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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

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

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 07-01-2013 , 2013, and ending 06-30-2014

B Check if applicable
- [x] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Terminated
- [ ] Amended return
- [ ] Application pending

C Name of organization
EPHRATA COMMUNITY HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO BOX 2767

City or town, state or province, country, and ZIP or foreign postal code
YORK, PA 17405

D Employer identification number
23-1370484

E Telephone number
(717)851-3055

G Gross receipts $ 279,892,285

F Name and address of principal officer
Kevin Mosser MD
PO Box 2767
York,PA 174052767

H(a) Is this a group return for subordinates? [ ] Yes [x] No

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

H(c) Group exemption number ▶

I Tax-exempt status [x] 501(c)(3) [ ] 501(c) ( ) ◀ (insert no) [ ] 4947(a)(1) or [ ] 527

J Website: ▶ WWW WELLSPAN ORG

K Form of organization [x] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation 1940

M State of legal domicile PA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
The Ephrata Community Hospital is a tax exempt organization dedicated to providing preventive, primary, acute care, diagnostic and rehabilitative services

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	18
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	13
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	1,640
6	Total number of volunteers (estimate if necessary)	**6**	219
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	1,151,749
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	203,131

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	1,457,508	749,886
	9 Program service revenue (Part VIII, line 2g)	177,443,922	174,341,686
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	364,245	4,257,666
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,147,089	911,011
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	183,412,764	180,260,249
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	12,451,353	14,599,700
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	90,162,172	92,390,450
	16a Professional fundraising fees (Part IX, column (A), line 11e)	82,915	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶289,022		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	80,023,074	75,392,599
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	182,719,514	182,382,749
	19 Revenue less expenses Subtract line 18 from line 12	693,250	-2,122,500

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	145,286,081	144,403,932
	21 Total liabilities (Part X, line 26)	79,075,724	81,198,414
	22 Net assets or fund balances Subtract line 21 from line 20	66,210,357	63,205,518

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

****** | 2015-05-08
Signature of officer | Date

Michael F O'Connor CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
JEFFREY SCHRAGG				P00234543

Firm's name ▶ BDO USA LLP | Firm's EIN ▶

Firm's address ▶ 8405 Greensboro Drive, McLean, VA 22102 | Phone no (703) 893-0600

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

The mission of the Ephrata Community Hospital 1)To assure community access to health care services that are high in quality, compassionate and cost-effective 2)To partner with employees, physicians, volunteers, and other health care organizations to meet the health care needs of the communities we serve 3)To combine advanced medical technology with professional, personalized care

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 $ 139,005,121 including grants of $ 14,599,700) (Revenue $ 174,856,137)

Ephrata Community Hospital is an acute care hospital providing care for residents of northern Lancaster County and surrounding communities For the fiscal year that ended June 30, 2014, program services included 6,406 inpatient acute, sub-acute, behavioral health, acute rehab and newborn admissions, for a total of 24,787 patient bed days Additionally, outpatient services included 355,604 patient visits These services included imaging studies (x-ray, ultrasound, MRI, CT, mammography), lab testing, physical, occupational and speech therapy, non-invasive cardiology procedures including echocardiograms and EKG's, behavioral health counseling, radiation and medical oncology, emergency department visits, prenatal care through our healthy beginnings plus

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

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

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

4e **Total program service expenses** ▶ 139,005,121

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	199		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	1,640		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	0		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			No
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			No
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			No
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			No
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			No
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			No
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			No
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	18		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	13		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**		Yes	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		Yes	
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**		Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

Section C. Disclosure

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

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

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

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

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

▶DAVID P RIZZUTO 3350 WHITEFORD ROAD
YORK, PA 174029081 (717) 851-3055

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) R Fred Groff III Chairman	2 00 0 00	X		X				0	0	0
(2) William C Funk DMD Vice Chair	1 00 0 00	X		X				0	0	0
(3) Leon Ray Burkholder Director	1 00 0 00	X						0	0	0
(4) Edward G Camerino MD Director	1 00 0 00	X						0	0	0
(5) Charles M Evans MD Assist Sec	1 00 0 00	X		X				0	0	0
(6) P Joshua Gluck Director	1 00 0 00	X						0	0	0
(7) Lloyd G Goldfarb MD Director	1 00 40 00	X						0	353,060	0
(8) Aaron L Groff Jr Assist Treas	1 00 0 00	X		X				0	0	0
(9) Ronald L Miller Treasurer	1 00 0 00	X		X				0	0	0
(10) Richard C Lewis Director	1 00 0 00	X						0	0	0
(11) Kevin Mosser MD Dir/CEO WSH	1 00 40 00	X		X				0	660,426	634,272
(12) Maria Royce Director	1 00 40 00	X						0	300,778	248,841
(13) Gilbert L Sager Director	1 00 0 00	X						0	0	0
(14) Earl D Shirk Director	1 00 0 00	X						0	0	0
(15) Dean A Stoesz Director	1 00 0 00	X						0	0	0
(16) Chris Theodoran DO Director	1 00 0 00	X						0	0	0
(17) Linda H Weaver Secretary	1 00 0 00	X		X				0	0	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Dale Whitebloom DO Director	1 00 0 00	X						0	0	0
(19) John M Porter Jr Pres - Ex Offi	40 00 0 00			X				623,649	0	40,300
(20) Michael F O'Connor CFO-WellSpan	1 00 40 00			X				0	592,268	401,350
(21) Robert F Graupensperger Executive VP	40 00 0 00				X			279,485	0	40,262
(22) Mark Jacobson DO Sr VP for Medical Affairs	40 00 0 00				X			234,744	0	25,000
(23) John A Holmes CFO	40 00 0 00				X			273,744	0	34,617
(24) Peter C Cote Medical Director	40 00 0 00					X		535,184	0	38,642
(25) Wilfred A Layne MD Physician	40 00 0 00					X		447,572	0	33,732
(26) Steven W Zebert DO Physician	40 00 0 00					X		347,771	0	32,916
(27) Giridhar U Adiga Physician	40 00 0 00					X		370,688	0	40,300
(28) Harris Baderak Medical Director	40 00 0 00					X		335,664	0	35,200

1b	**Sub-Total** . . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . . ▶	3,448,501	1,906,532	1,605,432

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 ▶ 73

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Benchmark Construction Company 4121 Oregon Pike PO Box 806 Brownstown PA 17508	Construction	2,663,337
CMC Billing Services 2121 Noblestown Road Pittsburgh PA 15205	Billing/Collection	803,985
Onsite Neonatal PC 1000 Haddonfield-Berlin Rd Ste 210 Voorhees NJ 08047	NICU Physicians	718,200
Central PA Alliance Laboratories PO Box 2767 York PA 17405	Lab Testing	704,018
Heck Contruction Company 143 Main Street Denver PA 17517	Construction	690,587

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 33

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	301,409			
	d	Related organizations . . .	1d				
	e	Government grants (contributions)	1e	56,902			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	391,575			
	g	Noncash contributions included in lines 1a-1f $		15,193			
	h	**Total.** Add lines 1a-1f . . . . . ▶		749,886			
Program Service Revenue			Business Code				
	2a	Patient Services	621500	191,156,119	190,053,367	1,102,752	
	b	W/O - Bad Debts	621990	-7,038,370	-7,038,370		
	c	W/O - Free Service	621990	-9,776,063	-9,776,063		
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		174,341,686			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		1,232,034			1,232,034
	4	Income from investment of tax-exempt bond proceeds . . ▶		0			
	5	Royalties . . . . . ▶		0			

		(i) Real	(ii) Personal				
	6a	Gross rents	968,320					
	b	Less rental expenses	1,294,111					
	c	Rental income or (loss)	-325,791					
	d	Net rental income or (loss) . . . . . ▶			-325,791			-325,791

		(i) Securities	(ii) Other				
	7a	Gross amount from sales of assets other than inventory	101,152,938	88,570				
	b	Less cost or other basis and sales expenses	98,179,645	36,231				
	c	Gain or (loss)	2,973,293	52,339				
	d	Net gain or (loss) . . . . . ▶			3,025,632			3,025,632
Other Revenue	8a	Gross income from fundraising events (not including $ 301,409 of contributions reported on line 1c) See Part IV, line 18 . .	a	70,663				
	b	Less direct expenses . . .	b	122,049				
	c	Net income or (loss) from fundraising events . . ▶			-51,386			-8,559
	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					
	b	Less cost of goods sold . .	b					
	c	Net income or (loss) from sales of inventory . . ▶			0			
		Miscellaneous Revenue		Business Code				
	11a	Cafeteria/Cafe		722210	450,810			450,810
	b	Gift Shop Sales		453220	150,845			150,845
	c	Work First		621300	340,239	340,239		
	d	All other revenue			346,294	174,212	48,997	123,085
	e	**Total.** Add lines 11a–11d . . . . . ▶			1,288,188			
	12	**Total revenue.** See Instructions . . . . . ▶			180,260,249	173,753,385	1,151,749	4,648,056

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	14,599,700	14,599,700		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	0			
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	1,551,801	887,852	663,949	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	69,119,920	51,940,575	17,022,102	157,243
7 Other salaries and wages	0			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	2,526,127	1,878,921	631,532	15,674
9 Other employee benefits	13,919,130	9,805,973	4,083,473	29,684
10 Payroll taxes	5,273,472	3,943,167	1,318,368	11,937
11 Fees for services (non-employees)				
a Management	200,000	200,000		
b Legal	463,648		463,648	
c Accounting	116,607		116,607	
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)	31,279,740	26,773,860	4,505,880	
12 Advertising and promotion	479,026	275,425	198,732	4,869
13 Office expenses	4,398,691	4,372,914		25,777
14 Information technology	0			
15 Royalties . .	0			
16 Occupancy	3,732,061	3,021,549	681,547	28,965
17 Travel	420,008	259,571	160,437	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	196,342	118,577	72,578	5,187
20 Interest	1,459,701		1,459,701	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	10,412,683	10,412,683		
23 Insurance	1,200,701	12,526	1,188,175	
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 Outside Services	6,200,715	3,501,579	2,694,936	4,200
b Repair & Maintenance	4,328,619	4,328,619		
c Equipment Rentals	3,854,914	864,252	2,990,662	
d Taxes & Licenses	2,995,809	533,063	2,462,746	
e All other expenses	3,653,334	1,274,315	2,373,533	5,486
25 **Total functional expenses.** Add lines 1 through 24e	182,382,749	139,005,121	43,088,606	289,022
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		24,398	1	40,905
	2	Savings and temporary cash investments		5,523,775	2	8,690,713
	3	Pledges and grants receivable, net		1,158,197	3	596,433
	4	Accounts receivable, net		24,463,236	4	20,713,032
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	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			6	0
	7	Notes and loans receivable, net			7	0
	8	Inventories for sale or use		4,999,462	8	5,382,703
	9	Prepaid expenses and deferred charges		2,549,933	9	2,920,174
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 151,886,504			
	b	Less accumulated depreciation	10b 83,428,929	70,903,454	10c	68,457,575
	11	Investments—publicly traded securities		33,159,419	11	8,753,637
	12	Investments—other securities See Part IV, line 11		1,502,636	12	26,137,666
	13	Investments—program-related See Part IV, line 11			13	0
	14	Intangible assets			14	0
	15	Other assets See Part IV, line 11		1,001,571	15	2,711,094
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		145,286,081	16	144,403,932
Liabilities	17	Accounts payable and accrued expenses		21,041,306	17	6,148,794
	18	Grants payable			18	
	19	Deferred revenue		107,201	19	1,467,883
	20	Tax-exempt bond liabilities		38,205,525	20	43,085,833
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		474,904	23	238,387
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		19,246,788	25	30,257,517
	26	**Total liabilities.** Add lines 17 through 25		79,075,724	26	81,198,414
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		64,355,884	27	61,405,053
	28	Temporarily restricted net assets		1,179,735	28	1,066,558
	29	Permanently restricted net assets		674,738	29	733,907
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		66,210,357	33	63,205,518
	34	Total liabilities and net assets/fund balances		145,286,081	34	144,403,932

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	180,260,249
2	Total expenses (must equal Part IX, column (A), line 25)	2	182,382,749
3	Revenue less expenses Subtract line 2 from line 1	3	-2,122,500
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	66,210,357
5	Net unrealized gains (losses) on investments	5	43,474
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-925,813
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	63,205,518

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test		
Return Reference	Explanation	

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2013

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
EPHRATA COMMUNITY HOSPITAL	23-1370484

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☑ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		6,700
j	Total Add lines 1c through 1i			6,700
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No	

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
Part II-B, Line 1i - Other Activities Description	Part II-B, Line 1, Lobbying Activities Lobbying activities consisted of phone calls and meetings by an independent contractor to lobby on behalf of the hospital at both the federal and state level for healthcare issues, grant money, and appropriations money The lobbying firm (Bravo Group Inc) was paid $4,200 for this service The Hospital also pays dues to the Hospital & Healthcare Association of Pennsylvania ("HAP") The portion of dues used by HAP for lobbying purposes was approximately $2,500

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	1,854,473	3,386,248	1,200,869	1,042,657	
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	1,854,473	1,854,473	3,386,248	1,200,869	1,042,657

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

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

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

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

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

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		1,528,030		1,528,030
b Buildings		75,732,819	35,568,740	40,164,079
c Leasehold improvements		8,782,170	5,537,595	3,244,575
d Equipment		64,744,915	42,322,594	22,422,321
e Other		1,098,570		1,098,570
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				68,457,575

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	26,137,666	

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
Accrd Payroll W/H	737,017
Accrued Payroll	559,309
Accrued Payroll Incentives	4,312,536
Accrued Pension	12,401,532
Accrued Vacation	4,821,719
Due to Affiliates	2,690,195
Insurance Reserve	3,150,000
Total Other Noncurrent Liabili	1,585,209
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	30,257,517

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	181,430,712
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	32,332		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	1,294,111		
e	Add lines **2a** through **2d**			2e	1,326,443
3	Subtract line **2e** from line **1**			3	180,104,269
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	155,980		
c	Add lines **4a** and **4b**			4c	155,980
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	180,260,249

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	169,077,160
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	1,294,111		
e	Add lines **2a** through **2d**			2e	1,294,111
3	Subtract line **2e** from line **1**			3	167,783,049
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	14,599,700		
c	Add lines **4a** and **4b**			4c	14,599,700
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	182,382,749

Part XIII Supplemental Information

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

Return Reference	Explanation
Part X FIN48 Footnote	In June 2006, the Financial Accounting Standards Board (FASB) issued Interpretation No 48, Accounting for Uncertainty in Income Taxes-an interpretation of Fasb Statement No 109, Accounting for income Taxes (FIN 48), which creates a single model to address uncertainty in tax positions and clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements Under the requirements of FIN 48, tax-exempt organizations could now be required to record an obligation as a result of a tax position they have historically taken or various tax exposure items Prior to FIN 48, the determination of when to record a liability for tax exposure was based on whether a liability was considered probable and reasonably estimable in accordance with SFAS No 5, Accounting for Contingencies On July 1, 2007, the parent company, WellSpan Health, adopted FIN 48 WellSpan Health determined that it does not have any uncertain tax positions through June 30, 2014
Part XI, Line 2d Other revenue amounts included in F/S but not included on form 990	Expenses netted against Revenue $1294111
Part XI, Line 4b Other revenue amounts included on 990 but not included in F/S	Restricted Contributions $148280 Revenue netted against expense $7700
Part XII, Line 2d Other expenses and losses per audited F/S	Expenses netted against Revenue $1294111
Part XII, Line 4b Other revenue amounts included on 990 but not included in F/S	Grant-North Lanc County Med Group $12392000 Grant-Phys Spec of NLCMG $2200000 Revenue netted against Expense $7700

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID: 13000170
Software Version: 2013v4.0
EIN: 23-1370484
Name: EPHRATA COMMUNITY HOSPITAL

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

1 **(a)** Description of Liability	**(b)** Book Value
Accrd Payroll W/H	737,017
Accrued Payroll	559,309
Accrued Payroll Incentives	4,312,536
Accrued Pension	12,401,532
Accrued Vacation	4,821,719
Due to Affiliates	2,690,195
Insurance Reserve	3,150,000
Total Other Noncurrent Liabili	1,585,209

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SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

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

▶ Attach to Form 990. ▶ See separate instructions.

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) Central America and Carribbean	0	0	Investment		315,010
(2)					
(3)					
(4)					
(5)					
3a Sub-total					315,010
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)					315,010

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

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

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

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

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

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

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

Additional Data

Software ID: 13000170
Software Version: 2013v4.0
EIN: 23-1370484
Name: EPHRATA COMMUNITY HOSPITAL

Part V **Supplemental Information**

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

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

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

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

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

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

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

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

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

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

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

PA

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

		(a) Event #1 Golf Tournament (event type)	(b) Event #2 Starlight Gala (event type)	(c) Other events 2 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	151,175	99,320	121,577	372,072
	2 Less Contributions	114,602	77,630	109,177	301,409
	3 Gross income (line 1 minus line 2)	36,573	21,690	12,400	70,663
Direct Expenses	4 Cash prizes				
	5 Noncash prizes	1,062		432	1,494
	6 Rent/facility costs	26,384	1,000	10,853	38,237
	7 Food and beverages	15,767	10,958	11,995	38,720
	8 Entertainment		1,500	1,260	2,760
	9 Other direct expenses	1,919	5,726	33,193	40,838
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(122,049)
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				-51,386

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

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

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

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

b If "No," explain _____

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

b If "Yes," explain _____

11

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

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

13 Indicate the percentage of gaming activity operated in

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

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

Name ▶ .....

Address ▶ .....

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

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

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

Name ▶ .....

Address ▶ .....

16 Gaming manager information

Name ▶ .....

Gaming manager compensation ▶ $ .....

Description of services provided ▶ .....

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

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

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

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

Return Reference	Explanation

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			2,939,486		2,939,486	1 610 %
b Medicaid (from Worksheet 3, column a)			16,170,000	10,406,980	5,763,020	3 160 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			957,000	836,144	120,856	0 070 %
d **Total** Financial Assistance and Means-Tested Government Programs			20,066,486	11,243,124	8,823,362	4 840 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			74,426		74,426	0 040 %
f Health professions education (from Worksheet 5)			167,668		167,668	0 090 %
g Subsidized health services (from Worksheet 6)			4,085,750	2,792,596	1,293,154	0 710 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			77,935		77,935	0 040 %
j **Total.** Other Benefits			4,405,779	2,792,596	1,613,183	0 880 %
k **Total.** Add lines 7d and 7j			24,472,265	14,035,720	10,436,545	5 720 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support			27,344		27,344	0 010 %
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 **Total**			27,344		27,344	0 010 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	2,415,819		
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	603,955		
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	31,916,423
6	Enter Medicare allowable costs of care relating to payments on line 5	6	51,977,160
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-20,060,737
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☐ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

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

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

Part V Facility Information

Section A. Hospital Facilities

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

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group Ephrata Community Hospital

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years begining on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	**1**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 12			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) www ephratahospital org			
b	☑ Other website (list url) www wellspan org			
c	☑ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide plan			
e	☑ Inclusion of a community benefit section in operational plans			
f	☑ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		No
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 0000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 0000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☑ Uninsured discount			
f ☑ Medicaid/Medicare			
g ☑ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information *(continued)*

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

Form and Line Reference	Explanation
See Additional Data Table	

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? **17**

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

Part VI Supplemental Information

Provide the following information

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

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

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

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

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

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

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

Form and Line Reference	Explanation
Part I, Line 6a - Related Organization Community Benefit Report	Community Benefit Information is included in the Community Benefit Report for WellSpan Health

Form and Line Reference	Explanation
Part III, Line 2 - Methodology Used To Estimate Bad Debt Expense	The number was calculated using the cost to charge ratio factor applied against actual patient bad debt write-offs These numbers are included after all efforts have been exhausted to determine if the patient meets our charity care write-off policy based on federal poverty levels

Form and Line Reference	Explanation
Part III, Line 3 - Methodology of Estimated Amount & Rationale for Including in Community Benefit	The estimate of bad debt attributable to charity care policy was calculated by dividing the bad debt amount that was originally coded bad debt but later found to qualify as charity care by the amount coded to the charity care write-off codes This ratio is applied to the bad debt cost factor expense

Form and Line Reference	Explanation
Part III, Line 4 - Bad Debt Expense	Ephrata Community Hospital provides an allowance for doubtful accounts for estimated losses resulting from the unwillingness or inability of patients to make payments for services The allowance is determined by analyzing specific accounts and historical data and trends Patient accounts receivable are charged off against the allowance for doubtful accounts, when management determines that recovery is unlikely, and ECH ceases collection efforts Losses have been consistent with management's expectations in all material respects

Form and Line Reference	Explanation
Part III, Line 8 - Explanation Of Shortfall As Community Benefit	Ephrata Community Hospital maintains records to identify and monitor the level of charity care and community service it provides These records include the amount of charges forgone based on established rates for services and supplies furnished under its charity care and community service policies and the estimated cost of these services Payments from Medicare are generally less than Ephrata Community Hospital's costs of providing the service

Form and Line Reference	Explanation
Part III, Line 9b - Provisions On Collection Practices For Qualified Patients	Guidelines for suggested minimum number of phone attempts and letters to be sent before the account is turned over to an outside collection agency are included in the Patient Administrative Services Policy Upon final PARO (Payment Assistance Rank Ordering) scoring, if a patient qualifies for presumptive charity, their account would not be forwarded to any third party collections It shall be the policy of Patient Administrative Services to recommend accounts to Bad Debt on a timely basis Inpatient/Outpatient accounts will go to bad debt automatically after the account has been in the financial class Pending Bad Debt for 30 days All accounts must follow the approved limits for refunds and write offs, as established in Policy PF-102, before being transferred The primary agencies will work the accounts for 6 months or until they feel it is uncollectable and return the account The accounts are forwarded to secondary agencies from the primary agencies Closed and Return Reports The financial class is changed to Bad Debt Other after the Closed and Return Reports are received from the Secondary Agency The agencies must get written approval from the manager in the relatively rare instance of legal action being taken to collect the debt

Form and Line Reference	Explanation
Part VI - Needs Assessment	A formal community needs assessment was initiated in 2012 with data gathering and an action plan prepared The assessment was a joint effort with Lancaster General Health, and the findings were presented to the community in May 2012 at a Health Summit organized by the collaborative effort of the Lancaster Health Improvement Partnership and the Lancaster County Business Group on Health Findings from the needs assessment are available on the hospitals website, www ephratahospital org

Form and Line Reference	Explanation
Part VI - Patient Education of Eligibility for Assistance	Ephrata Community Hospital informs and educates patients and persons who are billed for patient care about their eligibility for assistance for federal, state, or local government programs via the following ways During the pre-service process, the financial counselors verify all financial information with the patient and/or guardian At that time, the financial counselor will then educate of patient of their potential financial responsibility and make numerous recommendations to assist them in satisfying this portion One of these avenues is to recommend our ECH Cares Charity Program and to refer them to obtain Medical Assistance via our in-house MA Counselor The financial counselor will offer these options also if the patient is a true self pay and has no insurance coverage When the patient presents at any of our registration sites, they are also informed of our offerings of our ECH Cares Charity Program as well as the convenience of having an MA counselor available for them to speak with at our hospital In addition, Access Associates also have information readily available to them to assist walk-in patients who may be underinsured or uninsured When the service we offer is estimated to cost $1,000 or more, and the patient is either underinsured or uninsured, we discuss the paths Medical Assistance process and have that patient sign a limited power of attorney We also provide an ECH Cares brochure at hat time and briefly explain the application process, and that the MA vendor will assist them with this application as well as the MA application These conversations are documented with proper follow-up Signage is posted in the ER Department hallway, informing patients of the hospital's financial policy Verbiage on the statements and on our website informs the patients of the availability of the various avenues to help them with their obligation Customer service agents have scripting to inform the patients of the availability of the various avenues available to them

Form and Line Reference	Explanation
Part VI - Community Information	The mission of Ephrata Community Hospital is to meet the primary and acute care needs, as well as the need for diagnostic and rehabilitative services within the communities that we serve Independently developed to serve local needs, the primary purpose of the hospital is to assure community access to quality, compassionate and cost-efficient healthcare With a qualified and diversified medical staff, Ephrata Community Hospital cares for the needs of patients of all ages with courtesy and professional expertise Ephrata Community Hospital serves the northern Lancaster County community as well as parts of southern Berks County, Eastern Lebanon County and western Chester County Many of the patients using services offered by Ephrata Community Hospital reside in the following zip codes 17039KLEINFELTERSVILLE, PA17501AKRON, PA17505BIRD IN HAND, PA17506BLUE BALL, PA17507BOWMANSVILLE, PA17508BROWNSTOWN, PA17517DENVER, PA17519EAST EARL, PA17522EPHRATA, PA17528GOODVILLE, PA17529GORDONVILLE, PA17533HOPELAND, PA17540LEOLA, PA17543LITITZ, PA17557NEW HOLLAND, PA17564PENRYN, PA17567REAMSTOWN, PA17569REINHOLDS, PA17578STEVENS, PA17580TALMAGE, PA17581TERRE HILL, PA17585WITMER, PA19501ADAMSTOWN, PAThe community served includes the boroughs of Ephrata, New Holland, Denver, Adamstown and Lititz as well as surrounding townships Although predominantly suburban, the region served also includes a significant portion of Lancaster Countys farming community Ephrata Community Hospital serves this increasingly diverse population through a main facility in Ephrata Borough and freestanding outpatient centers in Stevens, Ephrata, New Holland, Leola, Lititz, Rothsville, Brownstown and Adamstown Additionally, the hospital operates a freestanding Cancer Center in Ephrata Ephrata Community Hospital is the only nonprofit inpatient facility in northern Lancaster County Heart of Lancaster Regional Medical Center, a for-profit facility is located in Lititz, 9 miles to the West Lancaster General Hospital is located in the City of Lancaster 13 miles south of Ephrata, and the Reading Hospital Medical Center is 18 miles north of Ephrata The Pennsylvania Department of Healths Lancaster Health Profile for 2013 indicates that 13 5% of the Countys population is eligible for Medical Assistance The continuing economic downturn and ongoing unemployment and underemployment in this region contribute to this 1 8% increase in Medical Assistance eligibility experienced since 2009 The Pennsylvania Department of Labor and Industry reported an average 2011 unemployment rate for Lancaster County at 6 8% Higher unemployment than what was traditionally experienced in this region has resulted in increased levels of uninsured individuals in this region (demographic and workforce data specific for Ephrata Community Hospitals primary service area is not publicly reported by state or federal agencies, but the Lancaster County-wide data applies to the areas served through this hospital) Within Lancaster Countys population, the Pennsylvania Department of Health reports that heart disease, cancer, stroke, respiratory disease and diabetes are among the top ten leading disease-related causes of death Ephrata Community Hospital offers services and programs specifically targeting these diseases For example, The Ephrata Cancer Center has earned commendations from the American College of Surgeons Commission on Cancer for the full complement of services available in this community The Joint Commission has also awarded Ephrata Community Hospital disease-specific certification in Heart Failure and Stroke Care Through pulmonary rehabilitation, cardiac rehabilitation and diabetes education programs, a multidisciplinary team of professionals helps patients to manage chronic conditions to avoid more costly interventions and to enhance the patients quality of life The community served by Ephrata Community Hospital also includes one of the largest settlements of plain Mennonite and Amish families in the United States The Plain Population does not utilize commercial or governmental payers for healthcare services, and is therefore considered a self-pay population Ephrata Community Hospital continues to develop services, facilities and payment packages to assist this demographic segment in accessing both preventive and acute care services

Form and Line Reference	Explanation
Part VI - Explanation Of How Organization Furthers Its Exempt Purpose	Through our main campus and our community locations, Ephrata Community Hospital provides a range of wellness and health education programs designed to promote healthy lifestyles and disease prevention These programs include health screenings, diabetes education, and weight management, smoking cessation, instruction in CPR and first aid, support groups, immunizations, participation in community health fairs, health education newsletters and television programming Many of these programs are offered for free or at a minimal cost to participants Ephrata Community Hospital also serves as a resource for students considering a healthcare career as well as those enrolled in healthcare training programs Job shadowing opportunities and clinical training placements are available within several hospital departments Staff members also speak at community events and in local educational institutions as needed, helping build awareness of the ongoing need for skilled healthcare professionals

Form and Line Reference	Explanation
Part VI - Affiliated Health Care System Roles and Promotion	WellSpan Health is an integrated health system serving the Adams-York-Northern Lancaster county region As a community-based, not-for-profit organization, WellSpan is dedicated to improving the health and well-being of the people it serves WellSpan will assume a leadership role and develop partnerships with other organizations to improve access to coordinated, high-quality, cost-effective health care services, educate the health care providers of tomorrow, promote healthy lifestyles and lifelong wellness, and make its local communities healthier, more desirable places to live, work, and play Ephrata Community Hospital works with other parts of the system to provide a comprehensive approach to meeting community needs WellSpan Health includes Gettysburg Hospital, York Hospital, WellSpan Surgery and Rehabilitation Hospital, Ephrata Community Hospital, Apple Hill Surgical Center, VNA Home Health, WellSpan Medical Group, Northern Lancaster County Medical Group, Physician Specialists of Northern Lancaster County Medical Group, WellSpan Population Health Services, WellSpan Pharmacy, Gettysburg Hospital Foundation, York Health Foundation, Ephrata Community Health Foundation, WellSpan Provider Network and Healthy York Network/Healthy Community Pharmacy Ephrata Community Hospital's community benefit report is contained in a report prepared by their parent organization, WellSpan Health See Attached Federal Supplemental Information WellSpan Health - 2014 Community Benefit Report

Form and Line Reference	Explanation
Part VI - States Where Community Benefit Report Filed	PA

Additional Data

Software ID: 13000170
Software Version: 2013v4.0
EIN: 23-1370484
Name: EPHRATA COMMUNITY HOSPITAL

990 Schedule H, Supplemental Information

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

Form and Line Reference	Explanation
Part V, Line 3 - Account Input from Person Who Represent the Community	
Part V, Line 4 - List Other Hospital Facilities that Jointly Conducted Needs Assessment	Lancaster General Hospital, Lancaster Rehabilitation Hospital, Women & Babies Hospital
Part V, Line 7 - Explanation of Needs Not Addressed and Reasons Why	In reviewing the top twenty indicators detected in the CHNA, many are related to the root causes of chronic diseases that are addressed by our two adopted focus areas There are ot her areas that are not addressed by the hospital's action plan Some indicators go beyond the scope of a community hospital's services, such as workers who drive alone to work, une mployed workers in civilian labor force, and households without a vehicle In these cases the hospital would lack an effective approach to elicit any meaningful impact

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

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

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

Name and address	Type of Facility (describe)
Ephrata Cancer Center 460 North Reading Road Ephrata, PA 17522	Medical & Radiology Oncology/Pet Scanning
Ephrata Diagnostic Center 446 North Reading Road Ephrata, PA 17522	Medical & Radiology Oncology/Pet Scanning
Center for Health at Garden Spot Villa 435 South Kinzer Avenue New Holland, PA 17557	Medical & Radiology Oncology/Pet Scanning
Ephrata Health Pavilion 175 Martin Avenue Ephrata, PA 17522	Medical & Radiology Oncology/Pet Scanning
Community Medical & Diagnostic Center 30 West Swartzville Road Reinholds, PA 17569	Medical & Radiology Oncology/Pet Scanning
Crossroads Center for Health 4131 Oregon Pike Ephrata, PA 17522	Medical & Radiology Oncology/Pet Scanning
Meadowbrook Center for Health 337 West Main Street Leola, PA 17540	Medical & Radiology Oncology/Pet Scanning
Brossman Center for Health 136 Lake Street Ephrata, PA 17522	Medical & Radiology Oncology/Pet Scanning
Pain Management Center of Ephrata 4150 Barrett Boulevard Ephrata, PA 17522	Medical & Radiology Oncology/Pet Scanning
Rothsville Medical Center 2320 Rothsville Road Lititz, PA 17543	Medical & Radiology Oncology/Pet Scanning
Cornerstone Medical Center 6 West Newport Road Lititz, PA 17543	Medical & Radiology Oncology/Pet Scanning
Cocalico Center for Health 63-71 West Church Street Stevens, PA 17578	Medical & Radiology Oncology/Pet Scanning
Medical Office Building 157-179 North Reading Road Ephrata, PA 17522	Medical & Radiology Oncology/Pet Scanning
Ephrata Medical Lab-Adamstown 2580 North Reading Road Adamstown, PA 19501	Medical & Radiology Oncology/Pet Scanning
Rehab Center 1944 Lincoln Highway East Lancaster, PA 17603	Medical & Radiology Oncology/Pet Scanning

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

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

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

Name and address	Type of Facility (describe)
Sleep Center 217 Granite Run Drive Lancaster, PA 17603	Medical & Radiology Oncology/Pet Scanning
Oregon Pike Imaging 1834 Oregon Pike 2nd Floor Lancaster, PA 17601	Medical & Radiology Oncology/Pet Scanning

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

Part I General Information on Grants and Assistance

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

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

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Northern Lancaster County Medical Group-169 Martin Ave Ephrata, PA 17522	20-3033058	501(c)(3)	12,392,000	0			Charitable Activities
(2) Physicians Specialists of NLC Med Group-169 Martin Ave Ephrata, PA 17522	45-2537633	501(c)(3)	2,200,000	0			Charitable Activities

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

3 Enter total number of other organizations listed in the line 1 table . . . . ▶ 0

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

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

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

Return Reference	Explanation
Grantmaker's Description of How Grants are Used	The organization only provides grants or assistance to other charitable organizations

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID: 13000170
Software Version: 2013v4.0
EIN: 23-1370484
Name: EPHRATA COMMUNITY HOSPITAL

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Giridhar U Adiga Physician	(I) (II)	341,938	28,750		15,300	25,000	410,988	
Harris Baderak Medical Director	(I) (II)	323,747	10,000	1,917	10,200	25,000	370,864	
John A Holmes CFO	(I) (II)	226,032	45,200	2,512	9,617	25,000	308,361	
John M Porter Jr Pres - Ex Offi	(I) (II)	454,538	115,200	53,911	15,300	25,000	663,949	
Kevin Mosser MD Dir/CEO WSH	(I) (II)	492,126	168,300		591,825	42,447	1,294,698	168,300
Lloyd G Goldfarb MD Director	(I) (II)	335,000	15,863	2,197			353,060	
Maria Royce Director	(I) (II)	232,475	63,690	4,613	211,425	37,416	549,619	63,690
Mark Jacobson DO Sr VP for Medical Affairs	(I) (II)	229,893	4,851			25,000	259,744	
Michael F O'Connor CFO-WellSpan	(I) (II)	441,669	141,900	8,699	356,775	44,575	993,618	141,900
Peter C Cote Medical Director	(I) (II)	489,555	39,507	6,122	13,642	25,000	573,826	
Robert F Graupensperger Executive VP	(I) (II)	229,632	46,575	3,278	15,262	25,000	319,747	
Steven W Zebert DO Physician	(I) (II)	338,771	9,000		7,916	25,000	380,687	
Wilfred A Layne MD Physician	(I) (II)	430,072	17,500		8,732	25,000	481,304	

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	Lancaster Municipal Auth	23-7334160		11-09-2009	23,930,000	refund 2006 bonds & pay iss		X		X		X
B	Lancaster Municipal Auth	23-7334160		02-01-2010	4,570,000	refund 1997 bonds& pay iss cos		X		X		X
C	Lancaster Municipal Autho	23-7334160		04-25-2012	9,938,000	refund 7/1/10B rev note,pay is		X		X		X
D	Lancaster Municipal Autho	23-7334160		01-15-2013	9,862,000	finance certain construction		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	3,752,500	1,430,000	26,667	5,000
2	Amount of bonds legally defeased				
3	Total proceeds of issue	23,930,000	4,570,000	9,938,000	9,862,000
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows	19,970,875		9,722,573	9,712,182
7	Issuance costs from proceeds	206,625	51,195	188,760	144,818
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds			6,606,102	9,717,182
11	Other spent proceeds		4,518,805	3,143,138	
12	Other unspent proceeds				
13	Year of substantial completion			2013	2014

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
Part VI	On November 9, 2009, Ephrata Community Hospital (ECH) entered into an Agreement with the Lancaster Municipal Authority, whereby, the Authority issued, on behalf of the Hospital, a $23,930 tax-exempt Revenue Note, Series of 2009 The proceeds of the 2009 Note were used to refund the 2006 Bonds and pay the costs of the issuance of the 2009 Note On February 1, 2010, ECH entered into an Agreement with the Lancaster Municipal Authority whereby, the Authority issued, on behalf of the Hospital, a $4,750 tax-exempt Revenue Note, Series of 2010A The proceeds of the 2010A Note were used to refund the 1997 Bonds and pay the costs of the issuance of the 2010A Note In April 2012, ECH entered into an Agreement with the Lancaster Municipal Authority whereby, the Authority issued, on behalf of the Hospital, a $9,938 tax-exempt Revenue Note, Series of 2012 The proceeds of the 2012 Note were used to refund the 2010B Note, pay the costs of the issuance of the 2012A Note, and to finance certain construction and renovation expenses In January 2013, ECH entered into an Agreement with the Lancaster Municipal Authority whereby, the Authority issued, on behalf of the Hospital, a $9,862 tax-exempt Revenue Note, Series of 2013 The proceeds of the 2013 Note were used to finance certain construction and renovation expenses

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Brenda Graupensperger	Family membe	108,544	ECH Employee		No
(2) Marcia Stoesz	Family membe	49,093	ECH employee		No

Part V Supplemental Information

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

Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

Return Reference	Explanation
Form 990, Part VI, Line 3 Description of Delegated Duties to Management Company	Pamela K Boland, Interim Vice President for Patient Services and Chief Nursing Officer - July 2013 thru June 2014 - Paid $5,538 46 (final payments early in the year)

Return Reference	Explanation
Form 990, Part VI, Line 4 Description of Significant Changes to Organizational Documents	Ephrata Community Hospital became affiliated with WellSpan Health Effective 10/01/2013, WellSpan Health, a tax-exempt organization, became the sole member of Ephrata Community Hospital

Return Reference	Explanation
Form 990, Part VI, Line 6 Explanation of Classes of Members or Shareholder	Effective 10/1/2013, WellSpan Health, a not for profit corporation, is the sole member

Return Reference	Explanation
Form 990, Part VI, Line 7a How Members or Shareholders Elect Governing Body	The Board of Directors of the Corporation shall be elected as provided herein by the Board of Directors of the Member The Member shall determine annually the number of Directors, which shall in no event be less than ten persons, nor more than twenty-five persons Nominations for Directors other than the Designated Directors specified in Specified in Section 5 2 of the Bylaws shall be made by the Board of Directors to the Member's Nominating Committee for Directors

Return Reference	Explanation	
	Form 990, Part VI, Line 7b Describe Decisions of Governing Body Approval by Members or Shareholders	The Member may, with respect to the Corporation, initiate and implement any of the following actions, and if any of the following actions are otherwise initiated by the Corporation , such action shall not become effective unless approved by the Member (a)The adoption, amendment, or revocation of the Corporation's Articles of Incorporation or Bylaws (b)The termination, liquidation, reorganization, division, conversion, or dissolution of the Corporation, or the merger, consolidation, or combination of the Corporation with another person, provided however, that in accordance with Section 3 9(b) of the Affiliation Agreement, the Member shall not cause the Corporation to be merged with or into any other entity and it shall maintain the Corporation's status as a separate corporation for a period of at least three years after the effective date of the Affiliation, unless otherwise consented by the Boards of the Member and the Corporation (c) Any change or transfer of the Member's membership interest in the Corporation, or the creation or issuance of any additional memberships interests in the Corporation (d) The investment of the Corporation's assets other than in accordance with the Member's current investment policy, any investment other than in the ordinary course of business, which shall consist of federally-insured interest-bearing bank accounts, short-term direct U S obligations, short term certificates of deposit of domestic banks, or highly-rated money market funds (e) The incurrence by the Corporation of indebtedness in excess of such amounts as may be reasonably designated by the Member from time to time, except pursant to a budget approved by the Member This is not meant to restrict the Corporation's ability to incur indebtedness in the ordinary course of the Corporation's day-to-day business, in amounts less than the amounts designated by the Member, such as routine trand and accounts payable obligations (f) The conveyance, transfer, lease, or sale of any of the Corporation's assets with a fair market value in excess of such aggregate amount as may be designated by the Member from time, except pursuant to a budget approved by the member, or the conveyance, transfer, lease or sale of any of the Corporation's assets to the Member or another System Affiliate, provided, however, that in accordance with Section 3 9(e) of the Affiliation Agreement, the member shall not cause the Corporation to sell all or substantially all of its assets for a period of ten years after the effective date of the Affiliation, unless it has received prior approval by the Board of Directors of the Corporation (g)The making of any capital expenditure or the incurrence of any capital obligations by or on behalf of the Corporation in excess of such annual aggregate amount as may be designated by the Member from time to time, except pursant to a budget approved by the Member (h)The incurrence of any obligation (whether actual or contingent) by the Corporation to guarantee or be responsible for the debts or obligations of any person in excess of such amounts as may be designated by the Member from time to time, except pursuant to a budget approved by the Member This is not meant to restrict the Corporation's ability to incur obligations in the ordinary course of the Corporation's day-to-day business, in amount less than the amounts designated by the Member (i)The approval of the Corporation's operating and capital budgets, or any material changes thereto (j)The voluntary granting of any lien or encumbrance (including a confession of judgment)with respect of the Corporation's assets, except in the ordinary course of business (k) The surrender of or material change to any permit, approval, or license of the Corporation, provided, however , that in accordance with Section 3 9 of the Affiliation Agreement, the Member shall maintain the Corporation's separate licensure and separate medical staff for a period of at least three after the effective date of the Affiliation (l)The selection of the Corporation's outside financial auditors, general legal counsel, or investment advisors (m)The requirement that the Member make any capital contribution to the Corporation (n)The appointment and reappointment of the individuals to serve on the Corporation's Board of Directors, and their removal as set forth in Section 5 3 of these Bylaws (o)The approval of the Corporation's strategic and operating plans, or any changes thereto (p) The approval of the Corporation's statements of purpose, vision, or mission, or any changes thereto (q) The creation by the Corporation of any new lines of business, sites of business, subsidiary corporations, or partnerships or other joint ventures, or any material changes in existing services, or participation in any key strategic relationship outside the System This is not meant to restrict the Corporation's right to enhance and expand its current lines of business (r) All health care services contracting by the Corp

Return Reference	Explanation	
	Form 990, Part VI, Line 7b Describe Decisions of Governing Body Approval by Members or Shareholders	oration that could materially impact the System

Return Reference	Explanation
Form 990, Part VI, Line 11b Form 990 Review Process	Management provided an electronic copy of the form 990 to each voting member of the organization's governing body, prior to its filing with the IRS The organization's finance management team provided a presentation to the Audit Committee on the organization's 990 return

Return Reference	Explanation
Form 990, Part VI, Line 12c Explanation of Monitoring and Enforcement of Conflicts	Officers, directors, and key employees fill out a WellSpan Health Conflict of Interest Disclosure Statement questionnaire annually The questionnaire is administered by the Internal Audit Department of WellSpan Health, the Parent Company There shall be full disclosure by any Director having a business or personal interest or relationship which may be in conflict with the interests of the Corporation After such disclosure the Director shall abide by the determination of the Board of Directors as to whether a conflict exists, the extent to which, if at all, the Director will be permitted to be present during the Board of Directors' discussion of the matter in which the Director may be interested, and whether the Director will be permitted to participate in such discussion and cast a vote in such matter

Return Reference	Explanation
Form 990, Part VI, Line 15b Compensation Review and Approval Process for Officers and Key Employees	The Compensation Committee of WellSpan Health is responsible for rewarding and reinforcing key executives for the achievement of annual and long-term performance objectives The Compensation Committee shall consist of not more than six (6) persons, of whom two (2) shall be the Chairman and Vice Chairman of the Board of the Corporation, and the remaining members shall be such other persons as may be appointed by the Chairman of the Board of the Corporation, with the approval of the Board of Directors, provided, however, that the Compensation Committee shall not include any persons who are employed by the System The Chairman of the Board of Gettysburg Hospital shall participate The role of the Compensation Committee is to set the Executive Compensation Philosophy for the system and ensure adherence, evaluate performance and establish compensation for the WellSpan President, evaluate team performance of the executive team and establish awards, review and approve senior executive base salary ranges, and oversee employed physician compensation programs The Committee will approve salary ranges for each executive position and review incumbent salaries annually The Committee will be responsible for reviewing the President's salary each year, and if warranted, authorizing an adjustment to maintain competitiveness The President will have the authority to make salary adjustments for subordinate positions The Committee is responsible for approving and authorizing payment of the performance awards The Committee will approve and authorize payment of the President's performance awards Integrated Healthcare Strategies, Inc , based in Minneapolis Minnesota is the external consultant to the committee This consultant focuses exclusively on executive and physician compensation in the health care industry In summary, the executive and physician compensation review process consists of the following 1) Cash compensation reviewed annually 2) Cash compensation reviewed by external consultant biennially 3) external total compensation (cash, incentives, benefits, perquisites) reviewed by external consultant periodically 4) Process is integrated with compensation analysis for other WellSpan positions 5) Committee decisions are documented in minutes maintained in Human Resources

Return Reference	Explanation
Form 990, Part VI, Line 19 Other Organization Documents Publicly Available	Governing documents, policies and financial statements are available upon request

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	Change in Accrued Pension Liability = -$928447

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	Net assets released from restriction-PPE = $2634

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
EPHRATA COMMUNITY HOSPITAL

Employer identification number
23-1370484

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

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

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) Apple Hill Surgical Center Partners PO Box 2767 York, PA 174052767 23-2489452	Surgical Center	PA	AHSCI					No			No	
(2) Central PA Alliance Laboratories LLC PO Box 2767 York, PA 174052767 23-2910950	Ref Lab	PA	NA	Related		267,140		No		Yes		10 000 %
(3) Littlestown Health Care Partners 300 West King Street Littlestown, PA 17340 23-2880464	Lease facility	PA	NA					No			No	
(4) Cherry Tree Cancer Center LLP PO Box 2767 York, PA 174052767 23-2915628	Radiation	PA	NA					No			No	
(5) The Rehab Center 855 Springdale Drive Suite 20 Exton, PA 19341 25-1687903	Physical Therapy Rehab	PA	Ephrata Hospital	Related	865,054	948,330		No		Yes		51 000 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) WellSpan Pharmacy Inc PO Box 2767 York, PA 174052767 23-2374072	Dispense Rx's & prov	PA	WHCS	C corp					No
(2) WellSpan Reciprocal Risk Retention Group PO Box 2767 York, PA 174052767 20-0048457	Risk Retention Group	PA	N/A	C corp					No
(3) York Health Plan PO Box 2767 York, PA 174052767 23-2664989	Preferred Provider O	PA	N/A	C corp					No
(4) WellSpan Provider Network PO Box 2767 York, PA 174052767 23-2907828	Coordinate managed care	PA	N/A	C corp					No
(5) Apple Hill Condominium Association PO Box 2767 York, PA 174052767 23-2504543	Condo Mgmt Associati	PA	N/A	Homeowners Assoc					No
(6) North Lanc Co Phys Hosp Alliance PO Box 2767 York, PA 174052767 23-2421885	Coordinate Phys & Hospital	PA	NA	C Corp	39,593	107,948	50 000 %		No

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

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

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

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

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

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

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

Part VII Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID: 13000170
Software Version: 2013v4.0
EIN: 23-1370484
Name: EPHRATA COMMUNITY HOSPITAL

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) Apple Hill Surgical Center Inc PO Box 2767 York, PA 174052767 22-2842253	Sole GP in limited ptnrshp operating su	PA	501(c)(3)	9	NA		No
(1) Gettysburg Hospital PO Box 2767 York, PA 174052767 23-1352220	Health care services	PA	501(c)(3)	3	NA		No
(2) Gettysburg Hospital Foundation PO Box 2767 York, PA 174052767 23-2251358	Fundraising for Gettysburg Hospital	PA	501(c)(3)	11 Type 1	NA		No
(3) Healthy Community Pharmacy Inc PO Box 2767 York, PA 174052767 20-0519121	Reduced rate prescription drugs to unins	PA	501(c)(3)	11 Type 1	NA		No
(4) VNA Community Services PO Box 2767 York, PA 174052767 23-2338591	Home personal care services for elderly	PA	501(c)(3)	9	NA		No
(5) VNA Home Health Services PO Box 2767 York, PA 174052767 23-1352573	Home health and hospice care services	PA	501(c)(3)	9	NA		No
(6) WellSpan Health PO Box 2767 York, PA 174052767 22-2517863	Integrated Health System	PA	501(c)(3)	11 Type 1	NA		No
(7) WellSpan Health Care Services PO Box 2767 York, PA 174052767 23-2400237	Health-related activities in the service	PA	501(c)(3)	11 Type 1	NA		No
(8) WellSpan Medical Group PO Box 2767 York, PA 174052767 23-2730785	Medical and surgical care	PA	501(c)(3)	9	NA		No
(9) York Health Foundation PO Box 2767 York, PA 174052767 23-3050192	Charitable contributions for WellSpan en	PA	501(c)(3)	11 Type 3	NA		No
(10) York Hospital PO Box 2767 York, PA 174052767 23-1352222	Community teaching hospital	PA	501(c)(3)	3	NA		No
(11) WellSpan Specialty Services PO Box 2767 York, PA 174052767 23-2899911	Mgmt hospice/home health	PA	501(c)(3)	11 Type 1	NA		No
(12) WellSpan Properties PO Box 2767 York, PA 174052767 22-2842252	Leases facilities to affiliates	PA	501(c)(3)	11 Type 1	NA		No
(13) Ephrata Community Health Foundation PO Box 2767 York, PA 174052767 80-0940005	Funraising for Ephrata Hospital	PA	501(c)(3)	11 Type 1	Ephrata Community Hospital		No
(14) Northern Lancaster County Medical Group PO Box 2767 York, PA 174052767 20-3033058	Medical and surgical care	PA	501(c)(3)	11 Type II	Ephrata Community Hospital	Yes	
(15) Phys Spec of North Lanc Co Med Gr PO Box 2767 York, PA 174052767 45-2537633	Physician Practices	PA	501(c)(3)	11 Type II	Northern Lancaster County Medical Group	Yes	

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Northern Lancaster County Medical Group	a	138,596	FMV
Northern Lancaster County Medical Group	b	12,392,000	General Ledger
Northern Lancaster County Medical Group	j	149,663	General Ledger
Northern Lancaster County Medical Group	l	369,024	General Ledger
Northern Lancaster County Medical Group	m	311,104	General Ledger
Northern Lancaster County Medical Group	q	373,163	General Ledger
Phys Spec of North Lanc Co Med Gr	a	11,067	FMV
Phys Spec of North Lanc Co Med Gr	b	2,200,000	General Ledger
The Rehab Center	j	191,942	FMV
The Rehab Center	m	686,220	FMV

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TY 2013 Earnings and Profits Other Adjustments Statement

Name: EPHRATA COMMUNITY HOSPITAL
EIN: 23-1370484
Software ID: 13000170
Software Version: 2013v4.0

Description	Amount
Impairment Loss at the end of the year	191,585
Increase in Loss Res - tax discounted	-488,322
Increase in Loss Reserves	478,992
Reversal Impair Loss b/f from prior yr	-222,527

WellSupported

Working as one to improve the health of our communities, **one person at a time.**

Community Benefit Report

WELLSPAN
HEALTH

2014 Community Benefit Report

WellSpan Health's Charitable, Mission:

Working as one to improve health through exceptional care for all, lifelong wellness and healthy communities.

