24.2
Pledges receivable, net	3.4	5.1
Accrued pension assets	23.9	–
Other assets	49.5	40.3
	100.5	69.6
Total assets	\$ 4,350.7	\$ 4,268.1

	December 31	
	2013	2012
	(In Millions)	
Liabilities and net assets		
Current liabilities:		
Current maturities of long-term obligations	\$ 190.1	\$ 67.7
Accrued interest payable	26.0	29.3
Accounts payable	104.9	162.4
Accrued salaries, wages, and benefits	99.9	111.9
Other accrued expenses	40.4	59.6
Liabilities held for sale	48.3	24.1
Total current liabilities	509.6	455.0
Other noncurrent liabilities:		
Reserve for self-insured risks	80.0	75.9
Accrued pension payable	6.5	53.5
Accrued swap payable	15.0	27.8
Other liabilities	31.8	18.3
	133.3	175.5
Capital structure:		
Bonds payable	1,575.1	1,329.0
Other notes and capital leases payable	1.9	250.0
	1,577.0	1,579.0
Less current maturities	190.1	67.7
	1,386.9	1,511.3
Total liabilities	2,029.8	2,141.8
Net assets:		
Noncontrolling interest	3.8	2.7
SCL Health System controlling interest	2,179.5	1,986.7
Total unrestricted net assets	2,183.3	1,989.4
Temporarily restricted	100.5	105.2
Permanently restricted	37.1	31.7
Total net assets	2,320.9	2,126.3
Total liabilities and net assets	\$ 4,350.7	\$ 4,268.1

See accompanying notes

Sisters of Charity of Leavenworth Health System, Inc.

Consolidated Statements of Operations

	Year Ended December 31	
	2013	2012
	(In Millions)	
Patient services		
Operating revenue:		
Net patient service revenue before provision for bad debts	\$ 2,315.9	\$ 2,193.1
Provision for bad debts	(144.8)	(93.5)
Net patient service revenue	2,171.1	2,099.6
Other operating revenue	106.1	90.3
Net assets released from restrictions	17.1	7.4
Net gain from joint ventures	9.6	22.7
Net gain from disposal of assets	0.6	3.4
Total operating revenue	2,304.5	2,223.4
Operating expenses:		
Salaries and wages	930.3	907.1
Employee benefits	208.6	205.2
Other operating expenses	890.1	813.7
Depreciation and amortization	183.5	185.2
Interest and amortization	50.6	55.5
Total operating expenses	2,263.1	2,166.7
Income from continuing operations	41.4	56.7
Nonoperating gains (losses)		
Income tax expense	(3.5)	(7.1)
Investment income	155.3	139.2
Loss on early extinguishment of debt	(0.1)	(0.6)
Mission Fund expenditures	(1.2)	(5.1)
Total nonoperating gains, net	150.5	126.4
Excess of revenue over expenses	191.9	183.1
Less amounts attributable to noncontrolling interest	3.3	2.5
Excess of revenue over expenses attributable to SCL Health System	\$ 188.6	\$ 180.6

See accompanying notes

Sisters of Charity of Leavenworth Health System, Inc.

Consolidated Statements of Changes in Net Assets

	Year Ended December 31, 2013			Year Ended December 31, 2012		
	Total	Controlling (In Millions)	Noncontrolling	Total	Controlling (In Millions)	Noncontrolling
Unrestricted net assets						
Excess of revenue over expenses	\$ 191.9	\$ 188.6	\$ 3.3	\$ 183.1	\$ 180.6	\$ 2.5
Loss related to discontinued operations	(82.5)	(82.5)	-	(427.1)	(427.1)	-
Change in unrealized value of interest rate swaps	11.0	11.0	-	1.5	1.5	-
Acquisition of noncontrolling interest of Exempla Inc.	-	-	-	(274.7)	-	(274.7)
Change in noncontrolling interest	-	-	-	-	(26.1)	26.1
Distributions to noncontrolling interest	(2.2)	-	(2.2)	(2.5)	-	(2.5)
Contributions to related organizations	(0.5)	(0.5)	-	(4.6)	(4.6)	-
Pension-related charges other than net periodic pension costs	61.2	61.2	-	(28.2)	(28.2)	-
Net assets released for capital acquisitions	9.8	9.8	-	7.4	7.4	-
Unrestricted net assets reclassification	5.2	5.2	-	-	-	-
	193.9	192.8	1.1	(545.1)	(296.5)	(248.6)
Temporarily restricted net assets						
Contributions	37.4	37.4	-	17.5	17.5	-
Net investment activity	2.1	2.1	-	1.9	1.9	-
Temporarily restricted net assets reclassification	(2.1)	(2.1)	-	-	-	-
Net assets released from restrictions	(42.1)	(42.1)	-	(34.9)	(34.9)	-
	(4.7)	(4.7)	-	(15.5)	(15.5)	-
Permanently restricted net assets						
Contributions	7.7	7.7	-	0.5	0.5	-
Net investment activity	0.8	0.8	-	0.4	0.4	-
Permanently restricted net assets reclassification	(3.1)	(3.1)	-	-	-	-
	5.4	5.4	-	0.9	0.9	-
	194.6	193.5	1.1	(559.7)	(311.1)	(248.6)
Increase (decrease) in net assets	2,126.3	2,123.6	2.7	2,686.0	2,434.7	251.3
Beginning net assets	\$ 2,320.9	\$ 2,317.1	\$ 3.8	\$ 2,126.3	\$ 2,123.6	\$ 2.7
Ending net assets						

See accompanying notes

Sisters of Charity of Leavenworth Health System, Inc.

Consolidated Statements of Cash Flows

	Year Ended December 31	
	2013	2012
	(In Millions)	
Operating activities		
Increase (decrease) in net assets	\$ 194.6	\$ (559.7)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities and discontinued operations		
Depreciation and amortization	208.1	226.9
Loss on assets held for sale	73.9	394.6
Note payable issued to acquire noncontrolling interest	—	230.0
Acquisition of noncontrolling interest	—	44.7
Change in cash from assets held for sale	(4.1)	(1.2)
Loss on defeasance of debt	0.1	0.6
Provision for bad debts	162.0	120.5
Increase in accounts receivable, net of allowances	(156.6)	(127.4)
Change in unrealized value of interest rate swaps	(11.0)	(1.5)
Restricted contributions	(45.1)	(18.0)
Pension-related charges other than net periodic pension costs	(61.2)	28.2
Net assets released for capital acquisitions	(9.8)	(7.4)
Net gain from joint ventures	(9.6)	(22.7)
Net gain (loss) from disposal of assets	1.2	(3.7)
(Decrease) increase in investments	64.7	(69.4)
Increase in other assets	(14.4)	(59.2)
(Decrease) increase in liabilities	(37.8)	75.7
Net cash provided by operating activities	355.0	251.0
Investing activities		
Acquisition of land, buildings, and equipment	(415.9)	(284.9)
Proceeds from disposal of land, buildings, and equipment	48.5	4.4
Decrease in investments in joint ventures	11.6	13.1
Net cash used in investing activities	(355.8)	(267.4)
Financing activities		
Acquisition of noncontrolling interest	—	(44.7)
Restricted contributions	45.1	18.0
Net assets released for capital acquisitions	9.8	7.4
Proceeds from issuance of long-term debt, net of original issue discount and financing costs	301.1	76.0
Payments on bonds, notes, and capital leases payable	(303.1)	(37.5)
Defeasance of bonds payable, including call and interest premium	—	(76.0)
Net cash provided by (used in) financing activities	52.9	(56.8)
Net increase (decrease) in cash and cash equivalents	52.1	(73.2)
Beginning cash and cash equivalents	29.6	102.8
Ending cash and cash equivalents	\$ 81.7	\$ 29.6
Supplemental disclosures of cash flow information		
Cash paid during the year for interest, including amounts capitalized	\$ 65.1	\$ 57.9
Interest expense capitalized	\$ 12.1	\$ 2.3
Transfer of land from investment to land, buildings, and equipment	\$ 10.1	\$ —
Note payable issued to acquire noncontrolling interest	\$ —	\$ 230.0

See accompanying notes

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements

December 31, 2013

1. Organization

The Sisters of Charity of Leavenworth Health System, Inc. (SCL Health System) is a Catholic ministry that operates as a Kansas not-for-profit corporation, headquartered in Denver, Colorado. Leaven Ministries is a canonical entity and the sponsor of SCL Health System. The mission of SCL Health System is to reveal and foster God's healing love by improving the health of the people and communities we serve, especially those who are poor and vulnerable.

The primary ministry of SCL Health System is to witness the Gospel of Jesus by striving to provide quality health care in a spirit of justice and charity. Services are provided based on community need and available resources, with special concern for the poor and underserved. The ministry is carried out in many ways, including the provision of health care services at its locations.

SCL Health System controls a group of related entities identified as Affiliates (collectively referred to as SCL Health System). SCL Health System and its hospital, foundation, and clinic Affiliates have been determined to be exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as organizations described in Section 501(c)(3). Income tax expenses in the accompanying consolidated statements of operations relates to wholly-owned for-profit entities.

On January 1, 1998, Exempla Healthcare, a Denver, Colorado-based health care delivery system, was formed by a joint operating agreement (JOA) between the parent company of SCL Health System, Community First Foundation (CFF), Exempla, Inc. (Exempla), and Saint Joseph Hospital, Inc. (SJH). Under the JOA, Exempla operated SJH and Exempla's subsidiaries: Exempla Lutheran Medical Center; Exempla Good Samaritan Medical Center (EGSMC); and Exempla Partners, LLC. In December 2009, SCL Health System gained control of Exempla and its subsidiaries and, accordingly, those entities were consolidated into SCL Health System's consolidated financial statements from that date forward. In 2010, Exempla became a Restricted Affiliate under the SCL Health System Master Trust Indenture (MTI).