At WellSpan Health, we are proud to be part of the communities of south central Pennsylvania. That's why we are committed to understanding local healthcare needs and working with physicians, community leaders and area residents to provide services and programs where people live, work and play.

By offering a vast array of inpatient, outpatient, home health and physician services and by partnering with other organizations and community physicians, we make it possible for people to find and access the health services they need, without having to travel far from home.

By working as one coordinated health care organization, we are transforming care through sophisticated clinical information technology and creating innovative new models as a means to create a high-quality, exceptional patient experience.

WellSpan Health includes:

- WellSpan Ephrata Community Hospital
- WellSpan Gettysburg Hospital
- WellSpan York Hospital
- WellSpan Surgery and Rehabilitation Hospital
- Apple Hill Surgical Center
- WellSpan VNA Home Care
- WellSpan Medical Group
- SOUTH CENTRAL Preferred
- WellSpan Pharmacy
- Ephrata Community Health Foundation
- Gettysburg Hospital Foundation
- York Health Foundation
- WellSpan Provider Network

Supported:
WellSpan's Community Impact

WellSpan Health is south central Pennsylvania's largest, most comprehensive health system. As such, we are honored to serve Adams, Lancaster and York counties – an area with a combined population of

nearly 1.1 million people.

As we continue to grow in the months and years ahead, we look forward to serving more communities in new and innovative ways. This is, we feel, the best way to ensure that quality, coordinated health care remains available right here at home.

WellSpan is:

Regularly ranked among the **Top 100** Integrated Health Networks in the country

A network of more than **884** community providers who work together as part of the WellSpan Provider Network

A regional resource featuring a **Level 1** trauma center at WellSpan York Hospital and a regional Brain Injury Unit at WellSpan Surgery and Rehabilitation Hospital, and other experts in caring for the seriously injured and ill

More than **130** locations including **4** hospitals conveniently located in our local communities

Recognized **Leaders** in quality and patient satisfaction at WellSpan Ephrata Community Hospital[1], WellSpan Gettysburg Hospital[2], WellSpan Surgery and Rehabilitation Hospital[3], and WellSpan York Hospital[4]

Transforming the doctor-patient **Relationship** and helping our friends and neighbors achieve their health goals

A **Source of Care** for our communities' most vulnerable populations, including those who occasionally e difficulty helping themselves.

1 - VHA Measures

2 - American Nurse Credentialing Center Pathway to Excellence

Supported:
WellSpan's Community Impact

There are many ways to measure the impact that WellSpan has had on the local communities of south central Pennsylvania. Here are four important ways:

MILLION

Charity Care.
Cost of free care to patients who participated in our charity care program.

+

MILLION

Medicaid.
Cost greater than what was paid to WellSpan by Medicaid.

+

MILLION

Medical, Dental, Pharmaceutical.
Cost to support services that provided discounted medical, dental and pharmaceutical care to people in need.

+

MILLION

Community programs and outreach.

In total for fiscal year 2014, WellSpan provided more than

$134,000,000

in community benefit.

Of course that's only part of the story. In 2014 the people of WellSpan:

Helped our patients pursue the goal of better health through more than than **650,000 visits** to our primary care practices.

Helped more than **1,000** individuals make the effort to quit tobacco use.

Cared for more than **43,000** people in our hospitals and more than **4,400** people in their homes.

Welcomed more than **4,400 babies** into our communities.

Volunteered for **more than 100** non-profit community organizations.

2014

Provided jobs for more than **11,500 members** of our communities.

Received more than **135,000 visits** to our emergency departments.

Transformed **28 local primary care practices** into Patient Centered Medical Homes, which offer a higher level of coordination and engagement with the patient and specialty physician offices.

Trained more than **675** medical residents and visiting medical students.

Educated more than **12,000** people on living healthier lives through nutrition and physical activity.

Were supported by more than **2,000 volunteers** who offered more than 170,000 hours of their time.

Cared For:
Transforming Care

WellSpan is transitioning from a health system focused on treating acute injuries and illnesses to an organization that proactively helps people reach their optimal health goals.

By doing so, WellSpan will make a difference in the health and quality of life of the individuals and communities it serves for generations to come.

In the near future, WellSpan will measure success by improving health outcomes, patient satisfaction and quality while simultaneously managing costs among three major patient

Community Benefit Report

segments: those who are well, those who are chronically ill, and those who are acutely ill or injured.

This type of change requires a new approach to caring for individuals that includes redesigning components of the health system to assess the health of the individual and community, optimally treat chronic disease and efficiently treat people with acute illnesses and injuries. At the same time it encourages and empowers consumers to improve their own health through information, self-care and a relationship with a primary care provider that assumes accountability for their health across the lifespan.

From 'my' patient to 'our' patient: How new models are transforming care

Improving the health of individuals and communities across Central Pennsylvania, WellSpan Health has established patient-centered medical homes (PCMHs) in its primary care practices.

The PCMH model engages providers to partner with patients to help them achieve their health goals — rather than merely treat patients when they have illnesses or injuries.

"This is a paradigm shift in health care," noted Karen Jones, MD, FACP, vice president and chief medical officer of the WellSpan Medical Group. "It's very different from the way we practiced medicine in the last century. Before, physicians concentrated on patients who came to the office seeking care, and there wasn't much focus on patients who weren't present. Now, WellSpan Health is transforming care delivery to optimize the health of individual patients and populations. Patients and families are engaged with a care team led by the primary care provider to optimize their health during the visit and between office visits. For example, if a patient is overdue for needed care, we'll send them a letter or give them a call. We take every opportunity to make sure patients are up-to-date on their medical care."

In today's evolving healthcare landscape, the PCMH model allows for better care delivery than traditional methods.

"... the days when a primary care physician could provide all necessary services are gone."

"I've been in primary care for 30 years, and the days when a primary care physician could provide all necessary services are gone," said Thomas McGann, MD, senior vice president of clinical practice at WellSpan Health and president of the WellSpan Medical Group. "Innovations and regulatory measures associated with seeing patients are being introduced at an increasingly rapid pace, and one physician can't do everything alone. WellSpan's philosophy incorporates other providers and staff members who can ease the burden on the physician and distributes responsibility for patient health across all members on the care team."

Everyone is on board

Although the PCMH model differs in some key respects from traditional healthcare practices, it maintains the bedrock principle of strong relationships between primary care provider and patient. However, the provider has more in-office resources to facilitate better care delivery.

For example, when a patient signs in for an appointment, front-desk personnel provide patients with a personalized patient report generated from their electronic health record (EHR). This report identifies any necessary preventive screenings, immunizations or

WellCared For: **Transforming Care**

(Continued from page 6)

blood tests. The clinical staff then discusses the information with patients before the provider goes into the exam room.

After the appointment, the same personnel gauge patient reactions to provider recommendations. Patients are frequently concerned about expensive medications, and if staff members believe a prescription may go unfilled, they introduce patients to social workers who can help find solutions.

Within the past two years, WellSpan has introduced care coordination teams made up of health coaches, case managers and social workers to support the work of the Patient Centered Medical Home. Health coaches are embedded in a primary care practice to help physicians coordinate the various services that patients require. If, for example, family members feel they can no longer care for an ill loved one, the care coordination team will work with the family to arrange the necessary in-home services or placement in an extended care facility.

When this situation arises in the office setting, it can be the most challenging kind of patient visit you can have," Dr. McGann noted. "It has traditionally been our responsibility as physicians to mobilize resources and information for the patient. This might mean organizing hospital admissions, finding nursing homes or making referrals — all while your waiting room is packed with other patients. In the old days, these situations ended with hospital admissions, where further care could be arranged. In these situations, WellSpan's health coaches and their connections to hospital-based care coordinators are a tremendous advantage. They make all the arrangements seamlessly without the need for admission."

Putting the pieces together

According to a patient's needs, a healthcare team is assembled to help the patient manage their care in an efficient and effective manner. As a result, chronic conditions are treated optimally, and the need for emergency room visits and readmissions is sharply reduced.

While the primary care office serves as the patient's medical home, this team engages with highly skilled specialists and other essential providers across the system in a coordinated fashion.

"Healthcare often requires a multidisciplinary approach, and the next ring of services outside the primary care office is the patient-centered medical neighborhood," Dr. McGann said. "Across our health system, we've improved the connection between the home and neighborhood models."

The medical neighborhood may include cardiologists, orthopedists, endocrinologists, surgeons or other specialists, and WellSpan ensures smooth patient transitions from one provider to another.

"In the past, each specialist had a separate chart," Dr. McGann said. "This created a lack of consensus in the overall care plan and could cause complications if, for instance, medications interacted. By bringing each WellSpan physician onto the same EHR and instituting a messaging system on which physicians can communicate asynchronously, we've significantly improved communication among specialties."

Providers in WellSpan's Patient Centered Medical Home and Neighborhood also coordinate vital, community-based services that patients may require.

"The idea of partnership extends beyond the provider and patient relationship," Dr. Jones said. "We have forged strong relationships with multiple agencies and organizations to enhance the quality of local healthcare."

As part of its PCMH initiative, WellSpan has established a broad network, including partnerships with the Area Agency on Aging, local nursing homes, and other hospitals and emergency rooms. Independent physicians are also invited to integrate their services into the patient-centered medical neighborhood.

"Transforming to a PCMH is a journey," Dr. Jones said. "We've made stepwise progress in transitioning to this model. One of the basic tenets of the PCMH is a philosophical adjustment, in which 'my' patient becomes 'our' patient. We realize this requires a team effort, and since 2009, we've added components from across the health care continuum to achieve our vision."

Patient engagement

WellSpan physicians encourage patients to take ownership of their health and actively participate in decision-making.

"We emphasize the idea of healthcare as a partnership," Dr. Jones explained.

"Traditionally, physicians have been perceived as the sage leaders who know precisely what's needed to cure an ailment. While a physician's understanding of medical science is clearly an integral part of care, we also realize that no one knows the patient better than the patient."

Along with the responsibility that accompanies being the center of the care team, patient partners take part in shaping the processes and approach to continuous improvement that are integral to the delivery of care. They volunteer their time to attend meetings to improve quality measures and workflows, and as the "customers," their input has led to the institution of several changes to improve the patient experience across our organization.

For example, WellSpan physicians care for a large number of people with diabetes. In large endocrinology practices, previously only a few exam rooms had blood glucose meters, which caused a delay while nurses searched for one. Patients identified this as an area for improvement; now, there's a meter in every exam room.

"That's a great example of why the patient perspective is so important," said Dr. McGann. "It identifies little things that we as physicians can miss because we're focused on the medicine."

Making a difference

By engaging patients and aligning the resources of the care team, WellSpan's PCMH and neighborhood helps physicians concentrate on doing what they do best: caring for patients.

"This is an exciting new approach to delivering healthcare," Dr. Jones said. "Physicians and their care team are now able to manage patients and broader populations to improve the health of our communities."

For more information about WellSpan Medical Group, visit

www.WellSpan.org/WMG.

WellCared For: Transforming Care

WellSpan's efforts to transform care in 2014

WellSpan's efforts to transform care have resulted in redesign of the health experience of our patients. The Patient Centered Medical Home/Neighborhood (PCMH/N) model has supported the redesign of primary care in the practice and is beginning to transform the care of a larger "neighborhood" to soon include specialty and acute services. The following illustration outlines our progress:

Coordinated Care

To support the transformation of care and advance care coordination, WellSpan has created several programs:

Care Coordination Teams (CCTs) to re-deploy hospital-based Case Management staff to a PCMH orientation;

Transitional Care Management (nurse practitioner) Home Visit Program for vulnerable patients with medical conditions on discharge from the hospital.

Bridges to Health, focusing on the extremely vulnerable patient population.

Recognition

27 WellSpan Medical Group practices achieved recognition as National Committee for Quality Assurance (NCQA) Level 3 PCMH practices.

Performance

Performance improvement efforts are organized in a Learning Collaborative that consists of monthly webinar calls on key topics, performance improvement efforts and quarte educational and improvement dinners where activities are shared and celebrated.

Grants

Working to expand the scope of the Robert Wood Johnson Foundation's grant-sup PCMH collaborative to actively engaging specialty services (like Emergency care, Hospitalist, Endocrinology) and community services (like Area Agency on Aging) in evolution of the PCMH/N model.

MyWellSpan

Supporting care transformation, clinical technology improvements, such as the MyWellSpan secure, online patient portal, have made significant advances in patient health care self-management. Our progress includes:

More than 95,000 patients enrolled on MyWellSpan patient portal with access to medical records, online appointment scheduling, direct and secure physician messaging, test result reviewing and prescription refill orders.

Volunteerism

WellSpan worked with Aligning Forces for Quality to increase the presence of volunteer patient partners in WellSpan Medical Group practices. More than 70 trained Patient Partners throughout Adams, York and Lancaster are working directly with WellSpan primary, specialty and inpatient care providers in care improvement activities system-wide.

Specialities

WellSpan is working to advance this care model across our regional system of care and to include other new practices, such as pediatrics. Additionally, we are incorporating other specialty services into a PCMH/N model such as behavioral health, home care and rehabilitation services.

Committed:
How We Can Help

Every member of our community deserves the care they need

At WellSpan, it is our core belief that access to health care is one of the keys to a healthy community. Yet, in our region, there are still thousands of individuals who fall through coverage gaps and live without adequate health insurance.

This community health challenge cannot be ignored and requires careful planning and forethought. Fortunately, WellSpan has done both. We take measures to care for those who have no insurance and are unable to pay. We offer discounted care to individuals whose income falls within 300

WellCommitted: How We Can Help

percent of federal poverty guidelines. Additionally, all uninsured patients, regardless of whether they qualify for charity care, receive discounts similar to those offered by private insurance companies. We offer free care to patients who participate in our charity care program.

Together with our community partners, we support programs to take primary care and other outpatient services into urban and rural communities, improve access to oral health care and help people establish a "medical home" with a primary care physician.

Healthy Options program seeks to close the food gap

Low-income households receive vouchers for fresh fruits, vegetables and more

Experts call it the food gap. It affects families who earn too much for food stamps, but too little to shop nutritiously. The result is a diet of highly processed, unhealthy food.

A whopping 26 percent of Adams County families with children are caught in the food gap, reports the Adams County Food Policy Council, a task force of Healthy Adams County.

"When families are struggling to pay their bills for the month, the food budget is usually the first thing to get cut," explained Kathy Gaskin, executive director of Healthy Adams County. "At the grocery store, instead of buying fresh fruits and vegetables they're looking at canned food, which costs a little less."

Three years ago, WellSpan's Gettysburg Hospital Foundation began funding an innovative program called Healthy Options. It seeks to close the food gap, and support local farmers in the process.

Through Healthy Options, low-income households receive vouchers for fresh fruits, vegetables, breads and meats at participating Adams County farmers' markets. The program targets families who do not qualify for the Supplemental Nutrition Assistance Program (SNAP), more commonly known as food stamps. They receive $40 in vouchers each month to use at the farmers' markets.

Healthy Options also educates. Participants learn to grow and prepare their own food through a series of gardening classes, farm tours, and healthy cooking classes. Judy Alder, manager of community philanthropy at the Gettysburg Hospital Foundation, said her board of directors did not hesitate to approve funding for Healthy Options. "We are pleased to support a program like this because of the direct impact it is having on families, not only with the vouchers, but through the educational programs," Alder said.

This past year, Healthy Options helped 74 needy families. The program runs from June through September. Kathy Glahn, president of the Adams County Farmers' Market Association, said that few farmers' markets across the country participate in food assistance programs. Her group, however, views it as a special opportunity to not only serve the community, but also gain new customers.

Healthy Options and SNAP combine for more than 10 percent of sales, Glahn said. "Hopefully, after these families get through the rough patch in their lives, they will continue to think of the farmers' market as part of their weekly routine for shopping for fresh produce," she said.

For more information about Healthy Options and Healthy Adams County, visit
www.healthyadamscounty.org.

In fiscal year 2014, WellSpan Health provided more than $275 million in care for the uninsured and underinsured in our community.

Community Benefit provided to people we serve:

$22.9 MILLION

Cost of free care to patients who participated in our charity care program.

$88.8 MILLION

Cost greater than what was paid to WellSpan by Medicaid.

$15.6 MILLION

Cost to support services that provided discounted medical, dental and pharmaceutical care to people in need.

$5.9 MILLION

Community Education and Outreach: $5.9 million in free community education and outreach to children and at-risk groups, and the community at large (including adults).

Other costs of providing care for people in our community:

$114.5 MILLION

Cost greater than what was paid to WellSpan by Medicare.

$30 MILLION

Cost of services to patients who received care for which they did not pay and who did not participate in the charity care program.

Programs for the uninsured that WellSpan supported in 2014:

Healthy York Network and Healthy Community Pharmacy - a collaborative effort that facilitates access to discounted health care services and prescription medication for individuals who lack sufficient health insurance.

Our progress:

$24 million of care provided

3,000 new members enrolled

WellCommitted: **How We Can Help**

The advent of the Health Insurance Marketplace - in 2013, changed the national health insurance landscape and necessitated an increased level of enrollment assistance for individuals from vulnerable populations. Through our community health worker program, people are receiving help with navigating the health care system and enrolling in available programs.

Our progress:

311 individuals were assisted with access to healthcare and enrollment in health assistance programs such as Healthy York Network.

Family First Health's Hannah Penn Health Center - a partnership of WellSpan York Hospital, Family First Health and the City of York School District, that provides medical and dental care for underserved adults and children.

Our progress:

3,490 acute and preventive visits

York Hospital Community Health Center - which provides primary care services, women's health care, HIV care and pediatric care for medically complex conditions for adults and children lacking sufficient health insurance.

Our progress:

22,759 primary care visits

15,204 obstetrics and gynecology visits

Thomas Hart Family Practice Center - which is staffed by resident and faculty physicians at WellSpan York Hospital and provides acute, chronic, preventive and obstetric care for people lacking sufficient health insurance.

Our progress:

25,041 patient visits

Family First Health's Gettysburg Center - a federally qualified community health center that WellSpan supports to provide medical and dental services in Adams County for underserved adults and children.

Our progress:

7,172 patient visits

2,140 dental visits

The George W. T. Bentzel, DDS Dental Center - which is staffed by licensed dentists and residents from the WellSpan York Hospital Dental Residency Program.

Our progress:

12,525 outpatient visits

Hoodner Dental Center - for individuals lacking sufficient dental insurance and who qualify for medical assistance or the Healthy York Network.

Our progress:

5,980 dental visits

ECH Cares - a program of WellSpan Ephrata Community Hospital, is designed to help eligible patients cover the costs of their healthcare services.

Our progress:

In fiscal year 2014, ECH Cares provided total benefits worth $8 million to more than 1,900 patients.

Welsh Mountain Medical and Dental Center - in New Holland, Lancaster County, which is staffed by licensed physicians and dentists, as well as a Certified Registered Nurse Practitioner. Welsh Mountain is a federally qualified health center with four locations in rural Lancaster County and Lebanon County. The center serves the general population along with Medicaid and uninsured patients.

Our progress:

14,172 medical visits in fiscal year 2014

10,444 dental visits in fiscal year 2014

Partnered: Healthy Communities

Collaboration is vital to making an impact on our community health

At WellSpan, we wholeheartedly agree with the World Health Organization's assessment that health is "a state of complete physical, mental and social well-being, not merely the absence of disease or infirmity." And we recognize the dangers and issues facing a community that cannot achieve this level of health.

To help our communities become healthy places to live, work and play, we are constantly planning for the future, developing

partnerships, building community assets, engaging citizens and sponsoring initiatives. Our efforts are broad-based and wide-reaching, but so is the need. We believe that our progress, on all fronts, continues to make a difference.

WellSpan and York County Community Foundation create new EMS fund

WellSpan Emergency Services Fund intended to support regionalization efforts

WellSpan Health and the York County Community Foundation have partnered to create the WellSpan Emergency Services Fund, which is intended to encourage Emergency Medical Services (EMS) providers in York County to work toward a more coordinated, regional EMS system.

WellSpan donated $500,000 to establish a fund at the foundation for this purpose. WellSpan hopes to grow the fund to $1 million by encouraging new donations through an additional $250,000 match.

"York County Community Foundation and WellSpan Health aim to facilitate and nurture a strong regional emergency medical response system in York County," said Keith Noll, president of WellSpan York Hospital and senior vice president, WellSpan."We believe the best EMS model for York County is one that is led by the community," he added. "WellSpan has committed to ongoing support of regional solutions for EMS services."

The foundation's well-established and community-led grant process will serve as the funding mechanism for community providers of EMS that agree to collaborate toward a more regional EMS system for York County. The community foundation will solicit grant applications from eligible organizations. Those applications will be reviewed by a committee and approved by the foundation board of directors.

Grants will be made for purposes such as professional services, for start-up resources, and/or for the development of new and innovative collaborative projects in order to meet the emergency service needs of the community. Applicants and their proposed partner organizations must be either a non-profit and tax-exempt organization, or a unit of government or a public agency.

Applicants must demonstrate an interest in collaboration, the capacity to expand their core of service, and the ability to sustain the project post-grant.

In Adams County, WellSpan continues to provide Advanced Life Support services until a sustainable community model is developed and implemented. WellSpan is committed to supporting community leaders to ensure the high quality delivery of EMS services throughout Adams County now and into the future.

Community health initiatives WellSpan supported in 2014:

Healthy Adams County

Healthy Adams County is a partnership of community members dedicated to continuing assessment, development and promotion of efforts toward improving physical, mental and social well-being. The issues our efforts address include health literacy, healthy lifestyles, oral health, depression, children's health and nutrition, end of life planning and many more. Our progress in 2014:

- Held the first "Preparing through Life for End of Life" interactive resource fair in Adams County to increase awareness of end of planning and available community resources;
- Developed a "Healthy Choices for Kids" menu program for local restaurants to address obesity;
- Began a sub-committee of the Behavioral Health Task Force to focus on suicide prevention primarily targeting adult males;
- Successfully completed the third annual "Healthy Options" program, a voucher program for qualified residents to shop at the Adams County Farmers Market Association Markets; and
- Held the seventh annual Adams County Health Summit focused on understanding your health care for more than 100 health and human services professionals and community residents.

Healthy York County Coalition

The Healthy York County Coalition is an ongoing collaborative effort to improve the health and wellness of the York County community. The coalition's current priorities are access to care, adult overweight/obesity, depression, end-of-life planning, oral health, prenatal care and smoking/tobacco. Our progress this year:

- Access & Empowerment Committee is introducing activities to educate the newly insured and the uninsured on why and how to select health insurance.
- Depression Workgroup is working with WellSpan Health to conduct a community campaign that provides resource support for residents dealing with depression.

WellPartnered: **Healthy Communities**

Healthy York County Coalition (Cont.)

- Oral Health Task Force distributed educational handouts for pregnant women and mothers caring for infants.
- Prevention & Wellness Committee is planning an initiative to showcase and build on successful sustainable strategies that contribute to the physical, mental and environmental health of county residents.
- Your Life – Your Wishes Task Force is conducting educational sessions to help residents understand their end-of-life choices, encourage family conversations, and complete advanced directives.

Reach Out and Read

Reach Out and Read program to address early childhood literacy. Our progress:

- 5,460 books distributed to children ages 6 months to 5 years through the Thomas Hart Family Practice Center and the York Hospital Community Health Center.

SAFE

SAFE, teams of specially trained Emergency Department nurses at WellSpan York Hospital and WellSpan Gettysburg Hospital to address domestic violence and child abuse. Our support:

- Provided care to more nearly 400 patients.

Community sponsorships

Community sponsorships to support health and quality of life across south central Pennsylvania. Our support:

- More than $650,000 in sponsorships to area organizations and contributions to local government and school districts.

Community partnership grants

Community partnership grants to address health and quality of life program issues within the communities we serve. Our support:

- $223,800 provided to support organizations that included:

York County Library System	Leg Up Farm
Adams County Arts Council	NAMI PA York County
Epilepsy Foundation of Western Central Pennsylvania	York County Literacy Council
	Welsh Mountain Health Centers
Healthy Adams County	Children's Home of York
Healthy York County Coalition	YMCA of York County
Gettysburg C.A.R.E.S. Inc.	York Hospital Community Health Center

Outreach

Outreach to the Latino population to address issues such as childhood obesity, early prenatal care and Latino health. Our progress:

- Educated 185 Latino community members on local resources for healthcare, including how to access services through Healthy York Network, where to go for a family doctor and how to access eye screening services and providers.
- Engaged nearly 1,000 Latino community members and families at the Binational Health Fair in conversations about healthy lifestyles, cancer prevention and encouraged women to sign up for mammograms.

Operation Heartbeat rural AED program

Through the Operation Heartbeat rural AED program, 247 law enforcement personnel, National Park Service staff and community members in Adams County were trained in current AED and CPR guidelines.

Project SEARCH

Project SEARCH, a school-to-work program for area students with disabilities that provides real-life work experience and preparation for employment. Our progress:

- Provided total immersion in the workplace for nine area students.
- This high school program located within the WellSpan Health Network is in partnership with Lincoln Intermediate Unit #12(LIU), the Office of Vocational Rehabilitation (OVR) and Office of Development/Programs (ODP)/York/Adams MH/IDD.
- Since its inception, this program has graduated 39 students, 11 of which have since secured employment.

Support for community health initiatives

WellSpan Ephrata Community Hospital staff actively participate in several county-wide coalitions to support community health initiatives including:

- Tobacco-Free Coalition of Lancaster County
- Lighten-Up Lancaster County
- Lancaster Health Improvement Partnership
- Lancaster Health Summit Planning Committee
- Mental Health Collaborative

Stroke Committee

The Stroke Committee of WellSpan Ephrata Community Hospital has focused its outreach efforts on helping the community identify stroke symptoms and initiating the call for help. The Act FAST message is spread by community presentations, health fairs, social media and the distribution of Act FAST magnets. Since 2011, more than 13,000 refrigerator magnets have been distributed to educate and remind community members to Act FAST.

Planned: Lifelong Wellness

Sometimes healthier living starts with simple behavior changes

At WellSpan, we recognize that unhealthy behaviors can harm an individual, a family and an entire community. We also recognize that simple behavior changes and access to the right information can make all the difference in promoting lifelong wellness. That's why we create, support and contribute to numerous programs designed to lay the groundwork for healthier living.

Community Benefit Report

Smoking-cessation efforts prove to be life-saving

Steve Colamarino of Sinking Spring, Pa. smoked for 40 years. His wife, Sarah, smoked for 30. They tried to quit in the past and failed. This time would be different, they said.

They enrolled in the tobacco cessation program at WellSpan Ephrata Community Hospital's Wellness Center. Then came an unexpected turn.

Each week, while tobacco treatment specialist Sharon Czabafy addressed the class, CPR coordinator Tracy Van Marter sat in the back and recorded vital signs. Van Marter took Steve's blood pressure. "She told me, 'You've got to get to the doctor,'" he said. He began immediate treatment for a variety of cardiovascular problems, the byproducts of a lifetime of smoking. "Everything was coming to a head," Czabafy remembered. "He was a walking time bomb."

The critical situation was all too familiar to Czabafy. She's seen it many times during her 12 years of tobacco counseling. "People just don't realize that smoking is interrelated with every other chronic disease," she said. "Nicotine is the most addictive drug known to humankind. It's more addictive than heroin and cocaine."

Steve and Sarah continued the seven-week program. When it came time to bid a final farewell to tobacco, Sarah chose the help of a nicotine patch. Steve couldn't use any aids because of his health.

The Ephrata program follows CDC guidelines for effective tobacco cessation. Roughly half of all participants remain smoke free three months later. Steve struggled, but he remembered the tips from class: Avoid situations that trigger urges. Focus on alternate activities. Eat right.

In January, the retired truck driver underwent an open-heart procedure by Larry Shears, II, MD, of WellSpan Cardiothoracic Surgery. It was a complete success.

Today, Steve and Sarah are still tobacco free. Steve's health improves a little more each day. He has begun a vigorous walking regimen, and he revels in the strength returning to his body. He credits the program with saving his life, and for finally making it smoke free. "If it wasn't for the class, I don't think I would have succeeded," he said. "The classes are awesome," Sarah echoed. The urge creeps up occasionally, she admits, but now she knows how to defeat it.

"The average smoker quits seven times before they stay quit," noted Czabafy. She said Steve and Sarah offer further proof that even lifelong smokers can win. "It's never too late, and there is always help available," she said. "You don't have to do it alone."

For more information on WellSpan tobacco cessation programs available in each of the communities we serve, visit:

www.wellspan.org.

WellPlanned: **Lifelong Wellness**

Lifelong wellness initiatives WellSpan supported in 2014:

Leadership

Adams County Young Women's/Young Men's Annual 7th Grade Leadership Conference.

Our progress:

- More than 1,180 attended; topics included Internet safety, respect, healthy body image, goal setting and leadership skills.

The York County Young Women's Leadership Conference.

Our progress:

- More than 1,147 seventh-grade girls attended; topics included social hierarchies and teen relationships, gender aggression, stress management, healthy body image and goal setting.

Physical Activity and Reading

GO York community initiative to promote physical activity and summer reading.

Our progress:

- An estimated 9,417 GO and Dig It Up! program guides were distributed by York County libraries with 1,361 (14.5%) returned at the program's completion. Participants who returned their guides collectively walked 16,750 miles.

Staying Healthy

Numerous programs that encourage healthy eating and physical activity among young people and adults.

Our progress:

- 31 individuals completed an hour-long Steps to a Healthier You class; 44 people in York County and 31 in Adams County participated in the eight-week A Healthy You program focused on healthy weight management.
- Conducted a pilot Fruit & Vegetable Prescription program in which patients at four WellSpan Medical Group practices were provided with a "prescription" to purchase and consume fruits and vegetables. In addition, 10 patients at each of these practices were identified and offered "Market Bucks" each month to assist in purchase of produce from select farmer's markets.
- Distributed Market Basket of the Month resource kits and monthly newsletters to promote fresh produce items to participating schools, markets and organizations.

Injury Prevention

SafeKids injury prevention programs for children and parents; and bicycle, car seat, home and pedestrian safety initiatives.

Our progress:

- 2,355 children and adults participated in bike and pedestrian events.
- 524 children and adults participated in Buckle Up Community events.
- Inspected 497 child passenger safety seats (car seats).
- 174 local law enforcement officers, health and human service professionals, and hospital personnel participated in child passenger safety training.
- 954 children and adults engaged in home safety events.
- 345 children and adults received educational information on safe sports.

Community Programs

WellSpan Ephrata Community Hospital offers life-enhancing programs, health screenings and personal consultations through its Wellness Center. The center provides programs throughout the year, including weight management, tobacco cessation, diabetes education, CPR & first-aid classes and senior programs – all at minimal cost to participants.

Children' Health

Children's Wellness Days, sponsored by the York Hospital Auxiliary.

Our progress:

- More than 1,400 third-grade students from public and private schools attended.

Tobacco

Tobacco education and cessation activities at WellSpan York Hospital and WellSpan Gettysburg Hospital.

Our progress:

- More than 600 Adams County and 425 York County children and adults participated in programming ranging from distribution of education resources to group and one-on-one cessation counseling.

Pregnancy

WellSpan Ephrata Community Hospital participates in Healthy Beginnings Plus, a state-funded program that assists pregnant women who are eligible for Medical Assistance to have a positive prenatal care experience. Healthy Beginnings Plus blends comprehensive clinical care with group learning sessions, and it includes a care team of obstetricians, nurses and midwives, a social worker, a dietitian and a dental hygienist. The program also receives regular support from hospital employees and area residents, who donate baby supplies and handmade items.

Managed: Chronic Care

Living better with a chronic illness

For 125 million Americans, chronic illness is a never-ending problem that in many cases limits their lives, their sense of freedom and joy. Yet, with prevention, education, detection, treatment and care, many of these chronic conditions can be managed and even alleviated.

Clearly, a better life is a better plan. To help achieve it, WellSpan works with individuals across south central Pennsylvania and northern Maryland on a variety of services and programs conceived and designed to improve the lives of those with chronic illness.

Community Benefit Report

Innovative program bridges patients' gaps in health care

Historically, the American health care system focused on treating acute illnesses and injuries, most often in a hospital setting.

The new emphasis, however, is on managing the health of populations. That requires a very different approach and new skills. WellSpan's Bridges to Health is a cutting-edge program for "high utilizers," people with more ED visits and hospitalizations than others with similar problems.

"These patients are consuming more health care resources than appear to be in their—or the community's—best interest," said Chris Echterling, M.D., the Bridges to Health medical director.

His team seeks out high utilizers, tries to learn the circumstances that have led to this situation and works with the patient to figure out a better plan moving forward.

Determining the patient's goals and how those goals can be addressed as opposed to seeing the patient as simply "non-compliant" is a foundational principal of the Bridges to Health's approach.

"Our patients have legitimate medical problems, but it usually becomes pretty clear that other issues are complicating their ability to deal with those medical problems," said Echterling, who is also the WellSpan Medical Group's associate medical director for quality and innovation, and medical director of the Healthy York Network.

"Often there is a history of loss or trauma in their lives, which has made it difficult for them to build trusting relationships," he explained. "Sometimes their priority is not their diabetes, but other issues like the grandchild for whom they have sole responsibility."

High utilizers typically share a common thread: they've fallen into a health care gap. "In almost every situation it seems that despite our best efforts, we as a health system have not communicated very clearly with the patient, or with one another," Echterling said.

Bridges to Health spans those gaps. Its physicians, nurses, and social workers do whatever is necessary to restore effective care. They visit patients' homes. They solve transportation and insurance problems. They sit in on specialist appointments, ensuring good communication. It's slow, arduous work, but it can help interrupt the cycle of high utilization.

Most patients, since joining the program, have significantly reduced their ED visits and hospital stays. Some patients have been transitioned back to their previous patient-centered medical home practice and the care of their primary care provider.

Bridges to Health shares space with the York Hospital Community Health Center at 605 S. George St. in York.

WellManaged: **Chronic Care**

Chronic care initiatives that WellSpan supported in 2014:

Health Improvement

Aligning Forces for Quality – South Central PA (AF4Q SCPA) is a multi-stakeholder regional health improvement collaborative that has received Robert Wood Johnson Foundation funding since 2007. AF4Q SCPA brings together those that give, get and pay for health care with the goal of improving the quality and cost of care.
Our progress:

- **Patient Partners/LIFT Collaborative:** More than 80 trained Patient Partners throughout Adams, York and Lancaster Counties working directly with WellSpan primary, specialty and inpatient care providers in care improvement activities system-wide.
- **High Utilizer Collaborative:** Six clinics collaborating to improve quality and reduce health care spending for this high risk, cost patient population.
- **I Can! Challenge:** More than 160 patients have completed the I Can! Challenge since 2011, improving their patient activation, health outcomes and ability to self-manage their chronic conditions.

Uninsured/ Underinsured

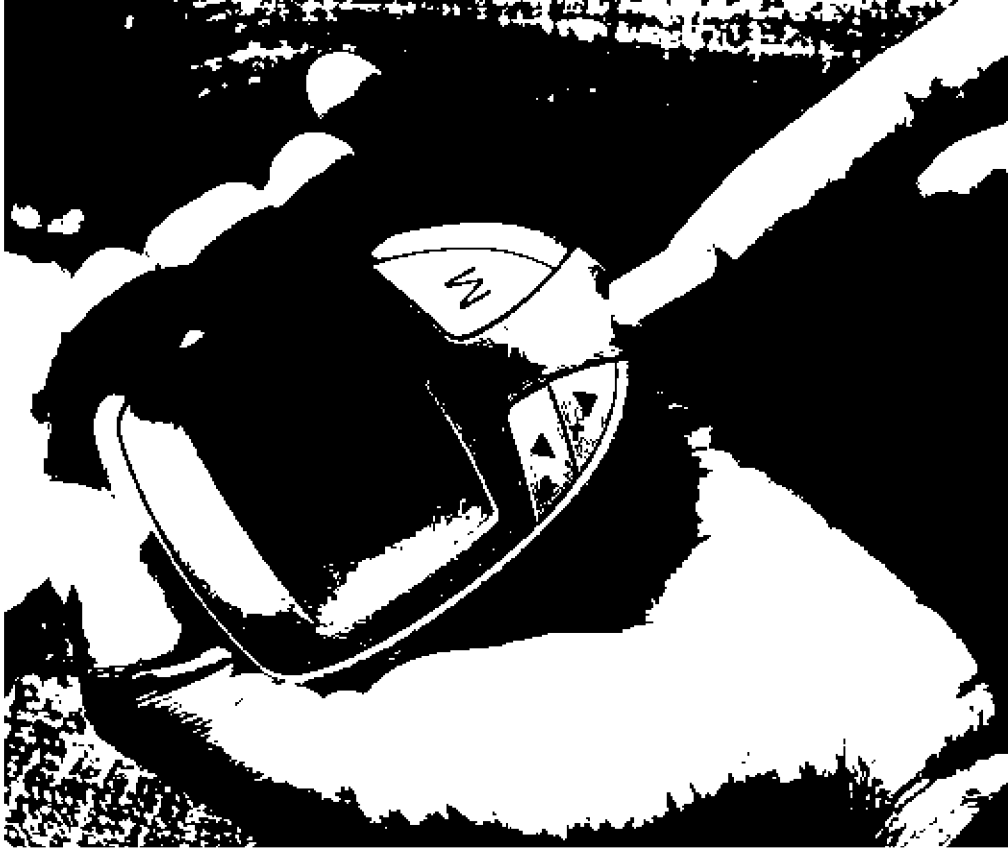
For Heart's Sake, an outreach initiative for uninsured and underinsured African-Americans residing in York City.
Our progress:

- Community Health Improvement held its eighth **"For Heart's Sake" screening event** at William Penn High School in York City, at which 75 community members learned their personal health risks related to cardiovascular disease and how to minimize them through healthy lifestyle behaviors. In addition, 24 screening event participants engaged in healthy eating cooking classes as a part of the For Heart Sake initiative. This initiative is led by a strong network of lay health leaders representing York City residents.

Asthma Management

Camp Green Zone, a four-day event which teaches children ages 6-12 how to control their asthma.
Our progress:

- 85 youth participants



Health Screening

Provision of community screening programs in Adams County.
Our progress:

- Screenings such as blood pressure and blood glucose were provided to **3,490 individuals** in Adams County at multiple venues. Additionally, flu vaccines were offered to community members, including free vaccine distributed by the Department of Health to underserved groups. Nearly 1,100 seasonal flu and pneumonia vaccinations were given throughout Adams County.

Diabetes Management

WellSpan Ephrata Community Hospital offers a 10-hour group instruction for patients diagnosed with diabetes. **"Taking Charge of Your Diabetes" i**ncludes individual consultations with a dietitian and nurse, as well as follow-up consultations. Recognized by the American Diabetes Association, this course meets national standards for diabetes self-management education and is covered by most insurance plans.
Our progress:

- More than 100 participants
- More than 600 individual diabetes consultations conducted

Stress Management

Stress Less, a program designed to help adults overcome daily stressors by learning to relax, breathe, and adapt to stress.
Our progress:

- 12 attendees in Adams County

Prepared:
Learning

Care for the next generation of our community starts today

At WellSpan, we believe in the power of new ideas, new approaches, new discoveries and new people. That's why we sponsor programs that train the next generation of physicians, nurses and other clinical professionals. These programs allow us to stay abreast of new techniques to prevent, detect, diagnose and treat medical problems, and ensure an adequate supply of essential clinicians for the future.

Breast cancer patient glad to help others through clinical trial

New drug compared to the current standard treatment

This time last year, Vicki Wilson of Lititz had completed six months of chemotherapy for breast cancer, and she was preparing for a grueling regimen of 34 radiation therapy treatments.

Today, however, she's energetic and positive. She gardens, rides her quarter horse and trains two miniature horses to be therapy horses.
Wilson, who was diagnosed with breast cancer in November 2012, visits Dr. Wilfred Layne and her radiation oncologist at WellSpan's Ephrata Cancer Center every three months. Her prognosis is good.

Prior to receiving chemotherapy, Layne asked Wilson if she would be interested in participating in a phase III clinical trial, which compares a new drug to the current standard treatment. Patients must meet specific criteria and give their consent to participate in a clinical trial. The clinical trial compares chemotherapy regimens with and without Anthracycline for patients with certain pathology testing results, according to Diane Noll, RN, clinical trials coordinator for the Ephrata Cancer Center.

The clinical trial program is part of WellSpan Ephrata Community Hospital's affiliation with Thomas Jefferson University Hospital.
"If I could advance medicine, save sisters, help mothers and daughters, I felt I had an obligation to participate in the clinical trial," said Wilson, a 53-year-old mother of two. "I didn't feel that I would receive a lesser medication, or I was putting myself at risk," she added. "Participating in the clinical trial gave me a good feeling."

Wilson is one of approximately 700 patients who participate in nearly 250 clinical trials throughout WellSpan, according to Tara Moore, quality assessment specialist for research. WellSpan clinical trials are currently being conducted in the areas of oncology, cardiology, neurosciences, orthopedics, emergency medicine and medicine. "Clinical trials help us to develop better treatments," said Noll. "Without clinical trials, we wouldn't have the medications we do."

Each clinical trial goes through four phases before it can receive approval for general use. With the different phases and information review necessary for each trial, it is often years before a procedure, treatment, or therapy receives final approval.

WellSpan has a strong track record of conducting sponsored projects and participating in clinical trials. The Emig Research Center at WellSpan York Hospital provides comprehensive central administrative services for all of WellSpan. A research team works with physicians, nurses and patients to help facilitate enrollment in clinical trials, provide protocol therapy and detail collection of research data. Patients should check with their insurance companies to see if they cover clinical trials.

Wilson encourages other patients to participate in clinical trials, if they meet the criteria. "It's a great way to help others, and advance the field of medicine," she said. Wilson also praised the treatment she received at the Ephrata Cancer Center. "It sounds strange to say, but it was almost worth it to get breast cancer for the chance to know all the people who cared for me at the Ephrata Cancer Center. They are wonderful, caring and professional people."

WellPrepared: **Learning**

Learning initiatives that WellSpan supported in 2014:

Clinical Trials

Provision of clinical trials to the community.
Our progress:

- More than 700 patients participated in the following trial categories: breast cancer, prostate cancer, skin cancer, esophageal cancer, colon cancer, lung cancer, cancer of the head and neck, depression in cancer patients receiving radiotherapy, coronary artery disease, coronary artery stents, cardiac arrest, chronic heart disease, seizures in adults and pediatrics, cervical dystonia, facial paralysis, pneumonia, orthopedic treatment and prevention, lung function and pain management.

Education

Medical education opportunities.
Our progress:

- More than 675 residents, visiting medical students and visiting residents cared for patients who don't have a primary care physician. These professionals provide outreach and education for the community, and they often stay in our community long after their training is complete.

- WellSpan York Hospital actively participated in training for nurses and allied health professionals, including clinical pastoral care, pharmacy residencies and internships, clinical laboratory science, nurse anesthetists, respiratory care, radiography, nuclear medicine technology and continuing education for emergency medical service personnel.

- Certified diabetes education nurses of the Wellness Center of WellSpan Ephrata Community Hospital provide diabetes and insulin administration training to the staff of more than 40 assisted living facilities throughout the Lancaster county area. The training is provided at a minimal cost and focuses on the diabetes disease process, complications and the skills necessary to safely administer insulin.

Served:
Our charitable, non-profit mission

From board members to hospital greeters, our community has a strong history of serving WellSpan for more than 100 years

Likewise, thousands of individuals and businesses have partnered with us to advance WellSpan Health's mission with financial contributions to its three local foundations. Our community's continued generosity supports our charitable mission of service and enables WellSpan to continue preparing and planning to support the future health needs of our region.

WellServed: Our charitable, non-profit mission

In fiscal year 2014, funds raised by WellSpan's philanthropic organizations allowed WellSpan to:

- Provide funding for the **Emergency Department Redesign Project** at WellSpan York Hospital, through the Kids First Campaign and WellSpan Golf Tournament. The new department will provide timely, effective and safe care in a patient-centered environment.
- Help patients in need through the **WellSpan Patient Help Fund.** This fund provides one-time assistance to patients as they are transferring from the hospital to home from an illness or injury.
- Fund WellSpan **VNA Home Care** through the Toast of our Town event, as well as through the Dedi Sykes Educational Endowment, which provides opportunities for VNA staff to further their clinical education.
- Fund patient assistance through the **Cancer Patient Help Fund** and **Dialysis Patient Help Fund**, providing critical support for rent, food, transportation, and utilities for financially qualified patients over and above any charity care provided to them.
- Provide low-cost prescription medications and durable medical equipment to patients in need at the **Healthy Community Pharmacy** through the Double Creek Tour.
- Provide ongoing support to the **Simulation Center** at WellSpan York Hospital to train hundreds of healthcare providers each year and funding for an on-site patient simulator at WellSpan Gettysburg Hospital.
- Fund the operation of **York Hospital Community Health Center**, the Hoodner and Bentzel Dental Clinics, and Healthy York Network.

Ephrata Community Health Foundation

As part of its integration with WellSpan Health, Ephrata Community Hospital has developed its own charitable organization for hospital-and-community-based projects.

The new Ephrata Community Health Foundation has been established as the primary philanthropic arm of WellSpan Health in the communities served by WellSpan Ephrata Community Hospital.

The foundation board of directors has been meeting regularly since November 2013, and the foundation received its official tax-exempt status from the federal Internal Revenue Service in August 2014.

The Ephrata Community Health Foundation's mission statement is: "Working as one to improve health through exceptional care for all, lifelong wellness and healthy communities by growing philanthropy for WellSpan's charitable initiatives within Ephrata Community Hospital's service areas."

Gettysburg Hospital Foundation

In fiscal year 2014, Gettysburg Hospital Foundation participated in securing donations, grants and bequests totaling $751,700. $212,424 of these gifts came from grants. $87,537 came from fundraising events, and the remainder came from individuals, corporations and organizations in the community. Our generous donors supported a range of projects and programs, including funds to support local patients in financial distress, such as the Adams Cancer Patient Help Fund and Mammography Help Fund; the purchase of METIman, an advanced patient simulator for clinical training; programs that

support children and their families through the Children's Health Fund; and an annual educational lectureship for clinicians and leadership conference for local youth.

York Health Foundation

The York Health Foundation helps ensure that WellSpan York Hospital, as well as the other entities in York County remain strong community resources, able to provide care for all. In fiscal year 2014, the foundation raised $4,810,376, including:

- $3,115,496 for WellSpan York Hospital
- $273,084 for WellSpan VNA Home Care and WellSpan Specialty Services, including the WellSpan Surgery and Rehabilitation Hospital
- $694,687 for WellSpan Health
- $32,561 for the WellSpan Medical Group
- $235,108 for other medical care, community health and education and outreach activities across York County

Auxiliary Support

WellSpan Health gratefully acknowledges the generosity and commitment of active auxiliaries at WellSpan Gettysburg Hospital and WellSpan York Hospital. They continue to support their organizations' missions through innovative programs, preventive health education, community partnerships and fundraising.

In fiscal year 2014, Gettysburg Hospital Auxiliary continued to raise funds for the development of a healing garden on the WellSpan Gettysburg Hospital campus. Through the community support of events such as the hospital's annual Spirit of Hope Gala, the auxiliary is playing a lead role in funding the garden that will offer a beautiful new space for respite and restoration for those who gather or need to find time for solitude.

In fiscal year 2014, the York Hospital Auxiliary made their most generous pledge in history by pledging $1 million to WellSpan York Hospital's Emergency Department Project for the creation of a Behavioral Health Unit. The Auxiliary raised more than $50,000 at the Book Nook Bonanza to support the grants program. It also sponsored the 33rd annual Children's Wellness Days with more than 1,600 York County third graders in attendance. The Auxiliary awarded more than $69,000 to WellSpan Health to support programs and equipment in York County, including the Women's Heart Program, the Young Women's Leadership Conference, Breast Cancer Awareness, Nursing Research, infant supplies for the York Hospital Community Health Center & Ob/Gyn Clinic, celling lifts, Cardiac Rehabilitation and the Perinatal Bereavement program to name just a few.

Volunteerism

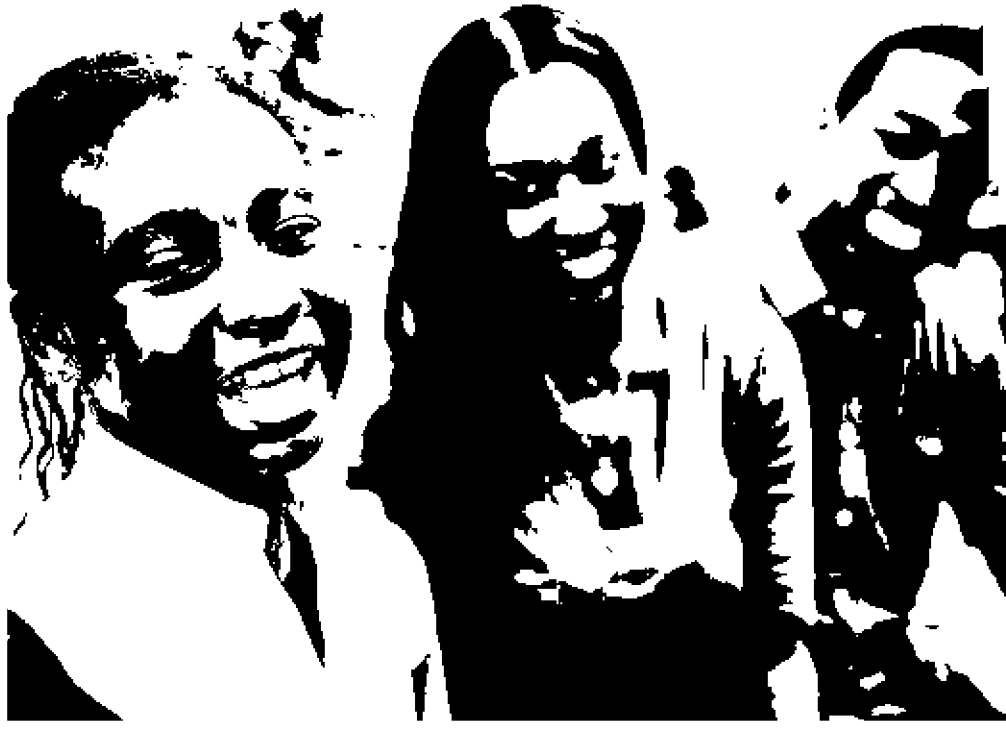
In 2014, approximately 2,000 individuals volunteered more than 170,000 hours of service at WellSpan facilities across Adams, York and Lancaster counties. The value of these volunteer hours totals more than $3.5 million.

WellServed: Our charitable, non-profit mission

A partial list of organizations with whom WellSpan employees volunteered during fiscal year 2014 includes:

1st Capital Federal Credit Union
Access York
Adams County Children's Advocacy Center
Adams County Emergency Medical System
Adams Division, American Heart Association
American Cancer Society – Relay for Life of Norlanco
American Heart Association
Better York Board
Boy Scouts of America New Birth Freedom Council
Buy Fresh, Buy Local
Byrnes Education & Health Center
Cassatt Insurance Company
Central Market House
Children's Home of York
Collaborating for Youth
Committee on Public Payor Policy of the Hospital and Health System Association of PA
Community Progress Council, Inc.
Community Wellness Connection
Criminal Justice Advisory Board
Early Head Start
Eat Play Breathe York
Ephrata Area Education Foundation
Ephrata Area School District
Ephrata Public Library
Family First Health
Farm and Natural Lands Trust
Farmers Market Association
Fatality Review Board of York County
Garden Spot Village Retirement Community
Get Outdoors (GO) York
Gettysburg Children's Community Theater
Gettysburg Convention & Visitors Bureau
Gettysburg Hospital Auxiliary
Gift of Life Donor Program
HACC Gettysburg Campus
Health Literacy Task Force
Healthy Adams County
Horn Farm Center
Hospice & Community Care
Hospital Association of Pennsylvania
Integrated Population Health Improvement Strategy Committee
JA Biztown
Junior Achievement
Lancaster Healthy Communities
Landis Communities (a faith-based nonprofit corporation in Lancaster County which operates the Landis Homes Retirement Community & other housing & healthcare services
Living Water Community Church-Finance Committee
Luther Acres (LutherCare continuing care retirement community in Lititz)
Main Street Gettysburg
Manos Unidas
Martin Library
Mature Driving Committee for York County

Medical/Legal Advisory Board
National Association of Nephrology Technicians/Technologists
PA Health Care Quality Alliance
PA Trauma Systems Foundation
Penn State University Mont Also Campus
Penn State York Advisory Board
Pennsylvania Hearing Advisory Board
Pennsylvania Homecare Association
Pennsylvania Trauma Systems Foundation
Preferred Health Care
Professional Financial Coders Organization
Roads to Freedom
Rotary Club of York
SafeKids Worldwide
SafeKids York County Coalition
South Central Community Action Programs
South Central Tobacco Coalition
South Mountain Summit
Teen Safety Driving Committee for York County
Tel Hai Retirement Community
United Way of York County
Wellness Arts Committee
WITF
York Adams Transportation Authority dba Rabbitttransit
York Area Association for the Education of Young Children
York Area Metropolitan Planning Organization
York City Bureau of Health
York Catholic School Board
York College of Pennsylvania
York County Alliance Against Sexual Abuse



York County American Heart Association
York County Children's Advocacy Center
York County Children's Roundtable
York County Children, Youth & Families Advisory Council
York County Emergency Medical Services Council
York County Fall Prevention Coalition
York County Food Alliance
York Symphony Orchestra
York/Adams Transportation Authority
YorkCounts
YMCA of York County
YWCA Gettysburg Adams County
YWCA of York County

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Ephrata Community Health Foundation

WellSpan

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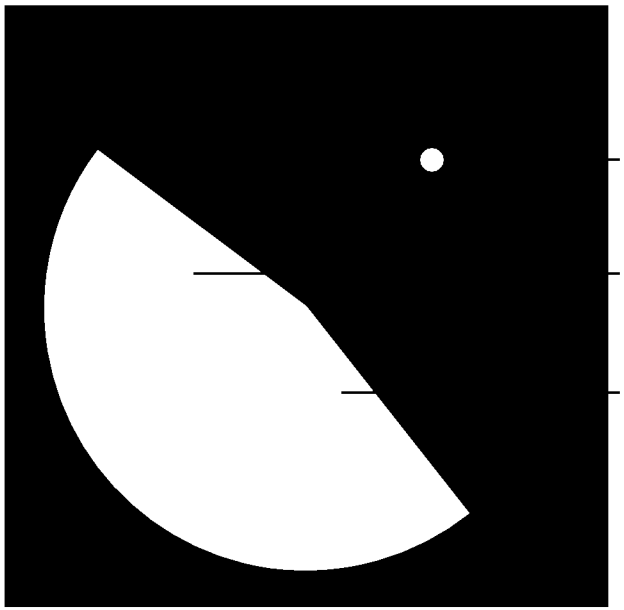
2014: By the numbers

In fiscal 2014 WellSpan's charitable purpose brought more benefit to more people than ever before. Our bottom line, as detailed in this report, remains the pursuit of more coordinated, convenient, comprehensive and community-focused health care services for the journey that is life.

REVENUES

$1,562,365,000

July 1, 2013 through June 30, 2014



Inpatient Revenue:
$517,584,226 – 33.1%

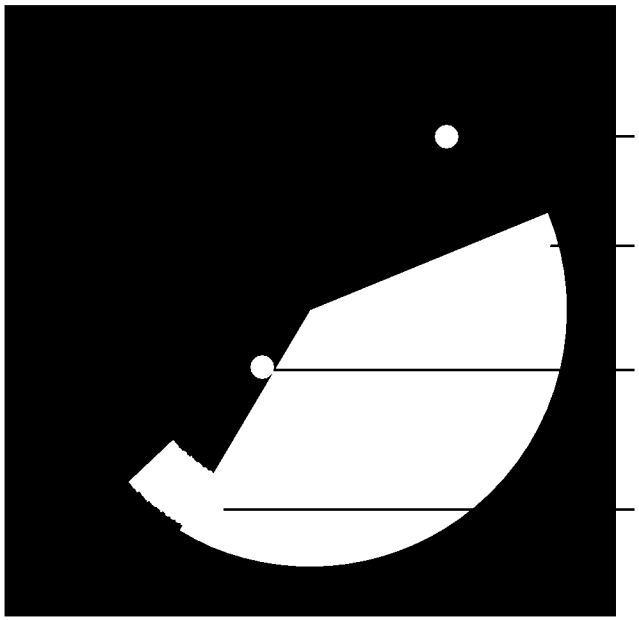
Outpatient Revenue:
$847,216,774 – 54.2%

Other and non-operating:
$197,564,000 – 12.6%

EXPENSES

$1,562,365,000

July 1, 2013 through June 30, 2014



Salaries, Wages and Benefits:
$876,283,000 – 56.1%

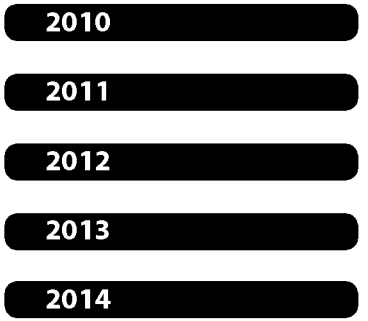
Supplies and Other:
$586,535,000 -- $37.5%

Construction, Equipment, Renovations:
$67,103,000: 4.3%

Debt payment:
(principal and interest)
$32,444,000 – 2.1%

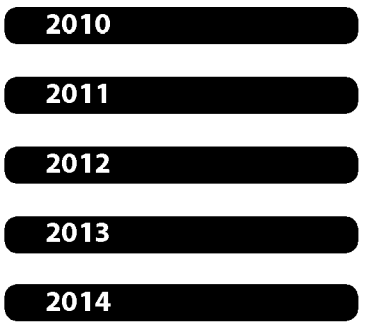
Non-operating loss:
$0 – 0.0%

FREE CARE: CHARITY CARE*



*Charity care is the total cost to provide medical services to those patients who have demonstrated their inability to pay. This is the cost of providing charity care, not the charge associated with that care.

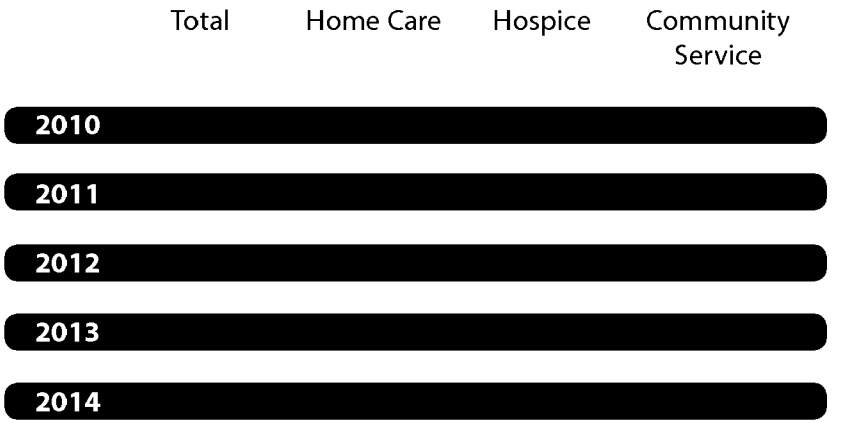
FREE CARE: BAD DEBT*



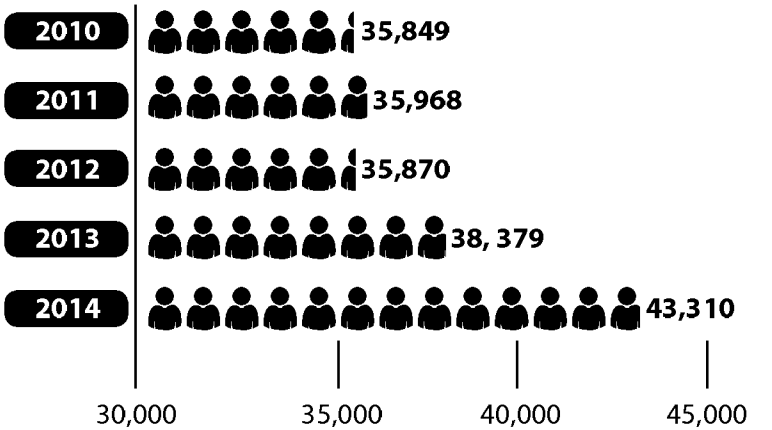
*Bad debt is the total cost of services provided to patients who have not paid their bills and who have demonstrated their inability to pay. This is the cost of providing charity care, not the charge associated with that care.

TOTAL HOME HEALTH PATIENTS

(WellSpan VNA Home Care)



TOTAL HOSPITAL ADMISSIONS

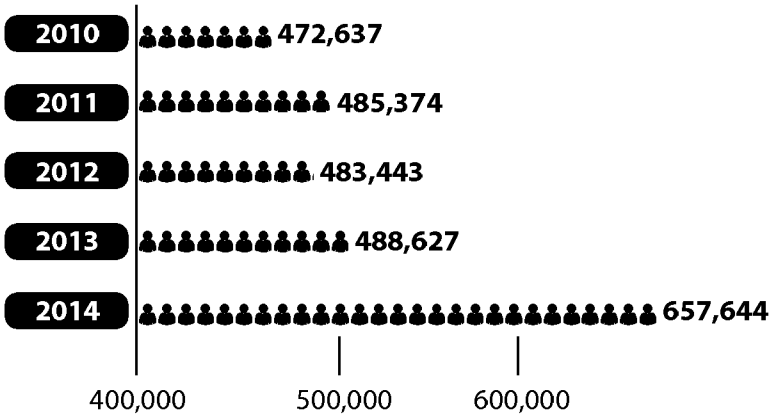


*2014 includes WellSpan Ephrata Community Hospital.

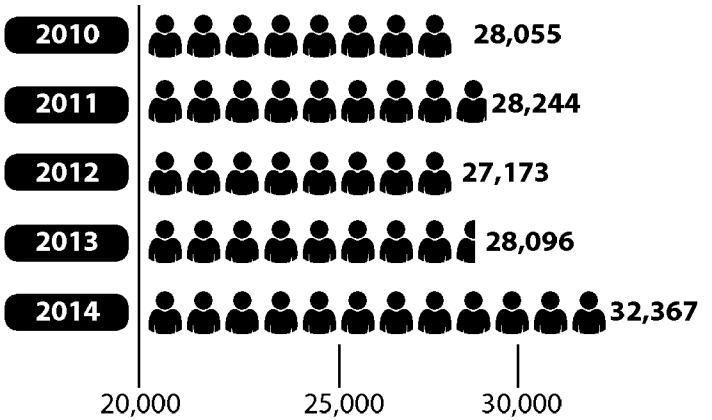
2014: By the numbers

TOTAL PRIMARY CARE VISITS

(WellSpan Medical Group. 2014 included Northern Lancaster County Medical Group visits)



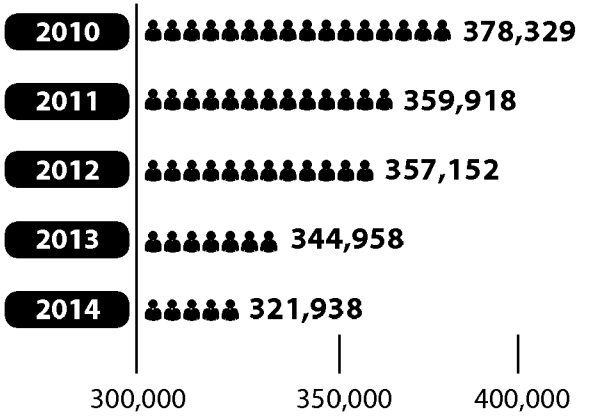
TOTAL SURGERY CASES*



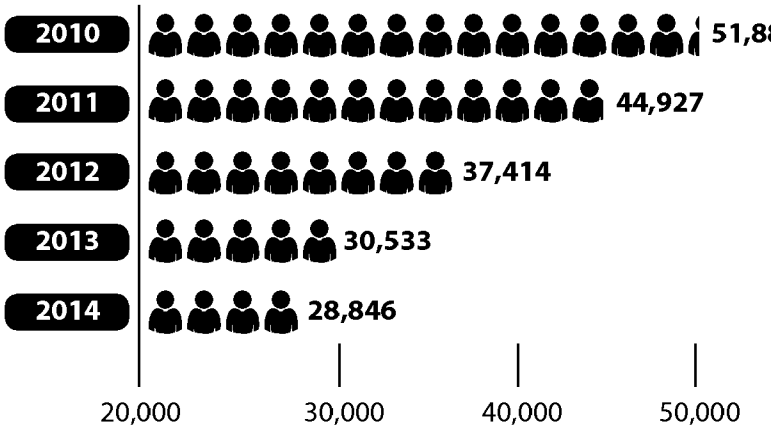
*2014 includes WellSpan Ephrata Community Hospital.

TOTAL PRESCRIPTIONS

(WellSpan Pharmacy, 6 locations)



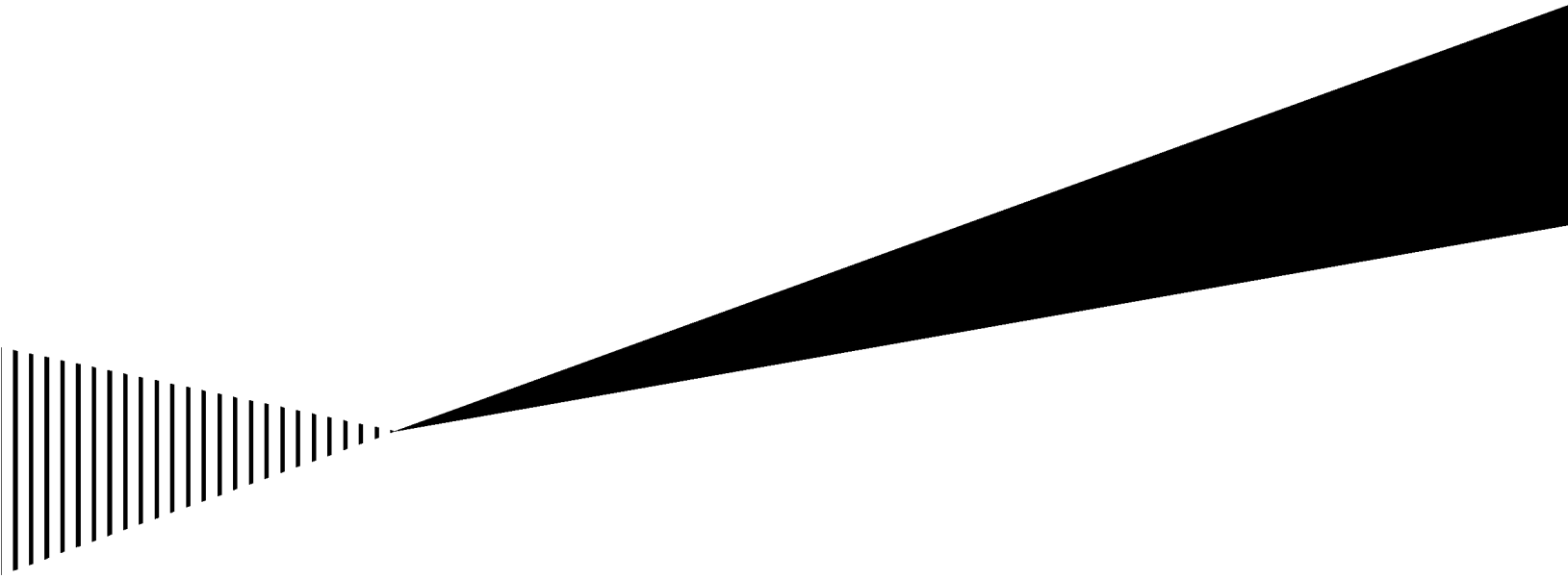
SOUTH CENTRAL Preferred Covered Lives



CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

WellSpan Health
Years Ended June 30, 2014 and 2013
With Report of Independent Auditors

Ernst & Young LLP



Building a better working world

WellSpan Health

Consolidated Financial Statements
and Supplementary Information

Years Ended June 30, 2014 and 2013

Contents

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2005 Market Street
Philadelphia, PA 19103

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ey com

Report of Independent Auditors

The Board of Directors
WellSpan Health

We have audited the accompanying consolidated financial statements of WellSpan Health, which comprise the consolidated balance sheets as of June 30, 2014 and 2013, 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

Building a better working world

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the WellSpan Health as of June 30, 2014 and 2013, 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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole The consolidating details appearing in conjunction with the consolidated financial statements are presented for purposes of additional analysis and are not a required part of the consolidated financial statements Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole

Ernst + Young LLP

October 9, 2014

WellSpan Health

Consolidated Balance Sheets

(In Thousands)

	June 30 2014	2013
Assets		
Current assets		
Cash and cash equivalents	**$ 128,077**	$ 97,541
Assets limited as to use	**4,164**	7,236
Patient accounts receivable, net of allowance for uncollectible accounts of $50,096 and $42,593 in 2014 and 2013, respectively	**190,547**	160,116
Other receivables	**14,190**	19,188
Inventories	**17,021**	11,274
Prepaid expenses	**25,381**	18,385
Total current assets	**379,380**	313,740
Investments limited as to use		
Board-designated	**831,462**	661,708
Self-insurance trust	**11,247**	7,115
Temporarily restricted investments	**9,204**	7,360
Permanently restricted investments	**3,654**	2,999
Beneficial interest in perpetual trusts	**18,460**	16,071
Total investments limited as to use (fair value was $884,208 and $730,149 in 2014 and 2013, respectively)	**874,027**	695,253
Pledges receivable, net	**2,689**	1,571
Property and equipment, net	**556,478**	462,913
Investments in joint ventures	**3,180**	718
Deferred financing costs, net	**2,933**	2,858
Other assets	**35,954**	22,486
Total assets	**$ 1,854,641**	$ 1,499,539

	June 30	
	2014	**2013**
Liabilities and net assets		
Current liabilities		
Current portion of capital lease obligations	**$ 3,797**	$ 4,015
Current portion of long-term debt	**13,652**	7,666
Accounts payable and accrued expenses	**41,310**	34,166
Accrued interest payable	**1,610**	1,583
Accrued salaries and wages	**91,555**	73,493
Advances from third-party payors	**5,544**	4,046
Professional and general liability reserves and postretirement benefits	**22,473**	24,694
Third-party payor settlements	**11,208**	4,691
Total current liabilities	**191,149**	154,354
Professional and general liability reserves	**50,481**	42,164
Capital lease obligations, less current portion	**5,471**	9,030
Long-term debt, less current portion	**445,495**	402,745
Accrued retirement benefits	**192,510**	188,544
Interest rate swap agreements	**43,780**	42,012
Other noncurrent liabilities	**1,511**	1,511
Total liabilities	**930,397**	840,360
Net assets		
Unrestricted	**880,645**	620,302
Temporarily restricted	**16,257**	13,992
Permanently restricted	**22,129**	19,175
WellSpan Health net assets	**919,031**	653,469
Noncontrolling interest	**5,213**	5,710
Total net assets	**924,244**	659,179
Total liabilities and net assets	**$ 1,854,641**	$ 1,499,539

See accompanying notes.

WellSpan Health

Consolidated Statements of Operations
(In Thousands)

	Year Ended June 30	
	2014	**2013**
Unrestricted revenues, gains, and other support		
Net patient service revenue	**$ 1,417,324**	$ 1,218,503
Provision for uncollectible accounts	**(64,976)**	(53,753)
Net patient service revenue less provision for uncollectible accounts	**1,352,348**	1,164,750
Capitation revenue	**12,453**	5,398
Other revenue	**62,603**	63,744
Net assets released from restrictions used for operations	**5,558**	3,297
Total revenues, gains, and other support	**1,432,962**	1,237,189
Expenses		
Salaries and wages	**655,456**	562,293
Employee benefits	**220,827**	201,370
Professional fees	**24,141**	15,356
Supplies and other	**389,792**	334,640
Depreciation and amortization	**68,239**	59,709
Interest	**21,614**	20,735
Total operating expenses	**1,380,069**	1,194,103
Operating income	**52,893**	43,086
Other income (expense)		
Contributions	**1,874**	520
Investment income, net	**127,581**	60,169
Equity gain (loss) of joint ventures	**525**	(7)
Gain (loss) on sale of assets/other	**460**	(1,035)
Contributions received in the acquisitions of Ephrata Community Hospital and Subsidiaries	**96,343**	–
Other expense, net	**(1,037)**	(1,439)
Change in fair value of interest rate swap agreements	**(375)**	21,641
Total other income (expense)	**225,371**	79,849
Excess of revenues over expenses before noncontrolling interest	**278,264**	122,935
Noncontrolling interest	**(442)**	(609)
Excess of revenues over expenses	**277,822**	122,326
Other changes in unrestricted net assets		
Change in unrealized gains (losses) on assets limited as to use and investments – other-than-trading securities	**5**	(508)
Net assets released from restrictions for purchase of property and equipment	**1,668**	1,480
Other change in accrued retirement benefits	**(19,152)**	97,994
Increase in unrestricted net assets	**$ 260,343**	$ 221,292

See accompanying notes

WellSpan Health

Consolidated Statements of Changes in Net Assets

(In Thousands)

	Year Ended June 30 2014	2013
Unrestricted net assets		
Excess of revenues over expenses	**$ 277,822**	$ 122,326
Other changes in unrestricted net assets		
Change in unrealized gains (losses) on assets limited as to use and investments – other-than-trading securities	**5**	(508)
Net assets released from restrictions for purchase of property and equipment	**1,668**	1,480
Other change in accrued retirement benefits	**(19,152)**	97,994
Increase in unrestricted net assets	**260,343**	221,292
Temporarily restricted net assets		
Net realized and unrealized gains on restricted investments	**1,176**	568
Net investment income	**308**	173
Contribution received in the acquisition of Ephrata Community Hospital and Subsidiaries	**1,514**	–
Contributions	**6,493**	4,427
Net assets released from restrictions	**(7,226)**	(4,777)
Increase in temporarily restricted net assets	**2,265**	391
Permanently restricted net assets		
Net investment income	**542**	866
Contribution received in the acquisition of Ephrata Community Hospital and Subsidiaries	**674**	–
Net realized and unrealized gains on investments	**1,998**	1,044
Contributions	**237**	33
Net assets released from restrictions	**(497)**	(809)
Increase in permanently restricted net assets	**2,954**	1,134
Increase in net assets	**265,562**	222,817
Net assets		
Beginning of year	**653,469**	430,652
End of year	**$ 919,031**	$ 653,469

See accompanying notes.

WellSpan Health

Consolidated Statements of Cash Flows

(In Thousands)

	Year Ended June 30 2014	2013
Operating activities		
Increase in net assets	**$ 265,562**	$ 222,817
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Contribution received in the acquisition of Ephrata Community Hospital and Subsidiaries	**(98,531)**	–
(Gain) loss on disposal of fixed assets	**(460)**	1,035
Noncontrolling interest in earnings of consolidated entities, net of distributions	**(497)**	(912)
Depreciation and amortization	**68,239**	59,709
Net realized and unrealized gains on assets limited as to use and investments	**(121,605)**	(51,157)
Change in fair value of interest rate swap agreements	**375**	(21,641)
Amortization of original issue discount	**207**	207
Undistributed loss of investments in joint ventures	**271**	7
Change in beneficial interest in perpetual trusts	**(2,389)**	(943)
Provision for bad debts	**64,976**	53,753
Temporarily restricted net contributions and investment income received	**(6,801)**	(4,600)
Change in cash due to changes in assets and liabilities		
Patient accounts receivable and other receivables	**(66,274)**	(75,512)
Inventories, pledges receivable, prepaid expenses and other assets	**(6,208)**	(4,601)
Accounts payable and accrued expenses and accrued interest payable	**52**	(10,648)
Accrued salaries and wages	**7,284**	6,207
Advances from third-party payors	**1,170**	981
Estimated third-party payor settlements	**5,368**	(2,615)
Estimated self-insurance costs	**795**	2,884
Accrued retirement benefits	**(9,842)**	(112,018)
Net cash provided by operating activities before change	**101,692**	62,953
(Increase) decrease in investments designated as trading securities, net	**(58,774)**	18,432
Net cash provided by operating activities	**42,918**	81,385

WellSpan Health

Consolidated Statements of Cash Flows (continued)

(In Thousands)

	Year Ended June 30	
	2014	**2013**
Investing activities		
Capital expenditures	**$ (67,103)**	$ (48,590)
Proceeds on sale of property and equipment	**1,126**	114
Cash received in the acquisition of Ephrata Community Hospital and Subsidiaries	**2,946**	–
Decrease (increase) in assets limited as to use and investments designated as trading securities	**39,779**	(4,441)
Change in investments in joint ventures	**(1,000)**	(50)
Net cash used in investing activities	**(24,252)**	(52,967)
Financing activities		
Temporarily restricted net contributions and investment income received	**6,801**	4,600
Principal repayments on long-term debt and notes payable	**(10,830)**	(11,612)
Proceeds from issuance of notes payable and long-term debt	**15,924**	2,801
Deferred financing cost, net of refunds	**(25)**	–
Net cash provided by (used in) financing activities	**11,870**	(4,211)
Increase in cash and cash equivalents	**30,536**	24,207
Cash and cash equivalents, beginning of year	**97,541**	73,334
Cash and cash equivalents, end of year	**$ 128,077**	$ 97,541
Supplemental cash flow information		
Cash paid for interest, net of capitalized interest	**$ 21,587**	$ 21,312
Cash paid for income taxes	**$ 616**	$ 534

See accompanying notes.