On October 2, 2012, SCL Health System terminated the JOA, acquiring the remaining 50% noncontrolling interest in Exempla Healthcare for \$274.7 million, the price defined in the 2010 JOA amendment. SCL Health System paid CFF \$44.7 million at the date of closing, and executed a \$230.0 million note to CFF, which was repaid in 2013.

On April 1, 2013, SCL Health System completed the sale of Providence Medical Center in Kansas City, Kansas (PMC) and Saint John Hospital in Leavenworth, Kansas (SJL). On September 11, 2013, SCL Health System and Providence Health & Services, Southern California (Providence) signed a definitive agreement for Providence to assume sponsorship of Saint John's Hospital and Health Center in Santa Monica, California (SJSJ) for \$125.0 million. See Note 3 for discussion of the accounting and reporting for discontinued operations.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Organization (continued)

The following organizations comprise the Affiliates that are owned by or affiliated with SCL Health System directly or indirectly through sole or shared corporate membership. All Affiliates listed below are included in the accompanying consolidated financial statements. Restricted Affiliates is a defined term under the MTI. See Note 7 for discussion regarding the Restricted Affiliates.

Restricted Affiliates	Location
Kansas	
St. Francis Health Center, Inc.	Topeka, Kansas
Colorado	
Exempla, Inc. and Subsidiaries	Denver, Colorado
Exempla Lutheran Medical Center	Wheat Ridge, Colorado
Exempla Lutheran Medical Center Foundation	Wheat Ridge, Colorado
Exempla Good Samaritan Medical Center, LLC	Lafayette, Colorado
Exempla Good Samaritan Medical Center Foundation	Lafayette, Colorado
Exempla Partners, LLC	Denver, Colorado
Saint Joseph Hospital, Inc.	Denver, Colorado
St. Mary's Hospital & Medical Center, Inc.	Grand Junction, Colorado
Montana	
Holy Rosary Healthcare	Miles City, Montana
St. James Healthcare	Butte, Montana
St. Vincent Healthcare	Billings, Montana
California	
Saint John's Hospital and Health Center ⁽¹⁾	Santa Monica, California

⁽¹⁾Restricted Affiliate held for sale as of December 31, 2013 and 2012

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

1. Organization (continued)

Other Affiliates	Location
Kansas	
Providence/Saint John Foundation, Inc.	Kansas City, Kansas
St. Francis Health Center Foundation	Topeka, Kansas
Holton Community Hospital	Holton, Kansas
Caritas Clinics, Inc.	Leavenworth and Kansas City, Kansas
Marian Clinic, Inc.	Topeka, Kansas
Caritas, Inc. and Subsidiaries	Lenexa, Kansas
Colorado	
Saint Joseph Hospital Foundation	Denver, Colorado
St. Mary's Hospital Foundation	Grand Junction, Colorado
Marillac Clinic, Inc.	Grand Junction, Colorado
Mount St. Vincent	Denver, Colorado
Montana	
St. Vincent Foundation, Inc.	Billings, Montana
St. James Healthcare Foundation, Inc.	Butte, Montana
Holy Rosary Healthcare Foundation, Inc.	Miles City, Montana
California	
Saint John's Hospital and Health Center Foundation ⁽²⁾	Santa Monica, California
John Wayne Cancer Center, Inc. and Subsidiaries ⁽²⁾	Santa Monica, California
Grand Cayman, BWI	
Leaven Insurance Company, Ltd.	Georgetown, Grand Cayman, BWI

⁽²⁾ Affiliate held for sale as of December 31, 2013 and 2012, in connection with Saint John's Hospital and Health Center

2. Summary of Significant Accounting Policies

Principles of Consolidation

All significant intercompany balances and transactions have been eliminated in the accompanying consolidated financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less when purchased that have not otherwise been classified as assets limited as to use by Board designation or other arrangements under trust agreements due to a designation for long-term purposes.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

-2- Summary of Significant Accounting Policies (continued) -

Accounts Receivable

SCL Health System provides health care services through inpatient, outpatient, and ambulatory care facilities and grants credit to patients, substantially all of whom are local residents in the communities served by SCL Health System. SCL Health System generally does not require collateral or other security in extending credit to patients; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under their health insurance programs, plans, or policies, including, but not limited to, Medicare, Medicaid, health maintenance organizations, and commercial insurance policies.

Accounts written off as uncollectible are deducted from the allowance for uncollectible accounts, and subsequent recoveries are added. The allowance for uncollectible accounts is based upon management's assessment of historical and expected net collections considering the business and general economic conditions in its service area, trends in health care coverage, and other collection indicators. Throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical collection experience by payor category and other factors. The results of these reviews are then used to make any modifications to the provision for uncollectible accounts to establish an appropriate allowance for uncollectible accounts. The allowance for uncollectible accounts includes a reserve for both uninsured patients and balance after insurance accounts receivable. SCL Health System's allowance percentage for uninsured patients is approximately 89.0% and 37.0% for balance after insurance accounts receivable. At December 31, 2013 and 2012, the allowance for uncollectible accounts was \$151.6 million and \$147.0 million, respectively. The uncollectible allowance increased in 2013 as more uninsured patients qualified to receive charity assistance, per SCL Health System charity policy, and the timing of accounts written off as uncollectible was standardized across the organization.

The following is a roll-forward of the allowance for uncollectible accounts as reflected in the accompanying consolidated balance sheets:

	2013	2012
	<i>(In Millions)</i>	
Balance, beginning of year	\$ 147.0	\$ 167.1
Provision for bad debts	162.0	120.5
Write-offs, net of recoveries	(157.4)	(140.6)
Balance, end of year	<u>\$ 151.6</u>	<u>\$ 147.0</u>

Inventory

Inventory consists primarily of medical supplies and pharmaceuticals and is stated at the lower of actual cost, generally on the first-in, first-out basis, or market.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Investments and Assets Limited as to Use

SCL Health System holds the majority of its investments through the Comprehensive Investment Program (CIP), an investment pool of funds in which a limited number of unaffiliated nonprofit entities participate. SCL Health System does not consolidate the entire investment pool of funds as a portion of the investments represents the interest of other entities. Accordingly, as related to the CIP, SCL Health System's investments recorded in the accompanying consolidated financial statements at fair value consist only of SCL Health System's pro rata share of the CIP's investments held for participants. Following are descriptions of each asset class held within the CIP:

Absolute Return: This is a fund of funds with investments in private equity, structured credit, real estate, asset-based lending, and distressed assets.

Core Hedge Funds: The core hedge fund pool consists of hedge fund of fund managers (to enhance diversification) whose target is an equity-like return with substantially less volatility than the equity market. The underlying managers may use leverage and may short securities in implementing their investment style. The core hedge fund pool consists of limited partnerships.

Domestic Equity: The domestic equity pool invests in securities listed on the various stock exchanges located in the United States (NYSE, AMEX, NASDAQ, etc.). Foreign companies with domestically issued securities (American depository receipts (ADR's)) are allowed in the domestic equity pool. The domestic equity pool may consist of pooled vehicles and/or separate accounts.

Domestic Fixed Income: The fixed income pool invests in a variety of fixed income instruments ranging in duration from 0 to 30 years or more. The aggregate duration of the pool is generally 5 to 7 years or less. The fixed income pool may consist of pooled vehicles and/or separate accounts.

Global Equity: The global equity pool invests in securities listed on the major exchanges around the world. Global equity securities may be domiciled in developed and emerging markets and will expose the holders of this fund to currency risk as the equities may be denominated in the local currency of the market in which they trade. The global equity pool consists of pooled vehicles only when custodial and administrative costs associated with separate accounts prove inefficient.

Opportunistic Funds: These funds invest in private markets securities with longer investment horizons including private equity, distressed debt, and real estate.

Real Return: The real return pool consists of a variety of inflation hedging strategies including (but not limited to) public and private real estate, inflation-linked bonds, and commodities and commodity-linked equities. The real return pool consists of pooled vehicles only when custodial and administrative costs associated with separate accounts prove inefficient.

Tactical Asset Allocation: The tactical asset allocation pool consists of managers that are allowed to purchase cash, fixed income, and equity securities across the globe. The tactical asset allocation pool consists of pooled vehicles only when custodial and administrative costs associated with separate accounts prove inefficient.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

2: Summary of Significant Accounting Policies (continued)

SCL Health System invests funds in excess of operating requirements. Trustee-held funds are the unspent proceeds related to bond financings and investments related to the executive supplemental retirement plans. Restricted funds—self-insured risks are funds set aside by SCL Health System to satisfy insurance claims and other related expenditures. Investments in equity and debt securities are measured at fair value.

Substantially all investments are considered to be trading securities. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in excess of revenue over expenses unless the income or loss is restricted by donor or law. Gains and losses with respect to disposition of marketable securities are based on the specific-identification method. Investment returns related to temporarily and permanently restricted net assets are added or deducted from the appropriate net asset balance based on donors' intent.

Derivative Financial Instruments

SCL Health System investment fund managers use derivative financial instruments in the investment portfolio to moderate changes in value due to fluctuations in financial markets. SCL Health System has not designated its derivatives related to marketable securities as hedges, and the change in fair value of these derivatives is recognized as a component of investment income.

SCL Health System uses interest rate swap contracts in managing its capital structure. SCL Health System recognizes these derivative instruments as either assets or liabilities in the consolidated balance sheets at fair value. The accounting for changes in the fair value (i.e., gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and the type of hedging relationship.