WellSpan Health

Notes to Consolidated Financial Statements
(In Thousands)

June 30, 2014

1. Organization

WellSpan Health (WSH) is a not-for-profit corporation and has the following sole-member corporations, equity investments and other affiliates

Entity	WSH Relation to Entity	Date Entity Was Formed	Purpose of Entity
Hospitals			
York Hospital (YH)	Sole member	January 1880	A not-for-profit corporation that operates a hospital
Gettysburg Hospital (GH)	Sole member	March 1919	A not-for-profit corporation that operates a hospital
Ephrata Community Hospital (ECH)	Sole member	May 1940	A not-for-profit corporation that operates a hospital
WellSpan Specialty Services (WSS)	Sole member	April 1997	A not-for-profit corporation that operates a hospital and other operations
Foundations			
Gettysburg Hospital Foundation (GHF)	GH is the sole member of GHF	July 1983	A not-for-profit foundation formed to raise funds to further support the operations of GH
York Health Foundation (YHF)	Sole member	March 2000	A not-for-profit foundation formed to raise funds to further support the operations of YH
Ephrata Community Hospital Foundation (ECHF) (Inactive)	ECH is the sole member of ECHF	June 2013	A not-for-profit foundation formed to raise funds to further support the operations of ECH

1. Organization (continued)

Entity	WSH Relation to Entity	Date Entity Was Formed	Purpose of Entity
Other not-for-profit organizations engaged in health services			
WellSpan Medical Group (WMG)	Sole member	June 1993	A not-for-profit corporation that operates medical practices
Northern Lancaster County Medical Group Medical Group (NLCMG)	ECH is the sole member of NLCMG	July 2005	A not-for-profit corporation that operates medical practices
Physician Specialists of Northern Lancaster County Medical Group (PSNLCMG)	NLCMG is the sole member of PSNLCMG	June 2011	A not-for-profit corporation that operates medical practices
VNA Home Health Services (VNAHHS)	WSS is the sole member of VNAHHS	February 1911	A not-for-profit corporation that provides home health services
VNA Community Services (VNACS)	WSS is the sole member of VNACS	August 1984	A not-for-profit corporation that provides home personal care services
WellSpan Health Care Services (WHCS)	Sole member	January 1986	A not-for-profit corporation that engages in health-related activities in the service area
Healthy Community Pharmacy, Inc (HCP)	WHCS is the sole member of HCP	December 2003	A not-for-profit corporation that dispenses pharmaceuticals to the uninsured population
WellSpan Properties, Inc (WP)	WHCS is the sole member of WP	April 1987	A not-for-profit corporation that developed the Apple Hill Medical Center and other outpatient facilities that are leased to affiliates
Apple Hill Surgical Center, Inc (AHSCI)	WHCS is the sole member of AHSCI	May 1987	A not-for-profit corporation that serves as general partner of AHSCP

(In Thousands)

1. Organization (continued)

Entity	WSH Relation to Entity	Date Entity Was Formed	Purpose of Entity
Other not-for-profit organizations engaged in health services (continued)			
York Health Plan d/b/a WellSpan Population Health Services (WPHS)	Sole member	November 1991	A not-for-profit corporation that administers a Preferred Provider Organization
WellSpan Provider Network (WPN)	Sole member	February 1997	A not-for-profit corporation that coordinates managed care risk contracting and care management activities within WSH WPN had no accounting transactions through June 30, 2013
Taxable corporations engaged in taxable activities that support our mission			
WellSpan Pharmacy, Inc (WRx)	WHCS owns 100% of WRx's outstanding stock	April 1985	A corporation that dispenses pharmaceuticals and provides intravenous therapy services
WellSpan Reciprocal Risk Retention Group (WRRRG)	Sole member	June 2003	A risk retention group that provides coverage for the primary layer of professional and general liability, beginning July 1, 2003
Apple Hill Condominium Association (AHCA)	WP and AHSCP own 41 8% and 15 0% interest in AHCA, respectively	March 1988	A homeowners' association that oversees the Apple Hill Medical Center building
Apple Hill Surgical Center Partners (AHSCP)	WSH has 66 4% ownership in the partnership units	February 1988	A limited partnership that operates a surgical center
Cherry Tree Cancer Center (CTCC)	WHCS has a 50% partnership interest in CTCC	April 1997	A limited liability partnership that operates a radiation therapy center

(In Thousands)

1. Organization (continued)

Entity	WSH Relation to Entity	Date Entity Was Formed	Purpose of Entity
Taxable corporations engaged in taxable activities that support our mission (continued)			
Q-WH, LLC (Q-WH), formerly known as York-Memorial MRI Corp	WHCS has a 100% interest in Q-WH	January 1987	A limited liability company that serves as the general partner in CHIP
Community Healthcare Imaging Partners (CHIP), d/b/a MRI of York	WSH and WHCS have 100% interest in CHIP	January 1987	A limited partnership that operates a magnetic resonance imaging center
Littlestown Health Care Partnership (LHCP)	WHCS has a 50% interest in LHCP	September 1996	A Pennsylvania partnership that leases outpatient medical facilities
Other joint ventures not consolidated			
Central Pennsylvania Alliance Laboratory (CPAL)	30% membership interest	March 1997	A limited liability corporation that operates a regional reference laboratory The investment is accounted for on the equity basis
Quest Behavioral Health, Inc (QUEST)	30% membership interest	March 1997	A not-for-profit corporation that provides behavioral health managed care services The investment is accounted for on the equity basis
Downtown Renaissance Fund, LLC (DRF)	WSH has a 33 33% interest	December 2009	A limited liability company that operates to advance the charitable, community development, scientific and educational purposes of its members The investment is accounted for on the equity basis

(In Thousands)

1. Organization (continued)

Entity	WSH Relation to Entity	Date Entity Was Formed	Purpose of Entity
Other joint ventures not consolidated (continued)			
Physician Hospital Organization of Gettysburg, Inc (PHO)	GH has a 50% interest in PHO	May 1994	A not-for-profit corporation that educates and provides a health network for managed care The investment is accounted for on the equity basis
Central Pennsylvania Healthcare Alliance (CPHA)	20% membership interest	March 1997	A not-for-profit corporation that provides the infrastructure for overseeing the joint operation of health services in Central Pennsylvania The investment is accounted for on the equity basis
Northern Lancaster County Physician Alliance (NLCPA)	ECH has a 50% interest	July 1986	A not-for-profit corporation that educates and provides a health network for managed care
Northern Lancaster County Medical Transport Services Cooperative (NLCMTS)	ECH has a 33 33% interest	November 1996	A cooperative corporation formed to improve the availability and quality of medical transportation services in the communities served by the member organizations
Ephrata Medical Office Condominium Association (EMOCA)	ECH has an 25 62% interest	September 1988	A corporation that oversees a medical office building in Ephrata PA
The Rehab Center (ERC)	ECH has a 51% interest	June 1992	A limited partnership that operates a rehab center
Cassatt Insurance Company, Ltd (CA)	ECH has 3 59% interest in CA	June 1991	A risk retention group that provides coverage for the primary layer of professional and general liability, beginning July 1, 1991

1. Organization (continued)

Entity	WSH Relation to Entity	Date Entity Was Formed	Purpose of Entity
Other joint ventures not consolidated (continued)			
AllSpire Health Partners, LLC (AHP)	WSH has 14 29% interest	July 2013	A limited liability company that operates to advance the charitable, community development, scientific and educational purposes of its members The investment is accounted for on the equity basis

Certain board members of YH, GH, ECH, WPHS, WMG, WHCS, and WSS also serve as Board members of WSH

2. Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of WSH and its sole member corporations and equity investments, with the exception of the joint ventures where WSH has less than 50% control Joint ventures where WSH has 50% control or more and total management responsibilities are included in the consolidated financial statements All significant intercompany transactions have been eliminated

Use of Estimates

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

2. Significant Accounting Policies (continued)

Fair Value of Financial Instruments

Financial instruments consist of cash equivalents, patient accounts receivable, investments and assets limited as to use, accounts payable and accrued expenses, interest rate swap agreements and long-term debt The carrying amounts reported in the consolidated balance sheets for financial instruments (except investments in certain limited partnerships and long-term debt) approximate fair value As prescribed by GAAP, long-term debt is carried at historical cost and investments in limited partnerships are carried at fair value or at cost depending upon the extent of WSH's influence and control

Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid debt instruments with original maturities of three months or less The carrying amount approximates fair value because of the short maturity of these instruments Cash balances are principally uninsured and are subject to normal credit risks At June 30, 2014 and 2013, and at various times during the year, WSH maintained cash-in-bank balances in excess of the $250 general deposit federally insured limits

Allowance for Doubtful Accounts

WSH provides an allowance for doubtful accounts for estimated losses resulting from the unwillingness or inability of patients who do not qualify for charity care to make payments for services The allowance is determined by analyzing specific accounts and historical data and trends Patient accounts receivable are charged off against the allowance for doubtful accounts when management determines that recovery is unlikely and WSH ceases collection efforts Losses have been consistent with management's expectations in all material respects

2. Significant Accounting Policies (continued)

Investments and Assets Limited as to Use

Assets limited as to use primarily include assets held by trustee under bond indenture agreements, self-insurance trust and designated assets set aside by the Board of Directors Investment income from these assets is available for current operations of WSH Certain bond indentures require funds to be deposited with a trustee for future debt service requirements The assets have been classified as current or long-term to match the designation of the obligation they are intended to satisfy Investments in debt and equity securities, mutual funds and money market funds, with readily determinable fair values are measured at fair value based on quoted market prices WSH has investments in limited partnerships (LP) as a conduit for investing that are not actively traded, for which the ownership interest is less than 5% and are recorded on the cost basis For investments in limited partnerships which the ownership interest exceeds 5%, WSH applies the fair value option (FVO) when an investment converts from cost to the FVO, WSH records the difference between fair value and cost in the consolidated statement of operations at the time this decision is made

WSH's board-designated and other unrestricted investments are designated as a "trading" portfolio in accordance with the AICPA Audit and Accounting Guide Health Care Organizations (the Guide) The Guide requires that changes in unrealized gains and losses on marketable securities designated as trading be reported within excess of revenues over expenses

Investment income, realized gains and losses, unrealized gains and losses on trading securities and other-than-temporary losses on investment transactions (for other-than-trading securities) are included in the excess of revenues over expenses, unless the income or loss is restricted by donor or law Realized gains and losses for all investments sold are determined on a specific-identification basis Unrealized gains and losses on other-than-trading investments and assets limited as to use are excluded from the excess of revenues over expenses, and are included as a component of other changes in unrestricted net assets, to the extent that such losses are considered temporary Investments designated as other-than-trading are periodically reviewed for impairment conditions, including the magnitude and duration of the decline that indicate the occurrence of an other-than-temporary decline If such conditions exist, the investment's cost is then written down to its current market value

Donated securities are recorded at their fair market value

(In Thousands)

2. Significant Accounting Policies (continued)

Investment securities and limited partnerships, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks Due to the level of risks associated with certain investment securities and limited partnerships, it is reasonably possible that changes in the value of investments could occur in the short-term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value and are comprised of the following

	June 30	
	2014	**2013**
Pharmaceutical drugs	**$ 8,073**	$ 6,629
Medical supplies	**8,863**	4,543
Computer supplies	**85**	102
	$ 17,021	$ 11,274

Property and Equipment

Property and equipment acquisitions are recorded at cost Net interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets Capitalized net interest was $0 for the years ended June 30, 2014 and 2013, respectively

Expenditures for renewals and improvements are charged to the property accounts Replacements, maintenance and repairs that do not improve or extend the life of the respective assets are expensed when incurred WSH removes the cost and the related accumulated depreciation from the accounts for assets sold or retired, and resulting gains or losses are included in the accompanying consolidated statements of operations

2. Significant Accounting Policies (continued)

Donated assets are recorded at their fair value at the date of donation Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service

Depreciation and amortization is provided over the estimated useful life of each class of depreciable asset and is computed by the straight-line method Equipment under capital leases is amortized on a straight-line method over the shorter period of the lease term or the estimated useful life of the equipment Such amortization is included in depreciation and amortization in the consolidated financial statements

Deferred Financing Costs

Financing costs incurred in connection with long-term financing have been deferred and are being amortized on a straight-line basis over the life of the related debt

Self-Insurance Costs

The provision for estimated medical malpractice, workers' compensation, and employee health claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported

2. Significant Accounting Policies (continued)

Derivative Financial Instruments

The interest rate swap agreements are used by WSH to manage interest rate exposures and to hedge the changes in cash flows on variable rate revenue bonds These types of derivative financial instruments involve, to a varying degree, elements of market and credit risk The market risk associated with these instruments resulting from interest rate movements is expected to offset the market risk of the liability being hedged

WSH recognizes the interest rate swap agreements in the consolidated balance sheets at fair value Management has determined that WSH's interest rate swap agreements do not qualify as hedges for financial reporting purposes Consequently, the changes in the fair value of WSH's interest rate swap agreements are included as a component of excess of revenues over expenses in the consolidated statements of operations

Temporarily and Permanently Restricted Investments and Net Assets

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

Permanently restricted net assets represent WSH's beneficial interest in perpetual trusts recorded at fair value Beneficial interests in perpetual trusts are reported at fair value, with WSH's share determined by its interest percentage in the trust Annual changes in fair value are reported as increases or decreases in permanently restricted net assets

2. Significant Accounting Policies (continued)

Endowments

WSH's endowments consist of individual funds established for specific purposes and consist solely of donor-restricted endowment funds As required by U S generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on existence or absence of donor-imposed restrictions

WSH classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is characterized as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization WSH considers the following factors in making a determination to appropriate or accumulate donor-restricted funds

- The duration and preservation of the fund
- The purposes of WSH and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of WSH
- The investment policies of WSH

WSH has adopted investment policies for its endowment assets that are consistent with the policies and objectives of its overall investments The assets are invested in a manner that is intended to produce a positive rate of return while assuming a low level of risk From time to time, the fair value of assets associated with the donor-restricted endowment funds may fall below the level that the donor requires WSH to maintain in perpetual duration Deficiencies of this nature are reported in unrestricted net assets in accordance with U S generally accepted accounting principles

2. Significant Accounting Policies (continued)

Excess of Revenues Over Expenses

The consolidated statements of operations include the excess of revenues over expenses Changes in unrestricted net assets that are excluded from the excess of revenues over expenses, consistent with industry practice, include unrealized gains and losses on other-than-trading assets limited as to use and investments to the extent losses are deemed temporary, contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets) and changes in accrued retirement benefits

Net Patient Service Revenue

WSH has agreements with third-party payors that provide for payments to WSH at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, discounted charges, per diem payments and reimbursed costs Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered

WSH's revenues may be subject to adjustment as a result of examination by government agencies or contractors, and as a result of differing interpretation of government regulations, medical diagnosis, charge coding, medical necessity, or other contract terms The resolution of these matters, if any, often is not finalized until subsequent to the period during which the services were rendered Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations

2. Significant Accounting Policies (continued)

Electronic Health Record Incentive Program

The Centers for Medicare and Medicaid Services (CMS) have implemented provisions for the American Recovery and Reinvestment Act of 2009 that provide incentive payments for the meaningful use of certified electronic health record (EHR) technology CMS has defined meaningful use as meeting certain objectives and clinical quality measures based on current and updated technology capabilities over predetermined reporting periods as established by CMS The Medicare EHR incentive program provides annual incentive payments to eligible professionals and hospitals that demonstrate meaningful use of certified EHR technology The Medicaid EHR incentive program provides annual incentive payments to eligible professionals and hospitals that adopt, implement, and meaningfully use certified EHR technology WSH utilizes a grant accounting model to recognize EHR incentive revenues WSH records EHR incentive revenue ratably throughout the incentive reporting period when WSH is reasonably assured that it will meet the meaningful use objectives for the required reporting period and the grants will be received The EHR reporting period for eligible hospitals is based on the federal fiscal year which runs from October 1 to September 30 During FY 14, the hospitals have not initiated the 90-day reporting required for stage one year two EHR objectives, therefore, no additional revenue was recognized related to these reporting year requirements The EHR reporting periods for the eligible providers (EPs) runs from January 1 to December 31 Accordingly, for the years ended June 30, 2014 and 2013, WSH recorded EHR incentive revenues of $4,201 and $9,690, respectively For the year ended June 30, 2014, the EHR incentive revenues are comprised of $3,385 of Medicare revenues and $816 of Medicaid revenues, for the year ended June 30, 2013, the EHR incentive revenues are comprised $8,034 of Medicare revenues and $1,656 of Medicaid revenues EHR incentive revenues are included in other revenue in the accompanying consolidated statements of operations EHR incentive receivables from Medicaid, recorded in other receivables, were $250 and $1,034 at June 30, 2014 and 2013, respectively

Other Revenue

Other revenue for the years ended June 30, 2014 and 2013 consists primarily of WRx's prescription sales of $34,348 and $31,849, respectively Investment income from assets limited as to use under bond indenture agreements, cafeteria sales, grant revenues, EHR incentive revenues, and other non-patient service revenue are also included in other revenue

2. Significant Accounting Policies (continued)

Charity Care

For patients who meet certain criteria under its charity care policy, WSH provides care without charge or at amounts less than its established rates Because WSH does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue

Federal and State Income Taxes

WSH, sole member corporations and equity investments, with the exception of WRx, WPHS, AHSCP, PHO, CHIP, Q-WH, CPAL, CTCC, LHCP, WRRRG, and WPN are tax-exempt organizations in accordance with Section 501(c)(3) of the Internal Revenue Code and are not subject to federal or state income taxes for activities related to their exempt purposes The estimated taxes for the taxable income of WRx, SCP, QUEST, WRRRG, PHO, and WPN are not significant and are provided for in the consolidated statements of operations No federal or state income taxes have been provided for AHSCP, CHIP, CTCC, and LHCP in the accompanying consolidated financial statements, as they are not payable by these entities The partners are to include their respective share of these entities' profits or losses in their individual tax returns As limited liability corporations, CPAL, Q-WH, and DRF are subject to state income taxes, the partners of CPAL, Q-WH, and DRF are subject to federal taxes related to earnings of the respective corporations

Ephrata Community Hospital Acquisition

On October 1, 2013 (the "Acquisition Date"), WSH acquired ECH, NLCMG and PSNLCMG, which is comprised of a 130-bed, acute care hospital and two physician practice organizations located in and around Ephrata, Pennsylvania WSH acquired ECH, NLCMG and PSNLCMG by means of an inherent contribution where no consideration was transferred by WSH WSH accounted for this business combination by applying the acquisition method and, accordingly, the inherent contribution received was valued as the excess of assets acquired over liabilities assumed In determining the inherent contribution received, all assets acquired and liabilities assumed were measured at fair value as of the Acquisition Date The results of ECH, NLCMG and PSNLCMG operations have been included in the consolidating financial statements since the Acquisition Date

(In Thousands)

2. Significant Accounting Policies (continued)

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the Acquisition Date, October 1, 2013

Assets		
Cash and cash equivalents	$	2,946
Patent accounts receivable, net of allowance for uncollectible accounts		21,016
Other receivable		3,119
Inventories		5,041
Prepaid expenses		3,131
Board-designed investments		32,713
Pledge receivables		1,089
Property and equipment, net		94,754
Investments in joint ventures		1,733
Deferred financing costs, net		320
Other assets		12,203
Total assets acquired	$	178,065
Liabilities		
Accounts payable and accrued expenses	$	7,119
Accrued salaries and wages		10,778
Advances from third-party payors		328
Third-party payor settlements		1,149
Accrued retirement benefits		13,808
Professional and general liability reserves		5,301
Long-term debt		39,658
Interest rate swap agreements		1,393
Total liabilities assumed		79,534
Excess of assets acquired over liabilities assumed	$	98,531
Net assets acquired		
Unrestricted	$	96,343
Temporary restricted		1,514
Permanently restricted		674
Excess of assets acquired over liabilities assumed	$	98,531

(In Thousands)

2. Significant Accounting Policies (continued)

Other assets include the following intangible assets

	Fair Value as of Acquisition Date	Estimate Life
Medical records	$ 3,200	7
Trade name	6,300	Indefinite
	$ 9,500	

The following table summarizes amounts attributable to ECH, NLCMG and PSNLCMG since the Acquisition Date, period from October 1, 2013 to June 30, 2014, that are included in the accompanying consolidated financial statements

Total operating revenue	$ 157,147
Total operating expenses	161,016
Deficiency of operating revenue over operating expenses	(3,869)
Total non-operating gains and losses	3,025
Deficiency of revenue and gains and losses over expenses	$ (844)
Change in net assets	
Unrestricted net assets	$ (3,589)
Temporarily restricted net assets	(447)
Permanently restricted net assets	60
Total change in net assets	$ (3,976)

(In Thousands)

2. Significant Accounting Policies (continued)

The following table represents unaudited pro forma financial information, assuming the acquisition of ECH, NLCMG and PSNLCMG had taken place July 1, 2012 The pro forma information includes adjustments for amortization of intangible assets The pro forma financial information is not necessarily indicative of the results of operations as they would have been had the transaction been effected on the Acquisition Date

	Year Ended June 30	
	2014	**2013**
Total operating revenue	**$ 1,483,011**	$ 1,443,814
Total operating expenses	**1,432,224**	1,401,429
Deficiency of operating revenue over operating expenses	**50,787**	42,385
Total non-operating gains and losses	**129,661**	81,349
Deficiency of revenue and gains and losses over expenses	**$ 180,448**	$ 123,734
Change in net assets		
Unrestricted net assets	**$ 165,000**	$ 232,842
Temporarily restricted net assets	**1,085**	(1,168)
Permanently restricted net assets	**2,279**	1,159
Total change in net assets	**$ 168,364**	$ 232,833

Recent Accounting Pronouncements

The Financial Accounting Standards Board (FASB) has issued Accounting Standards Update (ASU) 2011-04, *Fair Value Measurements* (Topic 820), *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* The amendments in ASU 2011-04 change the wording used to describe many of the requirements in GAAP for measuring fair value and for disclosing information about fair value measurements The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2011 WSH has adopted the provisions of ASU 2011-04 in 2013 The adoption did not have a material impact on the consolidated financial statements

2. Significant Accounting Policies (continued)

In May 2013, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*, to clarify the principles for recognizing revenue and to improve financial reporting by creating common revenue recognition guidance for GAAP and International Financial Reporting Standards The core principle of the new guidance is that an entity should recognize revenue to depict the transfer to promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods or services ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period Early application is not permitted An entity should apply the amendments in this update using either a full retrospective application or a modified retrospective application Under the full retrospective application, an entity will apply the standard to each prior reporting period presented Under the modified retrospective application, an entity recognizes the cumulative effect of initially applying the new standard as an adjustment to the opening balance sheet of retained earnings at the date of initial application Revenue in periods presented before that date will continue to be reported under guidance in effect before the change WellSpan Health is evaluating this new guidance and has not yet determined which approach it will adopt to apply the amendments in ASU 2014-09 or the impact that the adoption of this update will have on its financial statements

3. Net Patient Service Revenue

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

- **Medicare and Medicaid** – Net revenue from the Medicare and Medicaid programs accounted for approximately 40% and 39% of WSH's net patient service revenue for each of the years ended June 30, 2014 and 2013, respectively Inpatient acute care services provided to Medicare and Medicaid program beneficiaries are paid at prospectively determined rates per discharge These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors WSH is reimbursed for certain cost reimbursable items at a tentative rate, with final settlement determined after submission of annual cost reports by WSH and audits thereof by Medicare WSH's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with WSH Medicare reimburses for most outpatient services

3. Net Patient Service Revenue

on the Outpatient Prospective Payment System (OPPS) Medicaid outpatient services are paid based on a fee schedule YH's and GH's Medicare cost reports have been audited by the Medicare fiscal intermediary through June 30, 2010 YH's and GH's Medicaid cost reports have been audited by the Medicaid fiscal intermediary through June 30, 2009 For the years ended June 30, 2014 and 2013, net patient service revenue reflects a (decrease) increase of approximately $(2,160) and $1,009, respectively, due to estimate changes Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term

In December 2010, the Department of Public Welfare (DPW) received approval from Centers for Medicare and Medicaid Services (CMS) for the Pennsylvania state plan amendments pursuant to Pennsylvania Act 49 of 2010 that, among other things, established a new inpatient hospital fee-for-service payment system (using APR-DRG), established enhanced hospital payments through the state's Medical Assistance managed care program and secured additional matching Medicaid funds through the establishment of the Quality Care Assessment (QCA) In February 2011, the DPW received the approvals necessary from CMS on the final technical language for the DPW contracts with managed care organizations The Hospital and Healthcare Association of Pennsylvania issued hospital-specific impacts of the Medicaid (MA) payment modernization for fiscal year 2011 WSH recorded an operating income impact of approximately $4,666 and $5,492 in its consolidated statements of operations and changes in net assets for the years ended June 30, 2014 and 2013, respectively

- **Blue Cross** – Net revenue for services provided under Blue Cross & Blue Shield contracts accounted for approximately 33% and 32% of WSH net patient service revenues for the years ended June 30, 2014 and 2013, respectively Inpatient and outpatient services rendered to Blue Cross subscribers are reimbursed primarily on a discount from established charge basis

- **Capitation Revenue** – WMG has agreements with various Health Maintenance Organizations (HMOs) to provide medical services to subscribing patients Under these agreements, WMG receives monthly capitation payments based on the number of each HMO's participants, regardless of services actually performed by WMG's physicians In addition, WMG may receive additional compensation for services not covered under the

(In Thousands)

3. Net Patient Service Revenue (continued)

capitation payment as defined in the agreements Under the agreements, certain funds are set aside to cover hospital and other costs To the extent that these funds are not used, WMG shares in the excess with the HMOs WMG records the capitation payments as income in the period to which the services relate and records any additional payments at such time as the amounts can be reasonably estimated

WSH has also entered into payment agreements with certain other commercial insurance carriers, HMOs, and preferred provider organizations The basis for payment to WSH under these agreements is primarily on a discount from established charges but also includes a prospectively determined per member per month rate and prospectively determined fee schedules

For patient receivables associated with self-pay patients, including patients with deductible and copayment balances, for which third-party coverage provides for a portion of the services provided, WSH records an estimate for uncollectible accounts in the year of service Overall, the total write-offs of uncollectible accounts and allowances as a percent of accounts receivable on self-pay patient accounts have not changed significantly since June 30, 2013

WSH grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements The mix of receivables from patients and third-party payors was as follows

	June 30	
	2014	**2013**
Medicare	**33%**	33%
Medicaid	**14**	15
Blue Cross/Blue Shield	**12**	11
Other third-party payors	**24**	23
Self-pay	**17**	18
	100%	100%

4. Charity Care and Community Service

WSH's tax-exempt organizations' patient acceptance policies are based upon their mission statements and charitable purposes Accordingly, WSH accepts all patients regardless of their ability to pay For patients who meet the criteria of its charity service policy, WSH provides services without charge or at amounts less than the established rates Criteria for charity care consider the patient's family income, family size, and ability to pay This policy results in WSH's assumption of higher-than-normal patient receivable credit risk To the extent that WSH realizes additional losses resulting from such higher credit risks and patients are not identified or do not meet WSH's defined charity care policy, such additional losses are included in the provision for bad debts

WSH maintains records to identify and monitor the level of charity care and community service it provides These records include the amount of charges forgone based on established rates for services and supplies furnished under its charity care and community service policies and the estimated cost of those services The amount of charity care provided based on WSH's direct and indirect costs was approximately $22,924 and $22,117 for the years ended June 30, 2014 and 2013, respectively

Additionally, WSH sponsors certain other service programs and charity services which provide substantial benefit to the greater community Such programs include patient visits in outpatient clinics, mental health services, other outpatient clinical services and health care education programs These programs serve a large portion of the indigent, elderly, diabetic and other underserved patient populations The estimated unreimbursed cost of providing these programs and services was approximately $21,481 and $20,994 for the years ended June 30, 2014 and 2013, respectively

WSH participates in the Medicare program Medicare is a federally funded program which provides health insurance coverage for individuals who are 65 or older, or who meet other special criteria Payments from Medicare as described in Note 3 are generally less than WSH's costs of providing the service to Medicare beneficiaries Unpaid costs in excess of payments received for the Medicare program were approximately $114,603 and $87,781 for the years ended June 30, 2014 and 2013, respectively

(In Thousands)

4. Charity Care and Community Service (continued)

WSH also participates in the Pennsylvania Medical Assistance (PMA) program which makes payment for services provided to families with dependent children, the aged, the blind, and the permanently and totally disabled, whose income and resources are insufficient to meet the costs of necessary medical services Payments from the PMA as described in Note 3 are generally less than WSH's costs of providing the service Unpaid costs in excess of payments received for the PMA program were approximately $88,831 and $67,920 for the years ended June 30, 2014 and 2013, respectively

5. Investments

Investments Limited as to Use

The composition of assets limited as to use is set forth in the following table

	June 30	
	2014	**2013**
Board-designated		
WSH Master Trust	**$ 759,512**	$ 591,436
Money market fund	**6,709**	3,482
Mutual funds	**7,527**	6,234
Land investment, at cost	**5,059**	5,059
Government-sponsored enterprise mortgage-backed securities	**10,252**	12,346
Corporate debt securities	**17,567**	14,310
Debt securities issued by the U S Treasury and other U S government corporations and agencies	**24,836**	28,841
	$ 831,462	$ 661,708
Self-insurance trust investments		
Government-sponsored enterprise mortgage-backed securities	**$ 1,692**	$ 2,390
Corporate debt securities	**5,960**	4,831
Debt securities issued by the U S Treasury and other U S government corporations and agencies	**7,759**	7,122
Less Trustee-held assets for current self-insurance	**(4,164)**	(7,228)
	$ 11,247	$ 7,115

(In Thousands)

5. Investments (continued)

	June 30	
	2014	**2013**
Temporarily restricted investments		
Cash and short-term investments	**$ 498**	$ 437
Mutual funds	**680**	789
WSH Master Trust	**8,026**	6,134
	$ 9,204	$ 7,360
Permanently restricted investments		
WSH Master Trust	**$ 3,654**	$ 2,999
Beneficial interest in perpetual trusts		
Mutual funds held by other trustees	**$ 18,460**	$ 16,071

WSH Master Trust

WSH maintains the WSH Master Trust for certain funds classified in investments and assets limited as to use in the accompanying consolidated balance sheets The WSH Master Trust is comprised of the following, by restriction category

	June 30	
	2014	**2013**
Board-designated	**$ 759,512**	$ 591,436
Temporarily restricted	**8,026**	6,134
Permanently restricted	**3,654**	2,999
	$ 771,192	$ 600,569

(In Thousands)

5. Investments (continued)

A summary of the assets of the WSH Master Trust is as follows

	June 30	
	2014	**2013**
Investments, at fair value		
Debt securities issued by the U S Treasury and other U S government corporations and agencies	**$ 15,419**	$ 59,557
Government-sponsored enterprise mortgage-backed securities	**8,691**	5,232
Other asset-backed securities	**33,635**	29,696
Corporate debt securities	**31,194**	31,333
Aggregate bond index fund	**–**	11,857
Commodities/real return	**35,459**	24,556
Equity securities	**104,540**	156,421
Stock index fund	**37,368**	39,031
Collective mutual funds and investment trusts	**391,255**	105,318
Absolute return, limited partnership	**1,609**	20,149
Real estate, limited partnerships	**49,025**	14,643
	708,195	497,793
Investments, recorded at cost		
Absolute return, limited partnerships	**37,599**	56,180
Real estate, limited partnerships	**2,211**	21,613
Private equity, limited partnerships	**23,187**	24,983
	62,997	102,776
	$ 771,192	$ 600,569

Most real estate, private equity, and absolute return limited partnership investments are adjusted to and are carried at cost because WSH does not have a controlling interest in the related partnerships and the fair value is not readily determinable The unaudited fair value of these limited partnership investments exceeded the cost basis of these investments by $9,475 and $34,896 as of June 30, 2014 and 2013, respectively

(In Thousands)

5. Investments (continued)

Interest and dividend income, net of investment expenses and gains (losses) for assets limited as to use, cash equivalents and investments are comprised of the following

	Year Ended June 30	
	2014	**2013**
Other income		
Interest and dividend income	**$ 7,158**	$ 9,186
Change in unrealized gains and losses on trading securities	**26,577**	36,905
Net realized gain on sales of securities	**93,846**	14,078
	$ 127,581	$ 60,169
Other changes in unrestricted net assets		
Change in unrealized gains and losses on assets limited as to use and investments – other-than-trading securities	**$ 5**	$ (508)

6. Fair Value Measurements

WSH utilizes various methods of calculating the fair value of its financial assets and liabilities, when applicable Fair value is defined as 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 Fair value measurements are applied based on the unit of account from WSH's perspective The unit of account determines what is being measured by reference to the level at which the asset or liability is aggregated (or disaggregated) The fair value hierarchy is comprised of three levels based on the source of inputs as follows

- Level 1 – Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities The fair value hierarchy gives the highest priority to Level 1 inputs

- Level 2 – Observable inputs that are based on inputs not quoted in active markets, but corroborated by market data

- Level 3 – Unobservable inputs are used when little or no market data is available The fair value hierarchy gives the lowest priority to Level 3 inputs

(In Thousands)

6. Fair Value Measurements (continued)

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement In determining fair value, WSH uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible and considers nonperformance risk in its assessment of fair value Financial assets carried at fair value are classified in the table below in one of the three categories described above

	June 30, 2014			
	Total Fair Value	**Level 1**	**Level 2**	**Level 3**
WSH Master Trust				
Debt securities issued by the U S agencies Treasury and other U S government corporations and agencies	**$ 15,419**	**$ –**	**$ 15,419**	**$ –**
Government-sponsored enterprise mortgage-backed securities	**8,691**	**–**	**8,691**	**–**
Other asset-backed securities	**33,635**	**–**	**33,635**	**–**
Corporate debt securities	**31,194**	**–**	**31,194**	**–**
Commodities/real return	**35,459**	**35,459**	**–**	**–**
Equity securities				
Consumer discretionary and services	**18,899**	**18,899**	**–**	**–**
Consumer staples	**2,635**	**2,635**	**–**	**–**
Financial services	**19,089**	**19,089**	**–**	**–**
Healthcare	**13,207**	**13,207**	**–**	**–**
Materials and processing	**14,772**	**14,772**	**–**	**–**
Other energy	**9,598**	**9,598**	**–**	**–**
Producer durables	**3,260**	**3,260**	**–**	**–**
Technology	**20,078**	**20,078**	**–**	**–**
Utilities	**3,002**	**3,002**	**–**	**–**
Total equity securities	**104,540**	**104,540**	**–**	**–**
Stock index fund	**37,368**	**37,368**	**–**	**–**

(In Thousands)

6. Fair Value Measurements (continued)

	June 30, 2014			
	Total Fair Value	Level 1	Level 2	Level 3
WSH Master Trust (continued)				
Collective mutual funds and investment trusts				
Domestic Small Cap Growth	$ 32,308	$ –	$ 32,308	$ –
International Equity	106,457	–	106,457	–
Emerging Markets	39,255	–	39,255	–
Fixed Income Funds	114,768	–	114,768	–
Global Asset Allocation	84,287	–	84,287	–
Cash and cash equivalents	14,180	14,180	–	–
Total collective mutual funds and investment trusts	391,255	14,180	377,075	–
Absolute return, limited partnership[3]	1,609	–	–	1,609
Real estate, limited partnerships[1][2]	49,025	–	–	49,025
Total WSH Master Trust	708,195	191,547	466,014	50,634
Other assets				
Cash and cash equivalents agencies	128,575	128,575	–	–
Money market fund	6,709	–	6,709	–
Mutual funds	8,207	6,146	2,061	–
Beneficial interest in perpetual trusts*	18,460	11,335	7,125	–
Government-sponsored enterprise mortgage-backed securities	11,944	–	11,944	–
Debt securities issued by the U S agencies Treasury and other U S government corporations and agencies	32,595	–	32,595	–
Corporate debt securities	23,527	–	23,527	–
Total other assets	230,017	146,056	83,961	–
	938,212	337,603	549,975	50,634
Liabilities				
Interest rate swap agreements	(43,780)	–	(43,780)	–
	$ 894,432	$ 337,603	$ 506,195	$ 50,634

(In Thousands)

6. Fair Value Measurements (continued)

	June 30, 2013			
	Total Fair Value	**Level 1**	**Level 2**	**Level 3**
WSH Master Trust				
Debt securities issued by the U S agencies Treasury and other U S government corporations and agencies	$ 59,557	$ –	$ 59,557	$ –
Government-sponsored enterprise mortgage-backed securities	5,232	–	5,232	–
Other asset-backed securities	29,696	–	29,696	–
Corporate debt securities	31,333	–	31,333	–
Aggregate bond index fund	11,857	–	11,857	–
Commodities/real return	24,556	24,556	–	–
Equity securities				
Consumer discretionary and services	28,372	28,372	–	–
Consumer staples	6,410	6,410	–	–
Financial services	28,453	28,453	–	–
Healthcare	19,770	19,770	–	–
Materials and processing	19,053	19,053	–	–
Other energy	14,810	14,810	–	–
Producer durables	6,899	6,899	–	–
Technology	30,268	30,268	–	–
Utilities	2,386	2,386	–	–
Total equity securities	156,421	156,421	–	–
Stock index fund	39,031	–	39,031	–
Collective mutual funds and investment trusts				
Domestic Small Cap Value	25,861	–	25,861	–
International Equity	71,472	–	71,472	–
Cash and cash equivalents	7,985	7,985	–	–
Total collective mutual funds and investment trusts	105,318	7,985	97,333	–
Absolute return, limited partnership[2]	20,149		–	20,149
Real estate, limited partnerships[1]	14,643	–	–	14,643
Total WSH Master Trust	497,793	188,962	274,039	34,792

(In Thousands)

6. Fair Value Measurements (continued)

	June 30, 2013			
	Total Fair Value	**Level 1**	**Level 2**	**Level 3**
Other assets				
Cash and cash equivalents agencies	$ 97,541	$ 97,541	$ –	$ –
Money market fund	3,482	–	3,482	–
Mutual funds	7,023	4,623	2,400	–
Beneficial interest in perpetual trusts*	16,071	10,474	5,597	–
Government-sponsored enterprise mortgage-backed securities	14,739	–	14,739	–
Debt securities issued by the U S agencies Treasury and other U S government corporations and agencies	35,963	–	35,963	–
Corporate debt securities	19,141	–	19,141	–
Total other assets	193,960	112,638	81,322	
	691,753	301,600	355,361	34,792
Liabilities				
Interest rate swap agreements	(42,012)	–	(42,012)	–
	$ 649,741	$ 301,600	$ 313,349	$ 34,792

*Beneficial interest in perpetual trusts consists of investments in various securities not under WSH control

The Company's Level 1 securities primarily consist of commodities/real return, equities, equity mutual funds and cash The Company determines the estimated fair value for its Level 1 securities using quoted (unadjusted) prices for identical assets or liabilities in active markets

The Company's Level 2 securities primarily consist of debt securities issued by the U S agencies Treasury and other U S government corporations and agencies, government-sponsored enterprise mortgage-backed securities, money market funds, other asset-backed securities, and corporate debt The Company determines the estimated fair value for its Level 2 securities using the following methods quoted prices for similar assets/liabilities in active markets, quoted prices for identical or similar assets in non-active markets (few transactions, limited information,

(In Thousands)

6. Fair Value Measurements (continued)

noncurrent prices, high variability over time), inputs other than quoted prices that are observable for the asset/liability (e g , interest rates, yield curves volatilities, default rates), and inputs that are derived principally from or corroborated by other observable market data

There were no material transfers between Levels 1 and 2 during the years ended June 30, 2014 and 2013

The following table sets forth a summary of changes in the fair value of the Level 3 assets for the years ended June 30, 2014 and 2013

	Level 3 Assets Absolute and Real Estate, Limited Partnerships
Balance, beginning of year as of June 30, 2012	$ 8,200
Investments converted to market	20,311
Realized gains	4
Unrealized gains	903
Purchases	5,677
Sales, issuances, and settlements	(303)
Balance, beginning of year as of June 30, 2013	34,792
Investments converted to market	**26,775**
Realized gains	**6,254**
Unrealized gains	**1,001**
Purchases	**2,200**
Sales, issuances, and settlements	**(20,388)**
Balance, end of year as of June 30, 2014	**$ 50,634**

(1) This asset is an investment in Siguler Guff Distressed Real Estate Opportunities Fund, LP (Siguler Guff) The estimated fair market value of this investment is determined by the total net assets of the fund attributable to common shares, divided by the number of common shares outstanding The total net asset value of the fund is determined by

6. Fair Value Measurements (continued)

the market value of the underlying investments if they are securities listed on a national securities exchange or traded over the counter For those securities not openly traded, the investment manager generally utilizes the most recent relevant information or performance reports of such managed account or investment partnership, unless the investment manager determines some other valuation is more appropriate On an annual basis, Siguler Guff provides audited financial statements from independent audit firms for review This company has an unfunded commitment of $4,200 This investment has redemption restrictions at the discretion of the General Partner

(2) This asset is an investment in Guggenheim Real Estate Commingled Trust (Guggenheim) During the fiscal year, WSH's investment in Guggenheim exceeded 5% ownership interest which resulted in WSH electing the FVO Accordingly, WSH recorded $7,923 of operating gains in the investment income, net The investment includes interests in a collection of publicly traded securities, property funds, direct property investments, and mezzanine financings The publicly traded securities and property funds are valued at the last reported sales price on the last day of the period The direct property investments are initially recorded at the total cost to acquire the properties and subsequently these values are adjusted based on the opinions of value obtained quarterly from independent real estate investment managers The mezzanine financings are valued based on fair market values determined by the Guggenheim Real Estate Commingled Trust based upon an estimate of realized proceeds from the hypothetical liquidation On an annual basis, the Guggenheim Real Estate Commingled Trust provides a copy of its audited financial statements from an independent audit firm for review

(3) This asset is an investment in Common Sense, LP (Common Sense) The estimated fair market value of this investment is determined by the total net assets of the fund attributable to common shares, divided by the number of common shares outstanding The total net asset value of the fund is determined by the market value of the underlying investments if they are securities listed on a national securities exchange or traded over the counter For those securities not openly traded, the investment manager generally utilizes the most recent relevant information or performance reports of such managed account or investment partnership, unless the investment manager determines some other valuation is more appropriate On an annual basis, Common Sense provides audited financial statements from independent audit firms for review This investment has redemption restrictions at the discretion of the General Partner

(In Thousands)

6. Fair Value Measurements (continued)

The fair value of investments carried at cost excluding land are the following

	Total Fair Value June 30		Unfunded Commitments	Redemption	
	2014	2013	June 30, 2014	Frequency	Notice Period
Absolute return					
Multi-strategy[b]	**$ 38,364**	$ 60,887	**$ –**	Quarterly	65 days
Long/short equity[a]	**–**	14,547	**–**	Quarterly	65 days
	38,364	75,434	**–**		
Real estate					
Core[e]	**–**	26,839	**–**	Quarterly	90 days
Opportunistic[c]	**2,973**	3,421	**1,132**	N/A	N/A
	2,973	30,260	**1,132**		
Private equity[d]	**31,136**	31,978	**5,462**	N/A	N/A
	$ 72,473	$ 137,672	**$ 6,594**		

[a] This class includes investments in hedge funds of funds that invest both long and short primarily in U S common stocks The fund of funds manager has the ability to shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to net short position The fair values of the investments in this class have been estimated using the net asset value per share of the investments

[b] This class includes investments in hedge fund of funds that invest in multiple strategies including long and short equity, other non-directional, distressed securities, convertible arbitrage and fixed income arbitrage The fair values of the investments in this class have been estimated using the net asset value per share of the investments

[c] This class includes real estate funds that invest primarily in U S commercial real estate The fair values of the investments in this class have been estimated using the net asset value of WSH's ownership interest in the partners' capital Distributions from the fund will be received as the underlying investments of the funds are liquidated and distributed by the fund manager It is estimated that the underlying assets of the fund will be liquidated over 7 to 10 years from the inception of the fund

[d] This class includes several private equity funds that invest primarily in domestic companies Distributions are received through the liquidation of the underlying assets of the fund It is estimated that the underlying assets of the fund will be liquidated over 5 to 10 years from the fund's inception

(In Thousands)

6. Fair Value Measurements (continued)

(e) This class includes public and private real estate funds that invest primarily in U S commercial real estate The fair values of the investments in this calss have been estimated using the net asset value of WSH's ownership interest in the partners' capital The investments can be redeemed, however, distributions are at the fund manager's discretion

7. Property and Equipment

The following is a summary of property and equipment

	Estimated Useful Life	June 30 2014	2013
Land		**$ 20,411**	$ 15,435
Land improvements	5 to 25 years	**17,336**	13,284
Buildings and building equipment	10 to 40 years	**618,464**	491,193
Fixed equipment	5 to 25 years	**56,610**	60,241
Major movable equipment	3 to 20 years	**462,438**	380,589
Construction-in-progress		**12,149**	10,719
		1,187,408	971,461
Less accumulated depreciation		**(630,930)**	(508,548)
Property and equipment, net		**$ 556,478**	$ 462,913

Depreciation expense for the years ended June 30, 2014 and 2013 was $67,626 and $59,553, respectively

WSH has outstanding purchase commitments related to various construction projects of approximately $3,102 and $14,157 at June 30, 2014 and 2013, respectively

(In Thousands)

8. Long-Term Debt

Long-term debt consists of the following

	June 30 2014	2013
Fixed rate debt		
2008 General Authority of South Central Pennsylvania Revenue Refunding Bonds, Series A, fixed rate interest, maturing in June 2037, collateralized by certain assets and gross receipts of YH and GH, net of unamortized discount of $4,443 and $4,636 at June 30, 2014 and 2013, respectively	**$ 157,006**	$ 163,339
GH Note Payable, fixed interest rate, dated December 29, 2010, uncollateralized	**320**	615
Variable rate debt		
2008 General Authority of South Central Pennsylvania Revenue Bonds, Series B1-D, variable rate demand bond interest, collateralized by certain assets and gross receipts of YH and GH	**211,701**	211,701
YH 1993 Hospital Revenue Refunding Bonds, auction rate interest on Series B, collateralized by YH's gross receipts until July 2021, net of unamortized discount of $98 and $112 at June 30, 2014 and 2013, respectively	**24,252**	24,458
ECH 2009 Tax-Exempt Revenue Note, variable interest rate, collateralized by gross receipts of ECH	**20,177**	–
ECH 2012 Tax-Exempt Revenue Note, variable interest rate, collateralized by gross receipts of ECH	**9,911**	–
ECH 2013 Tax-Exempt Revenue Note, variable interest rate, collateralized by gross receipts of ECH	**9,857**	–
ECH 2010A Tax-Exempt Revenue Note, variable interest rate, collateralized by gross receipts of ECH	**3,140**	–
ECH Mortgages and note payables variable interest rate, collateralized by gross receipts of ECH	**235**	–
AHSCP M&T Bank Loan, variable interest rate, dated August 15, 2000, collateralized by certain assets	**1,771**	2,021

(In Thousands)

8. Long-Term Debt (continued)

	June 30 2014	2013
Variable rate debt (continued)		
WP M&T Bank Loan, variable interest rate, dated March 28, 2011, uncollateralized	**$ 2,366**	$ 5,366
WP M&T Bank Loan, variable interest rate, dated June 20, 2014, uncollateralized	**2,623**	–
WP M&T Bank Loan, variable interest rate, dated August 07, 2013, uncollateralized	**12,200**	–
GH Bank Loan, variable interest rate, dated January 31, 2014, collateralized by certain assets	**1,075**	–
GH Bank Loan, variable interest rate, dated March 30, 2007, collateralized by certain assets	**848**	1,156
GH M&T Bank Loan, variable interest rate, dated December 7, 2012, uncollateralized	**1,665**	1,755
	459,147	410,411
Less current portion	**(13,652)**	(7,666)
	$ 445,495	$ 402,745

Long-term capital lease obligations consist of the following

	June 30 2014	2013
WSH Capital Lease Obligations, fixed interest rates, collateralized by leased property	**$ 9,268**	$ 13,045
Less current portion	**(3,797)**	(4,015)
	$ 5,471	$ 9,030

WSH uses quoted market prices in estimating the fair value of the revenue bonds and the carrying values of the other long-term obligations' approximate fair value The fair value of WSH's long-term debt, excluding capital lease obligations, was $466,644 and $428,170 at June 30, 2014 and 2013, respectively

8. Long-Term Debt (continued)

On November 12, 2008, the General Authority of South Central Pennsylvania (General Authority) issued the Revenue Refunding Bonds, Series 2008A-D to a "Borrower Group" of WP and an Obligated Group consisting of YH and GH The proceeds from this bond issuance were $412,230 The 2008 Series were issued by the General Authority of South Central Pennsylvania pursuant to a Trust Indenture dated as of November 1, 2008 with Manufacturers and Traders Trust Company, as Trustee The 2008 Series A-D Bonds will be paid by YH, GH and WP based on their allocated amounts, however, the payments are secured equally by the Borrower Group pursuant to a Loan Agreement dated as of November 1, 2007 among the Issuer, the Borrower Group and a Series 2008 Master Note issued by the members of the Borrower Group under a Master Trust Indenture dated as of June 15, 2001, between the Borrower Group and Manufacturers and Traders Trust Company, as Master Trustee The 2008 A Series are fixed rate bonds with interest rates ranging from 2 85%–6 50% The interest rate for the 2008 B-D Variable Rate Demand Obligations for any week may not exceed the lesser of 12% per annum or the maximum rate of interest on the obligation permitted by applicable law

On November 9, 2009, the ECH entered into an Agreement with the Lancaster Municipal Authority (the Authority), whereby, the Authority issued, on behalf of the Hospital, a $23,930 tax-exempt Revenue Note (Ephrata Community Hospital Project), Series of 2009 (the 2009 Note) The proceeds of the 2009 Note were used to refund the 2006 Bonds and pay the costs of issuance of the 2009 Note The 2009 Note is due in varying annual installments through January 1, 2031, plus interest at rate of 2 11% at June 30, 2014 The 2009 Note is secured by a security interest in the gross revenues of the ECH