For derivative instruments that are designated and qualify as a cash flow hedge (i.e., hedging the exposure to variability in expected future cash flows that is attributable to a particular risk), the effective portion of the gain or loss on the derivative instrument is reported as a component of unrestricted net assets and reclassified into excess of revenues over expenses in the same period or periods during which the cash flows of the hedged transaction are settled. The ineffective portion is recorded in the excess of revenues over expenses in the current period. If the hedging relationship ceases to be highly effective or it becomes probable that an expected transaction will no longer occur, subsequent gains or losses on the derivatives would be recorded in excess of revenues over expenses.

Land, Buildings, and Equipment

Land, buildings, and equipment are stated at cost, if purchased, or fair market value at the date of donation. Improvements and replacements are capitalized, and repairs and maintenance are expensed when incurred. Interest incurred in connection with borrowings to finance major construction or expansion of facilities is capitalized during the construction period and subsequently amortized over the lives of the related assets. Provision for depreciation is calculated using the straight-line method, which allocates the cost of tangible property equally over its estimated life. Estimated useful lives are generally those recommended by the American Hospital Association.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Land, buildings, equipment, and accumulated depreciation, as of December 31, were as follows:

	2013	2012
	<i>(In Millions)</i>	
Land	\$ 134.9	\$ 122.4
Buildings, land improvements, and equipment	3,159.7	3,016.1
Construction in progress	447.3	214.9
	<u>3,741.9</u>	<u>3,353.4</u>
Less accumulated depreciation	1,997.4	1,821.2
	<u>\$ 1,744.5</u>	<u>\$ 1,532.2</u>

Asset Impairment

SCL Health System considers whether indicators of impairment are present or performs the necessary test to determine whether the carrying value of an asset is appropriate. Impairment write-downs are recognized in income from operations at the time the impairment is identified, except for alternative investment impairments, which are recognized in investment income in nonoperating gains (losses).

During 2011, SCL Health System began work on a replacement hospital for SJH, which is expected to open in December 2014. As a result, the remaining useful life of the building and equipment assets was re-evaluated during 2011. Accelerated depreciation on building and equipment assets whose useful life will end on December 31, 2014, was \$19.7 million and \$12.0 million in 2013 and 2012, respectively. See Note 3 for discussion of asset impairment related to discontinued operations.

Meaningful Use Revenue

The American Recovery and Reinvestment Act of 2009 established incentive payments under Medicare and Medicaid programs for certain eligible professionals, hospitals, and critical access hospitals (Providers). Providers can receive incentive payments by adopting, implementing, and upgrading electronic health records (EHR) technology. Providers can also receive incentive payments for demonstrating meaningful use of EHR technology. Upon satisfaction of the meaningful use criteria, using a grant accounting model, SCL Health System recognized \$13.9 million and \$15.6 million of these incentive payments within other operating revenue on the consolidated statements of operations for the years ended December 31, 2013 and 2012, respectively, related to continuing operations. If specified meaningful use criteria are met in future periods, SCL Health System may qualify for additional incentive payments.

Deferred Financing Costs

Deferred financing costs are amortized over the lives of the bonds utilizing the effective interest method

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Investments in Joint Ventures

SCL Health System accounts for investments in joint ventures using the equity or cost method, depending on the nature of the investment and extent of control or ownership by SCL Health System.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by SCL Health System has been limited by donors to a specific time period or purpose. These assets relate primarily to gifts restricted for capital expenditures, research, or health care services.

Permanently restricted net assets have been restricted by donors to be maintained by SCL Health System in perpetuity, the income from which is expendable based on donor intent.

Reclassification of temporarily and permanently restricted net assets on the consolidated statements of changes in net assets represents donor changes or subsequent clarification in the intended purpose of previously recorded contributions.

Contributions to Related Organizations

SCL Health System records payments to Leaven Ministries and transfers from related foundations to other affiliated entities as contributions to related organizations, which are recorded as changes in net assets.

Contributions for Long-Lived Assets

Contributions for long-lived assets are those contributions, bequests, or grants to SCL Health System for the sole purpose of acquiring capitalized long-lived assets.

Contributions, Bequests, and Grants

Donors' unconditional pledges to give cash and other assets are reported at fair value at the date the promise is received. Donors' conditional pledges to give and indications of intentions to give are reported at fair value at the date the condition is satisfied. Except for contributions for long-lived assets, all unrestricted contributions, bequests, and grants are included in excess of revenue over expenses. Contributions, bequests, and grants 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 is satisfied (as to either time or purpose), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Resources temporarily restricted by donors for additions to land, buildings, and equipment whose purposes have been met are recorded as net assets released for capital acquisitions in the consolidated statements of changes in net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Endowments

SCL Health System's endowments consist of approximately 70 individual funds established for a variety of purposes. Endowment assets include those assets of donor-restricted funds that SCL Health System must hold in perpetuity or for a donor-specified period, as well as Board-designated funds. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

SCL Health System is subject to the Uniform Prudent Management of Institutional Funds Acts (UPMIFA), as separately enacted in Kansas, Colorado, Montana, and California. Collectively, these statutes establish requirements for the management, investment, and expenditure of endowed funds. SCL Health System has adopted investment and spending policies for endowment assets that attempt to provide a stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under these policies, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of their relevant benchmarks while assuming a reasonable level of investment risk.

As of December 31, 2013 and 2012, the permanently restricted endowment net assets were \$37.1 million and \$28.7 million, respectively. Included in these amounts are \$14.5 million and \$14.4 million, respectively, of endowments associated with discontinued operations.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

Operating and Nonoperating Gains (Losses)

SCL Health System's primary mission is to meet the health care needs of its service areas through a broad range of general and specialized health care services, including inpatient, acute care, outpatient, physician, and other health care services. Activities directly associated with the furtherance of this purpose are considered to be operating activities. Other activities that result in gains or losses peripheral to SCL Health System's primary mission are considered to be nonoperating. Nonoperating activities include income tax expense, investment income, loss on early extinguishment of debt, and Mission Fund expenditures.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Operating and Performance Indicators

The activities of SCL Health System are primarily related to providing health care services, and accordingly, expense information by functional classification is not used as a basis for measuring performance. Furthermore, since substantially all resources are derived from providing health care services, similar to that provided by a business enterprise, the following indicators are considered important in evaluating how well management has discharged its stewardship responsibilities:

Operating Indicator (income from continuing operations) – Includes all unrestricted revenue, gains, and other support; equity income or loss of unconsolidated health care subsidiaries; and expenses directly related to the recurring and ongoing health care operations during the reporting period. The operating indicator excludes income tax expense, investment income or losses (including changes in unrealized gains and losses on investments), loss on early extinguishment of debt, Mission Fund expenditures, and gains and losses deemed by management not to be directly related to providing health care services.

Performance Indicator (excess of revenues over expenses attributable to SCL Health System) – Includes income from continuing operations and nonoperating gains, net. The performance indicator excludes the change in fair value of interest rate swaps designated as a hedge, noncontrolling interest, pension-related charges other than net periodic pension costs, contributions to related organizations, contributions for capital expenditures, and amounts attributable to noncontrolling interest.

Noncontrolling Interest in Subsidiaries

SCL Health System attributed excess of revenue over expenses of \$3.3 million and \$2.5 million for the years ended December 31, 2013 and 2012, respectively, to the noncontrolling interests based on the contractual terms of joint ventures and the ownership percentage of the noncontrolling interests in certain of the consolidated subsidiaries. These amounts are reflected in unrestricted net assets in the consolidated balance sheets, net of distributions.

SCL Health System acquired the remaining 50% noncontrolling interest in Exempla Healthcare in October 2012, at the price defined in the 2010 amendment. The acceleration of the transaction reduced unrestricted net assets by \$274.7 million, reflected in acquisitions of noncontrolling interest of Exempla Inc in the consolidated statement of changes in net assets

Discontinued Operations

A component of an entity is reported as discontinued operations if, among other things, such component (i) has been disposed of or is classified as held for sale, (ii) has operations and cash flows that can be clearly distinguished from the rest of the reporting entity, and (iii) will be eliminated from the ongoing operations of the reporting entity. In the period that a component meets such criteria, its results of operations for current and prior periods are reclassified to discontinued operations, and the assets and liabilities of the related disposal group are segregated on the consolidated balance sheets. See Note 3 for information regarding SCL Health System's discontinued operations.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Reclassifications

Certain balances in the 2012 consolidated financial statements have been reclassified to conform to the current year presentation. The effect of such reclassifications did not change total net assets or excess of revenues over expenses.

Adoption of Accounting Pronouncements

In December 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-11, *Disclosures about Offsetting Assets and Liabilities*, which requires additional disclosures concerning the offsetting of assets and liabilities related to certain derivatives and hedging instruments. SCL Health System adopted the provisions of this standard in 2013, which did not have a significant effect on the consolidated financial statements.

In July 2012, the FASB issued ASU 2012-02, *Testing Indefinite-Lived Intangible Assets for Impairment*, which allows an entity to first assess qualitative factors to determine whether the existence of events and circumstances indicates that it is more likely than not that an indefinite-lived intangible asset such as goodwill is impaired. If, after assessing the totality of events and circumstances, an entity concludes that it is not more likely than not that the indefinite-lived intangible asset is impaired, then no further action is required. However, if an entity concludes otherwise, then it is required to determine fair value of the indefinite-lived intangible asset and perform the qualitative impairment test by comparing fair value with carrying amount. SCL Health System adopted the provisions of this standard in 2013, which did not have a significant effect on the consolidated financial statements.

3. Discontinued Operations

SCL Health System entered into an asset purchase agreement with Prime Healthcare for the sale of PMC and SJL for \$54.1 million and completed the sale transaction on April 1, 2013. On September 11, 2013, SCL Health System and Providence signed a definitive agreement for Providence to assume sponsorship of SJSM. In accordance with Accounting Standards Codification (ASC) 205-20, *Presentation of Financial Statements – Discontinued Operations*, and ASC 360, *Property, Plant, and Equipment*, the results of operations associated with these locations have been reported as discontinued operations and are included in the consolidated statements of changes in net assets. Assets held for sale consist primarily of inventory, prepaid expenses, fixed assets, restricted pledges, and investments in joint ventures. Liabilities held for sale consist of accrued expenses.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

3: Discontinued Operations (continued)

Related to the locations held for sale, SCL Health System recorded a deficiency of revenue over expenses of \$82.5 million and \$427.1 million for the years ended December 31, 2013 and 2012, respectively, which is reported as discontinued operations in the accompanying consolidated financial statements. Included in the loss on discontinued operations for 2013 and 2012 is an asset impairment loss of \$73.9 million and \$394.6 million, respectively, representing the difference between the fair value of assets held for sale, less costs to sell, and their net book value. Total operating revenues, total operating expenses, and asset impairment included in the results of discontinued operations for the years ended December 31 are summarized below:

	2013	2012
	<i>(In Millions)</i>	
Total operating revenues	\$ 369.0	\$ 498.5
Total operating expenses	(380.3)	(530.3)
Asset impairment	(73.9)	(394.6)
	(85.2)	(426.4)
Nonoperating gains (losses)	2.7	(0.7)
Loss related to discontinued operations	\$ (82.5)	\$ (427.1)

The consolidated statements of cash flows include source of \$66.8 million and use of \$46.9 million of operating, investing, and financing activities related to discontinued operations for the years ended December 31, 2013 and 2012, respectively

4. Charity Care

SCL Health System has a mission to care for those who are poor and vulnerable and provides charity care to patients deemed to be either financially or medically indigent. Policies have been established that define charity care and provide guidelines for assessing a patient's ability to pay. Evaluation procedures for charity care qualification have been established for those situations when previously unknown financial circumstances are revealed or when incurred charges are significant when compared to the individual patient's income and/or net assets

The cost to provide charity care using the consolidated cost to charge ratio was \$82.3 million and \$80.1 million for 2013 and 2012, respectively. The ratio of cost to charges is calculated based on SCL Health System's total operating expenses less other nonpatient operating revenue divided by gross patient service revenue.

In addition to traditional charity care services, SCL Health System has a financial assistance policy that offers discounted services to uninsured patients who do not otherwise qualify for charity. The payments expected from patients are based on rates negotiated with managed care plans, with discounts determined on a sliding scale tied to the federal poverty level. SCL Health System's financial assistance policy prohibits the use of collection practices that do not respect the dignity of its patients. Liens on principal residences may only be used when there is clear evidence of the patient's ability to pay, may not be used to force foreclosure or sale, and must be approved by the Affiliate's Board Finance Committee.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

4. Charity Care (continued)

SCL Health System benefits its communities in a variety of ways. To improve the health status of citizens in the communities served, it provides numerous community education programs that alert the public to various health problems and how they can be addressed. SCL Health System offers health promotion and wellness programs and provides specific health care services and programs for senior citizens. Each of these programs helps contain the growth of community health care costs through prevention and positive intervention. SCL Health System has established a Mission Fund at each Affiliate. Earnings from the funds are available to support these charitable services and programs.

SCL Health System addresses problems of the poor in the communities by providing services such as health fairs and screenings at no cost or at substantially reduced rates. It provides prenatal education classes especially for low-income persons and transportation for those who otherwise would have no access to medical services. SCL Health System also supports organizations that provide other outreach programs for the poor, including the stand-alone clinics that serve only the medically underserved populations in their service areas.

SCL Health System encourages use of its facilities, consistent with its tax-exempt status, by other organizations and individuals to join in carrying out a broad health agenda. It promotes volunteerism by providing specific programs and training for volunteers from the community, encourages staff involvement in community organizations, and provides health-related information to the community by sponsoring speaker bureaus and tours of its facilities.

SCL Health System sponsors four stand-alone clinic affiliates (the Clinics) specifically for those individuals who have no other source of health care assistance. Generally, the Clinics do not serve persons with Medicare or any kind of private health insurance. The majority of funding for the Clinics is generated from individual contributions, donations, foundations, grants, and in-kind services. The Clinics create access to health care for those individuals without access, provide channels for physicians to reach the poor, and make a difference in the communities where they are established.

5. Net Patient Service Revenue

A significant portion of SCL Health System's services are provided to patients under Medicare, Medicaid, and other agreements with third-party contractual agencies. Such contracts provide for payment or reimbursement to SCL Health System at other-than-standard charges. Estimated settlements have been reflected in the accompanying consolidated balance sheets for differences between interim payments and the total payments to be received under the contracts.

The administrative procedures related to the cost reimbursement programs in effect generally preclude final determination of amounts due or payable until cost reports are audited or otherwise reviewed and settled upon by the applicable administrative agencies. Normal estimation differences between final settlements and amounts accrued in previous years are reported as current year contractual adjustments.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

-5: Net Patient Service Revenue (continued)-

Net patient service revenue as reflected in the accompanying consolidated statements of operations consists of the following:

	2013	2012
	<i>(In Millions)</i>	
Gross patient service charges:		
Inpatient charges	\$ 3,824.7	\$ 3,703.6
Outpatient charges	3,303.6	2,974.4
Total gross patient service charges	7,128.3	6,678.0
Deductions from patient service charges:		
Contractual allowances and other	4,540.3	4,227.1
Charity allowances	272.1	257.8
Total deductions from patient service charges	4,812.4	4,484.9
Net patient service revenue before provision for bad debts	2,315.9	2,193.1
Provision for bad debts	(144.8)	(93.5)
Net patient service revenue	\$ 2,171.1	\$ 2,099.6

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and includes estimated retroactive revenue adjustments due to audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, or investigations.

The primary sources of consolidated gross patient service charges include Medicare, state-administered Medicaid programs, contracted rate payors (including health maintenance organizations and preferred provider organizations), commercial insurers, self-paying patients, and other sources. The following information provides consolidated net patient service revenue before the provision for doubtful accounts by payor for the years ended December 31

	2013	2012
	<i>(In Millions)</i>	
Medicare	\$ 588.1 25%	\$ 645.4 29%
Medicaid	223.3 10	205.3 9
Managed care, commercial, and other	1,364.5 59	1,218.7 56
Self-pay	140.0 6	123.7 6
	\$ 2,315.9 100%	\$ 2,193.1 100%

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

5. Net Patient Service Revenue (continued)

Revenue from Kaiser Permanente (see Note 12) represented approximately 20.7% and 21.6% of SCL Health System's net patient service revenue for the years ended December 31, 2013 and 2012, respectively, related to continuing operations. Approximately 65% of SCL Health System's net patient service revenue is derived from Affiliates doing business in the state of Colorado.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is a reasonable possibility that recorded estimates may change. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, and exclusion from the Medicare and Medicaid programs.

The Centers for Medicare & Medicaid Services (CMS) have made inquiries regarding certain reimbursements claimed by SCL Health System. SCL Health System has adopted internal organizational responsibility and compliance programs to address these concerns and seeks to proactively respond to these requests. SCL Health System does not expect that the ultimate resolution of these inquiries will be material to its consolidated financial statements.

6. Investments and Assets Limited as to Use

The majority of SCL Health System's investments are comprised of its pro rata share of the CIP's funds held for participants and certain other investments such as those investments held and managed by foundations and the captive insurance company. Investments and assets limited as to use, stated at fair value, were as follows:

	December 31	
	2013	2012
	(In Millions)	
Held in the CIP:		
Cash and cash equivalents	\$ 60.9	\$ 59.9
Absolute return	17.6	28.7
Core hedge funds	108.1	78.1
Domestic equity	147.0	141.4
Domestic fixed income	509.4	551.2
Global equity	348.1	320.6
Opportunistic	18.3	20.9
Real estate	36.6	50.0
Real return	238.2	239.3
Tactical asset allocation	162.3	172.1
	<u>1,646.5</u>	<u>1,662.2</u>
Investments held outside of the CIP	149.8	219.8
	<u>\$ 1,796.3</u>	<u>\$ 1,882.0</u>

SCL Health System's pro rata share of the CIP's funds was \$1,646.5 million and \$1,662.2 million at December 31, 2013 and 2012, respectively, representing 84% and 85% of the funds held for participants in the CIP at those respective dates. At December 31, 2013, \$36.6 million of real estate was held in the CIP. The real estate is not held in units and is wholly owned by SCL Health System.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

6: Investments and Assets Limited as to Use (continued)

SCL Health System's investments are exposed to various kinds and levels of risk. Fixed income securities expose SCL Health System to interest rate risk, credit risk, and liquidity risk. As interest rates change, the value of many fixed income securities is affected, particularly those with fixed interest rates. Credit risk is the risk that the obligor of the security will not fulfill its obligation. Liquidity risk is affected by the willingness of market participants to buy and sell given securities. SCL Health System's investments are diversified across a broad range of asset classes, durations, and funds to avoid concentrations of risk in any particular company, region, or industry.

Equity securities expose SCL Health System to market risk, performance risk, and liquidity risk. Market risk is the risk associated with major movements of the equity markets, both foreign and domestic. Performance risk is that risk associated with a company's operating performance. Liquidity risk as previously defined tends to be higher for foreign equities and equities related to small capitalization companies.