On February 1, 2010, the ECH entered into an Agreement with the Authority, whereby, the Authority issued, on behalf of the Hospital, a $4,570 tax-exempt Revenue Note (Ephrata Community Hospital Project), Series of 2010A (the "2010A Note") The proceeds of the 2010A Note were used to refund the 1997 Bonds and pay the costs of issuance of the 2010A Note The 2010A Note is due in varying annual installments through April 1, 2021, plus interest at a rate of 2 88% at June 30, 2014 The 2010A Note is secured by a security interest in the gross revenues of the ECH

8. Long-Term Debt (continued)

In April 2012, the ECH entered into an Agreement with the Authority, whereby, the Authority issued, on behalf of the Hospital, a $9,938 tax-exempt Revenue Note (Ephrata Community Hospital Project), Series of 2012 (the 2012 Note) The proceeds of the 2012 Note were used to refund the 2010B Note, pay the costs of issuance of the 2012 Note, and to finance certain construction and renovation expenses Interest payments are made monthly at a fixed rate of interest per annum of 3 26% for the first ten years of the term of the Note ending April 2022 Principal and interest in varying monthly installments will start May 2014 and end April 2037 The 2012 Note is secured by a security interest in the gross revenues of the ECH

In January 2013, the ECH entered into an Agreement with the Authority, whereby, the Authority issued, on behalf of the Hospital, a $9,862 tax-exempt Revenue Note (Ephrata Community Hospital Project), Series of 2013 (the "2013 Note") The proceeds were used to finance certain construction and renovation expenses Interest payments are made monthly at fixed rate of interest per annum of 3 26% for the first ten years of the term of the Note ending January 14, 2023 Principal and interest in varying monthly installments will start May 2014 and end April 2041 The 2013 Note is secured by a security interest in the gross revenues of the ECH The debt agreements contain certain covenants which provide for, among other things, debt service coverage, limitations on future indebtedness and the transfer or sale of assets At June 30, 2014, ECH was in compliance with the required covenants under the terms of the debt agreements

ECH has various mortgages and secured notes payable in varying installments with various interest rates ranging from 5 0% to 6 6% which are due from July 2013 through February 2016 The total amount outstanding is $235,000 at June 30, 2014 The mortgages, notes payable and capital leases are secured by the property and equipment related to the debt

8. Long-Term Debt (continued)

On February 2, 2011, the Series B-D Bonds were restructured through an amendment to the Master Trust Indenture Under the terms of the restructuring, these bonds are now non-bank qualified loans and letters of credit are not required During the 2014 year, the Series B-C issued continuing covenant agreements with various banks Interest is paid monthly and terms range from 5 – 10 years as follows

- Series B was split into Series B-1 and B-2
  - On December 1, 2012, WSH issued Series B-1 to US Bank N A in the amount of $40,025 for a term of 7 years The interest rate ranged from 0 80% to 0 83% in 2014 The rate at June 30, 2014 and 2013 was 0 80% and 0 83%, respectively
  - On June 1, 2013, WSH issued Series B-2 to TD Bank in the amount of $34,000 for a term of 7 years The interest rate ranged from 0 73% to 0 76% in 2014 The rate at June 30, 2014 and 2013 was 0 73% and 0 76%, respectively
  - On December 1, 2012, WSH issued Series C to US Bank N A in the amount of $56,740 for a term of 7 years The interest rate ranged from 0 80% to 0 83% in 2014 The rate at June 30, 2014 and 2013 was 0 80% and 0 83%, respectively
- WSH issued Series D to PNC, N A in the amount of $80,935 for a term of 10 years The interest rate ranged from 1 01% to 1 04% in 2014 The rate at June 30, 2014 and 2013 was 1 01% and 1 04%, respectively

A minimum of 365 days' notice of non-renewal is required by the banks prior to end of the term

On June 23, 1993, the Authority issued the Hospital Revenue Refunding Bonds, Series 1993 (the 1993 Bonds) to YH The Obligated Group for the 1993 Bonds consists only of YH The proceeds from this bond issuance were $38,850, consisting of Select Auction Variable Rate Securities (SAVRS) Series B of 1993 (the Variable Rate Bonds) The 1993 Bonds were issued to refund the Hospital Revenue Refunding Bonds, Series 1991 (the 1991 Bonds) The interest rate for the 1993 Variable Rate Bonds for any 35-day auction period may not exceed the lesser of 12% or the maximum rate permitted by applicable law The interest rate on the 1993 Variable Rate Bonds was 058% and 1 04% at June 30, 2014 and 2013, respectively Interest rates for the 1993 bonds are no longer determined by auctions Interest rates on the 1993 bonds are set by the auction

8. Long-Term Debt (continued)

agent based on a municipal commercial paper rate and multiplied by 1 75%, as described in the documents as the Applicable Percentage Interest rates are reset every 35 days The 1993 Variable Rate Bonds have a final maturity of July 1, 2021 Annual principal payments range from $1,950 to $3,700 The bonds have been insured by AMBAC On July 1, 2011, $4,280 of the bonds were repurchased

The 2008 and 1993 Bond indentures and related agreements contain certain restrictive covenants which, among other things, require the Obligated Group and YH, respectively, to maintain debt service coverage of 110% on all long-term indebtedness The Obligated Group and YH have complied with all financial covenants at June 30, 2014 and 2013

On August 15, 2000, AHSCP obtained a mortgage in the amount of $5,000 from a bank for the construction of the surgery center expansion and other capital equipment The interest rate is variable, and the rates at June 30, 2014 and 2013 were 0 80% and 0 84%, respectively Repayment is in monthly payments through June 1, 2015 A balloon payment of $1,548 is due on June 1, 2015 All principal and interest payments on the loan have been collateralized by AHSCP assets

On March 30, 2007, Gettysburg Ambulatory Surgical Center, LLC (the Center) obtained financing in the amount of $2,750 from M&T Bank The interest is equal to the one-month LIBOR plus 1 40% The interest rate at June 20, 2014 and 2013 was 1 55% and 1 59%, respectively Repayment is in monthly payments through April 2017 The note is secured by substantially all of the Center's assets The Center is required to maintain a cash flow coverage ratio of 1 25 to 1 0 and a minimum tangible net worth of $300 On May 31, 2009, GH assumed the loan and all assets of the Center and renegotiated the note The interest rate remained consistent with the original note, however, the covenants were changed to be the same as the already-existing Master Trust indenture

On December 7, 2012, GH obtained financing in the amount of $1,800 from M&T Bank The interest rate is variable and the rate at June 30, 2014 and 2013 was 2 59% and 2 65%, respectively The note is uncollateralized and has a final maturity of December 2022

On January 31, 2014, GH obtained financing in the amount of $1,100 from M&T Bank The interest rate is variable and the rate at June 30, 2014 was 2 49% The note is uncollateralized and has a final maturity of February 2021

(In Thousands)

8. Long-Term Debt (continued)

On August 1, 2010, WSH, YH, and GH entered into a master lease agreement and tax-exempt financing arrangement with Philips Medical Capital (Philips), a third party Through the master lease agreement, WSH, YH, and GH will lease equipment from Adams County Industrial Development Authority, a third party, which in turn serves as the lessee of Philips The master lease agreement is comprised of four groups of equipment, for which WSH, YH, and GH will receive title at the end of the respective lease terms WSH, YH, and GH may also receive title to the equipment at an earlier date if they exercise their purchase rights per the terms of the master lease agreement WSH has accounted for this transaction as a capital lease in accordance with ASC 840, *Leases*

Each group of equipment is financed through a separate tranche (Schedule) with a 6-year term under the tax-exempt financing arrangement, as follows

Tranche	Close Date	Amount	Interest Rate
Schedule 1	August 31, 2010	$ 6,672	3 15%
Schedule 2	December 10, 2010	4,163	3 29
Schedule 3	March 23, 2011	4,419	3 39
Schedule 4	June 24, 2011	1,646	3 15
		$ 16,900	

On December 29, 2010, GH closed a purchase agreement for the acquisition of a physical therapy facility The interest rate is fixed at 2 75% The note is in the amount of $1,159 for which repayment is in yearly payments through December 29, 2015 The note is uncollateralized

On March 25, 2011, February 29, 2012, and January 31, 2013, WP obtained financing in the amount of $2,032, $2,332, and $1,002, respectively, from M&T Bank The financing was obtained from an available line of credit of $15,000 The line of credit has $12,634 and $9,634 available at June 30, 2014 and 2013, respectively The interest rate is variable and the rate at June 30, 2014 and 2013 was 1 69% and 1 75%, respectively The note is uncollateralized and is due on demand

(In Thousands)

8. Long-Term Debt (continued)

On August 7, 2013 and June 20, 2014, WP obtained financing in the amount of $12,200 and $2,624, respectively, from M&T Bank The financing was obtained from an available line of credit of $20,000 The line of credit has $5,177 available at June 30, 2014 The interest rate is variable and the rate at June 30, 2014 was 3 0375% The note is uncollateralized and has a final maturity of August 2038

Maturities of Long-Term Debt

Maturities of the long-term debt outstanding including capital leases, as of June 30, 2014, net of $4,541 in unamortized discount, are as follows

2015	$ 15,930
2016	16,452
2017	15,362
2018	13,998
2019	16,426
2020 and thereafter	390,247
	$ 468,415

Swap Contracts

WSH has entered into interest rate swap agreements with the intent of mitigating cash flow risk relating to change in the variable interest rates Under the swap agreements, WSH pays interest at fixed rates and receives interest at variable rates The swap settles on a monthly basis The following schedule outlines the terms and fair market values of the interest rate swap agreements that are included in other liabilities on the accompanying consolidated balance sheets

(In Thousands)

8. Long-Term Debt (continued)

	June 30, 2014			
	Series 2006	**Series 2005**	**Series 2007**	**M&T Note**
Notional amount	**$ 10,075**	**$ 99,590**	**$ 140,000**	**$ 866**
Effective date	**2/10/2006**	**5/17/2005**	**6/05/2007**	**9/21/2007**
Termination date	**1/1/2031**	**5/15/2031**	**6/01/2037**	**4/03/2017**
Fixed rate	**3.583%**	**3.600%**	**3.636%**	**5.000%**
Variable rate basis	**USD-Libor-BBA-1MT *.68**	**USD-Libor-BBA-1MT *.624 + .0029**	**USD-Libor-BBA-1MT *.617 + .0031**	**USD-Libor-BBA-1MT *.617**
Recorded liability	**$ (1,585)**	**$ (14,543)**	**$ (27,597)**	**$ (55)**

	June 30, 2013			
	Series 2006	**Series 2005**	**Series 2007**	**M&T Note**
Notional amount	$ –	$ 102,675	$ 140,000	$ 1,171
Effective date	–	5/17/2005	6/05/2007	9/21/2007
Termination date	–	5/15/2031	6/01/2037	4/03/2017
Fixed rate	–	3 600%	3 636%	5 000%
Variable rate basis	–	USD-Libor-BBA-1MT * 624 + 0029	USD-Libor-BBA-1MT * 617 + 0031	USD-Libor-BBA-1MT * 617
Recorded liability	$ –	$ (14,963)	$ (26,951)	$ (98)

The fair value and the presentation of the Company's swap contracts in the consolidated balance sheets are as follows

Derivatives Not Designated as Hedging Instruments Under ASC 815	**Balance Sheet Location**	**June 30 2014**	**2013**
Series 2005		**$ (14,543)**	$ (14,963)
Series 2007		**(27,597)**	(26,951)
Series 2006		**(1,585)**	–
M&T Note		**(55)**	(98)
Total	Interest rate swaps agreements	**$ (43,780)**	$ (42,012)

(In Thousands)

8. Long-Term Debt (continued)

The effect and the presentation of the Company's swap contracts on the consolidated statements of operations are as follows

Derivatives Not Designated as Hedging Instruments Under ASC 815	Location of Gain (Loss) in Income on Derivatives	Amount of Gain (Loss) in Income on Derivative Year Ended June 30 2014	2013
Series 1993		**$ –**	$ 23
Series 2005		**420**	7,549
Series 2007		**(646)**	14,009
Series 2006		**(192)**	–
M&T Note		**43**	60
Total	Change in fair value of interest rate swap agreements	**$ (375)**	$ 21,641

YH entered into an interest rate swap agreement with Lehman Brothers Special Financing, Inc (Lehman) to reduce the impact of changes in interest rates on its 1993 Variable Rate Auction Bonds The interest rate swap agreement was scheduled to mature at the time the 1993 Variable Rate Bonds mature, however, Lehman failed to perform certain activities under the agreement in the second half of 2008 and WSH concluded Lehman to be in default of the swap agreement WSH filed a termination notice under the provisions of the swap agreement on May 20, 2009 Lehman had not agreed to the termination and the matter is further complicated because of Lehman's bankruptcy filing on September 15, 2008 As of May 14, 2013, YH settled its obligation with Lehman Brothers Special Financing in the amount of $4,450, which was paid in June 2013

9. Amounts Available Under Line and Letters of Credit

At June 30, 2014 and 2013, WSH collectively, maintained four lines of credit totaling $85,000 of which $67,811 was unused at June 30, 2014 and $42,500 of which $37,134 was unused at June 30, 2013 At June 30, 2014 and 2013, WSH had unused, unsecured standby letters of credit with a bank totaling $16,504 and $19,342, respectively

(In Thousands)

10. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes

	June 30	
	2014	**2013**
Health care services		
Professional education	**$ 1,571**	$ 1,441
Health care promotion	**14,686**	12,551
	$ 16,257	$ 13,992

For the years ended June 30, 2014 and 2013, $7,226 and $4,777 of net assets were released from donor restrictions, respectively, by incurring expenses satisfying the restricted purposes relating to the purchase of property and equipment, providing professional education and health care promotion

Permanently restricted net assets were restricted to

	June 30	
	2014	**2013**
Permanent endowment funds, the income of which was permitted to be used to support health care services	**$ 3,654**	$ 2,999
Funds held in trust by others	**18,475**	16,176
	$ 22,129	$ 19,175

WSH is named as a beneficiary under several perpetual trusts WSH's beneficiary interest allocation in each of these trusts varies by trust

(In Thousands)

11. Professional and General Liability Reserves

The estimated liability for professional and general liability reserves consists of

	June 30 2014	2013
Professional liability	**$ 48,392**	$ 41,396
Health benefits	**13,067**	10,969
Short-term disability	**450**	378
Workers' compensation	**10,166**	10,432
	72,075	63,175
Less current portion	**(21,594)**	(21,011)
	$ 50,481	$ 42,164

For the years ended June 30, 2014 and 2013, malpractice claims up to $500 were paid through WRRRG and CA WSH obtains excess coverage from the Medical Care Availability and Reduction of Error Fund (MCARE Fund) for claims between $500 and $1,000 Claims between $1,000 and $5,000 in 2014 and 2013 were self-insured by WSH excluding ECH, NLCMG and PSNLCMG Excess coverage of losses between $5,000 and $35,000 was commercially insured excluding ECH, NLCMG and PSNLCMG ECH, NLCMG and PSNLCMG malpractice claims between $1,000 and $20,000 were paid through CA At June 30, 2014 and 2013, estimated professional liability reserve requirements for WSH have been discounted at 3%

As noted above, WSH participates in the MCARE Fund to purchase excess medical malpractice insurance coverage The MCARE Fund levies health care provider surcharges to pay claims and pay administrative expenses on behalf of MCARE Fund participants These surcharges are recognized as expenses in the period incurred The MCARE Act provides for the gradual phase-out of MCARE Fund coverage The actuarially computed liability for all health care providers (hospital, physicians, and others) participating in the MCARE Fund at December 31, 2012 (the latest date for which such information is available) was $1 16 billion Even though the MCARE Fund coverage will be phased out, the Commonwealth has indicated that the unfunded liability will be funded through assessments in future years as MCARE Fund-covered claims are eventually settled and paid

11. Professional and General Liability Reserves (continued)

WSH's annual premiums for participation in the MCARE Fund were $2,662 and $2,105 for the years ended June 30, 2014 and 2013, respectively No provision has been made for any future MCARE Fund assessments in the accompanying consolidated financial statements as WSH's portion of the MCARE Fund unfunded liability cannot be reasonably estimated

WSH is self-insured for workers' compensation and most employee health benefit claims up to program-specific limitations Claims in excess of these limitations are covered by a comprehensive insurance policy on an occurrence basis At June 30, 2014 and 2013, the reserve for workers' compensation claims, discounted at 3%, was $10,766 and $10,432, respectively At June 30, 2014 and 2013, the reserve for medical claims incurred but not reported was $13,067 and $10,969, respectively

The self-insurance liabilities are presented gross in the consolidated balance sheet comprising of $13,179 and $8,530 of estimated insurance recoveries included as a component of other assets as of June 30, 2014 and 2013, respectively There is at least a reasonable possibility that recorded estimates will change by a material amount in the near term

12. Retirement Benefits

Defined Benefit Plan

WellSpan Health has a two qualified defined benefit pension plans (the WSH Plan and ECH Plan) The WSH Plan covers all eligible WellSpan employees hired prior to August 19, 2007 WellSpan makes contributions to the WSH Plan as determined by the actuary As of June 30, 2014 the fair value of plan assets was $673 0 million, compared to projected benefit obligations of $824 3 million

The ECH Plan covers all eligible Ephrata Community Hospital employees The ECH Plan was frozen effective January 1, 2008 WellSpan makes contributions to the ECH Plan as determined by the actuary As of June 30, 2014 the fair value of plan assets was $45 2 million, compared to projected benefit obligations of $60 1 million

(In Thousands)

12. Retirement Benefits (continued)

WellSpan Health also offers a Retirement Savings Plan to eligible active employees who are not eligible for the defined benefit plan Any existing employee who met certain eligibility requirements and was hired prior to August 19, 2007 had the option to stay within the existing defined benefit plan and continue to accrue benefits or opt out and receive benefits under the new defined contribution plan with matching contributions If an individual opted out of the defined benefit plan, any benefits accrued through December 31, 2007 were frozen All employees hired after August 19, 2007 are automatically enrolled in the defined contribution plan

Retired employees of WSH, who have met the requirements to become vested under the terms of the WSH Plan and are over 55 years of age at the time of their retirement, are provided health and life insurance benefits (Other Benefits) The measurement date of the Other Benefits is June 30

The following table summarizes information about the Plans

	June 30					
	2014 WSH Plan	**2014 ECH Plan**	**2014 Total Pension**	**2013 Total Pension**	**2014 Other Benefits**	**2013 Other Benefits**
Change in benefits obligations						
Benefits obligation at beginning of year	**$ 701,689**	**$ –**	**$ 701,689**	$ 714,312	**$ 26,584**	$ 27,066
Inclusion of obligation at Acquisition Date	**–**	**54,083**	**54,083**	–	**–**	–
Service cost, net	**19,455**	**–**	**19,455**	22,137	**991**	1,117
Interest cost	**36,751**	**2,033**	**38,784**	34,105	**1,374**	1,307
Change due to assumption change					**1,361**	(989)
Actuarial (gain) loss	**83,468**	**5,490**	**88,958**	(54,307)	**988**	89
Loss recognized due to temporary deviation in substantive plan	**–**		**–**	–	**346**	223
Benefits paid	**(16,971)**	**(1,500)**	**(18,471)**	(14,558)	**(4,494)**	(2,229)
Benefits obligation at end of year	**$ 824,392**	**$ 60,106**	**$ 884,498**	$ 701,689	**$ 27,150**	$ 26,584
Accumulated benefits obligation	**$ 716,202**	**$ 60,106**	**$ 776,308**	$ 607,635	**$ 5,184**	$ 6,356

(In Thousands)

12. Retirement Benefits (continued)

	June 30					
	2014 WSH Plan	**2014 ECH Plan**	**2014 Total Pension**	**2013 Total Pension**	**2014 Other Benefits**	**2013 Other Benefits**
Changes in plan assets						
Fair value of plan assets at beginning of year	**$ 536,048**	**$ –**	**$ 536,048**	$ 437,722	**$ –**	$ –
Inclusion of plan assets at Acquisition Date	**–**	**40,274**	**40,274**	–	**–**	–
Actual return on plan assets	**101,662**	**4,032**	**105,694**	58,407		–
Contributions by WSH	**52,300**	**2,413**	**54,713**	54,477	**4,682**	2,425
Benefits and expenses paid	**(16,971)**	**(1,500)**	**(18,471)**	(14,558)	**(4,682)**	(2,425)
Fair value of plan assets at end of year	**$ 673,039**	**$ 45,219**	**$ 718,258**	$ 536,048	**$ –**	$ –
Funded status at end of year	**$ (151,353)**	**$ (14,887)**	**$ (166,240)**	$ (165,641)	**$ (27,150)**	$ (26,584)
Amount recognized in the consolidated balance sheets consist of						
Accrued retirement benefits	**$ (151,353)**	**$ (14,887)**	**$ (166,240)**	$ (165,641)	**$ (27,150)**	$ (26,584)
Amounts recognized in accumulated unrestricted net assets consist of						
Prior service cost	**$ –**	**$ –**	**$ –**	$ –	**$ 2,572**	$ 2,982
Net actuarial loss (gain)	**201,355**	**20,942**	**222,297**	186,704	**(531)**	(2,212)
	$ 201,355	**$ 20,942**	**$ 222,297**	$ 186,704	**$ 2,041**	$ 770
Components of net periodic benefits cost						
Service cost	**$ 19,455**	**$ –**	**$ 19,455**	$ 22,137	**$ 991**	$ 1,117
Interest cost	**36,751**	**2,033**	**38,784**	34,104	**1,374**	1,307
Expected return on assets	**(46,027)**	**(2,389)**	**(48,416)**	(40,406)	**–**	–
Loss recognized due to temporary deviation in substantive plan	**–**	**–**	**–**	–	**1,099**	223
Amortization of prior service cost	**–**	**–**	**–**	478	**409**	409
Amortization of unrecognized net actuarial loss (gain)	**13,183**	**618**	**13,801**	23,835	**(85)**	65
Net periodic benefit cost	**23,362**	**262**	**23,624**	40,148	**3,788**	3,121
Other changes in retirement benefits recognized in unrestricted net assets consist of						
Current-year actuarial (gain) loss	**27,834**	**3,847**	**31,681**	(72,308)	**2,349**	(899)
Recognized actuarial (gain) loss	**–**	**(618)**	**(618)**	(478)	**(668)**	(65)
Amortization of prior service cost	**(13,183)**	**–**	**(13,183)**	(23,835)	**(409)**	(409)
Total recognized in net periodic benefit cost and unrestricted net assets	**14,651**	**3,229**	**17,880**	(96,621)	**1,272**	(1,373)
Total recognized in net periodic benefit cost and unrestricted net assets	**$ 38,013**	**$ 3,491**	**$ 41,504**	$ (56,473)	**$ 5,060**	$ 1,748

(In Thousands)

12. Retirement Benefits (continued)

The estimated amounts of net actuarial loss (gain) and the prior service cost that are expected to be amortized from other changes in unrestricted net assets into net periodic benefit cost for the next fiscal year are as follows

	Pension Benefits	Other Benefits	Total
Prior service cost	$ –	$ 409	$ 409
Net loss (gain)	14,629	95	14,724
Total	$ 14,629	$ 504	$ 15,133

	June 30					
	2014 WSH Plan	2014 ECH Plan	2014 Total Pension	2013 Total Pension	2014 Other Benefits	2013 Other Benefits
Assumptions						
Weighted-average assumptions used to determine benefit obligation at June 30						
Discount rate	**4.63%**	**4.70%**	**N/A**	5.30%	**4.63%**	5.30%
Rate of increase in future compensation levels	**4.00%**	**N/A**	**N/A**	4.00%	**4.00%**	4.00%
Weighted-average assumptions used to determine net periodic benefit cost for the years ended June 30						
Discount rate	**5.30%**	**5.11%**	**N/A**	4.82%	**5.30%**	4.82%
Rate of increase in future compensation levels	**4.00%**	**N/A**	**N/A**	4.00%	**4.00%**	4.00%
Expected long-term rate of return on assets	**8.00%**	**8.00%**	**N/A**	8.50%	**N/A**	N/A

To develop the expected long-term rate of return on assets assumption, WSH considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the pension portfolio

(In Thousands)

12. Retirement Benefits (continued)

The WSH Plan weighted-average asset allocations by asset category are as follows

	Asset Allocation			June 30	
	Minimum	**Target**	**Maximum**	**2014**	**2013**
Asset category					
Equity securities	35%	40%	45%	**42%**	55%
Debt securities	29	34	39	**33**	20
Other	21	26	31	**25**	25
				100%	100%

The above allocation reflects policies that are established to ensure that the portfolio is invested according to modern portfolio theory The asset allocation is developed to generate growth in asset value by utilizing higher-returning asset classes and proper diversification

	June 30	
	2014	**2013**
Effect of 1% increase/decrease in health care cost trend rates on		
Postretirement benefit obligation	**$ 30**	$ 18
Total of service cost and interest cost component	**1**	12

The health care cost trend rate for purposes of determining the net periodic benefit cost and disclosure was 5% in 2014 and 5 25% in 2013

Cash Flows

Contributions

WSH expects to contribute during the 2015 fiscal year approximately $77,400 related to the pension plan and $1,406 related to the other benefits

(In Thousands)

12. Retirement Benefits (continued)

Fair Value Measurements

The following tables set forth by level, within the fair value hierarchy, the WSH Plan's assets carried at fair value as of June 30, 2014 and 2013

	June 30, 2014			
	Total Fair Value	**Level 1**	**Level 2**	**Level 3**
Commodities/real return	**$ 27,609**	**$ 27,609**	**$ –**	**$ –**
Stock index fund	**31,349**	**–**	**31,349**	**–**
Private investment funds[1]	**49,162**	**–**	**–**	**49,162**
Real estate partnerships[2][3]	**18,852**	**–**	**–**	**18,852**
Collective mutual funds and investment trusts				
Domestic Small Cap Value	**22,233**	**–**	**22,233**	**–**
International Equity	**91,474**	**–**	**91,474**	**–**
Emerging Markets	**32,098**	**–**	**32,098**	**–**
Fixed Income Funds	**220,850**	**–**	**220,850**	**–**
Global Asset Allocation	**68,019**	**–**	**68,019**	**–**
Cash and cash equivalents	**5,165**	**5,165**	**–**	**–**
Total collective mutual funds and investment trusts	**439,839**	**5,165**	**434,674**	**–**
Guaranteed annuity contracts	**4,188**	**–**	**4,188**	**–**
Equity securities				
Consumer discretionary and services	**18,297**	**18,297**	**–**	**–**
Consumer staples	**3,764**	**3,764**	**–**	**–**
Financial services	**17,507**	**17,507**	**–**	**–**
Healthcare	**13,261**	**13,261**	**–**	**–**
Materials and processing	**14,392**	**14,392**	**–**	**–**
Other energy	**9,108**	**9,108**	**–**	**–**
Producer durables	**3,070**	**3,070**	**–**	**–**
Technology	**19,834**	**19,834**	**–**	**–**
Utilities	**2,807**	**2,807**	**–**	**–**
Total equity securities	**102,040**	**102,040**	**–**	**–**
	$ 673,039	**$ 134,814**	**$ 470,211**	**$ 68,014**

(In Thousands)

12. Retirement Benefits (continued)

	June 30, 2013			
	Total Fair Value	**Level 1**	**Level 2**	**Level 3**
Commodities/real return	$ 21,797	$ 21,797	$ –	$ –
Stock index fund	66,931	–	66,931	–
Private investment funds[1]	93,512	–	–	93,512
Real estate partnerships[2][3]	17,194	–	–	17,194
Collective mutual funds and investment trusts	–	–	–	–
Domestic Small Cap Value	12,640	–	12,640	–
International Equity	45,236	–	45,236	–
Fixed Income Funds	102,409	–	102,409	–
Cash and cash equivalents	4,384	4,384	–	–
Total collective mutual funds and investment trusts	164,669	4,384	160,285	–
Guaranteed annuity contracts	4,272	–	4,272	–
Equity securities				
Consumer discretionary and services	36,962	36,962	–	–
Consumer staples	6,834	6,834	–	–
Financial services	25,148	25,148	–	–
Healthcare	22,541	22,541	–	–
Materials and processing	16,802	16,802	–	–
Other energy	15,705	15,705	–	–
Producer durables	6,879	6,879	–	–
Technology	34,800	34,800	–	–
Utilities	2,002	2,002	–	–
Total equity securities	167,673	167,673	–	–
	$ 536,048	$ 193,854	$ 231,488	$ 110,706

12. Retirement Benefits (continued)

(1) The Plan also maintains investments in private investment funds, these include investments in Common Sense Offshore Ltd (Common Sense), Quellos Institutional Partners (Quellos), Siguler Guff Opportunities III (Siguler Guff), Prisma Spectrum, and Portfolio Advisors Secondary Fund LP (Portfolio Advisors) The estimated fair market value of these investments is determined by the total net assets of the fund attributable to common shares, divided by the number of common shares outstanding The total net asset value of the fund is determined by the market value of the underlying investments if they are securities listed on a national securities exchange or traded over the counter For those securities not openly traded, the investment manager generally utilizes the most recent relevant information or performance reports of such managed account or investment partnership, unless the investment manager determines some other valuation is more appropriate On an annual basis, Common Sense, Quellos, Siguler Guff, Prisma Spectrum, and Portfolio Advisors provide audited financial statements from independent audit firms for review

(2) The Plan's investments in the Guggenheim Real Estate Commingled Trust include interests in a collection of publicly traded securities, property funds, direct property investments, and mezzanine financings The publicly traded securities and property funds are valued at the last reported sales price on the last day of the period The direct property investments are initially recorded at the total cost to acquire the properties and subsequently these values are adjusted based on the opinions of value obtained quarterly from independent real estate investment managers The mezzanine financings are valued based on fair market values determined by the Guggenheim Real Estate Commingled Trust based upon an estimate of realized proceeds from hypothetical liquidation On an annual basis, the Guggenheim Real Estate Commingled Trust provides a copy of its audited financial statements from an independent audit firm for review

(3) The Plan's investment in AEW Partners, LP (AEW) includes interests in direct property investment, joint ventures, and debt or real estate-related securities The investments are initially recorded at the total cost to acquire the properties and related security interests Annually, the General Partner submits a proposal to the Limited Partners on the method to determine the valuation of each asset Valuation methods are based on a report by an independent appraiser, a current market price (in the case of marketable securities) or the General Partner's good faith estimate of value On an annual basis, AEW provides a copy of its audited financial statements from an independent audit firm for review

(In Thousands)

12. Retirement Benefits (continued)

The following tables set forth by level, within the fair value hierarchy, the ECH Plan's assets carried at fair value as of June 30, 2014

	June 30, 2014			
	Total Fair Value	**Level 1**	**Level 2**	**Level 3**
Debt securities – U S Treasury and government corp, agency	$ 8,866,754	$ –	$ 8,866,754	$ –
Government MBS	91,594	–	91,594	–
Corporate debt securities	1,238,411	–	1,238,411	–
Collective mutual funds				
Domestic Small Cap Value	281,267	–	281,267	–
International Equity	44,448	–	44,448	–
Emerging Markets	–	–	–	–
Fixed Income	7,255,133	–	7,255,133	–
Global Asset Allocation	–	–	–	–
Cash and cash equivalents	1,510,354	1,510,354	–	–
Total collective mutual funds and investment trusts	9,091,202	1,510,354	7,580,848	–
Equity securities				
Consumer discretionary and services	4,281,770	4,281,770	–	–
Consumer staples	2,576,000	2,576,000	–	–
Financial services	4,537,957	4,537,957	–	–
Healthcare	2,841,388	2,841,388	–	–
Materials and processing	2,439,231	2,439,231	–	–
Other energy	3,000,957	3,000,957	–	–
Producer durables	1,344,115	1,344,115	–	–
Technology	4,853,002	4,853,002	–	–
Utilities	56,618	56,618	–	–
Total equity securities	25,931,038	25,931,038	–	–
Total assets at fair value	$ 45,218,999	$ 27,441,392	$ 17,777,607	$ –

(In Thousands)

12. Retirement Benefits (continued)

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended June 30, 2014

	Level 3 Assets	
	Private Investment and Absolute Return Funds	**Real Estate Partnerships**
Balance, beginning of year as of June 30, 2012	$ 81,993	$ 15,891
Realized gains	1,602	1,498
Unrealized gains	6,377	661
Purchases	7,310	–
Sales, issuances, and settlements	(3,770)	(856)
Balance, beginning of year as of June 30, 2013	93,512	17,194
Realized gains	**21,613**	**1,595**
Unrealized (losses) gains	**(16,162)**	**1,018**
Purchases	**33,709**	–
Sales, issuances, and settlements	**(83,510)**	**(955)**
Balance, end of year as of June 30, 2014	**$ 49,162**	**$ 18,852**

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid

	Pension Benefits	**Other Benefits**
Fiscal year		
2015	$ 23,864	$ 1,406
2016	26,959	914
2017	30,195	890
2018	33,701	913
2019	37,315	3,261
2020 and thereafter	240,142	13,120

(In Thousands)

12. Retirement Benefits (continued)

Defined Contribution Plans

WSH sponsors two defined contribution plans the Ephrata Community Hospital 403(b) Plan which is for the benefit of eligible employees of ECH, NLCMG, and PSNLCMG, and the WellSpan Health 403(b) Plan which is for the benefit of WSH, YH, WMG, HCP, WSS, VNAHHS, VNACS, GH, AHSCP, SCP, and WRx WSH began matching contributions to the plans on January 1, 2008, and employer contributions are based on a formula as defined by the plan document

The amount of expense related to these plans was $18,531 and $15,154 for the years ended June 30, 2014 and 2013, respectively

13. Noncontrolling Interest

In 2014 and 2013, WSH accounted for the following noncontrolling interests in joint ventures controlled by WSH based on the noncontrolling partner's share of the related income and (loss) of the venture and the ending equity balance of the venture

	Noncontrolling Interest %	Noncontrolling Interest at June 30 2014	2013	Income (Loss) on Noncontrolling Interest for the Year Ended June 30 2014	2013
AHSCP	32%	**$ 2,000**	$ 2,142	**$ 597**	$ 716
Q-WH	50*	**–**	–	**–**	(1)
CHIP	49*	**–**	–	**–**	(128)
CTCC	50	**1,177**	1,402	**(150)**	(43)
LHCP	50	**1,449**	1,501	**73**	72
AHCA	43	**587**	665	**(78)**	(7)
		$ 5,213	$ 5,710	**$ 442**	$ 609

*WHCS acquired the remaining shares as of January 1, 2013 and, therefore, as of June 30, 2013, WSH was a 100% owner of these two joint ventures

(In Thousands)

14. Investments in Joint Ventures

In 2014 and 2013, WSH accounted for the following investments in joint ventures on the equity method of accounting, and recorded the related equity in income (loss) on joint ventures

	Ownership %	Investment at June 30 2014	Investment at June 30 2013	Equity in Income (Loss) on Investments for the Year Ended June 30 2014	Equity in Income (Loss) on Investments for the Year Ended June 30 2013
DRF	33%	**$ 215**	$ 233	**$ (18)**	$ –
PHO	50%	**–**	72	**(71)**	(14)
CA	4%	**315**	–	**–**	–
ERC	51%	**1,226**	–	**797**	–
AHP	14%	**808**	–	**(192)**	–
QUEST	30%	**91**	62	**9**	6
CPAL	30%	**525**	351	**–**	1
		$ 3,180	$ 718	**$ 525**	$ (7)

15. Commitments and Contingencies

Health Care Regulatory Environment and Reliance on Government Programs

The health care industry in general and the services that WSH provides are subject to extensive federal and state laws and regulations Additionally, a portion of WSH's revenue is from payments by government-sponsored health care programs, principally Medicare and Medicaid, and is subject to audit and adjustments by applicable regulatory agencies Failure to comply with any of these laws or regulations, the results of regulatory audits and adjustments, or changes in the amounts payable for WSH's services under these programs could have a material adverse effect on WSH's consolidated financial position and results of operations

(In Thousands)

15. Commitments and Contingencies (continued)

Operating Leases

WSH leases office space and medical practice sites under operating leases The following is a summary of future minimum rental payments under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2014

2015	$	13,176
2016		11,581
2017		10,279
2018		9,400
2019		7,267
2020 and thereafter		28,821
Total minimum payments required	$	80,524

Rent expense under operating leases was $12,981 and $7,050 for the years ended June 30, 2014 and 2013, respectively, and is included in supplies and other expenses in the consolidated statements of operations Some of the rental agreements include clauses for rent escalation

Commitment

In August 2011, WSH entered into a two-year fixed technology fee arrangement with its primary inpatient electronic health record (EHR) software vendor This vendor is one of the industry's leading suppliers of healthcare information technology solutions and already supplies WSH with the operating system for its EHR, and many of the key clinical applications already in place or currently being implemented

The two-year agreement is for a total of $9,389 and will be paid over the contract term in equal yearly payments It provides for the acquisition of a specific set of software subscriptions from the EHR's catalogue of products, a given amount of implementation support services and software maintenance support over the contract period

(In Thousands)

15. Commitments and Contingencies (continued)

Litigation

WSH is involved in litigation and regulatory investigations arising in the normal course of business After consultation with legal counsel, management believes that these matters will be resolved without material adverse effect on WSH's future consolidated financial position or results of operations

16. Functional Expenses

WSH provides general health care services to residents within its geographic location Expenses related to providing these services are as follows

	Year Ended June 30	
	2014	**2013**
Program activities	**$ 1,153,116**	$ 1,010,059
General and administrative	**226,953**	184,044
	$ 1,380,069	$ 1,194,103

17. Income Taxes

Accounting principles generally accepted in the United States require management to evaluate uncertain tax positions taken by WSH The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the Internal Revenue Service Management has concluded that as of June 30, 2014, there are no uncertain positions taken or expected to be taken WSH has recognized no interest or penalties related to uncertain tax positions WSH is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress Management believes that WSH is no longer subject to income tax examinations for years prior to 2010

18. Subsequent Events

The Company has evaluated subsequent events that have occurred for recognition or disclosure through October 9, 2014, the date the financial statements were available to be issued

Supplementary Information (2014 Only)

WellSpan Health

Consolidating Balance Sheet
(In Thousands)

June 30, 2014

	York Hospital	Gettysburg Hospital Consolidated	Ephrata Community Hospital Consolidated	WellSpan Specialty Services Consolidated	WellSpan Medical Group	Apple Hill Surgical Center Partners	WellSpan Health	WellSpan Health Care Services Consolidated	York Health Plan	WellSpan Reciprocal Risk Retention Group	York Health Foundation	Consolidating Eliminations	Consolidated Totals
Assets													
Current assets													
Cash and cash equivalents	$ 76.707	$ 22.431	$ 8.885	$ 918	$ 3.406	$ 1.920	$ 6.133	$ 8.307	$ 1.150	$ 998	$ 1.251	$ (4.029)	$ 128.077
Due from affiliates	1.384	20	–	95	1.712	84	2.465	139	–	1	–	(5.900)	–
Assets limited as to use	–	–	–	–	–	–	–	–	–	4.164	–	–	4.164
Patient accounts receivable, net	118.777	20.876	22.634	7.994	15.764	981	–	3.521	–	–	–	–	190.547
Other receivables	5.583	1.089	561	435	3.544	19	2.488	95	276	96	4	–	14.190
Inventories	5.866	937	5.383	683	459	472	85	3.136	–	–	–	–	17.021
Prepaid expenses	1.748	434	2.473	156	870	40	19.057	420	72	111	–	–	25.381
Total current assets	210.065	45.787	39.936	10.281	25.755	3.516	30.228	15.618	1.498	5.370	1.255	(9.929)	379.380
Investments limited as to use													
Board-designated	640.563	109.092	34.891	30.297	–	–	11.048	5.059	–		512	–	831.462
Self-insurance trust	–	–	–	–	–	–	–	–	–	11.247	–	–	11.247
Temporarily restricted investments	1.134	595	120	1.341	–	–	–	–	–		6.014	–	9.204
Permanently restricted investments	656	–	–	2.998	–	–	–	–	–		–	–	3.654
Beneficial interest in perpetual trusts	7.308	7.156	734	3.262	–	–	–	–	–		–	–	18.460
	649.661	116.843	35.745	37.898	–	–	11.048	5.059	–	11.247	6.526	–	874.027
Pledges receivable, net	–	140	596	29	–	–	–	–	–	–	1.924	–	2.689
Property and equipment, net	206.062	42.755	69.923	65.756	14.617	4.634	58.358	93.767	603	–	3	–	556.478
Investments in joint ventures	–	–	1.748	–	–	–	5.208	179	–	–	–	(3.955)	3.180
Notes receivable – affiliates	79.547	–	–	–	–	–	30.642	–	–	43	–	(110.232)	–
Deferred financing costs, net	1.765	180	229	358	–	5	–	396	–	–	–	–	2.933
Interest in net assets of Foundation	6.014	–	–	–	–	–	–	–	–	–	–	(6.014)	–
Other assets	–	6.184	984	–	–	195	28.118	473	–	–	–	–	35.954
Total assets	$ 1,153,114	$ 211,889	$ 149,161	$ 114,322	$ 40,372	$ 8,350	$ 163,602	$ 115,492	$ 2,101	$ 16,660	$ 9,708	$ (130,130)	$ 1,854,641

WellSpan Health

Consolidating Balance Sheet (continued)
(In Thousands)

June 30, 2014

	York Hospital	Gettysburg Hospital Consolidated	Ephrata Community Hospital Consolidated	WellSpan Specialty Services Consolidated	WellSpan Medical Group	Apple Hill Surgical Center Partners	WellSpan Health	WellSpan Health Care Services Consolidated	York Health Plan	WellSpan Reciprocal Risk Retention Group	York Health Foundation	Consolidating Eliminations	Consolidated Totals
Liabilities and net assets													
Current liabilities													
Current portion of capital lease obligations	$ 2.620	$ 122	$ 238	$ –	$ –	$ –	$ 817	$ –	$ –	$ –	$ –	$ –	$ 3.797
Current portion of long-term debt	7.069	1.276	1.688	855	–	1.771	44	949	–	–	–	–	13.652
Accounts payable and accrued expenses	13.542	1.982	6.469	1.320	382	169	15.908	1.357	125	47	9	–	41.310
Bank payable	–	–	–	85	–	–	3.314	630	–	–	–	(4.029)	–
Accrued interest payable	1.583	3	23	–	–	1	–	–	–	–	–	–	1.610
Accrued salaries and wages	26.706	4.402	14.180	2.414	24.721	452	17.438	610	614	–	18	–	91.555
Advances from third-party payor	2.518	484	348	293	633	–	84	–	103	1.051	30	–	5.544
Self-insurance costs and postretirement benefits	879	–	2.900	–	–	–	14.530	–	–	4.164	–	–	22.473
Estimated third-party payor settlements	9.027	725	1.120	336	–	–	–	–	–	–	–	–	11.208
Due to affiliates	–	956	1.379	–	–	–	–	3.106	81	–	378	(5.900)	–
Total current liabilities	63.944	9.950	28.345	5.303	25.736	2.393	52.135	6.652	923	5.262	435	(9.929)	191.149
Estimated self-insurance costs	–	–	250	–	–	–	39.241	–	–	10.990	–	–	50.481
Long-term capital lease obligations, less current portion	3.451	262	–	–	–	–	1.758	–	–	–	–	–	5.471
Long-term debt, less current portion	243.436	33.881	41.633	57.923	–	–	2.303	66.319	–	–	–	–	445.495
Accrued retirement benefits	18.993	–	14.887	–	–	–	158.630	–	–	–	–	–	192.510
Note payable – affiliates	29	6	–	29.242	7	–	79.548	1.400	–	–	–	(110.232)	–
Interest rate swap agreements	25.278	5.090	1.585	–	–	–	–	11.827	–	–	–	–	43.780
Other noncurrent liabilities	1.511	–	–	–	–	–	–	–	–	–	–	–	1.511
Total liabilities	356.642	49.189	86.700	92.468	25.743	2.393	333.615	86.198	923	16.252	435	(120.161)	930.397
Net assets													
Unrestricted	778.282	154.335	60.660	14.090	14.602	5.957	(170.308)	26.081	1.178	408	1.315	(5.955)	880.645
Temporarily restricted	4.202	1.204	1.067	1.504	27	–	295	–	–	–	7.958	–	16.257
Permanently restricted	7.974	7.161	734	6.260	–	–	–	–	–	–	–	–	22.129
Interest in net assets of Foundation	6.014	–	–	–	–	–	–	–	–	–	–	(6.014)	–
WellSpan Health net assets	796.472	162.700	62.461	21.854	14.629	5.957	(170.013)	26.081	1.178	408	9.273	(11.969)	919.031
Noncontrolling interest	–	–	–	–	–	–	–	3.213	–	–	–	2.000	5.213
Total net assets	796.472	162.700	62.461	21.854	14.629	5.957	(170.013)	29.294	1.178	408	9.273	(9.969)	924.244
Total liabilities and net assets	$ 1.153.114	$ 211.889	$ 149.161	$ 114.322	$ 40.372	$ 8.350	$ 163.602	$ 115.492	$ 2.101	$ 16.660	$ 9.708	$ (130.130)	$ 1.854.641

WellSpan Health

Consolidating Statement of Operations
(In Thousands)

Year Ended June 30, 2014

	York Hospital	Gettysburg Hospital Consolidated	Ephrata Community Hospital Consolidated	WellSpan Specialty Services Consolidated	WellSpan Medical Group	Apple Hill Surgical Center Partners	WellSpan Health	WellSpan Health Care Services Consolidated	York Health Plan	WellSpan Reciprocal Risk Retention Group	York Health Foundation	Consolidating Eliminations	Consolidated Totals
Unrestricted revenues, gains, and other support													
Net patient service revenue	$ 872.828	$ 151.577	$ 160.861	$ 56.805	$ 159.997	$ 12.077	$ –	$ 1.987	$ –	$ –	$ –	$ 1.192	$ 1.417.324
Provision for uncollectible accounts	(38.790)	(12.275)	(5.770)	(2.125)	(5.780)	(236)	–	–	–	–	–		(64.976)
Net patient service revenue less provision for uncollectible accounts	834.038	139.302	155.091	54.680	154.217	11.841	–	1.987	–	–	–	1.192	1.352.348
Capitation revenue	3.702	–	–	–	8.751	–	–	–	–	–	–		12.453
Other revenue	12.022	1.079	2.017	1.434	88.382	21	307.811	52.074	8.383	6.923	883	(418.426)	62.603
Net assets released from restrictions used for operations	3.521	295	39	5	–	–	591	–	–	–	1.107		5.558
Total revenues, gains, and other support	853.283	140.676	157.147	56.119	251.350	11.862	308.402	54.061	8.383	6.923	1.990	(417.234)	1.432.962
Expenses													
Salaries and wages	243.777	41.878	75.241	21.204	182.946	3.365	76.943	5.446	4.208	–	448	–	655.456
Employee benefits	94.017	15.128	21.324	8.117	49.084	1.328	164.163	2.167	1.794	–	164	(136.459)	220.827
Professional fees	141.077	23.521	3.222	2.041	4.953	885	1.408	1.067	774	185	21	(155.013)	24.141
Supplies and other	259.098	39.325	52.114	18.313	36.562	3.959	62.588	35.576	1.883	3.899	1.355	(124.880)	389.792
Depreciation and amortization	29.062	4.976	8.003	5.118	3.817	614	12.644	3.872	132	–	1	–	68.239
Interest	12.416	1.800	1.112	4.717	–	16	5.340	3.025	–	–	–	(6.812)	21.614
Total operating expenses	779.447	126.628	161.016	59.510	277.362	10.167	323.086	51.153	8.791	4.084	1.989	(423.164)	1.380.069
Operating income (loss)	73.836	14.048	(3.869)	(3.391)	(26.012)	1.695	(14.684)	2.908	(408)	2.839	1	5.930	52.893
Other income (expense)													
Contributions	445	195	433	181	–	–	–	49	–	–	571	–	1.874
Investment income, net	104.054	19.722	2.455	5.856	74	8	1.852	1	8	346	17	(6.812)	127.581
Equity in income of joint ventures	2.125	349	797	66	486	41	975	55	–	–	–	(4.369)	525
Gain (loss) on sale of assets other	69	4	21	(3)	(59)	25	(34)	437	–	–	–	–	460
Other income (expense)	(1.850)	(101)	(34)	130	–	11	(57)	(18)	–	–	–	882	(1.037)
Contributions received in the acquisition of Ephrata Community Hospital and Subsidiaries	–	–	–	–	–	–	32.549	–	–	–	–	63.794	96.343
Change in fair value of interest rate swap agreements	112	(18)	(192)	–	–	–	–	(277)	–	–	–	–	(375)
Total other income (expense)	104.955	20.151	3.480	6.230	501	85	35.285	247	8	346	588	53.495	225.371
Excess (deficiency) of revenues over expenses before noncontrolling interest	178.791	34.199	(389)	2.839	(25.511)	1.780	20.601	3.155	(400)	3.185	589	59.425	278.264
Noncontrolling interest	–	–	–	–	–	–	–	155	–	–	–	(597)	(442)
Excess (deficiency) of revenues over expenses	178.791	34.199	(389)	2.839	(25.511)	1.780	20.601	3.310	(400)	3.185	589	58.828	277.822
Other changes in unrestricted net assets													
Change in unrealized gains (losses) on assets limited as to use and investments	–	–	–	–	–	–	–	–	–	5	–	–	5
Net assets released from restrictions for purchase of property and equipment	1.099	18	484	–	–	–	67	–	–	–	–	–	1.668
Merged Assets	–	–	63.794	–			–	–	–	–	–	(63.794)	–
Distributions to partners	–	–	–	–	–	(1.922)	–	–	–	(3.596)	–	5.518	–
Other change in retirement liability	(1.145)	–	(3.229)	–	–	–	(14.778)	–	–	–	–	–	(19.152)
Transfers with affiliates	(42.200)	(7.800)	–	–	30.725	–	18.675	600	–	–	–	–	–
Increase (decrease) in unrestricted net assets	$ 136.545	$ 26.417	$ 60.660	$ 2.839	$ 5.214	$ (142)	$ 24.565	$ 3.910	$ (400)	$ (406)	$ 589	$ 552	$ 260.343

WellSpan Health

Consolidating Statement of Changes in Net Assets
(In Thousands)

Year Ended June 30, 2014

	York Hospital	Gettysburg Hospital Consolidated	Ephrata Community Hospital Consolidated	WellSpan Specialty Services Consolidated	WellSpan Medical Group	Apple Hill Surgical Center Partners	WellSpan Health	WellSpan Health Care Services Consolidated	York Health Plan	WellSpan Reciprocal Risk Retention Group	York Health Foundation	Consolidating Eliminations	Consolidated Totals
Unrestricted net assets													
Excess (deficiency) of revenues over expenses	$ 178.791	$ 34.199	$ (389)	$ 2.839	$ (25.511)	$ 1.780	$ 20.601	$ 3.310	$ (400)	$ 3.185	$ 589	$ 58.828	$ 277.822
Other changes in unrestricted net assets													
Change in unrealized gains (losses) on assets limited as to use and investments	–	–	–	–	–	–	–	–	–	5	–	–	5
Net assets released from restrictions for purchase of property and equipment	1.099	18	484	–	–	–	67	–	–	–	–	–	1.668
Merged assets	–	–	63.794	–	–	–	–	–	–	–	–	(63.794)	–
Distributions to partners	–	–	–	–	–	(1.922)	–	–	–	(3.596)	–	5.518	–
Other change in retirement liability	(1.145)	–	(3.229)	–	–	–	(14.778)	–	–	–	–	–	(19.152)
Transfers with affiliates	(42.200)	(7.800)	–	–	30.725	–	18.675	600	–	–	–	–	–
Increase (decrease) in unrestricted net assets	136.545	26.417	60.660	2.839	5.214	(142)	24.565	3.910	(400)	(406)	589	552	260.343
Temporarily restricted net assets													
Net realized and unrealized gains and losses on investments	25	10	–	97	–	–	–	–	–	–	1.044	–	1.176
Net investment income	59	91	(1)	126	–	–	–	–	–	–	33	–	308
Merged assets	–	–	1.514	–	–	–	–	–	–	–	–	–	1.514
Change in net assets of Foundation	1.072	–	–	–	–	–	–	–	–	–	–	(1.072)	–
Contributions	3.869	525	77	(50)	4	–	441	–	–	–	1.627	–	6.493
Net assets released from restrictions	(4.620)	(313)	(523)	(5)	–	–	(658)	–	–	–	(1.107)	–	(7.226)
Increase (decrease) in temporarily restricted net assets	405	313	1.067	168	4	–	(217)	–	–	–	1.597	(1.072)	2.265
Permanently restricted net assets													
Net investment income	324	77	1	140	–	–	–	–	–	–	–	–	542
Net realized and unrealized gains and losses on investments	651	783	59	505	–	–	–	–	–	–	–	–	1.998
Merged assets	–	–	674	–	–	–	–	–	–	–	–	–	674
Contributions	102	31	–	104	–	–	–	–	–	–	–	–	237
Net assets released from restrictions	(269)	(115)	–	(113)	–	–	–	–	–	–	–	–	(497)
Increase in permanently restricted net assets	808	776	734	636	–	–	–	–	–	–	–	–	2.954
Increase (decrease) in net assets	137.758	27.506	62.461	3.643	5.218	(142)	24.348	3.910	(400)	(406)	2.186	(520)	265.562
Net assets													
Beginning of year	658.714	135.194	–	18.211	9.411	6.099	(194.361)	22.171	1.578	814	7.087	(11.449)	653.469
End of year	$ 796.472	$ 162.700	$ 62.461	$ 21.854	$ 14.629	$ 5.957	$ (170.013)	$ 26.081	$ 1.178	$ 408	$ 9.273	$ (11.969)	$ 919.031

York Hospital and Gettysburg Hospital (Obligated Group)

Combining Balance Sheet

(In Thousands)

June 30, 2014

	York Hospital	Gettysburg Hospital (Only)	Combining Eliminations	Combined Totals
Assets				
Current assets				
Cash and cash equivalents	$ 76,707	$ 21,784	$ –	$ 98,491
Due from affiliates	1,384	–	–	1,384
Patient accounts receivable, net	118,777	20,876	–	139,653
Other receivables	5,583	1,083	–	6,666
Inventories	5,866	937	–	6,803
Prepaid expenses	1,748	434	–	2,182
Total current assets	210,065	45,114	–	255,179
Investments limited as to use				
Board-designated	640,563	100,440	–	741,003
Temporarily restricted investment	1,134	371	–	1,505
Permanently restricted investment	656	–	–	656
Beneficial interest in perpetual trusts	7,308	–	–	7,308
	649,661	100,811	–	750,472
Property and equipment, net	206,062	42,751	–	248,813
Notes receivable – affiliates	79,547	–	–	79,547
Deferred financing costs, net	1,765	180	–	1,945
Interest in net assets of the Foundation	6,014	16,845	–	22,859
Other assets	–	6,103	–	6,103
Total assets	$ 1,153,114	$ 211,804	$ –	$ 1,364,918

	York Hospital	Gettysburg Hospital (Only)	Combining Eliminations	Combined Totals
Liabilities and net assets				
Current liabilities				
Current portion of capital lease obligations	$ 2,620	$ 122	$ –	$ 2,742
Current portion of long-term debt	7,069	1,276	–	8,345
Accounts payable and accrued expenses	13,542	1,958	–	15,500
Accrued interest payable	1,583	3	–	1,586
Accrued salaries and wages	26,706	4,402	–	31,108
Advances from third-party payor	2,518	423	–	2,941
Estimated third-party payor settlements	9,027	725	–	9,752
Estimated self-insurance costs and postretirement benefits	879	–	–	879
Due to affiliates	–	989	–	989
Total current liabilities	63,944	9,898	–	73,842
Long-term capital lease obligations, less current portion	3,451	262	–	3,713
Long-term debt, less current portion	243,436	33,881	–	277,317
Accrued retirement benefits	18,993	–	–	18,993
Notes payable – affiliates	29	6	–	35
Interest rate swap contracts	25,278	5,090	–	30,368
Other noncurrent liabilities	1,511	–	–	1,511
Total liabilities	356,642	49,137	–	405,779
Net assets				
Unrestricted	778,282	145,125	–	923,407
Temporarily restricted	4,202	697	–	4,899
Permanently restricted	7,974	–	–	7,974
Interest in net assets of the Foundation	6,014	16,845	–	22,859
Total net assets	796,472	162,667	–	959,139
Total liabilities and net assets	$ 1,153,114	$ 211,804	$ –	$ 1,364,918

York Hospital and Gettysburg Hospital (Obligated Group)

Combining Statement of Operations
(In Thousands)

Year Ended June 30, 2014

	York Hospital	Gettysburg Hospital (Only)	Combining Eliminations	Combined Totals
Unrestricted revenues, gains, and other support				
Net patient service revenue	$ 872,828	$ 151,577	$ –	$ 1,024,405
Provision for uncollectible accounts	(38,790)	(12,275)	–	(51,065)
Net patient service revenue less provision for uncollectible accounts	834,038	139,302	–	973,340
Capitation revenue	3,702	–	–	3,702
Other revenue	12,022	1,090	(426)	12,686
Net assets released from restrictions used for operations	3,521	159	–	3,680
Net revenues, gains, and other support	853,283	140,551	(426)	993,408
Expenses				
Salaries and wages	243,777	41,688	–	285,465
Employee benefits	94,017	15,056	–	109,073
Professional fees	141,077	23,488	–	164,565
Supplies and other	259,098	39,123	(426)	297,795
Depreciation and amortization	29,062	4,974	–	34,036
Interest	12,416	1,800	–	14,216
Total operating expenses	779,447	126,129	(426)	905,150
Operating income	73,836	14,422	–	88,258
Other income (expense)				
Contributions	445	77	–	522
Investment income, net	104,054	18,524	–	122,578
Equity in income of joint ventures	2,125	349	–	2,474
Loss on sale of assets/other	69	4	–	73
Change in fair value of interest rate swap agreements	112	(18)	–	94
Other expense, net	(1,850)	(475)	–	(2,325)
Total other income	104,955	18,461	–	123,416
Excess of revenues over expenses	178,791	32,883	–	211,674
Other changes in unrestricted net assets				
Net assets released from restrictions used for purchase of property and equipment	1,099	18	–	1,117
Other change in retirement liability	(1,145)	–	–	(1,145)
Transfers with affiliates	(42,200)	(7,800)	–	(50,000)
Increase in unrestricted net assets	$ 136,545	$ 25,101	$ –	$ 161,646

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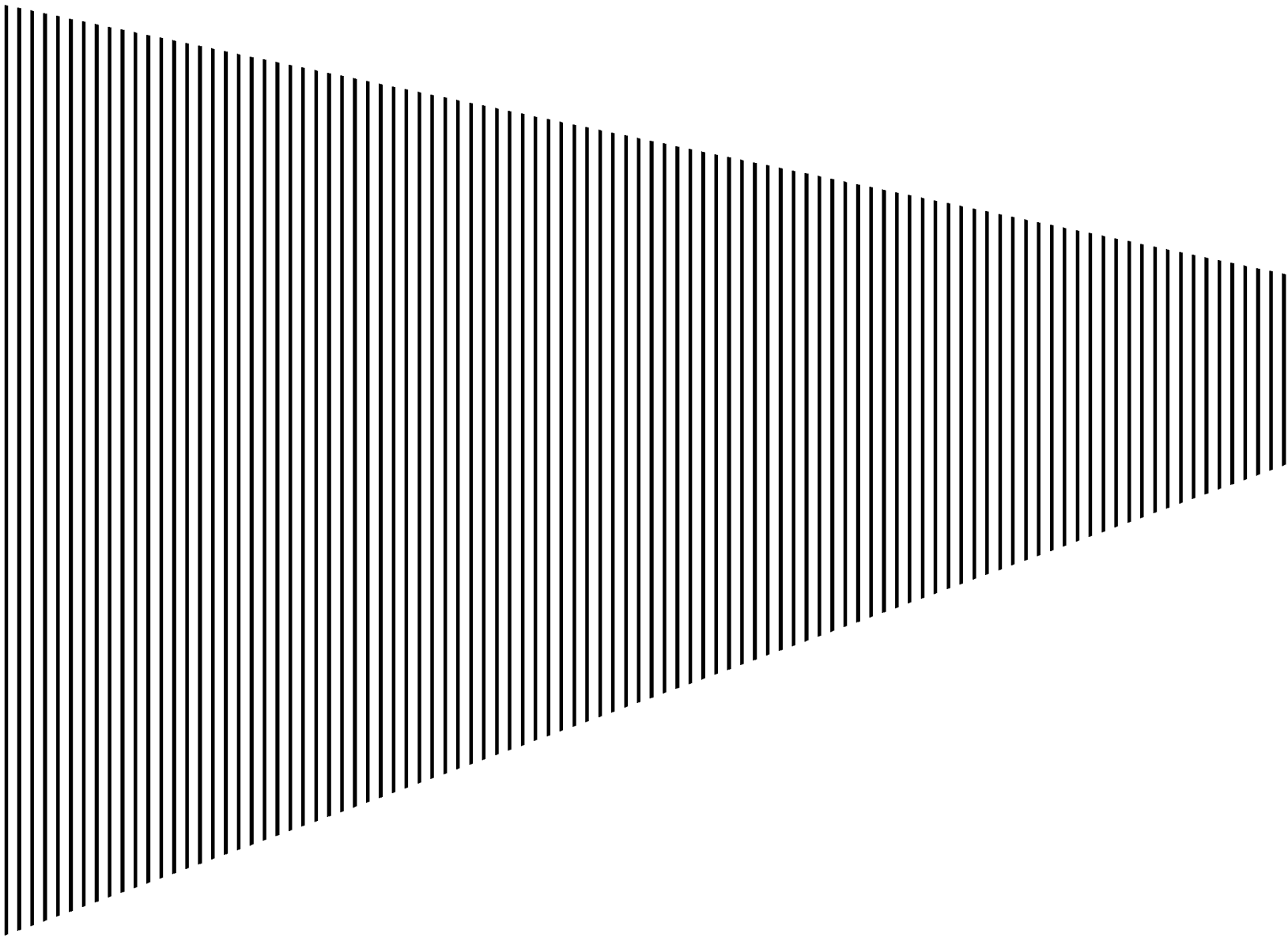


Community Health Needs Assessment: Implementation Plan

[redacted]

June 2013

Upon review of the Lancaster County Community Health Needs Assessment, the following implementation plan outlines the process Ephrata Community Hospital undertook in evaluating community needs, and identifying priority areas.

BACKGROUND:

Appendix B of the Community Health Needs Assessment outlines the expert input received during the needs assessment process. Many of those noted sources are members of the Lancaster Health Improvement Partnership, a coalition comprised of over 25 mostly non-profit health & human service organizations. This partnership acts as stakeholders in the needs assessment process and has been instrumental with county-wide needs assessments for a number of years. The group meets regularly throughout the year to discuss the community's most pressing health issues.

A sub-group of the Lancaster Health Improvement Partnership plans the annual Lancaster Health Summit. The health summit is a community forum to educate, share ideas, communicate data and results to key constituents. The summit is a collaborative effort with the Lancaster County Business Group on Health and draws over 300 participants.

Actively participating in these groups and other similar coalitions and collaborative efforts within the county has afforded Ephrata Community Hospital greater insight into the community's health status. This engagement has been beneficial as the hospital moved forward in drafting this implementation plan.

EVALUATING NEEDS:

Ephrata Community Hospital formed an internal committee that included representatives from several departments including Administration, Community Relations, Wellness, Financial Services, Strategic Planning and the Northern Lancaster County Medical Group, a group of physician practices owned by the hospital. The committee was tasked with reviewing the community health needs assessment, identifying priority areas and selecting which needs to address. Utilizing a priority setting matrix, indicators were weighted based on their prevalence in the community, their impact on health, and their ability to be influenced by a health intervention or strategy.

Prevalence

The "Lancaster County Community Health Needs Assessment" was authored by Berwood Yost, Director of the Center for Opinion Research at Franklin & Marshall College. Within the document, Yost highlights key indicators and their prevalence among the residents of Lancaster County. The figure below appears in the document and highlights the top twenty indicators based upon the affected population.

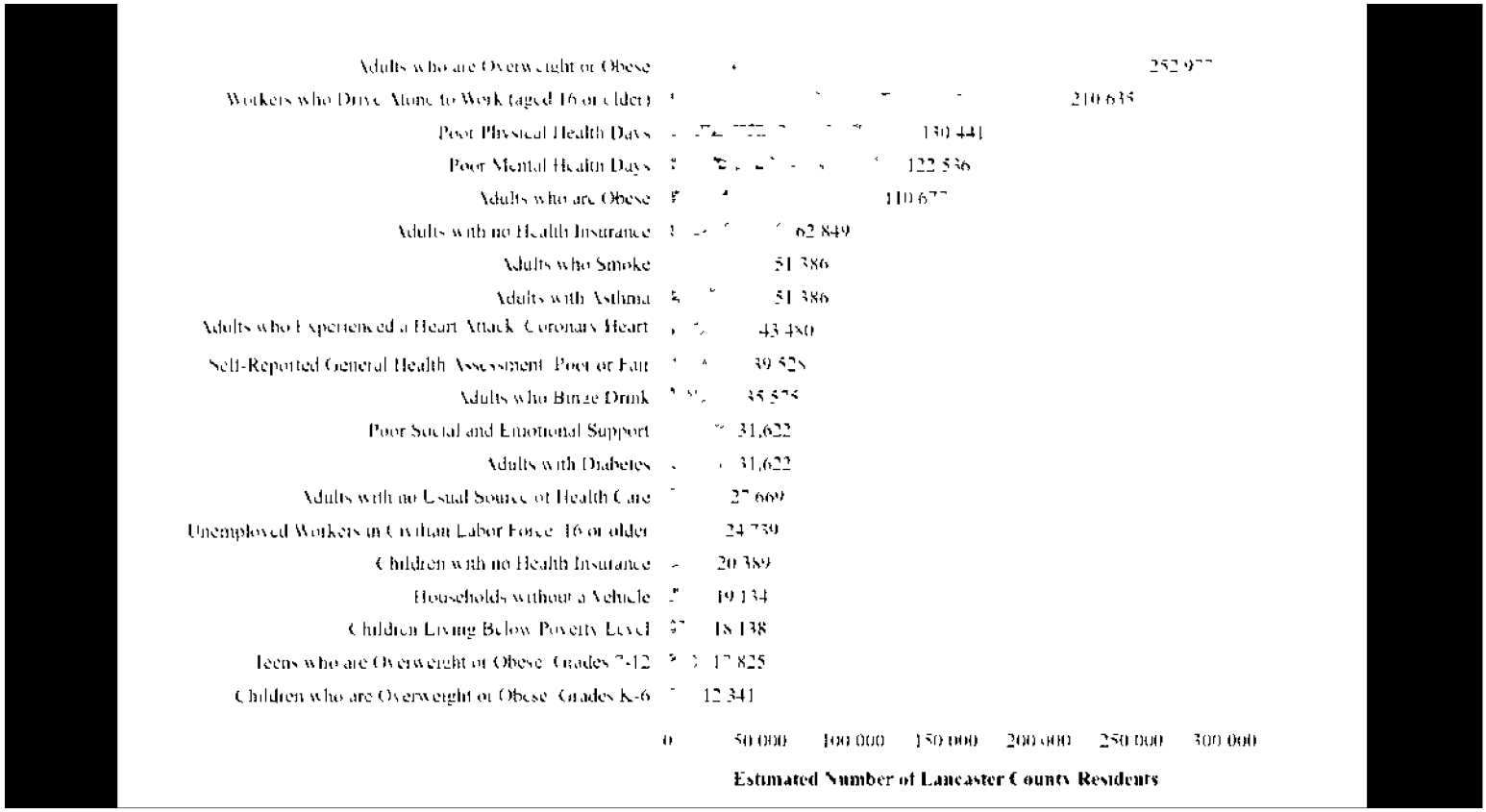


Figure 1 Estimated County Residents Affected by Specific Indicators

Impact

All indicators within the needs assessment have some impact, either direct or indirect, on the health status of the community. Particular attention was paid in selecting indicators that had a direct relationship to the root causes of chronic diseases. Many chronic diseases share the same or similar risk factors. By focusing on the root causes there is a potential for having a greater impact on the health of the community. Impact is expressed not only from a health status view, but financial implications were also noted. The financial impact for patients with chronic disease in terms of hospital re-admissions, hospital lengths of stay and overall utilization of the health care system is substantial. Likewise, the implications for the business community in terms of employee absenteeism, reduced productivity and health insurance utilization are well documented.

Influence of Health Interventions

It was imperative that selected priority areas must be ones that are subject to change. These identified needs should be able to be positively influenced by health interventions or health strategies. The selection process included the likelihood to elicit positive health change as well as the ability of the hospital to provide appropriate resources to advance that change.

IDENTIFIED NEEDS:

Upon an extensive review, the two primary goals of this action plan are:
1. To promote tobacco use cessation.
2. To promote a decrease in the incidence of obesity/overweight in the community.

PRIMARY APPROACHES TO ADDRESS NEEDS:

There is no one solution to obtain these identified goals. Instead a multidirectional plan needs to be employed to include effective interventions around policies, processes, environments and programs. The objectives of each goal are summarized in four primary approaches:

Programming

Ephrata Community Hospital recognizes that it is important to provide comprehensive, quality-based health and wellness services that are accessible to the community. The Wellness Center of Ephrata Community Hospital offers programs that are specific to tobacco cessation and weight management. The Wellness Center, along with other departments, offer many community health education opportunities.

Leadership

As a health care institution, Ephrata Community Hospital has taken a leadership role in promoting health and preventing disease. Through adopted policies, the hospital has been very progressive with issues such as tobacco use. The hospital strives to be a resource for schools, community organizations and the business community; offering ideas on programming and policies to elicit sustainable healthier environments.

Engagement

Effectively addressing the tobacco and obesity/overweight issue involves employees from many departments across the entire hospital system. The significance of lifestyle behaviors should not be overlooked in treatment plans. How a patient is evaluated, educated and referred including communicating available resources is a key for successful outcomes. Educating employees on addressing these issues in a sensitive yet effective manner is extremely important in eliciting change.

Collaboration

Changing health behavior is a difficult task. The hospital recognizes that although there are many initiatives that it can employ, there is a need to collaborate and work with other coalitions and organizations to address these issues. Fortunately, Lancaster County has a strong history of collaboration. Two specific coalitions exist; the first addresses tobacco use and the other healthy weight management. These coalitions engage representatives from health care systems, schools, businesses, community organizations and the general public. Lancaster County has also been fortunate to be the recipient of a Community Transformation Grant from the Center for Disease Control and Prevention. The managers of the grant have successfully engaged organizations that represent the entire community. The grant focus is to implement policy, systems and environmental changes to address the problems associated with the underlying risk factors associated with chronic disease and to maximize a positive impact on public health.

GOALS & OBJECTIVES:

The goals and objectives that follow were adopted by the Ephrata Community Hospital's Board of Directors and incorporated into the hospital's Strategic Plan. These goals and objectives directly address needs identified through the community health needs assessment.

Goal: Promote Tobacco Use Cessation

Tobacco use remains the number one cause of preventable death in the United States. Although there have been many policies, interventions and programs that have successfully reduced the prevalence of tobacco use, the fact remains that these efforts need to continue and intensify to further impact tobacco-related morbidity and mortality.

More deaths are caused each year by tobacco use than by all deaths from human immunodeficiency virus (HIV), illegal drug use, alcohol use, motor vehicle injuries, suicides, and murders combined.[1] Smokers have a higher risk of hospitalization and longer average length of hospital stay compared to non-smokers. According to the Center for Disease Control the economic burden of tobacco use is more than $96 billion for health care and another $97 billion for lost productivity. [1]

The adult tobacco use rate in Lancaster County, PA is 13%. These figures have trended downward over the past several years. Despite the positive trend, over 51,000 residents of Lancaster County continue to smoke, and many of these individuals are heavy, long-time tobacco users. This population is subject to a greater incidence of chronic disease and is in need of more intensive interventions. Cessation and prevention services offered by local hospitals, as well as the collaborative effort of the Tobacco Free Coalition of Lancaster County, have had an impact on tobacco use in the county. Ephrata Community Hospital's existing programs are based on the U.S. Public Health Service Clinical Practice Guidelines for Treating Tobacco Use and Dependence. The Hospital's tobacco specialist is well versed in the field and was a representative on the team that helped craft the PA Department of Health's Strategic Plan for a Comprehensive Tobacco Control Program in Pennsylvania (2012-2017).

Successfully integrating tobacco use screening, documentation, and cessation referral into the existing health care delivery model is essential in order to reduce tobacco-related disease and the associated expense. In fact, helping those in the community who use tobacco is one of the most important, cost effective health care interventions available.

1 Centers for Disease Control and Prevention Annual Smoking-Attributable Mortality, Years of Potential Life Lost, and Productivity Losses-United States, 2000-2004 Morbidity and Mortality Weekly Report 2008;57(45) 1226-8 [accessed 2012 J Jan 10]

Objectives:

1. Collaborate and participate with the Tobacco-Free Coalition of Lancaster County and assist with their goal of engaging decision makers to impact policy that will reduce tobacco use behavior among residents in Lancaster County. Their initiatives focus on action plans effecting communities, workplaces, schools and health care facilities.

   ** Engage two staff members to actively participate in the functions, events and projects of the Tobacco-Free Coalition.*

2. Demonstrate leadership as a health care facility that supports a tobacco-free environment.
   a. Maintain tobacco-free campuses at all service locations.
   b. Maintain a policy that restricts the hiring of any new employee who uses tobacco products.
   c. Implement and maintain a policy to offer lower health insurance premiums to existing non-tobacco using employees.

   ** Review implemented policies and evaluate impact.*
   ** Promote and share experiences learned with other organizations contemplating implementation.*

3. Enhance comprehensive tobacco-cessation programs for adults and youth.
   a. Provide group cessation classes as a community benefit within accessible locations.
   b. Provide individual cessation counseling as a community benefit.
   c. Provide weekly Nicotine Anonymous support group meetings.
   d. Act as a resource for local employers to assist them with appropriate tobacco policy development and offer them reasonably priced cessation services.
   e. Work with local school districts to provide appropriate programming for students who are in violation of their school tobacco-use policies.

   ** Increase participation in cessation programs by 3% each year.*
   ** Promote the availability of a tobacco-free toolkit and consultation for local businesses and other organizations interested in policy implementation. Evaluate volume of inquiries each year.*
   ** Promote and provide the availability of the American Lung Association's "Alternative to Suspension" program to schools and local District Justices offices as a free resource. Evaluate program utilization during each school year.*

4. Provide health care workers standardized methods of evaluating tobacco use, providing education, and referring patients for treatment.
    a. Assess every inpatient for tobacco-use status, and provide appropriate education and referral.
    b. Promote education to increase the health care provider's delivery of cessation advice, counseling and referral for treatment.

** Evaluate and obtain a benchmark indicating the frequency each inpatient is assessed for smoking status and offered outpatient resources. Establish ongoing achievement goals for assessment and advisement.*
** Build a referral mechanism into the electronic medical record for all primary care physicians within the practices of the Northern Lancaster County Medical Group and measure the impact on the number of referrals generated each year.*
** Establish and implement a training program for all hospital employees to enhance their understanding of treating tobacco use, available resources and the referral process. Evaluate referral growth and referral sources after the onset of the training program.*

Goal: <u>Promote a decrease in the incidence of obesity/overweight in the community.</u>

The adult population in Lancaster County who are overweight or obese is 64%. Of these individuals, 28% are obese. Weight management is not just an issue for adults. Over 30% of students in grades 7th -12th are overweight or obese with 15% actually falling within the obese range. Even younger students struggle with weight issues. Twenty-nine percent of students in grades K-6th are also overweight or obese, with more than half of these students (15%) measuring in the obese category.

The impact that an elevated weight has on an individual's health is well-documented. Heart disease, cancer, stroke, diabetes, hypertension, hyperlipidemia, orthopedic conditions, asthma, and sleep apnea all have risk factors significantly related to bodyweight. With the increased prevalence of children and adolescents who are overweight or obese there is a national trend of patients presenting with the onset of chronic diseases at an earlier age.

Although there are other contributing factors associated with being overweight or obese, the lifestyle factors of inactivity and poor nutritional choices are of paramount concern. How these factors can be influenced with behavior change, policy adjustments and exposure to a healthier environment are all considerations to elicit a sustained, effective strategy.

Objectives:

1. Provide weight management services including nutrition consultations, group classes and children/adolescent individual program.

    ** Evaluate whether a reduction in program fee for the group weight management class will result in greater accessibility and participation.*

2. Provide a comprehensive bariatric surgical program including pre-surgery counseling, education, support group meetings and long-term follow-up.

   ** Increase patient volume in order to achieve Center of Excellence status which will enhance the accessibility and affordability of the program to a broader audience.*

3. Continue to offer a weekly walking club for adults over the age of 55.

   ** Increase new member participation by 5% each year.*

4. Continue establishing exercise goals for all patients participating in the hospital's diabetes self-management education program.

   ** Demonstrate an average 25% increase in exercise compliance for patients from the time of their initial program assessment to their 6 month follow-up assessment.*

5. Educate all health care employees within the Ephrata Community Hospital system and the Northern Lancaster County Medical Group concerning sensitivity addressing weight issues with patients.

   ** Implement a training program for all hospital employees focused on addressing weight issues with patients in a sensitive manner. Further educate them on available resources. Evaluate referral growth and referral sources each year.*

6. Participate in the Wellness Committees of local school districts.

   ** Engage a staff member to actively participate in at least 2 local school wellness committees.*

7. Provide nutrition education and awareness programs for school districts and community organizations.

   ** Promote the hospital speaker's bureau and educate the community on available resources. Evaluate utilization yearly.*

8. Collaborate and participate with the Lighten Up Lancaster County Coalition and support their goal of increasing the number of individuals who are physically active and make healthy food choices. Participate with their awareness campaigns, policy change, education programs, behavior change initiatives and engage in their action plans.

   ** Engage 3 staff members to actively participate in the functions, events and projects of the Lighten Up Lancaster County Coalition and its sub-committees.*

ADDITIONAL AREAS OF IDENTIFIED NEED:

In reviewing the top twenty indicators (Figure 1) many are related to the root causes of chronic diseases that are addressed by our two adopted focus areas. There are other areas that are not addressed by the hospital's action plan. Some indicators go beyond the scope of a community hospital's services and the hospital would lack an effective approach to elicit any meaningful impact. Other indicators are not included in this plan, but are being addressed by other hospital initiatives:

Access to Health Care

Ephrata Community Hospital has focused on community access to health care as part of its mission. The hospital created "ECH Cares," a program designed to assist eligible persons with the costs of health care services. Based on Federal Poverty Guidelines, ECH Cares offers discounted rates from 33% to100% reductions.

The community served by Ephrata Community Hospital also includes one of the largest settlements of Plain Mennonite and Amish families in the United States. The Plain Population does not utilize commercial or governmental payers for healthcare services, and is therefore considered a self-pay population. Ephrata Community Hospital continues to develop services, facilities and payment packages to better serve this demographic segment.

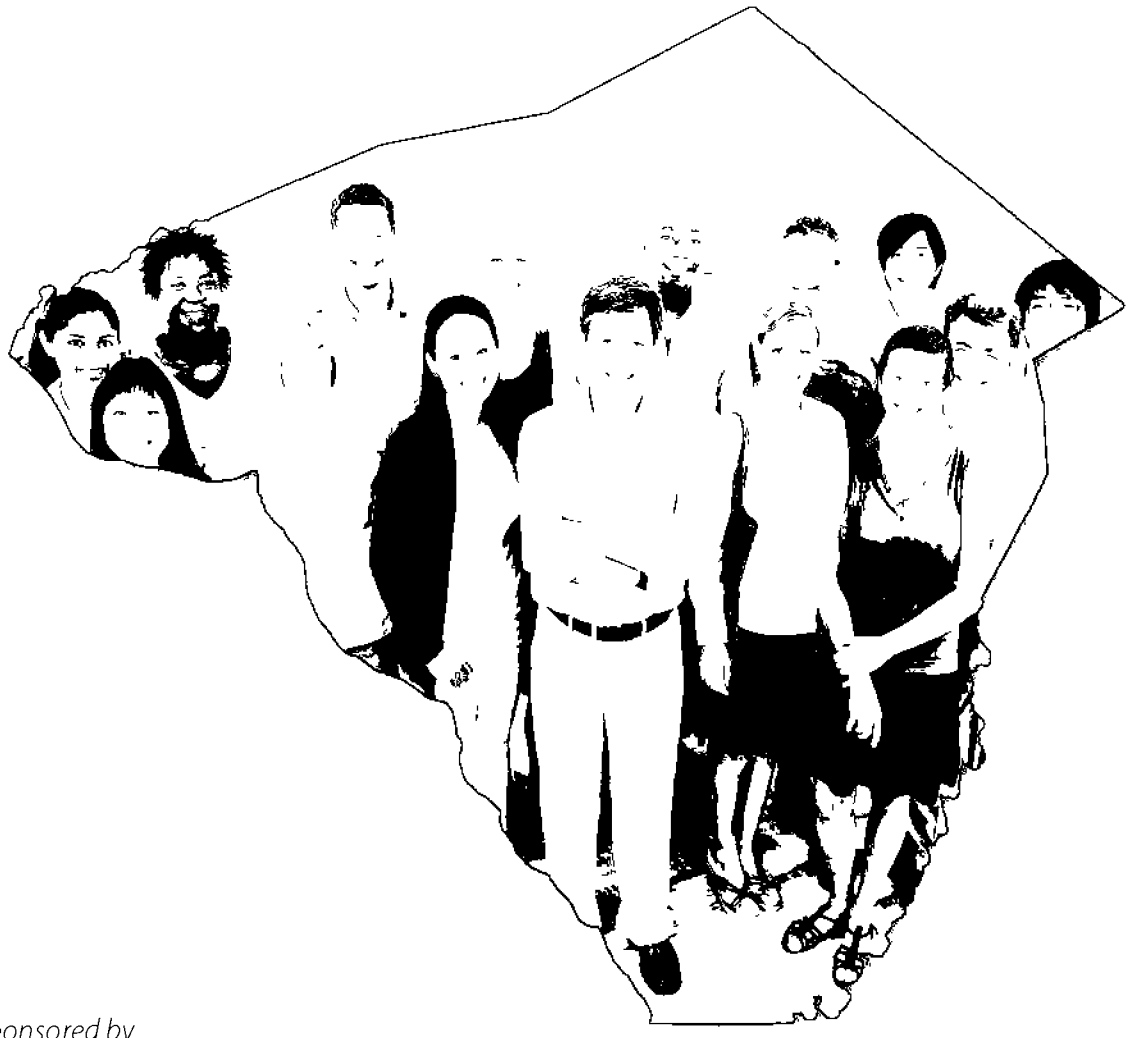
Behavioral Health

Behavioral health issues are a paramount concern throughout Lancaster County. Behavioral Health Services of Ephrata Community Hospital received input from an outside consultant which assisted in the development of the hospital's 2013-2015 strategic plan for that area. Behavioral Health Services is undertaking an interdisciplinary evaluation to assess programs and options, scope of services, accessibility of co-occurring treatment centers for substance abuse and psychiatric patients, and other community needs. The action plan they will employ will focus on improving the quality of care for behavioral health patients.

Lancaster County Community Health Needs Assessment

MAY 2013

Overview of a Community Dashboard for Lancaster County, Pennsylvania



Sponsored by

Lancaster General Hospital
Lancaster General Health

Lancaster Rehabilitation Hospital
Lancaster General Health
in partnership with Centerre Healthcare

Women & Babies Hospital
Lancaster General Health

Ephrata Community Hospital

Lancaster County Community Health Needs Assessment 2012

Abstract

This document provides an overview of findings from a community health needs assessment (CHNA) conducted on behalf of Lancaster General Hospital, Lancaster Rehabilitation Hospital, Women & Babies Hospital and Ephrata Community Hospital. The assessment was conducted for Lancaster County, which is the targeted population for all four hospitals. The assessment uses information from secondary data sources to identify health issues of consequence to the community. Estimates are presented for selected demographic and health indicators, including access to health care, health-related behavioral risks, prevention behaviors, health conditions, and vital statistics related to cancer, communicable disease, maternal health, mental health, mortality, and hospitalizations. Selected economic, education, environment, public safety, and transportation estimates are also presented. The CHNA presents Lancaster County as a community with notable strengths, not the least of which is a strong health care infrastructure and a healthy economy. But weaknesses are also evident. The assessment finds that Lancaster County's physical environment may contribute to poor health and that cancer rates are a bit higher than in other US counties. The assessment also shows that even some indicators that, at first glance, put the county in a favorable position must be considered problems. For example, although the county rate for being obese is comparatively good, there are still far too many obese county residents considering the costs associated with obesity. The same is true for tobacco use, binge drinking, exercise and diet, each of which contributes significantly to chronic disease. Community-level policy interventions are recommended to address these issues.

This overview was written by Berwood Yost, Floyd Institute for Public Policy, Franklin and Marshall College. The Floyd Institute comprises the Center for Opinion Research, the Center for Politics and Public Affairs, and the Local Economy Center. The Center for Opinion Research provides comprehensive survey research services to both the college and outside organizations, including educational institutions, government agencies, the media, private corporations, and nonprofit groups. These capabilities encompass all aspects of survey and market research, including survey design and administration, data collection and analysis, program evaluation, and focus group facility rental and recruiting services.

The Center's expertise covers a wide range of research areas, including healthcare, public policy, education, marketing and advertising, and human behavior. Drawing on a deep knowledge of the various policy areas, they offer informed and thoughtful opinions about what survey results mean, guiding clients as they use the information to answer important questions and make strategic decisions.

Over the years, the Center has established a reputation for outstanding accuracy and reliability and insightful data analysis. They are recognized as a particularly valuable source of information for those involved in public policy, and have become a primary resource for government agencies and media organizations seeking objective information about the major issues facing the Commonwealth of Pennsylvania. They are the home to the nationally recognized Franklin & Marshall College Poll, the oldest Pennsylvania statewide poll exclusively directed and produced in the state[1].

[1] Information about the Floyd Institute for Public Policy was retrieved from Franklin & Marshall College's website and can be found at www.fandm.edu/opinionresearch.

Table of Contents

Introduction

This document provides an overview of findings from a community health needs assessment (CHNA) conducted on behalf of Lancaster General Hospital, Lancaster Rehabilitation Hospital, Women & Babies Hospital and Ephrata Community Hospital. The assessment was conducted for Lancaster County, which is the targeted population for all four hospitals. The assessment uses information from secondary data sources to identify health issues of consequence to the community. Estimates are presented for selected demographic and health indicators, including access to health care, health-related behavioral risks, prevention behaviors, health conditions, and vital statistics related to cancer, communicable disease, maternal health, mental health, mortality, and hospitalizations. Selected economic, education, environment, public safety, and transportation estimates are also presented. Estimates for all indicators are publicly available from the Lancaster County Community Health Needs Assessment web portal, **www.lghealth.org/countyhealthdata** or **www.ephratahospital.org/CommunityHealthNeeds**. The web portal provides technical information about the data sources used as the basis for the estimates and the statistical methods used to identify changes in the estimates compared to previous time periods. It also identifies whether Lancaster County's estimates are better or worse than estimates for other Pennsylvania and/or US counties. All data and statistical analyses presented in this summary were gathered by the Healthy Communities Institute, unless specifically noted. Errors of interpretation or analysis are solely the responsibility of the author.

Overview of Findings

Lancaster County tends to perform better than other counties on health care access indicators. Most adults have a usual source of health care, many have insurance, and the county has ample primary care providers. Health insurance coverage of children is the one indicator where Lancaster tends to perform more poorly than expected, but the trend in the county is for increased coverage of children. The strength of the health care

infrastructure is confirmed by several recent studies that place access and affordability for Lancaster County in the top quartile of all health referral regions in the United States[2] and Pennsylvania.[3]

The county and its residents have fewer negative health behaviors, at least from a comparative standpoint, than residents of other counties. Fewer county residents smoke or drink compared to the state and nation, and rates of obesity are comparable to state and national rates. The Commonwealth Fund report places the county within its top quartile for the potential to lead healthy lives and the 2012 County Health Rankings place Lancaster 7th out of 67 Pennsylvania counties for its citizens' positive health behaviors.

Cancer incidence and cancer and stroke death rates may be the greatest comparative health concern for county residents. The all-cancer incidence rate of 469.6 per 100,000 places Lancaster County in the third quartile of US counties, with specific cancer incidence rates (for breast cancer, cervical cancer, colorectal cancer, and prostate cancer) and cancer death rates (for breast cancer and colorectal cancer) also falling within the third quartile. The age-adjusted death rate for stroke, 43.8 per 100,000, is also in the third quartile. The county meets none of the Healthy People 2020 targets for cancer, heart disease, or stroke death rates. The county trends for these rates are stable, signaling no significant improvement in recent years. The one cancer screening measure included in the CHNA data, colon cancer screening for those over 50 years of age, places Lancaster in the worst quartile of Pennsylvania counties.

The county ranks in the best half of Pennsylvania counties on most maternal, fetal and infant health measures, most prevention and safety measures, and most immunization and infectious disease measures. There are two areas of relative concern within this category of indicators. First, the county has among the highest Chlamydia and gonorrhea incidence rates in the state. Second, it also has one of the lowest early prenatal care rates among the state's counties, well below the Healthy People 2020 target for this indicator.

- The Commonwealth Fund Rising to the Challenge Results from a Scorecard on Local Health System Performance, March 2012
[3] Robert Wood Johnson Foundation County Health Rankings and Roadmaps 2012 County Health Rankings

Lancaster County appears strong economically, but shows some weakness on environmental and social measures. Economic measures place Lancaster County among the best fifty percent of US counties in terms of unemployment rates, incomes, foreclosures, poverty, and educational attainment. However, the county scores among the worst quartile of US counties in terms of its air pollution. Lancaster County also falls below other US counties on food access for its low-income residents. The 2012 county health rankings place Lancaster 64th out of Pennsylvania's 67 counties for its physical environment. This includes measures of air pollution and access to healthy foods, recreational facilities, and fast food restaurants.