The real estate investments, opportunistic investments, and absolute return funds present similar risks to all of the traditional investments, with some additional risks. Due to the fact that these investments are invested through limited partnerships, private real estate investment trusts, insurance separate accounts, or other limited-access-type vehicles, pricing is infrequent. These investments may also employ leverage that may lead to additional risk of loss. Although these investments are diversified by region and property type, they may at times have concentrations in a particular region or property type, which may cause additional risk. The real estate investment funds are redeemable on a quarterly basis with 60 to 90 days' notice. Opportunistic funds have restrictions on liquidity withdrawals. Interim liquidity in opportunistic funds is only available after the investments realize profits. As of December 31, 2013, SCL Health System has committed \$30.3 million to opportunistic funds and subsequently has funded \$1.4 million of this commitment. In addition, SCL Health System had given full redemption notices to investment managers in the absolute return funds and two of the core hedge fund managers with \$17.2 million and \$10.7 million, respectively, still remaining in the funds as of December 31, 2013. Subsequent to December 31, 2013, SCL Health System received \$1.6 million of cash proceeds on redemption notices given to absolute return fund investment managers and \$8.9 million from the core hedge fund managers.

The composition of investment income is as follows for the years ended December 31:

	2013	2012
	(In Millions)	
Interest and other investment income	\$ 33.1	\$ 41.2
Realized and unrealized gains and losses	122.2	98.0
	<u>\$ 155.3</u>	<u>\$ 139.2</u>

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

7. Capital Structure

Long-term debt for SCL Health System consists of the following:

	Annual Interest Rates	2013	2012
		<i>(In Millions)</i>	
Tax-exempt bond issues:			
2013, due through January 2044	4.0% to 5.5%	\$ 300.0	\$ —
2012, due through December 2031	Variable rate, 0.52% and 0.57%	65.2	74.5
2011, due through January 2039	Variable rate, 0.61% and 0.64%	60.6	61.6
2010, due through January 2040	2.50% to 5.25%	938.2	962.0
2006, due through December 2031	Variable rate, 0.04% and 0.13%	24.2	25.8
2003, due through December 2038	Variable rate, 0.05% and 0.15%	114.9	123.8
2002, due through December 2032	Variable rate, 0.04% and 0.15%	49.5	59.8
Total under the SCL Health System MTI		1,552.6	1,307.5
Note payable to CFF, due through October 2032	Variable rate, 3.25%	—	230.0
Note payable to Kaiser Permanente, due November 2032	6.00%	—	16.5
Other notes and capital leases		6.5	8.2
		1,559.1	1,562.2
Original issue premium, net		17.9	16.8
Current maturities of long-term debt		(190.1)	(67.7)
		<u>\$ 1,386.9</u>	<u>\$ 1,511.3</u>

SCL Health System is the sole member of an Obligated Group of which the Restricted Affiliates are included under the terms of an MTI amended and restated as of January 1, 1994. Under the terms of the MTI, debt can be incurred for which the Obligated Group is jointly and severally liable. As of December 31, 2013, the outstanding indebtedness under the MTI was \$1,522.6 million, exclusive of original issue discount or premium. In addition, as of December 31, 2013, there were also guarantees of indebtedness by SCL Health System outstanding under the MTI of \$38.1 million (see Note 13). The Obligated Group has agreed to certain covenants, including, among other things, a specified debt service coverage ratio and debt-to-capitalization ratio, a restriction on certain types of additional indebtedness, and a restriction on asset dispositions in excess of specified amounts. The consolidated results of the Obligated Group and Restricted Affiliates are used to determine compliance with certain covenants of the MTI. As of December 31, 2013 and 2012, SCL Health System was in compliance with all covenants.

On April 4, 2012, SCL Health System issued \$76.3 million of Kansas Development Finance Authority Variable Rate Demand Revenue Bonds Series 2012A as a private placement with Citibank, N.A. The private placement was used to refund the outstanding 2006 Series C and 2006 Series D SCL Health System Kansas Development Finance Authority Variable Rate Demand Revenue Bonds.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

7: Capital Structure (continued)

On April 1, 2013, PMC and SJL were withdrawn as Restricted Affiliates under the MTI (as Amended and Restated) dated as of January 1, 1994, between SCL Health System and The Bank of New York Mellon Trust Company, N.A., as master trustee. Of the disposition proceeds received from Prime Healthcare, \$18.0 million were used to redeem the allocable portion of the variable rate bonds.

During July 2013, EGSMC signed a new multiyear agreement with a Kaiser Permanente affiliate, specifying the terms under which EGSMC would provide hospital services to Kaiser Permanente members. In conjunction with the new agreement, EGSMC paid the Kaiser Permanente affiliate \$16.5 million to extinguish the subordinated note payable created under the original 2002 agreement.

On November 13, 2013, SCL Health System paid off the \$218.5 million outstanding portion of the unsecured promissory note with CFF.

On November 12, 2013, SCL Health System issued Series 2013A Colorado Health Facilities Authority tax-exempt revenue bonds in the par amount of \$300.0 million. Proceeds, exclusive of original issue discount or premium and incurred expenses, were used for reimbursement of qualified capital expenditures at the new Saint Joseph Hospital facility in Denver, Colorado.

The Series 2002, 2003, and 2006 Variable Rate Demand Bonds are backed by Standby Bond Purchase Agreements with JPMorgan Chase Bank and BNY Mellon. The Standby Bond Purchase Agreement supporting the 2003 Series A and 2003 (CA) bonds expires on March 1, 2017. The Standby Bond Purchase Agreement supporting the 2002, 2003 (MT), 2003 Series B, and 2006 Series A bonds expires on November 26, 2014. In the event that bonds bearing interest at a weekly or daily rate are not successfully remarketed or if funds are not available for remarketing, JPMorgan Chase Bank, Morgan Stanley Bank, N.A.; or BNY Mellon will pay the purchase price for debt that is tendered. The repayment terms of the Standby Bond Purchase Agreements cause a portion of the Series 2002, 2003, and 2006 Variable Rate Demand Bonds to be classified as current.

Scheduled principal repayments on long-term debt (excluding original issue discount, net) are as follows:

Years Ending December 31	Scheduled With Variable Classified as	
	Scheduled	Current
	(In Millions)	
2014	\$ 39.8	\$ 190.1
2015	40.5	42.9
2016	42.1	44.0
2017	43.9	31.7
2018	45.9	33.3
Thereafter	1,346.9	1,217.1
	<u>\$ 1,559.1</u>	<u>\$ 1,559.1</u>

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

8. Derivative Instruments

SCL Health System has entered into three interest rate swaps. The objective of the hedges is to offset the variability of cash flows due to the repricing of outstanding debt. Details of the interest rate swaps are outlined below:

Notional amount	\$33,675,000	\$33,675,000	\$60,000,000
Fixed annual payment rate	3.180%	3.789%	4.215%
Variable receiver rate	68% of LIBOR	SIFMA rate	SIFMA rate
Effective date	December 5, 2003	December 5, 2003	October 2, 2008
Termination date	December 1, 2023	December 1, 2023	December 1, 2031
Reset	Monthly	Weekly	Weekly
Settlement	Monthly	Monthly	Monthly
Classification	Cash flow hedge	Cash flow hedge	Cash flow hedge
Fair value at December 31, 2013	\$(3.0) million	\$(3.6) million	\$(8.4) million
Fair value at December 31, 2012	\$(4.9) million	\$(5.8) million	\$(17.1) million

SCL Health System measures the effectiveness of the hedges quarterly based on the cumulative dollar-offset approach. The change in unrealized value of interest rate swaps is excluded from the excess of revenue over expenses for the portion of the hedge determined to be effective. Any ineffective portion of the hedges is recorded as investment income. The ineffective portion of the hedges was \$1.8 million and \$(1.6) million for the years ended December 31, 2013 and 2012, respectively. The fair value of the swaps is recorded in other noncurrent liabilities at December 31, 2013 and 2012. The accumulated loss on the swaps was \$14.5 million and \$25.4 million at December 31, 2013 and 2012, respectively.

9. Fair Value Measurements

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

Certain of SCL Health System's financial assets and financial liabilities are measured at fair value on a recurring basis, including money market, fixed income, equity instruments, and interest rate swap contracts. The three levels of the fair value hierarchy and a description of the valuation methodologies used for instruments measured at fair value are as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities as of the reporting date. Level 1 primarily consists of financial instruments such as money market securities and listed equities.

Level 2 – Pricing inputs other than quoted prices included in Level 1 that are either directly observable or that can be derived or supported from observable data as of the reporting date. Instruments in this category include certain U.S. government agency and sponsored entity debt securities and interest rate swap contracts.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

9. Fair Value Measurements (continued)

Level 3 – Pricing inputs include those that are significant to the fair value of the financial asset or financial liability and are not observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of assumptions a market participant would utilize to determine fair value.

The CIP's investments include equities, various fixed income securities, and alternative investments as detailed in Note 2. As of December 31, 2013, 64% of CIP's investments were Level 1, 21% Level 2, and 15% Level 3. As of December 31, 2012, 58% of CIP's investments were Level 1, 24% Level 2, and 18% Level 3.