Community health needs assessments normally include some discussion of health disparities (i.e., gaps in access, conditions, or behaviors that are larger for some demographic groups than for others). Unfortunately, the data gathered for the community dashboard provides limited information about such disparities because it provides data only by age, race, and gender. This leaves out, for instance, disparity analyses for those living in poverty or with low-incomes – attributes that normally reveal differential outcomes related to health care access, health conditions, and prevention behaviors. The limited data on health disparities provided in the community dashboard is included in Appendix A. Generally speaking, the data show that health care access, health behaviors, and health conditions often have different rates for different age, gender, and racial groups. As such, health priorities and intervention strategies should be created with at least some consideration of the differential effects these characteristics may have on providing better health. However, many partners who assisted in the development of this report represent most of the minority populations (see experts listed in appendix B).

Each of the hospitals will complete a health improvement plan that describes how they intend to address the needs, the reasons those needs were selected, and the strategies by which the hospital plans to address the selected needs. The plans will be posted on each hospital's website and the hospitals will have hard copies available upon request, by July 1, 2013.

Defining Community Health Needs

Conducting a community health needs assessment to identify a community's strengths and weaknesses is appealing because it affirms a community-spirited, can-do attitude that says we can know the problems our communities face and offer solutions that solve them. But which needs should a community address given limited resources? Should it consider those problems where the community performs poorly relative to other communities? Should it consider those problems that affect the most people? Should it consider those problems that adversely affect some groups more than others? Should it consider those problems that contribute most to wasted lives and dollars?

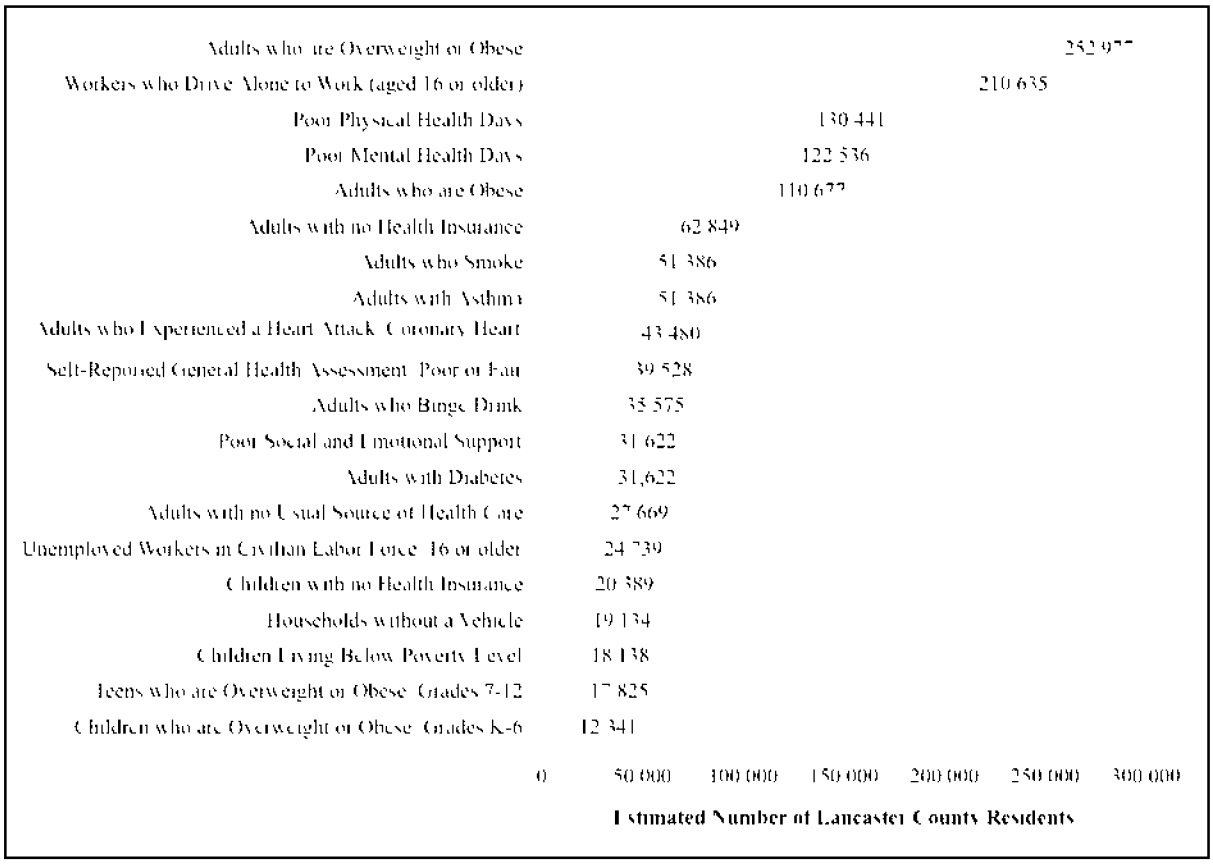
The community health needs assessment was conducted in partnership with Lancaster Health Improvement Partnership (LHIP) and its partner organizations. Experts in the various aspects of public health provided comments and recommendations based on county data and the clients they represent. Appendix B lists the LHIP partners.

The next few paragraphs consider setting priorities based on the number of people affected by these health problems and those preventable health problems that contribute most to years of life lost and wasted dollars. This section does not discuss setting priorities based on relative performance since the preceding data and the analyses that follow in the Selected Highlights and Appendix provide detailed information about Lancaster County's performance relative to other counties.

Residents Affected

Figure 1 presents estimates of the top twenty health-related indicators by number of county residents affected. Using these estimates as a guide to prioritizing county health needs would likely produce a different list of priorities than would an assessment of comparative performance with other counties. Many county residents suffer the consequences of obesity, poor physical and mental health, lack of health insurance, smoking, drinking, and poor social and emotional support, among others, although the county performs comparatively well on all these measures.

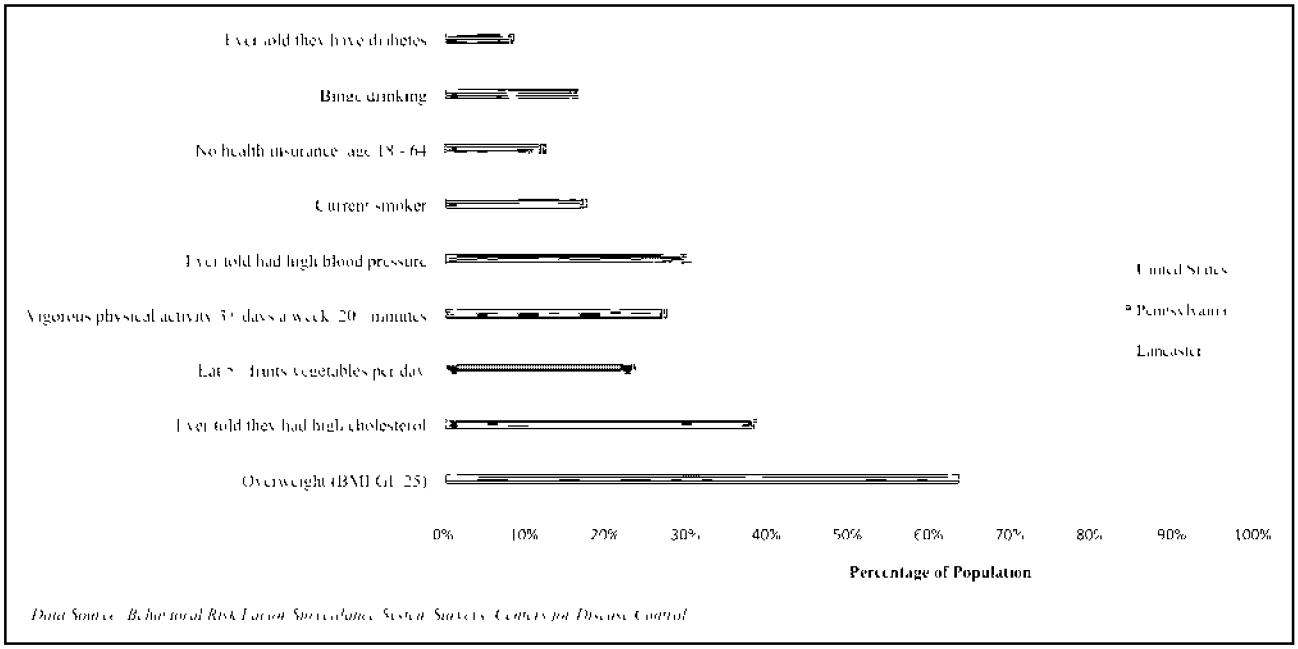
Figure 1. Estimates of Lancaster County Residents Affected by Selected Health Indicators



Health Risks

Chronic, non-communicable diseases such as cardiovascular disease, cancer, chronic respiratory disease, and diabetes pose a tremendous health burden throughout the world and within the Lancaster community. Behaviors such as tobacco use, alcohol use, poor diet and physical inactivity are the primary risk factors for chronic, non-communicable disease and many Lancaster County residents are at-risk for these conditions due to their lifestyle choices.[4] These behaviors have large social and economic costs. The estimated costs of obesity in the United States in 2008 were $147 billion.[5] During 2000 – 2004, the estimated health-related economic costs of smoking were $193 billion.[6] Although fewer Lancaster County residents smoke or drink compared to residents of the state and nation and more have health insurance, the estimates for diabetes, hypertension, high cholesterol, physical activity, nutrition and weight are similar in the aggregate (see Figure 2). Prioritizing based on health risk produces a result similar to that based on the number of people affected and dissimilar to one based on a comparison to other counties. Here again, health conditions and behaviors that are relatively favorable for the Lancaster community still show the possibility of significant long-term risk for the community.

Figure 2. Risk Factors for Chronic Disease: Lancaster Compared to Pennsylvania and the United States



[4] Draft Political Declaration of the High-level Meeting on the prevention and control of non-communicable diseases, United Nations, 7 September 2011

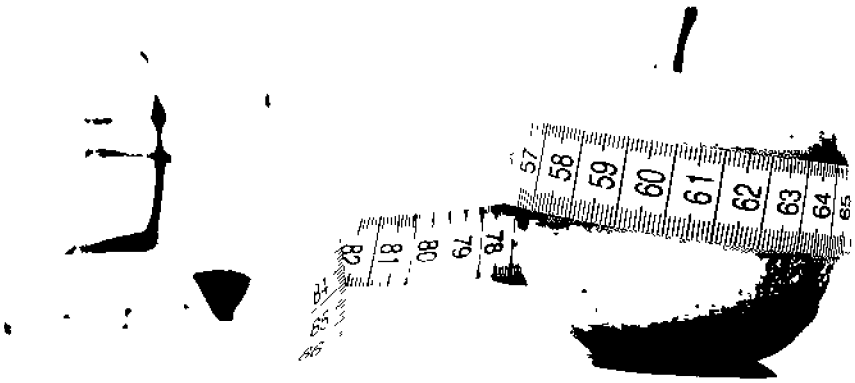
[5] Finkelstein, EA, Trogdon, JG, Cohen, JW, and Dietz, W Annual medical spending attributable to obesity Payer- and service-specific estimates Health Affairs 2009, 28 (5) w822-w831

[6] Centers for Disease Control and Prevention Smoking-Attributable Mortality, Years of Potential Life Lost, and Productivity Losses-United States, 2000 – 2004 Morbidity and Mortality Weekly Report 2008, 57 (45) 1226 – 1228

A Community Approach to Health

The data included in this community health assessment primarily focus on individuals, the incidence and prevalence of specific diseases, conditions, attitudes, and behaviors present within the local community, but such data represent only part of the story. There are multiple influences on community health and multiple barriers to health improvement. Identifying, documenting, and addressing these multiple influences and barriers are as necessary for improving a community's health as is understanding individual-level data. This means that communities must address multiple factors impacting health through policy interventions that emphasize the undeniable interaction between individual characteristics and environmental context influencing health behaviors. For example, efforts to educate people on the importance of exercise will do little to change behaviors if people lack safe, affordable, and accessible places to exercise.

Lancaster County is fortunate to have been awarded a Community Transformation Grant (CTG) from the Centers for Disease Control and Prevention (CDC) that is designed to create community solutions to the problems created by chronic disease and their underlying risk factors. The national goal of the Community Transformation Grant program is to create healthier communities by making healthy living easier and more affordable.



The Lancaster County CTG program is focused on improving weight, nutrition, and physical activity; reducing tobacco use; and providing access to quality clinical preventive services through community-level, policy-based interventions. The Community Transformation Grant provides Lancaster County with support and guidance to engage organizations that represent the entire community, including education, transportation, business, government, and faith-based organizations, to implement policy, systems, and environmental change that should improve health outcomes among all community members.

Selected Highlights

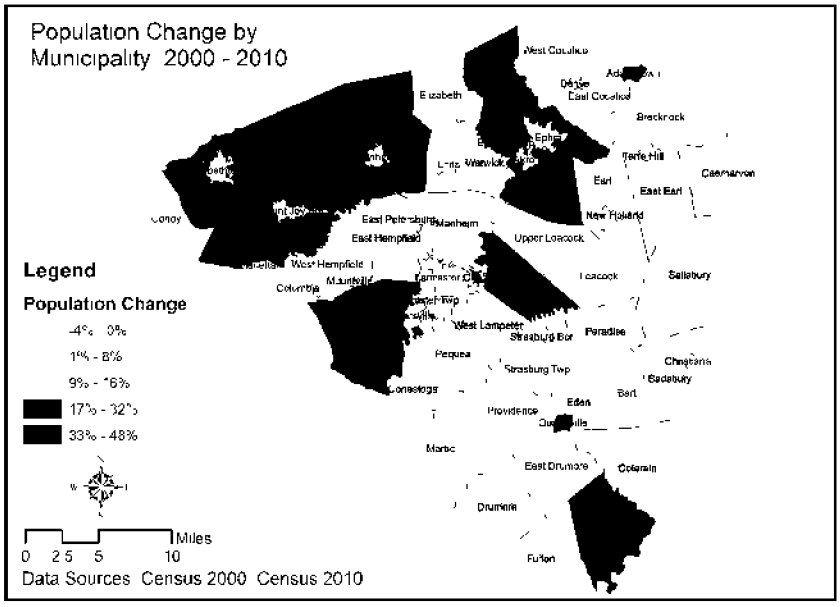
Demographic Change

The data in this section of the report for 2000 – 2010 come from data available through the US Census Bureau unless otherwise noted. Demographic data provided on the CHNA web portal and for 2012 in this summary were provided by Claritas, Inc.

Population Growth

Lancaster County's population is growing faster than the state's population. Between 2000 and 2010 Lancaster County grew by 10%, increasing from 470,658 to 519,445 residents. Population growth was three percent (3%) in Pennsylvania and ten percent (10%) for the nation during the same time period. Population growth increases demand for health services and produces a net increase in the number of people with a chronic condition (or engaging in a specific health behavior), for example, even when the proportion of the population living with the condition remains stable. County population growth has helped produce a more educated and diverse community. Still, the proportion of adults with a college education (23%) is below the national rate (39% in 2010) and nearly nine in ten (88%) residents are white.

Figure 3. Lancaster County Population Growth 2000 – 2010



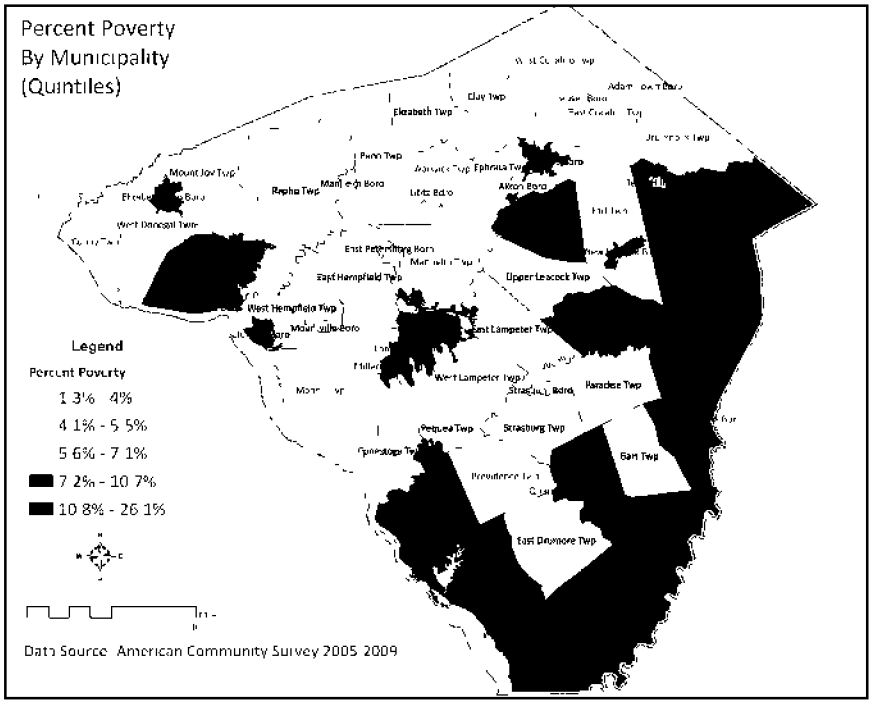
Age

The population in Lancaster County is slightly older in 2012 than it was in 2000. The median age for Lancaster County increased from 36.1 years in 2000 to 37.8 years in 2012. Children younger than 18 years of age are a larger share of the population in 2012 (34%) than in 2000 (27%) while the proportion of residents 65 years of age or older increased slightly from 14% to 14.6%. An older population generally means increased demand for health care services and increasing prevalence of chronic conditions.

Poverty

Counties with higher poverty rates tend to have poor access to health care, lower rates of preventive care, higher rates of avoidable hospital admissions and poorer health outcomes in general.[7] The poverty rate in Lancaster County increased from 6.5% of individuals in 2000 to 9.7% of individuals in 2010, a 49% increase. Pockets of poverty cluster throughout the county and affect both urban and rural communities (Figure 4).

Figure 4. Poverty Rates in Lancaster County by Municipality, 2005 – 2009



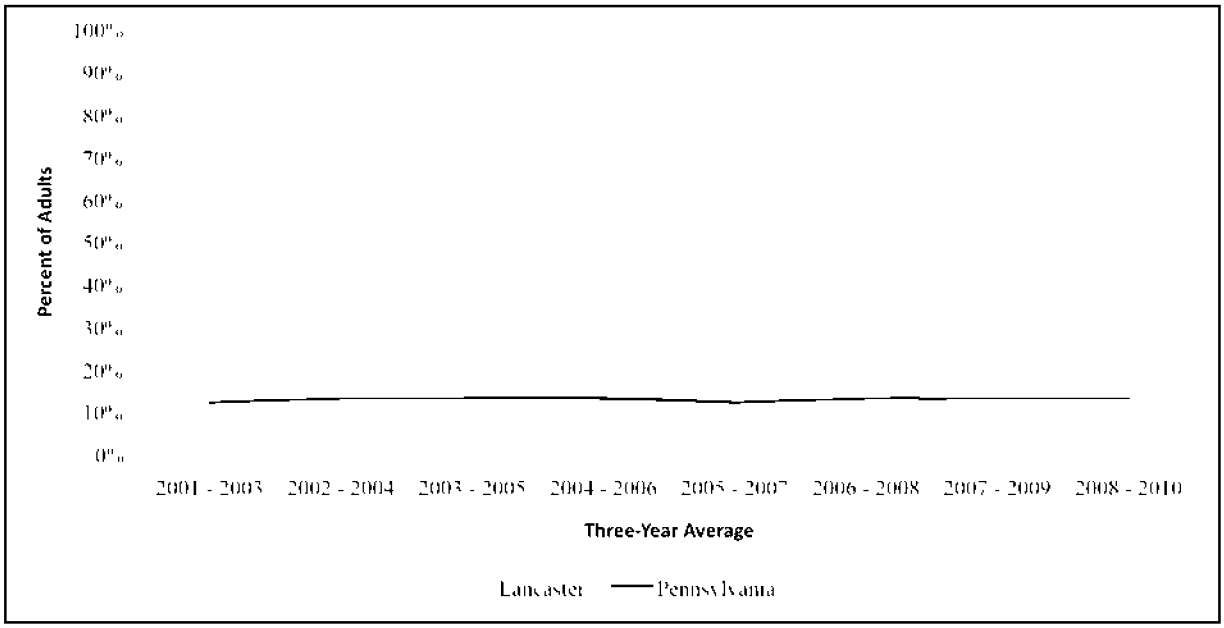
[7] See, for example, The Commonwealth Fund Scorecard on Local Health System Performance, 2012

Health Indicators[8]

Access

Access to health services is generally better in Lancaster County than other US counties. Nine in ten (93%) adults have a usual source of health care and more than four in five (84%) have health insurance (Figure 5). The proportion of children with health insurance in Lancaster County (85%) is much lower than other US counties. The trends for adults with a usual source of care and for children with health insurance have improved compared to previous time periods. Health insurance coverage estimates for both adults and children do not meet Healthy People 2020 goals.

Figure 5. Adults 18 – 64 with No Health Insurance 2001 – 2010, Lancaster County and Pennsylvania



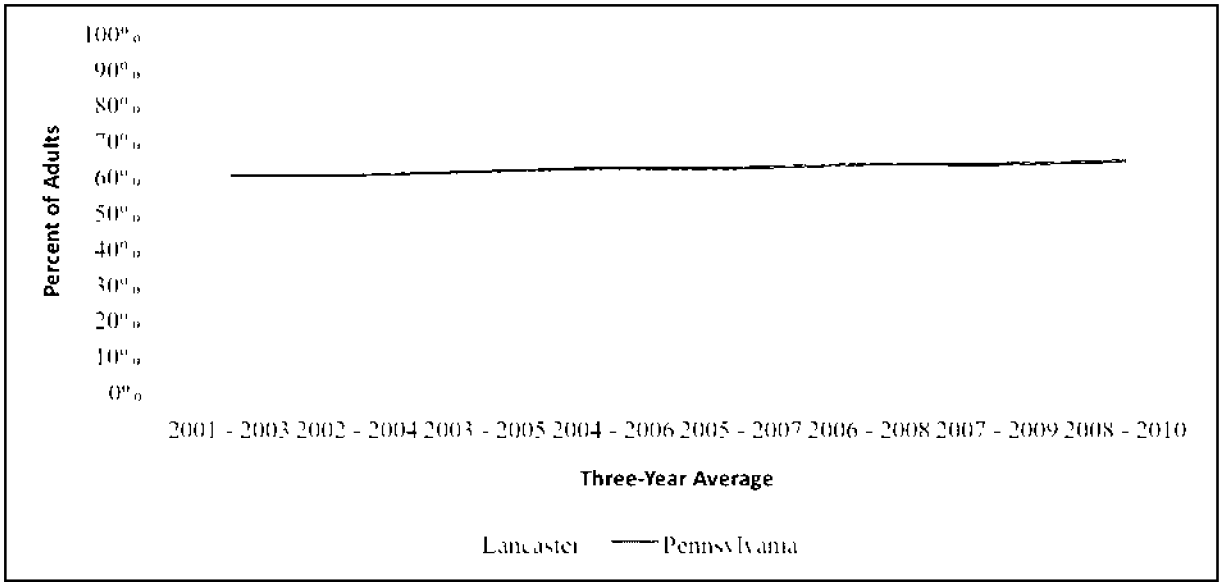
The terminology used to judge the relative performance of Lancaster County compared to other Pennsylvania or United States counties has a specific meaning. If the report states that Lancaster County is better than comparable counties it means that the county scores among the best 50th percentile of comparable counties (which could be a high or low scores, depending on the indicator). If the report states that Lancaster County is worse than comparable counties it means the county scores in the 50th to 75th percentile of comparable counties. If the report states that Lancaster County is much worse than comparable counties it means the county scores in the worst 25th percentile of all comparable counties. Trends are mentioned if they have either improved or worsened compared to the previous time period and comparisons to Healthy People 2020 goals are made where applicable.

Behaviors

Exercise, Nutrition and Weight

Rates of obesity and overweight for Lancaster County adults and children are comparable to other Pennsylvania counties (Figure 6). Nearly two in three (64%) adults and a third of 6 – 11 (29%) and 12 – 19 year olds (30%) are overweight or obese. More children are overweight and obese compared to previous estimates. The county meets the Healthy People 2020 goals for obesity among both children and adults. There are nearly 223,000 adults and 30,000 children who are overweight or obese living in Lancaster County.

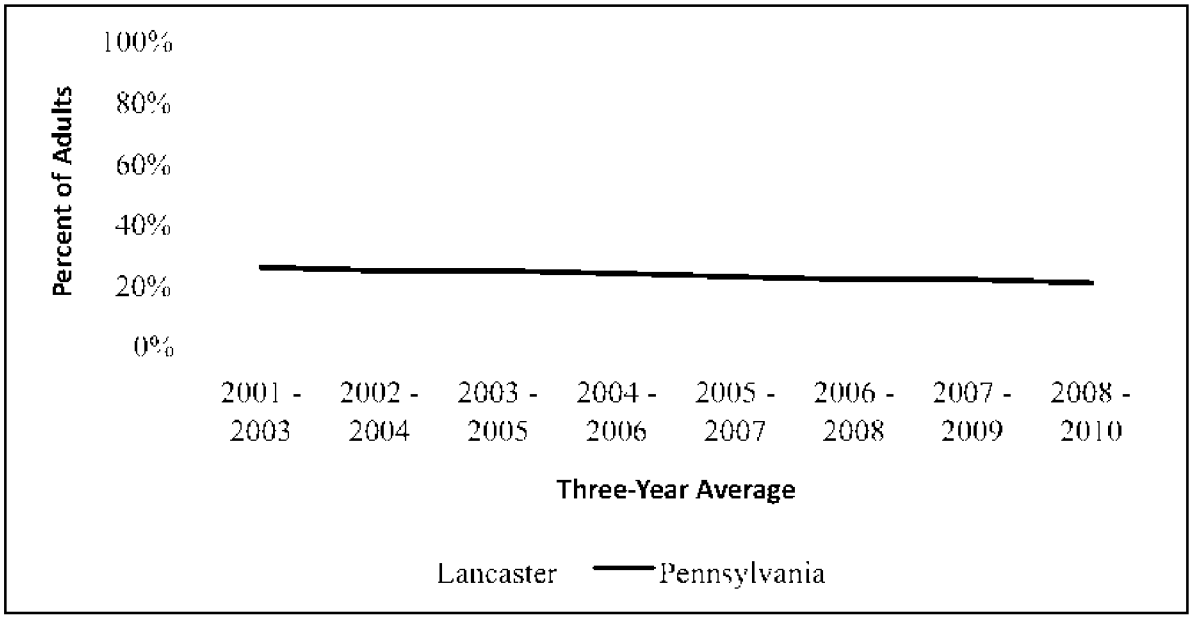
Figure 6. Adults who are Overweight or Obese 2001 – 2010, Lancaster County and Pennsylvania



Substance Abuse

Fewer Lancaster County adults report binge drinking (9%) or smoking (13%) compared to adults in other Pennsylvania counties. The county estimates for binge drinking meet the Healthy People 2020 goal, but smoking rates in the county do not. More than 31,000 adults in Lancaster County report binge drinking and more than 45,000 are daily smokers. Significantly fewer Lancaster County adults were smoking in 2010 than 2001 and the decline in adult smoking has been faster for the county than the state (Figure 7). Lancaster County's age-adjusted death rate due to drug use (9.9 per 100,000) is lower than the rate in other Pennsylvania counties. The death rate due to drug use meets the Healthy People 2020 goal of 11.3 per 100,000.

Figure 7. Adults who Smoke 2001 – 2010, Lancaster County and Pennsylvania



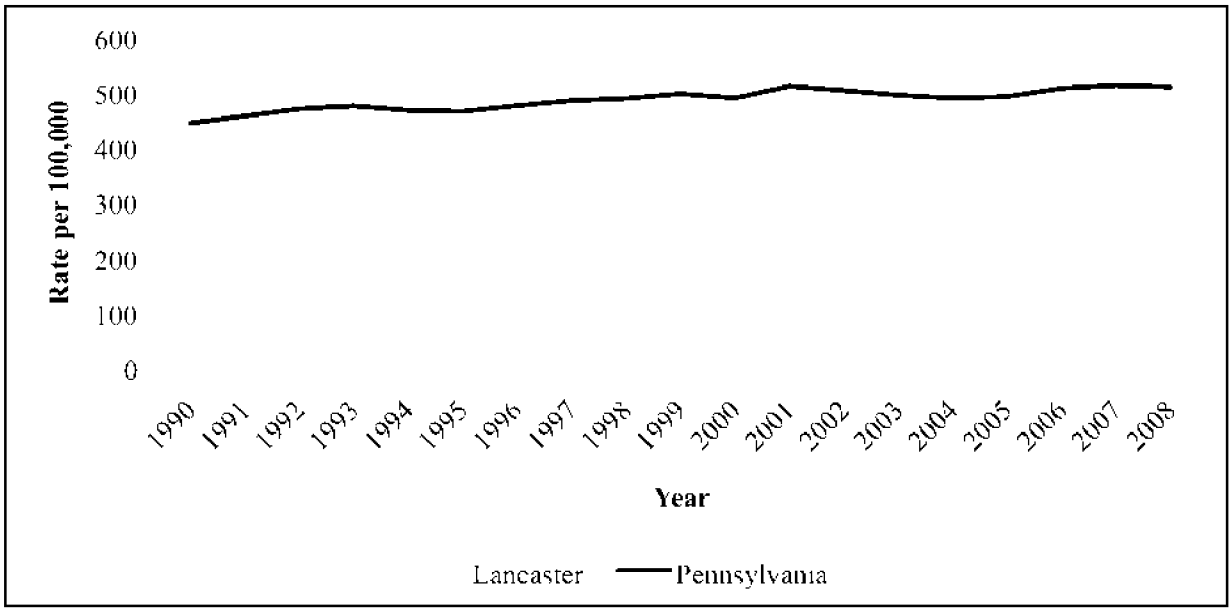
Conditions

Cancer

The incidence rate for all cancers is higher in Lancaster County (469.6 per 100,000) than it is for other US counties, although it is comparable to other Pennsylvania counties (Figure 8). Specific cancers with relatively high incidence rates include breast cancer, cervical cancer, colorectal cancer, and prostate cancer. The age-adjusted death rate due to all cancers in Lancaster County is comparable to other US counties (180.2 per 100,000). Age-adjusted death rates for breast cancer and colorectal cancer are higher than in other US counties. The age-adjusted death rates for all cancers in Lancaster County do not meet Healthy People 2020 goals.

Colon cancer screening rates for Lancaster County residents who are older than 50 (46%) are among the lowest in the state.

Figure 8. Age-Adjusted Cancer Incidence Rates 1990 – 2008, Lancaster County and Pennsylvania



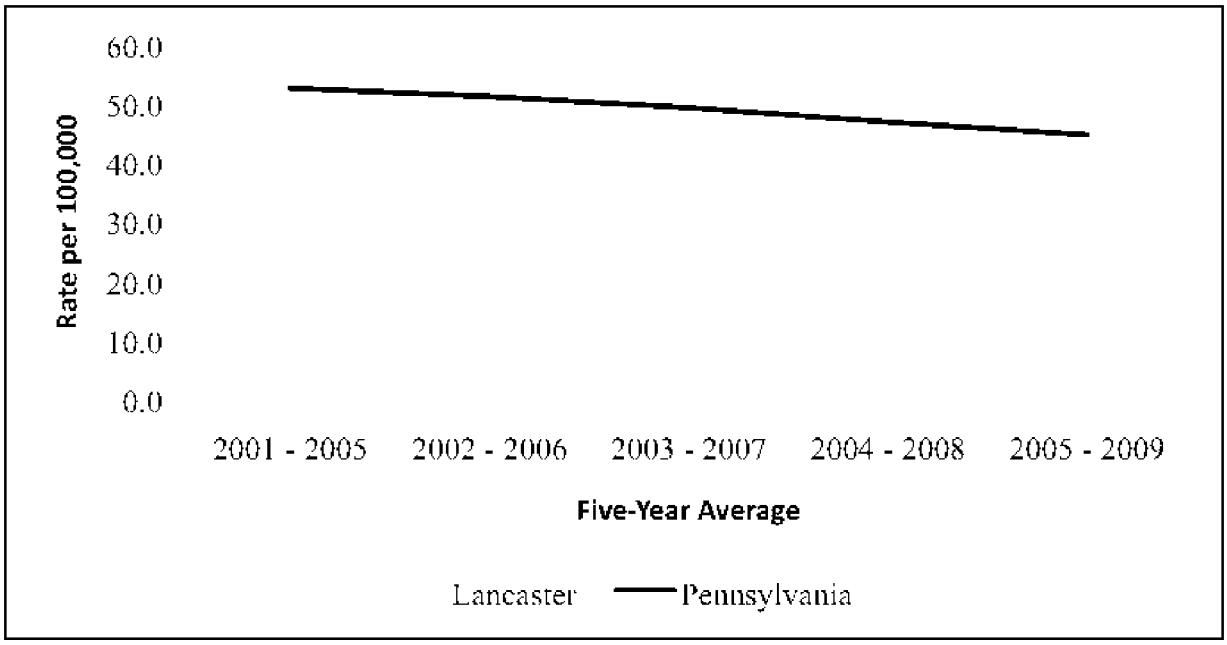
Diabetes

Diabetes rates among children and adults in Lancaster are lower than other Pennsylvania counties. The age-adjusted death rate due to diabetes is also lower than other Pennsylvania counties.

Heart Disease and Stroke

The incidence rate for Lancaster County adults who have experienced a heart attack, coronary heart disease or stroke (11%) is better than other Pennsylvania counties. The age-adjusted death rate due to coronary heart disease is better in Lancaster than other Pennsylvania counties, but the age-adjusted death rate for stroke is worse (Figure 9). Lancaster County death rates for heart disease and stroke do not meet Healthy People 2020 goals.

Figure 9. Stroke Death Rate 2001 – 2009, Lancaster County and Pennsylvania



Mental Health and Mental Disorders

The age-adjusted death rate due to suicide (7.5 per 100,000) is lower in Lancaster County than in other Pennsylvania counties. Pennsylvania meets the Healthy People 2020 goals of 10.2 per 100,000 deaths due to suicide.

Lancaster County adults have fewer poor mental health days and better social support than residents of other Pennsylvania counties.

Respiratory Diseases

Lancaster County has a smaller proportion of adults (13%) and children (7%) with asthma than other Pennsylvania counties. Fewer children have asthma compared to 2007 – 2008.

Vital Statistics

Immunizations and Infectious Diseases

Lancaster County has lower death rates due to HIV (1.5 per 100,000) and influenza and pneumonia (13.4 per 100,000) than other Pennsylvania counties. Lancaster County's HIV death rate meets the Healthy People 2020 goal of 3.3 per 100,000.

Lancaster County has much higher rates of Chlamydia and gonorrhea compared to other Pennsylvania counties. The Chlamydia rate is lower compared to 2008 but the gonorrhea rate is higher.

The pneumonia vaccination rate (75%) and influenza vaccination rate (81%) for Lancaster County adults over 65 years of age are higher than in other Pennsylvania counties. Neither rate meets the Healthy People 2020 target of 90% for pneumonia and influenza vaccination.

Maternal, Fetal and Infant Health

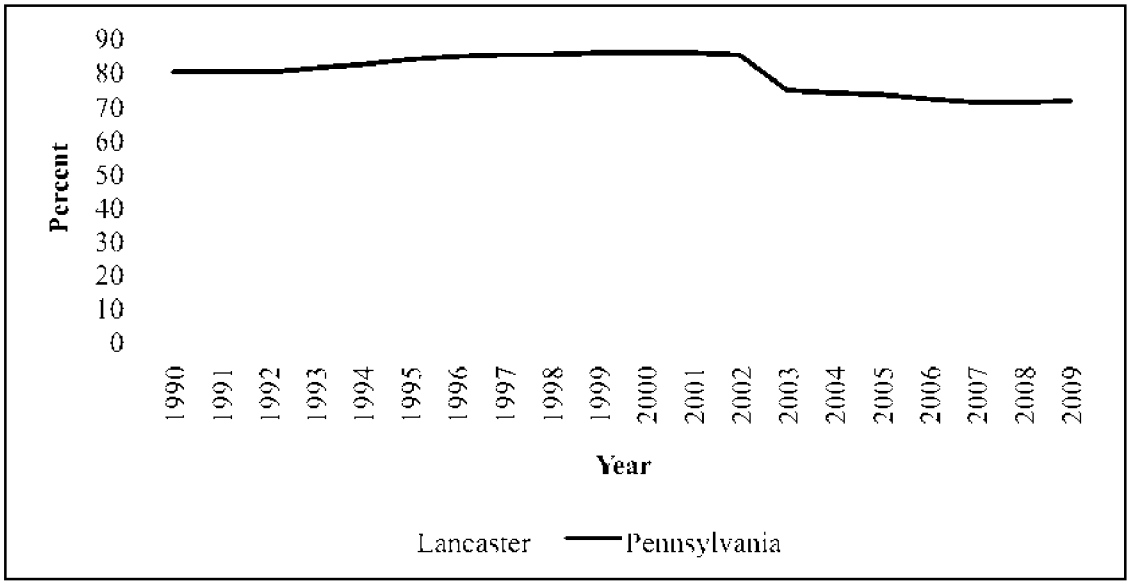
Rates for most maternal, fetal and infant health indicators are better in Lancaster County than in other Pennsylvania counties. The one exception is that fewer mothers in Lancaster County receive early prenatal care (64%) than do mothers in other Pennsylvania counties (Figure 10). The teen birth rate in Lancaster County (12.4 per 1,000 15 – 17 year olds) is lower than other Pennsylvania counties. The teen birth rate declined from 16.7 per 1,000 15 – 17 year olds in 2009.

Lancaster County's rate for low birth weight babies (7%) meets the Healthy People 2020 goal for low birth-weight babies, which is 8%.

Lancaster County does not meet the Healthy People 2020 goals for infant mortality (7.2 per 1,000 live births compared to a target of 6.0 per 1,000 live births).

Lancaster County meets the Healthy People 2020 goal for mothers who breastfeed, but does not meet the goals for early prenatal care or for not smoking during pregnancy.

Figure 10. Prenatal Care in First Trimester 1990 – 2009, Lancaster County and Pennsylvania



Prevention and Safety

Death rates due to falls (7.4 per 100,000), firearms (5.7 per 100,000), and unintentional injuries (37.7 per 100,000) in Lancaster County are lower than in other Pennsylvania counties. The death rate due to firearms meets the Healthy People 2020 goal (9.2 per 100,000), but the death rates due to falls and unintentional injuries do not.

Economy and Environment

Economy

Lancaster County tends to have strong economic indicators. Rates of unemployment (6%), foreclosure (2%), homeownership (67%), and poverty (10%) are better than US other counties. Lancaster County has a higher rate of households with public assistance (2%) compared to other US counties. Compared to residents of other US counties, fewer county residents eligible for public assistance participate in the federal Supplemental Nutrition Assistance Program (SNAP).

Environment

Lancaster County has much higher rates of annual ozone air quality days (5) and annual particle pollution days (4) than other US counties, both indicators of poor air quality. Annual releases of carcinogens and persistent, bio-accumulative, and toxic chemicals (PBTs) in Lancaster County declined compared to 2009.

Public Safety

The violent crime rate (182.1 per 100,000) and child abuse rate (6.9 per 1,000 children under 18) in Lancaster County are below the rates in other Pennsylvania counties. The child abuse rate in Lancaster County has increased since 2009. The child abuse rate in Lancaster County meets the Healthy People 2020 goal of 8.5 per 1,000 children.

Transportation

The proportion of Lancaster County households without a car and more than one mile from a grocery store (4%) is higher than other US counties. The number of SNAP certified stores per 1,000 residents is lower than in other US counties. The proportion of Lancaster County households without a private vehicle is much higher than in other US counties. One in ten Lancaster County households (10%) does not own a private vehicle. The rate of private vehicle ownership is the same as it was in 2000. The number of workers in Lancaster County who walk to work (4%) is higher than other US counties and exceeds the Healthy People 2020 target of 3%. Few workers in Lancaster County use public transportation (1%) for their commute which is well below the Healthy People 2020 target of 6%.

Conclusion and Recommendations

The Community Health Needs Assessment presents Lancaster County as a community with notable strengths, not the least of which is a strong health care infrastructure and a healthy economy. However, weaknesses are also evident. This assessment finds that Lancaster County's physical environment may contribute to poor health and that cancer rates are a bit higher than in other US counties. The assessment also shows that even some indicators that, at first glance, put the county in a favorable position must be considered problems. For example, although the county rate for being obese is comparatively good, there are still far too many obese county residents considering the costs associated with obesity. The same is true for tobacco use, binge drinking, exercise and diet, each of which contributes significantly to chronic disease.

Each year, chronic diseases such as heart disease, cancer, and diabetes are responsible for millions of premature deaths among Americans. Tobacco use is the leading cause of premature and preventable death in the United States. Tobacco-free living reduces a person's risk of developing heart disease, various cancers, chronic obstructive pulmonary disease, periodontal disease, asthma and other diseases, and of dying prematurely. Tobacco-free living means avoiding use of all types of tobacco products – such as cigarettes, cigars, smokeless tobacco, pipes and hookahs – and also living free from secondhand smoke exposure.

Physical inactivity is one reason that one in three adults, and one in seven children, is obese. Regular physical activity is one of the most important behaviors people can engage in to improve their health. Physical activity strengthens bones and muscles, reduces stress and depression, and makes it easier to maintain a healthy body weight. Even people who do not lose weight get substantial benefits from regular physical activity, including lower rates of high blood pressure, diabetes, and cancer. Eating healthy can help reduce people's risk for heart disease, high blood pressure, diabetes, osteoporosis, and several types of cancer, as well as help them maintain a healthy body weight.

The Community Health Needs Assessment makes it clear that the Lancaster Community must take substantive and swift action to reduce community risk factors that contribute most to death and disease.

About HCI Provided Data

Healthy Communities Institute (HCI) provides demographic and secondary data on health, health determinants, and quality of life topics. Data is typically presented in comparison to the distribution of counties, state average, national average, or Healthy People 2020 targets. Data is primarily derived from state and national public health sources.

About HCI Provided Data[1]

Healthy Communities Institute (HCI) provides demographic and secondary data on health, health determinants, and quality of life topics. Data is typically presented in comparison to the distribution of counties, state average, national average, or Healthy People 2020 targets. Data is primarily derived from state and national public health sources. HCI also provides a database of promising practices from a variety of sources, including the Centers for Disease Control and Prevention.

Framework for Indicator/Data and Topic Selection[2]

The framework for indicator selection within the Health category is based on the Department of Health and Human Services (DHHS) Healthy People initiative. Healthy People establishes science-based national objectives for improving the health of the nation. The initiative establishes benchmarks every ten years and tracks progress toward these achievable goals. This framework encourages collaboration across sectors and allows communities to track important health and quality of life indicators focusing on general health status, health-related quality of life and well-being, determinants of health and disparities.

The Health subcategories are based on the Healthy People framework, and multiple indicators across the health sub-topics that correspond with Healthy People targets have been chosen (based on data availability, reliability and validity from the source).

[1] Provided by Healthy Communities Institute (www.healthycommunitiesinstitute.com)
[2] Provided by Healthy Communities Institute (www.healthycommunitiesinstitute.com)

Hospital utilization indicators are based on the Agency for Healthcare Research and Quality (AHRQ)'s Prevention Quality Indicators (PQIs), which are a set of definitions for preventable causes of admission. These measures can be used with hospital inpatient discharge data to identify quality of care for "ambulatory care sensitive conditions." These indicators are important for communities to identify where prevention needs to be focused and can help lead to evidence-based community benefit planning. Ambulatory care sensitive conditions are also tracked by Healthy People.

Indicators in the other categories were selected according to national consensus and feedback from a wide set of advisors, public health officials, health departments, and local stakeholders from various sectors in the community. For example, the education indicators are based on the National Center for Health Research and Statistics and United Way of America, and the standards and goals they set forth to help track educational attainment in the U.S. Economic indicators were selected in conjunction with economic development and chamber of commerce input. All of the selected indicators have gone through a vetting process where HCI's advisory board, as well as stakeholders in communities who have implemented HCI systems, provide feedback to refine the core indicators in order to best reflect local priorities.

The indicator selection process evolves over time with changing health priorities, new research models and national benchmarks. HCI continues to incorporate models and standards from nationally recognized institutions such HHS's Healthy People, AHRQ's PQI's, EPA Air Quality standards, National Center for Education Research and Statistics' priorities, United Way, and United States Department of Agriculture's Food Atlas, among many others.

These sources include, but are not limited to, the following:

- AIRNow
- American Community Survey
- American Lung Association
- Annie E. Casey Foundation
- County Health Rankings
- National Cancer Institute
- National Center for Education Statistics
- Pennsylvania Behavioral Risk Factor Surveillance System
- Pennsylvania Department of Education

- Pennsylvania Department of Health, Bureau of Community Health Systems, Division of School Health
- Pennsylvania Department of Health, Bureau of Health Statistics and Research
- Pennsylvania Uniform Crime Reporting System
- U.S. Bureau of Labor Statistics
- U.S Department of Agriculture- Food Environment Atlas
- U.S. Department of Housing and Urban Development
- U.S. Environmental Protection Agency

HCI also provides a database of promising practices from a variety of sources, including the Centers for Disease Control and Prevention.

All of the HCI content is presented in a public web platform that also serves as a publishing tool for components of the Community Health Needs Assessment.

Appendix A Data Tables: Performance, Trends, and Goals

Table A-1 Health Care Access: Estimates, Comparisons, Trends and Goals

	Performance (%, rate, or value)	Trend (previous value)	Healthy People 2020
Access to Health Services			
Adults with a Usual Source of Health Care			
Adults with Health Insurance*	85%		
Children (0 - 17 years of age) with Health Insurance*			
Primary Care Provider Rate (per 100,000 people)*			

Green shading in the performance column means Lancaster County rates are in the top 50 percent of comparison counties for the estimate, yellow shading means the county rates in the 51st to 75th percentile, red shading means the county rates are in the lowest quartile, no color means that no comparison data is available

Green shading for the trend column means the Lancaster County rates have moved in a favorable direction compared to the most recent prior estimate; red shading means the county has moved in an unfavorable direction compared to the most recent prior estimate, blue shading means there has been no change, no color means there is no previous data available

Green shading for the Healthy People 2020 column means that Lancaster County has met the goal, red shading means the county has not met the goal, no shading means there is no goal for the estimate

All comparisons are to Pennsylvania counties unless noted An asterisk (*) means the comparison is to US counties

Table A-2 Health Behaviors: Estimates, Comparisons, Trends and Goals

	Comparison (%, rate, or value)	Trend (previous value)	Healthy People 2020
Exercise, Nutrition, & Weight			
Adults who are Obese		27%	
Adults who are Overweight or Obese		62%	
Children who are Obese· Grades K-6			
Children who are Overweight or Obese· Grades K-6			
Teens who are Obese· Grades 7-12			
Teens who are Overweight or Obese· Grades 7-12			
Substance Abuse			
Adults who Binge Drink		11%	
Adults who Smoke		15%	
Age-Adjusted Death Rate due to Drug Use (per 100,000)		8.7	

Green shading in the performance column means Lancaster County rates are in the top 50 percent of comparison counties for the estimate, yellow shading means the county rates in the 51st to 75th percentile, red shading means the county rates are in the lowest quartile, no color means that no comparison data is available

Green shading for the trend column means the Lancaster County rates have moved in a favorable direction compared to the most recent prior estimate; red shading means the county has moved in an unfavorable direction compared to the most recent prior estimate, blue shading means there has been no change, no color means there is no previous data available

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Table A-3 Health Conditions: Estimates, Comparisons, Trends and Goals

	Comparison (%, rate, or value)	Trend (previous value)	Healthy People 2020
Cancer			
Age-Adjusted Death Rate (per 100,000 females) due to Breast Cancer*	24 3	24 9	
Age-Adjusted Death Rate (per 100,000) due to Cancer*		181 1	
Age-Adjusted Death Rate (per 100,000) due to Colorectal Cancer*	18 5	19 3	
Age-Adjusted Death Rate (per 100,000) due to Lung Cancer*		46 7	
Age-Adjusted Death Rate (per 100,000 males) due to Prostate Cancer*		21 3	
All Cancer Incidence Rate (per 100,000)*	469.6	473 5	
Breast Cancer Incidence Rate (per 100,000 females)*	118 8	118 1	
Cervical Cancer Incidence Rate (per 100,000 females)*	8.5	8 9	
Colon Cancer Screening (50 years of age and older)			
Colorectal Cancer Incidence Rate (per 100,000)*	51.0	53.0	
Lung and Bronchus Cancer Incidence Rate (per 100,000)*		57 5	
Oral Cavity and Pharynx Cancer Incidence Rate (per 100,000)*		8 5	
Prostate Cancer Incidence Rate (per 100,000 males)*	150 9	154 9	
Diabetes			
Adults with Diabetes		6%	
Age-Adjusted Death Rate (per 100,000) due to Diabetes			
Children with Type 1 Diabetes		0 31%	
Children with Type 2 Diabetes		0 03%	
Heart Disease & Stroke			
Adults who Experienced a Heart Attack, Coronary Heart Disease, or a Stroke		10%	
Age-Adjusted Death Rate (per 100,000) due to Cerebrovascular Disease (Stroke)	43 8	43 5	
Age-Adjusted Death Rate (pe 100,000) due to Coronary Heart Disease		108 7	
Mental Health & Mental Disorders			
Age-Adjusted Death Rate (per 100,000) due to Suicide		8 5	
Poor Mental Health Days		30%	
Poor Social and Emotional Support		6%	
Respiratory Diseases			
Adults with Asthma		14%	
Children with Asthma			

Green shading in the performance column means Lancaster County rates are in the top 50 percent of comparison counties for the estimate, yellow shading means the county rates in the 51st to 75th percentile, red shading means the county rates are in the lowest quartile, no color means that no comparison data is available

Green shading for the trend column means the Lancaster County rates have moved in a favorable direction compared to the most recent prior estimate; red shading means the county has moved in an unfavorable direction compared to the most recent prior estimate, blue shading means there has been no change, no color means there is no previous data available

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Table A-4 Vital Statistics: Estimates, Comparisons, Trends and Goals

	Comparison (%, rate, or value)	Trend (previous value)	Healthy People 2020
Family Planning			
Teen Birth Rate (per 1,000 ages 15 - 17)			
Food Safety			
Salmonella Incidence Rate (per 100,000)		12 7	
Immunizations & Infectious Diseases			
Age-Adjusted Death Rate (per 100,000) due to HIV		1 6	
Age-Adjusted Death Rate (per 100,000) due to Influenza and Pneumonia		14 1	
Chlamydia Incidence Rate (per 100,000)			
Gonorrhea Incidence Rate (pe 100,000)			
Influenza Vaccination Rate 65+		77%	
Lyme Disease Incidence Rate (per 100,000)		13.3	
Pneumonia Vaccination Rate 65+		73%	
Maternal, Fetal & Infant Health			
Babies with Low Birth Weight (per 1,000 live births)		6%	
Babies with Very Low Birth Weight Singleton Births (per 1,000 live births)		1%	
Infant Mortality Rate (per 1,000 live births)		6 4	
Mothers who Breastfeed		80%	
Mothers who did not Smoke During Pregnancy		87%	
Mothers who Received Early Prenatal Care		65%	
Mothers who Received No Prenatal Care		0 3%	
Preterm Singleton Births (per 1,000 live births)		7%	
Prevention & Safety			
Age-Adjusted Death Rate (per 100,000) due to Falls		6 3	
Age-Adjusted Death Rate (per 100,000) due to Firearms		6.1	
Age-Adjusted Death Rate (per 100,000) due to Unintentional Injuries		37 8	

Green shading in the performance column means Lancaster County rates are in the top 50 percent of comparison counties for the estimate, yellow shading means the county rates in the 51st to 75th percentile, red shading means the county rates are in the lowest quartile, no color means that no comparison data is available

Green shading for the trend column means the Lancaster County rates have moved in a favorable direction compared to the most recent prior estimate; red shading means the county has moved in an unfavorable direction compared to the most recent prior estimate, blue shading means there has been no change, no color means there is no previous data available

Green shading for the Healthy People 2020 column means that Lancaster County has met the goal, red shading means the county has not met the goal, no shading means there is no goal for the estimate

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Table A-5 Social Context: Estimates, Comparisons, Trends and Goals

	Comparison (%, rate, or value)	Trend (previous value)	Healthy People 2020
Economy			
Unemployed Workers (16 and older) in Civilian Labor Force*		6%	
Households with Public Assistance*	2%	2%	
Foreclosure Rate*			
Homeownership*		68%	
Renters Spending 30% or More of Household Income on Rent*		44%	
Median Household Income (dollars)*		$54,893	
Per Capita Income (dollars)*		$25,813	
Children Living Below Poverty Level*		12%	
Families Living Below Poverty Level*		6%	
Low-Income Persons (less than 200% of poverty) who are SNAP Participants*	29%	30%	
People 65+ Living Below Poverty Level*		7%	
People Living 200% Above Poverty Level*		74%	
People Living Below Poverty Level*		9%	
Students Eligible for the Free Lunch Program*		20%	
Young Children (ages 0 - 5) Living Below Poverty Level*		15%	
Education			
School Dropouts		1%	
People 25+ with a Bachelor's Degree or Higher*		23%	
Student-to-Teacher Ratio*	14 5	14 9	
Environment			
Annual Ozone Air Quality (days)*		5	
Annual Particle Pollution (days)*		4	
Daily Ozone Air Quality*			
Daily Particle Pollution*			
Recognized Carcinogens Released into Air (pounds	129,271		
Farmers Market Density (per 1,000 residents)*			
Fast Food Restaurant Density (per 1,000 residents)*		0 59	
Grocery Store Density (per 1,000 residents)*		0 21	
Households without a Car and > 1 Mile from a Grocery Store*	4%		
Low-Income and >1 Mile from a Grocery Store*			
Recreation and Fitness Facilities (per 1,000 residents)*		0 13	
SNAP Certified Stores (per 1,000 residents)*	0 6	0 5	
PBT Released (pounds)	24,601		
Public Safety			
Violent Crime Rate (per 100,000)		165 8	
Age-Adjusted Death Rate (per 100,000) due to Motor Vehicle Collision*		14 7	
Social Environment			
Child Abuse Rate (per 1,000 children)			
Single-Parent Households*		21%	
Transportation			
Mean Travel Time to Work (minutes)*		21 9	
Workers who Drive Alone to Work*		79%	
Workers who Walk to Work*		4%	
Households without a Vehicle*		9%	
Workers Commuting by Public Transportation*		1%	

Green shading in the performance column means Lancaster County rates are in the top 50 percent of comparison counties for the estimate, yellow shading means the county rates in the 51st to 75th percentile, red shading means the county rates are in the lowest quartile, no color means that no comparison data is available

Green shading for the trend column means the Lancaster County rates have moved in a favorable direction compared to the most recent prior estimate; red shading means the county has moved in an unfavorable direction compared to the most recent prior estimate, blue shading means there has been no change, no color means there is no previous data available

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Table A-6 Estimates of Population Effected by Selected Indicators

Indicator	Count	Notes
Adults who are Overweight or Obese	252,977	2012 adults (n=395,276)
Workers who Drive Alone to Work (aged 16 or older)	210,635	16+ workers (n=267,303)
Poor Physical Health Days	130,441	
Poor Mental Health Days	122,536	
Adults who are Obese	110,677	
Adults with no Health Insurance	62,849	
Adults with Asthma	51,386	
Adults who Smoke	51,386	
Adults who Experienced a Heart Attack, Coronary Heart Disease, or a Stroke	43,480	
Self-Reported General Health Assessment Poor or Fair	39,528	
Adults who Binge Drink	35,575	
Adults with Diabetes	31,622	
Poor Social and Emotional Support	31,622	
Adults with no Usual Source of Health Care	27,669	
Unemployed Workers in Civilian Labor Force, 16 or older	24,739	16 and older
Children with no Health Insurance	20,389	0 - 17 years of age
Persons without a Vehicle	19,134	households
Children Living Below Poverty Level	18,138	0 - 17 years of age
Teens who are Overweight or Obese Grades 7-12	17,825	ages 12 - 19
Children who are Overweight or Obese Grades K-6	12,341	ages 6 - 11
Workers who Walk to Work (workers 16 and older)	9,623	16+ workers (n=267,303)
Children with Asthma	8,606	0 - 17 years of age
People 65+ Living Below Poverty Level	5,260	65 and older
Residents using Public Assistance	4,537	households
All Cancer Incidence Rate	1,856	per 100,000
Child Abuse Rate	914	per 1,000 under 18
Chlamydia Incidence Rate	854	per 100,000
Violent Crime Rate	720	per 100,000
Age-Adjusted Death Rate due to Cancer	712	per 100,000
Babies with Low Birth Weight	501	2009 7,258 live births
Age-Adjusted Death Rate due to Coronary Heart Disease	444	per 100,000
Children with Type 1 Diabetes	384	0 - 17 years of age
Teen Birth Rate	290	per 1,000 ages 15 - 17
Gonorrhea Incidence Rate	255	per 100,000
Age-Adjusted Death Rate due to Cerebrovascular Disease (Stroke)	173	per 100,000
Age-Adjusted Death Rate due to Unintentional Injuries	149	per 100,000
Babies with Very Low Birth Weight Singleton Births	73	2009 7,258 live births
Age-Adjusted Death Rate due to Diabetes	61	per 100,000
Age-Adjusted Death Rate due to Influenza and Pneumonia	53	per 100,000
Infant Mortality Rate	52	per 1,000 live births
Age-Adjusted Death Rate due to Motor Vehicle Collisions	45	per 100,000
Children with Type 2 Diabetes	40	0 - 17 years of age
Age-Adjusted Death Rate due to Drug Use	39	per 100,000
Salmonella Incidence Rate	35	per 100,000
Age-Adjusted Death Rate due to Suicide	30	per 100,000
Age-Adjusted Death Rate due to Falls	29	per 100,000
Age-Adjusted Death Rate due to Firearms	23	per 100,000
Lyme Disease Incidence Rate	11	per 100,000
Age-Adjusted Death Rate due to HIV	6	per 100,000

The population base used to estimate the number of county residents effected by an indicator differs depending on the indicator For most estimates, the calculation is based on the total number of adults residing in the county during 2012 (N=395,276) Other bases include workers (the employed workforce aged 16 and older N=405,556), children (ages 0 - 17 N=132,392), teens (ages 15 - 17 N=23,406), children in grades 7 - 12 (N=59,417), children in grades K - 6 (N=42,556), adults over 65 (N=77,356), households (N=197,256), and live births (N=7,258)

Table A-7 Health Disparities: Groups with Lowest Estimated Rates for Selected

	Age	Gender	Race
Access to Health Services			
Adults with a Usual Source of Health Care	18 - 44	male	
Cancer			
Age-Adjusted Death Rate due to Cancer		female	API, Hisp
Age-Adjusted Death Rate due to Colorectal Cancer		female	white
All Cancer Incidence Rate		female	black
Breast Cancer Incidence Rate			black
Colon Cancer Screening		male	
Colorectal Cancer Incidence Rate		female	white
Lung and Bronchus Cancer Incidence Rate		female	white
Oral Cavity and Pharynx Cancer Incidence Rate		female	
Prostate Cancer Incidence Rate			white
Diabetes			
Adults with Diabetes	18 - 44		
Age-Adjusted Death Rate due to Diabetes		female	
Exercise, Nutrition, & Weight			
Adults who are Obese	18 - 44	male	
Food Safety			
Salmonella Incidence Rate	15 - 34	male	
Heart Disease & Stroke			
Adults who Experienced a Heart Attack, Coronary Heart Disease, or a Stroke	18 - 44	female	
Age-Adjusted Death Rate due to Coronary Heart Disease		female	
Age-Adjusted Death Rate due to Cerebrovascular Disease (Stroke)		male	
Immunizations & Infectious Diseases			
Age-Adjusted Death Rate due to Influenza and Pneumonia		female	
Chlamydia Incidence Rate	35 +	male	
Gonorrhea Incidence Rate	35+	male	
Pneumonia Vaccination Rate 65+		male	
Maternal, Fetal & Infant Health			
Babies with Low Birth Weight	30 - 34		white
Mothers who Breastfeed	15 - 17		black
Mothers who did not Smoke During Pregnancy	18 - 19		black
Mothers who Received Early Prenatal Care	15 - 17		black
Mental Health & Mental Disorders			
Poor Mental Health Days	65 +	male	
Poor Social and Emotional Support	45 - 64	female	
Prevention & Safety			
Age-Adjusted Death Rate due to Falls		female	
Age-Adjusted Death Rate due to Unintentional Injuries		female	
Respiratory Diseases			
Adults with Asthma	45 +	male	

Table A-7 Health Disparities: Groups with Lowest Estimated Rates for Selected Indicators

	Age	Gender	Race
Substance Abuse			
Adults who Binge Drink	65 +	female	
Adults who Smoke	65 +	female	
Age-Adjusted Death Rate due to Drug Use		female	
Wellness & Lifestyle			
Poor Physical Health Days	18 - 44	male	
Self-Reported General Health Assessment Poor or Fair	18 - 44	male	
Public Safety			
Age-Adjusted Death Rate due to Motor Vehicle Collisions		female	

Appendix B: Expert Input

Jan Baily, Executive Director, Mental Health America of Lancaster County (Mental Health)
Mental Health America of Lancaster County (MHALC) is part of a nation-wide voluntary organization dedicated to promoting mental health, preventing mental illness and contributing to the quality of life of persons suffering from mental and emotional problems[2]. This organization works with individuals of all ages, races, and socioeconomic statuses to address their mental health needs.

Trisha Banker, Human Resources Program Coordinator, County of Lancaster (County Government)
The County of Lancaster works to improve the health and well-being of all Lancaster County residents.

Scott Martin, County Commissioner, County of Lancaster
The County acts as an agent of the Commonwealth for those functions which are specified by State law. To carry out those functions, three County Commissioners are elected every four years[3]. The County of Lancaster works to improve the health and well-being of all Lancaster County residents.

Steve Batchelor, MS, Director of Wellness Services, Ephrata Community Hospital (Hospital)
Ephrata Community Hospital, a nonprofit hospital in Lancaster County, Pennsylvania, strives to assure community access to quality, compassionate, and cost-effective health care. The hospital's primary service area is northern Lancaster County. The Wellness Center focuses on health and wellness services to reduce chronic disease.

John Porter, President & Chief Executive Officer, Ephrata Community Hospital (Hospital)
Ephrata Community Hospital, a nonprofit hospital in Lancaster County, Pennsylvania, strives to assure community access to quality, compassionate, and cost-effective health care. The hospital's primary service area is northern Lancaster County.

Jeff Blystone, Acting Director, Bureau of Community Health Systems, Pennsylvania Department of Health (Health Department)
The Pennsylvania Department of Health works to improve the health of all residents of Pennsylvania and works to support halt and wellness efforts in Lancaster County.

[2] Mental Health America: www.mhalancaster.org
[3] Lancaster County: www.co.lancaster.pa.us/lanco/cwp/view.asp?a=513&q=518430&lancoNav=|

Susan Sines, RN BSN MSN (c) Community Health Nurse, Pennsylvania Department of Health (Health Department)

The Pennsylvania Department of Health works to improve the health of all residents of Pennsylvania and works to support health and wellness efforts in Lancaster County.

Cynthia Sears, RN BSN, Community Health Nurse, Pennsylvania Department of Health (Health Department)

The Pennsylvania Department of Health works to improve the health of all residents of Pennsylvania and works to support health and wellness efforts in Lancaster County.

Ken Culton, RN, Community Health Nurse HIV/AIDS/STD, Pennsylvania Department of Health (Health Department)

The Pennsylvania Department of Health works to improve the health of all residents of Pennsylvania and works to support health and wellness efforts in Lancaster County, specifically Sexually Transmitted Diseases.

Steve Fuhs, Southeast District Executive Director, Pennsylvania Department of Health (Health Department)

The Pennsylvania Department of Health works to improve the health of all residents of Pennsylvania and works to support health and wellness efforts in Lancaster County.

Zoe Bracci, Marketing and Education Coordinator, Albright Life (Elderly)

Albright Care Services is a faith-based non-profit corporation serving Pennsylvania's entire Susquehanna Valley. Albright Care Services provides services to Lancaster through the new LIFE (Living Independently for Elders) Centers. LIFE is Pennsylvania's version of the nationally recognized Program of All-Inclusive Care for the Elderly (PACE)[4]. Albright Life focuses on the health and well-being of the elderly population in Lancaster County.

[4] Albright Life www.albrightcare.org/page.asp?tid=78&name=About-Albright

Eboni Bryant, MS MBA, Lancaster County Community Transformation Grant Manager (Public Health)
The Centers for Disease Control and Prevention (CDC) continues its long-standing dedication to improving the health and wellness of all Americans through the Community Transformation Grant (CTG) Program. CTG supports state and local government agencies, tribes and territories, nonprofit organizations, and communities across the country[5]. The Lancaster County Community Transformation Grant works to reduce chronic disease in Lancaster County among all residents, especially those of low income and the despaired populations.

Jacqueline Burch, MSW LSW, Executive Director, Lancaster County Office of Aging (Elderly)
The Lancaster County Office of Aging works with the elderly population in Lancaster County.

Gail Dennis, Grants Program Manager, Lancaster General Health (Hospital)
The Grants Department at Lancaster General Health works with community organizations to write and secure grant funding for health and wellness initiatives in Lancaster County.

Alice Yoder, RN MSN, Director of Community Health, Lancaster General Health (Health-System)
Lancaster General Health, a non-profit health system in Lancaster County, Pennsylvania, strives to improve the health and wellness of all Lancaster County residents. The wellness center works to serve low-income, despaired populations, to reduce chronic disease in Lancaster County.

Jan Bergen, President of LG Health Network, Lancaster General Health (Health System)
Lancaster General Health, a non-profit health system in Lancaster County, Pennsylvania, strives to improve the health and wellness of all Lancaster County residents. The wellness center works to serve low-income, despaired populations, to reduce chronic disease in Lancaster County.

[5] Centers for Disease Control and Prevention Community Transformation Grant www.cdc.gov/communitytransformation

Susan C. Eckert, Project Manager, Partnership for Public Health (Public Health)
The Partnership for Public Health in Lancaster County exists to find unique local solutions to the public health challenges the county faces. In the face of increasing threats of disease outbreaks, municipalities struggling to resolve sewer challenges, and decreasing resources from State departments to provide services in our county, the Partnership is committed to a public/private partnership that reduces fragmentation and improves the health of residents. The Partnership relies on the engagement of diverse organizations that provide the underlying support needed to ensureits success[6]. The Partnership for Public Health works to improve the health of the despaired populations in Lancaster County.

Colleen Elmer, BSW MSW MBA, Executive Director, Water Street Health Services (Homelessness)
Water Street Health Services focuses on one segment of this population: the working poor or homeless. These individuals and families often make less than $150 per week and cannot afford the co-payments at other safety net providers. Water Street Health Services is the only free clinic in Lancaster City where residents living in poverty with an income too high to receive public health insurance and yet not enough to buy private health insurance find relief from pain for their medical or dental crisis[7]. Water Street Health Services works with the despaired, low-income individuals in Lancaster County, especially those living in Lancaster City.

Miora Gaul, MPH, Director of Lancaster City Services, Susquehanna Valley Pregnancy Services (Pregnancy Services)
Susquehanna Valley Pregnancy Services exists to share the gospel of Jesus Christ and uphold the sanctity of human life through sexual integrity education, unplanned pregnancy intervention, and post-abortion restoration[8]. Susquehanna Valley Pregnancy services works especially with women.

Vicki Gillmore, RN PhD NHA, Executive Director, Masonic Village at Elizabethtown (Elderly)
Masonic Village at Elizabethtown is more than a continuing care retirement community. In addition to serving more than 1,700 individuals, they also operate a children's home and numerous other community services. On-campus amenities and activities include lifelong learning programs, a wellness center, an art studio/club, the Grey Lions of Elizabethtown (a Penn State Alumni Interest Group), religious programs and services, and a travel club. While their villages are built upon and strengthened by Masonic values, their communities are committed to serving Masons and non-Masons alike. Regardless of an individual's financial situation, there is an affordable option for most individuals[9]. Masonic Villages works with the wellness of their residents, who are mostly elderly.

[6] Partnership for Public Health www.partnershipforpublichealth.org/partnership.html
[7] Water Street Health Services www.wsm.org/healthservices
[8] Susquehanna Valley Pregnancy Services www.svps.org/AboutUs.aspx
[9] Masonic Villages www.masonicvillagespa.org/elizabethtown

Stacy Schroder, M.Ed CEASI, Wellness Director, Masonic Village at Elizabethtown (Elderly)
Masonic Village at Elizabethtown is more than a continuing care retirement community. In addition to serving more than 1,700 individuals, they also operate a children's home and numerous other community services. On-campus amenities and activities include lifelong learning programs, a wellness center, an art studio/club, the Grey Lions of Elizabethtown (a Penn State Alumni Interest Group), religious programs and services, and a travel club. While their villages are built upon and strengthened by Masonic values, their communities are committed to serving Masons and non-Masons alike. Regardless of an individual's financial situation, there is an affordable option for most individuals[10]. Masonic Villages works with the wellness of their residents, who are mostly elderly.

Esther Good, River of Life Health Center (Faith Based- Low Income)
River of Life Health Center provides primary healthcare services, with dignity and respect, to underserved, uninsured and underinsured residents of regions within Pennsylvania with the help of qualified health volunteers and staff, and has the vision to empower local churches in other communities to do the same[11]. River of Life Health Center works to provide care to the despaired populations in Lancaster County, including those who are of low-income, under and uninsured.

Phil Goropoulos, MNM Certificate of LGBT Health, President/CEO, Alder Health Services (HIV)
Alder Health Services is dedicated to improving the health of individuals living with HIV/AIDS, members of the lesbian, gay, bisexual and transgender community and those struggling with addiction in the South Central Pennsylvania region. All HIV-related services are provided at no-cost to the participant. Primary medical care and mental health counseling services are available on a sliding fee scale. While many insurance plans are accepted, insurance is not necessary to access the services of Alder Health[12].

Rick Kastner, Executive Director, Lancaster County Drug & Alcohol Commission (Drug & Alcohol)
The Lancaster County Drug and Alcohol Commission has been serving the community for more than 35 years, fulfilling our mission to provide access to high quality, community-based drug and alcohol prevention/education services for all citizens and treatment services to uninsured and under-insured, low-income citizens in an efficient and cost effective manner in the County of Lancaster, PA[13]. Lancaster County Drug & Alcohol Commission works with individuals struggling with addiction.

[10] Masonic Villages www.masonicvillagespa.org/elizabethtown
[11] River of Life Health Center www.facebook.com/RiverOfLifeHealth#!/RiverOfLifeHealth/info
[12] Alder Health Services www.alderhealth.org/index.php?pID=3
[13] Lancaster County Drug & Alcohol Commission www.co.lancaster.pa.us/lanco/cwp/view.asp?q=379662&lanconav_GID=991

Melody Keim, VP, Programs & Initiatives, Lancaster County Community Foundation (Philanthropy)

The Community Foundation invests in the future of our community. Since 1924 they have been helping people establish permanent funds for the causes they care about and making grant investments to organizations that create a stronger and more vibrant quality of life for all of us. Today they hold nearly $70 million dollars in community assets that help support Lancaster every year. These resources are unique because they mean that this year, and every year, the Community Foundation will invest a portion of this money back into community benefit organizations and the emerging needs of Lancaster County. Their mission is to advance the vitality and well-being of the people of Lancaster County by inspiring generosity and by being responsible stewards of gifts for today and tomorrow and vision is to create extraordinary community through inspired giving for sustainable, meaningful impact. The Community Foundation works to provide funding and resources to organizations that improve the health of Lancaster County residents[14].

Dave Koser, Program Associate, Lancaster County Community Foundation (Philanthropy)

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[14 15] Lancaster County Community Foundation www.lancfound.org/about-us/

Carol Kuntz, Chief Operating Director/COO, Compass Mark (Drug & Alcohol)
Since 1966, Compass Mark has been leading the way in all aspects of substance abuse education, prevention and intervention as the Council on Drug & Alcohol Abuse. Compass Mark continues their commitment to guide individuals and families on a journey toward lives free from substance abuse and full of promise. From those personally struggling with addiction, to those seeking help for others or looking to prevent problems in the first place, Compass Mark has the resources to help direct children, teens and adults on a healthy, successful life path. Compass Mark has customized skill-building programs that can be taken anywhere there is a demand. All programs are designed to help individuals face life's challenges with the strength to make positive decisions that lead to unshakable families, productive workplaces and safe, flourishing communities[16]. Compass Mark works with individuals of all ages living in Lancaster County.

Mary LeVasseur, Chair Person, Tobacco-Free Coalition
Tobacco-Free Coalition of Lancaster County is a group of people united by common concern over tobacco use in Lancaster County, PA. Their mission is to prevent young people from using tobacco, to provide resources for people to quit their tobacco use, and eliminate of tobacco-smoke pollution. The Tobacco-Free Coalition of Lancaster County works with the individuals in Lancaster County impacted by tobacco use.

Janeen Maxwell, MPH CHES, Health & Human Services Consultant, Holleran (Data Analysis)
Holleran's mission is to provide research services to not-for-profit organizations to help them better understand the perceptions and needs of their stakeholders so they can achieve their mission of excellence[17]. Holleran works to improve the health of all Lancaster County residents.

Lisa McCraken, MA, President, Holleran (Data Analysis)
Holleran's mission is to provide research services to not-for-profit organizations to help them better understand the perceptions and needs of their stakeholders so they can achieve their mission of excellence[18]. Holleran works to improve the health of all Lancaster County residents.

Kirk Miller, MS PhD, Professor of Biology, Franklin & Marshall College (Public Health)
Franklin & Marshall College is a private liberal arts college in Lancaster County. Franklin & Marshall works to improve the health of students and to prepare students for a career in public health and medicine.

[16] Compass Mark www.compassmark.org/about_us.html
[17] Holleran www.holleranconsult.com/about-us.php

Berwood Yost, Director, Floyd Institute for Public Policy, Franklin & Marshall College (Data Analysis)

The Floyd Institute for Public Policy and Analysis was created to provide students with an opportunity to apply skills they gain in public policy and research methods courses to significant questions of public policy at the national, state or local levels[19]. The Floyd Institute works to determine health needs of Lancaster County residents.

Linda Aleci, PhD, Coordinator, Local Economy Center, Franklin & Marshall College

The Franklin & Marshall Local Economy Center (LEC) serves the research needs of the Lancaster community and the curricular needs of Franklin & Marshall students. It provides learning opportunities for students interested in studying local economies and supports the economic development work of the community. It is the mission of the Center to offer students opportunities for primary research on the Lancaster economy and to enable the community's diverse constituencies to work together toward effective, inclusive, and sustainable economic-development strategies. Through its activities and publications, the center: Promotes community awareness of economic development matters, enlists students and faculty to meet the research needs of the community's economic development constituencies, and brings the best available thinking and practices to the attention of the community[20].

Jaime G. Quinn, Community Resource Navigator, American Cancer Society (Cancer Prevention)

The American Cancer Society in Lancaster County works to prevent Lancaster County residents from developing cancer, and providing assistance to residents impacted by cancer.

Bonnie Reid, Community Health Liaison, AmeriHealth Mercy Health Plan (Health Plan- Low Income)

AmeriHealth Mercy Health Plan is a Medical Assistance (Medicaid) managed care health plan working to improve the health of those individuals on medical assistance.

Sean Reynolds, MS CFRE, President & CEO, St. Joseph Health Ministries (Faith Based and Children)

St. Joseph Health Ministries was formed in 2000 to continue and build upon the health ministry that was unwavering since the founding of St. Joseph Hospital. For the last 13 years, St. Joseph Health Ministries has been driven by this mission to help those who need help the most – children from economically disadvantaged families whose healthcare needs have not been fulfilled.

[19] The Floyd Institute for Public Policy: www.fandm.edu/the-floyd-institute-for-public-policy-and-analysis
[20] Local Economy Center: www.fandm.edu/lec

Lisa Riffanacht, Executive Director, Project Access Lancaster County (Low-Income)
Project Access Lancaster County (PALCO), a program of the Lancaster County Medical foundation, began in 2007 out of a concern of the local medical community for the uninsured in Lancaster County. PALCO's mission is to provide a coordinated healthcare network of volunteer physicians, other health care providers, hospital services, diagnostic services and pharmaceutical assistance for the low income uninsured residents of Lancaster County. PALCO provides a health care bridge for people who cannot afford health insurance, but who do not qualify for Medical Assistance, Veterans Benefits, or Medicare. In the first four years of operation, PALCO has served over 3,400 participants[21].

Karen Schloer, CEO, Boys & Girls Club of Lancaster (Low-Income Children)
The Boys & Girls Club of Lancaster has been a premier provider of youth services in Lancaster since 1939. The Mission of Boys & Girls Club of Lancaster is to enable all young people, especially those who need them most, to become productive, caring, responsible adults. They provide an environment where members can achieve: positive self-identity, a healthy lifestyle, a strong character, educational success, and social competency[22].

Jim Schmucker, Executive Director, Lancaster County Business Group on Health
Lancaster County Business Group on Health works to improve the health of businesses in Lancaster County.

Kelly Schober, EExecutive Director, Lancaster City & County Medical Society (Health)
The Lancaster City and County Medical Society addresses the issues facing the medical profession today and works to preserve the physician-patient relationship. They work with the healthcare providers to improve the health of the Lancaster County residents they serve.

Beth Koser Schwartz, BSN MSN (c), Facilitator, Lighten Up Lancaster County
Lighten Up Lancaster County is a group of concerned individuals whose members include stay-at-home parents, students, educators, wellness professionals, healthcare providers, local government officials, food service employees, recreation/fitness facilities, non-profits and businesses. Each member brings different experiences and perspectives to the table, but their unifying purpose is to develop, implement, and promote local policies and programs that make being healthy easy. Lighten Up Lancaster County works to improve the health of Lancaster County residents as it relates to being at a healthy weight.

-[1] Project Access Lancaster County www.palcolancaster.org/home.html
-- Boys & Girls Club Lancaster www.bgclanc.org/

Hilda Shirk, PhD MSW, CEO, SouthEast Lancaster Health Services (Low-Income)
Their mission is to provide medical and dental care to all members of our community–moms, dads, children, grandparents, adults, teens, and babies who have no insurance, who have little or no income and those who cannot find affordable healthcare elsewhere. When a fellow Lancastrian is vulnerable and sick, SouthEast Lancaster Health is honored to restore their wellness[23]. SouthEast is a Federally Qualified Health Center (FQHC) focused on serving the underserved in Lancaster County.

Donita Sturgis, BSN MSN, President, Hope Within Ministries (Faith-Based)
Hope Within Ministries, incorporated in 2002, is a Christian, faith-based, non-profit organization. The mission of Hope Within is to demonstrate the love and proclaim the Gospel of Jesus Christ. Through the operation of Hope Within Community Health Center, their first major endeavor, they deliver free primary healthcare services to the medically uninsured of Lancaster and Dauphin Counties in Pennsylvania[24].

Joanne Sullivan, Executive Director, Pennsylvania Immunization Coalition
The Pennsylvania Immunization Coalition (PAIC) is an organization of volunteers consisting of individuals and organizations that have an interest in advancing the mission of timely and effective immunizations for all Pennsylvania residents[25].

Terri Trimble, CEO, Welsh Mountain Health Centers (Low-Income)
Welsh Mountain Health Centers was founded in 1972 and incorporated in 1973 to "provide quality, family-centered health services to all members of the community, especially those who encounter barriers to care". Welsh Mountain Medical & Dental Center is a Federally Qualified Health Center (FQHC) receiving annual support from the United States Department of Health & Human Services[26].

Sandra Valdez, Associate Director, Spanish American Civic Association (SACA)/Nuestra Clinica (Latino Community)
The Spanish American Civic Association (SACA), SACA Development Corporation and SACA Broadcasting Corporation have long been committed to the empowerment of the Latino community through a strenuous process of self-help and self-development and throughout that process, the betterment of the entire Lancaster community. Now more than ever, the Latino community needs to invest in itself and the general community is encouraged to invest in our efforts at community development[27].

[3] SouthEast Lancaster Health Services www.selhs.org/about-us/
[4] Hope Within Ministries www.hopewithin.com/about.htm
[5] Pennsylvania Immunization Coalition www.immunizepa.org/about/mission-vision-goals
[6] Welsh Mountain Health Centers www.welshmountain.com/index.html
[7] Spanish American Civic Association www.sacapa.org/about.html

Allison Weber, Director of Community Relations and Education, Spanish American Civic Association (SACA) (Latino Community)

The Spanish American Civic Association (SACA), SACA Development Corporation and SACA Broadcasting Corporation have long been committed to the empowerment of the Latino community through a strenuous process of self-help and self-development and throughout that process, the betterment of the entire Lancaster community. Now more than ever, the Latino community needs to invest in itself and the general community is encouraged to invest in our efforts at community development[27].

Carlos Graupera, President, Spanish American Civic Association (Latino Community)

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Sharon Wasneuski, Women Infants & Children Director, CAP-WIC (Low-Income)

The WIC Program provides nutritious foods, nutrition education and health screenings to income-eligible pregnant, postpartum and breastfeeding women, and to infants and children up to age five who are at nutritional risk. All program participants receive nutrition education regarding appropriate foods to eat during pregnancy, breastfeeding, infancy and childhood to promote optional growth and development[29]. WIC focuses on the health of women, infants, and children in Lancaster County.

Tamara Worst, HIV Provider Relations Manager, Family Health Council of Central Pennsylvania (HIV)

The Family Health Council of Central Pennsylvania is a private, not-for-profit organization dedicated to improving health, preventing disease, and promoting wellness. Founded in 1973, the Council oversees and supports a diverse, 28-county network of organizations providing a range of vital services and care to thousands of women, men, children and adolescents each year. Services include women's health care, cancer screening and education, nutrition advice and healthy foods, and HIV/AIDS support services[30].

[27] Spanish American Civic Association www.sacapa.org/about.html
[28] Spanish American Civic Association www.sacapa.org/about.html
[29] Women Infants & Children www.bm-cap.org/wic.htm
[30] Family Health Council of Central Pennsylvania www.fhccp.org/about.shtml

Tom Baldrige, President, Lancaster Chamber of Commerce (Employees)
The Lancaster Chamber of Commerce & Industry is a dynamic membership organization rich in history and comprised of nearly 2,400 community-minded businesses totaling to nearly 115,000 employees collectively working to make Lancaster County a great place to live, work and do business. The Chamber boasts an impressive menu of services aimed at helping business leaders and professionals connect, learn and grow, while leveraging the collective power of this group to weigh in on legislative and community issues that affect Lancaster County's business climate and quality of life[31].

Cynthia Burkhart, PhD, Executive Director, Lancaster-Lebanon Intermediate Unit 13 (Schools)
Lancaster-Lebanon Intermediate Unit 13 (IU 13) strives to improve student learning by providing both direct educational services and educational support services for Lancaster and Lebanon counties' 22 school districts, as well as for adult education students, nonpublic schools, and preschoolers and their families[32].

Rev. Lou Butcher, President/CEO, Bright Side Baptist Church (Faith-Based- African American)
The mission of Bright Side Baptist Church is to present the Gospel of Jesus Christ to all; To fulfill religious and educational needs; to allow for the continued spiritual and physical growth of our Church body and to provide outreach programs and services to the community. With the help of God and our brothers and sisters, we shall also endeavor to donate time, energy and necessary funding to carry out the ministries of our Church[33].

Paul Casale, MD, President, Lancaster City & County Medical Society (Health)
The Lancaster City and County Medical Society addresses the issues facing the medical profession today and works to preserve the physician-patient relationship. They work with the healthcare providers to improve the health of the Lancaster County residents they serve.

Al Duncan, Chief Executive Officer, Thomas E Strauss Inc (Employer)
Thomas E Strauss Inc. owns and operates multi restaurant and hotel establishments.

Ralph Goodno, President & CEO, Lancaster County Conservancy
The mission of the Lancaster County Conservancy is to save and steward the ecosystems and landscapes upon which we depend for food, clean water and air, economic and public health, and the restoration of soul and spirit[34]

[31] Lancaster Chamber of Commerce www.lancasterchamber.com/
[32] Lancaster Lebanon Intermediate Unit 13 www.iu13.org/Pages/default.aspx
[33] Bright Side Baptist Church www.brightsidebc.org/
[34] Lancaster Conservancy www.lancasterconservancy.org/vision.htm

Richard Gray, Mayor, City of Lancaster (City Government)

Cheryl Holland-Jones, Executive Director, Crispus Attucks Community Center (African-American, Low-Income)

The mission of Crispus Attucks Community Center is to improve the quality of life for youth and families in Lancaster by providing services that promote community prosperity, physical and mental health, and by offering programs and cultural events which preserve the African American heritage[35].

Patrick Jinks, President, United Way of Lancaster County (Social Service)

United Way of Lancaster County is run by a partnership of dedicated staff and volunteers who work together to make our community a better place to live. Coming from all backgrounds and walks of life, our staff and volunteer leadership are helping to lead Lancaster County to a brighter future[36].

James Machado, FACHE, Administrator, Heart of Lancaster Regional Medical Center (Hospital)

Heart of Lancaster Regional Medical Center, a for-profit hospital in Lancaster County, Pennsylvania, strives to improve the health and wellness of all Lancaster County residents.

Bob Moore, FACHE, Chief Executive Officer, Lancaster Regional Medical Center (Hospital)

Lancaster Regional Medical Center, a for-profit hospital in Lancaster County, Pennsylvania, strives to improve the health and wellness of all Lancaster County residents.

[35] Crispus Attucks Community Center www.cacc-lancaster.org/?page_id=28

[36] United Way of Lancaster County www.uwlanc.org/who-we-are

Appendix C:
Ephrata Community Hospital

Appendix C is authored by representatives from Ephrata Community Hospital.

ABOUT EPHRATA COMMUNITY HOSPITAL:

Ephrata Community Hospital is a non-profit health services organization providing preventative services, primary care, diagnostic services, acute care, and rehabilitation services. The hospital is licensed to accommodate 122 acute care patients and eight Acute Rehabilitation patients.

Ephrata Community Hospital's primary service area is northern Lancaster County and the surrounding communities. Although predominantly suburban, the region served also includes a significant portion of Lancaster County's farming community. Ephrata Community Hospital provides service through a main campus in Ephrata Borough and freestanding outpatient centers in Stevens, Ephrata, New Holland, Leola, Lititz, Rothsville, Brownstown, Adamstown, and Lancaster. Additionally, the hospital operates a freestanding Cancer Center in Ephrata. With new facilities in communities beyond the primary service area, Ephrata Community Hospital services are increasingly utilized by patients from across Lancaster County as well as those living in nearby Berks, Chester and Lebanon Counties.

Independently developed over 65 years ago to serve local needs, Ephrata Community Hospital's primary purpose is to assure community access to health care that is high in quality, compassionate, and cost-effective. In cooperation with a qualified and diversified medical staff, the hospital attends to the personal needs of all patients with courtesy, efficiency, and professionalism. Ephrata Community Hospital is noted for its distinct ability to combine medical technology with the friendly, personalized care the community has come to expect from physicians and Hospital staff alike.

Offering a full range of inpatient and outpatient services, the Hospital strives to meet the needs of its community. Inpatient services include medical/surgical care, critical care, maternity care, pediatric care, and behavioral health care. Outpatient services range from comprehensive diagnostic testing to emergency care facilities, a cancer care center and rehabilitative services. A wellness center provides a range of wellness and health education programs designed to promote healthy lifestyles and disease prevention. Other services available include a women's health services center, a home healthcare program, and medical equipment retail stores.

EVALUATING NEEDS:

Appendix B of this document outlines the expert input received during the community health needs assessment process. Many of those noted sources are members of the Lancaster Health Improvement Partnership, a coalition comprised of over 25 mostly non-profit health & human service organizations. This partnership acts as stakeholders in the needs assessment process and has been instrumental with county-wide needs assessments for a number of years. The group meets regularly throughout the year to discuss the community's most pressing health issues.

A sub-group of the Lancaster Health Improvement Partnership plans the annual Lancaster Health Summit. The health summit is a community forum to educate, share ideas, communicate data and results to key constituents. The summit is a collaborative effort with the Lancaster County Business Group on Health and draws over 300 participants.

Actively participating in these groups and other similar coalitions and collaborative efforts within the county has afforded Ephrata Community Hospital greater insight into the community's health status. This engagement has been beneficial as the hospital undertook the process to evaluate needs.

Ephrata Community Hospital formed an internal committee that included representatives from several departments including Administration, Community Relations, Wellness, Financial Services, Strategic Planning and the Northern Lancaster County Medical Group, a group of physician practices owned by the hospital. The committee was tasked with reviewing the community health needs assessment data, identifying priority areas and selecting which needs to address. Utilizing a priority setting matrix, indicators were weighted based on their prevalence in the community, their impact on health, and their ability to be influenced by a health intervention or strategy. Based on these criteria the two primary goals that will be addressed in the Ephrata Community Hospital's Implementation Plan will be:

1. To promote tobacco use cessation.
2. To promote a decrease in the incidence of obesity/overweight in the community.