The fair value of financial assets measured at fair value on a recurring basis was determined using the following inputs at December 31, 2013:

Fair Value Measurements at Reporting Date Using				
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value			
<i>(In Millions)</i>				
Assets				
Investments:				
Cash and cash equivalents	\$ 29.4	\$ 29.4	\$ –	\$ –
U.S. government and agency obligations	0.8	0.4	0.4	–
Corporate debt	8.5	–	8.5	–
Real estate	5.0	–	–	5.0
Mutual funds	89.5	89.5	–	–
Domestic equity	13.8	13.8	–	–
Global/international equity	2.8	2.8	–	–
Held in CIP	1,646.5	–	1,646.5	–
	<u>\$ 1,796.3</u>	<u>\$ 135.9</u>	<u>\$ 1,655.4</u>	<u>\$ 5.0</u>
Liabilities				
Obligations under swap contracts	\$ 15.0	\$ –	\$ 15.0	\$ –

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

9. Fair Value Measurements (continued)

The fair value of financial assets measured at fair value on a recurring basis was determined using the following inputs at December 31, 2012.

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<i>(In Millions)</i>			
Assets				
Investments:				
Cash and cash equivalents	\$ 93.6	\$ 93.6	\$ —	\$ —
U.S. government and agency obligations	2.2	1.3	0.9	—
Corporate debt	19.4	—	19.4	—
Real estate	7.7	—	—	7.7
Mutual funds	82.7	82.7	—	—
Domestic equity	12.2	12.2	—	—
Global/international equity	2.0	2.0	—	—
Held in CIP	1,662.2	—	1,662.2	—
	<u>\$ 1,882.0</u>	<u>\$ 191.8</u>	<u>\$ 1,682.5</u>	<u>\$ 7.7</u>
Liabilities				
Obligations under swap contracts	\$ 27.8	\$ —	\$ 27.8	\$ —

The fair values of the securities included in Level 1 were determined through quoted market prices. The fair values of Level 2 securities (primarily holdings within the CIP) were determined based upon the unitized value of CIP holdings and the underlying recent trading activity. The fair values of Level 2 securities related to fixed income securities were determined through bid prices based on recent trading activity and other relevant information, including market interest rate curves and referenced credit spreads. Estimated prepayment rates, where applicable, are used for valuation purposes provided by third-party services where quoted market values are not available. Level 2 investments also include corporate fixed income, government bonds, and mortgage- and asset-backed securities. The fair values of the interest rate swap contracts are determined based on the present value of expected future cash flows using discount rates approximate with the risks involved. The valuations reflect a credit spread adjustment to the London Interbank Offered Rate (LIBOR) and Securities Industry and Financial Markets Association (SIFMA) discount curves in order to reflect the credit value adjustment for nonperformance risk. The credit spread adjustment is derived from other comparably rated entities' bonds priced in the market. Due to the volatility of the capital markets, there is a reasonable possibility of changes in fair value and additional gains (losses) in the near term subsequent to December 31, 2013. Level 3 includes real estate, fair value is determined using recent appraisals and purchase data.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

9. Fair Value Measurements (continued)

The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, accounts and pledges receivable, and current liabilities are reasonable estimates of their fair value due to the short-term nature of these financial instruments. The fair value of the fixed-rate bonds was approximately \$1.3 billion and \$1.1 billion at December 31, 2013 and 2012, respectively. The fair value of the variable-rate revenue bonds approximates the carrying value at December 31, 2013 and 2012. The carrying value of all other debt is assumed to approximate fair value.

The methods described above may produce a fair value calculation that may not indicate net realizable value or reflect future fair values. Furthermore, while SCL Health System believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The following table is a roll-forward of the financial assets classified within Level 3 of the valuation hierarchy defined above:

	<u>Investments</u> <i>(In Millions)</i>
Fair value at January 1, 2012	\$ 6.5
Acquisitions	1.2
Dispositions	(0.3)
Unrealized gains	0.3
Fair value at December 31, 2012	7.7
Acquisitions	0.4
Dispositions	(4.3)
Unrealized gains	1.2
Fair value at December 31, 2013	<u>\$ 5.0</u>

10. Retirement Plans

Defined-Contribution Plans

SCL Health System participates in a defined-contribution retirement plan (the Defined-Contribution Plan), which is a 401(a) defined-contribution retirement plan that covers substantially all employees. Employer contributions to the plan are based on a percentage of eligible compensation for participating employees and a percentage of participating employees' contributions to a related 403(b) plan. SCL Health System funded \$49.7 million and \$45.3 million related to the Defined-Contribution Plan during 2013 and 2012, respectively.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

Defined-Benefit Plans

SCL Health System participates in three defined-benefit retirement plans (the Defined-Benefit Plans). The first plan is an unfunded executive supplemental retirement plan. A second plan (the SCL Plan) is a single plan with multiple-employer participants that was frozen in 1996 for all participating associates except certain associates of St. James Healthcare. SCL Health System makes contributions to these plans based on the funding recommendations of the plans' actuaries. These two plans are collectively referred to as the SCLHS Plans.

The executive supplemental retirement plan was frozen effective December 31, 2013. The defined benefits accrued under this plan through December 2013 total \$5.0 million and will be credited with annual interest to be determined by the Compensation Committee. The interest rate is 5.0% for 2014. Participants in this plan become eligible to participate in the Supplemental Executive Retirement Plan, a defined contribution plan created and effective January 1, 2014.

A third plan relates to Exempla Healthcare. Prior to January 1, 1998, the predecessor to Exempla Healthcare had a defined-benefit pension plan (the Exempla Plan), that covered substantially all of its associates. The benefits were based on years of service and employees' final average compensation. Benefits under the plan have been frozen. SCL Health System's funding policy for this plan is to contribute annually the minimum amount under the requirements of the Employee Retirement Income Security Act of 1974, as amended. Contributions are currently intended to provide for benefits attributed for services rendered through January 1, 1998.

In 2013, the amortization period for actuarial gains and losses for the SCL Plan and the Exempla Plan was changed from average remaining service to average remaining lifetime as required by GAAP when almost all participants are inactive. In addition, certain bridge benefits for associates at St. James Healthcare were frozen, and the threshold for mandatory lump-sum distributions was increased from \$10,000 to \$25,000. The effect of these changes was to reduce pension expense by \$0.9 million and reduce the pension benefit obligation by \$4.1 million.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

The following sets forth the Defined-Benefit Plans' funded status and accrued pension liability, as of December 31, as actuarially determined:

	2013	2012
	<i>(In Millions)</i>	
Change in projected benefit obligation		
Projected benefit obligation at beginning of year	\$ 399.7	\$ 354.5
Service cost	2.9	2.8
Interest cost	15.3	17.1
Actuarial (gain) loss	(33.4)	43.7
Benefits paid	(20.6)	(19.0)
Special termination benefits	0.3	0.3
Plan amendments and assumption changes	(4.1)	0.3
Adjustment for plan freeze	(9.2)	—
Projected benefit obligation at end of year	350.9	399.7
Change in plan assets		
Fair value of plan assets at beginning of year	345.7	331.5
Actual return on plan assets	40.9	31.8
Contributions	2.9	2.3
Benefits paid	(20.6)	(19.0)
Expenses paid	(0.6)	(0.9)
Fair value of plan assets at end of year	368.3	345.7
Accrued pension asset (liability)	\$ 17.4	\$ (54.0)

The net accrued pension asset in the table above as of December 31, 2013 of \$17.4 million includes \$23.9 million of accrued pension asset in the SCL Plan offset by \$6.5 million of accrued pension liability in the Exempla Plan.

Included in unrestricted net assets at December 31 are the following amounts that have not yet been recognized in net periodic pension cost:

	2013	2012
	<i>(In Millions)</i>	
Unrecognized actuarial losses	\$ 75.9	\$ 131.5
Unrecognized prior service costs	(3.9)	1.7
	\$ 72.0	\$ 133.2

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

Changes in plan assets and benefit obligations in unrestricted net assets include the following:

	2013	2012
	<i>(In Millions)</i>	
Unrecognized actuarial (gains) losses	\$ (50.4)	\$ 36.8
Prior service costs	(4.1)	—
Amortization of actuarial losses	(5.1)	(7.8)
Amortization of prior service costs	(1.6)	(0.8)
	<u>\$ (61.2)</u>	<u>\$ 28.2</u>

The prior service cost and actuarial (gains) losses included in unrestricted net assets and expected to be recognized in net periodic pension benefit during the year ending December 31, 2014, are \$1.7 million.

No plan assets are expected to be returned to SCL Health System during the year ending December 31, 2014.

	2013	2012
	<i>(In Millions)</i>	
Components of net periodic benefit cost		
Service cost	\$ 3.8	\$ 3.7
Interest cost	15.3	17.1
Expected return on plan assets	(24.1)	(24.6)
Amortization of prior service cost	0.5	0.8
Special termination benefits	0.3	0.3
Settlement loss and amortization of actuarial losses	4.0	7.8
Effect of plan freeze	(7.1)	—
Net periodic pension (benefit) expense	<u>\$ (7.3)</u>	<u>\$ 5.1</u>

Weighted-average assumptions used to determine the consolidated balance sheet liability as of December 31 are as follows:

	2013	2012
Discount rate – SCLHS Plans	4.71%	3.94%
Discount rate – Exempla Plan	4.85%	4.05%
Rate of increase in future compensation levels (age graded)	2.50 to 9.00	2.50 to 9.00

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

Weighted-average assumptions used to determine pension benefit cost for the years ended December 31 are as follows:

	2013	2012
Discount rate – SCLHS Plans	3.94%	4.83%
Discount rate – Exempla Plan	4.05%	4.91%
Expected return on plan assets	7.25%	7.50%
Rate of increase in future compensation levels (age graded)	2.50 to 9.00	2.50 to 9.00

Plan Assets

The expected return on plan assets reflects historical returns and future expectations for returns in each asset class, as well as targeted asset allocation percentages within the portfolio. The investment strategy is of a long-term nature and is intended to ensure that funds are available to pay benefits as they become due and to maximize the trust's total return at an appropriate level of investment risk.

The target and actual asset allocations by asset category are as follows:

Asset Category	Target Allocation	Actual Allocation	
		2013	2012
Global equity	32.0%	32.3%	31.9%
Domestic fixed income	31.0	31.4	31.8
Real return	14.0	14.0	14.5
Domestic equity	12.0	11.7	11.3
Tactical allocation	6.0	6.0	6.3
Core hedge funds	5.0	4.6	4.2
	100.0%	100.0%	100.0%

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

As described in Notes 2 and 6, SCL Health System's investments, which include investments held for its retirement plans, are comprised of its pro rata share of the CIP's funds. Accordingly, the amounts in the tables below reflect the fair value of the Defined Benefit Plans' share of each class of investment held in the CIP, classified in one of the three categories within the fair value hierarchy described in Note 9:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<i>(In Millions)</i>			
December 31, 2013				
Assets				
Global equity	\$ 119.0	\$ —	\$ 119.0	\$ —
Domestic fixed	115.6	—	115.6	—
Real return	51.3	—	51.3	—
Domestic equity	43.1	—	43.1	—
Tactical allocation	22.3	—	22.3	—
Core hedge funds	17.0	—	17.0	—
	<u>\$ 368.3</u>	<u>\$ —</u>	<u>\$ 368.3</u>	<u>\$ —</u>
December 31, 2012				
Assets				
Global equity	\$ 110.3	\$ —	\$ 110.3	\$ —
Domestic fixed	110.1	—	110.1	—
Real return	50.0	—	50.0	—
Domestic equity	38.9	—	38.9	—
Tactical allocation	21.8	—	21.8	—
Core hedge funds	14.6	—	14.6	—
	<u>\$ 345.7</u>	<u>\$ —</u>	<u>\$ 345.7</u>	<u>\$ —</u>

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

Expected Benefit Payments

Expected benefits payments to participants, excluding lump-sum distributions, are as follows (in millions):

2014	\$	26.9
2015		22.6
2016		23.4
2017		24.0
2018		24.5
2019–2022		122.4

11. Insurance Coverage

SCL Health System provides an insurance program to insure for various insurable risks. SCL Health System obtains insurance through Leaven Insurance Company, Ltd. (Leaven), a wholly-owned subsidiary and captive insurance company, as well as third-party insurers and other self-insured methods.

Aggregate excess umbrella coverage of \$100.0 million and excess claims-made basis professional liability coverage of \$100.0 million are obtained through Leaven, which cedes these risks to third-party commercial reinsurers located in the United States, Switzerland, the United Kingdom, and Bermuda. Claims-made general liability coverage provides for a self-insured retention of \$1.0 million per claim up to an annual aggregate of \$3.0 million. Effective October 1, 2010, professional liability coverage provides for a self-insured retention of \$2.0 million per medical incident, \$20.0 million annual aggregate (shared by all insureds), and a buffer layer of insurance is purchased from Leaven with limits of \$2.0 million per medical incident, \$5.0 million annual aggregate. For claims reported prior to October 1, 2010, professional liability coverage provides for a self-insured retention of \$2.0 million per claim, \$7.0 million annual aggregate (these limits are \$2.0 million per claim, \$8.0 million annual aggregate for Exempla Healthcare, and for St. Vincent Healthcare \$3.0 million per claim, \$12.0 million annual aggregate during the period from March 1, 2008 to February 28, 2009; and \$4.0 million per claim, \$14.0 million annual aggregate during the period from March 1, 2009 to September 30, 2010). Primary self-insured professional liability coverage for Kansas affiliates is limited to \$0.2 million per claim up to an annual aggregate of \$0.6 million per affiliate. This and additional statutory coverage purchased from the Kansas Health Care Stabilization Fund will contribute to losses within \$2.0 million, \$20.0 million self-insured retention. SCL Health System is self-insured to the extent of the deductible amounts not covered by other insurance. Related expense for this coverage totaled \$14.2 million and \$13.6 million in 2013 and 2012, respectively, and has been included in other operating expenses in the accompanying consolidated statements of operations. The loss reserves recorded for estimated self-insured professional and general liability, including estimates of the ultimate costs for both reported claims and claims incurred but not reported, are discounted at annual rates of 4% at December 31, 2013 and 2012. Professional and general liability funding is provided through a revocable trust fund.

SCL Health System self-insures and funds its obligations for workers' compensation. In connection therewith, SCL Health System (excluding Exempla Healthcare) has obtained excess workers' compensation insurance coverage from outside carriers for individual claims in excess of \$750,000. Exempla Healthcare has obtained excess workers' compensation insurance coverage for claims in excess of \$350,000. During 2013 and 2012, \$3.3 million and \$8.2 million, respectively, of workers' compensation expenses were charged to employee benefits expenses in the accompanying consolidated statements of operations.

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

11. Insurance Coverage (continued)

SCL Health System offers an employee benefit package to all eligible employees and their dependents. Portions of these benefits are self-insured and are provided through the SCL Health System Employee Benefit Plan (the Benefit Plan). Contributions to the Benefit Plan are made in amounts determined in accordance with the recommendations of an independent actuary based on past claims experience and other factors. During 2013 and 2012, \$116.7 million and \$119.7 million, respectively, of expenses were charged to employee benefits expenses in the accompanying consolidated statements of operations.

SCL Health System is presently not aware of any unasserted casualty, professional liability, workers' compensation, or health and dental benefit claims that would have a material adverse impact on the accompanying consolidated financial statements.

12. Relationship With Kaiser Permanente

During 2002, EGSMC signed a multiyear agreement with a Kaiser Permanente affiliate, specifying the terms under which EGSMC would provide hospital services to Kaiser Permanente members beginning in 2005. Among other things, the agreement specifies payment terms and termination conditions. Beginning December 31, 2006, the agreement contains certain financial conditions relating to the operation of the hospital and provides that breach of the financial conditions would give Kaiser Permanente certain rights, including the right to purchase the hospital at a purchase price specified in the agreement. Management believes EGSMC was not in breach of the financial conditions as of December 31, 2013.

In August 2012, Exempla Healthcare entered into a multiyear agreement with a Kaiser Permanente affiliate, specifying the terms under which EGSMC provides hospital services to Kaiser Permanente. Among other things, the agreement specifies payment terms and termination conditions, including agreement between Kaiser and Exempla Healthcare to enter into a new, long-term agreement with Kaiser Permanente in 2013. This new provider services agreement became effective July 1, 2013, for a three-year term.

A Kaiser Permanente affiliate is also a noneconomic member of EGSMC, giving it certain rights to approve dissolution, reorganization, or voluntary bankruptcy of EGSMC. No such events occurred in 2013. During 2009, certain payments from Kaiser Permanente under the agreement represented advances from Kaiser Permanente, which were recorded as subordinated debt, but were paid off in 2013 (see Note 7).

In January 2012, Saint Joseph Hospital entered into a 10-year provider services agreement (the Agreement) with a Kaiser Permanente affiliate. Among other things, the Agreement specifies payment terms and conditions, annual rate inflators, and volume guarantees that provide for additional rate adjustments in the event Kaiser admission volumes increase or decrease from the agreed baseline.

13. Commitments and Contingencies

SCL Health System has guaranteed \$18.4 million of debt for the purpose of constructing medical office buildings in Billings, Montana. This is part of a joint venture in which SCL Health System is a 50% partner and co-manager. SCL Health System receives an annual fee for the guarantee. SCL Health System has also guaranteed \$19.7 million

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

13. Commitments and Contingencies (continued)

for a rural Kansas hospital, a medical office building in Wyoming, a university in Kansas, an ambulatory surgery center in Colorado, an imaging center venture in California, a cancer center in Montana, and other beneficiaries. SCL Health System has not recorded any liability with respect to these guarantees at December 31, 2013.

In 2006, SJH discovered life-safety code violations in its north and south patient towers. In late 2006, SJH notified the CMS, the Joint Commission, and the Denver Fire Department of such findings, along with an action plan to mitigate the issues that was approved by the various agencies. Subsequent to that approval, SJH revised its action plan calling for a replacement of the hospital (rather than construction of additional rooms on the existing site). CMS has granted an extension for the use of the tower rooms through December 2014. SCL Health System is currently engaged in a major building improvement construction project to build the replacement hospital for SJH. Total project cost is estimated to be \$623.0 million. Spending on the project through December 31, 2013, totals \$391.0 million. The remaining expenditures will be incurred during 2014, as the project is completed.

SCL Health System has various strategic information systems projects in progress, the largest of which is a commitment of \$38.5 million to implement ambulatory electronic medical record software. As of December 31, 2013, SCL Health System has spent \$15.7 million on this project and has reflected this in land, buildings, and equipment, net.

On September 6, 2013, SCL Health System signed a non-binding letter of intent to create a joint operating agreement (JOA) with National Jewish Health (NJH), a hospital in Denver, Colorado. The parties intend to collaboratively provide patient care in both an inpatient and an outpatient setting at SJH. The JOA will generally provide for, among other things, joint management of the combined operations of SJH and the clinical operations of NJH through a joint operating company (JOC). SCL Health System and NJH retain ownership of their respective assets, liabilities, equity, revenues and expenses of their businesses that participate in the JOA. SCL Health System is expected to have a majority ownership of the JOC. NJH will continue to have areas of its business that operate outside the joint entity, including certain research and educational operations. Both hospitals will retain their brand names and the joint entity would operate under a mutually agreed-upon name.

SCL Health System's rent expense under operating leases was \$31.8 million and \$27.4 million for the years ended December 31, 2013 and 2012, respectively. Scheduled noncancelable operating lease payments during the next five years and thereafter are as follows (in millions):

2014	\$	22.1
2015		17.9
2016		13.8
2017		10.5
2018		8.6
Thereafter		7.7

Sisters of Charity of Leavenworth Health System, Inc.

Notes to Consolidated Financial Statements (continued)

14. Subsequent Events

SCL Health System evaluated events and transactions occurring subsequent to December 31, 2013 through May 6, 2014, the date of issuance of the consolidated financial statements.

As described in Note 3, SCL Health System sold SJSM to Providence on March 1, 2014 for \$93.9 million. SCL Health System recognized no loss on disposal as the value of the related assets had previously been written down to fair value.

On March 1, 2014, Saint John's Hospital and Health Center was withdrawn as a Restricted Affiliate under the MTI (as Amended and Restated) dated as of January 1, 1994, between SCL Health System and The Bank of New York Mellon Trust Company, N.A., as master trustee. In addition, remediation action was taken in respect to outstanding tax-exempt bonds associated with Saint John's Hospital and Health Center. On March 28, 2014, \$14.7 million of outstanding variable rate bonds were redeemed and defeased.

Supplemental Financial Information



Ernst & Young LLP
Suite 3300
370 17th Street
Denver, CO 80202

Tel +1 720 931 4000
Fax +1 720 931 4444
ey.com

Report of Independent Auditors on Supplemental Financial Information

The Board of Directors
Sisters of Charity of Leavenworth
Health System, Inc.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The financial and operating information, sources of patient revenue, capitalization ratio, debt service coverage requirements, financial performance and utilization supplemental financial information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information, except for that portion marked "unaudited," has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information, except for that portion marked "unaudited," on which we express no opinion, is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Ernst & Young LLP

May 6, 2014

Sisters of Charity of Leavenworth Health System, Inc.

Financial and Operating Information

December 31, 2013

The table below is a summary of the consolidated statements of operations for SCL Health System and Restricted Affiliates (Restricted) and for SCL Health System (Consolidated) for the years ended December 31, 2013 and 2012, which have been derived from the audited consolidated financial statements.

	Year Ended December 31			
	Restricted		Consolidated	
	2013	2012	2013	2012
	<i>(In Millions)</i>			
Net patient service revenue	\$ 2,156.9	\$ 2,082.5	\$ 2,171.1	\$ 2,099.6
Other revenue	93.5	83.7	133.4	123.8
Total operating revenue	2,250.4	2,166.2	2,304.5	2,223.4
Operating expenses (salaries and wages, employee benefits, and other operating expenses)	1,986.6	1,895.5	2,029.0	1,926.0
Depreciation and amortization	182.2	184.0	183.5	185.2
Interest and amortization	50.4	55.4	50.6	55.5
Total operating expenses	2,219.2	2,134.9	2,263.1	2,166.7
Income from operations	31.2	31.3	41.4	56.7
Investment income	141.1	129.0	155.3	139.2
Loss on early extinguishment of debt	(0.1)	(0.6)	(0.1)	(0.6)
Other nonoperating losses	(2.2)	(1.3)	(4.7)	(12.2)
Total nonoperating gains; net	138.8	127.1	150.5	126.4
Excess of revenue over expenses	170.0	158.4	191.9	183.1
Attributable to noncontrolling interest	(3.3)	(2.5)	(3.3)	(2.5)
Total excess of revenue over expenses attributable to SCL Health System	\$ 166.7	\$ 155.9	\$ 188.6	\$ 180.6

Sisters of Charity of Leavenworth Health System, Inc.

Sources of Patient Revenue

December 31, 2013

The primary sources of consolidated gross patient service charges include Medicare, state-administered Medicaid programs, contracted rate payors (including health maintenance organizations and preferred provider organizations), commercial insurers, self-paying patients, and other sources. The following information provides consolidated net patient service revenue before the provision for doubtful accounts by payor for the years ended December 31:

	Year Ended December 31	
	2013	2012
Medicare	25%	29%
Medicaid	10	9
Managed care commercial and other	59	56
Self-pay	6	6
	100%	100%

Sisters of Charity of Leavenworth Health System, Inc.

Capitalization Ratio

December 31, 2013

The following table sets forth the consolidated capitalization of SCL Health System and Restricted Affiliates (Restricted) and SCL Health System (Consolidated) as of December 31, 2013 and 2012:

	Year Ended December 31			
	Restricted		Consolidated	
	2013	2012	2013	2012
	<i>(In Millions)</i>			
Long-term debt:				
MTI debt (net of original issue discount, net)	\$ 1,570.5	\$ 1,324.3	\$ 1,570.5	\$ 1,324.3
Other long-term indebtedness	3.3	251.2	6.5	254.7
Total long-term debt	1,573.8	1,575.5	1,577.0	1,579.0
Less current maturities	(190.1)	(67.7)	(190.1)	(67.7)
Plus variable portion not scheduled	150.3	16.7	150.3	16.7
Net long-term debt	1,534.0	1,524.5	1,537.2	1,528.0
Unrestricted net assets	2,004.5	1,817.3	2,179.5	1,986.7
Total capitalization	\$ 3,538.5	\$ 3,341.8	\$ 3,716.7	\$ 3,514.7
Percent of net long-term debt to total capitalization	43.4%	45.6%	41.4%	43.5%

Sisters of Charity of Leavenworth Health System, Inc.

Debt Service Coverage Requirements

December 31, 2013

The table below sets forth the consolidated debt service coverage of SCL Health System and Restricted Affiliates (Restricted) and SCL Health System (Consolidated) as of December 31, 2013 and 2012:

	Year Ended December 31			
	Restricted		Consolidated	
	2013	2012	2013	2012
	<i>(In Millions)</i>			
Consolidated income available for debt service:				
Excess of revenue over expenses attributable to SCL Health System	\$ 166.7	\$ 155.9	\$ 188.6	\$ 180.6
Change in unrealized (gains) losses, net	(54.7)	(61.0)	(60.9)	(66.9)
Depreciation and amortization	182.2	184.0	183.5	185.2
Interest and amortization	50.4	55.4	50.6	55.5
Total consolidated income available for debt service	<u>\$ 344.6</u>	<u>\$ 334.3</u>	<u>\$ 361.8</u>	<u>\$ 354.4</u>
Consolidated annual debt service requirements ⁽¹⁾	<u>\$ 115.6</u>	<u>\$ 96.3</u>	<u>\$ 115.9</u>	<u>\$ 96.6</u>
Actual debt service coverage ratio – all long-term debt ⁽²⁾	3.0x	3.5x	3.1x	3.7x

⁽¹⁾ Annual debt service = principal paid + interest paid + 20% of interest and principal for guaranteed debt.

⁽²⁾ Debt service coverage = (excess of revenue over expenses – change in unrealized gains, net + depreciation and amortization + interest and amortization)/annual debt service.

Sisters of Charity of Leavenworth Health System, Inc.

Financial Performance

December 31, 2013

The following table highlights the financial results for SCL Health System and Restricted Affiliates (Restricted) and SCL Health System (Consolidated) for the years ended December 31, 2013 and 2012

	Year Ended December 31			
	Restricted		Consolidated	
	2013	2012	2013	2012
Adjusted operating income margin ⁽¹⁾	1.1%	1.1%	1.4%	1.4%
Operating income margin ⁽²⁾	1.3%	1.4%	1.7%	2.4%
Return on net assets ⁽³⁾	8.5%	8.7%	8.8%	9.2%
Debt service coverage ⁽⁴⁾	3.0x	3.5x	3.1x	3.7x
Days' cash on-hand (excluding self-insured risk funds and trustee-held funds) ⁽⁵⁾	293	306	304	319
Cushion ratio ⁽⁶⁾	14.4x	17.7x	15.5x	19.0x

⁽¹⁾ Adjusted operating revenue = net patient service revenue + other operating revenue + net assets released from restrictions.

Adjusted operating income = adjusted operating revenue – total operating expenses.

Adjusted operating income margin = adjusted operating income/adjusted operating revenue.

⁽²⁾ Operating income margin = excess (deficit) of revenue over expenses/(total operating revenue + (total nonoperating gains (losses))).

⁽³⁾ Return on net assets = excess (deficit) of revenue over expenses/unrestricted net assets.

⁽⁴⁾ Debt service coverage = (excess (deficit) of revenue over expenses – change in unrealized gains (losses), net + depreciation and amortization + interest and amortization)/annual debt service.

⁽⁵⁾ Days' cash on-hand = (cash and cash equivalents + investments – permanently restricted net assets)/divided (total operating expenses – depreciation and amortization/cumulative days).

⁽⁶⁾ Cushion ratio = (cash and cash equivalents + investments + trustee-held funds)/annual debt service

Sisters of Charity of Leavenworth Health System, Inc.

Utilization
(Unaudited)

December 31, 2013

The following table provides utilization statistics for SCL Health System and Restricted Affiliates (Restricted) and SCL Health System (Consolidated) for the years ended December 31, 2013 and 2012:

	Year Ended December 31			
	Restricted		Consolidated	
	2013	2012	2013	2012
Utilization statistics:				
Licensed beds ⁽¹⁾	2,436	2,416	2,448	2,428
Operating (staffed) beds	1,858	1,858	1,870	1,870
Operating bed occupancy (%)	57%	60%	57%	60%
Admissions	84,460	88,222	84,773	88,507
Patient days	386,040	409,827	387,506	411,069
Average length of stay	4.6	4.7	4.6	4.6

Includes acute care, psychiatric, hospital-based skilled nursing beds, and extended care beds.

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

© 2013 Ernst & Young LLP.
All Rights Reserved

ey.com

